THE CDL DRIVER EMPLOYER PARADOX



Life isn't often fair.

Good guys finish last.

No good deed goes unpunished.

Trucking operations who pay well, respect their employees, and enjoy high retention rates are finding themselves on the receiving end of a very unfair paradox. Having retained a strong cadre of CDL drivers who stay put, but who are now reaching retirement age has left these good employers ill equipped to hire in today's marketplace.

It's like going on an online dating site 25 years after you left the single's scene. It's not comfortable, not familiar, and not fun. Hiring like dating just isn't what it used to be.

Contrast this with some big box trucking companies who live like rock stars, burning through drivers with their absurdly high turnover rates. These companies have, out of necessity, built marketing machines that bombard CDL drivers daily with the siren songs of better pay, better benefits, and now "EVEN MORE" home time.

The good guys like you are left competing with the grass is greener mentality these offers engender.





What is a good company to do?

You could go over to the dark side, promise the world, and build your hiring model around low retention and high turnover. Or you could find a middle ground, find a way to make yourself known to drivers, find those who appreciate the value and values you offer, while learning how to communicate with and talk to drivers who have been bombarded with these hyperbolic marketing messages.

It's the economy, stupid.

Sign-on bonuses are the new retirement. It's the operating mentality.

A slick advisor once said to a president, "it's the economy, stupid". We know what he meant, and for trucking more so than ever. Like the preacher man warns: money drives people, and it guides their choices.

Today's truck drivers know they are essential and extremely hirable. They know they can work today, quit tomorrow, and be working again by Thursday. They have become accustomed to job hopping; and the modern gig attitude permeates their employment trajectory.







But you can fix that. Build a recruiting department! And then pay for a recruiting department!

With just 20 to 50 trucks, a full-time recruiter is economically justifiable, but only if you have steady driver turnover. Your historic low turnover rate (again a symptom of being a good employer) has not justified this luxury. Maybe your HR Department or Driver Manager has pinch hit as the company recruiter when those few and occasional hires needed to be made.

Let's do one of those scientific thought experiments. Find a cheap but good recruiter, pay them only \$700 per week. Do a few hundred dollars in advertising every week. Run backgrounds of the many candidates you develop and find the best drivers! It works.

Now the bean counting starts. Let's assume with this example your all-in cost is \$1000+ a week. Maybe skip the recruiter, and just burn HR and Ops time to the tune of \$200 a week (insanely optimistic) and you might get it to work for just less than \$500!

That second, "suck it up" DIY model will get you employee of the month in the corporate conference room. Until all those savings go out the window when you're two drivers short and have to freight board a few loads on the spot, while overworking your other full time drivers.





Recruiting and hiring today is a full-time job and that's a reality. Higher turnover is the norm in fleets, and those companies who have kept drivers long term shouldn't expect the length of tenure to remain as it has been. On the other side of that coin, whatever you've been doing right doesn't just disappear either. You're not likely to soon have the 100% turnover rate of those bad boy big box operators either.

If only you could have a dedicated recruiting department, without all the overhead of a robust recruiting department.

Staffing temp to perm to the rescue.

You had to know the answer would involve what we're selling. But don't stop reading just yet. The solution is isn't just what we do - - - it's just what you need.

If you pay markup on a staffed temp to perm driver, you will incur costs. Imagine a 50% markup from a staffing agency. You might only be paying the wage + FICA + COMP + SUI + Misc. to the tune of 20% to 30%. That means the staffing company is disappearing 20% to 30% of the wage. This would seem unfair if you have no hiring costs currently (you do, you just aren't cost accounting them).







But let's re-evaluate using an example. If I have two drivers on a temp to perm basis, making \$1300 a week, that means the drivers true cost is \$260 to \$390 more than you would pay for them internally. That's a VIG of \$520 to \$780 per week.

That \$780 is less than our inexpensive recruiter and weekly advertising. Oh, and the staffing company carries all the COMP and SUI risk, too. Do you like the driver? The mark-up goes away when you move them over to your payroll!

You could keep two or even three drivers on a temp to perm model at all times and still be ahead of the cost of one internal recruiter and advertising. But a small fleet can expect to often have periods with no driver or only one driver on the temp to perm model, as they will convert to full time company hires.

The CDL Staffing Solution

The paradox is real. Trucking entities with high retention and an aged workforce are about to experience it full throttle. Hiring the truck driver of today isn't like hiring drivers even ten years ago. Our staffing team is your recruiting team. Our compliance vetting is your compliance vetting. Our hires shortly become your hires.

Our contract is pay as we preform, no set-ups, no hidden fees. If you want to solve the paradox without an upfront investment email our CEO at Paul.Timmons@GoCDL.com.



