

# IT'S ALL ABOUT SAFETY.

**REDUCE RISK - MINIMIZE LIABILITY - IMPROVE THE SAFETY OF YOUR FLEET**

**July 18-20, 2016**

Renaissance Schaumburg Convention Center Hotel, Schaumburg, IL



Award in conjunction with



# Liberty Mutual Insurance

Dane Bremer

Director, Employee Safety & Global  
Business Continuity

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# Introduction

- Dane Bremer
  - Director, Employee Safety & Global Business Continuity
  - 27 Years at Liberty Mutual
    - Claims
    - Managed Care
    - Information Technology
    - Reinsurance
    - Employee Safety & Global Business Continuity
- Liberty Mutual Insurance
  - 50,000+ Domestic & International Employees
    - Global presence spanning every state and more than 20 countries
  - 2,000+ Fleet Vehicles
    - Sedan: Chrysler 200 & Ford Fusion
    - SUV: Jeep Grand Cherokee
    - Van: Ford Transit Connect & Ram Pro Master

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# Network of Employers for Traffic Safety (NETS)

## What is the Network of Employers for Traffic Safety (NETS)?

An employer-led public/private partnership dedicated to improving the safety and health of employees, their families, and members of the communities in which they live and work by preventing traffic crashes that occur both on- and off-the-job.

### Board of Directors:

- Jack Hanley (NETS – Executive Director)
- Dane Bremer (Liberty Mutual)
- Sheri Bonsall (Chubb & Son)
- Kylie Chappell (AmeriFleet Transportation)
- Jonathan Dyer (The Coca-Cola Company)
- Daniel Garstang (Hess)
- Sandra S. Lee (Johnson & Johnson)
- Brian Sambirsky (Shell International Petroleum Company)
- Luigi Terzini (Monsanto Company)
- Terry Thomas (UPS)
- Bill Windsor (Nationwide Insurance)

### Current NETS Membership

**125** Member Companies

**50%** are Fortune 500 Companies

**10** Different Industries Represented



### Member Companies & Organizations on NETS Board of Directors



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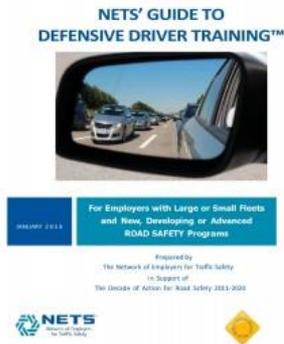
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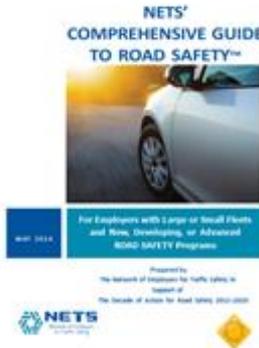


# NETS Products & Services

## What NETS offers Non-Members



NETS' Guide to Defensive Driver Training



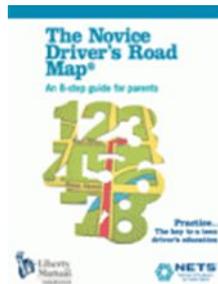
NETS' Comprehensive Guide to Road Safety



Cost of Motor Vehicle Crashes to Employers

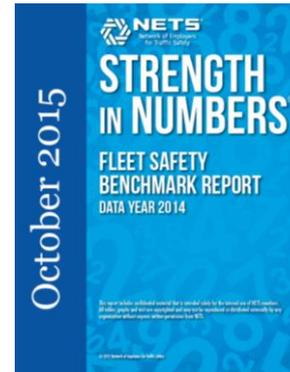


Drive Safely Work Week



The Novice Drivers Road Map

## What NETS offers Members



Strength in Numbers Benchmarking Survey & Report



Annual Benchmark Conference



NETSWork Monthly Newsletter



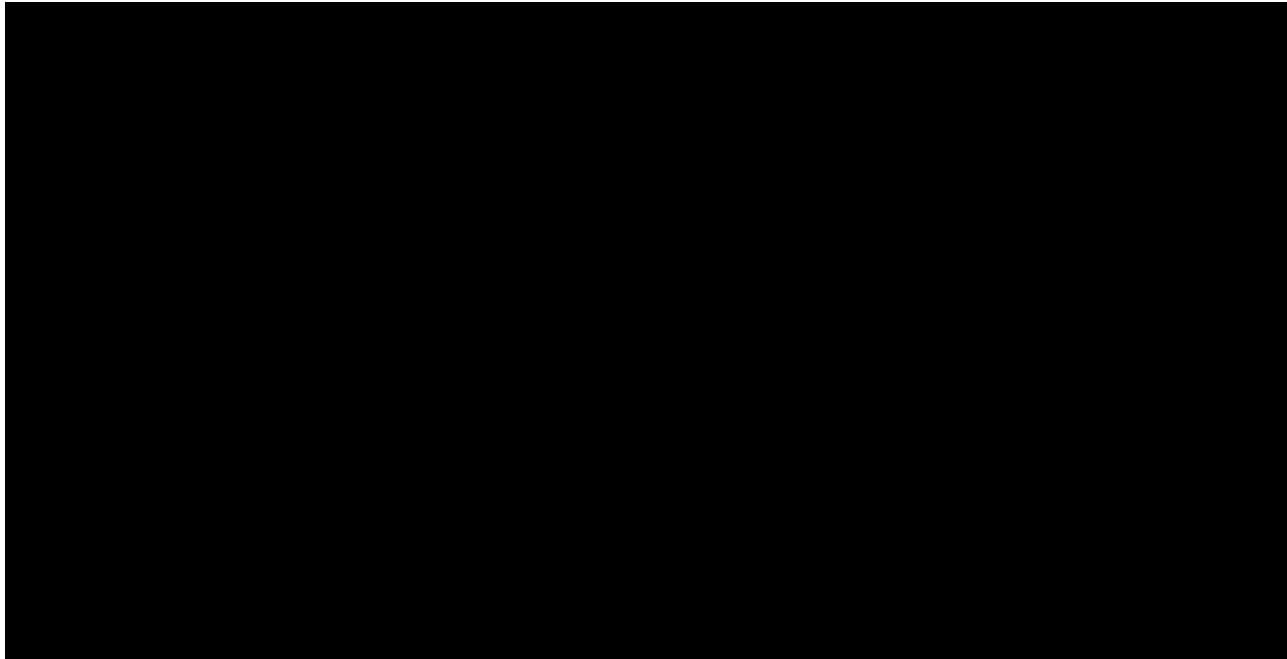
NETS Member Forum

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# Liberty Mutual's Research Institute for Safety

For more than 60 years, the Liberty Mutual Research Institute for Safety has helped to improve the safety and health of people throughout the world. Owned and operated by Liberty Mutual Insurance, Boston, MA, the Institute conducts peer-reviewed research to advance scientific knowledge and help reduce injuries and prevent disability.



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# Combining Behavioral Safety Theory & Telematics

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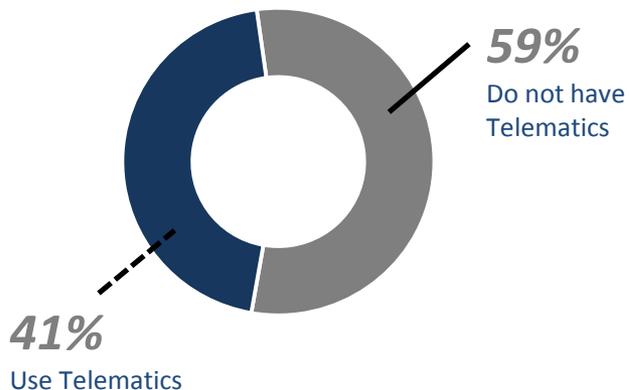
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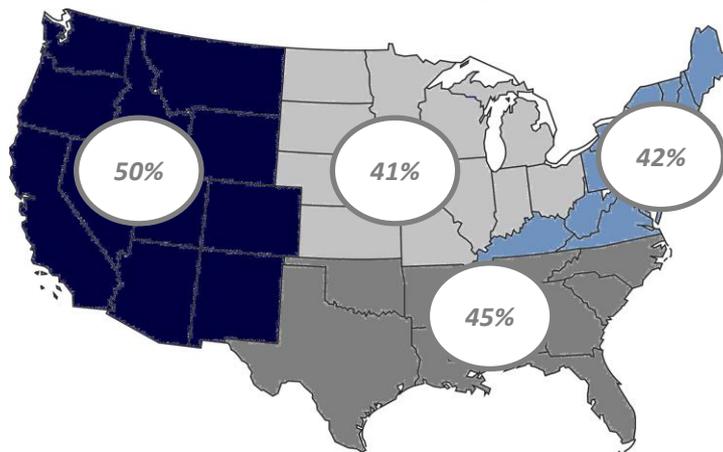


# Telematics Fast Facts

Overall Adoption Rate



Adoption Rate by Region

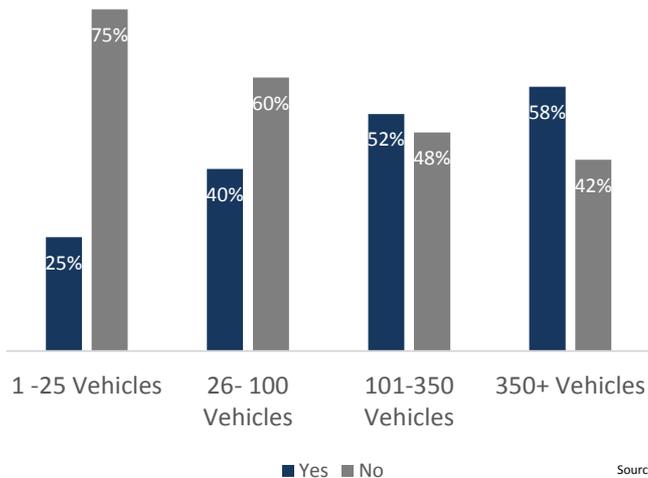


Installation

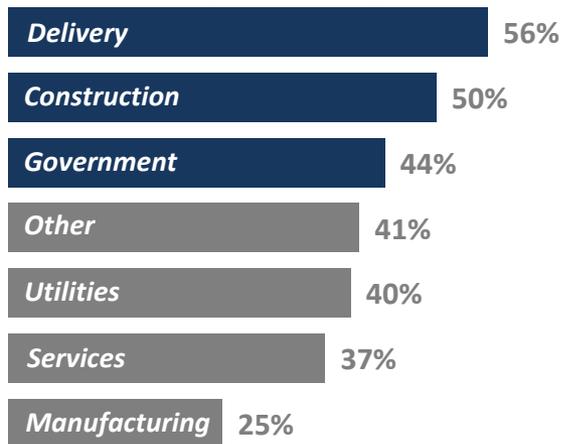


Telematics users install across all their vehicles

Telematics Adoption Rate by Fleet Size



GPS Fleet Adoption Rate by Industry



Fleet Manager Satisfaction



4 out of 5 fleet telematics users are satisfied, very satisfied or extremely satisfied with their telematics system

Sources: 1) Verizon. 2015 Fleet and Vehicle Management Survey Report (Bobit Media, 1100 respondents)  
2) 2014 Fleet Management Technology Report (Bobit Media, 500 respondents)

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# Pro's & Con's of Telematics

## Pro's

- + Improved employee productivity
- + Increased driver awareness & safety
- + Increased fuel efficiency
- + Decreased maintenance costs
- + Reduced costs related to accidents
- + Improved routing/Less idling time

## Con's

- Perceived lack of privacy
- How to interpret the data
- Implementation costs
- Lack of a connection between telematics and safety programming
- Influence of telematics on driver behavior
- New and continuously evolving technology

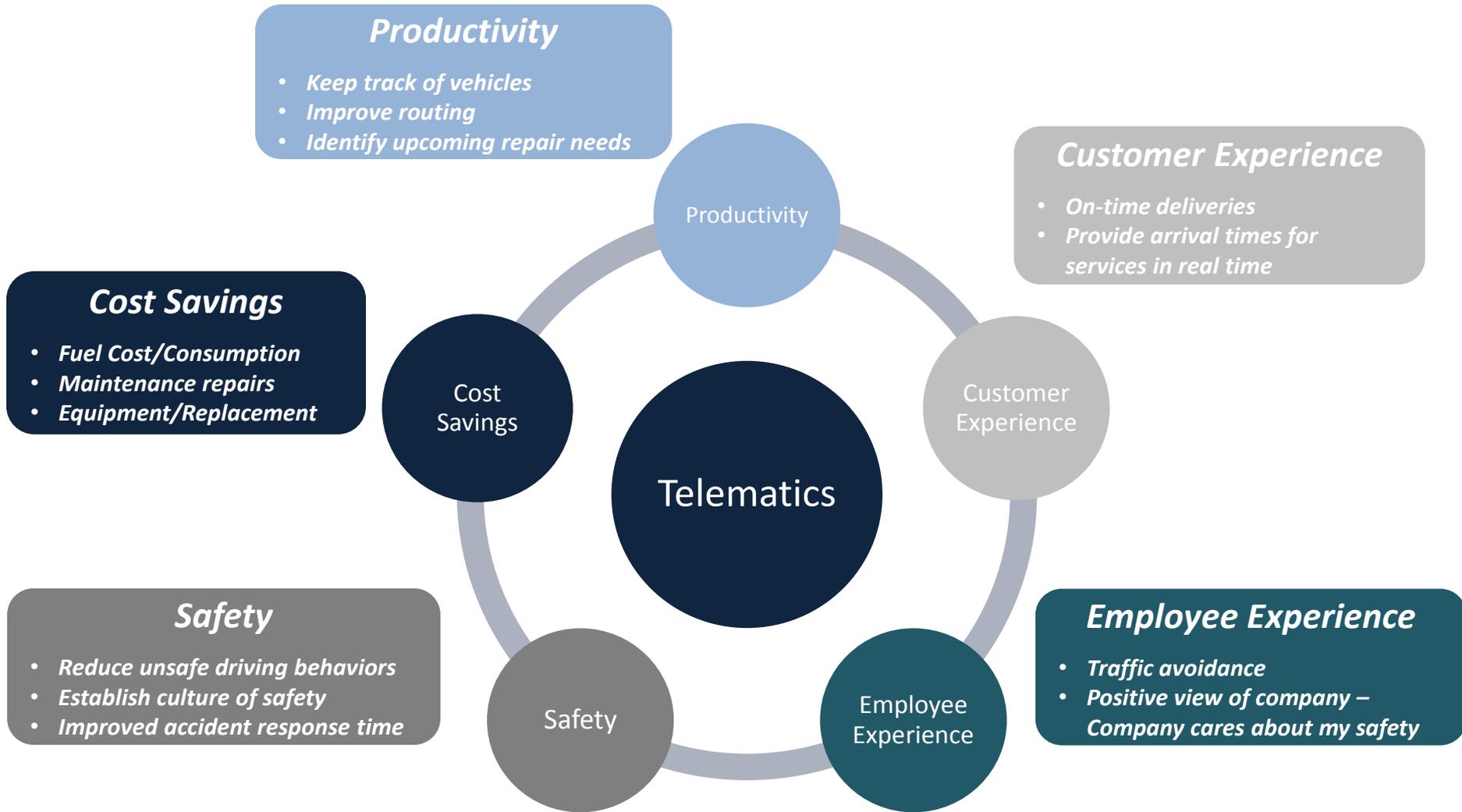
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# Bridging the Gap with Telematics



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# Liberty Mutual's Managing Vital Driving Performance (MVDP)

## *What is Managing Vital Driving Performance?*

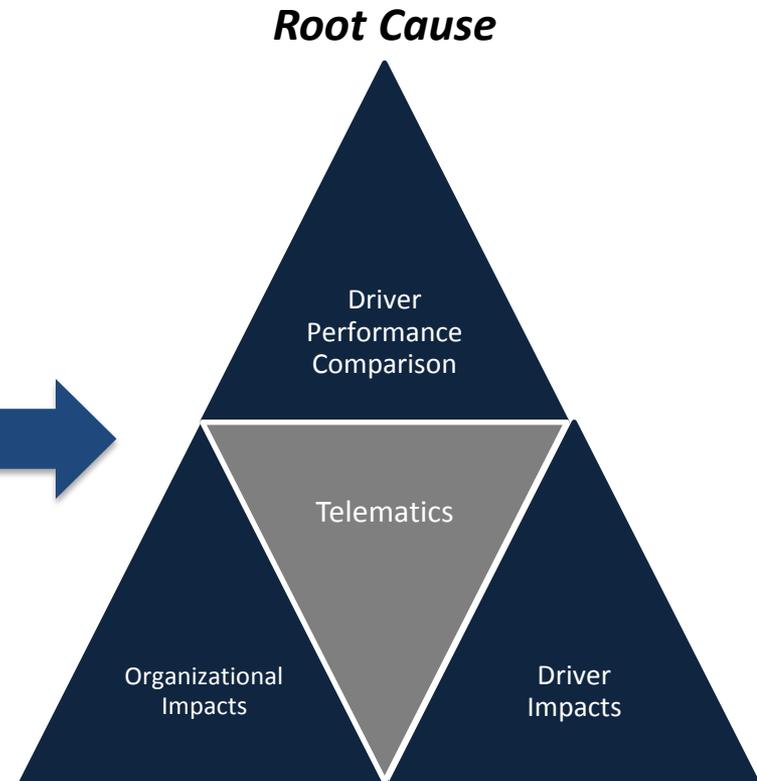
MVDP is a process to identify aggressive drivers and focuses on aggressive event rates rather than individual events

## *What is the objective of MVDP?*

The objective is to reduce the potential for crashes related to aggressive driving. Aggressive driving crashes tend to be lower frequency, but have a higher severity

## *What is MVDP's Approach to Telematics?*

MVDP is a consultative approach to motor vehicle safety that helps establish performance measures using telematics data and analyzing root causes to identify opportunities to reduce risk



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# What does MVDP look at?

## Categories within the MVDP Root Cause Analysis Tool:

### Driver Performance Comparison



- Aggressive Event Rate
- Aggressive Driving Events
- Driver Interactive Analysis
- Effectiveness of Past Coaching Discussions

### Organizational Impacts



- Motor Vehicle Records
- Driving Expectations
- Driver Knowledge
- Vehicle & Work Experience
- Fatigue
- Scheduling
- Compensation Systems
- Data Integrity/ Telematics Device Performance
- Consequences for Performance

### Driver Impacts



- Outside Work Responsibilities/Situations
- Multiple Jobs
- Commuting Times
- On-Time Departure at Start of Work Day
- Distractions
- Vehicle Condition
- Breaks & Lost Time during the Work Day
- Work Flow or Scheduling Exceptions
- Health & Wellness

### *Driver Performance Comparison*

Uses telematics data to quantify aggressive behavior within your organization and assign risk scores

### *Organizational Impacts*

Understanding how expectations within the organization impact the drivers expectations

### *Driver Impacts*

Identifying personal factors that potentially play a role in how an employee drives

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# Developing an Action Plan

Combining telematics & a root cause analysis process to identify unsafe driving behavior plays a vital role in helping to reduce exposure. However, it is imperative that once unsafe driving behaviors are identified, that action plans to educate and correct the unsafe behavior be initiated with the employee, manager and others.

When building action plans, take the following into consideration:

Establish basic expectations for the operation of vehicles

Provide internal/external training options for further education on safe driving

Avoid setting unrealistic expectations

Involve supervisors in coaching & encourage managers to continuously follow up with employees

Provide regular feedback to drivers on their performance

Establish & communicate recourse if driver behavior does not improve

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# The Root Cause Process at Work

## Scenario:

A fleet manager (Michael) is reviewing his weekly telematics report and identifies a driver (Susan) that has been flagged for having a high aggressive event rate score. Susan typically scores on the lower end of this rate, but over the past several weeks her score has steadily risen. Michael has decided to use the root cause analysis tool & the driver interactive analysis process provided by MVDP to understand better why Susan's score is high and to determine what action steps can be taken to help Susan improve driving performance.



Michael – Fleet Manager for ABC Deliveries



Susan – Fleet Driver for ABC Deliveries

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# What is the Driver's Perspective of the Event?

**Fleet Manager:** Telematics data from your van showed several instances of hard braking followed by heavy acceleration over the last few weeks. Could you tell me what might be causing that?

**Employee:** Yeah, I'm actually really embarrassed by those statistics as I like to think of myself as a really good driver both at work and at home. My route is very residential and now that it's summer and all the kids are out, there are many times I need to stop more quickly. It is a little frustrating and I sometimes try to make up time through quicker acceleration. I love kids, but there sure is an impact on me when school is out.

*This can sometimes be a hard question to ask employees because it might seem like you are asking them to implicate themselves as poor drivers, but sometimes the root cause of aggressive driving can be found by asking an employee to self-diagnose why the events might have occurred.*

## Action Plan:

- Work with the Routing Manager to evaluate seasonal impacts to delivery volume expectations
  - Acknowledge and discuss the issue with other residential drivers
  - Include management and drivers in the problem solving process
  - Are there opportunities to further share safety over volume philosophy

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# Do Work Processes Impact Driving?

**Fleet Manager:** Can you describe for me any situations with the vehicle, operations, routes, or other factors that get in the way of completing your work tasks on time and in a safe manner?

**Employee:** I've found that since my route has been changed two times in the past four weeks combined with the recent change in driver delivery goals that I'm struggling to meet these new goals and be a safe & efficient driver. More often than not, I find myself unfamiliar with the surroundings on my new routes and am traveling on busier streets full of traffic to get to my next destination. I don't know any shortcuts like I did on my old route and because of that I spend a lot of time sitting in traffic and trying to play catch-up the rest of the day to meet delivery rate requirements.

*This question helps you to understand how potential company operations or policies impact the driver's ability to conduct work and drive in a safe & efficient manner.*

## Action Plan:

- Fleet Manager to review recent telematics data of all other drivers since the change in the delivery requirement policy
  - Look for increases in aggressive driving rates since the new policy was introduced
  - Share results with other management and work to identify possible solutions
- Fleet Manager to review why the driver's route has changed so frequently
  - Was it due to unplanned changes in workforce? (retirements, layoff, customer request, etc.)

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# What Impact does Technology have on driving?

**Fleet Manager:** The delivery management system we use incorporates tablets and is supposed to help us respond quicker to customer requests for package pick-up. Do you find the device helpful or does it distract your ability to work and drive in a safe manner?

**Employee:** I typically try to use the system only when I'm stopped or parked at a customer location, but I do feel pressure at times to respond while driving. I don't want my boss to think I'm ignoring my work or our customers. I find the new system easy to use, but not while I'm driving. To be honest, I'm not that great at multi-tasking. I don't feel comfortable taking my eyes off the road but I have used the system sitting in slow traffic or while on a quieter section of road. To be honest, I've had a few close calls while trying to use the system and drive.

*Asking a question like this helps you to identify what pressures or distractions inside the vehicle might impact things like following distance, lane departures, or speed fluctuations or hard braking*

## Action Plan:

- Propose that the manager participate in a ride-along with the employee to better understand the challenges for the driver in using the new technology associated with the delivery management system
  - Identify opportunities like leveraging telematics data in real-time to:
    - Assign deliveries automatically to the nearest driver
    - Reinforce the company's expectation of safety over volume
    - Explore disabling technology when vehicles are in motion

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# Does the driver have the tools to be Successful?

**Fleet Manager:** Do you think that you were provided appropriate training to ensure you know how to properly and safely drive a vehicle for our company?

**Employee:** Yes, I believe the company does a decent job of educating us on driver safety & expectations. It's been a while since I last took training, since it was only offered when I first started with the company 3 years ago, but from what I can remember the training was very helpful.

*It's important to understand if your employee has received necessary training and communications related to driver safety. This question can give you insight into whether training associated with the job needs to be provided on a more frequent basis or if there are additional training needs.*

## Action Plan:

- Provide new & re-occurring trainings to drivers on a more frequent basis
  - Employee indicated that they took training when they first started 3 years ago, but haven't received since
  - Provide continuous or more frequent training to better educate and equip drivers for the changing environment behind the wheel

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# What is the Goal of MVDP?



***Safe  
Operations  
& Cost  
Savings***

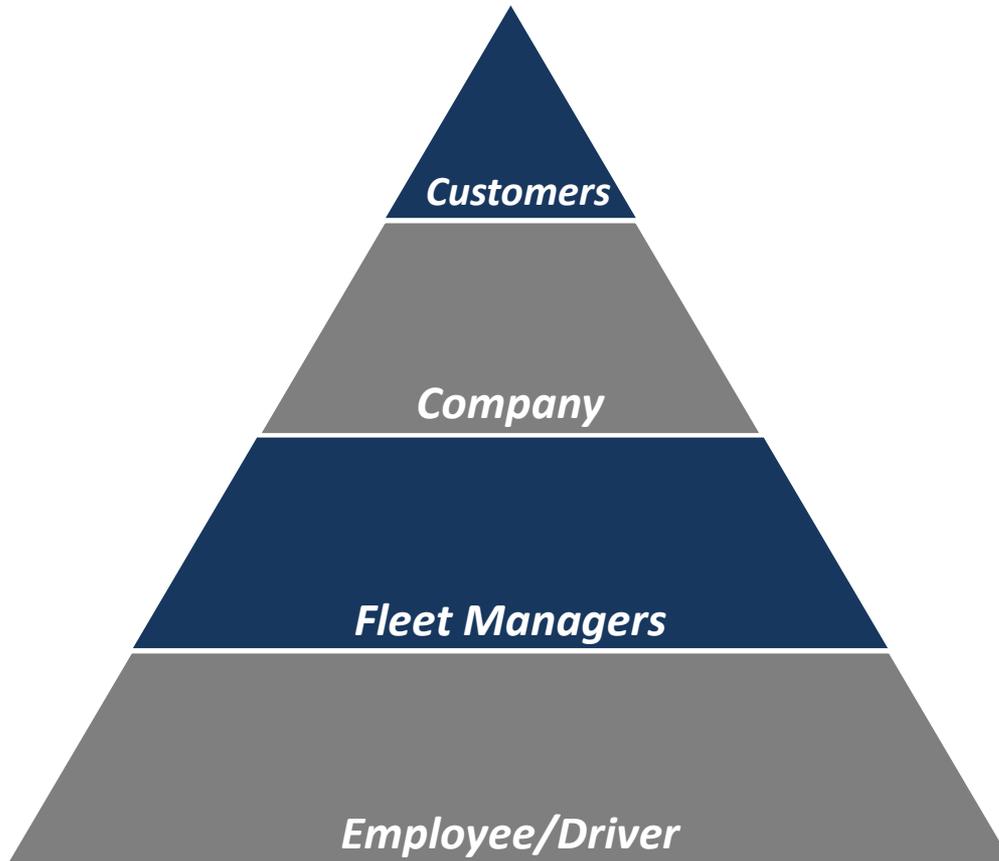
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# Who Benefits from MVDP?



## *How Does the Customer Benefit?*

Customers continue to experience a more seamless delivery of goods/services with defined arrival times and quality service

## *How Does the Company Benefit?*

The company is better able to identify room for cost savings through improved routing, preventative maintenance, & safer drivers

## *How Do Fleet Managers Benefit?*

Fleet Managers are now able to track unsafe drivers and provide appropriate safety training to reduce exposure

## *How Do Company Driver's Benefit?*

Driver's receive training specific to their violation to improve their overall driving and are not punished if violation arose from avoiding an accident

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