

**BUSINESS & FINANCE**

# More Carriers Willing to Hire Younger Drivers, Survey Finds

Transport Topics Staff

Consulting firm Transport Capital Partners said more carriers are willing to hire less-experienced drivers and that many fleets remain conservative in their equipment purchasing plans.

TCP's latest business expectations survey found 51% of fleets now are planning to hire younger drivers to counter turnover and recruiting difficulties. That total is well above the current practice, in which just 30% of fleets hire those younger drivers, said the firm, based in Chattanooga, Tenn.

American Trucking Associations' latest report showed the turnover rate for truckload fleets was about 100%, or more than double the level when the recession was at its worst (12-17, p. 1).

"Carriers are looking for new ways to attract quality, long-term drivers," TCP said.

The survey found a wide gap between larger fleets, those with \$25 million or more in revenue,

and smaller carriers.

A total of 38% of larger fleets responding to the survey already hire younger drivers and invest the time and money to train them. Among smaller fleets, that total was 12%.

When asked about plans to hire younger drivers in the future, 62% of larger fleets said they would do so, compared with 28% of the smaller carriers.

"Investment in effective training programs will be essential to our industry," said Steven Dutro, a TCP partner. "Those who are successful in properly training and developing loyalty will gain a real competitive advantage."

The survey also found that two-thirds of fleets expect they will have to raise pay as much as 5%.

"Current operating margins allow little room to raise driver compensation levels," said TCP Partner Richard Mikes. "Everyone in the supply chain needs to recognize the critical need to pay a little more to keep quality drivers moving the freight."

When asked about equipment buying plans over the next 12 months, half of surveyed carriers said they planned to replace less than 10% of their trucks, while nearly 40% said they intend to replenish 11% to 25% of their fleet.

Larger fleets were more likely to make capacity additions, in line with a majority of those fleets that said they were obtaining an adequate return on investment.

Three in five smaller fleets told TCP that they weren't able to make an adequate return.

"This clearly reflects the apprehension apparent in rate and volume expectations," TCP said. "Smaller carriers will be relying on older equipment, which has higher maintenance costs and is more prone to poor CSA road inspections."