

# Employee Commuter Benefits: A Boost to Your Bottom Line

Currently, 7.6 million workers in the United States receive employer-provided commuter benefits.<sup>1</sup> Are your employees among them? If the answer is no, your company should consider joining the growing number of employers who are offering such benefits – and reaping the fiscal rewards.

Commuter benefit programs vary in scope, so employers can design programs based on their desired level of involvement and the unique needs of their workforce. Programs can range from informal initiatives that encourage workers to arrange shared ride options to highly structured programs managed by designated staff. At any level, offering commuter benefits enables your company to positively influence your employees' travel choices, promote a more productive work environment, improve employee retention, and demonstrate a commitment to cleaner air in the community.

## Save Your Company Money!

- Save thousands of dollars in hiring and training costs by providing a commuter benefit program for employees, many of whom may struggle with rising transportation costs. One study found that, on average, it costs a firm 25 percent of a position's annual salary plus 25 percent of the cost of benefits to replace an employee.<sup>2</sup> Furthermore, when considering the indirect expenses of advertising, recruitment, and new employee training, not to mention lost productivity, it can cost a company up to 150 percent of an employee's annual salary to replace him or her.<sup>3</sup>
- Increase employee productivity by promoting commuter habits that reduce employee commute times and late arrivals.

- Save on overhead costs associated with maintaining on-site parking lots and garages and adding more parking spaces to keep up with a growing workforce by encouraging shared rides to work.
- Reduce payroll taxes by allowing employees to use pre-tax dollars for transportation (See Fact Sheet #6.)

## Increase Your Business's Ability to Recruit and Retain Employees

- Compete and win at hiring and retaining the most qualified workers by offering comprehensive benefits, including a commuter benefit program.
- Build a more diversified workforce and create a more positive work environment by attracting workers who might otherwise not be able to commute to your company's facility.
- Present your company as an innovative and proactive workplace.
- Demonstrate your company's support of work-life balance, which is increasingly important to today's workforce.

The "Transportation Toolkit for the Business Community" gives businesses the information they need now to assist their employees in achieving a timely, cost-efficient commute that promotes their productivity and job satisfaction. View other fact sheets and resources at [www.ctaa.org/transportation\\_to\\_work](http://www.ctaa.org/transportation_to_work) for information on how to access transportation-related tax benefits, partner with local providers to find answers to employees' and customers' transportation needs, become part of a transportation management association, and more.

This toolkit was created by the Community Transportation Association of America's Joblinks Employment Transportation Initiative—serving communities since 1993 in solving employment transportation issues.

1 — Bureau of Labor Statistics. 2008 National Compensation Survey, Employee Benefits Survey: Quality of Life Benefits: Access Data Table, Civilian Workers. <http://www.bls.gov/ncs/ebs/benefits/2008/ownership/civilian/table24a.htm>. Accessed December 1, 2008.

2 — Carol A. Schwartz and Nancy L. McCabe. "Staff Turnover: What It Costs in Dollars and Cents." *Optometric Management*, May 2000. [http://findarticles.com/p/articles/mi\\_qa3921/is\\_/ai\\_n8892797](http://findarticles.com/p/articles/mi_qa3921/is_/ai_n8892797). Accessed December 1, 2008.

3 — Arlington Transportation Partners. Retaining Skilled Employees. <http://www.commuterpage.com/atp/suc-retain.cfm>. Accessed December 1, 2008.



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TRANSPORTATION SOLUTIONS TO THE WORKPLACE

- Use the commuter tax benefit as an inexpensive way to give employees a net pay increase (See Fact Sheet #6.)
- Reduce employee stress and increase employee morale and employee job satisfaction by promoting commute options that are less burdensome.
- Support vanpooling and other forms of ridesharing by offering a Guaranteed Ride Home program (see Fact Sheet #13). Offered by many employers across the country, these programs typically provide a ride home for registered carpoolers and vanpoolers for specified emergencies (e.g., sick child, family emergency) and are usually available at no cost to the user. Knowing this option is available encourages many workers to reconsider shared ride options as a viable alternative to driving alone to work.
- Offer employees opportunities to compress their weekly schedules or telecommute or. Volatile gasoline prices, which reached an all-time high in 2008, have caused many companies to consider new ways to keep employees happy.

### **Support Local Community Development**

- Support your local transit systems and community’s economic development goals by encouraging employees to use public transportation.
- Provide workers with more disposable income to spend in their communities by offering access to affordable transportation to work.

### **Promote Your Company as Environmentally Responsible**

- Have a positive impact on the environment by encouraging employees to use public or shared transportation or walk or bike to work—and thus ease traffic congestion and reduce vehicle-based emissions. (See Fact Sheet #14.)

### **Don’t be shy about marketing your company as environmentally friendly!**

### **Increase Customer Access to Your Business**

- Improve customers’ access to your business, as well as ensure a faster delivery of goods and services, by reducing traffic congestion and increasing available on-site parking.
- Expand your business’s service hours without significantly increasing costs by allowing employees to work flexible or staggered work hours, thereby providing additional staff coverage and better customer service.

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