Finding & Retaining Carriers in the Age of the Gig Economy

Michael Otero

The New York Times

"We have low unemployment, a good economy, and lots of jobs that are available on the market. We struggle day in and day out to find carriers. It is an early morning job. Most carriers are using this as a supplement to other jobs. The ones looking for this as their only job don't like it, as they are offered other jobs at \$15 plus per hour. We do a good job filling our positions but they are mainly supplemental jobs, a second or third job for someone looking to pay bills and earn money on the side. The days of being a newspaper carrier as a primary source of income are long gone. "

- All contributes to an average open route percentage of 10-15%.
- Higher in major metro markets!

Challenges

- Carriers have direct impact on service but we have no direct influence over them.
- Gig economy.
 - Free market system in which short-term/ temporary positions are widely available.
 - Tougher to leverage pool of people via referrals.
- Current legislation

Challenges

- Compensation structure.
- Amazon.
 - 157 Fulfillment Centers
 - 36 Sort Centers
 - 24 Air Gateways
 - Hiring 30k new full-time employees!
 - Career Day on September 17
 - Boston, Chicago, Dallas, Nashville, Seattle & Arlington, VA
- How to break vicious cycle?
 - Open route
 - Recruitment
 - Training
 - Retention



- Current legislation.
- Employee satisfaction.
- Future prospects.
- Education/Information Sharing.

- Gig economy jobs may not be better alternatives.

General Best Practices

- Effective use of debit cards.
 - Load at beginning of employment, daily, or as each pay period is completed.
 - Don't force carriers to layout upfront money.
- Senior Managers make follow up calls to set up interviews instead of sending prospective carriers to warehouse.
 - Having employees finalize interview details in advance has led to better attendance and NO OPEN ROUTES!!!
- Service incentives earned filter down to carriers.
- Add products to make routes profitable.

Recruitment Best Practices

- Variety of methods, as every market is different.
 - Some things prove to work while others do not.
- Job Board flexibility.
 - Indeed, Craigslist or other locally used classified exposure.
- Post its on the front page of your local paper (or in-paper advertisements).
- Yard sign advertisements posted at intersections within the area needing carriers (in multiple languages).
- Embracing immigrant communities and determining best ways to reach them (multilingual recruiters to aid in answering questions and onboarding).
- Presence at local flea markets with recruiting materials and "swag" on hand.
- Grocery store set up/recruiting efforts.
- Recruit the retirement community.
- Referral (bonus) programs.
 - Monetary bonus to carrier who refers someone who stays on a route for 30/60/90 days.

Retention Best Practices

- Test different things to determine what works best and change things up periodically to maintain engagement.
- Good onboarding and training to reduce IC churn during the first 30 days.
- Compensation levels that at least match the competition (minimum wage equivalent).
- Incentives for good service.
 - Weekly/monthly drawing for gas cards or other prizes, name goes in the hat for each week that service goals are met; no Sunday complaints qualifies for monetary bonus depending on route size.
 - Work with National publications that you deliver to build incentive programs that can help boost your compensation for good service and support your retention efforts.
- Monthly retention bonuses.
- IC appreciation nights in depots (coffee/donuts, pizza/soft drinks).
- Multilingual staff to assist with communication.
- Find a way to provide options for the IC force, related to them being aware of individual insurance options that might be useful.