

# Staffing Challenges: Hiring and Retention in the Rail Industry

NARR September 22, 2023

Paula J. Trout, JD Arbitrator  
Panel Moderator

# Presenters

- **BNSF Railway:**  
Kelly A. Jimenez, Director of Talent Acquisition
- **The Belt Railway Company of Chicago:**  
Caitlin Kerney, SHRM-CP Manager of Human Resources and Labor Relations
- **Union Pacific Railroad:**  
Beth Wilderman, Director of Labor Relations  
Johnnie Boyd, Senior Manager for Talent Acquisition

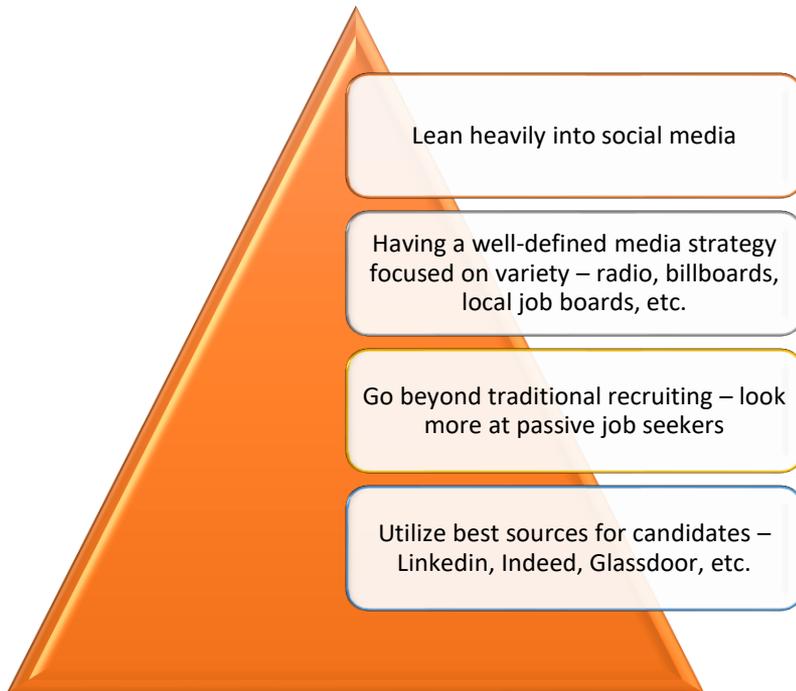


# Creative Recruiting Strategies in a Stagnant Market

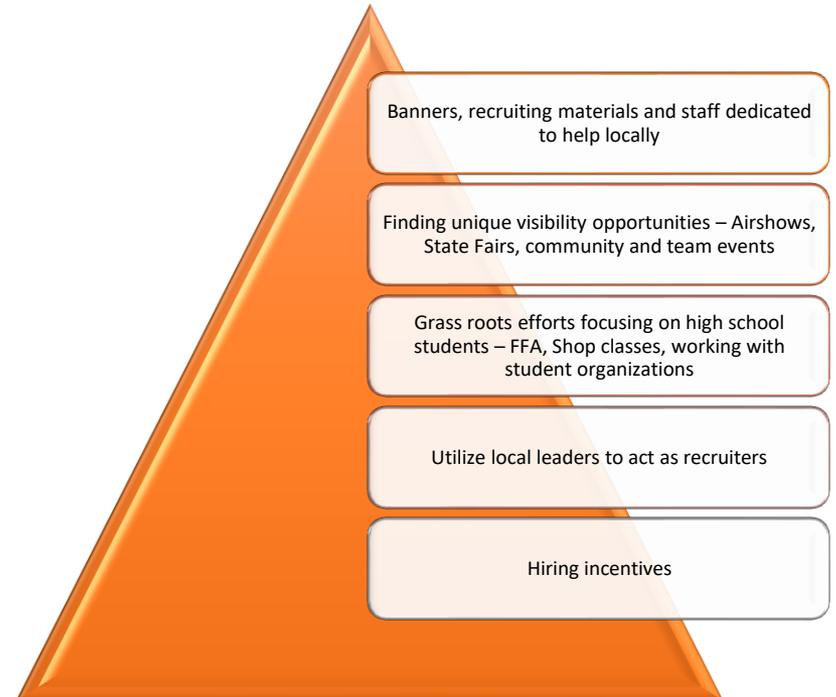
Kelly Jimenez  
.....  
Director Talent  
Acquisition

# Adaptable Marketing Strategy & Local Focus

## Recruitment Marketing

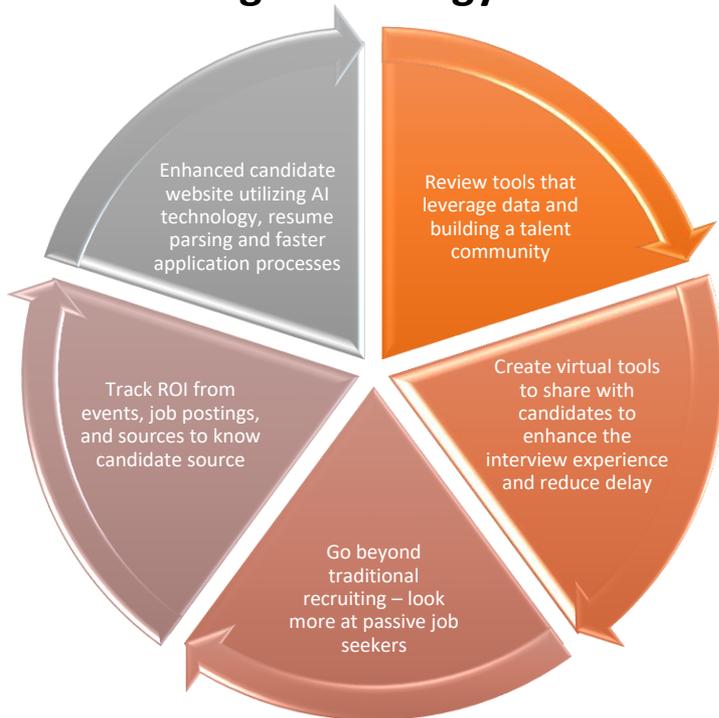


## Regional Focus



# Challenging Markets Require Leveraging Technology & Candidate Strategy

## Recruiting Technology



## Military Recruiting Strategy



# Benefits of Utilizing an RPO



## Cost Savings

- Greater predictability of spend for hiring needs
- Strategic assessments find & eliminate inefficient talent acquisition (TA) spending
- Higher-quality candidates lead to lower turnover rates



## Efficiencies

- A more agile recruitment process that can scale as your needs require
- Increased speed-to-hire leads to faster productivity for your organization
- Your internal TA team has time to focus on business priorities
- Unlike agency recruiters, RPO recruiters work directly in your systems, as needed



## Expertise

- Experienced recruiters find hard-to-reach & passive candidates across all industries
- Better representation of your employer brand to build a more robust candidate pipeline
- Committed partners able to address all your workforce needs
- Access to– & insights from– the latest TA technologies
- Business analytics to help predict future workforce trends

# The Belt Railway Company of Chicago

Caitlin Kerney, SHRM-CP Manager of Human  
Resources and Labor Relations  
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## Introduction

The Belt Railway is the largest intermediate switching terminal railroad in the United States, employing approximately 450 people. The Belt has 28 miles of mainline route with more than 300 miles of switching tracks, allowing it to interchange with every railroad serving the Chicago rail hub. The Belt's Clearing Yards span a 5.5 mile distance among 786 acres, supporting more than 250 miles of track.



DEI is a Practice

a Commitment

a Choice

and a Journey

### Why does DEI matter to us? “The Benefits”

- Provides Better and More Productive Communication
- Improves Performance and Productivity
- Creates a Culture of Empathy
- Develops Faster and More Effective Problem Solving
- Builds Trust and Relationships
- Supports Positive Courageous Conversations
- Inspires Authentic Teamwork
- Enables a Foundation of Well-Being

### DEI Communications Equation

Storytelling

+

Active  
Listening

+

Empathy

=

DEI  
Transformation

# BRC Diversity, Equity and Inclusion Training 2023

## DE&I in Recruiting

- Social networking- hired our first all-female class of Conductors.
- Hiring Events- advertised internally and on social media.
- Lowered the minimum hiring age brought in several candidates. Competitive with the building trades.



# Retention

- Increased wages
- BRC's unique selling point– all benefits of a Class 1 but we clock in and out of the same location daily
- Clearer policies- tough sell but these create transparency and fair management
- In the works- sick day/extra board rest days. Quality of life.





UNION PACIFIC IS HIRING!  
STAFFING CHALLENGES IN THE RAIL  
INDUSTRY PANEL DISCUSSION  
NARR September 22, 2023

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Johnnie Boyd | Senior Manager Talent Acquisition  
Beth Wilderman | Director Labor Relations



# Recruiting & Hiring Craft Professionals at UP

How are we doing it?



Utilizing hiring bonuses & travel incentives in key deficit hubs

Offering incentives for local & relocating candidates (up to \$30,000); transfer programs



Partnering with local High Schools and Community advocates

Working with schools in their Transportation & Logistics organizations/clubs



Second Chance Program

Program to recruit and hire the formerly incarcerated



Leveraging everyone for recruiting

Deploying local UP employees to represent and recruit at events where recruiters aren't available



Employee Referral increased to **\$1,000** for critical positions

# Measuring Diversity, Equity, Inclusion

## Accountability and transparency to drive change

### Diversity Targets

#### POC



#### WOMEN



### Count Me In

#### DISABILITY

2.16% 2.96

2020 2Q 2023

22% participated in overall campaign

### RG Membership

5,229 ↑ 20% vs. 2022

### Uplift

67% promotions or development moves | 92% believe company is investing in their future

### Pay Equity

Women Earn 99.4 cents vs. Men | POC Earn 99.7 cents vs. White

### Listening Sessions

~500 participants | 38% exec. on panels

Inclusion Index: 69%

14 major awards in 2022-3 including Diversity Inc, Disability:IN, Human Rights Campaign, Inspiring Workplaces

### Department scorecards

- Quarterly updates
- Annual AA/D&I meetings
- Action Plans

### External transparency

- Publish annual We Are One Report
  - Review of hiring, promotion, attrition
- Quarterly diversity scorecard
- EEO-1 report

# Why is Union Pacific Investing in Second Chance Employment?

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**UP is committed to expanding our team focusing on diversity and inclusion and creating a work environment that supports candidates and employees with a broad range of backgrounds and experiences**

## Untapped Talent

Union Pacific continues to seek the most qualified talent as we expand our team, we believe there are opportunities in the \*70 million people with a past criminal record. There are skilled, motivated, and diverse candidates who are frequently overlooked.

## New Partnerships

By collaborating with high quality community partners, we are ensuring that Second Chance candidates are prepared, trained and supported as they join our team at UP. We expect these partnerships to be an important and replicable part of our recruiting strategy. Expanded to 170 partners across 17 locations with over 100 since launching.

## Community Impact

One in every two Americans has an immediate family member who has spent time in jail or prison\*. We know that employment dramatically increases the likelihood of successful reentry, and in turn improves the quality of life in all our communities.

HIRING AT  
UP  
BY THE  
NUMBERS

<b>NEW HIRES</b>	<b>UNITS</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Total Workforce New Hires</b>	#	4,679	953	310	1,314	4,170
Management	#	672	327	181	386	614
Craft Professionals	#	4,007	626	129	928	3,556
Positions Filled by Internal Candidates	#	1,237	690	805	978	1,262
<b>New Hires People of Color</b>	%	43	41	35	48	51
	#	2,002	390	108	630	2,193
Management	%	31	28	33	40	42
	#	207	93	59	156	264
Craft Professionals	%	45	47	37	51	53
	#	1,795	297	49	474	1,929
<b>New Hires Female</b>	%	7	12	17	13	10
	#	332	119	52	176	416
Management	%	31	31	23	35	33
	#	205	101	42	135	202
Craft	%	3	3	8	4	6
	#	127	18	10	41	214





## Retention Challenges for TE&Y

TEY

- 87 %
- Retention

Other

- 90 %
- Retention

**\$27,000**

average training cost -  
conductor

**\$93,000**

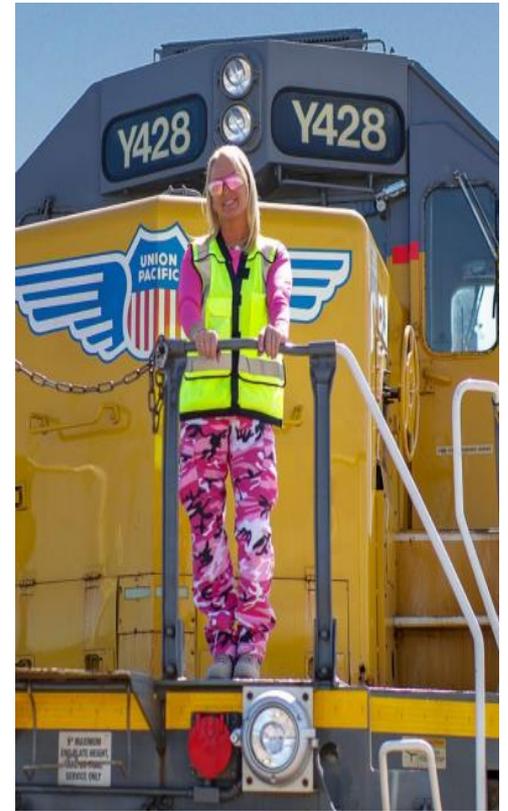
average training cost -  
engineer

Source: UP Talent Acquisition



# The Future: Improving Retention

- Historic Wage Increases: 24% Increase by 2025
  - Average RR Craft Salary \$110k
- Voluntary Paid Sick Agreements for all Crafts: 7-10 Days Paid Annually
- Work/Rest Schedules for Train & Engine Crews
  - UP BLET Overwhelmingly Ratified Innovative 11/4 Work Schedule





# Hiring Challenges Continue

- Ghosting
- Work life balance vs. salary
- Remote opportunities vs. In person or hybrid
- Culture of a company matters more than ever
- Focused less on tenured loyalty and more on gathering experience
- Onboarding experience is crucial
- Candidates pivoting careers due to potential changes with AI
- Long processes lose candidates

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Q & A

