Client Success Story

Koch Trucking Combats the U.S. Truck Driver Shortage with Speed and Candidate Experience

Industry: Trucking
Employees: 1,000

> **"Olivia has done wonders for our candidate experience, she interacts with candidates and answers their questions even when a recruiter isn't available."**
>
> - Koch Trucking

Over the last 40 years, Koch Trucking has grown into one of the most well-respected trucking and logistics companies in the United States. One of the biggest keys to its success? A winning team aligned with the values and standards the company holds dear. From more than two generations of hiring, Koch Trucking knows that building a world-class team starts with recruiting experienced drivers who can support the company's family culture and customer-focused reputation. And because most of their open positions are for drivers, recruitment is always a top priority — particularly with the current truck driver shortage facing the industry. To combat it, Koch Trucking looked to enhance the hiring experience they offer by partnering with Paradox and its AI recruiting assistant, Olivia.

A Fundamental Threat to an Industry

According to the American Trucking Association (ATA), the trucking industry has faced a truck driver shortage since 2005. In fact, in 2018, the industry was short more than 60,000 drivers, a 20% increase over 2017, and the ATA predicts the shortage will only get worse — tripling in the next decade. This foundational threat has made finding and hiring qualified drivers a top priority for most companies in the industry, but hiring top candidates in this environment often comes at a cost. In 2016, the average cost per hire for a driver was $4,425 and the ATA expects that number will grow. As the competition and cost for qualified talent continues to increase, so too has the premium on candidate experience. And that's where Koch Trucking saw opportunity.

How Automation Opened the Door to More Valuable Work

In early 2018, Koch Trucking teamed up with Paradox to transform its talent experience — leveraging Olivia to reach candidates on their mobile devices, answer questions about Koch's unique culture 24 hours a day, and shorten response times for qualified talent. With the introduction of Olivia, Koch's team has been freed from high volume tasks like phone screening, coordinating schedules, and employee referral engagement. This ensured candidates would always receive a high-touch, on-demand experience, but it also gave recruiters at Koch Trucking more time than ever to spend on value-added, relationship-building work.

Results

2,000+
Total Applicants in 2019

$3
Average Cost Per Applicant

$340
Average Cost Per Hire

Why Drivers Love the Convenience of Mobile

When there's a lack of talent supply in any segment of the market, speed and convenience become critical — and that's particularly true in the trucking industry. Experienced drivers are often on the road for days at a time and nontraditional hours can make it difficult for recruiters to connect directly with potential candidates. That's where Olivia made the biggest impact for Koch Trucking. Because she's available 24/7 to engage over a driver's mobile device, most candidates can chat with her when it's convenient for them and get scheduled for interviews in periods outside of normal business hours. Drivers loved the freedom and flexibility this created and it showed in the numbers: For Koch Trucking, candidate drop-off rates, time to hire, and cost per applicant have never been lower. In fact, while the trucking industry pays more than $4,000 on average per hire, Koch Trucking paid just $340 per hire with Olivia.

Creating Advantage in the Midst of a Talent Shortage

Koch Trucking's results have been remarkable at a time when the truck driver shortage in the United States continues to grow. While its competitors struggle to hire qualified drivers and get them on the road quickly, Koch Trucking is seeing recruiting and hiring gains. Their team says a big part of that success has been Koch Trucking's partnership with Paradox. When asked which two words best describe the value an AI assistant provides, a representative from Koch Trucking answered simply: "Candidate experience."

"More and more drivers have a desire to communicate and apply for jobs in the way Olivia allows them to," the Koch Trucking team said. "Olivia's become a valuable part of our recruitment process and we're excited to continue the partnership!"