Operating a Safe Fleet
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Poor driving behavior causes 90 percent of vehicle accidents. To advance the safety of your organization’s fleet, focus on the driver: effective hiring practices, continuous training and coaching, and retaining good drivers.

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The Impact of Vehicle Accidents

Though vehicle safety standards have become more stringent over the past few decades, motor vehicle accidents still caused 44,000 deaths in the U.S. in 2010. On average, in the U.S., there is an accident every 2.5 seconds, a vehicle-related injury every 19 seconds and a vehicle-related death every 11 minutes [National Highway Traffic Safety Administration (NHTSA)].

In the workplace, vehicular accidents have a similar and substantial impact. According to the Bureau of Labor Statistics (BLS), transportation incidents are the leading cause of occupational deaths. Motor vehicle crashes also cause the most costly lost-time workers’ compensation injury claims, according to the National Council on Compensation Insurance (NCCI). The cost of a workers’ compensation claim caused by a motor vehicle crash averaged more than $65,000 in 2009 (2011 National Safety Council Injury Facts).

The financial impact runs even deeper. Consider that vehicular accidents can cause significant losses when vehicles are carrying company products or when third parties file civil suits seeking damages. These suits can result in significant losses.

The NHTSA estimates that the total economic cost of motor vehicle crashes in 2005 (including loss of production) was around $250 billion. Over $60 billion of that was directly attributed to lost productivity. Employers also face reputational risks. When vehicles carry a company name, a crash or incident can put that name in a negative light.

For employers, perhaps the most telling statistic is this: according to the U.S. Department of Transportation, poor driving behavior causes 90 percent of vehicle accidents. So while employers cannot control the roads and highways, they can implement highly effective risk management practices that encourage driver safety.

Regardless of the size or type of fleet, employers should devote the necessary resources to safety. This white paper explains why the key to operating a safe fleet is to hire, coach/educate and retain safe, qualified drivers. It outlines best practices that enable organizations of all kinds to operate a safe fleet.
Risks Arise in All Types of Fleets

The myriad of fleets is extensive, ranging from private passenger sales/service fleets to commercial vehicles such as box trucks, tractor-trailers – and sometimes a mixture of both passenger and commercial vehicles. Some risk factors are universal across all types of fleets, most notably speeding and following too closely to other vehicles. Distracted driving also has emerged as a serious risk. Other risk factors may be more specific to the types of vehicles that comprise a fleet but are potential exposures to all fleets. See the chart below for some of the most common fleets and risk factors.

Common Types of Fleets and Risk Factors

<table>
<thead>
<tr>
<th>Type of Fleet</th>
<th>Description</th>
<th>Examples of Vehicles</th>
<th>Examples of Significant Risks Facing this Type of Fleet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales/Service Fleets</td>
<td>Typically, private passenger vehicles used by sales staff and light trucks and/or commercial vehicles used by service staff.</td>
<td>A home remodeling wholesaler with 100 vehicles used for sales and 25 large pick-up trucks for service – visiting job sites for minor repairs, assessing warranty issues and installation work by subcontractors.</td>
<td>Distracted driving, caused by drivers’ frequent phone use.</td>
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<tr>
<td>In-house Delivery Fleets</td>
<td>Commercial and Commercial Driver’s License (CDL) vehicles used to deliver products to customers.</td>
<td>A fresh produce operation with a fleet of 30 commercial-size box trucks that take produce from farms to processing facilities.</td>
<td>Rear end collisions are among the most serious accidents. Backing up is one common cause of sideswipes.</td>
</tr>
<tr>
<td>Transportation Fleets</td>
<td>Vehicles used to transport people.</td>
<td>School buses, charter buses, public transportation or limousine services fall under specific FMSCA regulations.</td>
<td>The major concern is the severity of accidents and the liability of carrying groups of children or adults.</td>
</tr>
<tr>
<td>Specialty Fleets</td>
<td>A variety of types of trucks, including trucks used for hauling, tanker trucks, mixer trucks, or wide and oversized loads.</td>
<td>Concrete mixer trucks, tanker trucks with water or hardening agents, trucks with equipment on flatbed trailers.</td>
<td>Rollovers are a significant risk factor for these fleets. Heavy loads, too much speed on exit ramps or other curves can result in serious accidents with risks to the products being hauled, fleet drivers and other vehicles.</td>
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Strategy 1: Hiring Safe Drivers

The Application Process – Focus on the Motor Vehicle Record (MVR)

The first step to fleet safety is hiring safe drivers. A driver’s past record can provide important indicators of his or her future performance. For that reason, employment applications should gather as much driving history as possible, including overall driving experience, types of vehicles driven, gaps in employment history and, if applicable, types of materials hauled. An effective employment application provides a thorough overview of the applicant that can be verified by other steps in the hiring process.

As an obvious starting point, employers should require that drivers have a valid driver’s license for the state in which they reside and are qualified and licensed to operate the type of vehicle they will be driving. Employers should make a copy of the license and keep it in the driver’s file.
In addition to the license, it is crucial that employers review an applicant’s Motor Vehicle Record (MVR). MVRs can be obtained from each state’s Department of Motor Vehicles or from 3rd party record retention agencies. The MVR is one of the best tools to evaluate an applicant’s past driving performance and should be considered fully, no matter what type of vehicle the applicant has driven. Notify the applicant that the MVR will be reviewed and get their signed permission to obtain it.

An MVR may not identify all accidents or violations, but it indicates general driving performance. When reviewing an MVR, avoid using “points” assigned by the Department of Motor Vehicles as the main criterion. Points are not assigned uniformly across states. It is more effective to look at the number of violations and the number of accidents.

The employer – not an outside consultant or service – should evaluate the MVR and make all decisions that stem from it. The driver operates under the employer’s authority and the employer must decide whether to allow the driver to operate a vehicle. Employers should develop formal MVR qualification criteria that detail their organization’s standards for qualified drivers. Criteria may include acceptability of past Driving Under the Influence (DUI) and/or Driving While Intoxicated (DWI) convictions, number of years of violation-free driving required after a DUI/DWI, number of allowable accidents within a three-year period and/or number of citations/violations within a three-year year period. Employers should qualify each applicant to the same standard.

The Interview Process

After reviewing the application and MVR, conduct a face-to-face interview with the applicant. It is easier to conduct an interview over the phone, but there is no replacement for meeting the person face to face.

Interviewers should be chosen carefully – they must be educated in driving regulations and driving job duties, and be able to resolve questions or issues regarding information on the application. Inexperienced interviewers may dominate conversations by asking questions that encourage short answers. Employers should give the interviewee ample time to answer questions.

The interviewer should:

- Determine the applicant’s past driving experience and attitude toward safe driving.
- Focus on gaps in employment and ask what they were doing during those gaps.
- Confirm that applicants can read and speak English, since drivers need to understand and interpret road signs and regulations.
- Develop a list of desirable driver behaviors, and create questions that determine if drivers used those behaviors in the past.

Most importantly, interviewers should review the driver’s MVR with the applicant. Ask the applicant to explain all past accidents on the MVR, their causes and how the accident could have been prevented. The applicant’s response will help demonstrate his/her commitment to safety.
Obtaining a Comprehensive View and Evaluation of an Applicant

To fully evaluate an applicant, employers must consider using reference and background checks, as well as medical, drug and skills testing.

1. **Reference Checks**—A reference check allows a company to get more thorough information on the applicant. All reference checks should be completed over the phone, allowing the prospective employer to converse with the previous employer. Prospective employers should verify an applicant’s job history, including their length of employment, accident record and job performance, specifically as it relates to operating vehicles. A record of reference checks becomes a part of the driver’s personnel file.

2. **Background Checks**—To screen applicants who may be transporting passengers, cash, high-value goods and/or security-sensitive goods, a background check is crucial. Before beginning the process, employers must receive the applicant’s written authorization to do a background check. Legal counsel can provide additional guidance on how to proceed with this aspect of the hiring process.

3. **Medical Screening**—The Federal Motor Carrier Safety Administration (FMCSA) regulations for a Commercial Driver’s License (CDL) and commercial drivers require a medical examination upon employment and every 24 months thereafter, to ensure fitness for duty. Employers should consider making this a requirement for all drivers. When possible, it is best to use one designated licensed physician for all applicants, and make sure that he/she is aware of the physical and emotional demands of the job. It is unwise to allow an applicant to use their own doctor, since the physician’s primary concern may not be the employer. Medical professionals and legal counsel can help ensure that all medical reviews comply with Americans with Disabilities Act regulations.

4. **Drug Testing**—The FMCSA requires a substances (drug) test of applicants before employment as a CDL driver. The FMCSA also requires that CDL and certain commercial drivers complete random drug testing, testing when there is reasonable suspicion that a driver is under the influence of substances and post-accident drug testing. For guidance on substances to be included in testing, consult the FMCSA regulations on drug testing or a local drug counselor or agency. Regardless of federal regulations for a class of drivers, pre-employment substance testing is recommended. Random and post-accident drug testing can prove valuable in the defense of a lawsuit.

5. **Skills Testing**—Remember, just because a person has a driver’s license does not mean they are a good driver and understand the rules of the road. Consider using a written test to assess general driving knowledge and evaluate if an applicant knows and understands driving rules. Ensure the tests are not discriminatory and are clearly associated with the knowledge and skills necessary for the position.

Road tests are one of the best ways to determine if applicants can perform the required tasks. It is important these tests be conducted in the same type of vehicle that the applicant will be driving and on a pre-determined course. Aspects of the test can vary based on the type of fleet being operated, but may include backing up, changing lanes, city and/or highway driving and vehicle inspection, as well as driving, stopping and pulling out on hills.

Establishing a testing course for potential hires is also a good idea. When the same course is used consistently, it is easier to evaluate if each applicant can perform required tasks. The person giving the test should always use a formal evaluation sheet for the test and keep a copy in the applicant’s personnel file.
The Role of Coaching, Training and Motivating

Not even the most selective hiring process ensures that employees have all the skills and knowledge to perform their job duties effectively over time. Though a rigorous driver selection process is key to safe fleet operation, it is also essential to keep drivers’ skills and knowledge up to date. An effective fleet safety program should include a comprehensive driver coaching, training and motivation program. Even drivers with impeccable records need feedback and coaching on an ongoing basis.

Since driver training and coaching vary with the job's complexity, a coaching approach that promotes the driver’s strengths, while getting across crucial safety information and feedback, is the most effective process. The goal of coaching should be to enhance the strengths of the qualified drivers operating the fleet and not to teach basic driving skills.

To start, ensure that drivers know and understand the fleet and the regulations they are required to follow. For example, CDL and commercial vehicle drivers must adhere to the FMCSA regulations. It is helpful for employers to stay abreast of and keep drivers informed of regulatory changes, and highlight the knowledge and skills necessary for a driver to safely and effectively perform his/her job.

At a minimum, these rules and regulations should be covered in driving training and coaching:

- Governmental regulations (following the FMCSA regulations for CDL and commercial drivers).
- Company policies, procedures and rules
- Vehicle inspection and maintenance
- Routes and scheduling
- Defensive driving tactics
- Accident investigation

Mentoring, Monitoring and Measuring

Another way to approach driver training is “check rides” in which the coach accompanies drivers on the road. The coach can learn how a driver operates – their strengths and areas for improvement. This can be complemented by a mentoring program, in which an employer’s most trusted drivers are partnered with new employees. If resources (time and money) are slim, employers can use web-based programs that help educate drivers on identifying and responding to the most risky behaviors that can lead to costly accidents.

Driver monitoring programs are also very effective tools that provide feedback on drivers’ behaviors on the road, e.g., 1-800 How’s My Driving. Driver monitoring allows the public to be the employer’s eyes on the drivers when they are on the road and provides feedback on those drivers that make poor decisions and take risks.

Employers should not hesitate to single out chronic risk-takers for extra training and highlight the behaviors that tend to lead to accidents. Employees should know that they serve their community and should always act with that knowledge and responsibility in their work. Drivers are highly visible in their community and their actions are noticed, so each employee, in effect, becomes the face of the employer.
The saying, “What gets measured, gets done,” applies to a fleet safety program. It is important to set goals and measure performance. Key metrics include the number of accidents per miles driven or number of accidents per vehicle. These metrics should be evaluated annually against results from past years, and improvement goals should be established. This information should be shared with human resources, managerial staff and other key staff.

Finally, an employer that is not achieving its goals should consider partnering with its insurance carrier or third-party administrator for assistance, suggestions and recommendations for improvements.

Strategy 3: Retaining Good Drivers

Impact of Driver Turnover
While retaining qualified drivers can be challenging, high driver turnover comes with both direct and hidden costs. Human resources experts report that the cost of turnover ranges from 50% to 400% of the annual pay for a position. Other consequences to consider include:

- Loss of productivity due to less effective new operators.
- Increased accident rates – as employers lose drivers they may inadvertently start hiring lower quality drivers and dilute the training for existing drivers just to keep vehicles on the road.
- Unhappy customers that have to deal with new drivers that may not understand their needs and operation.

Why Drivers Leave Jobs
Discovering why drivers are leaving their job can help employers find an effective remedy to turnover. However, a surprising number of companies do not conduct exit interviews. Unfortunately, without these interviews, employers can only make assumptions about turnover, which may be inaccurate.

When exit interviews do occur, many employers learn that money is not always the primary reason drivers leave. It may be their supervisor and how they are treated. In fact, a Florida State University study reports that 40 percent of employees interviewed said they work for supervisors who have failed to keep promises and give due credit, invaded employee privacy or made negative comments about an employee to others. Those types of management indiscretions repel good workers.

Supervision requires a much different skill set than the job itself, so the best driver in a fleet may not be an effective manager. Therefore, supervisors (especially those hired from within) must receive the right kind of supervisory training or coaching.

It’s also important to identify warning signs that lead to turnover – consider the following:
- Are there a large percentage of accidents, injuries and driving complaint calls? This may indicate that drivers are doing too much, too quickly.
- Is the system set up to force drivers to rush?
- Do drivers often have to unload or move other products (causing extra work and taking extra time) to reach the products they need for delivery?
- Are drivers knowledgeable about items such as business plans and sales goals?

It is critical for employers to understand what the driver’s experience is really like.
Efficiency and Time Management

Common complaints from drivers may include issues such as the sales and dispatching department promising clients the “impossible” – delivery of goods on a rushed timeline or with the wrong type of truck or not enough time to deal with parking or traffic issues. Employers should ask and listen to drivers to learn and address the source of a complaint. Truly professional drivers are just that – professional. They want to know that their supervisors and employers care about them and the job they are doing.

Turnover can be prevented with realistic efficiency and time management expectations and practices – see the chart to the right.

Consider the factors that help retain employees in any position. Provide feedback and positive reinforcement consistently, and provide drivers with a voice in fleet operation and the company. The fleet’s condition affects the job satisfaction of drivers so inform them of replacement policies for updating the fleet and keeping their vehicles safe and effective.

Staying Ahead of Safety

Fleet safety begins with employers recognizing the tremendous impact that vehicle accidents have on workplace safety, their reputation and their bottom line – and knowing and understanding what type of fleet they operate and what regulations they need to follow.

Employers should establish best practices in three critical areas: Hiring safe and responsible drivers, providing all drivers with effective feedback and coaching, and then taking the necessary steps to retain good drivers. These best practices will improve workplace safety, reduce turnover and improve the bottom line.

About the Author

Kevin Warczyglowa, Risk Control Specialist, PMA Companies, is a fleet safety expert, with over a decade of experience helping clients achieve safer workplaces. His specialties include fleet safety management, accident investigation/root cause analysis and driver education. A graduate of Slippery Rock University, he has a Bachelor of Science in Safety and Environmental Management and an Associate in Risk Management designation.

About PMA Companies

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