MORE WORKER FATALITIES are caused by vehicle crashes in the U.S. than by any other incident type. Such crashes caused nearly one in three worker deaths in 2000, according to the Bureau of Labor Statistics (Figure 1). Fleet vehicle crashes also result in the most costly worker injury claims, averaging more than $21,000 per incident (“Worker Death Rates” 12). These statistics reflect neither the significant costs that can result when a crash leads to a lawsuit, nor the effects of a crash on the employee and his/her family. By taking a proactive approach to improving fleet driver safety, organizations can reduce the incidence of vehicle crashes, in turn protecting both their employees and the bottom line. This case study illustrates how a major corporation in the healthcare field successfully used such an approach.

Focusing on Driving Safety

In many organizations, worker safety initiatives are most visible in the manufacturing arena—where on-the-job risks are readily recognized and employee protection is governed by regulatory bodies such as OSHA. Companies that have a manufacturing component typically expend significant resources to train plant workers in OSHA procedures and to ensure compliance.

Often, those same organizations also employ fleet drivers—people who drive as part of the job, for sales, service or other functions. In the U.S., one in 15 drivers is involved in a crash each year (NHTSA). But since employees who operate company vehicles spend much of their workday on the road, their risk of a crash is even greater than the general public’s risk. Thus, companies that devote significant resources to ensuring safety on the plant floor must also recognize the need to take a proactive approach to fleet safety.

Case in Point: Abbott Laboratories

This was the case for Abbott Laboratories (Abbott). Headquartered in north suburban Chicago, Abbott is a global, broad-based healthcare company involved in the development and manufacture of pharmaceuticals, nutritional and medical products. Until a few years ago, Abbott’s comprehensive safety program focused on the manufacturing and research and development areas of the organization. In 1998, the company’s Pharmaceutical Products Div. (PPD) began to place additional focus on fleet vehicle safety.

Approximately 25 percent of the organization’s global workforce—some 20,000 employees—are sales and service representatives who drive company vehicles, including sedans, sport utility vehicles and vans. PPD has the largest domestic sales force of the company—4,000 employees—and, subsequently, the organization’s largest domestic fleet. This fleet has nearly doubled in the past five years—a growth rate that has brought greater risks and greater liability exposure for the company.

Through ongoing benchmarking efforts, Abbott had determined that its vehicle crash rate on a corporate level was about average for the pharmaceutical industry. However, the company was not satisfied with average results in such a crucial area. At the same time, safety incident analyses revealed that 80 percent of Abbott employee fatalities and most severe employee injuries resulted from vehicle-related accidents. Although this was on par with the industry average, it further underscored the need to provide employees with the knowledge and skills required to drive safely and responsibly. To that end, PPD embarked on a comprehensive fleet safety initiative aimed at minimizing the risk of fleet vehicle crashes.

Step 1: New Hires

The first step was to determine how to allocate PPD’s fleet safety resources effectively, with the dual goals of protecting employees and maximizing the return on the fleet safety investment. The division analyzed its fleet vehicle crash history to identify the source of the greatest fleet risks. This analysis included a review of crash data from the company’s fleet leasing supplier, which was compared against a list of drivers by hire date.

One finding that emerged was a high incidence of crashes involving new hires. According to the analysis, about 60 percent of PPD’s sales representatives were involved in a crash during their first five years on the job—an experience that is not unique to the division or to the company as a whole. Based on their own analysis of crash data, many large corporations have found their new-hire drivers are at greater risk of a crash than tenured drivers for various reasons.
Based on this positive response, PPD secured senior management commitment and funding to roll out the full-day program to all new-hire drivers beginning in 1999. As a result, the new-hire crash rate has dropped significantly. Over the three-year period from 1999 through 2001, more than 2,000 new sales representatives were trained. On average, these drivers travel 25,000 miles annually. During the year following their participation in training, their crash rate was approximately 50-percent lower than the rate for tenured drivers who did not attend the training (Figure 2). The fact that the crash rate should be considerably higher for new hires than tenured drivers—based on historical experience—makes these results even more significant.

**Keys to Success**

Several best practices contributed to the success of the new-hire safety initiative.

- **Securing buy-in upfront.** When notifying new hires of the training requirement, PPD emphasizes the importance of employee safety. On the day of training, representatives from both safety and sales training opened the session by reinforcing the company’s goal of protecting employees on the job. Before training begins, all attendees learn about the importance of fleet safety—both to the company and to themselves.

- **Delivering training at the right time.** New-hire driver training coincides with the division’s initial employee orientation/product training, which typically adds one day to the schedule. In addition to the economies gained by minimizing travel costs, this approach achieves two other important objectives: 1) it elevates the importance of driver safety in the participant’s mind, since it is covered at the same time as other critical topics; and 2) it helps reduce the liability potential by ensuring that new hires are trained before they are assigned a company vehicle.
Step 2: Middle Managers

Building on the success of this initial new-hire training initiative, PPD next approached its middle managers. Both Abbott’s and ADTS’ experience with middle managers had demonstrated that these employees have significant influence over their direct reports’ behavior in all aspects of the job, including driving. Managers who emphasize the importance of fleet safety, encourage safe driving and exhibit safety on the road themselves are more likely to instill a positive mindset. Conversely, those who minimize the importance of fleet safety and encourage work habits that jeopardize safety in the vehicle may directly contribute to a higher crash rate.

To ensure that mid-level sales managers set the right tone for fleet safety, PPD launched a managers’ training program in 2000, taking the same pilot approach with an initial group of 20 participants. Training was conducted on a single day and feedback was obtained through a course evaluation completed at the program’s conclusion. Again, results were summarized and provided to senior management.

Much like the new-hire training, the managers’ pilot program received high marks and widespread support, prompting PPD to roll out the program to all sales managers beginning in 2001. The managers’ fleet safety program involves three key components:

- Delivering training at the right place. Training is conducted at the company’s headquarters, using sales training rooms for the lecture segment and corporate parking lots for the driving segment. Conducting both segments at the same, familiar location minimizes downtime, improves convenience and places participants at ease.

- Providing a hands-on learning opportunity. Training groups are a manageable size so that each driver has ample opportunity to test his/her newfound skills behind the wheel. The smaller class size also helps to promote interaction during the classroom segment.

- Creating a nonthreatening environment. Through their experience with a diverse group of drivers, ADTS trainers recognize that most people consider themselves to be “good” drivers, but acknowledge that they may have “bad” driving habits. In turn, they focus on helping participants acquire a new set of skills by emphasizing that driving is a learned skill which requires regular reinforcement—even for the most experienced drivers.

- Covering critical content areas. By tailoring the one-day program to its specific needs, PPD covers those issues most important to its fleet. For example, data analysis revealed that backing up was a leading cause of crashes. So, both the lecture and driving segments cover the important aspects of how to safely back up a vehicle. The course also reviews the role that attitudes play in driver safety and teaches participants how to keep their emotions in check on the road.

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- Full-day driver skill enhancement program. Sales managers take the same half-day classroom/half-day behind-the-wheel program as drivers, enabling them to learn the same skills firsthand.

- Commentary ridealong training. The sales managers were already conducting regular ridealong sessions to observe sales representatives’ selling skills. The fleet safety program teaches managers how to conduct a commentary drive at the same time—observing an employee’s driving skills and
to senior management to demonstrate the value of the program, and reaching down to employees to help build a positive fleet safety culture.

Looking Ahead: High-Risk Drivers

With strong results from the first two initiatives, PPD tackled the third component of its three-pronged fleet safety effort: high-risk drivers. The premise behind the high-risk program is the 80/20 rule: 80 percent of crashes are typically caused by 20 percent of fleet drivers—not only for Abbott, but for organizations across the board.

To quantify a driver’s risk level and thereby identify high-risk drivers, the division employs a point system. For each type of driving incident incurred in the previous 36 months—such as a speeding ticket, red light violation, at-fault crash—the driver is assessed a predetermined number of points, which reflect the incident’s severity. As with any safety measure, the points associated with each code reflect the company’s specific risk tolerance and safety philosophy. PPD also weights each infraction based on its associated severity and liability. For example, a driver with a speeding violation of 10 miles over the posted limit is assessed two points, while a driver with a speeding violation of 10 miles over the posted limit in a school or construction zone is assessed four points. An improper turn (such as a U-turn) results in two points, while a DUI (driving under the influence) violation results in six points.

With the point system in place, drivers with the highest point scores are identified and receive training designed to reduce their risk of a crash. For these drivers, PPD is implementing customized behind-providing constructive feedback and recommendations. The managers learn how to present driver safety in a positive way, using a 12-point driver safety checklist that correlates to the key concepts covered in the full-day training session. To place drivers at ease and minimize anxiety, managers learn to use several positive approaches, such as:

• Inform drivers upfront about the purpose of the ridealong.
• Make observations discreetly (e.g., do not take notes during the drive).
• Provide tangible, specific feedback to employees.
• Begin with positive comments, then recommend areas for improvement.

After the ridealong, the manager summarizes key findings and recommendations with a copy distributed to the driver and PPD’s safety and health department, which tracks and summarizes the results and provides them to sales management. If managers observe driving skills that are of marginal concern, they are asked to focus on those areas during the driver’s next ridealong. However, if the manager witnesses behaviors that create an immediate cause for concern—such as excessive speeding or aggressiveness—he is to contact the safety and health department, which will review the issue and determine the best course of action. Managers are now required to conduct two commentary drives with each sales representative annually.

• **Performance appraisal.** Safety has been added as a performance expectation for fleet drivers and has been integrated into the division’s existing performance appraisal review form for sales representatives. Sales managers use the results of their annual commentary ridealongs and overall employee compliance with fleet safety requirements as input into this performance appraisal process.

Since its inception, the managers’ portion of the fleet safety initiative has generated overwhelming enthusiasm and support, even from long-time managers who perceived themselves to be highly experienced drivers. As one manager remarked, “I’ve been driving for 25 years and I thought I knew everything, but the training taught me a lot.” Comments like this have had a powerful, percolating effect—reaching up to senior management to demonstrate the value of the program, and reaching down to employees to help build a positive fleet safety culture.

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Partnersing for Success

Abbott’s partner in the PPD fleet safety initiative, Advanced Driver Training Services Inc. (ADTS), provides a range of training products and services designed to help organizations reduce their vehicle crash rates and the resulting costs. The company trains large fleets in general and sales representatives in particular, drawing on the unique background of its national instructor base—all of whom are current or former police officers with specific experience in traffic safety. The law enforcement background of these instructors has provided additional credibility to the PPD fleet safety campaign—enabling the division to deliver training via instructors who are viewed as both knowledgeable experts and authority figures.

As with any successful business relationship, the partnership between the two firms involved education on both sides. PPD has worked closely with ADTS staff members to ensure that they fully understand the division’s priorities, its overall safety philosophy and its goals for this program. In turn, ADTS has shared best practices gained from working with companies in various industries.

the-wheel training with a special in-depth crash analysis and preventability segment added to the classroom portion of the program. A one-to-one training program, which involves a full day of personalized training in a one-on-one environment, will also be used as appropriate. In these situations, an ADTS trainer will accompany the high-risk driver during the course of a normal business day, observing his/her skills and behaviors, addressing specific problem areas and recommending improvements.

For drivers in lower risk categories, managers will determine the best form of intervention, choosing from options such as driver safety CD-ROMs, videos and manuals. Managers may also, at their discretion, send a letter to drivers in this category who are involved in an incident to reinforce the company’s concern for the employee’s safety.

Bottom-Line Results

In addition to the positive results among new hires, a reduction in the division’s overall third-party liability expenditures is taking shape. As with any company that employs drivers, the potential for third-party liability claims resulting from an at-fault crash can be significant. Since the program’s inception, a nearly 50-percent reduction in third-party liability expenses on a cost per employee basis has been realized (Figure 3). The fact that PPD’s sales organization nearly doubled in size during this same time period makes this reduction even more significant.

An Ongoing Commitment

A fleet safety culture can only be effective if it reflects a long-term commitment. Without that focus, an organization can reduce its crash rate only to see it rise again if the firm fails to integrate other, complementary elements into the program. As experienced drivers leave the firm, their driver safety knowledge and skills depart as well. As new employees join the firm, they will bring with them the inherently increased risks of new-hire drivers. Ongoing reinforcement is necessary to combat the fact that a driver’s daily responsibilities naturally begin to overshadow skills and knowledge gained from initial training.

To ensure continued, long-term gains, PPD has incorporated several industry-wide best practices into its safety initiative. For example, all drivers—regardless of their risk level or tenure—must participate in some form of driver safety training every three years. Options include full-day courses, CD-ROMs, manuals, online programs and a video/workbook program. All drivers also receive OnRoads—a bimonthly fleet safety magazine from ADTS that equips drivers with strategies for recognizing and avoiding the risks which they are most likely to face in their travels.

Beyond setting the stage for a fleet safety culture within the division, PPD’s success prompted a corporate-wide initiative—Driving for Safety—that went into effect in May 2002. The program establishes global standards for fleet safety across the organization and incorporates many of the same components successfully used within PPD; these include a behind-the-wheel training requirement for new hires and managers; performance appraisals that reflect an employee’s compliance with safe driving requirements; annual commentary ridealong sessions; and high-risk driver identification and training. In addition, all fleet drivers—again, regardless of risk level or tenure—must complete driver safety training every three years. Each of Abbott’s five divisions must comply with these global standards by 2005, with a goal of further reducing the risk of fleet vehicle crashes.

The frequency and high costs of fleet vehicle crashes, as well as the liability exposure they create, make fleet safety an essential priority for any organization that employs fleet drivers. As Abbott’s experience demonstrates, a proactive, best-practices approach to fleet safety culture greatly improves employee safety and the bottom line.

References


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