TOP 10 TRUCKING INDUSTRY CONCERNS

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The American Transportation Research Institute (ATRI) released a report listing the top 10 critical issues currently affecting the trucking industry, according to a survey of carriers and professional drivers. For the fourth year in a row, the ongoing driver shortage ranked as the top issue.

This year has undeniably been a chaotic and unpredictable time for many. The U.S. economy was rocked by COVID-19-related impacts, causing a downward economic slide similar to the Great Depression. While e-commerce and grocery stores boomed, other industries and markets did not fair as well. The trucking industry survived, keeping supply lines strong and delivering essential goods to stores, hospitals, and consumers. Still, it is unclear when and how a "return to normalcy" will occur as the world continues to deal with COVID-19 and its many ramifications.

The 2020 survey generated more than 3,100 responses and represented industry stakeholders across North America. Motor carriers made up 43.9 percent of the respondents, with drivers making up 32.2 percent, and other industry stakeholders accounting for 23.9 percent.

The overall survey findings were as follows:

- 1. **Driver Shortage:** For the fourth year in a row, the driver shortage ranked as the industry's top concern in 2020. The issue was only exacerbated this year, with some drivers leaving due to the FMCSA Drug and Alcohol Clearinghouse and others exiting the industry over COVID-19-related health concerns.
- 2. **Driver Compensation:** For the second year in a row, driver compensation has emerged as a top 10 issue, moving all the way to the second spot this year. Many believe the driver shortage and driver compensation are linked and that increases need to occur across the board, especially when other competing industries offer preferred options like being home every night.
- **3. Truck Parking:** The growing scarcity of appropriate and safe truck parking continues to be a dilemma for drivers, especially during a year when many states closed public rest areas due to COVID-19-related concerns.
- 4. Compliance, Safety, Accountability (CSA): CSA as a concern rose back to the top five this year. The FMCSA has implemented multiple systemic changes over the years to address CSA concerns. However, according to ATRI, "carriers continue to report challenges with data quality, peer group assignments, and challenges with the Crash Preventability Program."

- 5. Insurance Cost/Availability: Insurance costs hasn't appeared in the top 10 list since 2005. Insurance costs continue to rise, especially among smaller fleets. These rising costs have been cited as the primary reason for multiple fleets going out of business.
- 6. **Driver Retention:** Driver retention is critical during a driver shortage, and carriers are constantly seeking new and improved retention strategies. The COVID-19 pandemic originally helped to slow the driver turnover rate due to concerns over job security and the need to keep the country's supply lines moving. As the economy slowly returns to pre-COVID-19 levels, retention rates will likely start to drop once more.
- 7. Tort Reform: Tort reform hasn't been a top 10 concern since 2012. According to ATRI, its return to the list is indicative of the "growing attention and concern over truck crash litigation, nuclear verdicts, and criminal activity involved staged crashes." Nuclear verdicts have been growing bigger and bigger—from 2010 to 2018, verdict awards grew 51.7 percent annually, while inflation grew only 1.7 percent.
- **8. Economy:** The COVID-19 pandemic created an economic fallout similar to the Great Depression, with businesses closing permanently, millions of unemployed Americans, and the GDP hitting new record lows. While business and job growth began to rebound in the third quarter, it's hard to say when the U.S. economy will return to pre-COVID-19 levels.
- 9. Detention/Delay at Customer Facilities: On the list for the second year in a row, detention/delay at customer facilities continues to be a pervasive issue for drivers. According to ATRI, "34 percent of survey respondents indicated that detention times were worse during the pandemic—possibly the results of reduced staffing at shipper/receiver facilities" due to the virus.
- **10.** Hours-of-Service (HOS): HOS fell eight spots in the list this year—from second to 10th. The final HOS rule went into effect in September 2020 and took care of many of the issues identified in previous years' surveys, including short-haul exception, the 30-minute rest break, and the sleeper berth provision.

Due to different day-to-day experiences, the responses of commercial drivers and motor carriers differ. Carriers are more concerned with hiring and retaining drivers, dealing with insurance and nuclear verdicts, and maintaining a good profit margin, whereas drivers are understandably more concerned with their health, safety, and regulations that may impact their pay and daily activities.

The following chart breaks down the top 10 concerns for both groups:

Ran	Drivers	Carriers
1	Truck Parking	Driver Shortage
2	Driver Compensation	Driver Retention
3	Detention/Delay at Customer	Compliance, Safety, Accountability
4	Hours-of-Service	Insurance Cost/Availability
5	Driver Training Standards	Tort Reform
6	Automated Truck Technology	Economy
7	Compliance, Safety, Accountability	Transportation Infrastructure/Congestion/
8	Driver Health and Wellness	Driver Distraction
9	Speed Limiters	Detention/Delay at Customer Facilities
10	ELD Mandate	Hours-of-Service

You can view the full ATRI report here.

The Ruan Approach

Regulatory Compliance

To better serve our customers, Ruan always stays abreast of new and pending regulations. We have several leaders serving on boards of the American Trucking Associations (ATA), ATRI, and Iowa Motor Truck Association (IMTA) boards that help lobby for pro-trucking policies and keep us updated. Navigating these restrictions and policies and achieving full compliance drains resources for businesses that are not full-time transporters. As 3PL provider, Ruan is equipped to easily handle regulatory changes, saving our customers money, headaches, and manpower.

Driver Recruiting and Retention

Ruan's retention rate is currently four times better than the industry average, and many of our drivers have been with the company for 10, 20, or even 30 years. That's because Ruan places a high value on maintaining predictable schedules and a healthy work-life balance. Most drivers are home every evening, and each drives for one primary customer. Ruan's low driver turnover rate makes for safer and more accurate deliveries because drivers thoroughly know their truck, their route, where to park or take a break, the product they haul, and their customer. In addition, our Megasafe culture and people first focus contribute to high morale.

Safety Focus

Insuring a fleet of trucks is expensive and almost always is accompanied by excessive deductibles. Switching to Ruan's DCT solution shelters your organization from these costs. We diligently train team members on safe practices, Department of Transportation (DOT) policies, and specific Occupational Safety and Health Administration (OSHA) regulations and requirements. By allocating more resources to training, Ruan is able to develop safer and more efficient drivers, which reduces insurance claims and holds down costs.

Why Ruan?

With the current regulatory focus and the ongoing driver shortage, many shippers are taking the opportunity to focus on their core competencies. Selecting an expert transportation partner like Ruan to provide Integrated Supply Chain Solutions results in improvements in all aspects of the shipping operation.

Our customers rely on Ruan's Dedicated Contract Transportation solutions so they can focus on what they do best—producing and selling their products. They capitalize on Ruan's ongoing investment in equipment, drivers, service centers, and the latest technologies in everything from supply chain optimization to onboard mobile communications. By partnering with Ruan, companies are able to lower risk, reduce overheads, remove costs, and free up capital.