



Reinforcing the Industry



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Developing Industry Leaders – Workforce Development Group



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Reinforcing the Industry What is our industry facing?



In construction there are six figure jobs that are not filled due to the labor shortage and transitioning workforce

- All time high for US Construction Spending (**\$1.257 Trillion** in Nov. 2017)
- By 2020 our labor shortage will reach **1.5 million people**
- **75% of contractors** want to increase their headcount in 2018 (AGC)

Are you ready for the challenges ahead?



Reinforcing the Industry Introduction



Industry Focus

- Employee Referral – 78%
- Company Website – 46%
- Social Media – 36%

Hiring Challenges

- Lack of RMC Experience
- Too Small of a Hiring Pool

Help to create a sustainable driver recruitment strategy



Reinforcing the Industry In-House CDL Training



Your Own CDL School



InHouse

Filling the Driver Pool



Grass Roots CDL Training



Reinforcing the Industry In-House CDL Training



In House CDL School



- Certified Trainers on Staff
- Create a Curriculum
- 2-3 Year Retention Agreements
- Can train and charge other CDL students to help offset the cost of trainers salaries



Reinforcing the Industry In-House CDL Training



In House CDL School



- Wil-Trans - OTR
- 120 Drivers in 2016
- 2-Year Retention Agreement
- 65% of students stay through agreement



- About 100 Drivers in 2016
- 3 Year Retention Agreements
- Average Retention Rate



- 40-50 Drivers per Year
- Successful Program
- Retention Agreement
- Higher then Average Retention Rate



Reinforcing the Industry In-House CDL Training



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CDL Training
InHouse



- 12 Drivers Last 3.5 Years
- 10 of them still work for us
- Average Age 26
- 15 Drivers Last 2 Years
- 12 of them still work Doan







Reinforcing the Industry In-House CDL Training



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How

- Get Permit 
- Walk Around Video 
- Drive truck around yard or with trainer
- Send for testing 
- Extra Training 

We Get

- Appreciative Drivers
- Feelings of Loyalty
- Not Scared off by Inconsistent Hours
- Not tainted by someone else's training



Reinforcing the Industry Military Recruitment



Military Recruitment Opportunities



Reinforcing the Industry Military Recruitment



Opportunities

- Concrete Preservation Institute (CPI)
 - US Military Career Skills Program with Department of Defense
- Hiring Our Heroes (US Chamber of Commerce)
 - Nationwide commitment to transition servicemembers to careers
- FASTPORT
 - Software company with mission to match military with employers
- Helmets to Hardhats
 - Offers federally-approved apprenticeship training programs



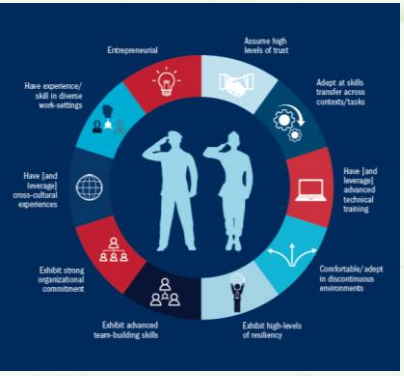
Reinforcing the Industry Military Recruitment



Effectiveness

“Those (veterans) who begin to plan for transition early (more than six months before separation) fare better than those who wait.” (US Chamber of Commerce)

- 2% of RMC recruit drivers from military
- 270K average number of service member separations annually
 - 90% of those are 35 or younger
- HR Attributes
 - Viewed more positively than civilian employees



Reinforcing the Industry Military Recruitment



Roadmap for Hiring

- **Prepare**
 - Educate yourself and your employees on military cultures
 - Research what a military job entails
- **Recruit**
 - Differentiate yourself
 - Publicize your commitment
- **Empower**
 - Set challenging goals
 - Be able to say “What’s next”



Reinforcing the Industry Military Recruitment



Hurdles to Expect

- Legal Obligations
 - Uniformed Services Employment and Reemployment Rights Act (USERRA)
- Tax Credits
 - Most states give a maximum between \$5K - \$10K
- CDL Training
 - Military veterans can bypass road test
- Instability/Health issues
 - Only about 10% of individuals develop PST



Reinforcing the Industry Prison Reform Recruitment



Prison Reform Recruitment



Reinforcing the Industry Prison Reform Recruitment



- The U.S. prison population is estimated to be 2.2 million prisoners at any given time.
- 51% of that is nonviolent offenders.
- 600,000 + inmates are released every year.
- Some of the driving forces behind the inmate population being as high as it is are “habitual violator laws” and “the war on drugs”.
- A major hurdle for successfully reforming these released inmates is recidivism.
- In an effort to curb recidivism rates, state and federal prison systems have implemented “**correctional education programs**”.



Reinforcing the Industry Prison Reform Recruitment



Correctional Programs Programs Generally Offer:

- Employment Readiness/Pre-Release Classes
- General Education Development (GED)
- Adult Basic Education (ABE)
- **Career and Technical Education (CTE)**



Reinforcing the Industry Prison Reform Recruitment



CTE's focus on many different trades including

- Welding
- Carpentry
- HVAC
- Auto Repair
- Electrical
- Commercial Drivers License



Reinforcing the Industry Prison Reform Recruitment



What are the benefits of Recruiting the reformed inmate?

- Large pool of new CDL drivers to choose from
- 2nd chance opportunities create employee to employer loyalty
- Ready to work employees
- Contributing to overall improvements of our community and society
- Work Opportunity Tax Credit
- Federal Bonding Program



Reinforcing the Industry Driver Retention



Driver Retention

National statistics can give good general ideas on the reasons for employee, or specifically, CDL driver turnover in the Ready Mix Concrete industry, but if we take a closer look at plant locations, there's another story to be told.

Each area has unique challenges to the driver retention focus that can be vastly different from another.

National statistics gives us great insight into overall problems, but putting a spotlight on these unique challenges to specific areas is crucial for Ready Mix Industry leaders to ensure their approach to employee retention is the most effective one.



Reinforcing the Industry Driver Retention



Low hanging fruit

Employees of any industry will historically cite several key factors in the retention of their employment. In no particular order –

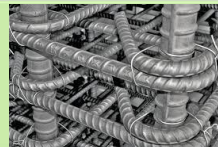
- Knowledge of expectations and appropriate training
- Job Stability
- A good boss/leader
- Benefits
- Opportunities for growth
- Financial Stability



We title this low hanging fruit because these factors are true across all employers of any industry. Therefore, it's generally easier to tailor programs that address these needs.



Reinforcing the Industry Driver Retention

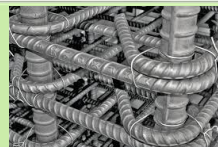


Two examples of specific needs-

- Upon examination of a local ready mix supplier, the findings present that nearly 10% of turnover is due to failure of drug screens, compared to suppliers within 50 miles that are closer to 1% turnover due to failed drug tests. Given an estimated \$3000 cost for general paperwork, on-boarding and a two week training course, this number adds up significantly.
- Ready mix suppliers in areas where the temperatures can dip in to the single digits can see a huge influx of drivers during those winter months. While this reasoning can easily circle back to the above mentioned “money” category, in order to address the issue, we should take a closer look at how to manage this problem.



Reinforcing the Industry Driver Retention



The two previous examples targeted issues that may only affect certain areas. How about issues that affect a large amount of ready mix concrete providers?

Barrier to entry –

- Typically ready mix concrete plants have sought to hire CDL drivers that already have a year of experience driving commercially under their belt. This was a requirement previously pushed by insurance providers, but for a new CDL holder, can make finding a job very difficult.
- Many CDL schools are now sending students to test for their CDL license in vehicles such as an automatic transmission school bus. Doing so puts a restriction on the driver's license that they cannot drive a manual transmission commercial vehicle. This can be a big problem for ready mix concrete plants with an older fleet that contains numerous manual transmission trucks.
- The cost and time associated with going to CDL school has always been a consideration for any potential CDL driver to manage.



Reinforcing the Industry Driver Retention



So how do we remedy some of these problems?

- Drug related testing failure might be a good candidate for continuing educational programs. With many states in the U.S. beginning to legalize marijuana for example, it may be good for employers to provide Safety meetings or training classes to remind our CDL drivers of their responsibilities as a DOT regulated employee to remain free of marijuana use despite the changing laws.
- Employers in colder climates may benefit from teaming up with other CDL employers like oil and gas delivery companies that have a dire need of CDL drivers only in the winter. A well thought out and executed plan to allow CDL drivers to work for another employer during the winter months and return in the spring has been shown to reduce driver turnover in one instance by 75%.
- Barrier to entry is always a challenge, and some employers are limited by insurance requirements, but, having a robust new driver training program that may allow CDL permit holders, and those with a restriction for automatic only transmissions to get experience that would allow them to test into the unrestricted CDL license may be beneficial.



Thank You to the **NRMCA** and its members for giving us the opportunity to be part of the DIL process, and allowing us to gain a better understanding of our industry.

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