

RED PAPER

The Power of Accountability





EROAD

Red Paper

The Power of Accountability



The Power of Accountability

In a recent customer survey when fleet operators were asked to name the key challenges in their business, driver and vehicle safety was consistently named as number one. The next most pressing concerns were driver shortage, communication and rising costs.

As we drilled down further it became clear that safety is the number one priority due to the genuine concern that operators have for staff, and their commitment to getting drivers safely home to their families every day. Unfortunately, the road is an intrinsically hazardous workplace. ACC estimates that work-related crashes – including commuter crashes to and from work – account for around half of all workplace deaths.*

Additionally, to provide a safer working environment, fleet owners are striving to build a workplace culture that prioritises safety and helps them meet their company's obligations under the Health and Safety at Work Act 2015.

The good news is that a new wave of safety technologies is helping drivers make smarter and safer decisions about how they drive on the road. Innovative technology, including in-cab driver behaviour tools, can play an important role in the trend towards ever-safer road transport. At EROAD we wanted to find out how technology could help make your drivers safer, and reduce on-road risk – and your business risk.

Driver accountability reduces speeding by at least 50%

It's not a secret that reducing speeding reduces on-road risk and most organisational safe driving programmes include a focus on driving to the posted speed limit.

However you can't improve what you can't see.

Telematics has traditionally enabled companies to track speed against open road speed limits. Some providers, including EROAD, have taken that further, tracking against posted speed limits, and making driving event data available online to fleet managers via a portal. It's important that the reasons behind monitoring speed are communicated well, with a focus on rewarding safe driving and supporting training.

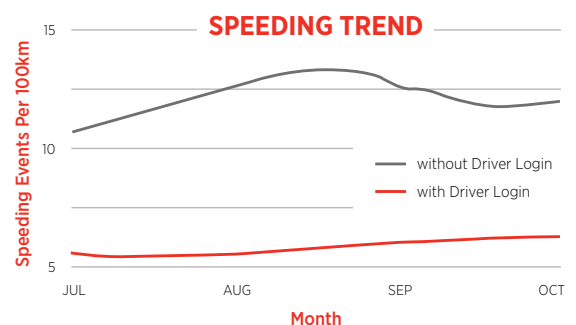
EROAD's next-generation in-cab device, Ehubo2, augments the safety and coaching experience, with real-time driver feedback.

The Ehubo2 also enables you to identify not only vehicle activity, but also which driver was in the vehicle at the time via an onscreen driver login. It offers the flexibility of being able to add all of your drivers into a system, including temp drivers, with no requirement to manage cards or key fobs. More exact identification of drivers allows you to support embedding of driving behaviour measures into appraisals and reward programmes.

What surprised us was the impact that a driver logging into a vehicle had on his or her driving. In a recent EROAD study we found that driver accountability reduces speeding by at least 50%.

Stephen Covey, the author of *The 7 Habits of Highly Effective People*, described it well with his famous quote 'accountability breeds response-ability'.

The combination of the driver's name clearly displayed on the in-vehicle unit, and the attribution of driving events back to the driver, rather than the vehicle, allows the driver to actively respond by improving adherence to the speed limit.





Leading with safety

Of course, these tools are most effective alongside leadership from a company's senior management team, fleet and safety managers. To deliver the best outcomes, management need to be change agents in creating a culture of safety within their company.

The culture promoted by management affects whether a dispatcher allocates appropriate time to each run or pushes the envelope. Whether a driver approaches each intersection anticipating the need to halt at the traffic control device or runs an amber light.

In a 2016 study, EROAD found that management engagement is key to impacting on-road driving behaviour. Organisations that pay consistent attention to EROAD's driver behaviour analytics have 38% fewer speeding events than organisations that don't view them at all.

SPEEDING FREQUENCY EVENTS PER 100KM

- Engaged with Driver Analytics
- Unengaged with Driver Analytics



Five ways telematics can help everyone get home safely

You don't want a paperwork mountain – you want results. This is what a best-in-class telematics solutions will deliver. The best tools can deliver measurable and significant improvements to your safe driving programme, supporting positive behavioural change by embedding driving behaviour measures into appraisals and reward schemes.

What to look for:

- 1. An easy-to-use driver login:** the driver's name should be clearly identified on an on-screen login on the in-vehicle device, with personalised reporting available via a driver portal. Removing the need to issue and keep track of key fobs and cards and ensuring all drivers, including temp drivers, are tracked, is key to success.
- 2. Positive gamification:** one of our customers said of his drivers: "It turns out they're a competitive bunch." We studied the impact of using EROAD's benchmarked driver behaviour report, Leaderboard, in 2016 and found that customers who regularly use it have an average vehicle rating of Four Stars, compared with customers who did not; low engagement resulted in an average vehicle rating of Three Stars.
- 3. Real-time in-vehicle coaching:** Tools such as EROAD's Drive Buddy support drivers with speed data and notifications for harsh braking, cornering and sharp acceleration on a full colour touchscreen so they can make safer decisions while they're on the road.
- 4. Personalised driver feedback for better coaching:** Textual and driver-specific analytics can save your driver trainers days of combing through a multitude of reports for each driving assessment. Look for a visually appealing one-pager like EROAD Driver Insight, which the trainer or fleet manager can generate immediately for ongoing and quick feedback.
- 5. Visibility of sub-contractor driver behaviour:** You can't manage what you can't see. A PCBU's (person operating a business or undertaking) 'workers' means anyone who carries out work in any capacity including contractors, subcontractors or any employee of any of them. Analytics should provide visibility of sub-contractor driving behaviour, so you can ensure they meet the same high standards you expect from your own fleet.



Safety that benefits your business' bottom line

Reducing driver speeding reduces the risk of a crash, and severe injury or fatality in the event of an on-road incident. However it also delivers significant fiscal benefits to your business:

- **Reduced fuel bills:** a reduction in peak speed by just 8 km/hr saves 10% to 15% in fuel consumption.**
- **Reduced insurance costs:** by participating in targeted insurance programs for safe driving fleets such as the NZI and EROAD's "Safe Driving Rewards Programme" you may be able to reduce your premiums and excess. ***
- **Lower ACC levies:** Gold status level in the ACC Fleetsaver programme reduces ACC levies by 40% - equal to approximate annual savings per vehicle of \$97.****
- **Less downtime:** Fewer accidents and repairs means reduced vehicle down-time and crash repair bills.
- **Improved competitive advantage:** boost your ORS rating to win and retain customers.
- **Reduced penalty costs:** Better, safer driving means a fewer driving fines and penalties.
- **Protect your reputation:** reduce the social cost and disruption from accidents, and improve staff retention by lowering the pressure on drivers to deliver to an unreasonable schedule or manifest.

In summary, it's a win-win for safety and for your business, with tools that enhance visibility of driver behaviour, support drastic reductions in speeding, and deliver best in class analytics that enable your leadership team to monitor and maintain an organisational focus on safety.

* <https://www.nzta.govt.nz/resources/your-safe-driving-policy/1.html>

** <https://www.eecabusiness.govt.nz/sectors/transport/driver-behaviour/speed/>

*** <https://www.safedrivingrewards.co.nz/>

**** <https://www.accfleets.co.nz/fleet-saver/>

Rebecca Kemp is the Senior Product Manager for EROAD's Driver Safety team. She has a wealth of international experience in the financial and technology sectors with companies including Goldman Sachs, Deloitte, Honda UK and ASB.

ABOUT EROAD

EROAD modernises road charging and compliance for road transport by replacing paper-based systems with easy-to-use electronic systems. The company is headquartered in Auckland, New Zealand, and listed on the New Zealand Exchange (NZX). Its US business is based in Portland, Oregon. EROAD is also a leading provider of health and safety compliance services, including vehicle management and driver behaviour and performance measures.