Jason Altmire (00:04):
Hello, welcome to another edition of Career Education Report. I am Jason Altmire, and today we are going to talk about veterans transitioning into the workforce. We're going to talk about in particular truck driving and some other jobs related to that. And I had the opportunity over the summer to participate in a White House taskforce called Taskforce Movement, which was President Biden prioritizing the transition of veterans into the truck driving jobs. And Secretary Pete Buttigieg and former Army under secretary Patrick Murphy co-chaired that taskforce. And our two guests today are two women that are heavily involved in the taskforce, and they are Sarah Amico and Cassie Byard. And they're two of the very prominent voices in the truck driving industry and also in veterans.

(00:58):
And Sarah Amico is the executive chairperson of Jack Cooper Holdings. It's North America's largest car haul company. And Cassie Byard is the executive director of Taskforce Movement, the White House taskforce. And she's a Navy veteran herself. She's a Presidential Lifetime Achievement Award recipient, former executive director of the Military Spouse JD Network, has done a lot of work with the Department of Defense and the VA related to availability and accessibility of government programs for veterans, so two real thought leaders in the idea of transitioning veterans into the workforce, especially in truck driving jobs. And I would start by just asking Sarah. Given your history with Jack Cooper Holdings and the truck driving industry, what spurred your interest related to this initiative?

Sarah Amico (01:52):
Well, first of all, thanks for the opportunity to be here, Jason. For us, this is not a new initiative. Jack Cooper's been committed to hiring America's heroes, veterans and military connected people, for a very long time. But for me personally, I think as we look to this new generation of truck drivers and the new technology that we'll be working with, hopefully zero emission propulsion at some point on our tractors, it's important that we stay connected to the veterans' community. It's important for us that we have a new place to sort of open up this incredible industry for career opportunities. And I think a lot of times, we suffer from a little bit of a PR problem in the trucking industry, but these are great jobs. These are in many cases now, I know for our company, in most cases, six figure a year, fully funded, Cadillac health insurance plan, pension and retirement jobs that you can really support your family's American dream on. And I can't think of a more worthy group of folks to join us in that mission that our veterans and military connected family members.

Jason Altmire (03:03):
Yeah. And sticking with Sarah, I want to follow up on that. The Taskforce Movement, as you say, focuses on the transition of veterans into truck driving jobs. But it has spurred into reality because of the shortage of truck drivers that exists. And you hear difference of opinion based upon who you talk to on why that shortage exists. Some will say it exists because the demand for jobs, the fact that we're shipping more, home delivery, office delivery, all the ways that modern technology has led to the need for increased trucks on the road and increased drivers. Others will say it has been argued that the truck driving industry has not kept up with the demand in a way that would make these attractive jobs. And I've heard you speak about this. I don't share that point of view, but I wanted to give you the opportunity to articulate your response to that because I know this is something you've talked about quite a bit.

Sarah Amico (04:02):
Yes. For those of us in the industry, and I've been around this industry since I was six years old, so not to date myself, but going on 40 years now. The truck driver shortage is actually not new. There's been a chronic driver shortage for the better part of the last really decade and a half, two decades. I think it's become particularly acute now. The official estimates are about 80,000 drivers short at the moment nationwide. My suspicious is that number's actually significantly larger and will grow by an order of magnitude, or at least an extra zero in the next several years. So the driver shortage isn't new, but what I think is new for us is thinking about trucking as a tech forward industry. My granddad was an owner operator. My dad's worked in the trucking industry since I was six years old.

Sarah Amico (04:54):
And for us, kind of watching the evolution of truck driving as a profession, it's becoming more and more like being an airline pilot. You're dealing with a lot of in cab technology, potentially including autonomous vehicle technology, or zero emission propulsion, whether that's hydrogen, fuel cells, renewable natural gas, or electrification. Those class eight trucks are not your granddaddy's trucks anymore. These are technology driven operations, and so a lot of times I think the impression that folks may have of truck driving jobs is very dated. But in fact, everywhere in the value chain, from mechanics, who are going to have to learn to work on these newer, more advanced technologically rigs, to our drivers, who will be responsible for driving them safely down the roads that they share with all of our families, these are going to be incredible technology savvy jobs. And so from my perspective, it's a wonderful moment of innovation in trucking, and it's a wonderful opportunity to sort of bring in this group of veterans and their family members, who can be a part of growing the industry.

Sarah Amico (06:13):
And remember, we don't just have to recruit drivers. The logistics and trucking segment writ large needs mechanics. We need dispatchers. We need load builders. We need a lot of specialized transportation drivers who are perhaps driving in teams, or who need security clearances because of the kind of freight that they move, whether that's pharmaceuticals or munitions and explosives. This is an industry that's really at this moment of dynamic change. And I think the drivers that we recruit to be a part of it will help shape those supply chains of the future and the image of this industry not as something from 50 years ago, but as something that's taking the country forward.

Jason Altmire (06:54):
And that's exactly the point of the taskforce, is to look at not what truck driving used to be, but look at the future of truck driving and what we can do to help veterans acquire the skills necessary to participate in that workforce of the future. And that's a perfect transition to Cassie. And you're the executive director of Taskforce Movement. So maybe give us a little bit of background on: What is the taskforce? What was the genesis? What was the thinking behind it? And what's the work product that you're working to achieve?

Cassie Byard (07:27):
Well, first and foremost, thank you so much for having me on here, Jason. You have made big contributions to Taskforce Movement. You have played a big role, as has Sarah, so thank you to you as well. I'm honored to be here today. But like what you said, we really need to talk about the trucking industry and the future, and the future is here, it's now. And with the trucking industry specifically, Taskforce Movement aims to bring military lifecycle experts, industry stakeholders, inclusive to
employers, associations, VSOs, academic and vocational training institutions, state and federal governing bodies, and the armed forces together to create recommendations and operationalized solutions. Our goal is to advance safe and responsible career pathways for transitioning service members, veterans, military spouses, and now we can talk about this in a little bit too, Afghan refugees across the country entering the civilian workforce.

Cassie Byard (08:23):
We're invested in the economic success and mobility of military spouses and family members in addition to those transitioning service members and veterans. And I think that's one of the things that is showing that we really are kind of taking this into the future. We're including other communities in this, whereas in a lot of programs, studies, reports, and things of that nature, a lot of the people like military spouses have not been included. A lot of it is only for the service member or for the veteran. But holistically for healthy families, you have to include the entire unit.

Cassie Byard (09:00):
So as we do this, as we worked, Taskforce Movement identified a lot of pressing industrial economic issues that were negatively impacting our nation's supply chains and national security. Basically, what we're going to end up doing is we're going to write a report, make recommendations to all of the industry stakeholders. We're going to support and engagement and connection and placement of candidates. We sat and we had these sessions where we brought in the industry leaders. We brought in the VSOs and we identified the issues with each, where they overlapped, and where we could find solutions where there had been none before to provide more synergistic energy in between these industries. One of the things that we learned throughout this, as was mentioned before, is there is a lot of synergy, but a lot of it is marketed incorrectly, so people don't realize that it is there.

Cassie Byard (09:53):
In the military, you have so many MOSs, or NECs, if you will, depending on what service you're in, that can transition you directly into these high pay, family sustaining jobs the day you're out of the military. But a lot of people just don't know about it. They don't know that these are careers where you can be home every night. When people think of truck driving, they think they're going to be gone for a month, two months, three months at a time all the way across the country, whereas that's just not true. A lot of these good paying jobs keep you around your family. You do not have to sacrifice your family in order to make a living, and I really do think the trucking industry is a jewel in that manner, is that you do get to be home with your family. And that's one of the things that we discussed in the report.

Jason Altmire (10:39):
And the taskforce was structured in a way that it allowed the different segments of the constituencies that are interested in this issue to have a unique voice. For example, the committee that I chaired talked about career schools and the educational pipeline for truck drivers. And then Sarah's group talked about the industry, of course. Then there was a veterans service organizations committee that met. And then in the end, of course, everyone was invited to the other meetings as well, where we all came together and shared and compared notes. And there were some things that we all identified as obstacles and burdens. And there were some things that were unique to each group. And moving forward, I was just interested in particular on the education side, Cassie, because I know you were a part of our committee.
as well, as the executive director. Talk maybe a little bit about what's some of the obstacles and challenges that you're trying to solve related to education and the way that career schools play into the truck driving situation.

Cassie Byard (11:43):
So there are multiple different educational pathways that transitioning service members and veterans can take to get into these trucking jobs. One of the things that we looked at was that there are SkillBridge programs. There are private colleges. There are opportunities where we could look and shorten service members’ time in training if they already have their CDL, just to get them up to speed on everything civilian. But I think one of the things that we focused on education wise is that there is no one right path for anyone, and that there need to be lots of different avenues and pathways to get these people into these jobs because every person is different and every person's journey is different. And we don't want to short the industry or short our service members by directing them in one direction or the other. If SkillBridge works for one person, it may not work for another, who wants to go into that technical college and do it that way.

Cassie Byard (12:49):
A lot of it depends on meeting your constituency where they are. And I think that’s one of the things that Jason, in your sessions, you really brought this out, is that we do need to meet our people where they are, and then not every program is right for everyone. So we need to have room and space for these public private partnerships to get people where we want them to be.

Jason Altmire (13:09):
That's exactly right. As you recall, we took an all of the above approach, that we're going to need all hands on deck to get the 80,000 driver shortage filled. And you need all types of schools. You need all types of settings to allow people in different life situations and circumstances to choose the pathway that's best for them. So we talked a lot about not creating political obstacles for certain types of schools to make sure that every veteran has the opportunity to choose whatever school is the most appropriate fit for them. And I would ask Sarah, when you see these new drivers come in, folks who are just starting in the industry, or maybe transitioning from another type of job, we hear a lot about the difficulty in retention and keeping people on the job and making sure that they're happy with the work that they're doing. What are you doing at Jack Cooper Holdings to address that issue?

Sarah Amico (14:09):
Sure. So turnover in the trucking industry typically runs over 80%. Right now, it's over 100% for virtually the entire industry, meaning that if you hire 100 drivers in that year, you'll have to replace every single one of them within 12 months, so it's a very challenging position given the driver shortage, and also given the fact that these are logistics companies. Right? The impact on your network of not having driver capacity can sort of ripple through the supply chain very quickly, and certainly through one company’s book of business.

Sarah Amico (14:44):
Jack Cooper's been very fortunate in that our turnover historically has been between 6% and 12%. And I think even now in sort of the height of the pandemic and supply chain crisis, we're running below 20%.
So that is extraordinary for the trucking industry, but it’s not an accident. There are a few things that I think we do particularly well, and I give a lot of credit to our human resources team, our operations group, and our recruiters to build an environment where people can not only stay, be recruited and retained, but really thrive in this company. The first thing that we do is traditionally, we have only taken...

Car haul is a little bit more complicated segment of trucking, so whereas an over the road driver, going between warehouse and retail may bump a dock, and dock workers unload and load the freight, car haulers are actually loading and unloading those cars with a few inches of clearance on either side of the rails in rain, snow, sleet, whether it's onto a car haul rig, or in some cases, a rail car. It's a very complicated job.

Sarah Amico (15:59):
If you've ever seen the positioning of these vehicles, we have some trucks that can get nine vehicles, maybe more with say, the Corvettes, for example. And so your drivers have to be very skilled and very precise. And it's also very physical. They're managing the hydraulics, strapping the cars down to the rig on the trailer. And so we've traditionally taken the approach that seasoned CDL holders, seasoned truck drivers with at least two years of experience are our best bet, so whether that is existing car hauler drivers that we sort of poach from other businesses, or over the road guys who we train to become car haulers, that's traditionally been our base. Because of the driver shortage, we've not only joined SkillBridge, but we've also created what's called the rookie program, and they can effectively come and get their CDL with us. It's about a four month program, and it also teaches them how to be car haulers. So it's allowing us to create from sort of the ground up a new pipeline of driver talent, but it also means that from day one, they're getting their CDL from the perspective of a car haul driver or car hauler.

Sarah Amico (17:13):
And so I think being very specific and clear about what the job is in terms of lifestyle has been one of the secrets of our success. Car haul drivers not only make a lot of money, as I mentioned, our average starting salary I think is above $80,000 plus signing bonus, and most of our drivers make six figures. But we also have very generous benefits package and a lot of home time. Most of our drivers are home three or four nights a week. And we look for drivers for whom those things are important. We're very proud to be a Teamster company, and we look for drivers for whom that is appealing. So I think sometimes that match on the front end is your secret sauce for retention.

Sarah Amico (17:55):
But we also have a lot of second and third generation drivers. It's funny, Jack Cooper's 95 years old, and I think we just now have our first fourth generation truck driver in my era. So I think it feels like a family, and these are people who are very proud of the highly skilled labor that they do every day, day in and day out, in all kinds of geographies and conditions. And the team treats them with the appropriate respect and applause for the great work that they do. So we have an HR team that is calling drivers constantly to get feedback. We have a podcast that features the stories from our drivers.

Sarah Amico (18:35):
We have awards and recognitions when people drive a certain number of miles accident free, or when they reach a milestone like 30, 35, 40 years driving with us. We try to do everything we can to uplift and celebrate the talent, to stay in touch with them, to make sure our management team doesn't feel like
they're residing in an ivory tower somewhere, but that all of us, myself included, are on the ground at the terminals talking to folks and getting direct feedback. The other thing that I think has been a secret to our success is a lot of the data shows people wash out of trucking jobs, whether that's over the road or specialized transportation like car haul, usually within the first couple of years.

Sarah Amico (19:15):
And one of the best ways to avoid that washout is to pair them up in a buddy system, so to have somebody who's recently been through that transition who can kind of tell them, "Look, it gets easier," or, "Hey, here's a trick I use for this or that." Having a buddy, having somebody who kind of tells you the ropes that not just a trainer or a direct manager I think is essential. Having a peer group that's equally supportive, those are what I think are the elements of sort of retention numbers at Jack Cooper, which again are sort of sub 20%. I think the lowest we had last year was 4% in a quarter, so I mean that's pretty remarkably low turnover. Basically, our drivers leave when they retire or deceased, and that says a lot about the way that we try to wrap our arms around them, not just as drivers, but as people, and to be there for them and their families in whatever way they need.

Jason Altmire (20:11):
The statistic that you threw out in the beginning of your talk about 100% turnover, where over the course of 12 months, you're going to need to replace every single driver that you have hired, that's a problem nationwide. And you chaired the group that talked about the industry obstacles related to the truck driver shortage. And you just told us the amazing work that you're doing at Jack Cooper to retain drivers and the success that you've had. What did you find in dealing with the rest of the industry for their ideas in carrying forward some of these retention mechanisms? And do you think it's realistic that the entire truck driving industry can achieve the same type of success that you've seen at Jack Cooper?

Sarah Amico (20:57):
Yes, I think they can achieve that. I think it's not really a black box. Right? There's a lot of intentional work that goes into it in terms of how we communicate, the level of benefits that we offer, not just fully funded, meaning we pay 100% of the insurance premiums for health insurance for our drivers and for our non union employees. But we do that for their families, their spouse and their children as well, which is sort of extraordinary. And I think if companies gave more generous benefit packages, if they were more willing to put belly buttons on the payroll as opposed to just outsourcing to owner operators in many instances, those retention numbers go up. People like to feel like they're part of a winning team.

Sarah Amico (21:41):
The things that I've heard from other folks in the industry really trend along the lines of compensation, but also on the front end, making sure you build community. So AB Freight for example, I think does an extraordinary job recruiting veterans, and their veterans recruiting team, not surprisingly, is made up entirely of veterans. So whether it's an employee resource group that you offer for women, or for anyone in a given community, or whether it's the people who are reaching out in the recruiting department to potential drivers on the front end, I think a strong sense of community is probably the single best thing you can offer to a potential driver for your business. And that's not just about trucking though, Jason. I think that's a deeply human characteristic. We all want to feel like we belong in the place where we live and work.
Jason Altmire (22:41):
I would just wrap with Cassie. Let's talk a little bit about what comes next with regard to the taskforce. There's going to be a meeting and Washington upcoming very shortly, where you're going to unveil some suggestions. And the report I think is going to be put forward. What are going to be the next steps?

Cassie Byard (22:59):
This is about expanding the trucking industry. It's about expanding our reach and expanding what we can do. Beyond that, we at Taskforce Movement, we've looked into the retention issues, as Sarah mentioned. And one of the recommendations that we have is about that community. I've spoken about this quite a bit once I transitioned out of the service, is yes, when I transitioned out of the service, I lost my income. I took a huge pay hit. No matter what plan I had for that day that I got out, there was still going to be bumps that I wasn't ready for. But what I really wasn't ready for was the loss of my community. It was going back home and being a stranger in your hometown. It was not having your support systems with you here and now.

Cassie Byard (23:45):
And while the internet has made that easier, having that physical presence of your community and your support system is always helpful. Beyond that, we have talked about rebranding the trucking industry. And then not to mention the fact that in August of 2022, this is also coming up for taskforce, we were asked to tackle the 40,000 shortfall in cybersecurity professionals that are desperately needed for the federal workforce. That number is expected to grow exponentially not just federally, in the government per se, but also in the private sector, so this is another one of those areas where you're sitting here saying, "What's next for taskforce?" It's not only implementing everything that we learned from the trucking report. It's not only implementing all of those recommendations that we've made to help strengthen the trucking industry and our national security by way of strengthening the trucking industry. It's also doing that and now tackling and managing our cybersecurity shortfalls in this country as well.

Cassie Byard (24:52):
And this really kind of ties back to what Sarah was say too. This is not your grandpa's truck. There is a lot of tech in the trucking industry, and in our cyber report, I mean as we start working on those things, I want to look at how cyber affects us as a nation, but also affects us in those other critical industries. And I think this is really one of those things that everything just kind of comes full circle. Every industry in this country is related to another, so when there's a shortfall in one industry, we see shortfalls across the board. It's a little bit of a snowball effect. So my hope here is that if we can provide that financial stability, the sense of purpose, the work life balance for our military communities while we're helping industry stakeholders find quality candidates who are hardwired for success, that'll improve our economic outcomes while strengthening our national security, we're going to do it.

Jason Altmire (25:48):
You have your hands full for sure. And this has been Cassie Byard, she's the executive director of Taskforce Movement. And Sarah Amico is the executive chairperson of Jack Cooper Holdings. Thank you both for being with us.
Cassie Byard (26:03):
Thanks so much for having us.

Sarah Amico (26:04):
Thank you, Jason.

Jason Altmire (26:07):
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