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2019 Mixer Driver Recruitment and Retention Survey

Executive Summary

National Ready Mixed Concrete Association



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EXECUTIVE SUMMARY

2019 Mixer Driver Recruitment and Retention Survey

September 2019

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2019 Mixer Driver Recruitment and Retention Synopsis

This is the fifth year for *NRMCA's Mixer Driver Recruitment & Retention Survey*. Data was collected between May 1, 2018 and April 30, 2019. The Executive Summary is a synopsis of the national results most critical questions; the full report is more detailed and further delineates findings by region and size of company.

Pressure increased on producers to maintain a healthy mixer driver pool. Not only did 60% report they turned away orders because they did not have drivers to deliver product but also 95% reported driver vacancies, up 27%. Both factors dramatically increased over last year's survey. Since 2014, it is estimated the industry hired approximately 115,500 mixer drivers; approximately 102,400 left in the same period in a five-year average mixer driver pool of 74,400.

There is good news. Last year, the mixer driver pool increased for the first time in two years, up 2,000 drivers, to an estimated 77,000. Nevertheless, on the last day of the survey, producers reported 9,900 unfulfilled jobs. Respondents overwhelmingly noted their biggest hiring challenge was finding drivers with industry experience. Facing such a shortage, 43% will hire 18-21 year old drivers and 51% will hire newly licensed commercial drivers. Approximately 8% of new hires were new CDL drivers. 56% of respondents rehired former employees, equating to 9% of the new-hire mixer driver pool.

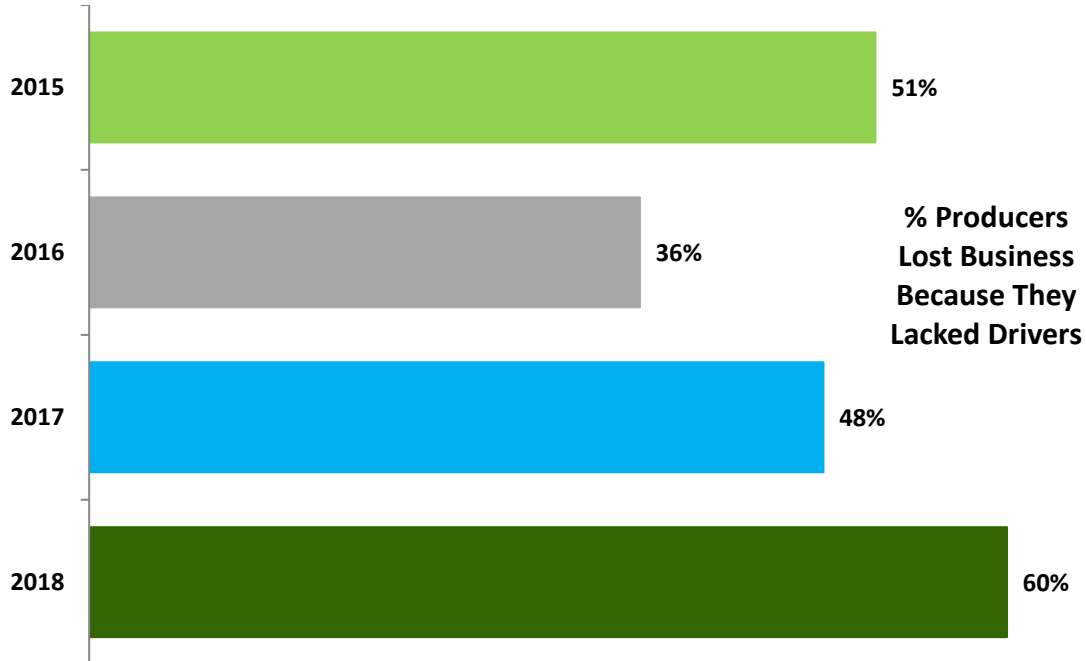
Of the approximate 28,000 mixer drivers hired last year, about 25,000 left. Of that, 9,800 were hired and left in the 12-month survey range, meaning over 60% of total separation (15,000 drivers) had more than one-year experience. The turnover rate increased to 33%, up from 29% in 2017. This year, as for three of the survey's five years, producers report more drivers left for a short-haul driving job, not in the industry. Second was to a competitor producer. "Retirement" was sixth. Higher pay elsewhere and inconsistent daily schedules remain the top two reasons drivers quit for the fourth year. The quit/released ratio was 66%-33%, whereas the national separation trend for US workers, as reported by US Bureau of Labor Statistics (US BLS), was 55%-45%. Finally, mentoring new mixer drivers dropped to 54% last year, from a 2016 high of 85%.

Mixer drivers' median age is 46 years old, older than the US BLS 2019 estimated median age of "material moving workers" at 43 years and 44 years for "durable goods manufacturing: 'cement, concrete, lime, and gypsum products'". Tenure dropped to 8.2 years from 9.6 years the previous two years. The US BLS reports 29% of American workers have a 10+ year tenure with their company; this industry's was 28%.

This annual survey reports staffing levels, retention rates, internal job mobility, age, and tenure data. It also looks at recruitment methods, hiring rates, trends, and challenges. Finally, it examines separation, including total turnover, voluntary turnover, involuntary turnover, layoff turnover, reasons for termination, and reasons mixer drivers quit. Respondents represent their company and report on their driver-employees. This apparatus does not survey mixer drivers.

I. Recruitment

NRMCA asked survey respondents if they lost business SOLELY because they did not have enough mixer drivers to deliver concrete. Response rate was 95%.



Vacancy Rate

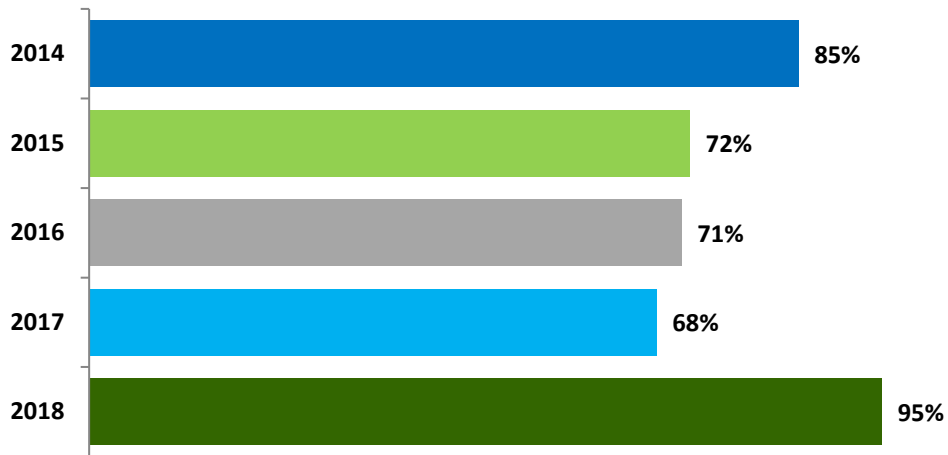
The Society for Human Resource Management (SHRM) states a company's vacancy rate is the result of employee turnover plus creation of new positions. It is a company's unmet labor demand. Vacancy rate is calculated on one set date. This survey used April 30, 2019, the last day of the data collection period.

Producers reported 9,886 vacancies on April 30, 2019. The number was divided by the 77,000 estimated mixer drivers, the total pool on the same date. That calculated to a 13.1% vacancy rate, far higher than the US total employment national average of 4.8%, as reported by the US Bureau of Labor Statistics (BLS) on December 31, 2018. Response rate was 94%.

How many vacant full-time mixer driver jobs did you have open on the last day of the survey?

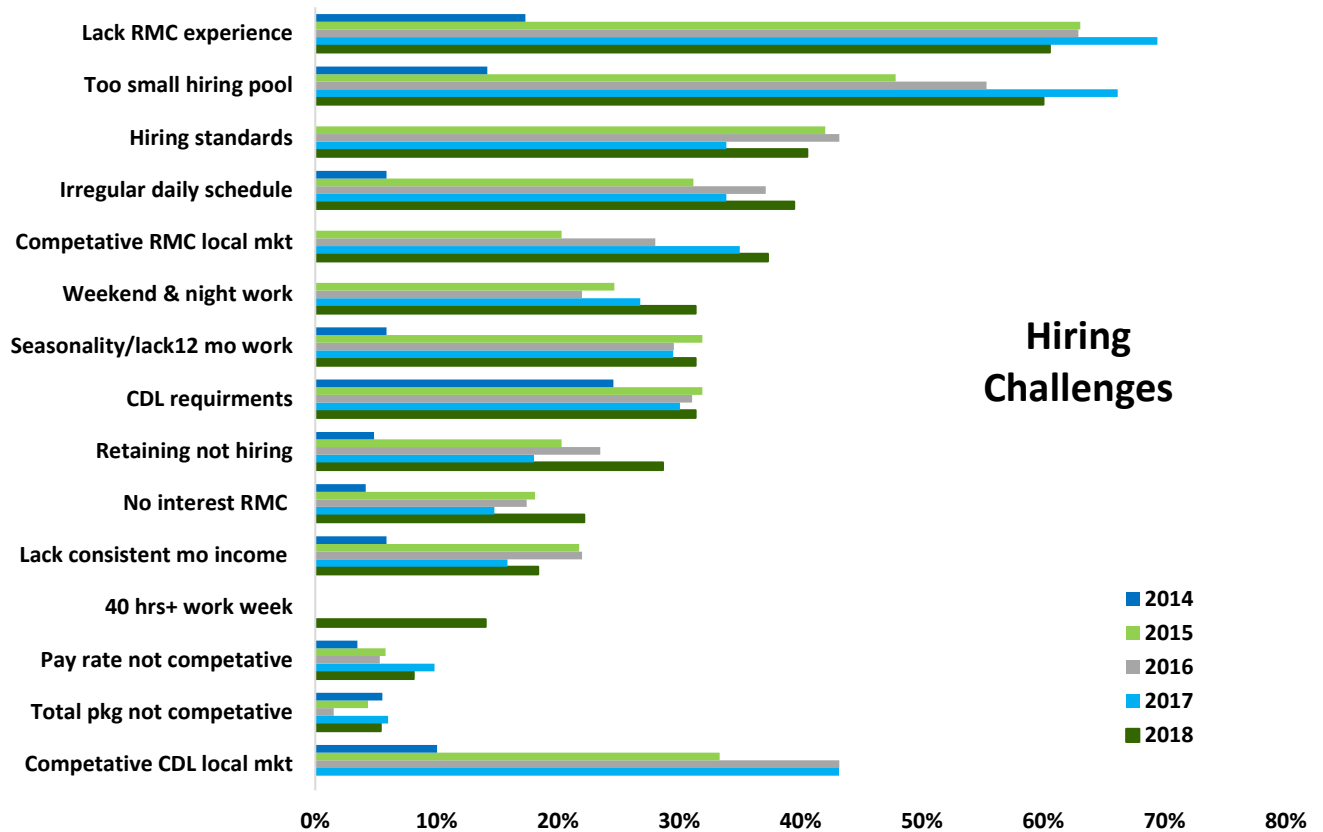
National	Total Vacant	% Total US Driver Pool	Vacancy Rate	% Companies w Vacancies	Average	Median	High	Low
<i>2014 driver population 70,000</i>	<i>6,090</i>	<i>8.7%</i>	<i>8.7%</i>	<i>85%</i>	<i>11</i>	<i>5</i>	<i>140</i>	<i>0</i>
<i>2015 driver population 75,000</i>	<i>5,049</i>	<i>6.7%</i>	<i>6.7%</i>	<i>72%</i>	<i>11</i>	<i>5</i>	<i>80</i>	<i>0</i>
<i>2016 driver population 75,000</i>	<i>3,423</i>	<i>4.6%</i>	<i>4.6%</i>	<i>71%</i>	<i>8</i>	<i>4</i>	<i>70</i>	<i>0</i>
<i>2017 driver population 75,000</i>	<i>7,068</i>	<i>9.6%</i>	<i>9.6%</i>	<i>68%</i>	<i>11</i>	<i>4</i>	<i>232</i>	<i>0</i>
<i>2018 driver population 77,000</i>	<i>9,886</i>	<i>12.8%</i>	<i>13.1%</i>	<i>95%</i>	<i>18</i>	<i>6</i>	<i>417</i>	<i>0</i>

% Companies with End-of-Year Vacancies



Industry Hiring Challenges

NRMCA asked survey respondents what their biggest challenges were when hiring mixer drivers. Response rate was 100%. A five-year comparison follows:



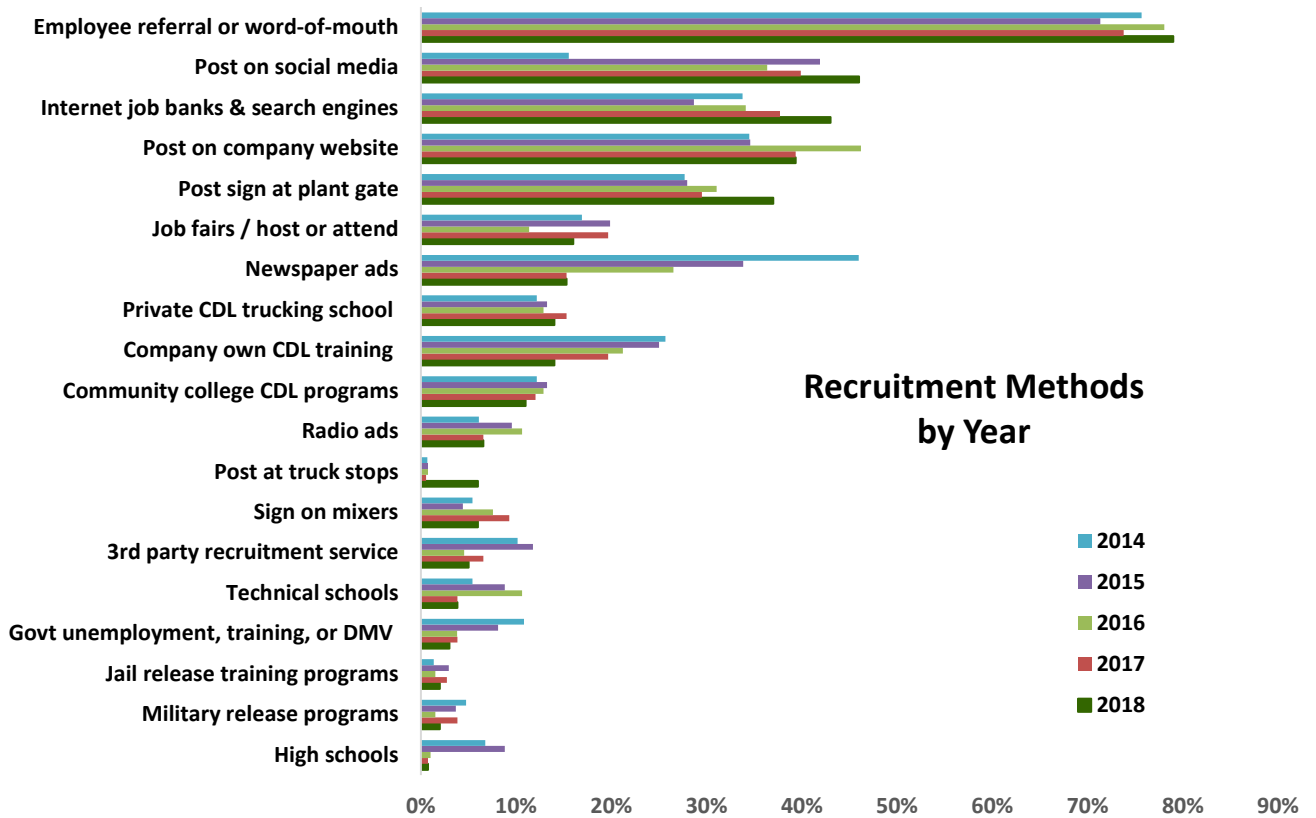
Furthermore, as in the previous four years' surveys, there was a broad correlation between recruitment and retention challenges. If we compare "lack of experience" (hiring) and "poor performance" (firing) as iterations of one another, they are both at the top of the list.

NATIONAL HIRING CHALLENGES	RANK	RANK	NATIONAL WHY MIXER DRIVERS RELEASED
Lack RMC experience	61%	75%	Poor performance-driving
Too small hiring pool	60%	72%	Poor performance-work ethic
Hiring standards	41%	34%	Not listed
Irregular daily schedule	39%	31%	Poor performance-technical
Competitive RMC local mkt	37%	29%	Company policy change
CDL requirements	31%	26%	CDL issues
Seasonality/lack12 mo work	31%	18%	Only drive a truck
Weekend & night work	31%	16%	Illness or injury
Retaining not hiring	29%	14%	Business slow down
No interest RMC	22%		
Lack consistent mo income	18%		
40 hrs+ work week	14%		
Pay rate not competitive	8%		
Total pkg not competitive	5%		

Industry Recruitment Methods

After understanding the challenges, the survey then sought to see how producers addressed them when recruiting. The survey listed 19 recruitment methods adapted from those commonly used across all industries, as reported by SHRM and revised by NRMCA's Workforce Development Committee. Additionally, there was a write-in option, "Other". All of those could be, and were, incorporated into one of the 19. There has been little change over the past five years when it comes to the number of avenues producers use to solicit mixer driver job candidates.

	2018	2017	2016	2015	2014
% Reporting	98%	100%	96%	99%	99%
Average Methods Used	3	3	4	4	4
Median	3	3	3	3	3
1 Method	17%	2%	11%	15%	13%
5+ Methods	26%	26%	26%	26%	6%



Hiring Analysis

The percent of a producer’s new hires averaged in the low 30%-range of the mixer driver national pool over the past five years.

How many full-time mixer drivers did you hire between the 1st day of the survey and last day?						
National	Total Hired	% Total US Driver Pool	Average Hired	Median Hired	High Hired	Low Hired
2014 driver population 70,000	21,684	31.0%	27	10	300	0
2015 driver population 75,000	21,935	29.2%	45	15	305	0
2016 driver population 75,000	20,297	27.1%	47	18	608	0
2017 driver population 75,000	23,384	31.6%	33	12	586	0
2018 driver population 77,000	28,202	36.6%	48	15	370	0

The overwhelming number of newly hired mixer drivers were NOT newly licensed CDLs nor were they those just entering the workforce. This backs up the 61% of survey respondents reporting their biggest hiring challenge is hiring mixer drivers with industry experience.

How many of last year's hires were REHIRSES?

National 2018 driver population 77,000	Total Rehired	% Rehire to Full-Time Hire	% Producers Who Rehired Drivers
<i>2018 total hire 28,202</i>	<i>2,674</i>	<i>9.5%</i>	<i>56%</i>

How many mixer drivers hired were new CDL's?

National 2018 driver population 77,000	Total New CDL Hire	% Hired Were New CDLs	% Producers Who Hired New CDLs
<i>2018 total hire 28,202</i>	<i>2,158</i>	<i>7.7%</i>	<i>51%</i>

Do you hire 18-21 year old mixer drivers?

	2018 Yes	2017 Yes	2016 Yes	2015 Yes
<i>National</i>	<i>43%</i>	<i>35%</i>	<i>35%</i>	<i>33%</i>

II. Retention

Staffing Level

The industry's mixer driver numbers have been relatively the same in the survey's five-year history with notable growth last year.

Question	Survey Total	Response Rate	Average	Median	High	Low
# Full time drivers on 1.1.14	17,908	98%	123	44	1,339	1
# Full time drivers on 12.31.14	19,024	97%	132	50	1,536	4
Question	Survey Total	Response Rate	Average	Median	High	Low
# Full time drivers on 1.1.15	19,405	100%	141	60	1,041	4
# Full time drivers on 12.31.15	21,062	100%	153	64	1,164	4
Question	Survey Total	Response Rate	Average	Median	High	Low
# Full time drivers on 1.1.16	20,721	100%	151	68	1,343	0
# Full time drivers on 12.31.16	22,352	100%	163	66	1,604	0
Question	Survey Total	Response Rate	Average	Median	High	Low
# Full time drivers on 1.1.17	19,742	100%	108	44	1,249	0
# Full time drivers on 12.31.17	19,167	100%	105	46	996	0
Question	Survey Total	Response Rate	Average	Median	High	Low
# Full time drivers on 5.1.18	23,643	100%	126	43	1,446	0
# Full time drivers on 4.30.19	24,510	100%	130	45	1,518	0

Staffing Demographics

Age

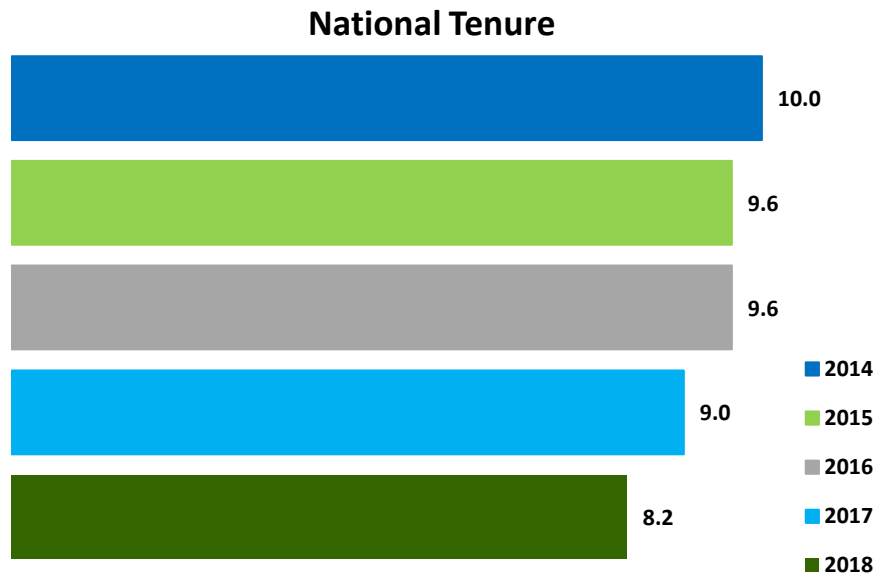
In the past five years, generally, the age of mixer drivers increased.

Age by Year	2018	2017	2016	2015	2014
	Average	Average	Average	Average	Average
<i>National</i>	46.3	46.4	46.9	45.7	44.7

This survey found mixer drivers median age at 46.0 years, a full year younger than last year's median, yet older than the US BLS 2019 estimated median age of "material moving workers" at 43.1 years and 44.0 years for "durable goods manufacturing: 'cement, concrete, lime, and gypsum products'". Tenure dropped to 8.2 years from 9.6 years the previous two years. The US BLS reports 29% of American workers have a 10+ year tenure with their company; this industry's was 28%.

Tenure

Mixer driver tenure (length of company employment in years) has dropped every year.



Rate of Retention

The retention rate, sometimes called the “stability index,” measures the retention of a specific group of employees over a specified period. To ascertain the success of that endeavor, SHRM set a protocol, called the *rate of retention*. It is calculated by taking the number of “stayers” at the end of the calculation period divided by the number of employees at the beginning of the calculation period. It is reported as a percentage.

Question	Survey Total	Response Rate	Average	Median	High	Low
# Full time drivers on 5.1.18	23,643	100%	126	43	1,446	0
# Full time drivers on 4.30.19	24,510	100%	130	45	1,518	0

In the 2019 survey, 24,510 drivers on April 30, 2019 were divided by 23,643, the drivers on May 1, 2018. The growth of the survey pool’s mixer drivers between those two dates was 3.7%, or a retention rate of 103.7%.

Full time drivers pool changes year-over-year	2018 RETENTION RATE	2017 RETENTION RATE	2016 RETENTION RATE	2015 RETENTION RATE	2014 RETENTION RATE
<i>National</i>	103.7%	97.1%	108.5%	108.5%	106.2%

Turnover Rate

Turnover tells an employer how many times a single position was occupied by a different employee throughout the designated period. It looks at the company’s employee volatility or “churn.”

Turnover rate was calculated by dividing the total of all drivers who left by the average number of mixer drivers on May 1, 2018 and April 30, 2019. The question’s response rate was 97%.

How many full-time mixer drivers left your company between the 1st day of the survey and the last day?

National	Total left	% Total US Driver Pool	Turnover Rate	Average	Median	High	Low
<i>2014 driver population 70,000</i>	13,508	19.3%	15.4%	25	10	432	0
<i>2015 driver population 75,000</i>	23,075	30.8%	32.0%	47	12	720	0
<i>2016 driver population 75,000</i>	18,676	24.9%	25.8%	41	15	494	0
<i>2017 driver population 75,000</i>	22,151	29.5%	29.1%	31	8	617	0
<i>2018 driver population 77,000</i>	24,351	32.7%	33.1%	42	12	674	0

Voluntary (Quits) Turnover Rate

The voluntary turnover rate is calculated by taking the number of quits divided by the average of the total of drivers on May 1, 2018 and April 30, 2019. Response rate was 99%.

How many full-time mixer drivers quit your company between the 1st day of the survey and the last day?

National	Total left	% Total US Driver Pool	Voluntary Turnover Rate	Average	Median	High	Low
<i>2014 driver population 70,000</i>	<i>7,738</i>	<i>11.1%</i>	<i>11.4%</i>	<i>15</i>	<i>5</i>	<i>280</i>	<i>0</i>
<i>2015 driver population 75,000</i>	<i>14,365</i>	<i>19.2%</i>	<i>19.9%</i>	<i>30</i>	<i>9</i>	<i>720</i>	<i>0</i>
<i>2016 driver population 75,000</i>	<i>10,667</i>	<i>14.2%</i>	<i>14.8%</i>	<i>24</i>	<i>8</i>	<i>330</i>	<i>0</i>
<i>2017 driver population 75,000</i>	<i>13,738</i>	<i>18.3%</i>	<i>18.0%</i>	<i>20</i>	<i>6</i>	<i>386</i>	<i>0</i>
<i>2018 driver population 77,000</i>	<i>16,693</i>	<i>21.7%</i>	<i>22.0%</i>	<i>29</i>	<i>9</i>	<i>419</i>	<i>0</i>

New Hire Voluntary (Quits) Rate

Almost 50% of the mixer drivers hired in 2015 quit in 2015, the first year for the survey question. The situation dramatically improved in 2016 and 2017 yet rose again last year. Response rate was 95%.

How many full-time mixer drivers quit the same year they were hired?

National	Total Hired	Total New Hires Left	Hired/Quit Turnover Rate	% Total US Driver Pool	Average	Median	High	Low
<i>2015 driver population 75,000</i>	<i>23,075</i>	<i>10,836</i>	<i>49.4%</i>	<i>14.0%</i>	<i>23</i>	<i>4</i>	<i>610</i>	<i>1</i>
<i>2016 driver population 75,000</i>	<i>18,552</i>	<i>4,818</i>	<i>24.0%</i>	<i>6.0%</i>	<i>11</i>	<i>4</i>	<i>183</i>	<i>0</i>
<i>2017 driver population 75,000</i>	<i>22,151</i>	<i>6,746</i>	<i>28.8%</i>	<i>9.0%</i>	<i>10</i>	<i>3</i>	<i>145</i>	<i>0</i>
<i>2018 driver population 77,000</i>	<i>24,351</i>	<i>9,785</i>	<i>34.7%</i>	<i>12.7%</i>	<i>17</i>	<i>5</i>	<i>322</i>	<i>0</i>

Further insight shows while the first six months are critical, the first three months are even more so.

When did new-hire mixer drivers leave?

2015		2016		2017		2018	
0-3 mo	0-6 mo	0-3 mo	0-6 mo	0-3 mo	0-6 mo	0-3 mo	0-6 mo
67%	88%	59%	88%	56%	78%	57%	82%

Why Mixer Drivers Quit

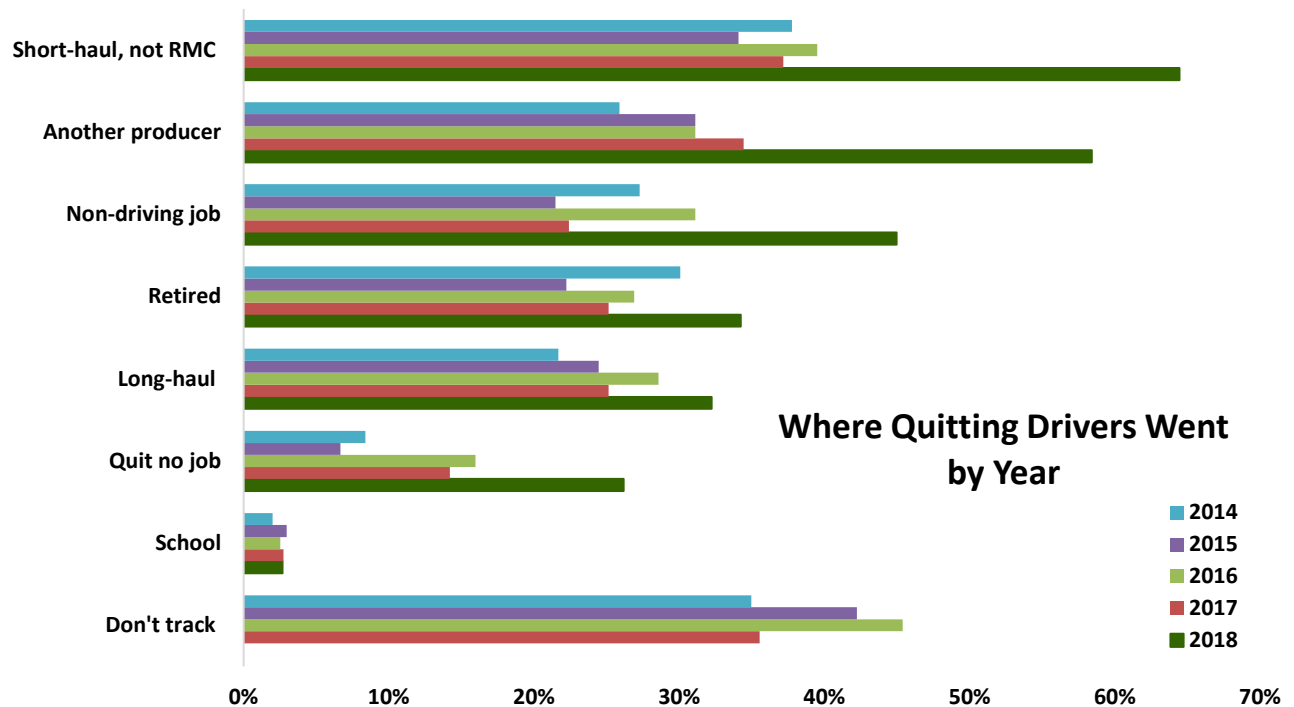
Respondents were asked to rank the top five reasons their mixer drivers quit. Generally, there is consistency over time. **RED** ranked **first**; **BLUE** ranked **second** is in; **GREEN** ranked **third**.

What are the top 5 reasons your mixer drivers quit?					
NATIONAL	2018	2017	2016	2015	2014
Higher pay elsewhere	64%	58%	42%	53%	55%
Inconsistent daily schedule	60%	42%	60%	46%	XX
Reason not listed	44%	15%	33%	28%	24%
Working weekends	38%	28%	33%	26%	20%
Lack steady 12 mo income	37%	39%	49%	43%	36%
Retired	31%	28%	32%	24%	18%
Seasonality/lack 12 mo work	30%	26%	26%	48%	10%
Better employment package	30%	24%	29%	26%	XX
Job stress	29%	22%	24%	42%	12%
Wants only driving duties	26%	21%	16%	16%	XX
Issue w company policy	25%	27%	27%	17%	16%
Working nights	25%	22%	25%	13%	11%
CDL issues	25%	21%	21%	21%	32%
Moved	24%	26%	21%	19%	XX
Issues with supervisor	23%	17%	13%	9%	8%
Quit before issue solved	22%	27%	30%	22%	39%
Lack of advancement	21%	14%	15%	7%	5%
Lack of training	14%	10%	7%	0%	2%
Felt unsafe	14%	9%	7%	1%	6%

The survey then charted a comparison between what producers see as hiring challenges versus why their drivers quit. As in the previous three years, 2018's survey reported drivers quit for better remuneration and a work life balance. In comparison, those factors are not as high on the producers' list of their perceived hiring challenges.

The colors in the RIGHT column, "Why Drivers Quit," is denoted with **RED** ranked **first**, **BLUE** ranked **second**. Their comparable selection under the LEFT column, "Biggest Hiring Challenges," is highlighted in the same color. In that **left column**, the colors DO NOT designate a first or second ranking – **just a visual comparison with the right column**.

NATIONAL HIRING CHALLENGES	RANK	RANK	NATIONAL WHY MIXER DRIVERS QUIT
Lack RMC experience	61%	64%	Higher pay elsewhere
Too small hiring pool	60%	60%	Inconsistent daily schedule
Hiring standards	41%	44%	Reason not listed
Inconsistent daily schedule	39%	38%	Working weekends
Competitive RMC local mkt	37%	37%	Lack steady 12 mo income
CDL requirements	31%	31%	Retired
Seasonality/lack 12 mo work	31%	30%	Better employment package
Weekend & night work	31%	30%	Seasonality/lack 12 mo work
Retaining not hiring	29%	29%	Job stress
No interest RMC	22%	26%	Wants only driving duties
Lack consistent mo income	18%	25%	Working nights
40 hrs+ work week	14%	25%	Issue w company policy
Pay rate not competitive	8%	25%	CDL issues
Total pkg not competitive	5%	24%	Moved
		23%	Issue with supervisor
		22%	Quit before issue solved
		21%	Lack of advancement
		14%	Lack of training
		14%	Felt unsafe

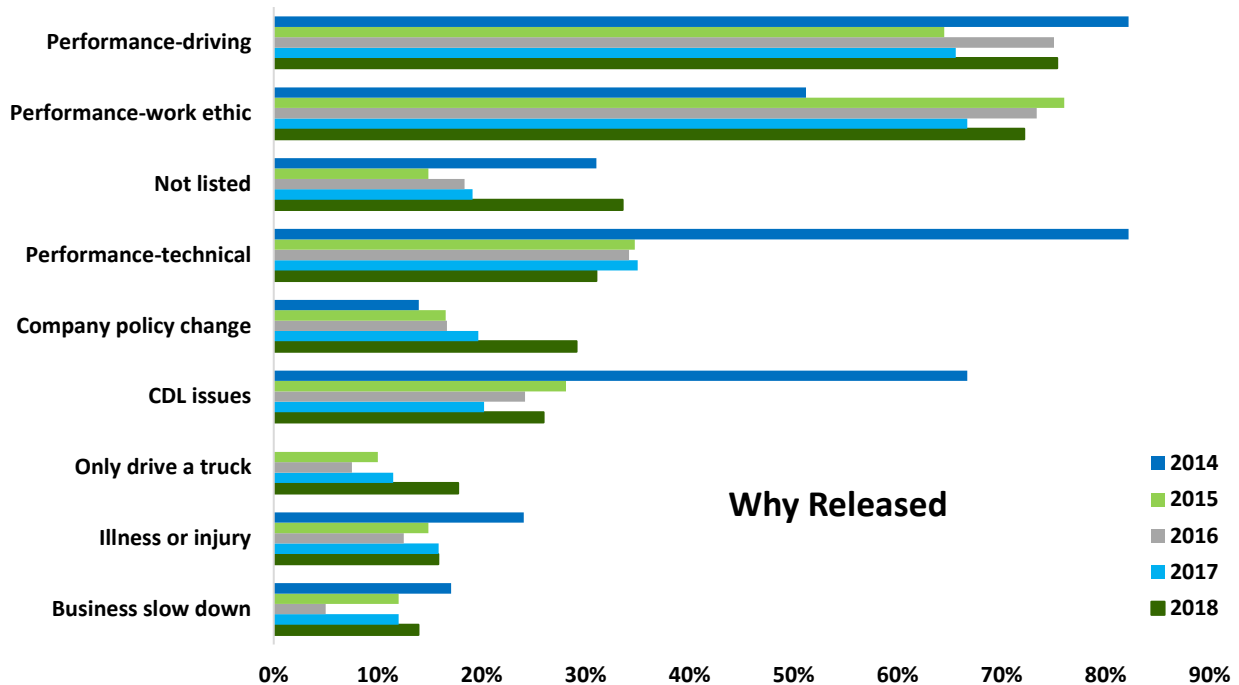


Involuntary Turnover

The involuntary turnover rate was calculated by taking the total number of involuntary separations divided by the average number of mixer drivers on May 1, 2018 and April 30, 2019. The question's response rate was 97%.

**How many full-time mixer drivers were involuntarily released?
Include permanently released and temporary layoffs.**

National	Total left	% Total US Driver Pool	Involuntary Turnover Rate	Average	Median	High	Low
2014 driver population 70,000	4,960	7.1%	7.3%	9	3	170	0
2015 driver population 75,000	8,446	11.3%	11.7%	18	4	377	0
2016 driver population 75,000	6,144	8.2%	8.5%	14	6	121	0
2017 driver population 75,000	6,331	8.6%	8.4%	9	3	127	0
2018 driver population 77,000	7,596	9.9%	10.0%	13	5	255	0



The survey is conducted under the auspices of NRMCA's Workforce Development Committee. Data is collected in May and June; the report is released in September. Participation is open to the entire ready mixed concrete industry.