



Research Brief #7

Expanding and Retaining Talent

Employer-led Strategies for Transportation and a More Inclusive Workforce

July 2024

This is the 7th brief in a series produced by Goodwill of Western New York, in partnership with the University at Buffalo Regional Institute (UBRI). The research is intended to promote data-driven decision-making in workforce development that benefits underrepresented and underserved populations in the Western New York region. In support of Goodskills Career Builder, this brief is part of a collaborative effort to expand access to higher-paying careers for all individuals. It highlights the challenges faced by workers who do not have a vehicle for traveling to work and presents transportation strategies that employers can implement to help bridge the gap to attract and retain a diverse workforce. Funding for the brief is from a Build Back Better Regional Challenge grant from the US Economic Development Administration.

The typical manufacturing and tech company in the Buffalo-Niagara region would have **access to 18,710 additional workers** if the transportation gap in WNY was closed.

Sources: UBRI analysis using ArcGIS and data from various sources. See Data Sources and Notes. Represents the average for 106 employers in Erie and Niagara counties with 10+ tech or manufacturing job postings in 2023.

Context

Not having a vehicle in Western New York can significantly disadvantage job seekers. Those without a vehicle earn \$20,400 less per year, on average, and are six times more likely to live in poverty. They are more than twice as likely to commute 90 minutes or more per day, and they have access to a third fewer jobs.

This brief examines the transportation barriers faced by individuals who rely on alternative methods of commuting to work, as illustrated by the experiences of three hypothetical Goodskills Career Builder (GCB) graduates. This brief also presents strategies that employers can take to bridge the gap, attract and retain qualified workers, and benefit their bottom line.

Comparison of Key Indicators for Individuals With and Without a Vehicle in WNY

EMPLOYED INDIVIDUALS	With Vehicle	No Vehicle
# of Workers	574,646	29,191
% of Workers	95%	5%
% Commuting 90 minutes or more per day	6%	14%
Manufacturing and Tech Jobs Accessible	100%	68%
Inaccessible Manufacturing & Tech Employers	0%	29%
Poverty Rate	4%	24%
Avg. Annual Earnings	\$53,208	\$32,751
Costs of Owning a Car as % of Avg. Earnings	19%	31%
ALL INDIVIDUALS, AGE 25-54		
% Unemployed (actively seeking a job)	4%	8%
% Out of Labor Force (not working, not seeking a job)	13%	42%

Disparity in WNY exceeds US averages

Sources: UBRI analysis of IPUMS, ACS, 2018-22. Costs of automobile ownership: Center for Neighborhood Technology, H+T, Buffalo Niagara. Inaccessible employers/jobs: UBRI analysis of DataAxle Businesses and Lightcast Job Postings. For workers without a vehicle, employers/jobs located beyond half mile of a transit stop are inaccessible; all are accessible by car.

How the transportation gap creates workforce gaps...

We will explore the challenges of not having a vehicle through three illustrative scenarios involving GCB graduates living in Buffalo, Niagara Falls, and Jamestown, who are seeking job opportunities in tech or manufacturing. The scenarios highlight the current challenges faced by many workers as well as employers seeking to access a large pool of talent without a vehicle. They also offer potential solutions, based on information in the following section.

The Scenarios:

Transit routes for the three scenarios:

Areas within a 45 minute commute to each Employer...
by Transit: by Car:

LANDON
from Niagara Falls to Lockport



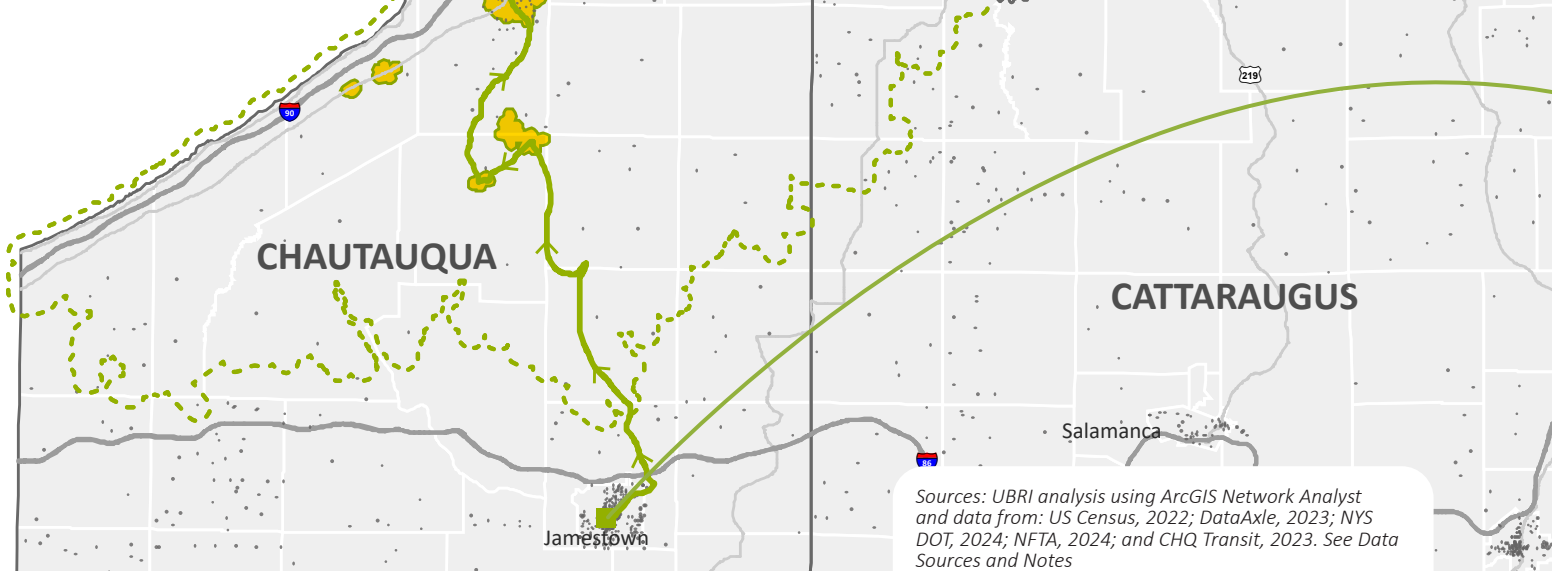
MIRANDA
from Buffalo East Side to Getzville



DYLAN
from Jamestown to Dunkirk



Workers without a Vehicle
(1 dot = 5 employed residents without a household vehicle)



Sources: UBRI analysis using ArcGIS Network Analyst and data from: US Census, 2022; DataAxle, 2023; NYS DOT, 2024; NFTA, 2024; and CHQ Transit, 2023. See Data Sources and Notes

Three Scenarios:



NIAGARA FALLS RESIDENT SEEKING MANUFACTURING WORK IN LOCKPORT.

Landon, who lives near downtown Niagara Falls, is offered a job at a manufacturer in Lockport. If he had a car his commute would be about a half-hour. Since he relies on public transit, he looks into Connect Niagara, which offers a direct route between Niagara Falls and Lockport. The last pick up in Lockport is at 3:30pm—an hour before his shift ends. To get to his interview, Landon takes the NFTA bus to Lockport, a circuitous route that takes 2 hours and 15 minutes, plus a 55-minute walk from the bus stop to his employer. His trip home takes even longer. Landon would spend seven hours a day commuting. After taking the bus to get to his interviews, he realizes the commute would severely affect his responsibilities at home. He declines the offer and continues working part-time while the company has to restart the hiring process. The unfilled job opening continues to hamper production.

POTENTIAL SOLUTIONS

- Carpooling
- Vanpooling
- Biking

What solving the transportation gap could mean in each scenario...

...the EMPLOYER could access...



...the WORKER could access...



EAST BUFFALO RESIDENT SEEKING TECH WORK AT A LARGE EMPLOYER IN GETZVILLE.

Miranda is a single parent in East Buffalo working two part-time jobs. She is offered a full-time tech job with benefits at an employer in Getzville—a great opportunity, but it's 13 miles away. The employer and her home are both within walking distance of a NFTA bus stop, but this transit commute takes an hour and twenty minutes—about three times longer than driving by car. She also needs to arrange childcare. While there is a childcare center next to the employer, they are currently full. Miranda identifies a spot at another childcare center that is a 20-minute walk from home, but it closes at 6pm, and she's not able to get there by bus until 6:30pm. She considers ridesharing services like Uber, but that could cost over \$30 per ride, compared to \$75 per month for a NFTA pass. Since she has no affordable and reliable way to get to work and childcare on time, she declines the job offer. Meanwhile the employer must spend more time finding another qualified candidate to fill the position.

POTENTIAL SOLUTIONS

- Vanpooling
- Flexible work schedules, particularly remote work
- Shuttle service from a hub in Buffalo
- Expanded on-site childcare

...the EMPLOYER could access...



...the WORKER could access...



JAMESTOWN RESIDENT SEEKING MANUFACTURING WORK IN DUNKIRK.

Dylan lives in Jamestown and is offered a manufacturing job in Dunkirk. Luckily, his home and the employer are both within walking distance of a Chautauqua (CHQ) Transit route, but the bus trip takes a little over an hour—twenty minutes longer than driving by car (42 minutes). The bus fare is \$105 per month, which he can afford, but it limits how much he can save for a car. Only one CARTS bus arrives before his 8am shift, so he gets there an hour early. After his shift ends at 4pm, he waits until 5:20pm for the next bus to leave Dunkirk. Dylan accepts the job, but he is away from home from 5:30am to after 6pm every day for an 8-hour shift. After a few weeks, he decides to take another job closer to home, even though it is lower paying. Meanwhile, the employer spends time trying to refill the position and make up lost productivity.

POTENTIAL SOLUTIONS

- Flexible shifts that coordinate with bus schedules
- Vanpooling
- Carpooling
- Shuttle service

...the EMPLOYER could access...



...the WORKER could access...



Employer-Led Transportation Solutions

To attract top talent in today's diverse workforce, companies should consider strategies that support a variety of commuting options. This not only benefits employees who rely on public transit, biking, walking or carpooling, but these options can widen the pool of talent from which an employer can recruit. As the chart shows, there are several approaches to consider, although the most effective strategies will often be a combination of these. Employer-led options can be categorized as:

Transportation alternatives: Vanpooling and ridesharing programs

Financial incentives: Discounted transit passes, commuter benefits and financial relief for alternative commuting

Infrastructure support: Bike-sharing and amenities, first/last mile connection programs, and educational material about commuting options

Operational flexibility: Flexible work schedules and remote work options

There is not one option that fits all transportation challenges. The best approach will depend on factors such as location, employee needs and preferences, and budget. Convenience also plays a role. For instance, across WNY only 4% of workers with a car choose alternative options, and nearly half of those without a vehicle still rely on cars to get to work through informal carpooling arrangements, or by catching rides with others. (UBRI analysis of IPUMS, ACS, 2022)

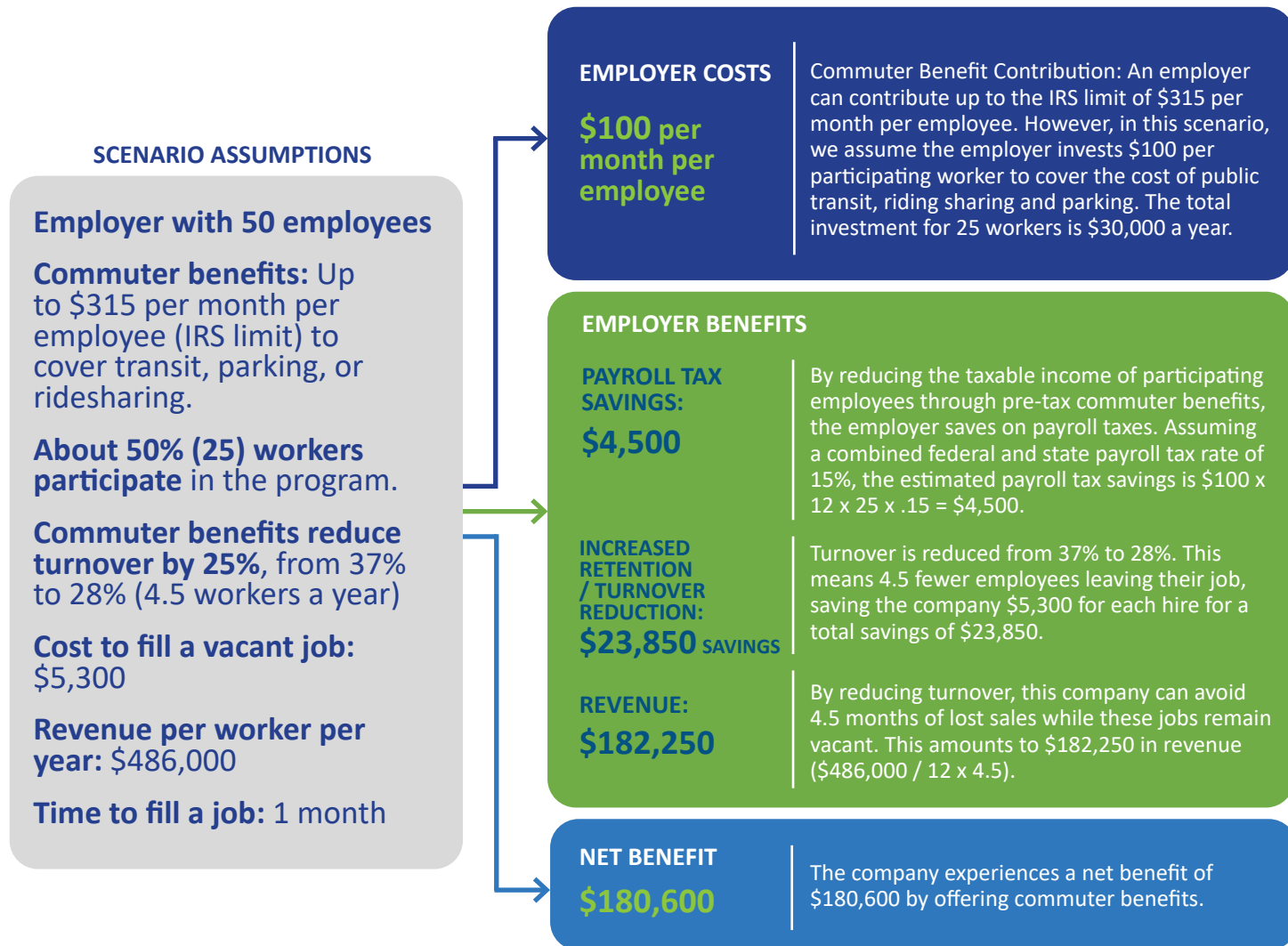
APPROACH	DESCRIPTION	IDEAL FOR	RESOURCES AND EXAMPLES	COST
Ridesharing Services	Involves partnerships with ridesharing services such as UBER and LYFT to offer free or subsidized rides to and from home or from a transit hub.	Best used for late-night shifts or other occasional transportation needs and for workers who live in areas not served by other alternatives.	Uber for Business Lyft Business	Costs vary by service, distance, duration and time of day. The least expensive trip from Buffalo to Getzville for an 8 am arrival on a Monday morning was \$38.
Vanpooling / Carsharing	Companies can provide or subsidize a van for employees who commute together. This can be organized through the employer or through a matchmaking service such as 511NY.	Best used for companies with geographically concentrated clusters of employees who share similar work schedules.	511NY Rideshare Commute with Enterprise Buffalo Niagara Medical Campus Cascades Containerboard Packaging	Subsidized vans that can accommodate up to 7 travelers may be available through GObike for \$600/month. The average cost is \$120 per month per rider.
First/Last Mile Connection	Companies operate a shuttle to connect workers from public transit stops or hubs to their location.	Best used for larger companies (or a partnership of nearby smaller companies) that are in suburban locations not accessible by public transit but have workers who can get to the last-mile stop.	Amazon-NFTA partnership University at Buffalo Buses and Shuttles	Operating a shuttle involves costs associated with purchasing or leasing a vehicle, covering driver wages and benefits and securing insurance.
Bike Sharing and Amenities	Companies can offer amenities for workers who bike to work (e.g. secure bike storage), discounted bike-share memberships and/or on-site bikes for getting around.	Best used for companies near a bike path or well-developed biking corridor, as well as companies that emphasize a healthy, active lifestyle year-round even in challenging seasons.	GObike Erie County (secure bike garage)	\$40 annual membership per person at GObike. Free bike racks may be available through GObike.
Transit Passes	Free and/or discounted public transit passes for workers.	Best used when both a company and its workers can access public transit.	NFTA Corporate Pass Program	A monthly transit pass is \$75. Corporate passes are available for \$65 each.
Flexible Work Schedules	Flexible work arrangements reduce the demand for transportation and can include remote work, hybrid schedules, flexible shift schedules and compressed work weeks.	Best used for jobs that can be completed remotely or at a flexible schedule.	Tapecon	No direct cost
Commuter Allowance/Benefits	Workers are given an allotment to spend on commuter benefits of their choice, such as pre-tax commuter benefits. These may be within a broader package that includes wellness programs, dependent care and other assistance.	Ideal for companies with a diverse workforce, allowing workers to prioritize the benefits that are most relevant to their situation.	Buffalo Niagara Medical Campus Erie County Tapecon	Amounts can vary. Commuter benefits may be tax free up to \$315 per month per individual in 2024.
Incentives	Companies can offer incentives to workers who utilize alternative options, such as free or preferred parking for carpoolers.	Incentives can appeal to different needs and boost participation even among workers who have a car who are looking to save money or reduce commuter stress.	BNMC Commuter Awards	Costs can be sized to any budget.
Awareness/Promotion	Companies can provide information that raises awareness of the transportation options and incentives that exist within the company and/or community.	Raising awareness is a crucial first step. It is also a low-cost way for a company to begin supporting alternative transportation options.	Moog Inc.	Minimal cost

Transportation Solutions Benefit Employers

Investment in alternative transportation options can be a cost-effective way for companies to recruit and retain talent and remain competitive. While many of these programs require an investment of time and resources, they can significantly reduce the cost of recruitment by widening the talent pool and attracting candidates who wouldn't have otherwise considered the job due to its location.

According to the Society of Human Resource Management (SHRM), the cost to fill a position is \$5,300 on average, including expenses such as job posting fees, recruitment agency fees, background checks, candidate assessments, interviewing expenses and onboarding. If indirect costs are factored in, the cost to fill a job can run much higher, reflecting lost productivity during the hiring process and potential revenue lost by not filling the position quickly and operating at less than full capacity.

As this scenario shows, a company that is able to increase worker retention **through investment in commuter benefits stands to gain \$180,600 in a single year**, reflecting payroll tax savings, turnover cost reduction, and additional revenue. Even if this company invested up to \$315/month for a shuttle that would enable 10 people to get to work, the estimated net benefits are positive— totaling \$173,970— assuming a similar impact on turnover and revenue generation.



This scenario draws from the following data and information sources: i) SHRM's 2022 HR Benchmarking report (based on 2021 data, adjusted by UBRI for inflation) shows an average cost to hire of \$5,300 (rounded to the nearest \$100); ii) Lightcast (2024) Industry Table, Job Postings and Regional Jobs, Earnings and Sales, Manufacturing (NAICS 31-33), WNY, retrieved March and April 2024; and iii) IRS Publication 15-B Employer's Tax Guide to Fringe Benefits – For use in 2024, Mastroeni, Toni, What are Payroll Taxes? An Employee's Guide, Sept. 2022; and NYSDOL, Unemployment Insurance Rate Information, Current 2024 Employer Contribution Rate. For more information on the tax deductibility of commuter benefits, see IRS Publication 15-B (2024), Employer's Tax Guide to Fringe Benefits (For use in 2024), available at https://www.irs.gov/publications/p15b#en_US_2024_publink1000193743

Tailoring Strategies to the WNY Landscape

- Help existing and relocating employers consider transportation solutions as part of their decision-making process by considering transportation options and commute times for workers without a vehicle. Mapping applications like Google Maps offer features for businesses that are available for a fee.
- Build solutions that address workplace needs and leverage existing transportation infrastructure and assets: public transit, cycling networks, carpool programs, volunteer vans, and collaborations with organizations such as NFTA and GoBike.
- Consider urban and rural differences: One size will not fit all in WNY, so solutions should be reflective of the unique and varying transportation gaps, user preferences and existing infrastructure. Consider a community and/or workplace survey to seek input from potential users to ensure solutions meet worker needs, circumstances, and preferences.
- Seek public-private partnerships: Solutions should engage local governments, transit authorities, trainers, employers, industry groups, workforce coalitions, and community-based organizations. Seek employer input to make sure solutions align with employer work schedules.
- Take advantage of grant funding: Pursue grant funding for innovative transportation solutions including electric vehicle solutions. The Workforce Development Institute offers matching grants of up to \$10k for business-led transportation projects. The Federal Transit Administration also has grants that could support a pilot program. Workforce development funding at the federal and state levels often allows funding for wraparound services such as transportation that could leverage partnerships with workforce groups such as the WNY Manufacturing and Tech Workforce Coalition.
- Design approaches for long-term sustainability: Components of this might include sliding fee fares, corporate sponsorship, and/or public funding for participants moving from welfare to work. Sustainability will also involve green transportation strategies.
- If possible, promote flexible work arrangements that enable workers to take advantage of existing public transit schedules and/or carpooling options. This could include flexible shift start/end times, compressed workweeks and/or hybrid work schedules.
- Measure outcomes and performance progress: Collect and analyze data to monitor new programs and their impacts on employment, retention, and cost effectiveness. Use outcome data to refine, adapt, make data-driven improvements, scale up, and promote effective approaches.

Employer-Led Solutions and Policies to Watch

TAPECON IN BUFFALO, NY

Tapecon is a family-owned fifth-generation manufacturer in Buffalo, New York that prioritizes employee well-being with a unique set of benefits designed to lessen the burden of commuting and ease the challenge of everyday stressors. Program highlights include:

- **Transportation benefit:** A \$75 monthly stipend covers the cost of public transit, parking, gasoline, or even biking expenses, offering flexibility and inclusivity for all employees regardless of how they travel to work. For transit users, administrative support simplifies pass management.
- **Flexible scheduling:** Operating across three shifts provides scheduling flexibility to help employees better manage public transit schedules, childcare needs, and other personal commitments. See page 3 scenario (Jamestown Resident Seeking Work in Dunkirk).
- **Potential solutions:** To the greatest extent possible, Tapecon tries to be flexible and accommodating.
- **Work-life support:** Through a partnership with the United Way, Tapecon provides a dedicated resource coordinator to assist employees with everyday challenges, from car repairs to financial needs and goals, or finding help with household emergencies.

These programs are championed by Tapecon's leader Steve Davis, who is actively involved in regional efforts to tackle challenges like transportation. The positive outcomes include improvements in worker retention. "The retention value is there," says Sarah Lewandowski, HR Generalist at Tapecon, "outweighing the costs of recruiting and hiring new employees." Tapecon views these programs as an investment in the company that ultimately benefits everyone involved. <https://www.tapecon.com/>

Source: Telephone interview with Sarah Lewandowski, HR Generalist at Tapecon, April 4, 2024, including follow-up correspondence. It also draws from information on Tapecon's website at [tapecon.com](https://www.tapecon.com/)

Transportation has been a persistent challenge in WNY for decades, limiting residents' access to training, employment and economic mobility.

While the region has made some progress by adding bike lanes and bus routes, the issue remains critical and pressing. Limited transportation options hinder employers' ability to attract a wider and more diverse talent pool, particularly in growing sectors like manufacturing and tech.

To support growing industries and businesses, solutions are needed that are driven by employers, involve strong partnerships between transportation providers and businesses, and empower residents to pursue work and advance in their careers. We urge all stakeholders – employers, trainers, policymakers, transportation agencies, and philanthropic groups – to come together, join us, and take bold action to reduce transportation barriers.

By working collaboratively, we can boost regional economic development and ensure all residents have the opportunity to pursue higher-paying career pathways in WNY.

Solutions to the transportation challenge don't have to start from scratch. We can build on the foundation already in place, leveraging the expertise and ongoing efforts of community organizations and groups. Some key players include:

- Buffalo Niagara Partnership - Employ Community Coalition
- GOBike Buffalo and its program GO Buffalo Niagara
- Greater Buffalo Niagara Regional Transportation Council (GBNRTC)
- Niagara Frontier Transportation Authority (NFTA)
- University at Buffalo Stephen Still Institute for Sustainable Transportation and Logistics

By working together, these organizations can leverage their strengths, partnerships, and existing initiatives to create a more efficient and accessible transportation system for everyone.

Data Sources and Notes

Information presented in this brief on employer-led transportation solutions draws from the following interview conversations and/or correspondence: (1) Brendan Senej, Director of Planning and Christine Krolewicz, Go Buffalo Niagara Program Manager at GOBike, completed on February 16, 2024; (2) Kenya Hobbs, Director of Community Engagement, and Equity Initiatives, Buffalo Niagara Partnership, March 20, 2024; (3) Sarah Lewandowski, HR Generalist at Tapecon, April 4, 2024 and follow-up email on 4/5/24; (5) Michael LaBerta, Regional Director, Workforce Development Institute, April 30, 2024; Jerry Irving, Vice President HR, Moog Inc. June 17, 2024.

“18,710 additional workers...” : Represents employed persons without a vehicle who cannot reach employer within 45 minutes by transit, but would be able to reach the employer within 45 minutes by driving. Applies same method used for mapping analysis on pages 2-3, but repeated for 106 employers with ten or more job postings in tech or manufacturing in 2023 in Erie and Niagara counties and averaged. See note below.

Mapping Analysis on pages 2 and 3: Accessible areas are locations within a 45-minute commute via transit or driving, as found using ArcGIS Network Analyst. Areas accessible by driving are estimated using street segment data from the NYS DOT, factoring for distance, speed limits, and stop times at intersections. Areas accessible by transit are estimated using General Transit Feed Specifications (GTFS) data from the NFTA and CHQTransit. GTFS data provides the times of transit stops on transit routes and can be used to estimate travel times by transit at different times of day. The analysis factors for walking times to/from transit stops, assuming a 3 mph walking speed. Areas accessible by transit include all areas accessible within 45 minutes to arrive anytime between 7am and 9am on a generic weekday (Monday, May 20, 2024). The number of tech and manufacturing employers within these areas is found in GIS using data on business type/location from Data Axle, ReferenceUSA. The number of workers without a vehicle who live within 45 minutes of an employer by driving and transit is estimated by overlaying the accessible areas with US Census data on the number of currently employed workers without a vehicle in each census tract. The percentage of the residential area in each census tract that falls within the accessible areas is multiplied by the total number of workers without a vehicle in each tract. In other words, if 50% of the residential area in a tract falls within the accessible area, 50% of the employed workers without a vehicle who live in that tract are estimated to have access to the employer. These tract totals are summed and used to find the difference between the total number of workers without a vehicle that would be accessible via driving and transit for each employer.

Learn More About Goodskills Career Builder

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