

Maurice Fuller

Today I'm with Justin Clark, CEO of F Staff, a staffing company for on-demand truck drivers. Today we'll be covering Justin's journey as the founder of F Staff, the challenges of sourcing and recruiting truck drivers in today's market, how he's using leading edge mobile technology to deliver services, and the future of staffing as the industry shifts toward autonomous vehicles. Justin, welcome and thanks for joining me today.

Justin Clarke

Thanks for having me, Maurice.

MF

Absolutely. So tell us about yourself and how you launched F Staff.

JC

Well, it's a long story because F Staff is a twenty-year old business now. So the story actually happened twenty years ago when I was 19, my family and I went out and decided to start a staffing company, and we specialize in placing truck drivers in the supply chain industry. So it wasn't really something that I fell in love with initially, it was something I fell into. My mom was working for another staffing agency, and she was grinding in the industry learning all about the business and was really happy with the work—just wasn't happy with the culture of where she worked. So at 19 I wouldn't call myself unhappy, I've always been a really happy guy, but I wasn't fulfilled with the college that I was going to. I wasn't having a rewarding experience in life, and I always wanted to be in business myself. So at 19 my mom was unhappy at her job, but we were real passionate about helping other people though. And so we went forward and we created a new staffing venture focused on truck drivers, and for the last twenty years I've dedicated my life to supporting some of the best guys in our community: truck drivers that help continue to push our industry forward, shipping everything that we need to live in our lives daily. It's just a fulfilling, rewarding experience for me to be able to lead a company that assists and guides the truck drivers in finding the work that they're looking for every day.

MF

Absolutely. That's so amazing how you were able to start the company at such a young age. So tell us about where F Staff is today.

JC

Currently, we are growing and expanding our marketplaces. Twenty years ago was focusing really our efforts on helping support the Phoenix, Arizona truck drivers find quality and meaningful work. We are now expanding our vision to an on-demand model where we are building out marketplaces for our communities to leverage. So what I mean by that is instead of having a brick and mortar staffing operation where we would put branch offices in every city across the country like our competitors do, we opt for a digital model. We're building out a marketplace where truck drivers can visualize and see

the work that's available to them on demand in real time, and carriers have the opportunity to request workers at any given time and filter the right skill sets so they can continue to keep their trucks moving.

So instead of the traditional staffing agency model, which is very manual: a client would have to call us, and we would have to call the drivers, the drivers then would accept or decline the offers, and we would have to call the client back—a very manual process... Where we are digitizing everything in that experience now so that everything can become on-demand. F Staff is now currently in 22 markets across the nation and building out new markets every month. We've assisted over 10,000 drivers in finding qualified and meaningful work and on-demand work across the country. Now we're just looking forward to continuing to bring these markets to every major market city across the country until all of our clients have the opportunity to order truck drivers as easily as you could order chapstick on Amazon.

MF

That's so exciting. So tell us, how do your customers and the truck drivers that you're serving like that on-demand model?

JC

Well, I think everybody, especially in the United States, but everybody today really wants what they want now and they want it as fast as possible. So when you have new industries being evolved like Uber disrupting the taxi industry, it has not ended the taxi industry. It's actually evolved to a place where you're increasing the demand for the industry overall. I was not a heavy user of taxis, but I am a heavy user of Ubers because I find it to be more convenient and a great source of value for my life. Everything's moving towards an on-demand model, and it's no different in our ecosystem.

Our drivers enjoy the speed that they're able to evaluate opportunities. They appreciate the amount of information that they can gain easily, like pay rates and location addresses. Now the drivers don't have manual processes to do things like turn in their time, so they're able to digitally record their time which makes their lives so much easier because they're not having to calculate how many hours they worked just to submit that time to us. Everything in our eyes should really try to make things easier. So when we see any points of friction, that's what we're trying to do is eliminate the friction. Our carriers get to order drivers on their phone or from a desktop computer because we recognize the need to be able to do both. Our drivers have capabilities inside their system and inside their app that allows them to access other forms and other human resource capabilities. They can access their benefits information, and they can even get paid today and now. So we have continued to incorporate and stack technologies together so that the workflow becomes a seamless approach for both parties.

I tell our teams this all the time: essentially in the staffing industry I think a lot of us need to understand that we're in the way of a worker finding work and we're in the way of a

business finding the worker, right? Although we are the conduit that allows and puts it together, we need to think more often about how to get out of the way instead of wedging ourselves in the way, which is kind of what the industry has done over the last several decades. I think the future is removing the ego from the eco, so take the ego out of it and remove the staffing friction where a worker can find what the worker needs and the business can find what the business needs a lot faster and we actually can focus more on the relationships and improving those by speeding up the transaction as a whole.

MF

Yes, I love how future focused you are and how you're really moving our industry forward. I want to ask you about a phrase that you use, "people and technology work best together," which I love. Tell us more about that.

JC

We kind of stumbled upon this actually while I was with our CTO at the time. We were at a conference and we were just kind of walking and talking about the industry and the advances of the technologies, and I turned to her and I said, "But you know what technology won't ever do though? It can't ever give you a hug." So she starts laughing about that, and I said that there's probably more that technology can't do, and we defined it with three separate things that technology can't do. Technology cannot solve a mystery. Technology cannot tell a story. And technology can't give a hug. Certainly we elaborate on those things internally, we talk about that quite often. It is important that we understand all of the things that technology can do and all of the things that technology can't do so that we can bridge that gap and really improve our world by understanding that people and technology work best together. At every stage there's new learning and development that comes along with that statement, but in the end that is the absolute truth. As technology continues to adapt and evolve, so do people. The more often that we can actually leverage technology to work together, especially in a system like this, like an on-demand model, it's a much better environment for everyone that's involved. So definitely, people and technology work best together, for sure.

MF

Yeah, great phrase. Certainly one of the most important technologies that's come along in the last decade is mobile staffing tech, and you've been an early adopter of mobile staffing technology. How has that benefited your business and your stakeholders?

JC

In short, we want to get faster at what we do by becoming more efficient, right? If we can improve the speed of everything that we do, we can increase the volume of what we do, which then has allowed us to do things internally that our clients appreciate. So in short we can reduce price because our system is a more efficient model, so our customers appreciate the fact that we can become more efficient and our pricing models for their future because we don't have as many friction points internally that cost more money.

Our partners can save more money, and that also means that our inside workforce can also do the same. We have been able to increase our markets across the country but have not had to increase our labor internally to support that model at the same pace if we were to have had a branch model instead. That means that our partners internally are also earning more money, which is great for them and their families. So while we don't need as many individuals to support the same volume, we're able to reward everyone in the system, and that's a good thing. You would want drivers to make more money. Drivers deserve to make more money, but in a system where there's no more efficiency, then it's difficult to squeeze more dollars out for the worker. But when we can realize efficiencies we can then you know turn those into real dollars into the wallets of the people that matter, and in my opinion that's a truck driver.

MF

Yeah, that's so interesting. You know as an industry, as we become more efficient, that enables us to drop prices which theoretically should increase demand for staffing services from our clients.

JC

Agreed.

MF

So we can grow the industry and we can grow demand for our services by becoming more efficient through the use of technologies like mobile, which are having a massive impact on our industry.

JC

Right, in the same way that Uber did with the taxi industries as we mentioned previously or anything that you can imagine that's expanded in that model. But absolutely, it's a way of the future and meeting the consumers on-demand and needing everything right now.

MF

Yeah, so let's talk about some of the headline news right now, which is the truck driver shortage, and you're right in the middle of that. Tell us how you're addressing the truck driver shortage from a staffing point of view.

JC

I love the question, Maurice, and I appreciate that you brought it forward because one of the odd things that I can recognize that has been a truthful statement, and I wouldn't even call it a truthful statement, but it has been a statement that's existed in this industry which is the truck driver shortage. That statement existed when I started this business in 2001, twenty years ago. I don't understand how we have continued to operate in an industry that has not had any other changes but we've been living with a truck driver shortage for twenty years. It is in my opinion at this point hyperbole. The industry is using it maybe as a way to attract workers that we *do* need, and it's definitely a good

conversation starter. It's a good debate at this point right now and it's a great excuse of why the supply chain is being challenged right now, and you see it all over the news with the ports and with the shipments coming from offshore. They want to leverage the phrase "truck driver shortage," but honestly, I don't really believe that there's a shortage of truck drivers. I think that there's a misuse and an inefficiency with the use of our truck drivers. Truck drivers are actually allowed to work up to 70 hours a week, but many of them don't leverage all of their hours of service. If a driver was offered a short opportunity to work another four, eight, twelve hours on a weekend or on a day that they had hours of service available, we're adding more drivers to the pool without actually adding more drivers to the pool.

The one way that we're really combating this is trying to educate the community that flexible work is the way of the future. If you can share resources across brands, if more carriers can use drivers in a way that's flexible, then we can reduce the inefficiencies. So we can actually reward ourselves with the fact that we can add to the pool without actually having to incorporate more drivers to it. Now, that's not the only answer though. We have an aging workforce, that's one of the biggest problems. We have a large community of baby boomer truck drivers that will eventually age out and won't want to work full time anymore. We don't have as much attraction coming into the industry that we need, so we do need to think about solutions on how to bring more guys into the industry, and there's a couple of really good things that just happened.

There's some new regulations that have reduced the age of a truck driver. So now you can bring in entry-level recruits. There's some additional training and development that they'll be required to have to be able to do that. But that's a good thing because we need drivers to be able to come out of high school. We need to be able to train 18, 19, 20, 21-year olds how to drive a truck and not wait until they're 23 years of age to be able to do it, which is what we've been living with over the last two decades. Getting drivers in the truck early is important. The other area that I think we have a really large opportunity to bring in drivers from is the military. There are a lot of equipment operators in the military, and when they transition from active duty to a civilian, no one is telling them that this is the perfect career to drop into and to obtain their CDL to do that. To become a truck driver you have to have a commercial truck driver's license, and in the military operators will operate equipment that if you're on the road with it would be a commercial truck. When they're in the military driving off in areas where there's no public roadways, they don't have to have a commercial driver's license. There's different licenses they obtain and certifications in the military that allow them to operate that equipment. But it doesn't translate to a commercial driver's license when they transition out. Helping some of those men and women understand that or as many of them as we can possibly move over from the military into civilian truck drivers would be a very successful way to add phenomenal men and women to the industry in a really safe fashion, I think. So we are working with some of the branches to do some of those things, and there are some trucking schools now that are on bases that are allowing for a military to transition into

that sort of career. I see some really good things on the horizon. I'm hopeful that the industry will continue to adapt to allow more drivers to become CDL truck drivers.

MF

Fantastic. Alright, let's talk about the future of your industry. AI is evolving very very rapidly to take on the truck driver role, and autonomous vehicles are going to be coming along in the second half of this decade in a significant way. So I wanted to talk to you and get your views on how you see your industry evolving as autonomous trucks are increasingly adopted for long-haul.

JC

First and foremost, the majority of truck drivers don't want to drive cross country anymore as they did previously. I think a lot more of our drivers want to be at home sleeping in their bed every night. So you've got this new technology with automation allowing for you know new trucks to drive on the road potentially without a driver, or there's some I guess different ideas about how they would actually achieve full autonomy in the truckload space. When you're talking about moving a truck from LA to Phoenix, which is a common run out in my area, if you could run that autonomously it's much more efficient, right? You don't have to have a truck driver in the truck. But once you get into LA, there's so many more obstacles and issues with the traffic that having a driverless vehicle in city traffic would add to the congestion and to the slowing of movement. We can't have the slowing of movement; we need to speed up the movement. Our vision and our understanding of the future is really that the truck load side, city to city, would definitely be run by autonomous trucks, and then you would have these hubs that would take in the large freight, put it on smaller trucks, and then the smaller trucks would be the delivery points to go out to the final mile.

The reason why that's changing drastically, and it needs to change pretty quickly too, is because of the death of retail. It's kind of what I'm calling it, because consumers are ordering goods and they want it delivered to *their* door. They don't want to go to a store to get it. So it's disrupting the supply chain model so fast that the industry can't really keep up because you now have to have stored goods in a warehouse but easy enough to pick and box in small shipments and then get to my wife's front door because she's ordering on Amazon every day. So keeping up with that demand is really requiring some disruption, which is good, and it would require some autonomy because we're going to need a lot more drivers in our cities to make the final mile deliveries that are required even if you have some form of automation at that front. There's going to be a swelling need for the logistics industry to be able to have final mile capabilities. And it can't all be pushed down the United States Postal Service's throat. We're going to have to have additional ways to do that.

So really it's exciting because anytime things are disrupting at a fast pace, there's great opportunities for the future. That's what we're looking forward to is seeing the truckload space become autonomous, and then the city drivers have the opportunity to sleep at

home every night, be with their families, and have a really rewarding career as a driver. So I think that we're going to need a lot more drivers not only just for the Ubers and different companies like that. You have food companies that are now delivering food to the doors regularly, and then you have just the general goods that are being ordered on Amazon and any other third -party site and then shipped to your door. The next decade is going to be really fun and disruptive for the supply chain industry.

MF

I'm glad to hear that you're enthusiastic about what's ahead, and it's fascinating to hear you say that AI and ML autonomous driving is actually going to lead potentially to *more* employment, to the need for *more* truck drivers than we have today because of that last mile and the delivery direct to homes.

JC

Absolutely will.

MF

I'm wondering if you had any thoughts on a new technology that will bring greater value to your customers, candidates, and employees. We talked about mobile and what that's done for your business. There are a lot of other trends. We mentioned AI. We have technologies like virtual reality that are becoming huge. What do you see on the horizon technologically that you will be incorporating into your tech stack or you think will bring value to your stakeholders?

JC

We talked about trucking automation, and I honestly think, and I've talked to some of these operators too, and I said eventually your trucks will need to be able to order a human on their own. So tying the autonomy inside the trucks and the AI that's there allowing for that robot or that technology to understand when it needs a human, that capability needs to exist. A tech on demand, so the robot orders its own thing when it needs to order it instead of a human ordering what it needs for the robot. I would say that's like the final advancement probably to getting people and technology to work best together. But right now there's just exciting stuff happening. I mean, my kids are playing around with the Oculus, which is really the first phase of Metaverse activity, which I think is going to be great because I think we can incorporate gaming to train and develop young kids about how to drive a truck. By the time they actually decide that that's the career they want to get into, they already have more experience behind the wheel than anyone that's gone through school. So there's going to be some really exciting things that can advance by using things that we would have maybe ten years ago never assumed would have been a part of work. Gaming and work would be like church and state, right? They're never going to be combined, but this is something where it's unique. The capabilities are coming closer and closer to where the universe can meet the Metaverse in a way where you're really living in a new world.

I think the direct applications from those technologies would be what we'll be able to use over the next decade like I mentioned the training development and things like that that are attracting people to the industry, and not really anything that's used for the work itself. Then probably another decade after that would be starting to utilize that technology to complete the work itself. Inside that device you're actually operating the truck or doing things that are actually happening in the physical world, but you're doing them in the virtual world. Currently today you're just talking about real-world applications of using the visual gaming or visual worlds to be able to start getting people used to what it's going to be like in their real-world activity. Then like I said it'll probably expand past that, beyond what my visions could maybe even fathom. I love thinking about the future and what that might look like. I guess time will tell. We'll see how fast things can move.

MF

My own view is that we're accelerating, progress is accelerating, and there's so many core technologies that are major breakthroughs that will have a significant impact on staffing and all of our customers, and it's exciting. The future is really exciting. You really are embracing the future in a way that I think is fantastic. I wanted to sort of close by asking you what keeps you excited about this industry. I mean, you've been at the game now for half your life. What keeps you motivated to keep coming at it and improving what you're doing?

JC

My family has Texas roots, and so we're always ready to serve and wanting to help, and I'm a sucker for a good story. So when I hear you know a story from one of our drivers about what they were able to do with their lives after using our services... I've had drivers come back and talk to me about the fact that they were able to put their kids through college, buy homes and pay off debts, just real world things. At nineteen years old, I mean I had zero experience in life. Now after twenty years, I have a fourteen year old daughter, an eleven year old son, been married for seventeen years, and we've worked and employed over 10,000 workers. You would think I'd be like, I think that's done. I get excited about every new driver that we work with. I do my best to engage with our drivers as much as possible. We believe truckers drive everything, and that truckers deserve a great place to work. So if we can be that place for them, it's a rewarding experience.

Honestly I get up every day re-energized and motivated and excited to be able to work in an industry that has really amazing guys. Like I said, blue collar to me is the gold standard. These are people that do real work. I have people ask me sometimes, "did you do that, Justin?" about a project at my house, and I'm like, with these keyboard hands? I didn't do anything. But together as a community we're able to do so much. I love working in the supply chain sector because it's moving twenty-four hours a day, three hundred and sixty five days a year. There's always a new challenge to be faced with. If we can help the industry and be part of solving some of their problems, we're rewarded by that. Every day is new, and I don't envision that the next twenty years will be short of

challenges. I think they're going to be full of more. That's why I say I'm really excited about the future and building out the company and continuing to build marketplaces so that every city has a marketplace of truck drivers that they can count on. When they need to move a truck desperately and they've got an important need, we will be there when they need that.

MF

Alright. Thank you very much, Justin. I can't wait to see where you take F Staff into the future. This has been a really great discussion. Thanks everyone for listening, and we'll see you on the next Staffing Technology podcast.

JC

Thanks, Maurice.