

WHAT IS ON THE MIND OF TRUCKING

Takeaways From ATRI Annual Issues Survey

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"Perpetuation" and "inter-relation" are my two primary takeaways from the ATRI Annual Survey of Critical Issues in Trucking for 2020. To me, this means the issues that are "perpetually" present need to be addressed and those "inter-related" require an overarching perspective.

We know the problems. We need to align our legislative, regulatory, and industrial resources to address them.

PERPETUALLY PRESENT ISSUES

For the fourth year in a row, driver shortage leads the list. As such, it begs for a comprehensive, effective effort to address it.

We have done this with other issues. For example, a perennial list-topping issue was hours-of-service. From 2011-2019, hours-of-service was either first or second. This year, with the FMCSA changes effective in late September, the issue dropped to tenth.

Unless someone has another explanation, that revision appears to have addressed hours-of-service concerns to some degree, albeit not totally. Boom. Significant issue addressed.

So let's do that with a couple other perpetual list leaders of the last several years.

INTER-RELATIONSHIP

One of these is the driver shortage. It is a topic in almost every conference and article. It drives hiring, operations, finance...and safety. Maybe safety more than any other area.

However, the driver shortage is not only the perpetual list-topper, but is a product of a number of other top ten items that are consistently present. We need to consider this inter-relationship when we act to address the driver shortage.

The ongoing challenge of driver shortage has been, according to the study, exacerbated this year by the reductions resulting from disqualifications by the Drug and Alcohol Clearinghouse and withdraw of older drivers due to COVID.

But if we go down the list, we see other issues that impact, if not drive, the shortage. Those other items? Driver compensation (#2), truck parking (#3), driver retention (#4), and detention/delay (#9).

Compensation and retention are interwoven in a fabric of "driver satisfaction". As the study states in the proposed strategies for driver compensation, "While driver pay is only part of the equation, it is a key factor in maintaining and/or enhancing driver satisfaction."

The strategies for driver retention recommend "compensation" beyond pay increases, such as more home time, paid holidays, paid leave, life insurance, health insurance and retirement plans.

OK, but this only gets you so far for a finite, non-increasing pool of drivers.

You end up like we used to say about the Italian government in the '80s, the same people, just different offices.

That takes us to “supply” related issues. Suggested strategies in the study include younger drivers and expanding recruitment of women and minorities to increase the pool.

However, even without increasing the pool of drivers, we can reduce shortage by increasing the productivity of the current pool. And how do we do that? With meaningful action on two other “Top Ten” issues—truck parking (#3) and detention/delay (#9). And for good measure, let’s throw in a perpetual Top 10 that dropped to #12 this year—infrastructure/congestion.

These three critical issues, one-quarter of the “Top Twelve”, hemorrhage productivity from the existing driver force. Limited to working within the framework of the hours-of-service rules, each non-productive hour caused by these only exacerbates the shortage.

For instance, take truck parking. ATRI’s truck parking survey of several years ago documented the time lost to the need to pull in early or not have a place to park. Conversely, ATRI’s GPS monitoring program demonstrated increased productivity during COVID due to the absent congestion.

And does anyone really need proof of lost time due to detention/delays? For those that do, look at your ELD data.

In addition to action on these items, we need to educate those in power that one change in trucking laws or regulations



can have an impact in other aspects. It’s like legal Jenga.

As a board member of the Pennsylvania Motor Truck Association, I joined their call on Washington a couple years ago. It was a revelation to the Congressmen I spoke with that if you ratchet up hours-of-service, you further exacerbate the truck parking crisis. What a concept!

A couple other “Top Ten” items are also inter-related—insurance cost/availability (#5) and tort reform (#7). Again, hand-in-hand.

Loss driven insurance premiums require tort reform for reduction. Those hit with a disproportionate verdict will be permanently scarred with a loss history that increases their premiums.

Even if you have not suffered a “direct hit” of such a verdict, you have felt the aftershocks on the industry. ATRI’s recent Nuclear Verdict study documents the fallout beyond those at the epicenter of such judgments, rippling in the form of increased rates throughout the industry.

Beyond these mega-verdicts, trucking companies are suffering a “death by paper cut” of the proliferating claims, regardless of their merit, merely because it involves a truck. Their units are seen as “18-wheel ATM machines.” The evidence is on the billboards of advertising attorneys throughout our country.

We have seen other industries address it. The best example is medical practitioners and the reforms they achieved as to malpractice suits. Surely an industry of our size can bring to bear its efforts born of financial necessity.

BOTTOM LINE

We need to focus on the perpetually present issues and do so by addressing the inter-related components. Focus on truck parking, delay/detention, and infrastructure to increase the available productive driver time. Promote tort reform to bring insurance costs in line.

I know, not as easy as it sounds. But what’s the alternative?