

Crowdsourcing offers fleets a solution to driver shortages

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ABSTRACT (ENGLISH)

According to a new study by Bob Costello, chief economist for the American Trucking Association (ATA), “the industry will need to recruit 1 million new drivers over the next nine years to address the need.” Because they improve safety and reduce costs, they’re a great extension for businesses looking to meet demand peaks and troughs. Having been with the company for 16 years, Susan started in marketing and is now part of the company’s management team, with a focus on recruiting and maintaining top talent.

FULL TEXT

The rise of ecommerce has led to an astronomical increase in demand for last mile deliveries but companies are struggling to hire employees to match demand. With an estimated shortage of 80,000 truck drivers, it’s time for alternative solutions to satisfy the ever-growing need for same-day and instant deliveries. One such solution is crowdsourced fleets.

Crowdsourced fleets –or crowdsourced logistics –is a method of delivery fulfillment that utilizes local couriers, ride-sharing services like Lyft, or even independent contractor networks, that carry multiple vehicle types for small to large deliveries.

The industry currently faces a labor shortage but there’s also the need to replace retiring drivers. According to a new study by Bob Costello, chief economist for the American Trucking Association (ATA), “the industry will need to recruit 1 million new drivers over the next nine years to address the need.”

But what causes the lack of drivers in the first place? Costello said it boils down to age demographics; the ongoing COVID-19 pandemic; drug testing and age restrictions; pay; trouble recruiting and retaining female drivers; and infrastructure issues.

In addition to labor shortages, fleet companies face another major issue in fleet demands –including everything from increased fuel costs to rising insurance costs. All these factors make it harder for fleet companies to operate profitably and, as a result, they’re having trouble hiring enough drivers to meet their growing customer demands. Elite EXTRA, a last mile delivery software provider, found that users of their crowdsourced delivery network are not replacing their current fleet with crowdsourced options, but instead using their platform to supplement their fleet demands.

How can crowdsourced fleets help solve both problems?

Most delivery companies are between a rock and a hard place. They need to meet customer demands, but are strained due to a lack of skilled labor. Why is a crowdsourced fleet a growing need for companies and how is it solving these challenges?

Faster hiring of drivers

One of the biggest problems fleet companies face is finding qualified drivers. And even if they do, they struggle to retain them. Many drivers aren’t satisfied with their pay or working conditions. So when they get hired, they leave after a few months. Crowdfunding fleets offer a unique opportunity to fill positions faster than traditional methods. That means you can hire more drivers at once, which helps reduce turnover rates.

Increased safety

Another reason why drivers quit is because of unsafe driving practices. That's why it's crucial to ensure your driver has the proper training before starting work. This takes time and money, but since crowdfunding fleets help increase efficiency, you'll have more funds to invest in training. In turn, this improves worker safety and reduces accidents.

More flexibility

With traditional recruitment methods you often end up with many applicants, making it difficult to choose the best candidates. On top of that, you may spend hours reviewing resumes and conducting interviews. By contrast, crowdsourced fleets allow you to select only those that fit your criteria. This saves you time and lets you focus on what matters: selecting the best candidate.

Cost reduction

Traditional recruitment methods require a lot of resources, including advertising, marketing and salespeople. Plus, you also need to cover the cost of background checks and other screening processes. On top of all that, you must pay employees for downtime and often overtime wages to employees who work long hours meeting short-term demand spikes. Crowdsourced fleets eliminate all of these expenses by giving you access to a fleet when you most need it, all while reducing downtime expenses.

Reduced hassles and costs of hiring

With crowdsourced fleets, you no longer need to go through the interviewing, hiring and onboarding process. Instead, you simply partner with a reliable crowdsourcing network or software that can help source third party fleets like Lyft and Uber to supplement a delivery demand spike. Growing networks of couriers are also quickly expanding to help meet demands for medium to large shipments as well.

Crowdsourced fleets are one way to solve labor shortages and driver shortage issues. They're not just beneficial for businesses, but also for workers. Because they improve safety and reduce costs, they're a great extension for businesses looking to meet demand peaks and troughs.

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