

COMPARISON BETWEEN LOGISTICS EXPERTS IN COMMERCIAL AND TRANSPORT COMPANIES

Vaska Pejić

University of Maribor, Faculty of logistics, Slovenia
vaska.pejic@fl.uni-mb.si

Irena Gorenak

University of Maribor, Faculty of logistics, Slovenia
irena.gorenak@fl.uni-mb.si

Sonja Mlaker Kač

University of Maribor, Faculty of logistics, Slovenia
sonja.mlaker-kac@fl.uni-mb.si

Abstract:

First part of the analysis covers the theoretical overview of competencies, the definition of competencies, their components and categorization. Our primary goal of the analysis was comparison between competencies of logistics experts in commercial companies and in transport companies. A comparison was based on the theoretical knowledge and the completed surveys in Slovenian commercial and transport companies. In preparation of the theoretical part we have analysed, studied and compared the existing domestic and international professional literature. In preparation of empirical part of the analysis we have made comparison from the existing questionnaires. Through analysis of the results we found out that logistics experts in commercial companies mainly obtained their skills at their workplace, extra educations mainly from the companies initiatives and that those competencies that are assessed as more important are more frequently used at the workplace. For logistics experts in transport companies we have concluded that they use general and work-specific competencies in their everyday work routine, which together with their knowledge were mostly gained through experience in the workplace.

Keywords: competencies, logistics expert, commercial companies, transport companies.

1. INTRODUCTION

In order to contribute to the area of research, the present paper firstly discusses theoretical approaches to the area of competencies, then we address the meaning of logistics in transport and commercial companies and at the end we define the results and do the interpretation of the comparison in the practical part. To sum up, there is a review of all that has been done in the analysis, the findings and the future plans. Our main goal of the analysis is therefore the comparison between competencies of logistics experts in commercial companies and in transport companies.

These competencies are relatively undefined, because the logistics in Slovenia and abroad is rapidly evolving industry and acquiring importance in the same time. Although the term is in use for quite some time the very concept of logistics as well as different definitions is tremendous, this also applies to the work of a logistics expert. When a student for example completes education on Faculty of Logistics University of Maribor various competencies from the faculty and employers are expected.

So, expected competencies are the following (“Kompetence diplomantov” [Fakulteta za logistiko], n. d.):

- the ability to analyse, synthesize and estimate solutions, make optimal decisions in logistics systems and logistics processes,
- the ability to apply theoretical knowledge to solve practical problems independently,
- development of communication skills,
- ethical reflection,
- the ability to master supply and distribution chains,
- connection of knowledge and adapting of various problems and
- the ability to use contemporary ICT and information management systems in their own professional working area.

In order to see which competencies of a logistics expert are wanted and needed in commercial and transport companies, firstly the basic concept of competencies and their components will be defined.

2. LITERATURE OVERVIEW

One of many definitions of competencies is that they are “a descriptive tool that identifies the skills, knowledge, personal characteristics, and behaviours needed to perform a role effectively in the organization and help the business meet its strategic objectives” (Lucia & Lepsinger, 1999, p. 5).

Traditionally, Hayes (1980) defined competency as generic knowledge, motives, traits, self-image, and skills associated with superior performance in the workplace.

Competency is perceived as the knowledge, skills, ability, and attitudes required to effectively performing roles within an organisation (Richey et al., 2001; Paquette, 2007).

Pinto and Walker (1978) stated that competencies are the specific skills, knowledge, abilities, and other attributes, such as values and attitudes, required for effective performance of activities.

Kohont (2005, p. 33) finds that competencies are a mixture of interrelated skills, knowledge, motivation, self-image and values that an individual knows, wants and is able to successfully use in a given situation.

Competencies have been defined from several perspectives; one factor that is common in the literature is that the purpose of competencies is to improve human performance at work (Hoffman, 1999). Besides, the main definition of competencies we are mainly interested in their classification.

In our analysis we have classified competencies by Kohont (2005, p. 36) which grouped competencies into two groups by level and dimensions. We are particularly interested in competencies divided by levels. These are: key, core or generic competencies and work-specific competencies. The first ones have recently been noticeable mainly in the field of education: multi-functional and trans-disciplinary skills which are useful and effective in different situations and contexts.

The author (Kohont, 2005, p. 37), when speaking about the competencies, relies on the two major European researches: Key Competencies (2002), conducted By Euridyce, and project DeSeCo (2002) in the scope of OECD. According to Euridyce author emphasizes three criteria in determining key competencies. The first criterion indicates that the key competencies should contribute to the prosperity of all members of society. They should be important for all the population, regardless of gender, class, race, culture, family roots or native language. The second criterion indicates that they must be consistent with the ethical economic and cultural values and norms of present society. The third criterion is the context in which they are used. Context of key competencies does not contain certain lifestyles, but only the most ordinary, probable situations and social roles in the lives of members of society. In this study, they have separated the areas of key competencies: communication in mother tongue, communication in foreign language, the use of ICT, numeracy and mathematical skills, methodological, and technical competencies, entrepreneurship, interpersonal and civic competencies, learning to learn and insight of culture.

Work-specific competencies are those competencies that are involved in certain work role, linked to an effective action in it. They are common to members of professional groups in similar positions, so we can see that they are based on similar tasks irrespective of the organization in which work is performed. For example, we can use a baker, whose competency allows him to evaluate when to take the bread from the oven to roast the best. On another job, this competence is unnecessary. Job-specific competencies are not transferable between the functions (within organization) and do not contribute to the success in performing other tasks in the organization (Kohont, 2005, p. 39).

3. LOGISTICS EXPERTS IN TRANSPORT AND COMMERCIAL COMPANIES

Different activities and companies that are engaged in them vary in scope and importance of the logistical tasks which have the logistics activities. In our analysis we focused on the two types of activities or companies, in which logistics plays a significant role to determine the logistics competencies, needed or wanted in those two types of companies. This two are the commercial or trading and transport company.

Cedilnik (Cedilnik & Knez, n. d.) argues that the trade as a business is expected to behave like an operating system. Feature of operating systems is on good reliability, ability to perform many repetitions and good functioning under different conditions. This mode of operation of the trading system is also expected from consumer. It explains that, due to increasing globalization, more and more of the manufacturing is moving to a remote location which precludes the possibility of a direct distribution. Purchases of goods from distant producers are economically justifiable only, if it is carried in large quantities. This also constitutes a reason for building large distribution centres. Retail and logistics are so mutually interdependent.

The role of staff in the stores to establish an effective distribution system is crucial. With respect to agreed rules and procurement schedules it allows logistics timely, quality and accurate supply of stores and lower costs for businesses. Any deviation from stores as well as from logistics leads to supply disruption and resulting in customer dissatisfaction (Cedilnik & Knez, n. d.).

For the transport activity in a modern society we can say that it requires speed, efficiency and reliability. This with its operations as discipline enables logistics. Logistics complements transportation as we know it. Transportation is nowadays so developed that it is simply no longer able to control and manage all activities that have evolved within the system (»Transport v sodobni družbi«, [Transport], n. d.).

Logistics is definitely one of the most important activities. Logistics enables the shortest time of delivery of a product and ensures the safety of a product during transportation. However, logistics is now much more than that. As we already know the transport itself is no more competitive, thus as support business logistics constantly stands on its side. This shows that the modern society is very much aware of that, since it is each year invested huge capital in this activity. It is also heavily invested in education, because the activity is constantly changing and the staff must also follow the changes at all times (»Transport v sodobni družbi«, [Transport], n. d.).

4. METHODOLOGY

This chapter describes methods used for data collection in this research to indicate the wanted or needed competencies as well as analysing the results. First of all an extensive literature review was completed. In preparation of the theoretical part we have analysed, studied and compared the existing domestic and international professional literature. For the empirical part we use empirical data from two diploma theses (Kukovič, 2011; Vrtič, 2011). The comparison was performed from the existing results of both questionnaires carried out in Slovenian commercial and transport companies, which enabled analysis of the results in SPSS for Windows.

Our main goal, and therefore our research question, is: what are the main competencies that are important in logistics field and if there are any differences in competencies in commercial and transport companies.

5. RESULTS AND INTERPRETATION OF THE COMPARISON

In the first part of the analysis we defined the competencies from various views and different authors. In the second – empirical part we will compare the existing questionnaires from both

diploma theses (Kukovič, 2011; Vrtič, 2011). In the questionnaire related to commercial companies 40 respondents participated, but in the ones related to transport companies 49 respondents. In a given analysis we have compared the answers of questionnaires consisting of 61 claims that have been evaluated by the respondents with values from 1 to 5, where 1 meant disagree with the statement and 5 complete agreeing with the statement.

Both questionnaires are almost the same and are divided into three parts. The first two crucial parts contain questions about general and work-specific competencies and the last one some basic questions about demographic and some general information.

5.1. Comparison of the analysis of demographic and general information

In commercial companies 75 % male and 25 % female respondents have responded. Their average age was 39 years, while the youngest respondent was 26 and the oldest 57 years old. In transport companies the first question was about the size of their company. 37 % of the respondents answered that their company belongs to the group of smaller companies (from 0-50 employees), 26.5 % to medium-sized companies with 51–250 employees. In larger companies with above 251 employees no one responded to the survey.

In both questionnaires the respondents were asked about the finished level of education. In commercial and transport companies the finished level of education was the highest within finished secondary education or less (in commercial 67.5 % and in transport companies 50 %) and the smallest in completed university education or more (5 % in commercial and 8.8 % in transport companies). In the following, we were also interested in the course of education. For the both types of companies we found out that the highest 36.8 % in commercial and 38.2 % in transport companies has an education of economics and business direction, technical direction of education in commercial companies has ended 26.3 % and in transport 20.6 % of the respondents, logistical in first type of companies 13.2 % and in second one 20.6 %, other in commercial companies also 13.2 % and in transport 17.6 % and least 10.5 % of organizational direction in commercial and only one, which represents 2.9 % of all the respondents. For commercial companies we were also interested in data about how many years are they employed in current position and if respondents are on leading positions. In commercial companies is the average length of service 16.31 years, whereas they are on the present state workplace on average 7.43 years. The longest length of service is 36 years and the shortest 1 year. The longest length of service on the present workplace is 30 years and the shortest 1 year. For the data about the leading positions 71.8 % answered that they have managerial workplace and 28.2 % do not have it.

The last question of both questionnaires was further education of the respondents. For commercial companies the highest part, 52.5 %, responded that they do not further educate, whereas in transport companies the highest level was of the ones which on its own initiative attend additional training (55.9 %). The latter was in the first type of companies presented with only a few respondents (17.5 %), whereas a larger number was from the ones which on companies' initiative attend additional training (30 %). This was in transport companies presented with only 20.6 %.

5.2. Analysis and interpretation of the results relevant to the competencies

Arguments used to determine the extent to which respondents agree with the statement were too broad to display, so we grouped them into eight joint variables. In the first set of the first

part of the questionnaires are two joint variables: *importance of general competencies* (is self-initiative, is innovative at their work, is able to properly communicate with his superiors, is able to properly communicate with subordinates, knows how to deal with costumers, is exact in their work, is able to take decisions related to their work, is able to take responsibility for their work, is able to share knowledge with others, is able to guide staff (organizational units, departments, teams, ...), is able to react properly in stressful situations, is ready for continuing professional education and training, is able to negotiate with external service providers) and *importance of work-specific competencies* (is able to handle large databases, is able to analyze the existing logistics systems/processes, is able to optimize the existing logistics systems/processes, knows how to use information technology (tools for planning, organizing), is able to prepare cost projections, knows how to use logistics technology (bar code, RFID, ...), is familiar with legal regulations in the field of logistics, capable of managing inventory, can properly act in case of accidents at work, is able to create time-reachable goals, is able to recognize concrete logistical problem, able to propose solutions for concrete logistical problem, is familiar with the conditions of transport, is fluent in at least one foreign language, is committed to professional ethics).

Table 1: Comparison between the importance of general and work-specific competencies in commercial and transport companies

Companies	Joint variables	Mean	Standard deviation
Commercial companies	Importance of general competencies	4.53	0.37
	Importance of work-specific competencies	4.34	0.43
Transport companies	Importance of general competencies	4.63	0.31
	Importance of work-specific competencies	4.35	0.48

In the second set of the first part of the questionnaire (see Table 2) are the following joint variables: *application of general competencies* (the use of previously mentioned competencies, as for example: I am self-initiative) and *application of work-specific competencies* (for example: I am able to handle large databases).

Table 2: Comparison between the application of general or work-specific competencies in commercial and transport companies

Companies	Joint variables	Mean	Standard deviation
Commercial companies	Application of general competencies	4.29	0.42
	Application of work-specific competencies	3.73	0.71
Transport companies	Application of general competencies	4.35	0.40
	Application of work-specific competencies	3.80	0.69

Table 1 and Table 2 show that the respondents rated very high both, the importance of general and work-specific competencies and use to a lesser extent the competencies in the workplace. All this is demonstrated by comparing the importance of joint variables of *work-specific competencies* and the *application of work-specific competencies*. It should be noted that respondents highly rated the importance of these competencies (mean 4.34 and 4.35), while the application rate of work-specific competencies are lower estimated (mean 3.73 and 3.80).

In the second part of the questionnaire the respondents were prompted about where to have acquired the competencies. They were given the following question: “To what extent are certain groups of competencies acquired through education in their profession and how many with experience in the workplace itself?”

For the general competencies were here identified the following characteristics:

- communicating with colleagues and surroundings and
- organizational skills (work planning, managing staff, controlling).

For the work-specific competencies were identified the following characteristics:

- ability to analyze, process data, make predictions,
- search for new solutions and improvements to existing state and
- application of computer tools.

In the first set of a first part of the questionnaire are the following joint variables: *general competencies acquired with education* and *work-specific competencies acquired through education*.

Table 3: Comparison of general and work-specific competencies acquired through education in commercial and transport companies

Companies	Joint variables	Mean	Standard deviation
Commercial companies	General competencies acquired through education	3.43	0.77
	Work-specific competencies acquired through education	3.59	0.70
Transport companies	General competencies acquired through education	3.19	0.81
	Work-specific competencies acquired through education	3.51	0.72

In the second set we used joint variables: *general competencies gained through experience in the workplace* and *work-specific competencies gained through experience in the workplace*.

Table 4: Comparison of general and work-specific competencies gained through experience in the workplace in commercial and transport companies

Companies	Joint variables	Mean	Standard deviation
Commercial companies	General competencies gained through experience in the workplace	4.55	0.56
	Work-specific competencies gained through experience in the workplace	4.43	0.45
Transport companies	General competencies gained through experience in the workplace	4.43	0.47
	Work-specific competencies gained through experience in the workplace	4.44	0.48

From the Table 3 and Table 4 we can see that competencies acquired through experience in the workplace have higher mean values (all the joint variables are assessed above average) than competencies acquired through education. Because of the higher levels of general and

work-specific competencies gained from years of experience in the workplace, the finding is quite simple: most of the respondents gained their competencies with their work and experience in the workplace.

6. CONCLUSIONS

In our analysis we firstly examined the existing national and international professional literature and defined competencies, crucial components (knowledge, skills and personal characteristics), importance and individual types of competencies. Further on we also defined the role of logistics and thus logistics experts in transport and commercial companies.

In the empirical part we compared the existing responses of questionnaires. We defined competencies as expertise, skills and abilities gained whether with education or with experience in the workplace. Our purpose was to find out which competencies are for logistics employees important and which ones they actually use in their workplace. The method used in the analysis was examination, comparison and analysis of the questionnaires. Statistical data analysis of both questionnaires was performed using SPSS for Windows but our comparing analysis was performed in Excel program for Windows.

In our comparison we found out that the basic function of a logistics expert focuses only on parts of processes within the company and that the leaders in companies still do not know the importance, scope and strengths of logistics in a company.

We believe that this analysis represents the basic view of logistics not just in commercial and transport companies, but also in every other company. It is a good concept which presents what is yet to be done in Slovenia on the field logistics as such.

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