

# Fleets Court Drivers as Turnover Rate Hits 95%

By Burney Simpson  
Staff Reporter

Driver turnover at large truckload fleets rose 5% in the third quarter to a 95% annualized rate, the highest churn since the end of 2015, according to American Trucking Associations.

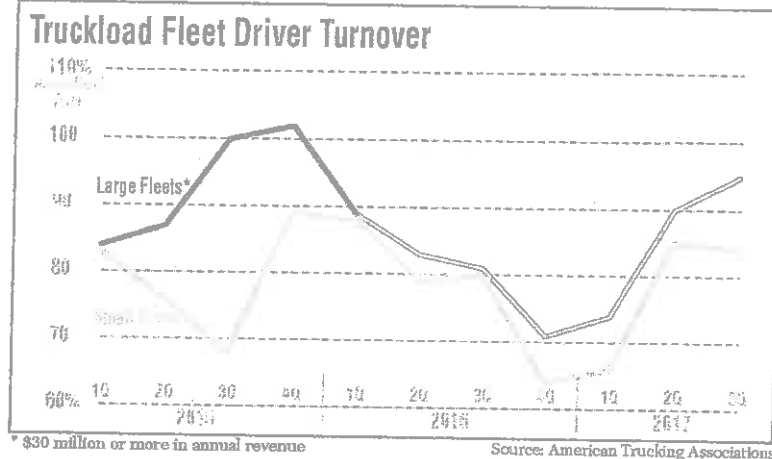
A number of carriers are raising pay rates and intensifying recruiting efforts as the shortage rises amid strong freight volumes.

"The turnover rate at larger fleets has steadily risen — a function of an improving economy, rising demand for freight transportation and fierce competition for drivers," said Bob Costello, ATA chief economist.

Total truckload shipments in the third quarter set a record with 974,450 shipments, a rise of nearly 12% from the same period a year ago, according to the Transportation Intermediaries Association, an industry group that tracks the freight hauling business.

Fleets are offering higher wages and other compensation for drivers, but there's still a need for more new talent, Costello said. He has calculated today's driver shortage at more than 50,000 and predicted it could rise to 174,000 by 2024.

Not all the turnover news was negative. ATA also found that turnover at small truckload fleets —



those with less than \$30 million in annual revenue — fell 1 percentage point from the second quarter to an annualized rate of 84%.

The turnover rate also fell at less-than-truckload fleets to a 7% annualized rate, its lowest level since the second quarter of 2016.

ATA launched in October a workforce development effort focusing on recruiting and retention strategies for the industry. Through its Workforce Development Subcommittee, it pledged to take up job training, apprenticeships, minimum age requirements for interstate drivers and age constraints relating to insurance coverage of drivers.

Oklahoma City-based truckload carrier Freymiller Trucking has worked to recruit and retain drivers in the past three months with a 3-cents-per-mile increase for

in-house drivers and the owner-operators it hires. The carrier in November also launched a guaranteed detention pay program for drivers stuck waiting to be unloaded, recruiting manager Tiffany Turner said.

The payout for the program totaled \$8,000 in its first week then hit \$11,000 later in November, she said. "We want to increase retention and compensate drivers for their hard work."

Freymiller's turnover rate has stayed around 80% in the past few quarters, and its new policies will translate into a \$1.7 million increase in driver compensation in 2018, said Turner. The truckload carrier operates about 500 trucks with its fleet drivers and owner-operators.

(See **TURNOVER**, p. 31)