Statewide Bus Operator Attraction, Hiring, & Retention Research

April 2022

Agenda

- Project Overview
  - Background
  - Project Goals
  - Participants
  - Method

- Key Findings
  - Current Bus Operator Staffing Landscape
  - Perceived Competition
  - Recruitment Strategies
  - Recruitment Incentives
  - CDL Requirements
  - Training Pay
  - Full Time Operator Pay
  - Benefits & Retention
  - Schedule & Hours Requirements
  - Additional Policy Changes that Affect Staffing

Draft for Discussion & Policy Purposes Only

Project Overview

Background

The COVID-19 pandemic and subsequent shifts in the labor force have led to an industry-wide, national bus operator shortage

This research project grew out of an effort to **better understand the shape and scale** of the bus operator shortage in Massachusetts public transit, and the adjustments agencies are making to confront these challenges.

In **November 2021**, the MassDOT/MBTA Office of Performance Management and Innovation (OPMI) convened 4 RTAs (BAT, PVTA, SRTA, and VTA) for a **preliminary conversation** about how they have adjusted hiring, training, and retention efforts over the past 2 years.

During the initial conversation, the four agency representatives requested that we **share information** about how their peer agencies are tackling these issues; this initiative is a broader and deeper follow up to help capture this information.

Draft for Discussion & Policy Purposes Only

Project Goals

Better understand how the bus operator shortage is affecting transportation agencies in MA	Consolidate information on adjustments agencies in MA have made in response	Start to identify effective strategies and understand emerging industry trends
Collect both quantitative and qualitative information about the challenges in hiring and retention that each transit agency is currently facing, and how these have changed over the past two years	Gain insights into strategies peer agencies have utilized to address staffing challenges and compile the information in a format that facilitates knowledge sharing across the state	Use this opportunity to learn together and begin to uncover any broad patterns or trends, as well as indicators that may point to the effectiveness of some of the changes agencies have made

Participants

Data was collected from 14 of the 15 RTAs and the MBTA

Research Participants			
BAT	Brockton Area Transit Authority	**MVRTA**	Merrimack Valley Regional Transit Authority
BRTA	Berkshire Regional Transit Authority	**MWRTA**	MetroWest Regional Transit Authority
CATA	Cape Ann Transportation Authority	**NRTA**	Nantucket Regional Transit Authority
CCRTA	Cape Cod Regional Transit Authority	**PVTA**	Pioneer Valley Transit Authority
GATRA	Greater Attleboro and Taunton Regional Transit Authority	**SRTA**	Southeastern Regional Transit Authority
LRTA	Lowell Regional Transit Authority	**VTA**	Martha's Vineyard Transit Authority
MART	Montachusett Regional Transit Authority	**WRTA**	Worcester Regional Transit Authority
MBTA	Massachusetts Bay Transportation Authority		

Draft for Discussion & Policy Purposes Only

Method

Data Gathering Method

Two formats of data collection:

1. *Interviews: 45 minute interviews with transit agency representatives*

2. *Data Table: Transit agency representatives fill out a Key Operator Staffing Data Points table and send back*

Key operator staffing data points

Collecting the data points listed in this table will allow RTAs to compare how other agencies across the state have tweaked parts of their processes in an effort to address the ongoing labor shortage.

Key operator staffing data points	Currently (Jan. 2022)	Pre-COVID (2019)
Minimum FTE operators needed to run service as planned		
Minimum operator application requirements – CDL experience		
Minimum operator application requirements – driving record		
Hourly training wage	$	$
Length of time in training (average or range)	weeks	weeks
Hourly starting full-time wage	$	$
Hourly top full-time wage (operators)	$	$
Years it takes to make top wage (average or range)	years	years
RTA's cost per applicant or trainee in CDL application support (excluding internal costs for training staff)	$	$

The Key Operator Staffing Data Points worksheet that all research participants filled out and returned to the research team

Draft for Discussion & Policy Purposes Only

Key Findings

Key Findings

Staffing Challenges

To varying degrees, all transportation authorities have experienced challenges in fully staffing their bus operator positions since March 2020
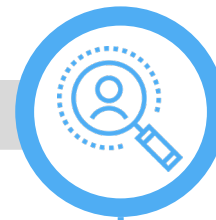
Competition

There is widespread perception that competition is largely economic-based; due to limited funding and CBA constraints, difficult to compete with current market wages
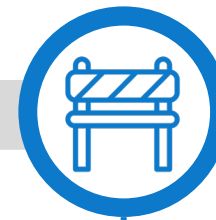
CDL Requirements

CDL application requirements and CDP/CDL training & financial supports vary. Some RTAs are reconsidering long-standing CDL policies to expand applicant pool

Recruitment

Recruitment is largely a new challenge; many RTAs are simultaneously implementing recruitment plans for the first time and experimenting with new recruitment strategies

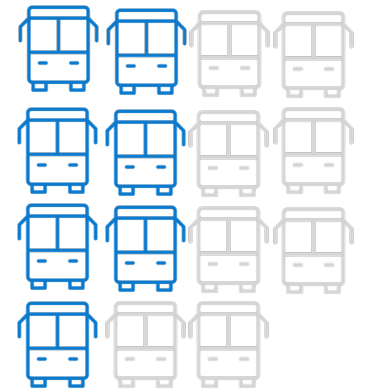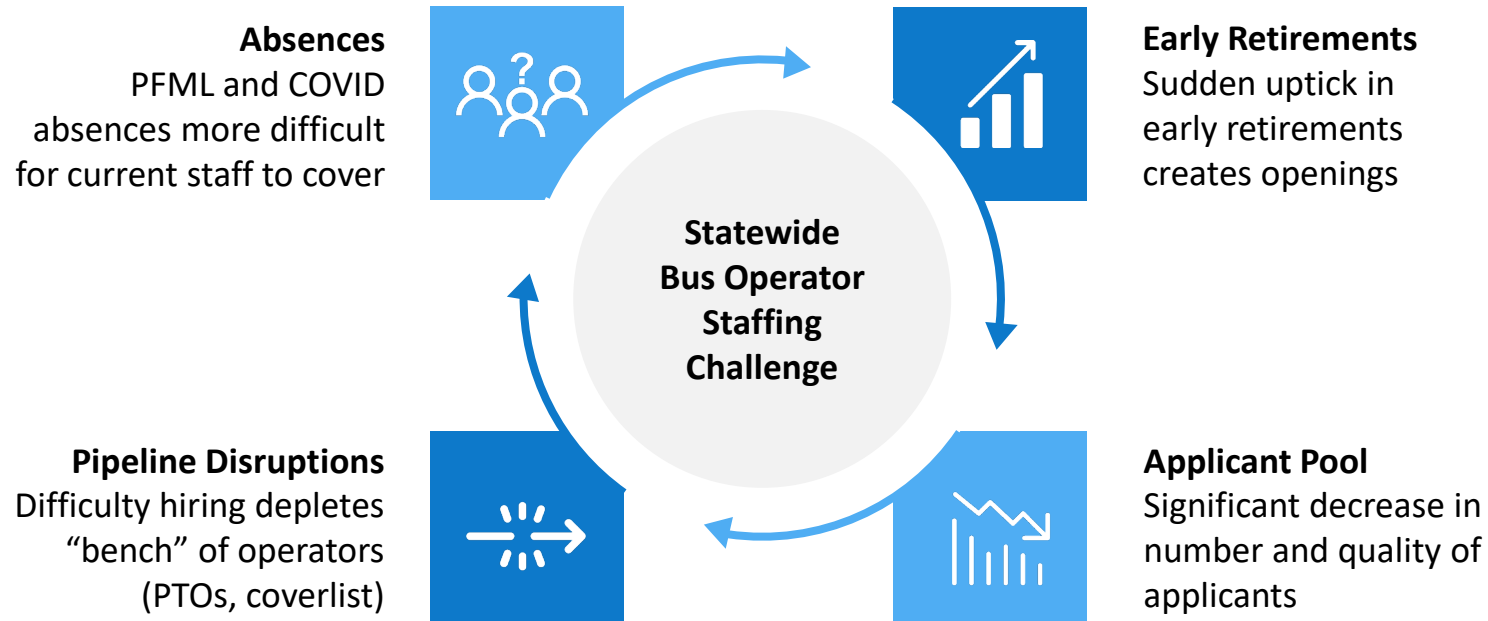**Other Policy Changes**

Other policies - like PFML, marijuana legalization, and changes to CDL testing requirements - coincided with pandemic-related challenges to create additional barriers to hiring

Draft for Discussion & Policy Purposes Only

Current Bus Operator Staffing Landscape

To varying degrees, all RTAs have experienced a negative impact on staffing over the past 2 years

Absences
PFML and COVID absences more difficult for current staff to cover

Early Retirements
Sudden uptick in early retirements creates openings

Statewide Bus Operator Staffing Challenge

Pipeline Disruptions
Difficulty hiring depletes "bench" of operators (PTOs, coverlist)

Applicant Pool
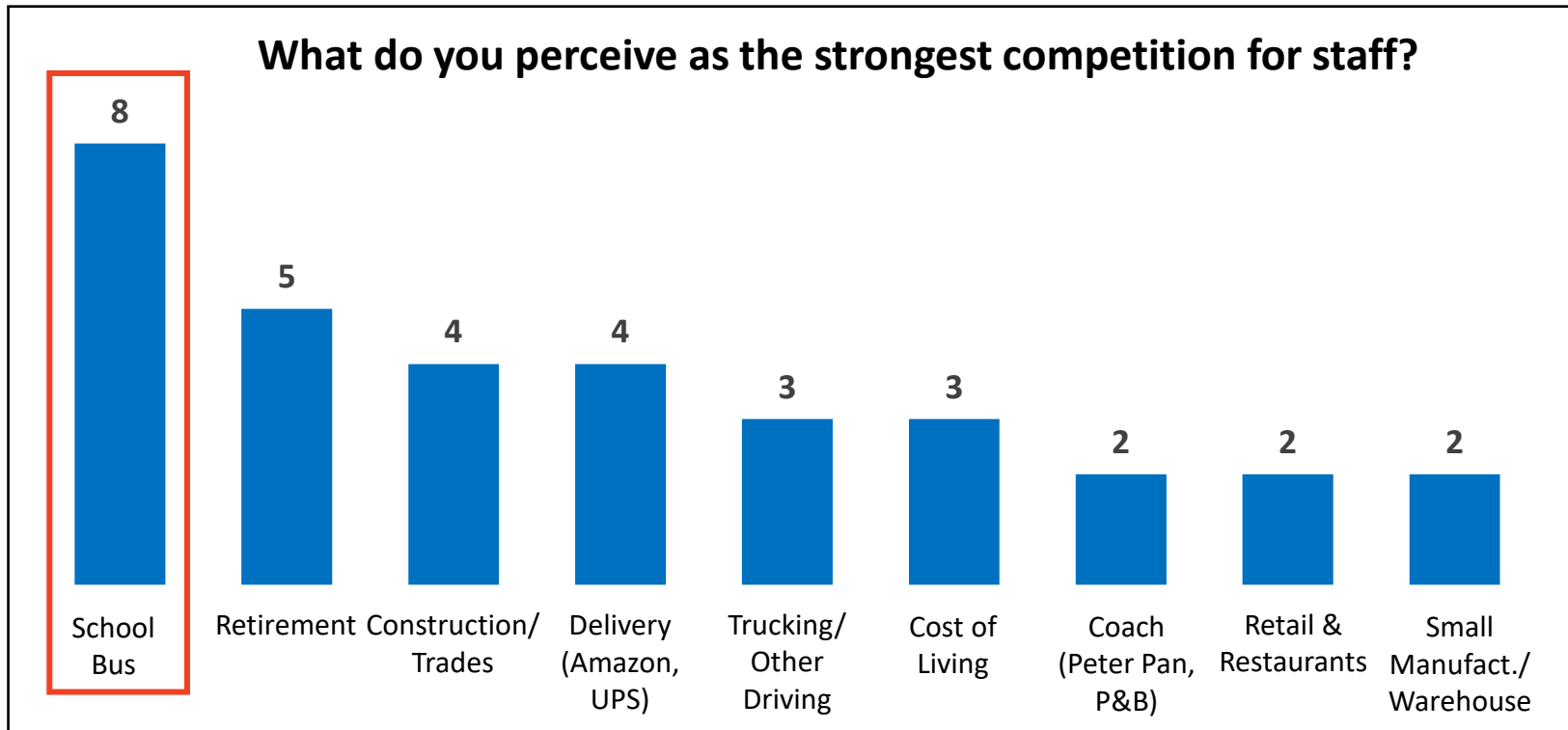Significant decrease in number and quality of applicants

6 out of 14 RTAs & the MBTA have had to decrease service levels due to staffing shortages

- While some started to experience difficulties in attracting bus operator applicants pre-COVID, all agree that the situation has gotten significantly worse in the past 2 years
- Though 4 mentioned difficulty in filling mechanic positions, CDL drivers were a top concern for all
- To cover staffing gaps, some RTAs have seen an **increase in overtime by up to 30-50%**

Draft for Discussion & Policy Purposes Only

Perceived Competition

Most RTAs consider school bus companies/school districts their biggest competition

What do you perceive as the strongest competition for staff?

Category	Value
School Bus	8
Retirement	5
Construction/Trades	4
Delivery (Amazon, UPS)	4
Trucking/Other Driving	3
Cost of Living	3
Coach (Peter Pan, P&B)	2
Retail & Restaurants	2
Small Manufact./Warehouse	2

Competitive Factors for School Bus

- School bus driving is a better schedule for operators with kids; kids can also ride the bus with their parent

- Many school districts increased their starting hourly rate over the past year

- Some advertised sign on bonuses and the willingness to train people to get their CDL

"Over the years we usually stole people from school bus companies. But now, over the past year, it's reversed."

Overall, there was common agreement that no matter the industry, competition was mainly economic-based; difficult to compete with higher starting hourly rates

Draft for Discussion & Policy Purposes Only

Recruitment Strategies

Historically, most RTAs have had relatively reliable, organically-generated applicant pools.
As applicant pools unexpectedly shrank, more energy and resources have been put toward recruitment.

Most of the participating RTAs experienced a decrease in applicant pools – some estimate by over 50%

In the past 2 years, several RTAs have paid for advertising and/or hired in-house recruiters for the first time

While RTAs are employing a variety of strategies, two stood out:

5 RTAs hosted or participated in job fairs, but none found them successful. Most reported that no one showed up.

"Job fairs were probably most disappointing because nobody came to them."

Job Fairs ✕

Social Media ✓

A few RTAs experimented with paid social media ads for the first time. **CCRTA** had the most success:

- Hired a social media consultant
- Helps cater messaging and places ads on Facebook and Instagram
- After 6 mos, receiving more responses than pre-pandemic

"Before, [CCRTA] would get about 90% of our applicants through conventional radio or newspaper ads. Now, we are getting close to 70% from digital means."

Other recruitment trends:

- No clear demographic changes to applicant pools, though a few RTAs mentioned seeing comparatively younger applicants over the past year
- While they previously only had a few (3-4) set hiring cycles throughout the year, several RTAs mentioned the need to shift to constant and proactive hiring

Draft for Discussion & Policy Purposes Only

Recruitment Incentives

To compete with private sector offerings, many RTAs are looking into recruitment incentives.

Sign on Bonuses

A sign on bonus is a one-time payment to *new hires* used to help attract applicants. It can be paid in one lump sum when a candidate accepts a job offer, or in predetermined installments (i.e. a portion upfront and a portion after probationary period). **9 RTAs mentioned sign on bonuses:**

4 RTAs and the MBTA have implemented

1 RTA is trying to implement

2 RTAs have given it serious thought

2 RTAs seriously thought about it & decided no

Incentive amounts $500, $1000 (2), and $4,500 (MBTA)

Have not appeared to significantly impact hiring

"We started offering a $500 sign on bonus about a year and a half ago. While it drove an uptick in applications, it didn't necessarily result in any more interviews."

Referral Bonuses

A referral bonus is a one-time payment to *existing employees* to incentivize their assistance in recruiting new employees. It can be paid upfront when a candidate accepts a job, or after the new employee reaches a certain milestone (i.e. after completion of probationary period). **4 RTAs and the MBTA have or are working to implement referral bonuses:**
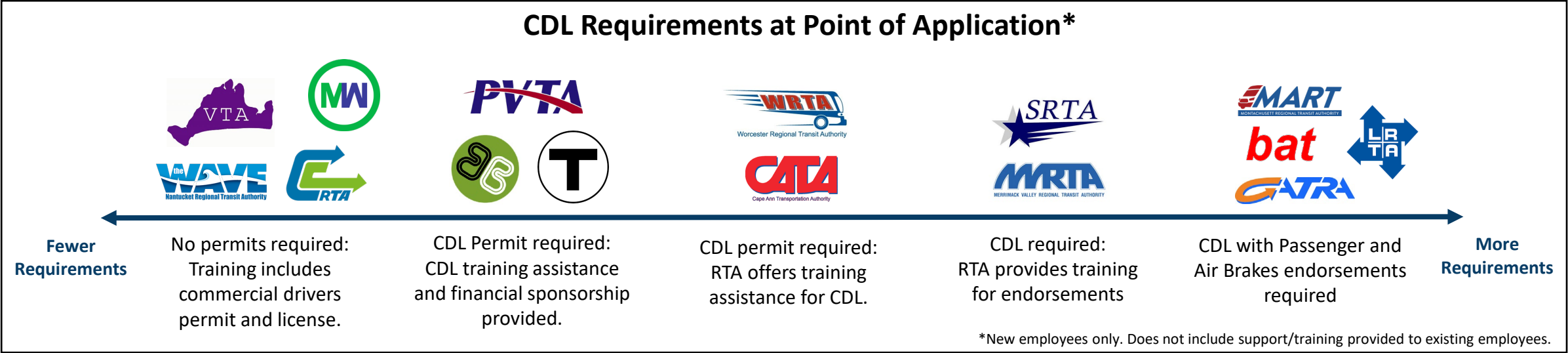
Incentive amounts range: $200, $500 (2), $1,000 (2)

Payout wait times range from 90 to 120 days

"We had a meeting with our administrator in the fall and discussed sign on bonuses. What we decided to do instead was referral bonuses for folks who are already here. If an existing employee refers someone who makes it past the probationary period (90 days), they get $1,000. So far, 5 employees have completed it."

Draft for Discussion & Policy Purposes Only

CDL Requirements

CDL requirements at time of application vary significantly among RTAs, and several have reconsidered their requirements in response to staffing challenges

CDL Requirements at Point of Application*

Fewer Requirements ← → **More Requirements**

No permits required: Training includes commercial drivers permit and license.

CDL Permit required: CDL training assistance and financial sponsorship provided.

CDL permit required: RTA offers training assistance for CDL.

CDL required: RTA provides training for endorsements

CDL with Passenger and Air Brakes endorsements required

*New employees only. Does not include support/training provided to existing employees.

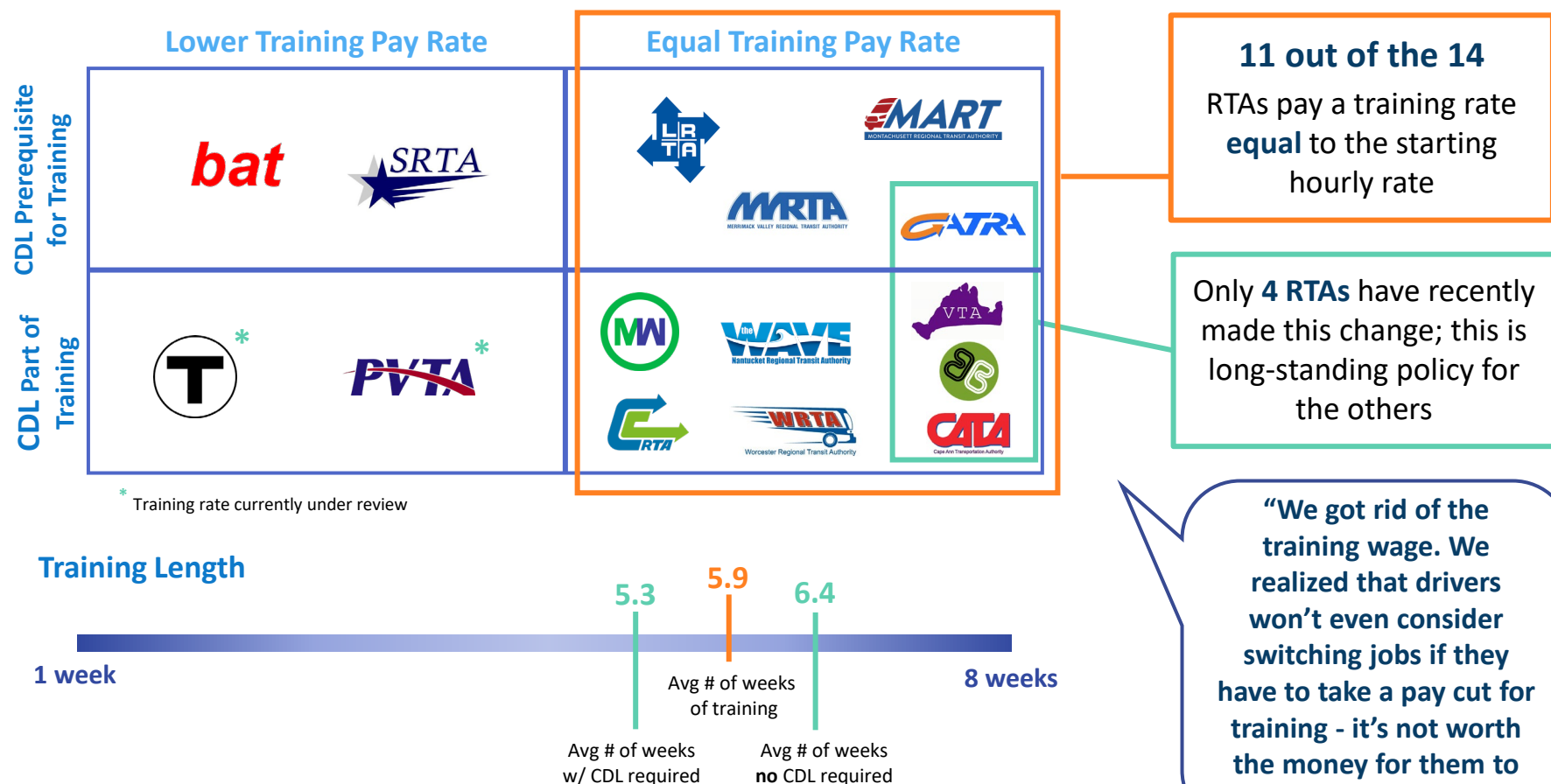## Several RTAs and the MBTA have reconsidered CDL requirements to address recent staffing challenges:

PVTA: Required full CDL → Sponsoring spots at external CDL training school

SRTA: Required full CDL with all endorsements → Offering endorsement training

MBTA: Required CDL permit → Offering permit preparation classes and special permit test times at RMV

4 other RTAs have discussed adjusting their CDL requirements in order to attract more applicants

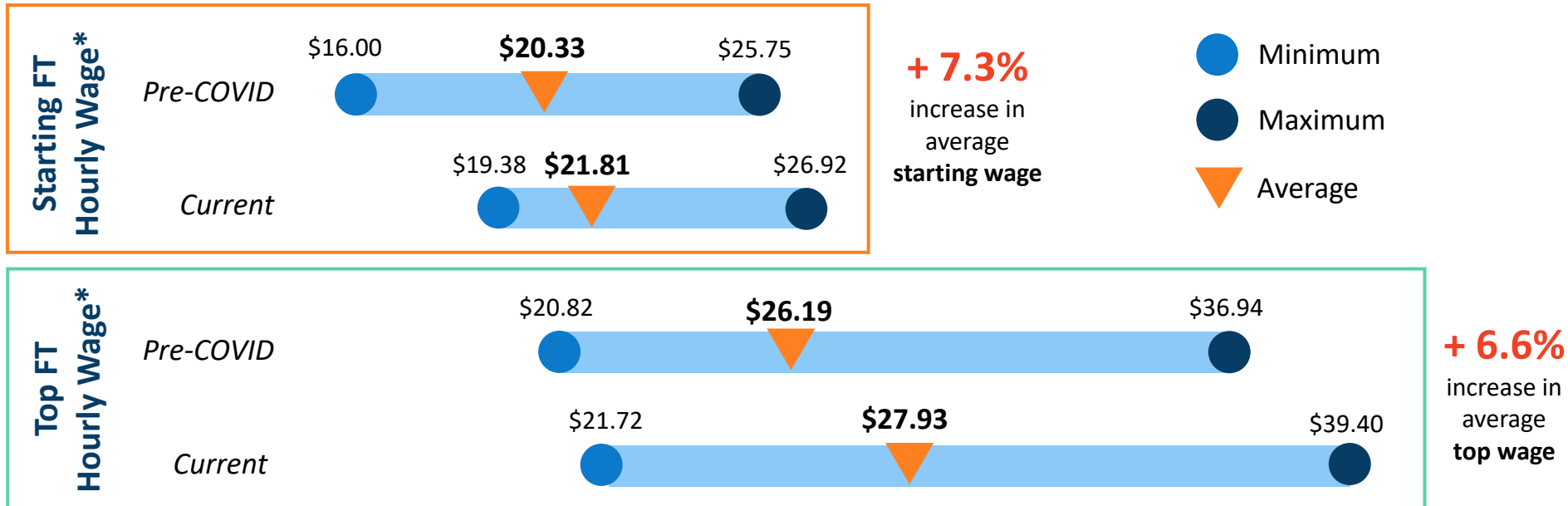Draft for Discussion & Policy Purposes Only

Operator Training

Most agencies do not differentiate between the starting pay rate and the training pay rate, though this is largely not a recent change

- Only **4 of the 11** RTAs that have a training rate equal to the starting rate changed their training pay policy in the past 3 years

- There is no clear connection between CDL requirements and training rate

- The average length of new operator training is approx. **6 weeks**.

- On average, training is slightly shorter for those that require a CDL and slightly longer for those that include the CDL in their training, but not substantially

* Training rate currently under review

11 out of the 14 RTAs pay a training rate **equal** to the starting hourly rate

Only **4 RTAs** have recently made this change; this is long-standing policy for the others

"We got rid of the training wage. We realized that drivers won't even consider switching jobs if they have to take a pay cut for training - it's not worth the money for them to switch."

Training Length

5.3 — Avg # of weeks w/ CDL required

5.9 — Avg # of weeks of training

6.4 — Avg # of weeks **no** CDL required

1 week ———————————————— 8 weeks

Draft for Discussion & Policy Purposes Only

Full Time Operator Pay

Although pay rates have increased by ~6-7% over the past 2 years, they were all due to pay increases within existing CBAs

Starting FT Hourly Wage*

Pre-COVID: $16.00 — **$20.33** — $25.75
Current: $19.38 **$21.81** — $26.92

+ 7.3% increase in average **starting wage**

- Minimum
- Maximum
- Average

Top FT Hourly Wage*

Pre-COVID: $20.82 — **$26.19** — $36.94
Current: $21.72 — **$27.93** — $39.40

+ 6.6% increase in average **top wage**

*Includes wage data for all 14 RTAs and the MBTA

CCRTA had the most significant starting hourly wage increase (+26.5%).

They utilized management rights and eliminated the first few pay tiers.

To compensate existing employees, they gave a $200 bonus to those who were already at the upper pay tiers.

In addition to wage increases:

3 RTAs significantly decreased (by over 60%) the amount of time it takes to reach top pay

5 RTAs now offer the ability to reach the top hourly wage in as little as 6-12 months

Draft for Discussion & Policy Purposes Only

Benefits & Retention

Most RTAs offer typical benefits. Several others gave examples of additional forms of employee appreciation: gifts, gatherings, and giving back to the community

Typical Benefits

Retirement (pension, 401k), health care, vision/dental, sick days, progressive vacation allowance, on the job COVID protections

Gifts

- Give annual tokens of appreciation at the end of the year
- Gave all drivers hand-written notes and $25-$50 gift cards to local grocery stores
- Provide food (coffee, donuts, pizza, etc) at on-site gatherings

Gatherings

- Host once a month coffee and donut gatherings and occasional pizza days in drivers' break room
- Hold a late spring/early summer cookout for all staff
- Provide all 3 meals on-site for operators for a month

Giving Back

- Team came together through a driver-initiated food drive; collected food and then went together to deliver to local food bank
- Organized a toy drive in partnership with the local police department

Draft for Discussion & Policy Purposes Only

Schedule and Hours Requirements

Service demand changes and staffing shortages have led to a decrease in split shifts and more opportunities for new operators to immediately take on full time work
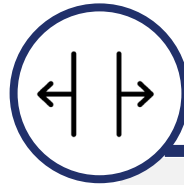
Work Bids / Picks

Nearly all work is picked ~quarterly by seniority

↳ For some RTAs, early retirements have reduced the wait time for a new operator to go full time or get a "good" schedule by **over 80%**

Split Shifts

8 RTAs have very few split shifts or all straight shifts

↳ **4 out of the 8** have reduced or eliminated split shifts due to COVID-era service demand changes and/or as an operator retention strategy

Part-Time Requirements

8 RTAs allow new operators to start work as full time

↳ **2 RTAs & the MBTA** require new operators to start as part time

↳ **2 RTAs** *prefer* new hires to start part time, but may allow full time based on staffing needs

Additional Policy Changes that Affect Staffing

Additional policy changes coincided with the pandemic and created additional barriers that further compound staffing issues.

PFML Implementation

- Massachusetts PFML went into affect in January 2021, with expanded eligibility in July 2021

- Intermittent PFML absences can be challenging to manage; short notice for absences increases the difficulty of finding covers

- At the time of interviews, these unplanned absences were even more challenging due to additional absences caused by the COVID-19 Omicron variant

- Need for technical assistance to help understand nuances of the law, track patterns, and manage leave

RMV & CDL Testing Changes

- Changes to CDL testing requirements in 2020 (certified testing site requirements, state troopers administering tests) have reduced applicant pools and affected pass rates

- Heightened RMV wait times and additional appointment requirements have significantly increased the CDL timeline

Disqualification of H2B Visas

- For RTAs with seasonal demand, the disqualification of H2B visa holders from CDLs has limited recruitment pools

Marijuana Legalization

- MA's 2017 legalization of recreational marijuana negatively impacts staffing; per federal law, it still disqualifies applicants

Size of box indicates comparative number of RTAs that indicated each policy change as a top staffing or recruitment issue

Draft for Discussion & Policy Purposes Only

Appendix

Acknowledgments

Special thanks to everyone who took the time to participate in this research initiative:

BAT	Abigail Adams, Kelly Forrester, Michael Lambert	**MVRTA**	Jesus Guillermo
BRTA	Rauley Caine	**MWRTA**	Eva Willens
CATA	Felicia Webb	**NRTA**	Chris Boynton
CCRTA	Tom Cahir, Chris Kennedy, John Kennedy, Fred Valdiva	**PVTA**	Tiffany Duff, Nicole Rohan
GATRA	Odette Luszcz	**SRTA**	Martin Burke, Kristin Sniezek
LRTA	George Anastas, Dave Bradley, Chris Curry, Jeff Jones	**VTA**	Angie Gompert
MART	James Sluss	**WRTA**	Jo-Ann Clougherty, Kevin Kelly, Donna Novelli, David Trabucco

Discussion