



BEST PRACTICES FOR COMMERCIAL VEHICLE SAFETY INCENTIVES PROGRAMS

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Importance of Safety Incentive Programs

Today's fleet safety managers are facing a growing number of challenges. Distracted driving and driver shortages are pressing concerns, and both contribute to the increase in road incident frequency. More frequent incidents have a real cost to fleets, as the average vehicle crash costs employers more than \$16,000⁽¹⁾. If the incident involves an injury or fatality, the costs can range from \$70,000 to \$500,000. Fleet safety programs are a crucial step toward reducing incidents and keeping your drivers safe on the job.

The problem that many fleets experience when they roll out new safety programs, however, is that drivers feel like they are being put in the hot seat. Without a driver safety incentive program in your fleet, it can be easy to fall into a habit of only acknowledging when things go wrong, instead of recognizing your drivers when they are doing the right things. Recognizing your drivers who do the right things is one way to make a safety program more attractive.

Safety incentive programs give commercial vehicle and fleet safety directors a way to recognize and reward safe driving. Having a formal safety incentive program tells drivers exactly how they will be evaluated and eliminates the guessing game. It also helps make sure that recognition is fair, and that rewards are distributed evenly based on merit.



What Are Fleet Safety Incentive Programs?

Simply put, a commercial vehicle/fleet safety incentive program is a formal reward system that recognizes your drivers for their safety records. Most safety incentive programs utilize some form of driver scorecard to compile telematics and other data to evaluate how each driver is performing. Then the safety manager rewards drivers based on their score on a monthly or quarterly basis. The complexity of these programs as well as the value of the rewards varies widely based on the needs and resources of the fleet.

¹ According to the OSHA Motor Vehicle Guide: https://www.osha.gov/Publications/motorvehicle__guide.pdf

Selecting Incentives

Your drivers work hard at their jobs but most of the time that goes unnoticed. Recognizing them among their peers is a great way to motivate your team and reward excellence. One common question for fleet safety managers is what types of incentives they should provide to their drivers. A rule of thumb is that your rewards need to be valuable enough that they will motivate your drivers.

That doesn't mean that you have to give out large amounts of cash, though. Sometimes rewards with a "trophy value" are actually more motivating than a monetary award.

Trophies, plaques, letters of recognition, and special company apparel can also be valued prizes. Think about what things would motivate your drivers and then come up with a combination of monetary awards and other forms of recognition that fit your fleet, and your budget.

A few common incentives include:

- Bonus checks
- Gift cards or gift certificates
- Company hats, shirts, or jackets
- Special coins or pins
- Letter of recognition from the CEO, president, or owner of the company
- Traveling trophy for the department with the best safety record each month
- Recognition at annual company picnic or banquet
- Points that can be saved and redeemed for a variety of prizes (like headphones, iPads, and coolers)
- Tickets to sporting events

Remember, the goal is to motivate your drivers. Match the value and frequency of the rewards to the goals you set out for the drivers. If you're having trouble brainstorming ideas, ask a few of your drivers directly what types of incentives would motivate them.



Using Telematics Data

Safety incentive programs provide the perfect solution for reducing incidents and rewarding drivers. But how can safety managers gauge how their drivers are performing, and then either coach or reward them appropriately? Deciding what behaviors to incentivize and how to track them are frequent concerns for fleet safety managers.

Using telematics data is one of the simplest ways to incentivize your drivers. Most telematics providers make it easy to track driving behavior over time and then to tie it back to drivers, vehicles, or divisions of your business. The benefit to using telematics data is that it is objective and automatically recorded. This eliminates any potential bias that could come into play when evaluating drivers and also takes a lot of the leg work out of the administration of the program.

For example, SureCam's network-connected cameras and safety technology make it easy to gauge the performance of your drivers. With SureCam, you receive incident video and driving data in real time—instantly, from the scene. We work with clients to customize each camera's configurations to provide visibility into incidents they care about. Using a camera solution can also provide you with analytics and reporting, including speed, tracking and G-force data to inform your driver coaching and safety incentive program.

Benefits of Connected Cameras:

- Reduce incident frequency by up to 55%
- Reduce cost per claim by up to 40%
- Protect against fraudulent claims
- Exonerate your drivers
- Liability decisions in real time



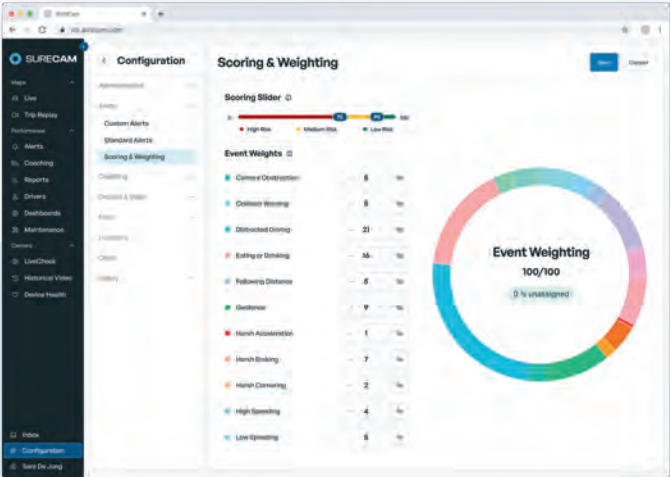


Driver Scorecards

The best driver incentive program is the one you can implement. You don't need a sophisticated driver scorecard to get started. Identify a few key things that you can measure with the tools you already have and start rewarding for those things. As your business grows and you have access to more data, you can add on to the program.

If your fleet is ready for a more sophisticated driver scorecard, here are a few metrics you should consider including:

- Harsh braking
- Tardiness
- On time deliveries
- Near misses
- Swerving and cornering
- Speeding
- Seat belt compliance
- Idling
- Incidents per mile



Creating Alignment Between Safety and Operations

One common issue for fleets is that drivers get mixed messages from the safety and operations departments. Including operational metrics in your driver scorecard or safety incentive program is perfectly acceptable, but you need to create balance between your safety and ops targets to avoid confusion.

Give drivers clear instruction on how their performance will be evaluated. Include safety and ops in this conversation so that drivers know which metrics are most important and have a clear picture of how to balance safety priorities with the business objectives of the fleet. Many drivers may have questions on how to balance operational metrics like productivity and late deliveries with the high standards of the safety manager. Take time to address these concerns, and make sure you have agreement with your safety manager and director of operations before you launch a new incentive program.

Implementing Your Fleet Safety Incentive Program

After you identify the behaviors you want to reward and what incentives you will use to do so, it's time to start your implementation plan. Starting a new program from scratch can feel daunting, but proper planning will help pave the way to success. Before you launch the safety incentive program, you'll need to iron out a few implementation details:

- What is the budget for the safety incentive program?
- How frequently will you award incentives?
- Is there an end date for the program, or do you plan to run it indefinitely?
- Who will be responsible for coordinating the program?
- What KPI's will be used to measure the efficacy of the program?
- How will you keep drivers informed on their progress?



"Our message to drivers should not be 'get in the truck, drive as fast as you can, and make your deliveries.' We've got to constantly inform drivers and anybody that's involved that safety has to be one the first things we think about."

- Steve Seger, Lanter Distributing

Communicating the Program to Drivers

A safety incentive program won't do your fleet much good if your drivers don't know about it. Make sure that you clearly outline what you will be tracking and how each driver will be evaluated. Tell your drivers what incentives they are eligible for and make sure they know how often you will be rewarding them. It's important to keep your program as transparent as possible. After all, you want your drivers to feel that the program is fair and that it will benefit them.

Creative Ways to Communicate the Program:

- Provide managers and drivers a manual that outlines the program in detail
- Post program details on bulletin boards
- Add incentive reminders to pay slips
- Publicize the names of drivers receiving incentive rewards in company newsletters and at safety meetings
- Have a company town hall meeting to launch the new program
- Recognize winners at the annual company picnic

The most successful safety incentive programs are those that offer actionable insights to their drivers. A common pitfall commercial vehicles and fleets fall into is rolling out a new safety incentive program without giving drivers access to the metrics they are benchmarked against. Your drivers want to know how they're doing so they can evaluate how close they are to hitting their goals. Give drivers access to the data you collect in an easy-to-understand format and be ready to answer questions about how a metric is tracked or why a driver didn't earn an incentive.



Maintaining Motivation in the Long Run

A lot of fleets start out strong with a new safety incentive program and see great results for the first few months. Then, after the novelty wears off, drivers slide back into old habits and management loses focus. To keep the momentum going, it's important to make sure you continually reevaluate your incentives to make sure they are motivating to your drivers. Mix up incentives on a regular basis or try experimenting with different themes for the program to keep your drivers engaged and excited. You can change the incentivized behaviors themselves based on a theme (such as health and wellness), or simply change the theme of the program.

Theme Ideas for Your Safety Incentive Program:

- Baseball Theme: Have tiers for incentives including Major League, All-Star, and MVP
- BINGO Theme: Employees earn incentives based on a series of positive behaviors or for hitting milestones for five weeks in a row
- Olympics Theme: Give bronze, silver, and gold medal awards
- Holiday Theme: Choose an upcoming holiday and align your incentives to that holiday

Remember that a safety incentive program is only one piece of a safety program. You are much more likely to maintain results in the long run if you make safety part of your culture. Make sure that you communicate to everyone in your organization – from the top down – that safety is a major priority.



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