



TRUCK DRIVER SHORTAGE

ANALYSIS



Lehigh Carbon
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Truck Driver Shortage Analysis

Causes, Effects, Solutions

The battle of agendas between the transportation industry, government agencies, and truck drivers is reaching a tipping point.

By Dante J. Staciokas

If the trend continues, the American Trucking Association believes that “there will likely be severe supply chain disruptions resulting in significant shipping delays, higher inventory carrying costs, and perhaps shortages in stores.” (ATA Truck Driver Shortage Analysis 2015)

Causes, Effects, Solutions

Truck Driver Shortage Analysis

By Dante Staciokas

A Google search of the term, ‘truck driver shortage’, will yield close to half a million results. Many of them are articles piggy-backing on the studies and analyses offered by federal and state agencies. None of them are very reassuring.

They tell a tale of an industry that has spent billions of dollars attempting to remedy the effects of what has been referred to as a “crisis with catastrophic consequences.” The irony is, as a healthier economy emerges, industry stakeholders are in panic mode. To some extent they are victims of their own success. As motor carriers are multiplying in number, the trucking industry continues to be plagued by the ever increasing demand for drivers, which in turn amplifies the driver shortage. Indeed, after sifting through all the dire conclusions one is led to believe that truck drivers are an endangered species. The reality is, they may very well be. How did this happen?

The shortage of qualified professional Class 8 drivers is nothing new: but what industry analyst, Jason Seidl calls “The mother of all truck driver shortages...” is.

Historically, the initial time line of the truck driver shortage can be traced back to industry deregulation in the 1980’s and, perhaps with somewhat of a sardonic twist - to April Fool’s Day, 1991. It was on that day when the federally mandated, **Commercial Driver’s License¹** rule went into effect.

This was also the era which gave rise to new kind of trucking conglomerate: the so-called, ‘mega-carrier’. Because newly enacted government deregulation essentially dismantled restrictive tariff rates, many trucking companies - which were traditionally family run operations – suddenly erupted into full-blown corporations, ultimately ending up as the publically traded multinationals we see on Wall Street today.

Beginning life as small, independently owned firms, early trucking concerns were usually tight knit organizations typically run by paternalistic bosses.

¹ Commonly referred to as a CDL



In the minds of those owners, smart business meant putting profit margins behind those of the lives of their drivers. Mutual respect greased the wheels of a thriving community. As a result, owners enjoyed consummate loyalty from their workforce. In those early, halcyon days of trucking, the term ‘driver shortage’ had not yet become a vernacular in the industry.

As trucking companies grew proportionate to market share, corporate balance sheets soon replaced the notion of “taking care of their own.” By then, profits entirely rationalized company policy. Driver’s names – once proudly displayed on the sides of their doors - were unceremoniously replaced by the unit numbers of the trucks they drove. Somewhere along the way, the training and skill set it took to operate what is essentially a 40 ton, seven story building with wheels came to be regarded as an empty virtuosity. A new corporate philosophy had taken hold: “Fill the seats” became the mantra of nearly every motor carrier in the United States.

The ‘New’ normal

It didn’t take long before the ramifications of a “meat in the seat” mentality made itself known. As more and more inexperienced truck drivers took to the wheel, accidents rates increased exponentially. The interests of public safety took a backseat to delivery schedules and dividends, serving only to further demonize the industry. Driving a truck went from being a profession in which to aspire, to one of the most stressful occupations² in the country. Truckers found their jobs had become very much like that of the products they hauled: a disposable commodity.

By most accounts, it was this overweening sense of corporate ascendancy which redefined the entire industry, signaling the beginning of the age of discontent from among the ranks of professional drivers. Whereas the ties of sentiment between corporate America and its workers have always been circumspect, they are particularly so in the trucking industry. There are those who say that unless the trucking industry wakes up to a new reality, the hole it has dug for itself will only get deeper - serious words laying bare the more serious issues that seem to have no bottom.

Perception is Reality

In the years since government deregulation, industry efforts to unravel the Gordian knot of its own construct have been largely unsuccessful. Transportation experts have been collating, studying, debating, and analyzing empirical data for over three decades. But like dogs chasing their own tails, the questions have largely been set on why the shortage instead of what could be done to solve it. As we will see, most of the attention to the dilemma was aimed at recruitment, rather than retention.

While it is challenging to isolate any one factor out of the many which attribute to the present driver shortage, the nearest answer can be found in the understanding of the culture of trucking itself. So, just what does it mean to be a truck driver?

Life at 88 feet a second

There was a time when the adage, “*Knights of the road*” bordered on the cliché. This is no longer the case. Drivers who have been in the industry since before deregulation have witnessed a stunning role reversal of their profession’s respect among the motoring public. These days, the mere mention of the words, “truck driver” is likely to elicit a reaction somewhere between glaring disdain and a gag reflex.

² According to U.S. Department of Labor statistics

Prior to the 1980's, truck drivers enjoyed a reputation as being down-to-earth, 'highway heroes'. They took pride in the communal deference paid to their profession. If a motorist was stranded on the side of the highway with a flat tire, it was almost an unwritten rule that at least three truckers would pull over and come to their aid. Truck drivers regarded such acts of courteousness as quiet, simple expressions of patriotism. They characterized their role in helping the motoring public as nothing less than a professional responsibility.

Asphalt Nation

Almost everyone that a truck driver encounters is an outsider. Not because truckers are anti-social – but simply because the signature elements of their lives are unyieldingly bound to a life on the road. More than merely synonymous, a long-hauler's life *is* the road. Like the countryside they leave behind in their mirrors, ordinary jobs and everyday attachments are played out by people who live more routine lives.

The all or nothing nature of long-haul trucking also carries with it its own set of precepts; long hours, fatigue, dangerous weather, health risks - an absence from the normal rhythms of family life. The everyday occupational demands are more than enough to put an end to any romantic notions of 'freedom of the open road' that the average person may entertain. Nevertheless, in spite of the sacrifices, most drivers agree that the unbound freedom of the road is a powerful gateway drug that often leads to a lifetime addiction to trucking. Many will say they do it for the money, but more often than not they will tell you they do it for the love of the game.

So what has changed?

With the possible exceptions of the military and law enforcement, few professions in American society have been so wildly romanticized and yet at the same time so clearly marginalized as has trucking.

Some in the industry blame the public's perception of truck drivers on mass media. They point to the manner with which most modern day reporter's tendencies toward blood-sport journalism has pigeon-holed the trucking industry, labeling it as a deadly, 'culture of crash'.

Others see pop-culture as the problem. Or so it would seem. Hollywood's cinematic portrayals of homicidal truck drivers in movies like Steven Spielberg's cult classic, *Duel*, do not exactly inspire public confidence.



There are some in the industry who say it is the drivers who are responsible for the shortage, pointing out that they have sullied themselves, undone by their own big-rig egos. It's also been argued that many drivers bought into and even abetted in perpetuating the Hollywood myth of the trucker as the American 'Anti-hero' - to the degree that it eventually reached a point of diminishing returns. Like a bad rumor that takes on a life of its own, it wasn't long before the uber-cool image of the nonconformist cowboy gave way to a much coarser reputation: the 'outlaw trucker'.

As if that wasn't bad enough, sometime around the 1980's, a more aberrant version of art attempting to imitate life took hold. Hollywood's archetypical breed of truck driver de-evolved from being portrayed as mischievous, lovable brigands like Burt Reynolds's character in *Smokey and the Bandit*, to big-screen psychos, serial killers, and drug crazed maniacs - the stuff of horror to movie-goers and truck driver recruiters alike.



Obviously, it would be absurd to suggest that even a small percentage of the trucking community harbor such thoughts, but Hollywood stereotypes die hard. It should be noted that over the last two decades the trucking industry has continued in its efforts to overcome such stereotypes. Yet, in a classic case of too little-too late, it forfeited the initiative. By default, the disconnect was made manifest; the very same kids who grew up pumping their arms in hopes that a big-rigger passing by would blow their air horn, are today just as likely to extend them a middle finger for making them late for work. Kids have simply stopped growing up wanting to be truck drivers.

Even so, things are improving. Analogous to the way in which nature abhors a vacuum, the void created by the profession's collective indifference to all of the negative imagery has been replaced by the louder voices of those who are demanding change.

Professional drivers are fed up with an industry that continues to live up to the lowered expectations of the public. For too long, they insist, the consequences of remaining quiet have cost the profession a genuine say-so in its own destiny, suggesting that the government has chosen to do it for them.

What Next?

One does not need to be an expert in public relations to understand the cumulative effects that negative imagery has had not only on its legacy but also on the industry's efforts to attract and recruit drivers. There are, however, signs that the trend towards a more positive image is beginning to take hold on the public.

Knowing that the stakes are high, many industry groups such as - ***Truckers against Trafficking, The American Trucking Association, Real Women in Trucking, and Trucker Buddy*** - are all working together in an effort to positively impact the industry's public image.

Will it be enough to fend off the troublesome predictions of driver shortages?

Perhaps not. But the significance of the task continues to be this: if the trucking industry wishes to attract and keep quality individuals it must continue to work hard in convincing people that professional truck drivers are still "knights of the Road."



Perception vs. Reality / Version 2.0

In a survey conducted by the ATA³ of 800 motorists who were registered voters, 81 percent of those polled said truck drivers are safer than passenger car drivers on the highway. Yet, where tractor – trailers and highway safety is concerned the sentiment of a “smoking gun” still persists.

In spite of the National Safety Council’s statistics that show that motorists are responsible for almost two-thirds of crashes involving semi-trucks, there’s no denying that an automobile ensnared under the axles of a tractor trailer is a horrific affair. Blood and tennis racquets on the highway scream for accountability. Emotionally as well as legally, the public enmity such scenes provoke are nearly impossible to mitigate.

Precisely because perception is often politically framed as reality, legislator’s knee-jerk response continues to be an outcry for yet even more stringent regulations. Next to the airline industry, trucking is one of the most heavily regulated industries in the world. The ATA cites that “government regulations often reduce industry productivity and thus cause an increase in the shortage” of truck drivers. “In other words, declines in productivity mean the industry needs more trucks and drivers to haul the same amount of freight.”

Cause and Effect

Today, driver shortages are at the highest levels

ever recorded. In the face of ever increasing regulations, shortages are exacerbated by potential drivers migrating to other professions. Onerous changes in Hours-of-Service rules, moneyed special interest groups attempting to link sleep apnea to higher crash rates, and a host of other overbearing regulations are pushing more and more veteran drivers out of the industry.

One only needs to visit professional driver’s blogs on the internet to gain some insight on how government regulations and corporate edicts have impacted their decision to leave the industry. The following is a record of their objections gleaned from some of those blogs:

- *Minimal increase in wages; (rated as the #1 reason as to why drivers have left the industry.)*
- *Increase in in-cab driver monitoring – the loss of autonomy from direct supervision. Micromanaging - I.e. in cab cameras, event recorders, also known as “electronic dog collars” - (Rated as the #1 reason why experienced drivers will leave one company for another.)*
- *Sleep apnea standards for screening, testing, treatment, and disqualifications; (This issue is fast becoming the single biggest point of contention among those who assert that the sleep apnea issue is entirely profit driven by consortia eager to exploit the issue of driver fatigue.)*
- *ELD⁴ mandates;*

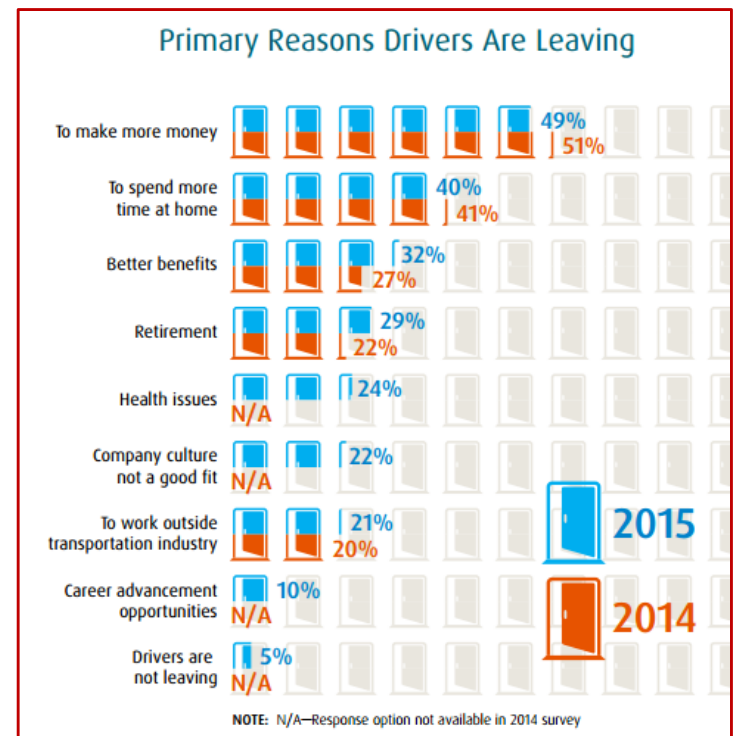


³ American Trucking Association

⁴ Electronic logging devices

- *Speed limiters;*
- *The lack of better entry-level driver training standards; driver mentoring.*
- *Revised safety fitness determinations for motor carriers; (CSA⁵) and other regulatory requisites relating to Hours-of-Service rules;*
- *Increased insurance minimums;*
- *No real opportunity for advancement (performance based pay)*
- *Company reputation;*
- *Being lied to by driver-recruiters and dispatchers;*
- *Insufficient time for rest;*
- *Low detention and drop pay;*
- *Industry reputation; public perception.*
- *Discourteous treatment by shippers and receivers;*
- *Lack of home-time (rated as the #2 reason for driver retention)*
- *Lack of positive interaction between the company and drivers;*
- *Unreasonable expectations from dispatchers;*
- *Inexperienced dispatchers with no practical experience of the realities of the road – many dispatcher’s wages are performance based, seeing driver’s problems as a distraction;*
- *Fleets with no facilities for female drivers;*
- *The FMCSA⁶’s neglect of driver’s issues.*

While some fleets contend that they have “thrown money at the driver shortage dilemma”, it’s evidently being thrown in the wrong direction. Among veteran long-haul drivers, wages have not kept up with the rate of inflation and continue to be the number one reason why they are leaving the industry in droves. In study after study, there is a direct correlation between lower driver turnover being appreciably offset by an increase in wages. Driver pay is important, but how drivers are payed is just as important as how much.



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Is anyone listening?

Looking at the above list, it’s easy to suggest that drivers are treated like second class citizens in the workplace. In fact, that’s exactly the label many drivers use when describing the way they are treated by their employers.

Whereas novice drivers cite the lack of adequate home-time as the number one reason they quit the profession, veteran drivers are not as apt to see this as an issue. That’s because they tend to be older, freer from the obligations of child-rearing and have established the mindset that being away from home for extended periods goes with the occupation.

⁵ **Compliance, Safety and Accountability:** an initiative by the FMCSA to measure, evaluate and rank carrier safety performance as it relates to ‘crash causation’.

⁶ Federal Motor Carrier Safety Administration.

⁷ 2015 HireRight Survey

Entry-level drivers are primarily concerned about a lack of support at the most basic levels. They complain that companies offer little to no help in getting them “over the hump” of the first few months of what is undeniably a radical change in lifestyle. **The abysmal attrition rate of entry-level drivers is directly attributable to this single issue.** A few fleets have come to understand the wisdom in meaningful ‘driver mentoring’, but surprisingly, the concept is still in its nascent stages. Given what’s at stake, the lack of employer engagement with drivers new to the industry is truly puzzling.

As cited earlier, the independent lifestyle of the long-haul trucker is what attracts and keeps many drivers in the industry. But freedom of the open road is not what it used to be. The ever-increasing development of fleet management structures and GPS tracking on commercial vehicles is rapidly changing the entire foundation of that independence.

While GPS tracking offers fleets valuable metrics and a wealth of real-time data on everything from fuel consumption to driver conduct behind the wheel, drivers see it as nothing more than a gross invasion of privacy. And while its true most drivers have become accustomed to some sort of in-truck satellite equipment, they regularly express the opinion that such technology erodes loyalty. More importantly, they say, it undermines trust, fosters dissatisfaction, and increases driver turnover.

Though the negative consequences associated with micro-management are nothing new, a more unnerving trend is the Orwellian aspect of rearward, or, driver facing in-cab cameras. Not one veteran driver that I have interviewed stated that they would work for a motor carrier that utilizes this technology. In fact, with only one exception, all of them indicated that they would immediately

quit and look for another company. It truly does boil down to a matter of trust: trust begets trust.

A view from the inside

From the standpoint of job satisfaction, the evidence is inescapable: drivers are leaving the industry faster than it can replace them. This leaves motor carriers with only one option: to minimize the impact.

Two groups are at play here; (**new/entry-level drivers**) and (**existing/experienced drivers.**) Both groups hold vastly different views, expectations and knowledge of the industry.

There are also two different schools of thought by employers as to which group makes for a more viable employee.

Statistics reveal that the most hazardous period of a driver’s career falls within the first year of service. From the perspective of safety, as well as data, figures show that experienced drivers are comparatively safer drivers. Insurance companies recognize this and in large measure base their cost ratios on a carrier’s willingness or reluctance to hire entry-level drivers. They also look at accident rates, the safety culture within the company, and the effectiveness of a fleet’s training programs. From an financial position, it certainly makes more sense to hire highly skilled drivers. For this reason fleets work hard to recruit experienced drivers, owner operators and independent contractors.

The problem is, they’re getting harder to come by. As indicated, retirement accounts for 43% of the driver shortfall.

Another downside to hiring experienced drivers is that they tend to be fiercely independent and are harder to inculcate into a company’s culture.

Driver polls found that 65% don't feel any allegiance to their company, with 65% to 70% stating that they feel undervalued by their employers⁸. The prevailing notion among veteran drivers is that when companies again begin to treat drivers as an asset, rather than as a commodity, they will see less job hopping – also known in the industry as “churn”.

Although driver churn represents a quantitative measure of a given fleet's driver turnover, it is not normally used when doing shortage calculations - but, in the same way that many trucking companies are competing for the same freight, churn has a measurable impact on a carrier's ability to service their customers.

One of the most striking measures of the driver shortage holds that nearly ***one-third of new drivers quit within 90 days after coming into the industry and that at least half leave within the first six months on the job!*** This factor alone should have the industry scrambling for ways to completely rethink their recruitment and retention policies.

Contributing Factors

As we've seen, the internal causes of the driver shortage are variants within the spheres of statistics, ratios and analyses. There are though, other related issues, but ones which are normally only addressed in driver's forums.

One of those issues points to the unseen divide between older and younger generations of truck

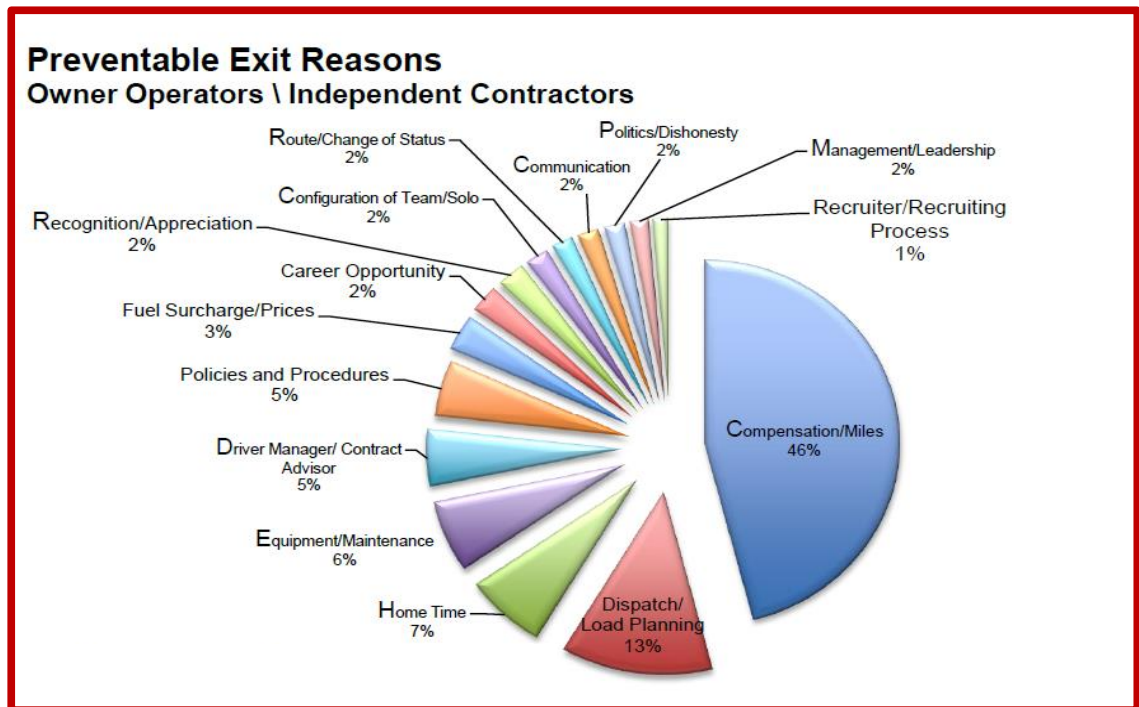


Figure 1. ©Strategic Programs, Inc.

drivers. Do cultural gaps between younger drivers and old-schoolers have an impact on the driver shortage?

Apparently so.

Countless rookie drivers say the source of their resentment stems from the way they are treated by the older drivers. They see veterans as condescending, technologically clumsy, and refusing to accept the 'new breed' into the industry. Indeed, the forums are rife with unflattering remarks about older drivers and their ways.

⁸ According to a poll done by Trincon Corp.

The conflict is not imagined: some younger drivers have stated this refusal to accept them into the 'brotherhood of the wheel' has soured them on the profession, causing many of them to leave the industry.

Meanwhile, the old-schoolers tend to look up-on the younger drivers as self-involved steering wheel holders and amateurs who care nothing about tradition, and would rather play video games than to do what it takes to earn their 'stripes'. They paint a picture of newer truckers as mechanically-inept, disinterested coworkers who view trucking as an ordinary job, a way to make a quick buck. They don't really appreciate trucking as the honorable, skilled profession that it is.



Who's right?

For most drivers, it is the emotional investment that bridges the divide. Another words, it's not necessarily how many years spent behind the wheel that makes a professional; it's how much a driver cares about the profession.

Because the ad-hoc nature of trucking has never easily lent itself to any meaningful bridge building from within the ranks, drivers must themselves find ways to accept these differences and renew the comradery as in earlier days. It's true that long-haulers may

never be in one place long enough to find common ground - but when it comes down to the truck driver shortage, companies need to know that bridging the divide comes in recognizing and recruiting those drivers with talent and a passion for the profession.

Logistics Is a Contact Sport

Amongst dispatchers – those folks who plan and assign loads to drivers - there's a well-worn joke they love to recite.

Question:

What's the difference between a puppy and a truck driver?

Answer:

The puppy grows up and quits whining...

Among truckers, there's a variation on an old joke about lawyers.

Question:

How can you tell when a dispatcher is lying?

Answer:

His lips are moving...

The deep-rooted discord between drivers and dispatchers is as old as the diesel combustion engine. Beyond pay and home time issues is the reality of the driver/dispatcher relationship. To quote one driver, "people don't leave companies; people leave people." To quote another, "your success in this business is in direct proportion to your relationship with your dispatcher. If they don't like you – you're gonna starve."

The main reason for the discordance say drivers is that most dispatchers these days do not come from their ranks as they once did, and as such, have no affinity for the real world problems of the modern day truck driver.

They tend to view driver's problems as a distraction. Truckers sense this indifference and say that dispatchers will tell outright lies to them to get a load moved. Also, the communication skills of "new age" dispatchers are poor because they do not understand the realities of the occupation nor do they care to. Without the practical experience needed to answer driver's questions, there is no support mechanism for drivers to fall back on. *This is of noteworthy importance when it comes to driver retention.* As the chart in figure 1 illustrates, almost one-fifth of owner operators will leave a company that exhibit poor load planning. For entry-level drivers, the attrition rate is almost half! It's no wonder why many motor carriers are experiencing over 100% driver turn-over.

Also, several companies these days are utilizing dispatching software systems to increase productivity, and, consequently, are blind to the underlying issues festering within the fleet. Trucking companies hire individuals based on their ability to navigate this new software. Sure, they can send emails, work spreadsheets and match loads, but again, offer little expertise in the one area that demands it: dispatching. Being new to the industry, these individuals will often work for lower wages and are an attractive way for carriers to fill the positions.

Great dispatching is a rare talent. Unfortunately, rarer yet are great dispatchers.

Many drivers fall victim to the whims of a dispatcher's temperament. If a driver is assigned a permanent dispatcher with whom they happen not to be able to get along with, their job remains in constant jeopardy, adding to the stress of their workload. Dispatchers hold all the cards. They can literally 'starve' drivers into submission until they quit or do as they're told.

Remarkably, many fleet owners fail to recognize dispatcher/driver issues as a major reason for driver dissatisfaction. Truck drivers repeatedly emphasize those relationships as being one of the key ingredients of job stability in their profession.

It really does come down to a quality of life issue and one that must be reconciled if fleets expect to remain viable.

Critical Mass

At odds is the convergence of two of the most significant external factors in the shortfall – **industry growth and workforce retirement.** Diametrically opposed, each factor is rising in direct proportion to the other. They are rapidly combining to form what some see as the 'Perfect Storm'.

According to the ATA, the median age of the over-the-road truck driver is 49⁹. For private fleets, that average is 52 years of age. Because the current age requirements¹⁰ to drive a tractor-trailer across state lines is 21, motor carriers cannot hire workers between the ages of 18 and 21. It stands to reason that these individuals will seek employment in another industry where they can start their career at a younger age.

Another relevant but veiled aspect of an aging workforce contributing to the driver shortage is health: Data shows that 1 out of every 5 drivers over the age of 50 are disqualified from driving on medical grounds, their careers ended by ever more stringent physical examinations.

By the next decade, the trucking industry will need almost 890,000 drivers, an average of nearly 90,000 a year. Retirement accounts for 45%, or, almost half of the demand. Combined with industry growth at 33%, common sense dictates that stakeholders in the transportation industry – shippers,

⁹ As of 2016

¹⁰ For Class A vehicles only

receivers, motor carriers, training schools, legislators – need to do more to contribute in holding on to its most valuable resource: the American Truck Driver.

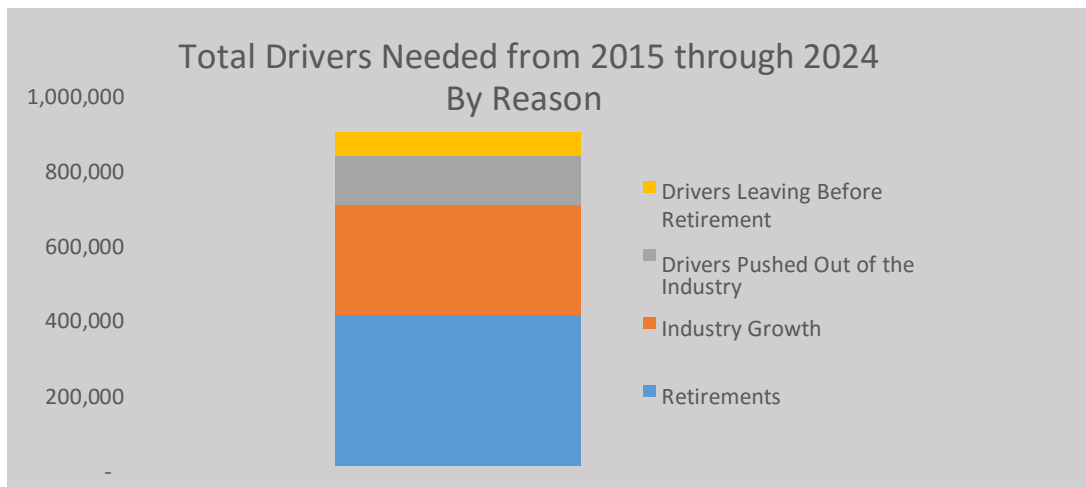


FIGURE 2. ATA

It starts with recruitment.

The driver recruitment process is costly and time consuming. Presently, the hiring-to-retention ratio is roughly 3-to-1. This means companies have to screen, hire, and train three drivers before they get one that will stay with them. To get to the step where drivers are actually hired, companies may have to interview three candidates to get one serious prospect. The math gets worse.

The paradox arises because the truck driver population is growing by only 1% annually, while the rate of industry growth is at 4%. This good news-bad news scenario is straining the already paper-thin profit margins of motor carriers.

The expense in hiring drivers is mind-numbing. The average outlay associated with finding, recruiting, interviewing, checking backgrounds, transportation, orientation, housing, feeding, drug testing, OJT training and paying just 1 entry-level driver is between four and six thousand dollars.

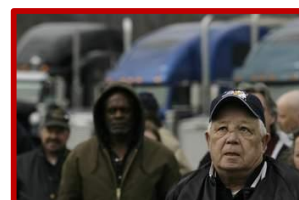
This cost is incurred before a trucking company ever knows if the potential prospect will stay with them past the initial hiring phase.

This means that a mid-size motor carrier with a fleet of 600 drivers experiencing an industry average turnover rate of 100% annually, can expect expenditures in excess of over \$3,000,000 each and every year. Industry-wide, this equates to over 3 billion dollars!

Even in the face of such stunning expenses, trucking companies are pulling out all the stops

in the battle for drivers. Many are offering higher wages and benefits. More and more companies are offering tuition reimbursements for student loans for trucking schools, which drivers pay off by working for the company following graduation. Sign on bonuses, luxurious upgrades in equipment, flexible work arrangements, and recruiting management from within the ranks of drivers are but a few of the incentives fleets are using to attract drivers.

Adding incentives like these do create more options for drivers, but also creates more competition for companies, making it even more difficult for some to hire and retain drivers. The only ones winning at the hiring game are the truck driver recruitment companies. Rather than addressing the root causes for the truck driver job shortage hundreds of thousands of dollars are instead spent in the advertising of truck driving jobs.



For those in the logistics and supply chain industries the looming prospects of the truck driver shortage should be alarming. From within and from outside the trucking arena, the battle of agendas between the transportation industry, government agencies, and truck drivers is reaching a tipping point.

Time is indeed of the essence. This is no time for stakeholders to doubt the sanity of those who see a new reality. They must resign themselves in having less resolute opinions and be more open to exploring options.

As leaders are apt to say in times of crises – “all options are on the table.”



Real world solutions

How does it start?

It begins with acknowledging that respect is a two-way street. ‘Internal customers’ are corporate buzzwords used by more progressive thinking businesses that appreciate the true value of ‘human capital’. Very few trucking companies recognize this. Fewer still practice it. While many corporate executives in the trucking industry are quick to proclaim they have an ‘open door policy’, they have yet to master the unique language of ‘trucker-speak’.

As employees who are rarely onsite, drivers not only deserve a well-defined and consistent form of communication from their employers, they also

must have a committed avenue of support. Accepting and truly listening to driver’s feedback - in all its forms - is essential for drivers to feel as though they truly are a part of a team.

In the wake of the ever increasing driver shortage, many recruitment and retention strategies have been recommended. Many are good, some are excellent.

One of the finest is a program offered by Rim Yurkus, CEO and co-founder of Strategic Programs, Inc.

It’s called, “*Best Practices*”.



**STRATEGIC
PROGRAMS, INC.**

Actionable Data.
Innovative Solutions.
Measurable Results.

It is a 21 step methodology of best practices to recruit and retain truck drivers. © Strategic Programs, Inc., reprinted with permission.

- ✓ **Identify the demographics of your best drivers.** Building a championship team starts with understanding your best drivers at a deeper level. The more you know about them, the greater your advantage in attracting quality drivers to a culture where they fit in faster, and identify with your brand.
- ✓ **Plan how to attract the best drivers.** Gaining a deep understanding of your best drivers will help you develop a strategy to get the right message to the right drivers. Where are they?
 What do they read?
 What & who do they listen to?
 What do they watch?
 Which competitors have the best drivers and how do they retain them?

✓ *Position the job opportunity to leverage your strengths and tell the truth.* Analysis of exit data from more than **70,000 drivers** shows that early turnover occurs when there is a gap job in expectations and reality. It gives new hires the perception that you are not honest. Make only those promises you can keep, and learn from your best drivers:

- What keeps them on the job?
- What exceeded their expectations?
- What do you do better than your competitors?

✓ *Customize the job opportunity.* **How can you customize the job opportunity for those who want more home time? What about drivers who want a regular schedule?** Segmenting your drivers by their preferences will help you provide the flexibility they desire.

✓ *Introduce the Fleet Manager Prior to Orientation.* One of the top reasons for driver turnover the first 6 months is “Immediate Supervisor”. Not only does it help to break the ice before orientation—it helps to build the relationship.

✓ *Manage first impressions with Effective onboarding.* Most new hires decide within the first 72 hours whether they will be with you for a long time. The best trucking companies recognize that a new driver’s first impression is critical to retention.

- A few tips to improve their onboarding experience: provide a warm welcome. If you send pre-arrival materials, include hats, T-shirts or other company produce a feeling of belonging.
- Make sure** the first 24 hours reflect professionalism, cleanliness, user-friendliness, and driver appreciation.

(With a *New Hire Check-in*, you can gain valuable feedback from new drivers and show them that their opinions are valued)

- Measure** the effectiveness of orientation and training.
- Identify** the difference in overall engagement scores between new hires who are likely to stay and leave.
- Get candid, objective feedback to identify gaps.
- Logo branded symbols to build a co-identity with your new hires.

✓ *Conduct an expectations exchange.* Compensation is one of the top reasons for early turnover, and a good indicator that there is a disconnect between a driver’s expectations and experiences. The most successful trucking companies build trust with their drivers from the start by setting clear expectations, i.e.: List the company’s expectations of drivers.

- **Itemize** drivers’ expectations that the company will meet (rate of pay, average number of miles, policies for various eventualities).
- **Include** the driver’s family whenever possible.
- **Put the expectations** from both sides in writing.
- **Get a personal** commitment to a minimum period of time.

✓ **Set appointments with every department.** When new drivers are able to meet personnel in other departments, it helps them build rapport and feel like they are part of the team. It is also a good opportunity to conduct an expectations exchange between drivers and other departments. Think of this as part of their **integration vs. orientation.**

✓ **Communicate learning objectives.** Two good driver traits are **patience and conformity.** Drivers like to have information ahead of time, and know the learning objectives so that they have time process it. This allows you to link the learning objectives of your orientation to the strategic initiatives of the onboarding process.

✓ **Have upper management/owners meet new drivers during orientation.** Have the Owner, President, or top leaders meet with the new driver to share history, folklore, and organizational values. At the very least, an inspirational welcome letter signed by the President of your company will make new drivers feel special.

✓ **Assign a buddy or mentor.** Having a go-to person during the onboarding process helps new drivers gain a better understanding of the culture, and provides helpful tips on how they can succeed with your company. **Be sure to assign mentors who are positive role**

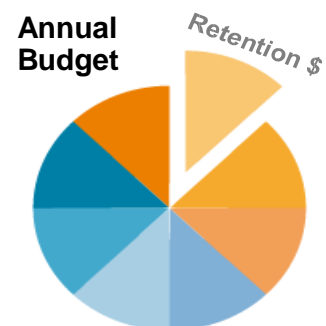
models. While it may seem simple, implementing a mentoring program requires a lot of thought and planning in order to maximize its effectiveness. Otherwise,

it can be a waste of time.



✓ **Establish a retention budget.** The best trucking companies are proactive and create a retention budget as part of their retention strategy. They invest in various retention solutions, i.e.:

- Employee recognition and awards
- Bonuses
- Special employee events



- ✓ **Keep the Talent.** Having a forum where drivers' opinions can be heard can have a positive impact on retention. Fleet Managers who interact with your drivers the most may need help in this area. Training programs such as Strategic Programs [Fleet Manager Optimization Program](#) teaches active listening, and establish an open door policy, as well as other valuable management practices. This training helps Fleet Managers to practice new skills on the job, for change that is sustainable over time.
- ✓ **Have regular new driver check-ins.** Have someone meet with each driver weekly for the first month, then monthly or check-ins on how well your mutual expectations are being met. Do this **for at least the first year**, or for a time period that you have identified as optimal to improve retention.
- ✓ **Grade your drivers.** Tracking your drivers' metrics will help you identify your drivers' levels of performance so that Fleet Managers can know how to help them improve. **These are key driver metrics:**
 - CSA Scores
 - Safety Records
 - On-time Performance
 - MPG
 - Customer Satisfaction Scores
- ✓ **Offer online learning.** Daniel Pink, in his book *Drive: The Surprising Truth About What Motivates Us*, names mastery as one of the key motivators. We all strive for continuous improvement in what we do.

Some drivers have earned college degrees while driving. Even if a college education is not the goal, some drivers need to continue learning and growing.
- ✓ **Conduct an exit analysis program,** Why would you care about drivers who have left? The best companies conduct interviews or surveys to learn **why good drivers leave.** The most important questions that an exit analysis program helps to uncover are:
 - How are we not meeting expectations?
 - What are the key triggers for disengagement?
 - What can we do to solve the problem?
 - How can the problem be corrected?
- ✓ **Offer the best drivers a return ticket.** One of the ways that trucking companies address the driver shortage is to offer their best drivers who have left an invitation to come back.

Our "Likely to Return" client reports have shown that there are drivers who would be willing to return to the company. Without an invitation, many of them don't consider it an option.
- ✓ **Provide Feedback Opportunities.** Provide formal and informal feedback opportunities to always know what is going on with your drivers.

One of the greatest benefits of a periodic *driver engagement survey* is to provide formal feedback opportunities. You can also work with your fleet managers to provide informal opportunities.

- ✓ **Continuously express your appreciation.** In his best-selling book, *7 Habits of Highly Effective People*, Stephen Covey introduced the idea of “Emotional Bank Accounts.” Providing ongoing displays of appreciation and offering positive reinforcement helps you make deposits into your drivers’ *emotional bank account*. This allows you to create a positive balance in the account, which reflects the amount of trust in your relationship.

- ✓ **Provide leadership training.** High-performing organizations are relentless in their pursuit of continuous learning. The best trucking companies provide leadership training to their Executive Team down to the Fleet Managers. Some of the leadership competencies that you may want to incorporate into your training include:

- ✦ Communication skills
- ✦ Decision-making skills
- ✦ Business acumen
- ✦ Financial acumen
- ✦ Conflict resolution



Agent of change

It goes without saying that there are many other practices fleets can use to identify, recruit, and retain the best drivers. If its true that drivers are a company’s #1 asset, then it has to be demonstrated. With every means at their disposal.

Not so long ago, if a driver had a grievance about the way they were being treated by a their company, they would make their displeasure known on the wall of a bathroom stall at a truck stop. Not very effective, but for some, restroom grafitti can be personally therapeutic.

Think of Facebook, Linked In, Utube, and other social media as a variation on the theme but with considerably more damaging consequences.

Drivers are more proficient with communication technologies than they were 10 years ago and will readily use it to voice their discontent. The internet is awash with driver's forums devoted to cyber accountability. In this age of connectivity, a company's recruiting efforts drivers can be compromised at the speed of light. A compelling argument can be made that the development of the internet has done as much to adversely affect driver recruiting efforts as it has in aiding them.



If trucking firms are serious about recruitment they must not only have a robust web presence,

but also do their due diligence in repairing and eliminating any attempts by those who would seek to electronically vandalize their company's reputation.

Removing Barriers

In the presumably unglamorous and male-dominated industry of truck driving, business stakeholders have done little to target what could potentially be a partial answer in changing the



face¹¹ of the driver shortage. According to the Bureau of Labor Statistics, only 5.8% of all truck drivers were women in 2014.

In the opinion of industry experts, the responsibility for the lack of awareness of career opportunities in trucking for women rests squarely on the shoulders of the trucking community at large.

Whatever attempts to truly connect women to the profession have been chiefly due to the efforts of people like Ellen Voie, President of **'Women in Trucking'**.

According to Voie, industry image has been a major obstacle in bringing more women into the world of truck drivers. On top of all the other hurdles that their male counterparts face, women must also deal with stereotyping, prejudice, safety concerns, and the inappropriate behavior of men less accepting of their role as professional drivers.

Another organization bringing those issues to light is, **'REAL Women in Trucking'**; formed in 2010 as a protest group by women truck drivers seeking to improve conditions that were not being effectively addressed by the industry.

Women who responded on their forum page have voiced many concerns about sexism and harassment by coworkers and driver trainers. They point out that women have had to think outside the box with respect to their obvious physical differences, but are quick to state that most never use it as an excuse to do less than what the job requires.

As forum contributors see it, companies have done little to promote the fact that trucking is one of the few professions where there is no glass ceiling with respect to wages. They say that only by raising awareness of the more positive aspects of the occupation - the independence and the ability to make a decent living - will more women entertain driving over-the-road as a way to make a living.

¹¹ Ice Road Truckers, courtesy: The History Channel

Troopers to Truckers

Some trucking firms have come to realize that military veterans may help tremendously in their hiring strategy.

According to the U.S. Department of Veteran Affairs, the post-9/11 Veteran population is expected to increase 46 percent between 2014 and 2019. Their average age is 33.



The road for Veterans transitioning into the trucking industry has recently been made easier by the, **Military Commercial Driver's License Act**, signed into law by the President in 2012. It allows states to waive a residency requirement for issuing commercial licenses to service members living in the state. This makes it easier for separating service members to get a post-military job in the state of their last duty station if they are not a resident of that state. The federal law applies to active duty and reserve members.

Veterans have attributes which employers find appealing: qualities such as experience with diversity, pride in attaining goals, excellent work ethic and the ability to work under stressful conditions.

Early last year, the U.S. Department of Transportation's Federal Motor Carrier Safety Administration expanded its waiver program that gives states the authority to waive the skills portion of the CDL application for active-duty and recently discharged members of the U.S. armed services,

the National Guard and Reserve and the U.S. Coast Guard if those individuals have experience driving comparable military vehicles. The ATA has pledged that its members will hire 100,000 military

veterans over the next two years as part of the program. This is an important step in helping the trucking industry take advantage of a readily available group of drivers. Several of the larger carriers, such as Schneider National and Werner Enterprises have already done so.

Changing Faces: Diversity in Trucking

In an article to its members, NATSO¹², published the results of a May 2014 survey of drivers seeking employment conducted by Randall-Reilly Publishing. It showed that 70.5 percent of drivers were white, 15 percent were black, 7 percent were Hispanic and 1.5 percent were Asian. Figures from The U.S. Department of Education show that 51 percent of those completing driving programs in 2012–2013 were white, down three percentage points from 2009–10. The Education Department reported that 28 percent were black and 12 percent were Hispanic. Eight percent are women. Currently, 73 percent of professional drivers are white and about 12 percent each are black or Hispanic. Less than 5 percent are women.

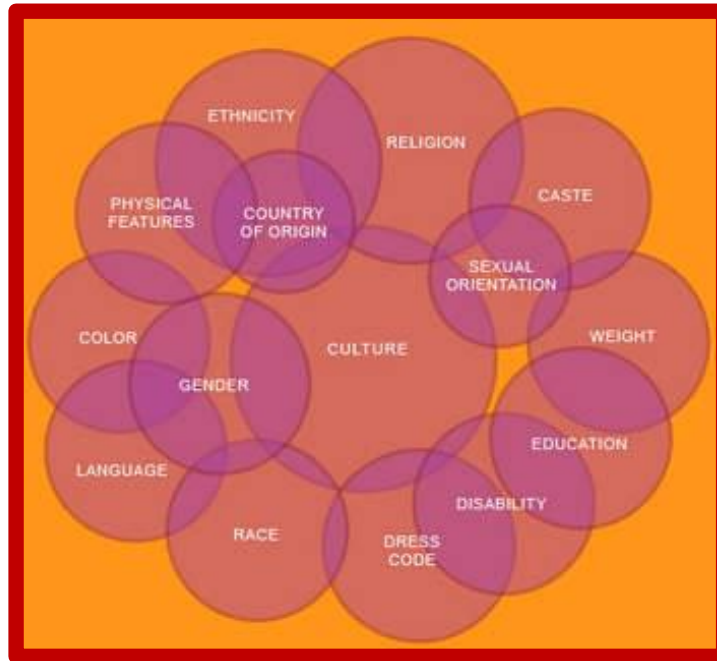
What all these numbers reflect is that the demographic make-up of the United States is rapidly changing. What they imply is more significant: The ethnicity of the workplace is also shifting.

¹² National Association of Truck Stop Operators

In the past, most statistical analyses of workplace census has researched the subject of racial diversity, today studies are often geared more towards the cultural and religious distinctions.

To better understand what those distinctions mean to trucking companies, corporate executives will need to better understand their changing workforce. For instance, it may be that with the influx of Muslim drivers, companies will need to make a concerted effort to include diversity and cultural sensitivity training during new driver orientation. Companies must be advocates of diversity. Embracing those changes early will certainly aid in attracting those drivers who might not consider trucking as a career choice if they imagine the profession to be hostile to their ethnicity.

In many parts of the country, ethnic diversity is a forgone conclusion. In south Florida, a vast majority of drivers are from Cuba, Puerto Rico, and Central America. From Texas to southern California, people of Mexican descent constitute a large portion of a fleet's drivers. In Washington and Oregon, Asian immigrants can be found behind the wheels of trucks. Wherever there are pockets of culture, there are people eager to work. Diversity cannot be ignored if a company expects to remain viable.



Just as other businesses in the Lehigh Valley are experiencing, All State Career School at Lehigh Carbon Community College's Transportation Institute is seeing a steady rise in its CDL program enrollment proportional to the growth of the Latino community. We welcome them.

Young Lions

As mentioned before, when a young person finishes school and is considering a career choice, many of them will never consider trucking because of the federal age requirements that will not allow those under 21 years old to operate a commercial vehicle over state lines. They will simply turn to other occupations which carry no

such restrictions.

While there is ample debate in some quarters as to whether 18 year olds are mentally and physically mature enough to handle the demands of the job, industry members say that they need these people to help close the gap in the driver shortage. There is also the challenge of public perception. Surveys indicate that the general public is less than enthusiastic with the idea of younger drivers behind the wheels of tractor-trailers for the same reasons as cited above.

LCCC Transportation Institutes' own experience with training students under the age of 21 has been extremely positive. Our training program often trains students as young as 19. These young people can expect to work for local companies whose drivers do not leave the state of Pennsylvania.

Instructional obstacles regularly seen in teaching older students are less evident with younger students. Young people tend to be more malleable, quicker to learn, have sharper motor skills and are eager to do things right. Conversely, older students tend to be 'locked' into a frame of thinking that sometimes makes teaching basic skills more difficult, particularly as they relate to situational awareness.

Most industry experts agree there will eventually be federal legislation allowing younger drivers to drive over the road. Will the roads be less safe with younger drivers? Time will tell.

Down the Road

As pointed out in the ATA's analysis, "because there is no one cause of the driver shortage, there is no one solution." It's possible there never will be.

The courses of action that the industry chooses today will certainly determine its future. The question is, will it be for the better? How fleet owners find and keep the best drivers is entirely in their hands.

Among some of the more far flung notions are 'autonomous trucks'. Inasmuch as some industry firms are spending millions on the research and development of those types of driverless vehicles, they are still many decades away from reality.

Driverless trucks?

-Or trucks without drivers?

One thing is certain: unless trucking companies support a paradigm shift in their philosophy from customer-centric to driver-centric, and *truly listen* to what the men and women who move America have to say, they are fated to repeat the past.

Indeed, there may come a day in the distant future when a child asks, "Daddy, what's a truck driver?"



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