

The number of vehicles on US roads <u>is increasing</u> at a steady clip. As more vehicles of all sizes compete for road space and the costs of liability and insurance continue escalating, fleet safety remains crucial for both fleet owners, drivers, and other motorists.

Regular reviews of your fleet safety management system, followed by timely action, is crucial to address potential problems and continue delivering products in a timely and safe manner. For example, high driver turnover may suggest a need for improvement in recruiting, screening, hiring, training, and management of drivers.

Marsh Advisory's Fleet Safety Gap Analysis helps organizations with a fleet of vehicles benchmark and analyze their present safety controls to help improve their fleet safety program and better manage their total cost of risk.

Service highlights

Recent safety data analysis reveals fleet collision severity numbers are continually registering increases. A "GAP" analysis can help you understand how your fleet safety culture compares to the best transportation industry practices. Once gaps have been identified, you can take the necessary steps to achieve high standards and corporate excellence within your fleet safety program.

Using the Fleet Safety Gap Analysis, Marsh Advisory conducts a comprehensive examination of your present safety controls and provides a benchmarking score. We then make specific recommendations for improvements to your fleet safety program.

The analysis is suitable both for companies that are not comfortable with their current fleet safety results as well as those that want to continue developing an already

sophisticated fleet safety management program. Our gap analysis can be used as part of due diligence prior to a merger or acquisition or afterwards as companies combine their fleet safety management programs. Organizations outsourcing their fleet operations to a third party may additionally benefit from a gap analysis to assess whether safety controls meet minimum standards.

Measurable loss control components

Marsh Advisory's consultants, who have experience with different fleet types across industries and deep knowledge of government-imposed standards and best practices, will carry out a series of interviews with those who oversee the drivers and vehicles to examine 20 measurable loss control components of your current fleet safety management program:

- **1. Upper management commitment.** Management support and involvement with your fleet safety program.
- Driver selection/qualification. Criteria for selecting new drivers, including required qualifications, and adherence to these standards.
- New hire on-boarding. Orientation and training programs for newly hired drivers.
- Trainer certification program. Selection and certification of those assigned to administer on-the-job training.
- Driver manual. The resource manual communicating an organization's policies and procedures to front-line drivers.

- **6. Corporate safety manual.** Your managerial reference tool outlining safety standard operating procedures.
- Ongoing training. Periodic refresher training to remind employees of safety protocols.
- **8. Remedial training.** Post-incident driver-improvement processes.
- **9. Regulatory compliance.** Analysis of adherence to Federal Motor Carrier Safety Administration and Occupational Safety and Health Administration standards.
- **10. Driver performance management.** Progressive monitoring of driver behaviors and subsequent positive reinforcement and corrective actions.
- **11. Loss reporting and investigation.** Procedures for managing, reporting, and investigating incidents.
- Loss analysis. Root cause analysis process, loss monitoring system, loss history benchmarking, and front line employee communication
- **13. Bonus/award/recognition system.** Recognition for those who meet expectations.
- Accident review board. Front-line employees and management who perform root cause analysis and assign preventability.
- **15. Safety advisory committee.** Engagement of front-line employees and management who identify, examine, and solve complex safety issues.
- **16. Vehicle inspection and maintenance.** System to maintain and audit vehicle conditions against safe operating standards.
- **17. Process management.** Internal audits of an organization's activities against its set procedures and goals.
- 18. Driver health and wellness. Prevention measures and practices aimed to reduce overall costs associated with work-related injuries.

- 19. Driver management. Building ownership for safety at various management levels, such as driver management training, communications, performance, and accountability measures.
- Cargo/personnel security. Activities aimed at improving the security of the workforce and the commodities transported.

Each component will be assigned a numerical score based on information from interviews and observations. The client's current efforts are then compared to a compilation of proven industry best practices, allowing our specialists to identify gaps in the client's current programs. Our compilation of best practices is reviewed and updated at least every two years, with more frequent adjustments when a new best practice evolves.

Recommendations, roadmap, and benchmarking

Following an analysis of the 20 measurable loss control components, our consultants will hold a debriefing conference with your team. We will prepare a formal report with detailed observations and recommendations to help you make continuous improvement towards long-lasting change. We will hold a follow-up meeting (telephonic or live) to answer questions and discuss key activities that will be included in a comprehensive fleet safety strategic action plan.

Global applicability

While the Fleet Safety Gap Analysis was originally designed for use with North American fleets, it can be tailored for the cultures and regulatory guidelines of other countries, making this tool also applicable to international operations. Our global fleet safety consultants have a solid background in the transportation industry and experience administering safety management assessments, promoting driver intervention programs, and implementing fleet safety management controls. We can help you engineer enhancements to your current program and set goals to improve your overall fleet safety, which will help you achieve your business objectives.

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