

Is a lack of DRM hitting your fleet's performance?

Driver risk management



DRM can significantly reduce the impact across your business

Picture this. It's 6pm and it's been the usual busy day as your company's fleet manager. You're about to go home when the phone rings. Your HR manager says one of the sales team was returning from a meeting and has been involved in a crash. They're on their way to hospital and the leased vehicle is probably a write off. Hopefully, they'll be okay but immediately you know there's going to be a lot to sort out. How would driver training have helped to prevent this in the first place – and protect your staff and your fleet?

Managing the aftermath of a crash is difficult. It's emotional, it's time consuming and then there's the cost to your bottom line. And when the insurance company or the health and safety rep asks to see your driver risk assessment and training history, do you have it? Add in the day job and it's easy to see how the health and safety and training of drivers might fall off the agenda.

By law, employers must undertake risk assessments and ensure that work-related journeys are safe and staff are fit to drive safely. They must check that the vehicles used are fit-for-purpose and safe. As part of the Institute of Advanced Motorists, the UK's leading road safety charity, IAM RoadSmart is committed to mitigating the risks associated with commercial driving.

In May 2012 we commissioned a survey to investigate the attitude of businesses towards risk exposure of their drivers. All participants were responsible for managing company drivers and provided us with some surprising insight into their attitudes, existing mitigations and most serious risk exposure. Worryingly the survey identified just how little attention is paid to Driver Risk Management (DRM) and how urgent it is to inform businesses of the risk they are exposing themselves to.

Some of the headline figures include:



- 25% of respondents either don't have any DRM in place, or mistakenly thought they were excluded from the requirement to have any.
- Almost 90% don't include owner-drivers (also known as grey fleet) in their driver policy communications.



- Only 12% consider physical health when evaluating whether an employee is fit to drive.
- Over three quarters don't perform regular vehicle checks.
- Only 13% invest in improving the driving skills and understanding of their company drivers
- Less than 10% actually offer any post-incident training. That's more than 90% of companies not addressing the issue which caused the incident in the first place.
- Half of the respondents don't identify new employee driver training requirements.



- Most shockingly of all, 20% of businesses have drivers who have been in an accident in the last year.

As someone responsible for a fleet of vehicles, perhaps your remit also includes people driving for work in their own cars – your grey fleet. If it does, then it's important to know that legislation also applies to grey fleet drivers, whether they are driving to meetings and conferences or collecting something from a supplier.

As the results in this document show, too many companies have been far too casual about their grey fleet. That's alarming when you think that a third of road deaths and serious injuries are thought to involve at-work drivers. Driving is the single greatest workplace risk.

We hope this white paper gives you the additional insight to help identify your possible risk exposure and allows you to start to identify some areas where you can immediately make a difference. If you have any questions feel free to speak to IAM RoadSmart.

Together we can make the roads safer and make your company happier, wealthier and wiser.

Driver Risk Management (DRM) Survey

IAM RoadSmart surveyed 200 businesses on their approach to driver risk management. This research shows that many companies are failing to address basic tasks that could help to prevent accidents.



Key findings are:

- One in three businesses either does not have a DRM policy in place, or mistakenly believes it is excluded from the requirement to have one.
- 90 per cent do not include owner-drivers in their communication about driver risk.
- Only one in five businesses consider physical health when evaluating whether an employee is fit to drive.
- Over 40 per cent of businesses are not performing regular vehicle checks
- Only one in three businesses invests in improving their employees driving skills and vehicle understanding.
- Less than 10 per cent offer post-incident training.
- Almost 40 per cent of businesses do not have any training programme in place.
- 20 per cent of businesses have had more than one accident in the last year.

However, some businesses have successful DRM policies in place, which include all staff and employees. These businesses are using a variety of methods to communicate driver risk and are training their staff to be safer drivers.



The survey asked:

- 1 Do you have a DRM policy in place?
- 2 Who is involved with delivering DRM in your business?
- 3 How do you inform employees about your DRM policy?
- 4 Do your drivers commit to your DRM policy?
- 5 How does your DRM policy confirm drivers are fit to drive?
- 6 Which driver and vehicle assessments does your organisation carry out?
- 7 How do you decide who is trained?
- 8 What type of training does your organisation provide?
- 9 Has your driver training budget been changed recently?
- 10 What percentage of your drivers have been involved in an accident in the last 12 months?

1. Do you have a DRM policy in place?

Although most businesses have some form of DRM policy (64.5 per cent), a third either does not have a DRM policy in place, or mistakenly believes it is excluded from the requirement to have one.

Of the 35.5 per cent of respondents who did not have a DRM policy, 15 per cent said they were not aware their company required a DRM policy, 8.5 per cent said that had no company car drivers and 6 per cent said they only have drivers who use their own cars.

These results show there is an issue with awareness; some businesses do not understand how driver risk may affect them. The results show that some companies wrongly consider drivers with their own cars, or those that drive to and from work, as not being their responsibility.

Do you have a DRM policy in place?

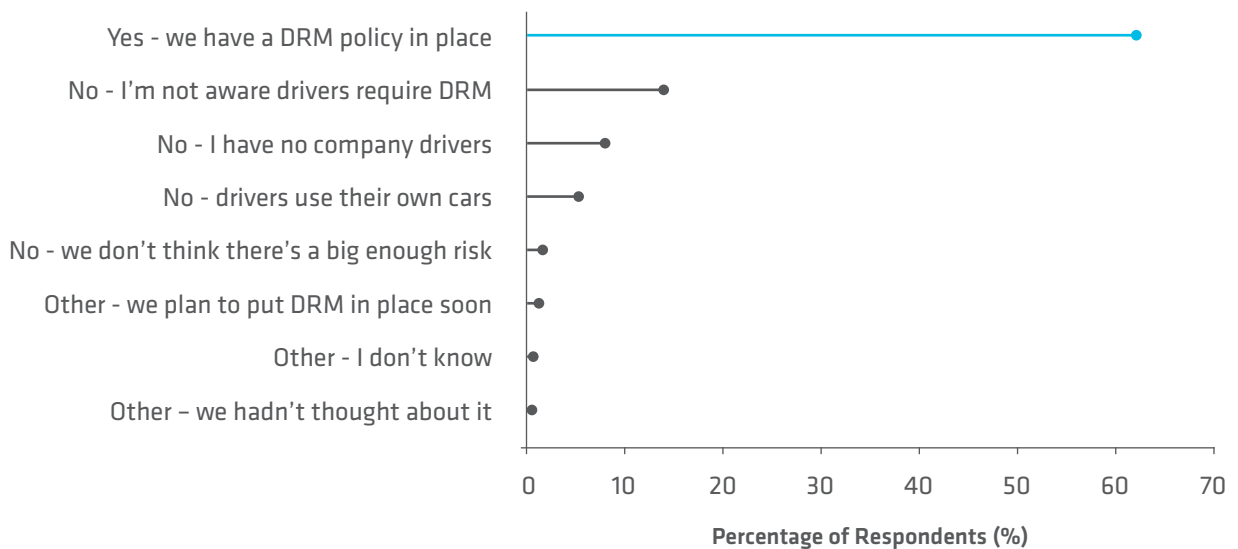


Table 1

Do you have a DRM policy in place?	Number	Percentage of Respondents (%)
Yes - we have a DRM policy in place	129	64.5
No - I'm not aware that people driving for my company require a DRM policy	30	15
No - I have no company drivers	17	8.5
No - we only have drivers who use their own cars	12	6
No - we don't think there's a big enough risk	5	2.5
Other - we plan to put a DRM policy in place soon	3	1.5
Other - I don't know if we have one	2	1
Other - we hadn't thought about it	2	1
No. respondents	200	

2. Who is involved with delivering DRM in your business?

We asked businesses who they involved in DRM in their company. Respondents could select as many staff types as they needed to (e.g. fleet managers, human resources etc), however, most only selected one staff member. This suggests that driver risk management is often isolated to only one section of the business.

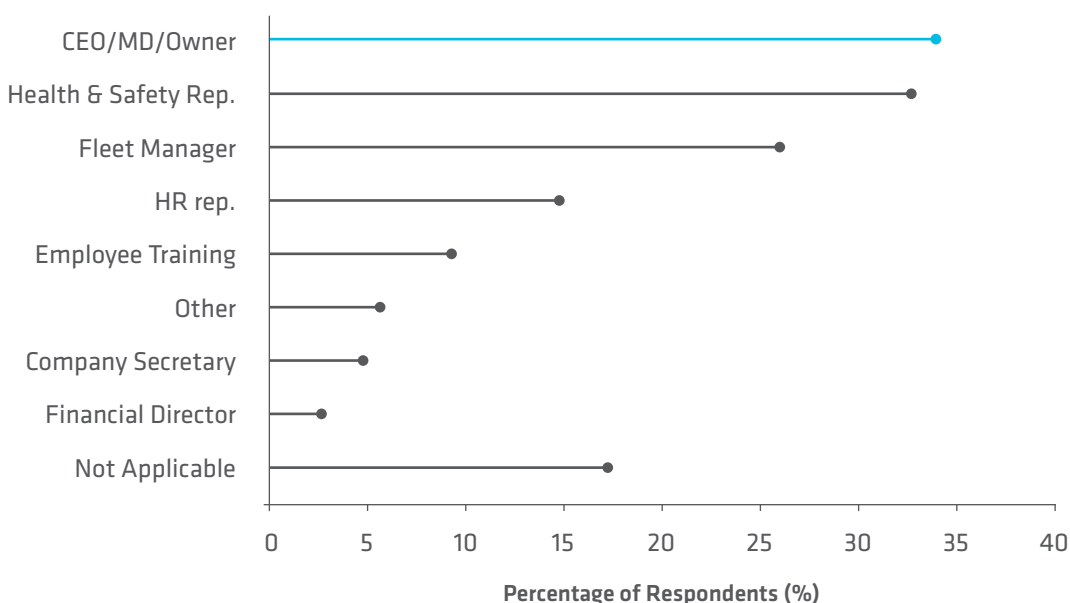
Table 2

Job roles involved in DRM	Respondents	Percentage of Respondents (%)
1 job role involved	107	65
2 job roles involved	26	16
3 or more job roles involved	31	19
No. respondents	164	

Chief executives and owners are the staff most commonly involved in DRM, particularly among companies that say that only one staff type is involved in DRM. These may be small companies without a large structure.

Health and safety representatives and fleet managers are also likely to be involved in DRM (33 per cent and 26.5 per cent). For a significant proportion of respondents these are the only staff involved in DRM (30 respondents said that only health and safety representatives and 19 said that only fleet managers were). This suggests that in many companies responsibility for DRM is isolated to one person or team.

Who is involved in DRM?



'Other' staff involved in DRM include logistics managers, account managers and subcontractors.

3. How do you inform employees about your DRM policy?

Over half of businesses are not informing new employees about driver risk. One in four are not informing any of their staff, mistakenly believing that they do not need to.

Employee inductions are by far the most common way that businesses inform employees about driver risk (48.5 per cent of respondents use these). Line managers and statements from the CEO/MD are also often used to communicate DRM policies (25 per cent and 23 per cent said this).

Addressing the grey fleet (owner drivers) is much less common: only 9 per cent said they did this. Very few respondents report to board level about DRM (only 5 per cent did this).

How do you inform employees about your DRM policy?

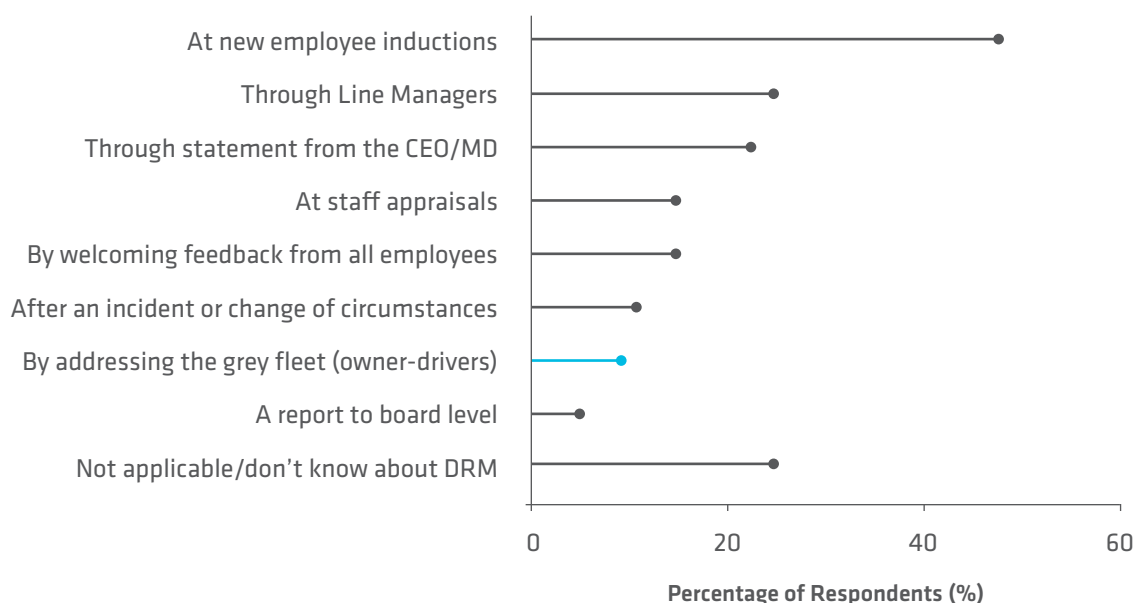


Table 3

How do you inform employees about your DRM policy?	Number	Percentage of Respondents (%)
At new employee inductions	97	48.5
Through individual ownership by Line Managers	50	25
Through a statement from the CEO/MD	46	23
At staff appraisals	30	15
By welcoming feedback from all employees	30	15
After an incident or change of circumstances	21	10.5
By addressing the grey fleet (owner-drivers)	18	9
A report to board level	10	5
Not applicable/don't know about DRM	49	24.5
No. respondents	200	

Some detail regarding Table 3

There appears to be an issue with driver risk only being communicated once, or through one channel; half of respondents (47 per cent) only listed one method of communicating DRM. This suggests that in many businesses the communication of DRM is not widespread.

Twenty-seven respondents said they only communicated DRM at employee inductions. This means one in six businesses who communicate driver risk are only doing so to new employees.

Thirty respondents said they only used line managers or statements from the CEO/MD to communicate their DRM policy (this is one in five of the respondents who communicate driver risk).

However, a minority of respondents use a wide variety of methods to communicate their driver risk management policy. For example, one company responding communicates through the intranet and email alerts as well as employee inductions, feedback from employees and a statement from the CEO/MD.

4. Do your drivers commit to your DRM policy?

The majority of businesses which carry out DRM ensure that drivers commit to the policy. Most sign an acknowledgement (55 per cent do this), a further 18 per cent commit through driver feedback sessions.

It appears that when businesses have a DRM policy in place they look to get commitment from their drivers.

Do your drivers commit to your DRM policy?

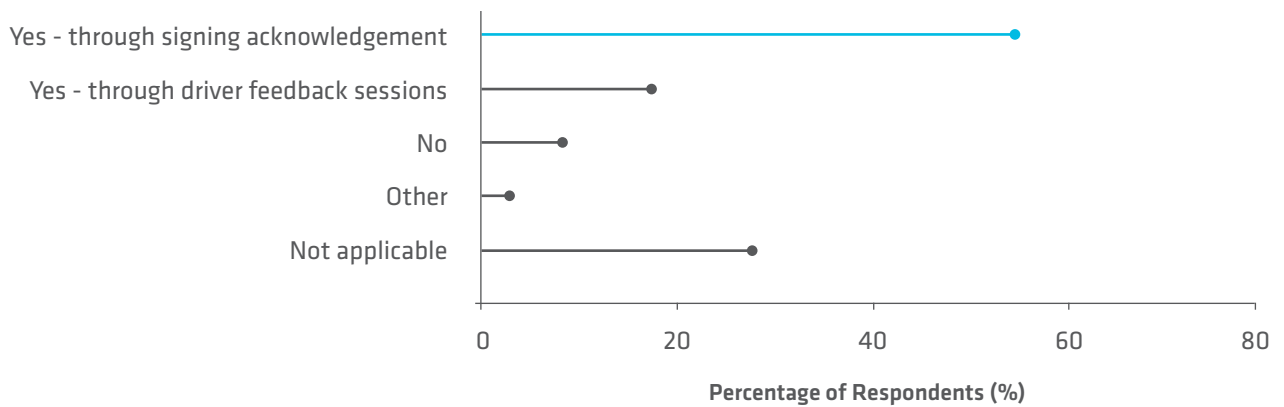


Table 4

Do your drivers commit to your DRM policy?	Number	Percentage of Respondents (%)
Yes - through signing acknowledgement	110	55
Yes - through driver feedback sessions	36	18
No	14	7
Other	5	2.5
Not applicable	53	26.5
No. respondents	200	

5. How does your DRM policy confirm drivers are fit to drive?

Over thirty-six per cent of businesses are not carrying out employee licence checks. However, of the 129 respondents who said they have a driver risk management policy in place (Table 1) only two did not give any details on how they confirm if drivers are fit to drive. This suggests that businesses who have a driver risk policy are ensuring they make these basic and essential checks.

The most popular way for businesses to confirm that drivers are fit to drive is through licence checks, with internal audit also being popular. Approximately one in five check the health or eyesight of their drivers, which is concerning.

In addition to this a third of respondents only gave one method of checking their drivers are fit to drive, suggesting that many businesses are not looking at the full range of issues which may affect someone's ability to drive.

How does your DRM policy confirm drivers are fit to drive?

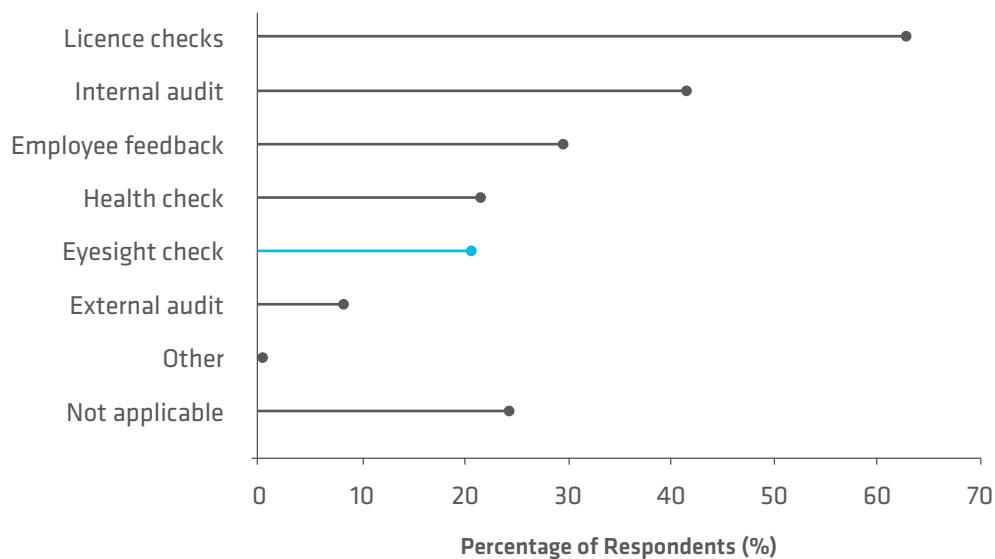


Table 5

How does your DRM policy confirm drivers are fit to drive?	Number	Percentage of Respondents (%)
Licence checks	127	63.5
Internal audit	83	41.5
Employee feedback	59	29.5
Health check	44	22
Eyesight check	41	20.5
External audit	17	8.5
Other	2	1
Not applicable	48	24
No. respondents	200	

Almost one in four businesses (48 respondents) selected 'not applicable'; this suggests a significant number believe that they do not need to check whether their employees are fit to drive. Many businesses are failing to consider the safety of employees driving to and from work and the grey fleet (owner drivers).

6. Which driver and vehicle assessments does your organisation carry out?

Seventy-nine per cent (158) of respondents carry out some type of driver and vehicle assessment. The most popular are regular vehicle checks.

Which driver and vehicle assessments does your organisation carry out?

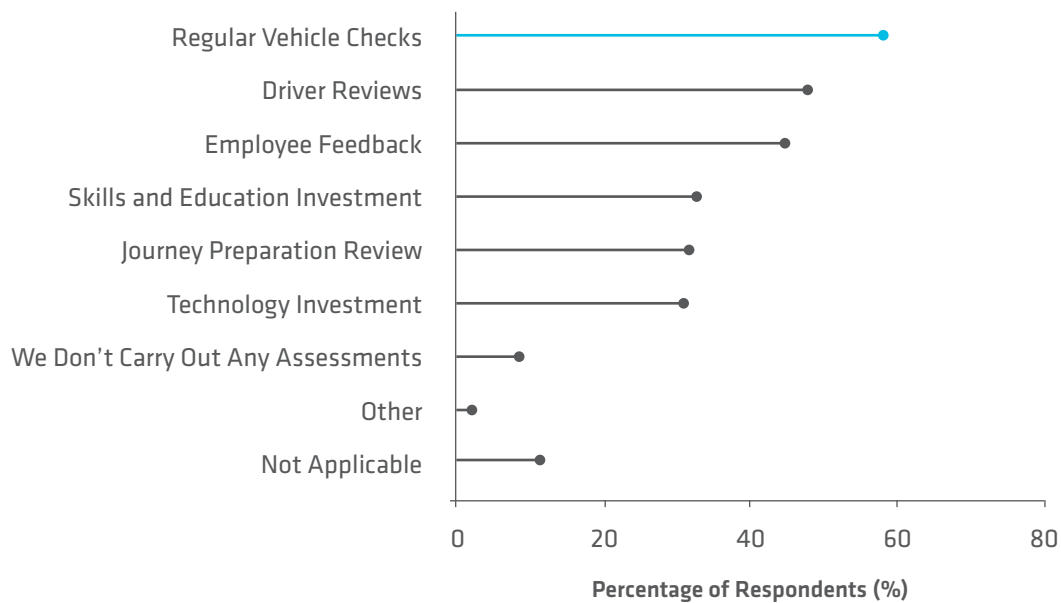


Table 6

Which driver and vehicle assessments does your organisation carry out?	Number	Percentage of Respondents (%)
Regular vehicle checks	117	58.5
Driver reviews (history; experience; knowledge and attitude)	97	48.5
Employee feedback	91	45.5
Skills and education investment (on-road training; vehicle familiarisation; adverse conditions; training etc.)	67	33.5
Journey preparation review (route planning; incident assessors; recognising fatigue etc.)	65	32.5
Technology investment (black box; sat navs; hands free sets etc.)	63	31.5
We don't carry out any assessments	18	9
Other	5	2.5
Not applicable	24	12
No. respondents	200	

7. What type of training does your organisation provide?

Over a third of businesses are not providing any driver training to their employees, either selecting 'none' or 'not applicable' when asked about what type of training they provide.

Approximately a quarter of businesses said they asked for and acted on employee feedback as part of their training programme.



What type of training does your organisation provide?

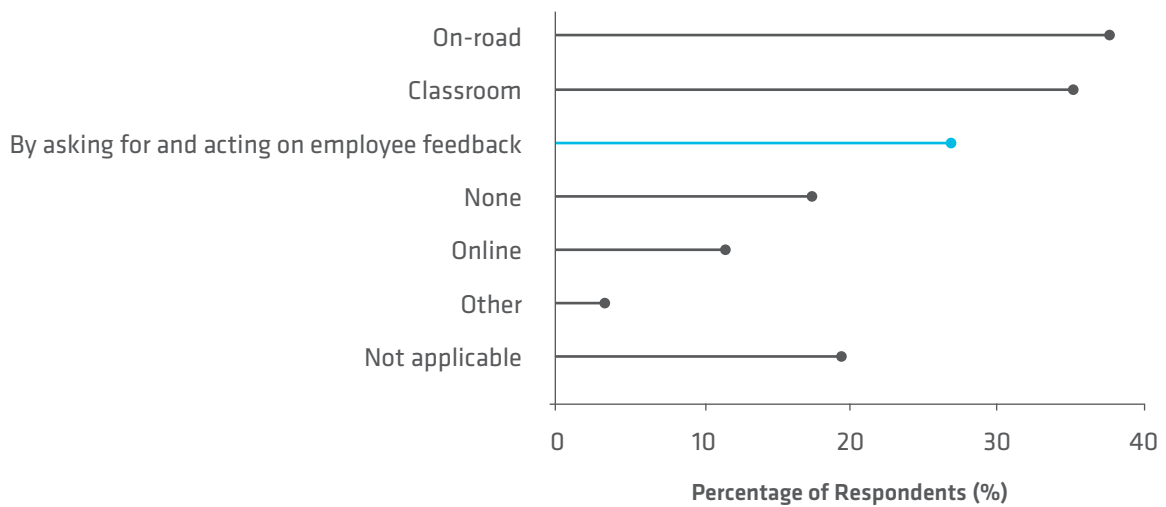


Table 7

What type of training does your organisation provide?	Number	Percentage of Respondents(%)
On-road	76	38
Classroom	71	35.5
By asking for and acting on employee feedback	54	27
None	36	18
Online	24	12
Other	7	3.5
Not applicable	39	19.5
No. respondents	200	

8. How do you decide who is trained?

We asked businesses how they decide who is trained. Only half of businesses said they trained new employees; around 24 per cent said they offered occasional assessment and training for those most at risk. However, less than one in ten (9 per cent) said they offered post incident training.

How do you decide who is trained?

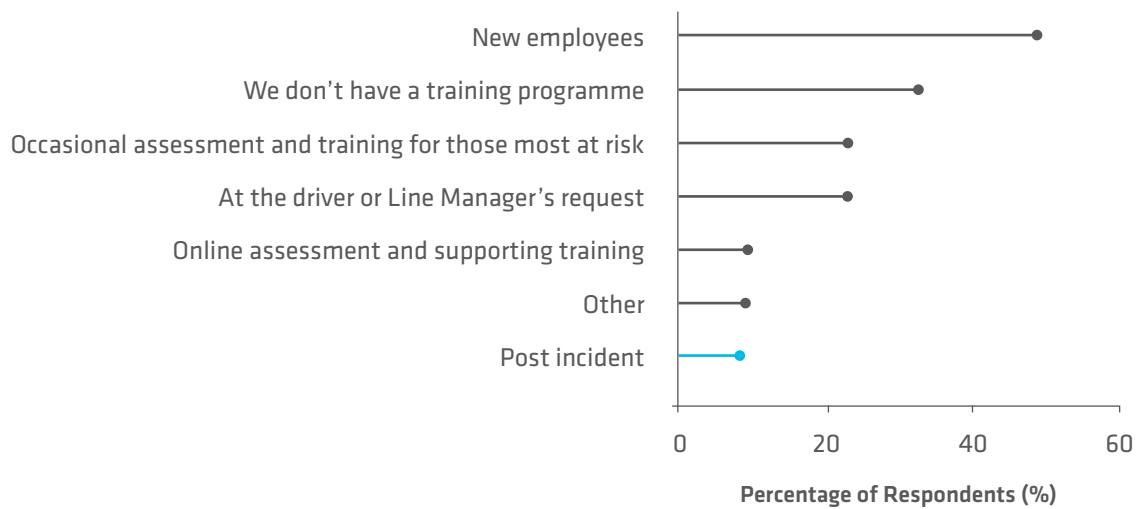


Table 8

How do you decide who is trained?	Number	Percentage of Respondents(%)
New employees	99	49.5
We don't have a training programme	66	33
Occasional assessment and training for those most at risk	48	24
At the driver or Line Manager's request	47	23.5
Online assessment and supporting training	20	10
Other	19	9.5
Post incident	18	9
No. respondents	200	

9. Has your driver training budget been changed recently?

Nearly half of all those asked said their training budget had not changed recently. Less than 15 percent could be said to have changed their budget to train more employees. 11 per cent do not invest in driver training.

Has your driver training budget been changed recently?

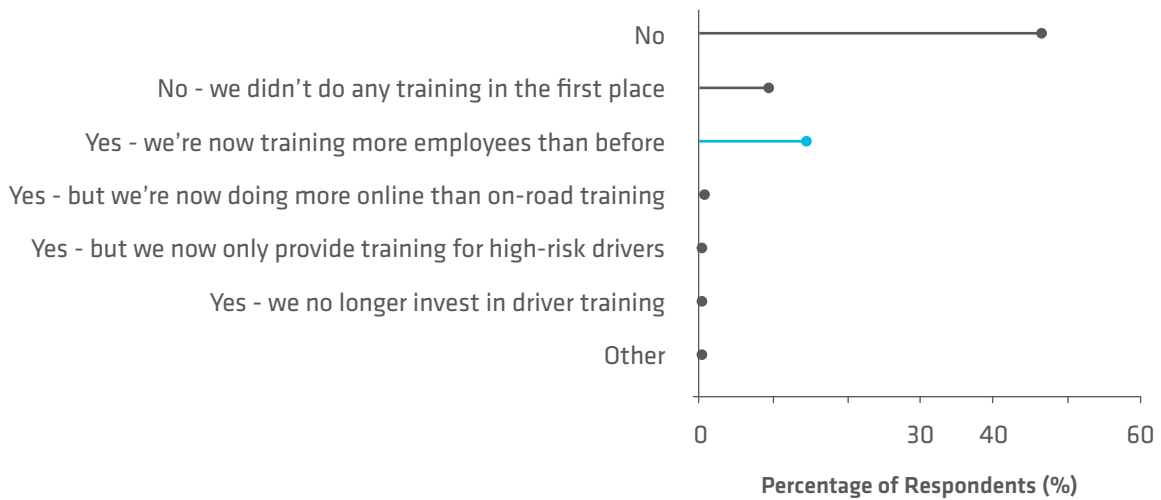


Table 9

Has your driver training budget been changed recently?	Respondents	Percentage of Respondents(%)
No	96	48
No - we didn't do any training in the first place	20	10
Yes - we're now training more employees than before	29	14.5
Yes - but we're now doing more online than on-road training	3	1.5
Yes - but we now only provide training for high-risk drivers	2	1
Yes - we no longer invest in driver training	2	1
Other	2	1
No. respondents	200	

10. What percentage of your drivers have been involved in an accident in the last 12 months?

Almost 20 per cent of businesses said that more than 5 per cent of their drivers had been in an accident in the last 12 months. This means that nearly one in five businesses have had more than one accident in the last year.

What percentage of your drivers have been involved in an accident in the last 12 months?

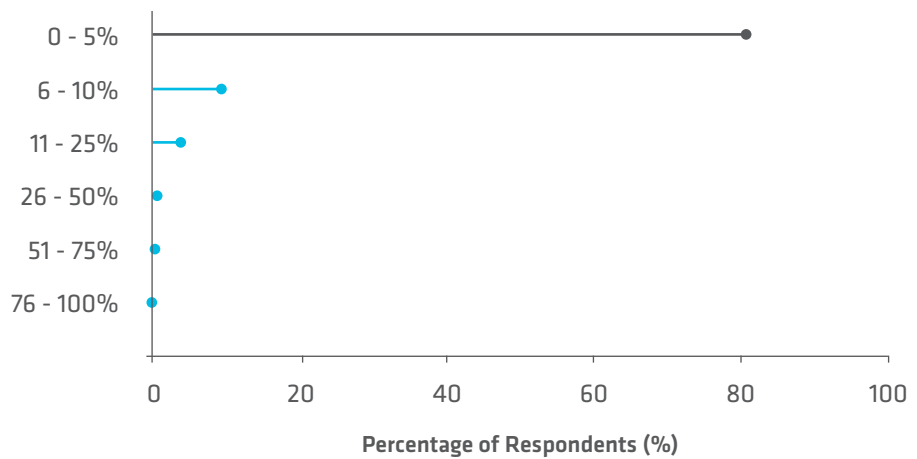


Table 10

What percentage of your drivers have been involved in an accident in the last 12 months?	Responses	Percentage of Respondents (%)
0 - 5%	143	81.7
6 - 10%	20	11.4
11 - 25%	9	5.1
26 - 50%	2	1.1
51 - 75%	1	0.6
76 - 100%	0	0
No. respondents	175	

IAM RoadSmart – Products and Services

Of course managing the risks any driver faces is not cost-free and is primarily about preventing crashes. However, there are significant benefits such as saving money and having a happier workforce.

Evidence shows employees who spend time driving to meetings get fined and crash more often than other drivers due to a higher risk driving style. Poorly trained drivers cost money, so sending out safer, more confident and fuel-efficient drivers is well worth the investment.

Fortunately, many companies are starting to see the link between improving the driving skills of their employees and squeezing every drop of fuel and safety from their fleet. Skilled and trained drivers have a better attitude and look after their vehicles more carefully. With less wear and tear to the engine, tyres and brakes, the vehicles have a greater residual value too.

Learn more at a free DRM seminar

Such interventions are clearly beneficial and relatively easy to implement. To assist insurers in gaining a full understanding of DRM and how it can help them and their client-base, IAM RoadSmart regularly holds free seminars around the UK. Led by expert speakers from the IAM's Drive and Survive team, these two hour events provide delegates with a firm understanding of their company's risk exposure and the next steps needed to create a robust DRM programme.

Contact us for further details.

The IAM RoadSmart holistic approach to DRM allows an employer to:

- Risk-assess its entire driver workforce in an efficient and cost-effective way
- Easily identify those drivers most at-risk and prioritise any necessary actions
- Minimise incidents on the road
- Reduce vehicle-related costs
- Improve overall driver safety and encourage a culture of road safety at the workplace.

In addition, IAM RoadSmart has one of the most comprehensive ranges of occupational driver training and driver risk management products in the UK, including:

- online risk assessments
- e-learning modules
- face-to-face seminars
- comprehensive on-road driver training
- driver CPC compliance

By working with IAM RoadSmart, companies can ensure their drivers have the appropriate skills required to meet legal obligations and be better, safer drivers. They are receiving training of the highest standard from an organisation with pedigree and with enormous experience of improving commercial driver behaviour.

For further details and to find out how IAM RoadSmart can assist you and your fleet, contact us:

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