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WHAT SHOULD BE INCLUDED IN A LOSS CONTROL PROGRAM?

There are several essential elements required to establish a loss control program for a commercial fleet operation:

- Driver selection
- Driver supervision
- **Ongoing driver safety training**
- Maintenance
- Accident review



Each element is described briefly below.

DRIVER SELECTION

The key to an effective loss control program is hiring safe, courteous drivers who will follow management policies and procedures and create a positive impression of your company

Here are some components to consider incorporating into your driver selection program:

Hiring Criteria – Establish a hiring protocol including recruiting strategy, formalized job descriptions, definition of required skills and abilities, and physical requirements (if necessary). Make sure appropriate regulations are applied, such as which types of commercial driver's licenses are necessary for your types of vehicles.

Employment Application – Have all new drivers complete an application that asks details about previous employment history, driving experience, and appropriate job-related information.

Medical Screenings – Where required by regulation, obtain pertinent medical information through physicals, substance abuse testing, and other procedures that apply.

Reference Checks – Verify all information, especially driving experience, with previous employers.

Motor Vehicle Record (MVR) Review – Obtain and review MVRs for all drivers pre-hire and at least annually thereafter. Review MVR for all drivers prior to assignment of driving duties. Establish uniform criteria to help document your company's minimum acceptable MVR standards. Allianz has developed a checklist to help you evaluate MVRs. **See our "Motor Vehicle Record Review" Risk Bulletin for further information.**

Road Testing – Test newly hired drivers in a vehicle of the type that they will use on the job. The testing circuit should be the same for all drivers, consisting of a variety of typical conditions expected to be encountered on the job. Train the manager administering the road test to detect problem driving habits that might lead to vehicle accidents or vehicle maintenance issues. Note all performance deficiencies and recommend specific follow-up training prior to assignment of driving duties.

DRIVER SUPERVISION, MOTIVATION, AND RETRAINING

Equally important to minimizing your company's loss exposure is proactive management of your drivers. There are four distinct areas where managers can provide supervision:

Orientation Period – Allianz's studies of commercial fleet operations have determined that as many as 50% to 75% of all accidents occur during the first six months of employment (regardless of total driving experience). New drivers require special attention to ensure success.

Probationary Status – New hires often need time to learn their routes and routines in a relaxed manner with additional supervision. Complete any needed refresher training (based upon road test results, the MVR, or loss history) prior to assigning a regular route.

Driver Safety Rules – A written set of rules and standards can help define what is acceptable and educate drivers on issues that can impact their status. Formal safety policies should be clearly stated and used in conjunction with your employee discipline policy. (e.g., rules on cell phone use, MVR standards, out-of-service violations, passengers).

Supervisor Observations – Driver supervisors should periodically observe actual driving behavior and skills. Give priority to drivers who have had problems in the past (e.g., accidents, moving violations, customer complaints). This usually involves observation while riding in the vehicle with the driver, and can also be made while driving behind the vehicle. Document areas that need improvement, with recommendations for special coaching as required.

Driver Monitoring Services – Typically, these services provide detailed driver observation reports that have been submitted by motorists through a toll-free number. These reports give management insight about which drivers are demonstrating inappropriate behavior that may lead to an accident.

Vehicle Tracking Programs – Require drivers to keep in touch with the dispatcher or supervisor throughout the day. This allows for modification of their schedule or route if necessary, and for communication of essential safety information (e.g., changing road conditions). This can be accomplished through scheduled driver call-ins or through global positioning system equipment.

Recording Devices – Install tachographs or “black box” computers to monitor driver behavior and vehicle performance. Today, this equipment is being utilized more widely by fleet operations around the country. Such equipment can also help predict wear on vehicle parts and need for replacement. These systems have come down in price and have added features that increase accuracy. Some can also be linked to vehicle-tracking systems for “real time” monitoring.

Uniform Criteria – Establish and consistently enforce a single set of standards for measuring job performance, safety policies and responsibilities. Include criteria for distracted driving, seat-belt use and hours of service.

Reasonable Measurement – Standards could focus on motorist complaints, customer satisfaction issues, accidents, and roadside and moving violations.

Disciplinary Actions – Inform employees that disciplinary steps could apply, such as loss or restriction of driving privileges.

Driver Recognition – Continued safe driving should be appropriately rewarded. One way is to recognize the annual anniversary of drivers with numerous accident-free years of job performance.

Fleet Performance – Highly effective fleet safety programs set performance standards for accident reduction

