

BONUS CHAPTER

Drivers Wanted



*“The only person you are destined to become
is the person you decide to be.”*

—RALPH WALDO EMERSON

This bonus chapter is just for sales managers, and it’s specifically about a problem particular to our industry.

One of the biggest problems logistics companies face is dealing with hiring and retaining truck drivers. We would like to share some principles about this problem that have proven helpful to our clients. While this chapter will be focused on drivers, the ideas translate across most, if not all, industries when it comes to recruiting, interviewing, and retaining employees in general.

TURNOVER

Turnover in the logistics industry with respect to drivers occurs at a staggering rate. In some cases, it is 100% annually.

One of the main reasons is a company did not create any differentiating factors for a driver to stay. Therefore, when a competitor comes along with an offer of \$0.25 per hour higher wage, the driver jumps at the opportunity. In his mind there is no reason to stay loyal for less money, and it isn't worth the hassle of trying to get a raise from his current employer.

There's another issue to address here, as well. The mistakes in hiring practices really start during the interview before people ever come on board. This is where things need to fundamentally change. We have heard two different sets of numbers when it comes to the cost of hiring the wrong person.

1. For drivers who are independent operators (or independently contracted), the costs tend to be much lower. The cost of turnover is typically between \$5,000–\$10,000 per driver.
2. For drivers who are employees of the company, the cost of turnover is closer to a staggering \$40,000–\$50,000 per driver.

These figures suggest that one of the biggest problems in driver retention is not taking the time up front to hire the right person, for the right reasons, with a mutual understanding as to why the driver wants to work for that particular company in the first place.

This is another instance where complete, full transparency in regards to the position is essential. No mutual mystification!

THE INTERVIEW PROCESS

Your challenge: Start thinking differently about interviews. Often logistics companies think this way about drivers: “If they are a warm body and have a truck driver’s license, we try to hire them.” The hiring approach is a full-on hard sell with quite a bit of blue-skying about the position to convince the driver why working for that company is best. This mindset creates too many opportunities to hire the wrong person by accepting just about anyone.

Instead, the interview should be a mutual qualification meeting. Your focus should be on qualifying them—or better yet disqualifying them—as to whether the fit is good for your company. It becomes mutual when you make sure they know they have the right to qualify you and your company for that same good fit from their perspective. Too many times in any industry and with any role, people take jobs they don’t want. Those hiring take on people they don’t want, just to fill a space. This creates the likelihood that people will not last. When qualifying doesn’t happen, both parties basically lie to each other during the interview process. Not to sound harsh, but this is analogous to when people go on a first date. They look their best, act their best, put on their best front. However, it is the couples who are able to be honest with each other and show their vulnerabilities and flaws that go on to have successful and lasting relationships.

Interviews need to take that same approach. A great tool for

doing this is to start all interviews by using the up-front contract, with which we hope you're now familiar. Here is how it can sound in an interview:

"Thanks for taking the time to come to discuss this job opportunity with me today; I appreciate it. We have 60 minutes set aside for the interview. Is that still good for you?

"My objective here today is to ask you some questions to help me better understand you and what you are looking for to try to determine if our company is potentially a good match for you from our perspective. Likewise, from your end, I would like you to ask me absolutely anything you want to know that would help you decide if this is even a place you would like to work.

"In fact, there is nothing off limits to discuss including the things most people are afraid to discuss but are important, like pay and benefits. I won't necessarily ask you for a commitment, but I want you to ask anything you like so that you would feel comfortable making a decision if I were to offer you the job at the end of this hour. Like I said, I am not necessarily going to ask you for a commitment because you may want to talk to your family, but too many times both parties leave interviews with unasked questions and confusion. I want to avoid that during our hour together so that we can both make the most informed decision as to whether this is a match or not.

"One last thing that is probably the most important before we get started. Have you ever been on an interview

and in the first five minutes internally you knew it was not a company you wanted to work for, yet you continued down the interview process for the rest of the allotted time?”

[Guess what? People will always answer this question by saying, “Yes.”]

“If that happens here at any point, would you be comfortable simply telling me that and we can end the interview early and there will be absolutely no hard feelings? Likewise, I am sure you can imagine how many people I have interviewed that in the first five minutes from my perspective, where I knew they were not the right fit and yet I continued through the process anyway. Would you be OK if that happens today, that I end the interview early as well?

“At the end, you have my word that if we finish the hour and both of us are still interested in moving forward, I will provide you with a clearly defined next step as to what will happen next. I promise I will not leave you with a typical, ‘We’ll be in touch.’ Does that all sound fair to you?”

[Again, people will say, “Yes.”]

“Great, let’s get started.”

Establishing an up-front contract in the beginning of an interview not only frees both parties to ask honest, straightforward, tough questions to determine if there is a match or not, but also to end early if the match doesn’t make sense, which can be a huge time saver.

A friend of ours uses a similar up-front contract when interviewing salespeople. He has had times when he had eight hours blocked

off for eight interviews and would finish in four with his options narrowed down to two qualified finalists after a first meeting—all because of his choice to take this more honest approach.

QUALIFYING AND DISQUALIFYING

Now that you have established the ground rules for an honest discussion, the time has come to ask important qualifying questions to help you determine if the person is a good fit or not. The best way to prepare for this is to develop questions to address whatever deal breakers you have.

Deal-breaker questions should be posed during a phone screening before you spend too much time bringing people in to interview them in person. In-person interviews invariably consume more of your time than a phone screening would. Deal-breaker questions are those that could cause you to instantly eliminate someone from consideration. These should not be things that you could find out from a background check. (The background check should be done before you waste your time interviewing someone in person.) It's more like whether a person only wants day shifts and those are simply not available. Or maybe your policy is no one gets to start with the good shifts, but the applicant insists on those shifts. Guess what? The interview is over. Put together a list of those questions and have them ready to ask. If any applicant gives you answers that are not favorable, end the interview with no hard feelings.

If there is a difficult issue to address, you should be the one to bring it up first. Let's say the issue that is going to be tough to

overcome is that your company doesn't necessarily pay the highest rate. This should come out early. Here is how this could sound:

“Marty, there is one thing we should probably deal with right off the bat, just to see if that is a deal killer from your perspective. Most people tell us that we do not pay the best in the industry. If your decision is based 100% on the hourly wage we offer, then we are likely not the best fit for you. Is that your thought process here? Would it make any sense for us to discuss why drivers are loyal to us and work for us if we don't pay the best necessarily?”

By using this approach, you cover what you know are going to be issues that need to be discussed quickly and directly. Using the example above, the driver, just like a buyer in a selling situation, is never going to admit it is 100% about “price,” or in this case, wage. But then you get the chance to explain why drivers stay with you anyway without it sounding like you are “selling” him. You could say, “Our drivers tell us they like working for us because they get to stay at home on nights and weekends,” or some other benefit that other companies don't offer.

The last component to bring into your interviewing process is if there is a common reason that people leave. For example, if they leave for that \$0.25 more per hour, there is an opportunity to leverage the power of the Post-Sell Step to help minimize buyer's remorse. Here is how that could sound:

“I wanted to discuss something that has happened to us in the past and I would just like to get it out on the table with you now

before we move forward to help minimize the chance this could happen to our relationship if we both decided to move forward. Sometimes we have the discussion and everyone is on the same page that we do not necessarily pay the highest wage, and we go through the reasons drivers are loyal to our company that you and I just discussed. You indicated that those reasons outweighed the possibility that you could make slightly more elsewhere. Well, let's pretend that you were to come work for us, the benefits we discussed were all there just as we promised, and the atmosphere here was everything we described it to be, and six months from now another company approached you and offered you slightly more per hour. What would happen?"

Is this approach going to protect you from losing everyone? Absolutely not. But could it increase the chances that when good drivers are approached and offered something, a hint of guilt is sparked by the memory that they did promise and they should stick to their word and remember the other benefits they got by working with you?

The point of all of this is to do a better job of dealing up front with as many potential roadblocks as possible. This reduces dramatically the possibility of losing good people through a lack of qualifying, asking the right questions, or being clear.

RETENTION

If you do a better job on the front end, that will help you keep the people you want and, importantly, not hire the people you shouldn't. One other component that should be mixed into

your retention program is developing a behavioral Cookbook for Success (as described in Chapter 12). Make sure the front end leading-indicator behaviors are centered around recognizing drivers through whatever methods, rewards, etc., that you might have at your company, along with creating a behavioral cookbook item for yourself, such as how often to contact them to check their attitude, see how they are doing, and show a general interest. Making this a behavioral item that is not missed or forgotten goes such a long way. When people feel like they are more than a number and their superiors at their company generally care about them, it can create the employee loyalty you want.

This chapter was focused on drivers, but we feel any manager can use the ideas to interview and hire the right people.

Three Takeaways for Managers

1. Qualify hard during the interview process and give the candidate a chance to do the same.
2. Address difficult issues early and first during an interview.
3. Create behaviors around showing appreciation and stick to them.

