



XL Insurance

North America Construction

Your Driving Force - a look at best practices for starting a fleet safety program

Whether we're transporting building materials, grading a surface or just traveling from one job site to another, a well-managed fleet is essential to any contractor. The risks associated with construction fleets are not insignificant, with risks inherent to both the operator and the vehicle itself, and others on the road.

It's impossible to eliminate the risks of operating a fleet, but you can successfully reduce the risks through effective fleet management.

Hitting the Road

First things first. There are five things you absolutely must have in place to run an effective fleet safety program:

1. Hire a dedicated fleet manager.

If fleet safety is everybody's responsibility (which sounds really nice), it's actually nobody's responsibility. Having a fleet safety manager in place, preferably reporting to the CFO or Risk Manager, will help ensure the program is actively managed and receives the priority it demands. When fleet safety is shown to be a top priority for senior management, others in the organization are more likely to pay attention.

2. Invest in technology.

One of the best ways to keep track of vehicle and operator safety is through telematics or an onboard safety platform.

3. Write it down.

There's a saying that goes: "That which gets measured gets done." And that is very true with fleet safety programs. Develop a written plan with very clear objectives. Then be sure to update those objectives regularly and communicate them.

4. Focus on the driver.

Make sure you have a selection process in place before you put employees behind the wheel of a fleet vehicle.

5. Train and monitor.

If you want your employees to behave in a certain way to reduce risks, you must provide them with the appropriate training so they understand clearly what is expected of them. You also must monitor them to ensure they understand and apply the training you're providing.

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Fleet Safety Plan: Your Road Map for Successful Risk Management

Your fleet safety plan should outline roles and responsibilities for your program managers and drivers/operators. At a minimum, your plan should include the following considerations:

Driver Selection

As previously noted, an effective fleet safety plan focuses on the driver/operator. According to a study by the National Highway Traffic Safety Administration, approximately 94% of traffic accidents are caused by drivers. You can see why it's essential that you not only take every possible precaution to select drivers who are lower risk, but also to train them appropriately.

The Why	The How
Identify potential high-risk drivers	Run initial MVRs (motor vehicle records) and maintain a schedule to check those records on a regular basis.
Ensure driver maintains the proper licenses, etc.	Driver must supply employer with a current copy of the CDL and DOT green card. Follow up regularly to ensure credentials remain current.
Maintain insurance requirements	Submit drivers to broker or carrier. Be sure to opt for receipt of change of record report from the DMV, in addition to preselection and annual MVR pulls.

Driver Training

Driving or operating a fleet vehicle well is a necessary technical skill. For larger and/or specialized vehicles, such training is vital to safe operation. Like other safety training, driver training is never a once-and-done thing.

Communicate driving expectations and train drivers on good driving behaviors -- initially to new hires and ongoing to all drivers	Larger organizations can develop and deliver training in-house. If not practical, other options exist, including: <ul style="list-style-type: none">▪ NSC (National Safety Council) online▪ Defensive Driver training▪ NSC in-person driver training▪ Smith Systems driver training
Maintain evidence of proficiency	Invest in a record retention platform (i.e. LMS) to track both training and expiration dates.



Driver Monitoring

Even with proper selection and training, human nature is what it is. Combined with incentives to reward safe driving behaviors, monitoring can help ensure drivers are doing the right thing when behind the wheel.

The Why	The How
Maintain company awareness of potential high-risk driver	Use continuous MVR checks to watch for “off the clock” behaviors. Telematics or other fleet tech can help identify high risk driving behaviors before they become a bigger issue. An annual “ride along” with the safety manager or third-party driver evaluator is also effective.
Correct behaviors	Once alerted to high-risk driving behaviors, training programs can be updated or developed to address those behaviors.
49-93% reduction in crashes (combined with safety program) ¹	60% reduction in speeding events ¹
	8-20% reduction in miles driven ¹

Accident Investigation

Despite taking every possible precaution, accidents will happen. With the proper controls in place, you can hopefully mitigate the frequency and severity. But when they do occur, it's critical to investigate and document.

Document exactly what occurred to identify failures in fleet safety system and potentially identify trends	<ul style="list-style-type: none">▪ Integrate proper procedures in new hire orientation and driver orientation/training. Re-visit annually with drivers.▪ Designate a “champion” for accident investigations within the company and provide them with formal training on auto accident investigations.
Identify poor driving competencies and refine fleet program to address these risks	<ul style="list-style-type: none">▪ Assign the “champion” to assist in the investigation▪ Perform a gap analysis and develop needed training to make fleet safety program adjustments.

Non-Owned Auto Use

Sometimes referred to as the “grey fleet”, non-owned auto use presents risks you might not necessarily consider. While the employee is responsible for the fuel, insurance and maintenance, your company's duty of care does not end when an employee drives a non-owned vehicle while at work.

Identify potential high-risk driver	Meet the same expectations as drivers with company-assigned vehicles (MVR and credential checks).
Maintain insurance requirements	Require proof of or a Certificate of Insurance with minimum coverages set by the insured.
Ensure consistent training standards	Provide the same training to drivers using non-owned vehicles as provided to those driving company-assigned vehicles.
Maintain vehicle safety	Ensure drivers monitor and maintain non-owned vehicles according to manufacturers' standards.

Fleet Maintenance

Properly maintained vehicles are safer to operate. Regular maintenance helps ensure the safety of both the vehicle and the driver.

The Why	The How
Reduce risk of routine mechanical failure	The driver is first line of defense to monitor unsafe vehicle conditions. Provide training for routine inspections. The fleet manager (or 3rd party vendor) should monitor regular maintenance.
Reduce likelihood of an accident	Perform daily driver inspections and follow manufacturers' maintenance recommendations.



65%

Carriers targeted for interventions due to vehicle maintenance had 65% greater likelihood of crashes.²

Technology

By applying the right tech solutions, companies can more effectively monitor their fleets and mitigate risk. These tools are best managed by the fleet manager or safety/risk manager with executive management oversight. Employees must also understand how their data are used and companies must ensure protection of drivers' personal data.

Reduce unsafe driver behaviors	Monitor drivers in real-time or near-real-time for insights regarding acceleration, braking and other behaviors. Also Electronic Logging Device (ELD) for CDL drivers to monitor hours of service (HOS) compliance.
Alert drivers to unsafe conditions	Use technologies to provide in-cab driver alerts regarding unsafe conditions developing around them.
Monitor driver records	Implement online individual driver record monitoring to help identify drivers with poor driving records, at risk drivers, and suspended DLs.
Reduce equipment risks	Apply technologies to identify equipment location, keep track of fleet maintenance requirements and provide 360-degree hazard recognition.

Conclusion

A comprehensive fleet safety program can help your company save time, money and, most important, lives. With the right combination of personnel, controls and technology you can operate a safer, more compliant fleet. For more advice, speak with your AXA XL Construction Risk Engineer.

1. Source - NIOSH

2. Source - Fleet Motor Carrier Safety Administration