



Sectoral Human
Capital Study II

Trade sector

Results of the 2nd edition
of the study

About the study



Study Objective

To increase the knowledge about the current and future demand for skills in the trade sector



Research Dates

2nd edition
19.04.2022 –
15.12.2022

including a quantitative study
13.10.2022 – 15.12.2022



Respondents

Qualitative study

Employers, industry experts, education and HR experts

Quantitative study

Employers and employees in key positions in the trade sector (PKD 46, PKD 47)

Number of
employees:
2 284 000*

Number of
businesses:
191 093**

*Statistics Poland, 02.2023,
wholesale and retail trade

** ZUS, data as of 30.06.2022,
PKD 46 i 47 (wholesale and
retail trade), excluding the self-
employed

The first edition of the survey was implemented in February-August 2021.

Research Methods

Individual interviews: employers, industry experts, HR/ education experts, employees (n=20)

Expert panels (n=25)

Panel discussion with members of the Sector Competence Council (n=8)

Delphi survey (n=40)

Quantitative surveys with employers (n=804) and employees (n=815)

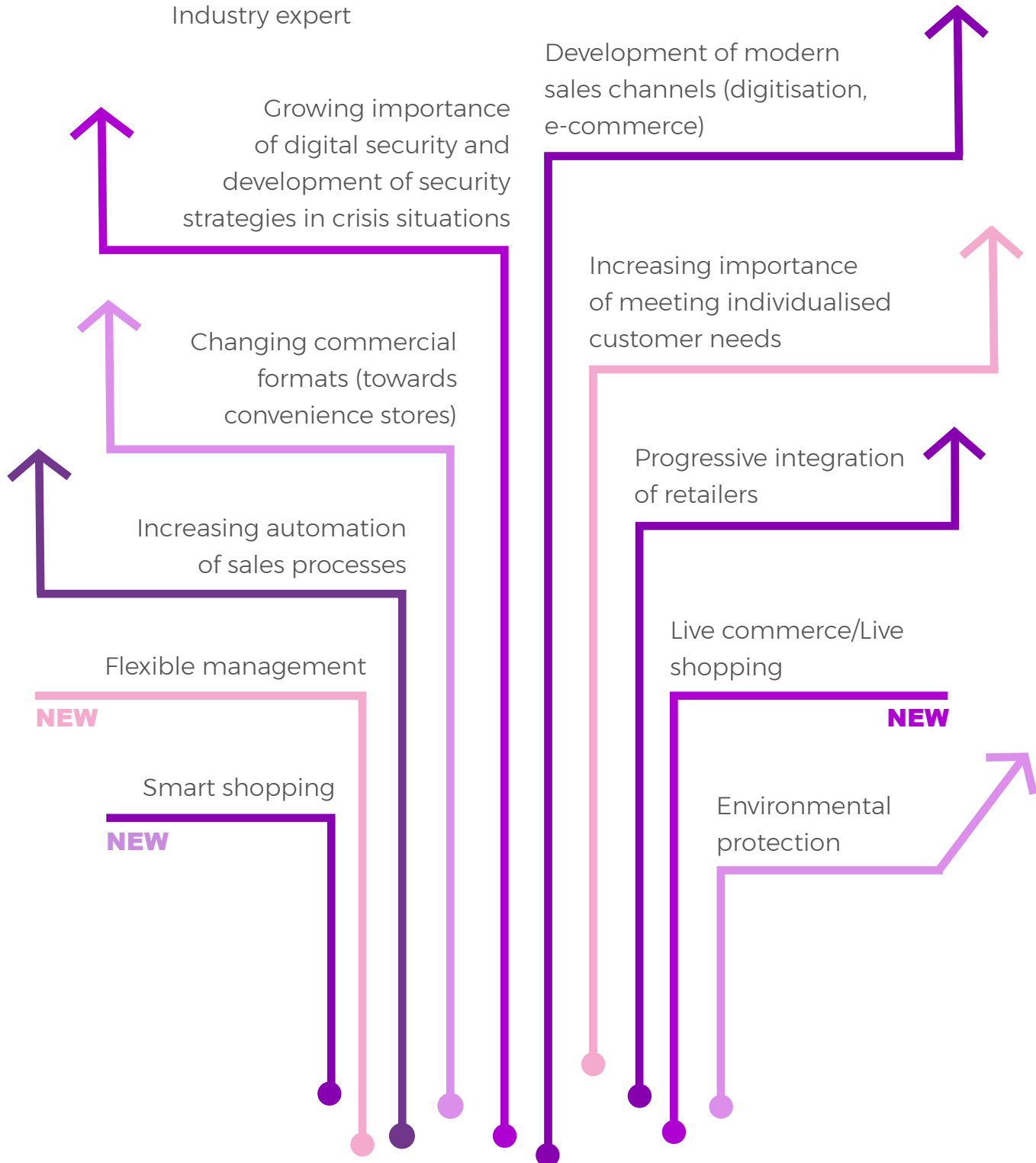
One-on-one consultations with employees, clients, experts (n=51)

Trends in the sector*

“

The uncertainty makes it impossible for us to predict macroeconomic phenomena. We do not know what the GDP growth in Poland will be. Nor is it certain that the labour market will be – as it is today – the employee’s market. It may turn out that the unemployment rate will increase.

Industry expert

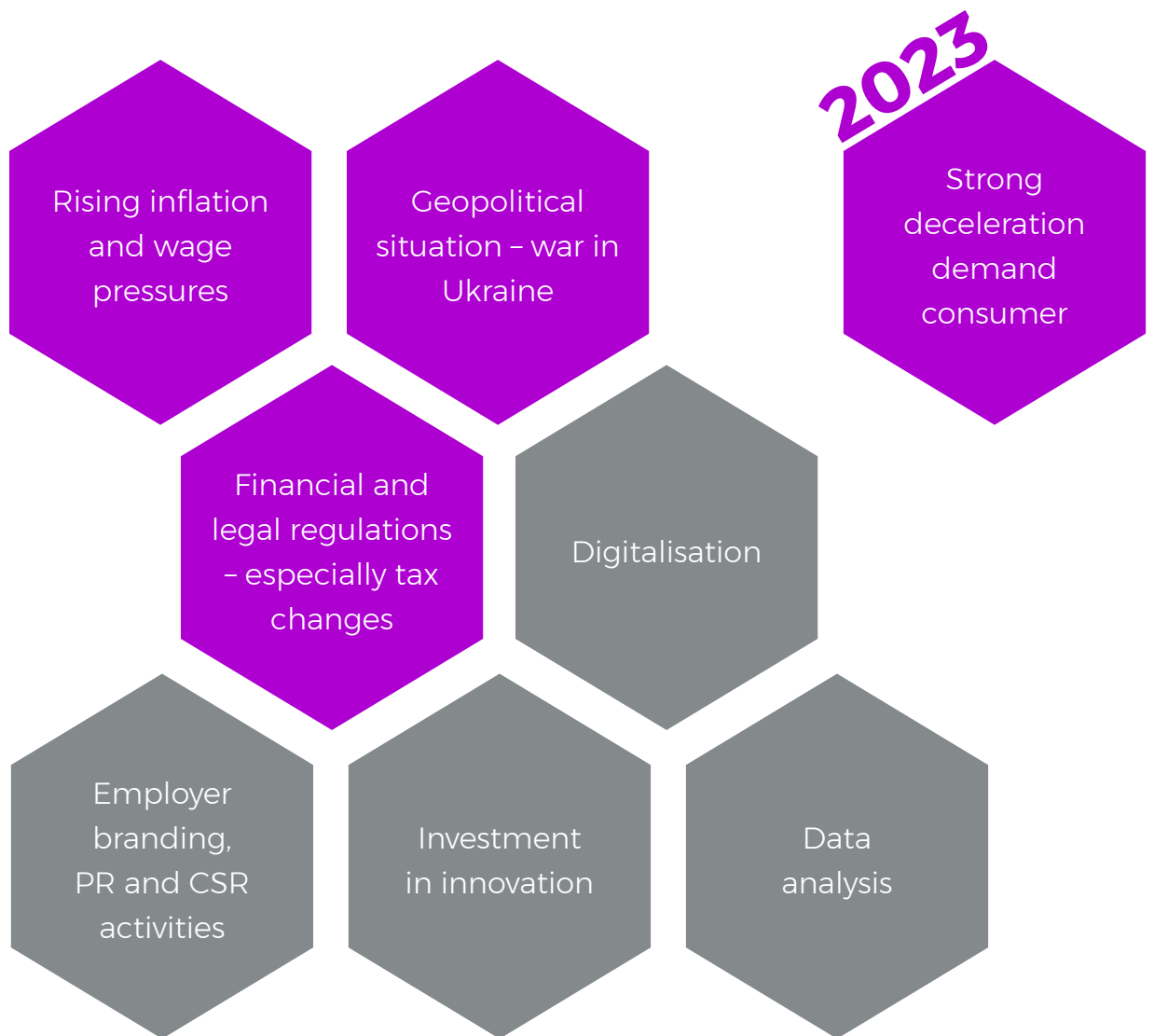


* The arrows next to each trend indicate the potential escalation of the change compared to the 1st edition.



Key drivers for the trade sector in 2022

Uncertainty is related to, among other things, the geopolitical situation and macroeconomic factors such as inflation or financial and legal developments (in the purple diagram).

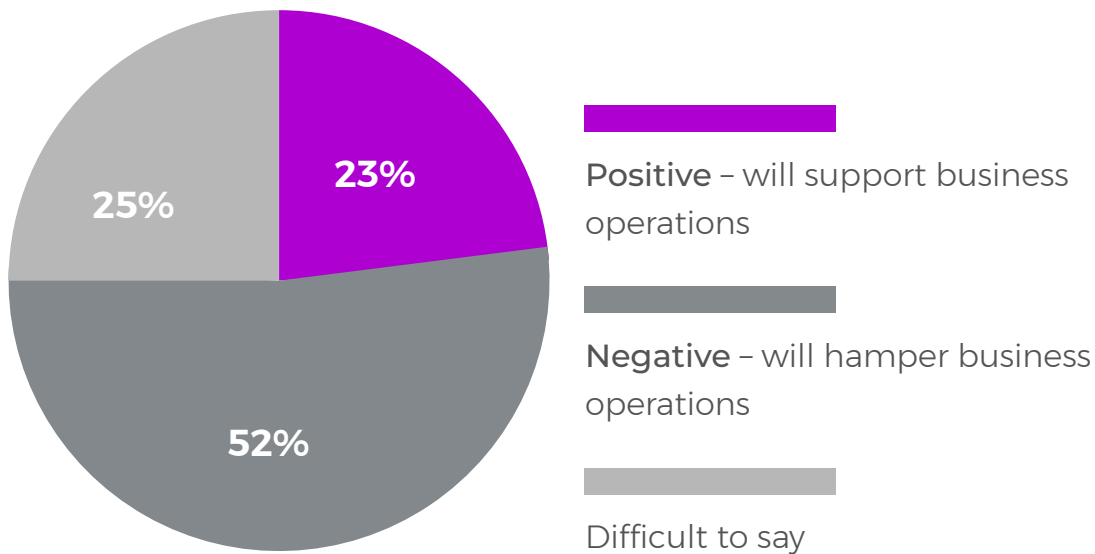


Plans for 2023

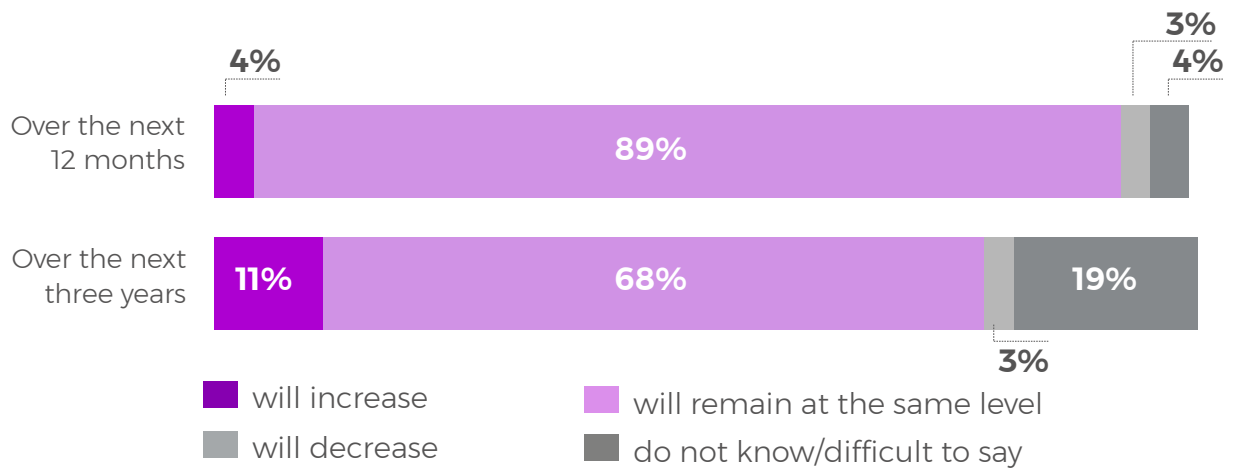
49%	of companies plan to increase the margin of their products
36%	plan to expand their product range
15%	plan to increase investment in innovation in the company
14%	plan to invest in employees
4%	plan to increase employment

Concerns about companies' operating conditions in the coming years

Business conditions in the next 3-5 years will be:



Employment in a 3-year perspective



New positions in the company



11%

of employers anticipate an **increase in employment** over the next 3 years

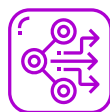
84%

of employers do not anticipate that new positions (i.e. positions that have not previously existed in a particular company) will appear **in their companies in the next 3 years**

The employers who saw the potential of new positions appearing in their companies over a 3-year period were most likely to mention the following positions:



Courier



Programmer



Business intelligence specialist



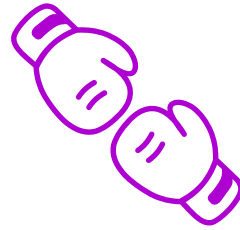
Social media specialist

Development scenarios

Potential development scenarios for the sector were constructed based on external and internal factors. The scenarios should be seen as models. The much more complex reality means that elements of the particular scenarios may intersect, and companies may apply selected strategies to the activities of the whole company or choose a dominant strategy for a particular area of activity.

Growth scenarios for companies from the trade sector – operating strategies depending on the environment and the activities undertaken





Scenario STRUGGLE FOR SURVIVAL

An unfavourable environment in the form of a number of negative external factors affecting the sector will cause companies to focus only on surviving on the market, postponing investment and development activities for three to five years. Activities in the area of ecology or corporate social responsibility will be sidelined.

Implications for employers and the sector

- » Increased cost of doing business
- » Companies postponing investment in technology and digitisation; lack of modern sales channels
- » Payment congestion on the part of buyers/ customers
- » Low degree of personalisation of the product range – massification of the offer „flattening of the offer”, pressure on the price
- » Decline in product and service quality due to cost reductions
- » No additional CSR activities or environmental activities or production
- » Lack of openness, and attachment to old patterns



Consequences in the area of skills

- » Development plans for staff in the sector on hold, lack of training activities

Possible preventive measures

- » Merging of retailers in the sector into capital groups, buying groups in order to survive in the market and be able to obtain better trading conditions
- » Use of deferred payment service solutions

The operating model used by companies

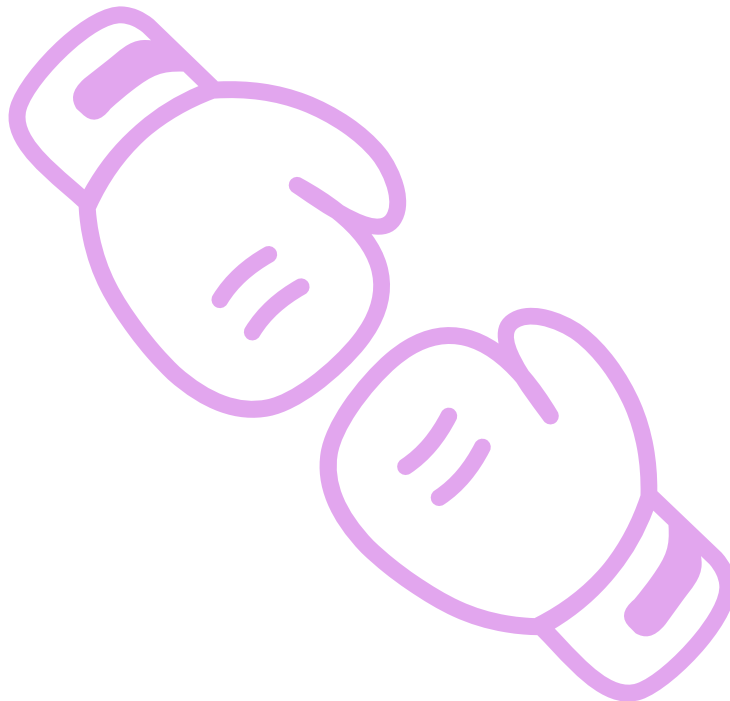
conservative model

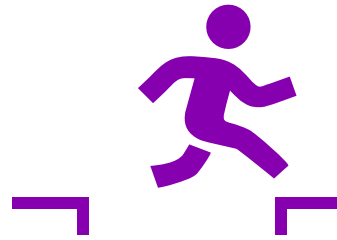
- no development plans, no innovation in development strategies, basing commerce on the profit criterion

Evaluation of the scenario

negative

- for the development of the sector





Scenario BOLD RISK-TAKERS

Unstable external conditions do not always have to make things worse for companies in the sector. Companies that have the right knowledge and awareness will look for new solutions, the negative conditions notwithstanding. Such companies can turn risk into success within the next 3 to 5 years.

Possible actions/ solutions implemented by entrepreneurs

- » Looking for a niche in the market and new markets, new customers, launching new products
- » Process optimisation
- » Specialisation
- » Seeking innovative management methods
- » Rebranding; Retraining of employees
- » Merging of retailers in the sector into capital groups, buying groups in order to survive in the market and be able to obtain better trading conditions



Conditions necessary for action

- » adequate financial resources
- » customer knowledge (business analytics area – analysis of trends, needs, and customer data)
- » open business attitude and entrepreneurial awareness (business idea, risk awareness, pro-innovation)

Consequences in the area of skills

- » Rebranding of a company can give rise to new training needs e.g., training of existing employees or hiring new ones with additional skills
- » Increased demand for: knowledge of data analysis tools, ability to formulate conclusions from analyses, ability to forecast order and sales levels and inventory planning, advanced analytical skills

Operating model used by companies

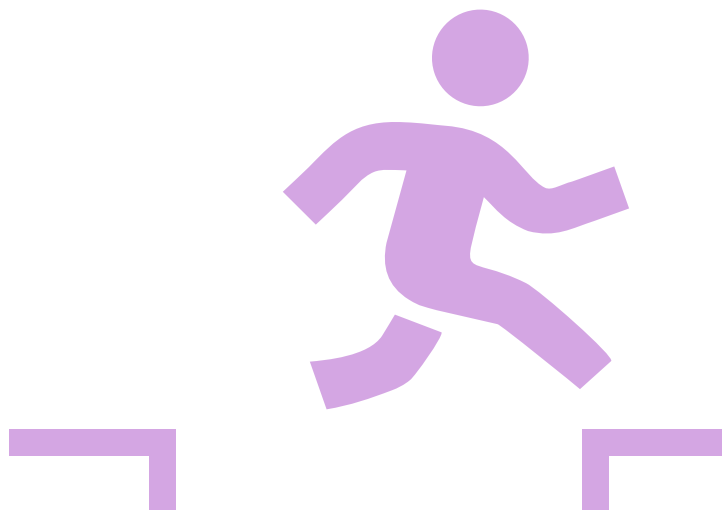
bold model

- operating model characteristic of companies aware of the need to take certain risks that can translate into business success

Evaluation of the scenario

positive

- and desirable for the development of the sector





Scenario

THE HOLY GRAIL OF BUSINESS

The most positive scenario, which assumes that companies from the sector would be modern and committed, sensitive to the customer and the environment. The scenario predicts that the macroeconomic conditions related to the inflation would change and that the supply chains and monetary policy would stabilise, thus stabilising the business environment.

Possible actions/ solutions implemented by entrepreneurs

- » High investment in technology, R&D, and digital investments in companies
- » Use of modern sales channels, omnichannel development
- » Possibility of a high degree of personalisation and individualisation of the product offering – involving the customer in the selection or production of the product
- » High culture of customer service
- » Fast and efficient transport of goods through efficient supply chains + environmentally friendly logistics
- » High quality products and services with an additional focus on ecology
- » Undertaking socially relevant activities, conducting activities that involve with socially important issues
- » Supporting local entrepreneurship
- » Exchange of know-how with other companies



Consequences in the area of skills

- » Extensive training plans and investment in staff, activities to improve staff skills
- » Training needs surveys and delivery of targeted training (responding to specific employee needs)
- » Growing importance of skills that respond to new needs in the area of technology and digital, logistics, personalisation of offers or high customer service culture

Operating model used by companies

development model

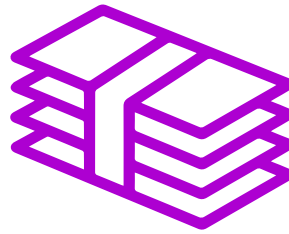
– committed and innovative business model (modern strategies, openness to new solutions, social sensitivity)

Evaluation of the scenario

the most positive

scenario for the development of the sector and the business environment





Scenario BENEFITING FROM GOOD CONDITIONS

A good economic situation may mean that little effort is needed to make a business profitable. In a perspective of 3-5 years, companies operating in favourable conditions (in stable environment – favourable external factors) will be able to simply „go with the flow” without having to draw up detailed development or investment plans.

Environment – external factors affecting the conduct of business

- » Stabilised geopolitical situation, fading of conflicts
- » Controlled/low inflation
- » Stable fiscal policy of the state, planned changes announced several years in advance – legal environment and regulator expectations fully understood by entrepreneurs
- » Full access to energy resources and products
- » Efficient supply chains from around the world
- » Good financial situation of households, high demand for products and services



Implications for employers and the sector

- » Sustaining current operations
- » No development or future-proofing measures
- » Focusing on day-to-day work, without creating a strategy for the future

Consequences in the area of skills

- » Building on existing skills resources, no additional training measures taken

Operating model used by companies

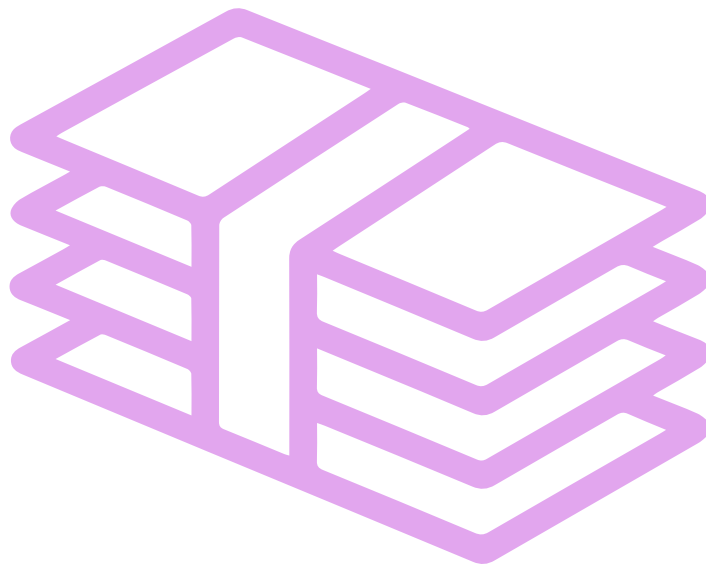
neutral model

used by companies taking advantage of the good conditions, without assuming that the situation may change

Evaluation of the scenario

neutral scenario

no change in the sector





Scenario

AGILE ORGANISATIONS

Juxtaposition of the elements of all the above models provides basis for outlining the most likely scenario, which takes into account some of the risks of the negative scenario and the benefits of the positive ones. In 3-5 years' time, companies in the sector will continue to digitise and modernise - e-commerce will continue to grow, and integration of companies will progress.

Environment – external factors affecting the conduct of business

- » The ongoing conflict in Ukraine
- » Double-digit inflation in the coming year
- » Impeded access to raw materials, impeded logistics and supply chains
- » Demand deceleration

Possible actions/ solutions implemented by entrepreneurs

- » Further digitisation of the sector, but driven by necessity (attempts to find new sales channels/ customers) rather than by a planned business development strategy
- » Blurring of the boundaries between online and offline sales
- » Specific employee training resulting from emergencies
- » Further integration of retailers due to necessity (better operating conditions in the sector)



Consequences in the area of skills

- » Increased demand for the following skills: adaptation to change, building relationships with clients, managing a team in the face of change and crisis situations, working time management, initiative, dealing with stress, creativity
- » Increased demand for leadership skills: the ability to exercise good judgement, manage team communication, be open to new ideas and initiatives from employees, manage team emotions and resolve conflicts, motivate and provide security in times of change, build trust with customers, manage complex tasks and projects

Operating model used by companies

diversified business model

and flexible business management - responding quickly to changes and challenges

Evaluation of the scenario

positive

for the sector, moderate development



Situation in the sector



This environment is extremely dynamic and uncertain. And uncertainty has to now be written into the trade sector as a certain operating norm. This will probably continue for longer, and the consequence of this – as many entrepreneurs in the trade sector say – will be the need for so-called agile management, i.e. very fast response to unexpected events.

Industry expert

The impact of the pandemic and the war in Ukraine on companies operating in the sector

Negative changes

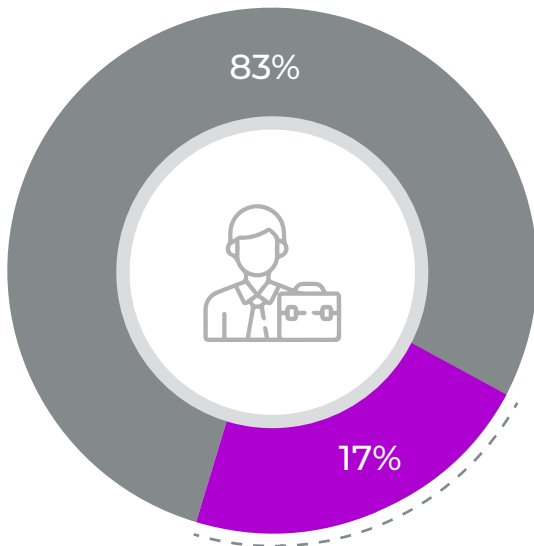
- » Financial liquidity disruption (40%)
- » Significant drop in orders (35%)
- » Reduction in the number of clients (34%)
- » Problems with supply chains (33%)

Positive changes

- » Extension of the offer (20%)
- » Introduction of internet sales (16%)
- » Improving online sales (15%)
- » Enhancing digital security (14%)

Despite the pandemic, 79% of companies in the sector recorded a profit

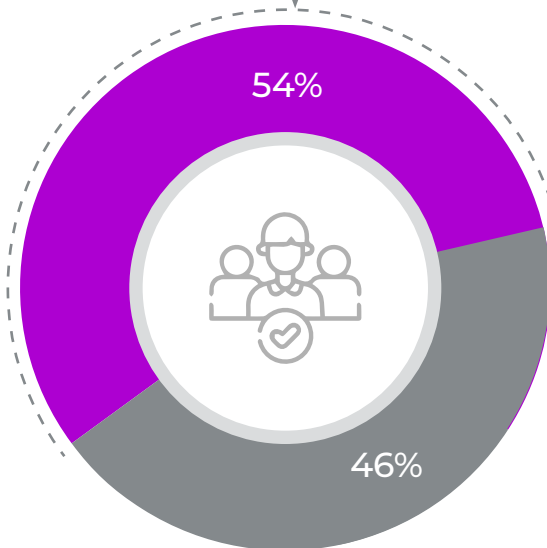
Demand for employees in 2022



83% of companies were not looking for employees

17% of companies were looking for employees

Source:
own compilation based on
BBKL II Employer Trade – 2nd Edition 2022
(n=804).



46% had problems with finding employees

54% had no problems finding employees

Source:
own compilation based on BBKL II
Employer Trade – 2nd Edition 2022 (n=137).
The question was answered by employers
seeking employees in the past 12 months.



Employees most in demand



Clerk/cashier
(63%)



Sales
representative
(19%)



Warehouse
worker
(16%)

Recruitment problem causes



66%

low interest in the job offer

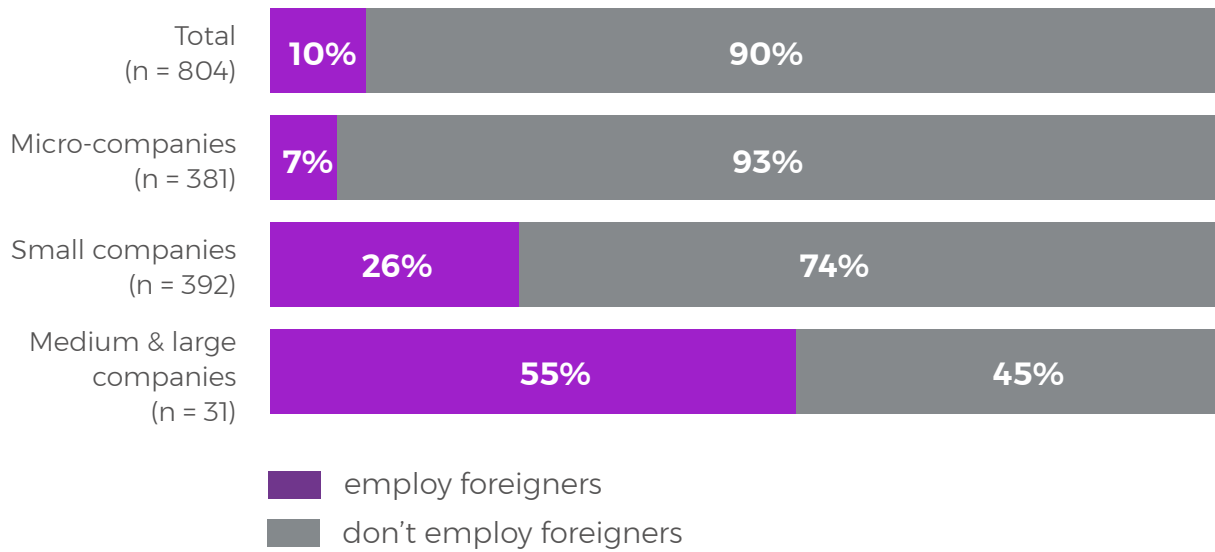
47%

candidates did not meet expectations

38%

candidates did not like working conditions

Employment of foreigners



1 in 10 companies employs foreigners

Foreigners are primarily employed as:



Cashier
(51%)



Warehouse
worker
(31%)

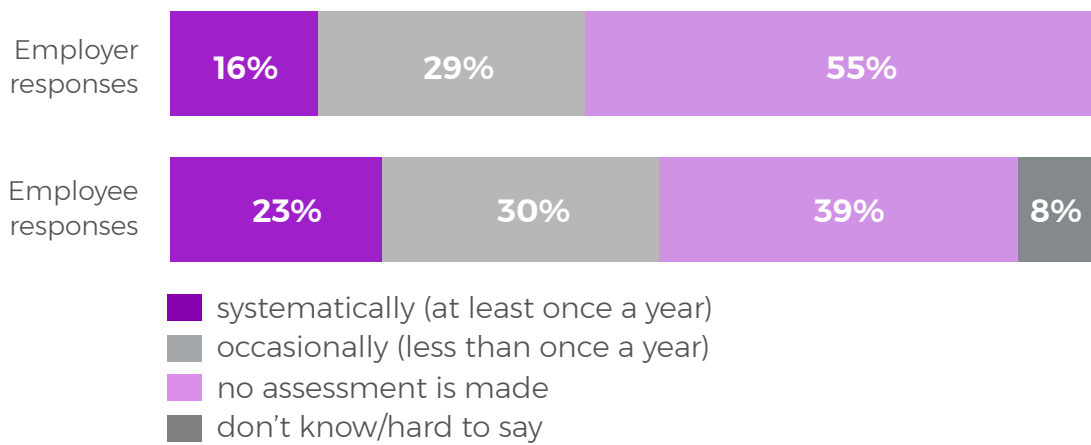


Courier
(9%)



Sales
representative
(8%)

Assessing the employees' skills



Employers' strategies for dealing with skills shortages

67% of employers assess their employees' skills as fully satisfactory

31% of employers see the need for further development of employees' skills

When a shortage of skills is detected, employers:

61% train current employees

18% hire new ones

13% reorganise existing working patterns in order to make better use of existing employee skills

Business-education cooperation

“

What hinders cooperation is primarily the institutional environment. Legal regulations – universities and schools function in the public sector, while businesses function based on market principles and cooperation encounters many formal difficulties, which are the most important barrier.

University representative, Individual interview

92%

of companies in the sector **do not cooperate** with educational entities

5%

of companies in the sector **cooperate** with schools or universities



3%

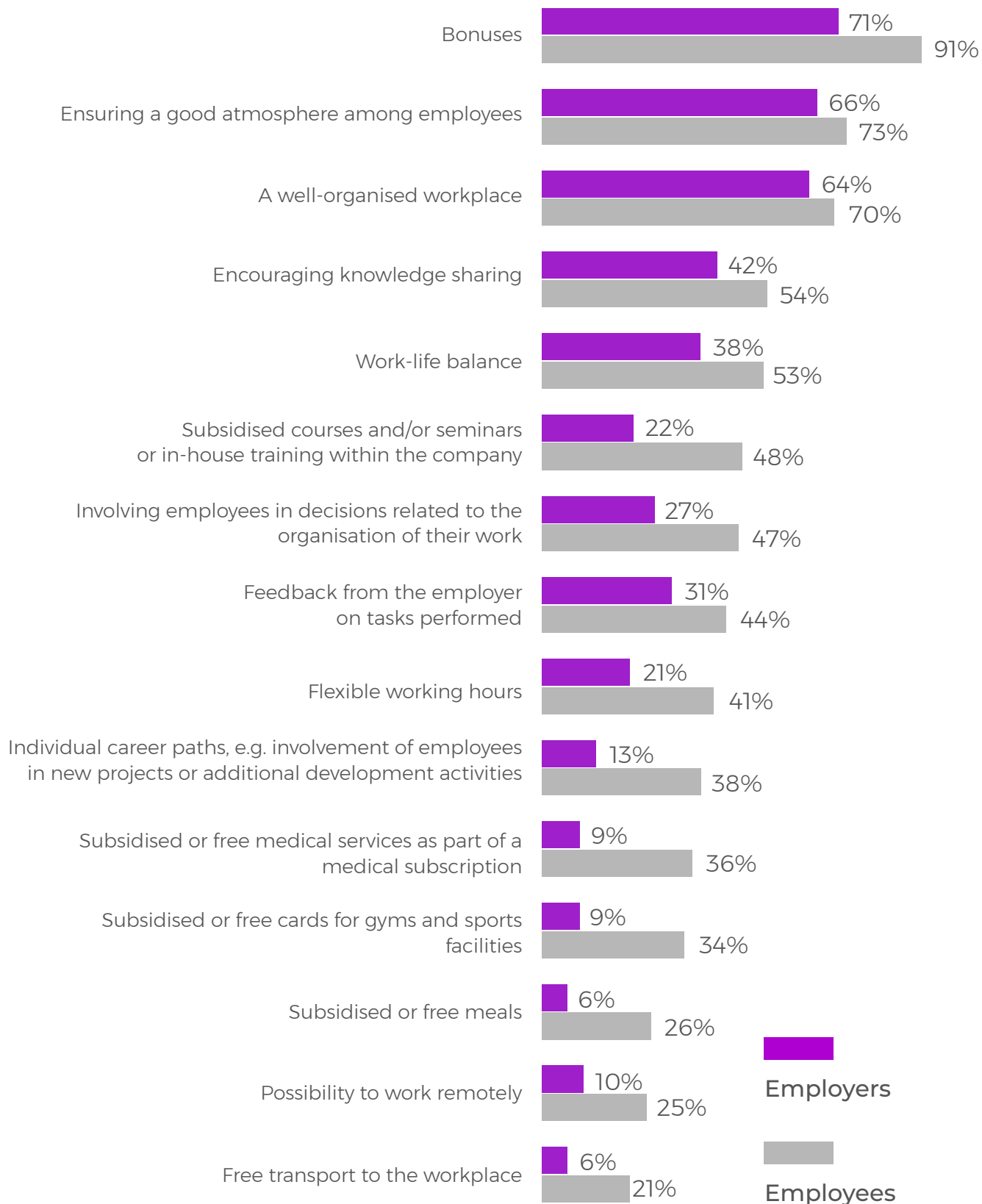
of companies in the sector **cooperate** with professional development or teacher training centres

The most common forms of cooperation with educational institutions are:

- » Internships and apprenticeships
- » Classes conducted by the company's representatives
- » The company's representatives' visits to schools and universities



Most attractive methods of motivating employees



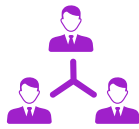
Source: Own study on the basis of the BBKL II Trade, employers (n=804) and employees (n=815) – 2nd edition 2022.

Employee satisfaction

94%

Employees in key positions are generally very satisfied with their jobs

Employees praise in particular:



Relationships with superiors (95%)



Relationships with co-workers (95%)



Good working conditions (95%)



Job security (93%)

Employee development

63%

was the indicator of development activity in companies in the sector

Nearly two in three employers used at least one method of employee skills development in 2022

57%

of employees participated in training/development activities in the year preceding the survey

The most frequently selected training fields: safety and fire training (27%), other courses and training (27%), e-learning (12%)



Balance of skills

One of the main objectives of the survey was to develop a **balance sheet of skills**, i.e. look at the key skills for particular positions from the perspective of employers and employees. Juxtaposing these assessments should help to balance the labour market in terms of supply of and demand for employees with the right skills.

Employers referred to skills in terms of:

- » **importance** of skills
- » **difficulty** of finding a person who has the specific skills needed for the job
- » **predicted changes** in the importance of said skills over the next three years
- » **hot skills** – skills that are already growing fast or will grow fastest

Employees in key positions assessed:

- » their own level of skills assigned to their position
- » their willingness to develop particular skills



Among the skills that are already growing in importance or will grow in the future, groups of skills emerge that respond to the needs of the current situation in the sector, i.e. those related to analytics, digitalisation, and flexibility.

These skills are as follows:



» **analytical skills**

which will result in a better understanding of the situation, better planning and better preparation of an action strategy



» **digital skills**

whose relevance is evidenced by the increasing importance of most skills of digital marketing specialist and e-commerce-specific customer service specialist positions



» **soft skills**

particularly in the area of consultancy (consulting on purchasing decisions, assisting the customer in making decisions and negotiating)



» **flexibility and adaptability to change**





Purchasing director

EMPLOYER'S PERSPECTIVE

- » Employers assess most of the skills (20 out of 29) as difficult to find. This is particularly true of purchasing policy
- » The skills whose importance is expected to increase most (19 out of 29) are negotiation and supplier relations skills, as well as skills related to structuring price quotations and quotation requests
- » Under hot skills, aspects of decision-making emerge, including the ability to make decisions about product range and suppliers and build a purchasing and pricing strategy

7%

of employers who hire Purchasing Directors predict an increase in employment for that position

EMPLOYEE PERSPECTIVE

Employees in this position want to develop 12 of the 29 skills. In particular:

- » knowledge of English or another foreign language **directly related to the job – knowledge of the purchasing market** (knowledge of market phenomena and mechanisms)
- » ability to build a purchasing and pricing strategy, and ability to monitor and analyse the market, including: trends, news, own and competitors' offers, supply, etc.)
- » more **universal skills**, i.e. resilience to **pressure** and better response in conflict situations

78%

of employees would recommend their position, arguing that the job is interesting and well-paid



Business analysis specialist/data analyst

EMPLOYER'S PERSPECTIVE

- » Of the 26 skills identified by experts, employers described 14 i.e., more than a half, as difficult to find. Such skills are the ability to prepare company reports, the ability to create market analysis models, and the ability to suggest prices
- » Employers predict an increase in the importance of virtually **all skills** for this position (24 out of 26). The most frequently mentioned skills is the knowledge of methods **supporting the presentation of data**
- » Hot skills for a data analyst include **analytical skills**, but also the **ability to collaborate** with other departments

12%

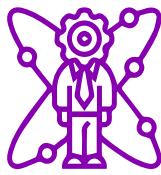
of employers who hire Business Analysts
Specialists predict an increase in employment for that position

EMPLOYEE PERSPECTIVE

- » Employees in this position see the need for development in terms of **technology and tools**, mainly: ways of working with databases, methods to support data presentation, MS Office, Excel at an advanced level, report development and the ability to identify consumer preferences and market trends based on data. Among the key skills they want to develop is the ability to work with purchasing, sales, marketing, and management

85%

of employees would recommend their position to their friends, arguing that the job is interesting (55%), while also paying well and providing challenges/development possibilities (43% each)



Category manager

EMPLOYER'S PERSPECTIVE

- » In regard to difficult-to-find skills, 2 out of 18 are particularly frequently mentioned: strategy building and the ability to exchange data with other departments
- » An increase in importance is expected in the case of **practically all skills**. The exceptions are foreign languages, knowledge of MS Office, and the ability to prepare reports
- » All the category manager's hot skills are related to knowledge: in the area of data reports from research agencies, market segments, product promotion, product promotion principles and pricing. The fifth and final hot skill is knowledge of the principles of interdepartmental cooperation within the organisation

5% of employers who hire category managers predict an increase in employment for that position

EMPLOYEE PERSPECTIVE

- » Employees want to develop almost a half of the skills assigned to their position – 13 out of 28. The largest number of answers (27%) refers to language skills. 24% of employees each indicate that they want to develop negotiation techniques, building product category strategy and positioning, and data analytics platforms

78% of employees would recommend their position to their friends, arguing that it is team job, is interesting, and provides development possibilities and challenges



Warehouse worker

EMPLOYER'S PERSPECTIVE

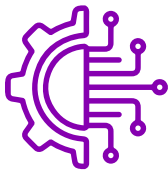
- » Among the skills that are difficult to find, employers mention only knowledge of computer programs and systems, which, however, alongside foreign language skills, is considered the least important of all the skills
- » Employers anticipate an increase in the importance of 14 of the 25 skills, and the highest percentage of indications was again for knowledge of computer programs and systems
- » No skills were mentioned that could be classified as hot skills

14% of employers who hire warehouse workers predict an increase in employment for that position

EMPLOYEE PERSPECTIVE

- » Employees want to develop the skills they rate relatively lower, namely, foreign **language skills** and **digital skills**, which include ordering, knowledge of warehouse programs and other computer programs and systems

52% of employees would recommend their position to their friends, arguing that it involves teamwork and social contacts



Customer service specialist (including e-commerce)

EMPLOYER'S PERSPECTIVE

- » Employers ranked 16 out of 28 skills as difficult to find, with assertiveness, analytical skills, and resilience to stress being the most frequently mentioned
- » Among the skills for which employers predict an increase in importance, the top 3 are as follows: proactive salesmanship, foreign languages, and leading conversations through the available channels
- » None of the customer service specialist's skills meet the criteria for hot skills

12%

of employers who hire Customer Service Specialists predict an increase in employment for that position

EMPLOYEE PERSPECTIVE

- » Employees in this position want to develop as many as 15 of the 28 skills. In addition to wanting to develop their foreign language skills, customer service professionals want to improve **social skills**, including their **resilience to stress, emotional stability, resistance to interpersonal pressure, time and results, and assertiveness**. They also want to develop the ability to analyse sales metrics and share feedback with brand creatives in the online channel

85%

of employees would recommend their position to their friends, arguing that the job is interesting (60%) and involves contact with people (40%)



Clerk/Cashier

EMPLOYER'S PERSPECTIVE

- » Indications regarding how difficult it is to find them do not exceed 50% for any of the skills. Therefore, it can be concluded the skills are not difficult to find
- » Employers predict an increase in importance for 14 out of 23 skills. The highest increase in importance in a 3-year perspective concerns **goal orientation** and **corporate image building** (37% for both skills)
- » **Goal orientation** and **customer research** are the only skills in the profile described as hot skills. This is the position for which employers were most often looking for employees in the 12 months prior to the survey, and very often had problems recruiting

10% of employers who hire Clerk/Cashiers predict an increase in employment for that position

EMPLOYEE PERSPECTIVE

- » Employees in this position want to develop their foreign language skills (29% of employees). The skills they would still like to develop are related to **sales techniques** (25%) and **goal orientation** (23%), taking into account **corporate image building** (21%) or **closing sales** (21%). One in five employees mentioned **emotional** stability

66% of employees would recommend their position to their friends, arguing that it involves teamwork and contact with people



Digital marketing specialist

EMPLOYER'S PERSPECTIVE

- » According to employers, 19 of the 30 skills are difficult to find. The top 3 skills that are difficult to find are: skills related to systems for processing sales data, ensuring consistency of ongoing campaigns, and industry knowledge
- » For the majority of skills (25 out of 30), employers anticipate an increase in importance over the next 3 years. The highest percentage of answers mentioned creativity (47%)
- » Particularly noteworthy are 2 skills that were mentioned in connection with all the discussed aspects, including in the context of hot skills: ensuring consistency of the **implemented campaigns** and **building a database**

17% of employers who hire digital marketing specialists predict an increase in employment for that position

EMPLOYEE PERSPECTIVE

- » Employees in this position want to develop 18 of the 30 skills (highest number among all the key positions). Typically, they mention improving their knowledge of tools (graphic processing and/or those supporting online campaigning and marketing automation), ability to monitor the **effectiveness of advertising deployment**, and knowledge of applications supporting blogs, automated communications

85% of employees would recommend their position to their friends, arguing that the job is interesting



Sales and marketing director

EMPLOYER'S PERSPECTIVE

- » The vast majority of skills (23 out of 28) are described as difficult to find. Among the most frequently mentioned are: translating strategic objectives into goals, and making decisions based on conclusions
- » Employers anticipate an increase in the importance of half of the skills. The most frequently mentioned are creating sales and a marketing strategies, and setting sales strategies
- » In the case of the ability to translate **strategic objectives into goals**, it is worth noting that this is one of the two hot skills, along with **data analysis, inference, and verification**, which is a skill that is difficult to find and anticipated growth in importance. Other hot skills include **quote preparation** and **knowledge of tools**

5% of employers who hire sales and marketing directors predict an increase in employment for that position

EMPLOYEE PERSPECTIVE

- » When asked about the skills they want to develop, employees in this position most often, mention **soft skills** (elements of **psychology**/ human resource management and **resistance to pressure**). Skills related to **sales**, improving English and other foreign **language** skills, interpersonal skills and influencing are also mentioned

86% of employees would recommend their position to their friends, arguing that the job is interesting and well-paid



Sales representative

EMPLOYER'S PERSPECTIVE

- » Nearly a half of the skills associated with the position of sales representative are difficult to find. Employees with knowledge related to **product presentation** and **analysing the effectiveness of their own sales activities** are particularly difficult to find
- » Employers expect that almost all the skills (25 out of 28) will grow in importance in the 3 years following the survey. In this respect, the most frequently mentioned are those related to market knowledge, i.e. the ability to **map the market, and knowledge of the market and the competition**
- » According to employers, **market mapping** skills and skills related to **offer preparation** are particularly important. Their importance is or will be growing faster (hot skills).

16%

of employers who hire sales representatives predict an increase in employment for that position

EMPLOYEE PERSPECTIVE

The skills of the employees in this self-development position are:

- » resistance to stress
- » knowledge of the market and the competitive environment in their sector
- » knowledge of the company's rules for establishing and maintaining relationships with contractors

74%

of employees would recommend their position to their friends, arguing that the job is interesting and well-paid

Recommendations

The biggest challenge for the sector is the uncertainty. Nevertheless, there are directions that experts predict as certain – further digitalisation of the sector and the need for greater use of customer data

- » Investment is needed in digital and analytical skills to understand customer needs, optimise offers, and predict sales levels
- » In uncertain times, it is also necessary to invest in „safe” skills, which invariably are and will always be the basis for work in commerce, i.e. soft skills (communication with the client, establishing relationships, cooperation)
- » In the case of all the employees, it is necessary to invest in skills related to adaptation to change (dealing with new situations, the ability to revise plans, dealing with crisis situations, coping with stress), intensify digital-analytical activities, and increase investment in innovation in the company, research and development, new IT technologies, and customer data analytics
- » Introduce or develop flexible management in the company

Despite the uncertainty that surrounds the sector, employers do not have strategies in place that can prepare them for the months ahead (they do not have an action plan)

- » Educating people on strategy and action plan development and promoting the benefits of strategies and action plans is recommended





Less than half of employers conduct employee skills assessments

- » It is recommended to monitor skills, work expectations, and employee plans, and to create individual motivation and training plans

There is virtually no cooperation with educational institutions in the sector

- » Facilitating cooperation between companies and universities is recommended
- » Demonstrating opportunities for cooperation, its benefits, and good practices is recommended

Employees have concerns about working with foreigners, mainly due to the lack of foreign language skills, negative previous experience, and for fear of worldview differences

- » Increasing integration activities in the company is recommended

Among the skills that are already growing in importance, or will grow in the future, groups of skills emerge that respond to the needs related to the current situation in the sector, i.e. analytics, digitalisation, and flexibility

- » Investment should be made in skills defined as those of key importance for the sector and skills whose importance will be growing

Full survey results
are discussed in the study:

Sectoral Human Capital Study II
Trade sector

Report on the 2nd edition of the study:



A unique in Poland and Europe monitoring of
the demand for skills on the labour market –
PARP – SME Development Centre