

CRITICAL SKILLS SHORTAGE INITIATIVE REPORT #3:

Results of Employee Surveys and Focus Groups in the Transportation, Warehousing & Logistics Industry

This project was commissioned by:



Prepared by



900 Victors Way, Suite 350
Ann Arbor, MI 48108
(734) 769-2900 (voice)
(734) 769-2950 (fax)
lagood@skilledwork.org

Background

This report is product of the Critical Skills Shortage Initiative (CSSI), a project undertaken by the Workforce Boards of Metropolitan Chicago, in partnership with the State of Illinois, designed to assess the occupation and skill needs of firms in industries critical to the economic health of the Chicago metropolitan region. The Workforce Boards of Metropolitan Chicago is a collaboration of nine Workforce Boards providing policy expertise and investing in services in 11 northern Illinois counties – Cook, DeKalb, DuPage, Grundy, Kane, Kankakee, Kendall, Livingston, Lake, McHenry, and Will. The Boards identified three priority industries around which to focus their CSSI work in early 2004 – Healthcare, Manufacturing, and the umbrella industry comprising Transportation, Warehousing and Logistics.

Corporation for a Skilled Workforce (CSW) was commissioned to gather qualitative intelligence from firms and employees in the latter two industries – manufacturing and transportation, warehousing, and logistics (TWL). Between April 2004 and June 2004, CSW, in partnership with the Workforce Boards, convened focus groups and conducted interviews and surveys with firms and workers in these industries.

The results and findings from this intelligence gathering effort are described in a collection of four reports: two summarizing findings from employers in each of the two industries; and two summarizing findings from employees in each of the two industries. This is the third of the four reports. It summarizes the results of interviews, focus groups, and surveys with employees working for firms in the transportation, warehousing, and logistics industry (TWL) in greater metropolitan Chicago.

The report provides:

- Demographic information about the individuals who participated in the CSSI intelligence gathering efforts in the manufacturing and TWL industries;
- Information about the educational achievement, employment status, and needs of respondents as well as their perceptions of the needs of their peers and their firms; and
- Summaries of observations made and insights generated in focus groups and conversations with TWL industry employees who participated in this effort.

This report is *not* intended as a summary of employee perceptions of the entire TWL industry, nor does it definitively identify needs and challenges that should be addressed by the Boards. Rather, it addresses one aspect of a more comprehensive data collection effort. Importantly, participating individuals provided thoughtful, honest, and insightful observations during our discussions and through the surveys. For this, we thank them.

This information will undoubtedly prove valuable to the Workforce Boards of Metro Chicago as they develop strategies to engage and support TWL firms and their employees in the region.

Summary Highlights

Key findings are as follows:

- Participants had more difficulty identifying short-term job or career goals (“next steps”) than long-term aspirations (e.g., owning a business). Only one in five was actively preparing for their next job or career step.
- Demands on individuals’ time, limited access to help or advice, and cost were identified by respondents as key barriers to career advancement.
- Individuals expressed a strong desire for “secure work,” though the meaning of “secure” was different for different individuals.
- Individuals expressed a high degree of uncertainty about their economic futures.
- Individuals expressed (unprompted) high levels of job satisfaction: 68% seek to keep their current jobs; 74% refer friends and family to open positions at their firms; and 57% want their next job to be with their current employer.
- Half of respondents are new to their employer or to the transportation, warehousing and logistics industry.
- Half of respondents maintain a higher level of educational achievement than is required for their job.
- Respondents identified complex skill needs on behalf of the firms and peers, including: communication and people skills, computer skills, organizational and management skills, leadership skills, decision-making and judgment, and multitasking. Only one of these skill sets – computer skills – lends itself to traditional training programs and is easily and objectively assessed.

Process, Results and Findings

While the overall numbers were small and the data collection labor intensive, the CSSI project engaged a diverse group of individuals representing all the parts of the TWL sector the Workforce Boards sought to reach. These individuals allowed researchers brief entrée into their personal and professional lives, their workplaces, and their industry. The information they provided was rich, insightful, and in many cases, actionable.

Who participated in focus groups, interviews, and completed surveys?

Fifty-one individuals who live and work in the greater Chicago metropolitan area participated in structured interviews, mini-focus groups, and surveys during the six-week data collection effort. Forty-two of these individuals completed information cards or surveys that enabled comparison and analysis. The other nine participated in oral conversation, but opted not to provide personal information on the datasheets we asked participants to complete.

We convened two mini-focus groups of employees working for firms affiliated with the transportation, warehousing and logistics industry – one occurred at the workplace, and the other in a restaurant during the lunch hour. In both cases, the employees participating in the groups worked for the same firms. The nature of this industry makes it very difficult to convene groups of employees (e.g. long-haul truck drivers). As a result, most of the data was collected through one-on-one or small group in-person interviews, telephone interviews, or through surveys. Most employees identified their employers, and were generous with personal information on the condition of the anonymity the project promised.

Individuals participating in focus groups received a \$20 Target gift card, while those completing the survey received either a \$3 Starbucks gift card or the equivalent in McDonald's or Dairy Queen gift certificates. Individuals participating in interviews and completing surveys received either a \$20 Target card (for a longer interview), or a \$5 Starbucks card, for a shorter one.

The 42 individuals from whom we collected individual-level data were employed by at least 18 different firms – two individuals did not specify their employers. Most of these firms were affiliated with one of the following sub-sectors:

- Motor freight – long-haul, short-haul or express delivery (31%)
- Rail – passenger and freight (28%)
- Transportation services – car or truck rental, towing, and service (23%)

- Distribution facilities linked to manufacturing plants – durable and non-durable goods (18%)

Overwhelmingly, most respondents reported working for large firms.¹

- 71% worked for firms employing over 500
- 7% worked for firms employing 250-499
- 14% worked for firms employing 50-249
- 5% worked for firms employing under 50

These individuals reported holding 23 different positions, ranging from executives and managers to forklift drivers and couriers. The most frequently reported occupations included:

- Drivers
- Customer service representatives
- Engineers
- Managers or management trainees

Respondents reported fairly lengthy tenures in their current jobs.

- 24% had held their jobs for 2-5 years
- 21% had held their jobs for more than 10 years²
- 17% had held their jobs for 5-10 years
- 14% had held their jobs for 6-12 months
- 12% had held their jobs for less than 6 months
- 7% had held their jobs for between 12 and 24 months

The respondents claimed residence in seven of the 11 counties comprising the Chicago Metropolitan area – as well as western Indiana and southern Wisconsin – and were employed by firms based in five of the 11 metro counties. Thirty-five percent of respondents reported living and working in different counties, nearly half of them, in different states. Of the remaining 64%, the overwhelming majority reported living and working in Cook County, the largest and most populated county in the region (and in the state).

¹ We know there are inconsistencies in the way employees responded to this question—some answered on behalf of only their division or branch, while others answered on behalf of the whole firm or corporation. We think that there was a bias toward larger firms because people answered with the number they knew—the corporate or holding company number rather than the number of employees in Illinois, for example. In addition, surveys from individuals who worked for the same employer had different responses to the question—again, we think employees estimated high rather than low.

² Two individuals with 10-plus years in their jobs reported that their current jobs were also their *first* jobs—one of them was a forklift driver.

Reported County of Residence	Metro Counties	Reported County in which Employed
43%	Cook	60%
13%	DuPage	2%
3%	Kane	0%
3%	Kankakee	0%
13%	Lake	12%
0%	LaSalle	2%
10%	McHenry	20%
5%	Will	0%
3%	Indiana	0%
10%	Wisconsin	0%
0%	All counties	2%

Participating individuals reflected a range of age groups:

- 37% were between 45 and 54 years of age
- 22% were between 25 and 43 years of age
- 20% were between 35 and 44 years of age
- 12% were between 16 and 24 years of age
- 10% were over 54 years of age

They also generally reflected the diversity of the greater metropolitan Chicago labor market:

- 56% were Caucasian or White
- 12% were African American
- 12% were mixed-race
- 10% were Latino
- 5% were Asian
- 5% either preferred not to respond or reported “other”

Finally, 71% of participants were male; 27% were female, and a few respondents preferred not to answer this question.

How did they participate?

The project engaged employees in two different types of activities: oral conversation in the form of interviews and focus groups; and written surveys, whether completed in person or on the internet.

In the focus groups,³ participants were asked to do word associations (as a warm-up exercise), complete surveys (independently), and then collectively discuss three questions:

1. What is the difference between a job and a career?
2. What is your next job or career challenge? What are you going to do next? and
3. Keeping in mind your tentative plans, are you confident in your current skill set? Why or why not?

The word association exercise, intended as an ice-breaker, generated similar responses in both focus groups. Participants were asked what words came to mind when they thought about their jobs. The first suggestions were lighthearted: “paycheck!” and “grind”, for example.

As participants began to feel comfortable and focused on the subject matter, one negative word generated a plethora of others. In one case, the word “uncertain” prompted many words suggesting fear – “lay-offs”, “negotiations”, “pay”, “insurance”, and “bills”, among them. In another case, the word “tired” generated responses indicating that scheduling issues (shift-work, long hours, changing schedules, etc.) were difficult for participating employees to manage.

Both groups finished the exercise with words describing the specific tasks or work they did as part of their jobs. This exercise was not used in individual interviews.

What did they say?

Jobs vs. Careers

The three questions regarding job vs. career, next job, and confidence with skills were asked in both focus groups and in many of the interviews, depending upon the time constraints of participants. Participants were generally reticent to engage on the job vs. career questions unless it was in relation to their children, family members or peers rather than themselves. Predictably, most wanted their children to have careers – with which they associated good pay, good benefits, good choices, professional networks, etc. “Jobs,” they observed, “are about survival.” There were a couple of dissenters who looked more favorably upon jobs – “jobs allow you to have a life – you don’t have to bring all of it home.”

³ It was difficult to discuss these issues in the workplace among colleagues—some were reluctant to give too much away; others collectively poked fun at their employers, etc. Ideally, we would have had a mix of employees who did not know each other, but this proved especially challenging in the TWL industry, since there are few professional associations to which employees in high-demand occupations belong, and even where such groups do exist (e.g. Teamsters), it remains difficult to get individuals who travel for a living to a single location at a pre-determined time. For this industry, one-on-one employee interviews, though more random and more labor-intensive, proved a better method of acquiring data than focus groups.

Next Job or Career Step

In response to questions about what they planned to do next (after leaving their current jobs), most respondents had trouble identifying their next steps in the short term. They had clearer ideas about their long term objectives. Responses were, “Someday, I’ll manage the warehouse”, “Eventually, I’ll go back to school”, “I plan to start my own company”, etc. About one in five individuals reported that they were actively preparing for their next job or career move.

Whether in groups or as individuals, participants identified similar challenges that have the potential to “get in the way” of their aspirations or next steps. These included:

- **Time.** Participants almost universally reported feeling time-pressure – at work, at home, during their commute, etc. With the exception of long-haul drivers, who are pressured for time in different ways, participants reported that their lives were “full” – their schedules left little room for planning their next steps.
- **Access to help.** In many of the one-on-one conversations, participants expressed difficulty knowing where to go for help in identifying their next job or career steps. For example, less than one in five thought that a boss or colleague would let them know about a promotion opportunity within their firm – many reported learning of openings from signs in front of their buildings rather than through internal communication. In two cases, members of labor unions were interested in new positions in different industries. They knew this would mean leaving the union and therefore were reticent to seek help from otherwise trusted labor colleagues. Another reported reluctance to talk with a supervisor because it might be perceived as competitive (“Like I want to take his job.”). A few indicated that spouses or family members knew too little about their business to be of much help.
- **Money.** Most participants reported that taking classes, getting a resume prepared, or taking time off of work for interviews or job search – obvious preparations for a new job – costs money. Few respondents were familiar with or had used the One-Stop Career Center system. And although most respondents who were asked knew the Illinois Department of Employment Security, they were under the impression that it was for Illinois residents who were receiving unemployment.

Skill Sets

The third question – about skill sets – did not particularly resonate with respondents, either in groups or one-on-one. Perhaps because respondents had less clear ideas about their short-term plans than their longer term goals, they had difficulty answering this question – if they weren’t sure about next steps,

then they couldn't be sure about whether their skills would prepare them well for those next steps.

Key Issues Raised

Two key themes emerged out of discussion, whether one-on-one or focus groups – respondents expressed a strong desire for secure work and significant uncertainty about their economic and professional futures.

Secure work

While respondents expressed strong support for the idea of “secure work”, the phrase implied different things for different respondents. For example, a few respondents expressed a fear of continued lay-offs and understood the difficulty of finding alternative employment. For them, secure work would relieve them of this fear. For many more, however, secure work was about “knowing what’s going on.” Several respondents expressed frustration at being reassigned to different positions with little or no notice; others relayed stories of what they perceived as false choices – keeping a job but taking a pay-cut, doing more work with no pay-increase, changing jobs or being let go, etc. Others expressed frustration at the pace of change (“how long will what I’m good at be valuable?”) or the “surprise factor” – a profitable product line is sold or shipped overseas, new equipment or processes are introduced without notice, etc. Still others expressed always feeling like they are getting the “short straw.” Truck drivers, for example, know they are in high demand, but expressed frustration at “not getting pay increases because their employers are locked into contracts that assumed a lower price of gas – but “when is a good time to get a raise?” Worryingly, many respondents perceived little connection between their performance and the professional opportunities that lay before them.

Uncertainty about the future

Again, while most respondents expressed angst⁴ about their economic and professional futures, they expressed it in very different ways. Older workers tended to express angst on behalf of their children – one worker lamented that his sons would not be receiving commensurate pay and benefits if they followed their father into the same profession. Younger employees expressed angst at having to make choices between jobs that were more certain but less desirable (i.e., the career track they had inadvertently joined), and those offering less certainty, but might be more desirable. Others expressed frustration at simply not knowing what to do to get ahead – they were aware of the growth in their industry, but having trouble figuring out where the specific opportunities would be in the future.

⁴ Respondents suggested that much angst could be addressed with improved intra-firm communication.

Finally, while job satisfaction was not a specific area of focus in the survey or in the interview protocol, it was frequently raised in discussion. Despite the angst and uncertainty expressed by respondents when asked about their careers and futures, the majority of respondents (largely unprompted) expressed moderate to high levels of job satisfaction. This may also be reflected in the survey – almost 70% of respondents reported that they currently ‘have good jobs they plan to keep’, and 74% indicated that they actively refer friends or relatives to available jobs with their current employers.

Survey Findings

Most participants (50%) had not held previous jobs with their current employer or in the industry in which they now work. About one-third had held previous jobs with their current employer or in the industry, and the remainder were unable to answer the questions either because their current job is their first job, or because they hold or have held multiple jobs simultaneously.

When asked how they found their current jobs, respondents replied as follows:

- Word of mouth (62%)
- Newspaper (12%)
- Temp firm or staffing firm (7%)
- Help wanted sign (5%)
- Web-site or job bank (4%)
- College placement office (2%)
- Internal promotion (2%)

The focus groups and interviews made apparent that distinguishing between these methods of access to jobs was rather arbitrary. For example, one participant indicated that he saw a sign on the front of the building, and then looked on the web-site, but applied as a walk-in, and got the job.

When asked where they thought their employers could recruit new talent, respondents offered the following:

- College or high school placement office (15%)
- Internet (15%)
- Newspapers (15%)
- Referral or in-house promotion (11%)
- Word of mouth (4%)
- Job fairs (4%)

About one in four did not answer this question, but two individuals offered the following comments:

- “Almost anywhere if the pay is good.”

- “In a similar industry that’s laying off people.”

When asked about their employment status, the majority of participants (68%) indicated a strong desire to stay with their current firms – affirming the moderate to high levels of job satisfaction expressed verbally during interviews and focus groups. Only one in four reported “my job is okay, but if something better came along, I’d take it.” And surprisingly, only 2% reported, “I have a good job, but I’m worried about lay-offs.”⁵

Most respondents knew the specific minimum requirements associated with their jobs – only 4% responded were unable to answer. The most frequently cited minimum criteria was experience (32%), followed closely by a high school diploma or GED (30%), a two-year degree or professional certificate or license (18%), and a four-year degree (16%).

Respondents were also asked to identify the level of education that they had achieved. They reported:

- Some college or vocational training (26%)
- High school diploma/GED (24%)
- Four-year college or university degree (17%)
- Two-year/ Associates degree (14%)
- Graduate work or graduate degree (12%)
- Some high school (7%)

Interestingly, half of respondents indicated having achieved a higher level of education than was required for their jobs. Most respondents in this category reported that their jobs required a high school diploma or GED, but that they had earned 2-year or 4-year degrees. Focus group participants and interviewees suggested that higher-than-required educational credentials can serve as a proxy – or even a replacement – for experience.

Thirteen percent of respondents claimed educational achievement levels that matched those required by their jobs, and a few indicated that they had not achieved the minimum educational requirement typically associated with their jobs. Twelve percent of responses could not be analyzed this way, either because individuals did not answer one of the questions, or because they answered “other” in one or more cases, making comparison impossible.

⁵ Three factors arising in discussions may explain this: 1) respondents felt like most of the lay-offs that were going to happen have already happened; 2) respondents lack confidence in the labor market in general, so they are assessing their jobs relative to what they believe is available in the market—compared to other available jobs, they prefer their own; and/or 3) much of the fear and uncertainty expressed by individuals is really a general fear of the unknown (decisions seem random, lack of connection between performance and reward, etc.) rather than the specific fear of job-loss.

Next jobs

When asked where respondents thought their next jobs were likely to be, 57% indicated that they were likely to take a new job with their current employer. Other responses to this question included:

- “With a different employer in a different industry.” (14%)
- “With a different employer in the same industry.” (10%)
- “I have no idea.” (19%)

Skills

Respondents were asked to rate the importance of a variety of skill sets to their jobs. These skill sets included: reading; math; good safety habits; communication skills; team skills; English language skills; computer skills; problem-solving skills; and management skills. Of these, the skill sets most consistently ranked low (of less importance to job) were: computers; management; and math (in order). The skill sets most consistently ranked high (of greater importance to job) were: communication; good safety habits; and team, problem-solving, and reading skills.

Respondents were also asked two open-ended questions about skills, both of which generated surprisingly common responses that were easy to categorize. In response to the following question, “Thinking back to when you were first hired, what was the most important skill you learned on the job that you wish you had learned before you were hired?”, participants most frequently reported the following (in descending order):

1. Communication and people skills – “negotiation”, “verbal skills”, “language skills”, “teamwork”, and “how to deal with confrontation”
2. Computer skills – “computer skills”, “using new technologies”, “computers”⁶
3. Organizational and management skills – “attention to detail”, “paperwork”, “delegating”, “tenacity”, and “work smart”

Other skills cited more than once included: English; “professional driving”; industry knowledge; geography; and a few specific technical skills including electrical skills, accounting, and sales.

Respondents were also asked, “When new people are hired for your position, what skill sets are generally missing? What do they most need to learn?” again, in an open-ended format. They responded most frequently (again in descending order):

1. People, communication, team skills

⁶ This response is somewhat puzzling, given that so few respondents placed importance of computer skills relative to their own jobs.

2. Judgment, decision-making, common sense
3. Leadership, management, initiative
4. Multitasking/ attention to detail

Map-reading, computer skills, and following rules were also each mentioned more than once. Importantly, with the exception of computer skills (“things I wish I’d learned”), none of these skill sets lend themselves easily to traditional training programs or assessment protocols.

Participants were asked to identify the most common reason their colleagues leave their jobs. They cited the following:

- Not enough pay (32%)
- They get promoted within the company (22%)
- Working conditions are unpleasant (20%)
- They are not qualified to do the work (10%)
- The work is too hard (7%)
- Benefits are inadequate (5%)
- They find better jobs outside the company (5%)

Finally, participants were asked to identify what they would do if they had an opportunity to improve their skills at little or not cost to themselves. They responded as follows:

- Enroll in training directly related to my current job (30%)
- Work toward a diploma, degree, or certificate (23%)
- Enroll in training for a new position (18%)
- Enroll in a course for personal fulfillment (16%)
- I would not enroll in any course (7%)
- Study English (5%)
- Improve my computer skills (2%)

Conclusion

The individuals who participated in this research were serious professionals who demonstrated knowledge of their industry and, for the most part, dedication to their jobs and to their employers. They were smart, hard-working, generous, willing to step-up to new challenges, and a pleasure to meet.