

Is Your Company Overlooking A Key Employee Benefit?

The Impact of Commuter Benefits to Drive Employee Satisfaction and Candidate Attraction






As human resource professionals focus on creating benefits packages to support employee retention and recruitment efforts, they often overlook an important aspect of the work experience: the daily commute.

The commute significantly impacts job satisfaction, and it's an important factor in the job search. Today's employees also care about sustainability, and they understand the impact vehicle emissions have on climate change.

A vanpool program, like Commute with Enterprise, an offering from transportation solutions provider Enterprise Holdings, eases the commuting burden on individuals and the planet – and in the process helps companies meet employee retention and recruitment challenges.





The American Workday

For approximately 145 million Americans, the workday begins before even entering the workplace.¹ Their day starts with the commute, the daily trip to the job site. Then, when the workday is over, they make the journey home.

The term “journey” isn’t used lightly. There are often both time and distance aspects to the commute.



ON THE ROAD:

Commuting Stats

On average, U.S. workers spend 26.4 minutes commuting to work, and another 26.4 minutes on the return trip.² This adds nearly an hour to each workday. It may seem insignificant, but over the course of a year, it equates to almost another **six weeks of work time**.

Keep in mind, this is only the national average. In some parts of the country, people spend more time on the journey.

These examples are by no means worst case scenarios.

In New York, the average commute takes **33 minutes**.³

According to the U.S. Census Bureau, **more than 4 million Americans commute 90 minutes or more each way**. Commutes taking 45 to 59 minutes and those taking 60 to 89 minutes are not uncommon, either.⁴

What about distance? The average commuter travels approximately 15 miles one way, according to the U.S. Department of Transportation, and 12 million Americans travel more than 35 miles each way.⁵

How do most people get to and from work? More than 130 million people drive.⁷

And here's the real kicker: Approximately 117 million of these workers drive alone.⁸

Among these individuals are many **"stretch-commuters," who travel at least 50 miles one way.** More than 1 million workers, travel between 75 and 199 miles – one way.⁶



ON THE JOB:

Impact of Commuting on Employees

Given these statistics, it's not surprising that the commute plays a major role in job satisfaction.

A recent survey from membership research association The Conference Board finds the commute is the second-most important component in job satisfaction, topped only by the people at work.⁹

Another survey, this one conducted by staffing firm Robert Half, finds that nearly one-quarter of employees, 23%, have left a job because of a bad commute.¹⁰

Meanwhile, work-life balance remains a priority for employees. Millennials especially tend to consider their careers in terms of how they can integrate their jobs with other aspects

of their lives. A survey from global membership network World Services Group finds that “having a career that offers work-life balance” is the number one priority for millennials.¹¹

Arguably, a bad commute interferes with that balance.



There is also the stress associated with commuting. Although the commute may not be the primary stressor in a person's life, it's likely a contributing factor. Compound stress is a very real phenomenon, and Americans are suffering from it. A recent Gallup poll finds Americans are experiencing

the highest stress levels in nearly a decade, with 55% of U.S. adults saying they had experienced "a lot of stress" the day prior to being interviewed.¹²

The financial impact of commuting is a source of stress for many employees as well. The high cost of gasoline,

the wear and tear on vehicles made worse by roadways in need of repair, rising tolls, and new fees aimed at reducing vehicle congestion make commuting costly.

It's no wonder the commute adds up to a retention issue for employers.

ON THE HUNT:

The Commute and the Job Search

Likewise, it's no wonder the commute weighs heavily in the job search.

When looking at job postings, job seekers pay close attention to commute time. In fact, it's number four on the list of what people look for in a job ad, according to a survey conducted by job site Glassdoor.¹³

And when it comes to actually applying for a particular role, “a convenient, easy commute” carries even more weight; it is the second-most

important factor, topped only by attractive benefits and perks – and the difference between first and second place is only one percentage point.¹⁴





WHAT'S IMPORTANT:

Social Responsibility Matters

Social responsibility figures into the job search as well. When deciding where to work, 58% of job seekers consider a company's social and environmental commitments. Among millennials, the number is 76%.¹⁵

What's more, 51% of Americans won't accept a job offer if a company doesn't

have strong corporate social responsibility practices. Among millennials, the number is 64%.¹⁷

When it comes to corporate social responsibility, global warming is at or near the top of the list in numerous surveys – and a majority of Americans believes it is possible to make an

A study conducted by public relations and marketing firm Cone Communications finds that 55% of Americans would take a **pay cut to work for a socially responsible company.** Among millennials, that number jumps to 75%.¹⁶

impact. A recent Gallup poll finds 66% of Americans believe human activities cause global warming.¹⁸

Global warming is primarily a problem of too much carbon dioxide (CO₂) in the air.¹⁹ A typical passenger vehicle emits approximately 4.6 metric tons of carbon dioxide per year.²⁰





ONE SOLUTION

Addresses Multiple Challenges

Addressing employee and job seeker concerns about commuting, while making a positive impact on the planet, may seem like a tall order. But Commute with Enterprise, an offering from transportation solutions provider Enterprise Holdings, gets results.

By partnering with Enterprise to create vanpools, companies further employee retention and recruitment goals and take an active role in sustainability, which has a positive impact on their employment brand.

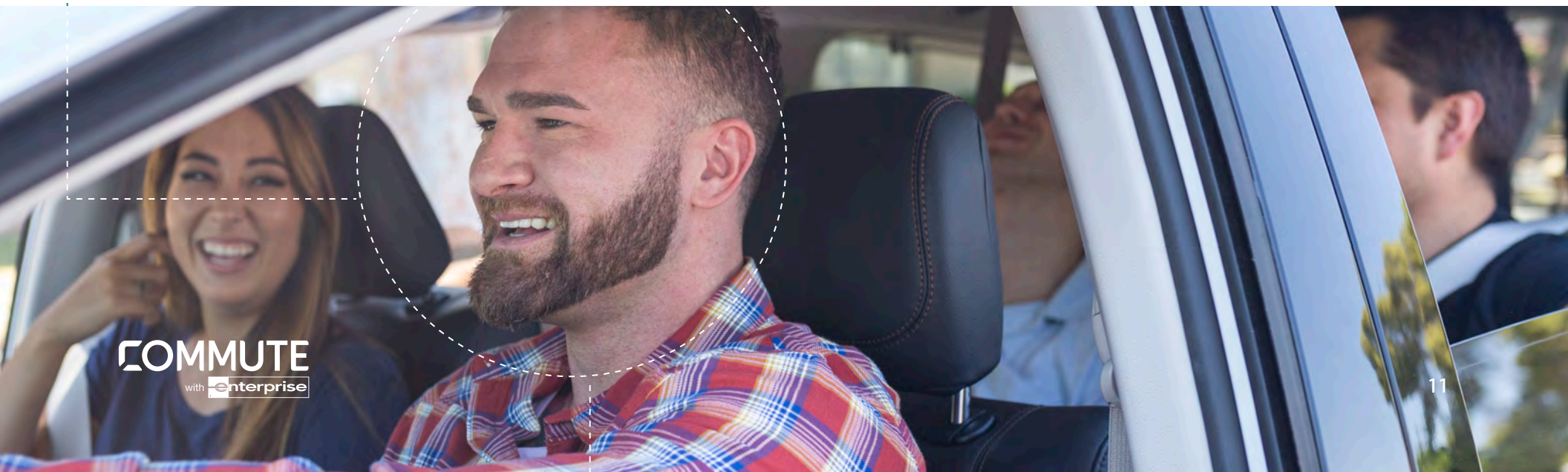
Here's how it works.

The human resources department is typically the initial point of contact. With input from HR, Enterprise uses mapping software to identify clusters of employees who live outside a 20-mile radius.

Enterprise and HR then build a strategy to communicate the program to this target audience. The process may involve working with middle managers to get them onboard with the idea of sharing a ride and driving responsibilities, which is important if schedules need to be adjusted. Enterprise then communicates with employees to discuss the positive impact Commute with Enterprise can have on their daily lives – from their pocketbooks to their mindsets.

Once everything is decided, Enterprise provides a newer model

vehicle, typically a mini-van or crossover SUV, which seats seven, although vehicles that accommodate up to 15 people are available. The vehicle is rented to an individual, the vanpool coordinator, who agrees to be the central point of contact. The rental agreement is month to month, and it includes full insurance coverage and maintenance. In addition, a loaner vehicle is included at no charge, as is roadside assistance and a guaranteed ride home. The monthly cost is split among all riders in the vanpool.





The solution may seem straightforward, but commuting is frequently overlooked as an area where HR can make an impact. “It’s eye-opening to those folks to have them realize how many miles are being accumulated by their employees just commuting to and from work,” says Chuck Welek, strategic sales manager for Commute with Enterprise.

Generally, if there are 1,000 employees at a worksite, 20% of the workforce are

prime candidates, he explains.

An employee participating in a vanpool can save hundreds of dollars per month, Welek notes. As important, it reduces the stress and burnout associated with commuting.

Enterprise helps companies manage the program, from initial goal-setting to ongoing reporting for measuring effectiveness and celebrating success.

Once a program has been launched, Enterprise helps grow the program, using customized awareness-building tactics to generate employee interest.

Commute with Enterprise is suited to companies with 250+ employees, and is not limited by geographic location. Welek points out that a vanpool program can be an effective option for people who live and work in rural parts of the country; it’s not only for suburban and metro areas.



ONE COMPANY'S STORY:

Employee Retention and Recruitment

A medical device maker based in southern California was having difficulty retaining and recruiting employees. The commute was a major issue.

The company decided to turn the problem into a perk and worked with Enterprise to launch a vanpool program.

By the end of 2018, the program had increased employee retention and recruitment, facilitating company growth of over 550%.

Today, the company has more than 1,300 employees and 57 vanpools. One-third of its workforce use the program, which saves employees \$1.59 million per year.



ONE COMPANY'S STORY:

Attention to Sustainability

A leading energy giant aims to conduct business in a socially and environmentally responsible manner, respecting the law and universal human rights to benefit the communities where it works. It therefore makes sense that when it decided to partner with Enterprise to create a vanpool program, the focus was on sustainability.

The company set out to help reduce its carbon footprint as a program goal.

Because corporate responsibility is ingrained in its culture, getting employees onboard with the program wasn't difficult.

In one year, the company took 900 vehicles off the road, reducing commuter miles by 14,238,724 and CO₂ emissions by 10,774,713 lbs.

Meanwhile, the savings to employees is \$7.7 million – per year.

MAKING A DIFFERENCE

This CO₂ emission reduction is equivalent to carbon sequestered by 5,752 acres of U.S. forests in one year OR equivalent to emissions avoided by 213,243 trash bags of waste recycled instead of landfilled.²¹

COMMUTER BENEFITS:

Untapped Potential

As employers struggle to find the right combination of benefit offerings, the commute may not be on the corporate radar.

One reason is that with the exception of “free onsite parking,” the 2018 Employee Benefits Report from the Society for Human Resource Management (SHRM) suggests commuter benefits are not popular. But it’s necessary to dig a little deeper into the report to gain accurate insight.

SHRM looks at the transportation category in terms of whether each

offering is a financial benefit; in other words, if it involves an ongoing cost to the organization. Accordingly, SHRM recognizes carpooling only if a corporate subsidy is involved. In 2018, only 4% of employers offered a subsidized carpooling program.

This attempt at classification creates a misperception, because a vanpooling program need not be subsidized by the company for it to be a valued – indeed, a coveted – benefit.

It’s also worth noting that local or regional transit agencies often



subsidize vanpools because they provide service to community members who are not reached by bus or rail.

The other reason HR may be overlooking this benefit is that the commute is viewed as something that happens outside the workplace. However, given its well-documented overlap with retention and recruitment, this is outdated thinking.

In a highly competitive employment marketplace, leading-edge companies are taking another look at how employees get to and from work and considering a solution like Commute with Enterprise as a new benefit.

“For companies today, it’s getting harder and harder to recruit the best talent,” says Welek. “This is a difference maker.”



THE HIGH COST OF RECRUITING

The average cost-per-hire for companies is \$4,129, while on average it takes 42 days to fill a position.²²



Importance of Communication

Of course, in order to reap the rewards of a vanpool program, communication is key.

To this end, Enterprise works with client companies at launch and provides ongoing support. Nevertheless, employers must make a commitment to promote the program to employees and job seekers.

Ongoing communication can take various forms. For example, at the medical device firm, “vanpool program” is listed among the benefits offerings that job seekers see when visiting the company’s careers site.

The energy company communicates with employees via its employee transportation portal, where it lists vanpool

locations and shares information about CO² reduction.

Welek points out that preferred parking is another way companies give the program visibility in order to spark interest. “Many times, the vehicles themselves are the best advertisement as they are typically parked in the most desirable spots and designated as ‘Vanpool Only.’”

Communication helps fuel a program and further results.

If you build it, and let them know about it, they will ride ... and the company will make inroads in the all-important areas of employee retention and recruitment, while enhancing its reputation as a socially responsible employer.





As part of the Enterprise family, we're wired to put people first. For commuters and companies, that means always having your back, providing solutions (or even a ride home) whenever you need us.

Commute with Enterprise is the largest vanpool provider in North America, and vanpooling is the safest mode of public transportation in the U.S.²³ Our goal is to not only save commuters time and money, but to connect and improve our communities. We work closely with our partners and public transit agencies to reduce congestion and wear and tear on public roads.

We also believe in making the world a better place for future generations. That's why we're committed to helping companies and commuters take an active role in sustainability, reducing their carbon footprint with every shared ride.

Create a win-win with Commute with Enterprise.

LEARN MORE



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