
Addressing the CDL Driver Shortage in Consumer Goods & Retail Industry

Background

COMBATING A COMMON SKILLS SHORTAGE

A worker shortage for Commercial (CDL) Truck Drivers is not a new issue but the global trend continues to increase at rapid rates.

According to the American Trucking Association, the US is “facing a record shortage with an estimated 50,000 more drivers needed to meet demand”. By 2026, the shortage is expected to triple.

And this issue is not limited to the United States. In all other developed and emerging economies, the same thing is echoed: the need for road freight continues to escalate but the supply of workers is simply not available. Seasoned drivers are retiring and younger generations are not interested in driver careers. Working conditions are undesirable as hours are long and the lifestyle is sedentary. It is highly regulated and can require many levels of qualifications and certifications.

This shortage means a number of things for Consumer Product organizations, as well as consumers. For instance, organizations cannot deliver fast enough to match digital purchasing, meaning less volume in the market and increased prices for consumers.

Automation and self-driving trucks are being explored, but this development is still many years to decades away and it is still unknown if it will fully eliminate the driver role or possibly just shift the role's core responsibilities. While the industry continues research and development for the future, the immediate need for CDL drivers remains paramount.

Pontoon has advanced RXO programs in our Consumer Products and Retail (CP&R) segment. As a common hiring shortage, we have created and shared best practices within our CP&R portfolio.

Our Approach

RECRUITMENT ADJUSTMENTS TO MEET THE NEEDS OF THE DRIVER

With such a tight market, our teams put forth a focus on talent attraction and recruiting retainment. Finding new ways to attract talent is the first step, but then the teams have changed their talent acquisition strategies in order to retain the talent throughout the process.

To attract talent, our teams have set up customer website landing pages specifically for truck drivers. The sites highlight Employee Value Propositions (EVP) and all pertinent pay, bonus, and benefit information. The site is also used to showcase open roles and markets and provide employee video testimonials and real life job previews. Knowing that drivers do not have much downtime or consistent access to computers, the sites are mobile friendly and have a streamlined and easy form for drivers to complete during their short driving breaks.

To attract younger generations, our teams look beyond just salary and benefits as EVP. Millennials are interested in experiences and it's important to frame driving careers in a new perspective. Driving careers allow for a different work/life balance with longer work periods followed by extended time off. It's an opportunity to travel and experience different parts of the country. There's new and exciting vehicle technology.

Advertising on social media is also key. Promoting roles in social media groups specific for the trucking industry has gained great traction for our clients.

Once candidate traffic is driven to the landing page and the information form completed, it is vital that our teams react quickly to engage and retain. In every client program, we have separate teams and recruiting processes specific to driving roles. There is a dedicated team member from start to finish, as opposed to multiple process owners. Whenever a website form is completed, the driver receives a follow up call nearly immediately while the interest is still fresh with the candidate. Additional touchpoints were added to ensure the candidate continues quickly through the process. Where automation is used for contact in other groups, our teams have found consistent phone calls were actually more successful and relevant to this audience. The teams couple this with text notifications for interview reminders and onboarding documents.

In all cases, the use of data and market intel have been an important element as well. Our teams leverage market data to act in a more consultative way. We utilize it to support pay rate increases and sign-on bonuses per location, sourcing innovations, advertising recommendations, and competitor benchmarking analysis. In one program, the team improved process efficiencies with significant cost savings and recommended on-package job advertisements and targeted campaigns for driving roles with a portion of the savings.

Client Results

SHARED BEST PRACTICES FOR AN OPTIMIZED TARGET OPERATING MODEL

Since implementing best practices with our RXO programs, our clients have seen improvements throughout the full lifecycle including increased number of candidates, candidate to interview and interview to hire, better time to fill, and overall client satisfaction. One client – the global leader in food and beverage products - has seen an increase in their US applicant pool by 31% in only 60 days from targeted advertising campaigns. The pipeline is stronger than ever before with seasoned drivers.

For another customer, a leading snack food brand, every site is within single digits of being fully staffed with drivers – something that hasn't been done in several decades.

We know this skill scarcity will continue so our best practices model is always evolving. We accomplish this through collaboration sessions, data and market intelligence analysis, and leveraging our best in class RXO Target Operating Model.

