






Driver Scorecarding and Development

11:00 AM Eastern Time (New York)
10:00 AM Central Time (Chicago)
9:00 AM Mountain Time (Denver)
8:00 AM Pacific Time (Los Angeles)



Housekeeping Items

- Audio streamed through computer speakers
- Widgets are resizable and moveable
 - Minimize/maximize 
 - Expand/shrink 
- Enter questions using the 
- Check out the resources area to download today's slides 
- Chat via the Q&A if you need tech help, or click on 



Driver Scorecarding and Development

July 19, 2018



Driver Scorecarding and Development

This webcast will cover ...

- A regulatory overview
- Best practices in compliance
- A case study in implementation
- Question & Answer

Attention Attendees:
+ Thank you for attending!
+ You will be muted during the event.
+ Please use the Q&A feature to send in questions to us. We'll try to answer them during the Q&A period if they are not covered in the presentation.
+ The slides and recording will be posted within 7 days at: www.jjkeller.com/nptcinfo



Gary Petty
President & CEO
National Private Truck Council



Meet Your Presenters



Gary Petty
President & CEO
National Private Truck Council



Tom Bray
Industry Consultant - Transportation
J. J. Keller & Associates



Tom Moore, CTP
Senior Vice President
National Private Truck Council



Brian Johnston, CTP,
Sr. Director of Transportation
Core-Mark International



The Annual Review

The only required "scorecard"



Tom Bray
Industry Consultant – Transportation
J. J. Keller & Associates, Inc.



Annual Review Process

- Driver submits “certificate of violations”
- Carrier runs MVR for all states the driver was licensed in over the previous year
 - Use of an employer notification system (ENS) eliminates need to run MVR
 - If carrier uses push-type ENS, verify driver is enrolled with carrier listed as employer
 - If carrier uses a pull-type ENS, a simple pull is adequate
- Supervisor creates note verifying review of MVR



Tom Bray
Industry Consultant – Transportation
J. J. Keller & Associates, Inc.



Annual Review Process

- When reviewing, the “carrier” must:
 - Verify driver is operating safely
 - Verify the driver is not disqualified
 - Consider any evidence that the driver has violated any applicable regulations
 - Consider the driver’s accident history and any other evidence (such as violations and citations), and put “great weight” to anything that indicates the driver has “exhibited a disregard for the safety of the public”
 - No instructions on what criteria to use or actions to take



Tom Bray
Industry Consultant – Transportation
J. J. Keller & Associates, Inc.



Annual Review Process

- Must be done within 12 months of last review
 - Can do more, but not less
 - Some carriers do 2 or 4 per year
- Records of review must be kept for three years
- No “re-road test” requirement in the regulations, only the annual review process in §391.25 and .27



Tom Bray
Industry Consultant – Transportation
J. J. Keller & Associates, Inc.



Safety Management Cycle

- While not a regulation, FMCSA’s SMC recommends:
 - Monitoring and tracking
 - Carriers need to monitor and track employee performance to be aware of their employees’ safety performance and compliance with its policies and procedures
 - Drivers are critical employees at a carrier!
 - This is part of having sound Safety Management Controls (see §385.5)



Tom Bray
Industry Consultant – Transportation
J. J. Keller & Associates, Inc.



Best Practices in Driver Scorecarding and Compliance



Tom Moore, CTP
Senior Vice President
National Private Truck Council



Measure, Monitor and Improve

- Key Performance Indicators – those metrics that drive your business
- Dashboards display various performance metrics that provide information on the current state of the business or individual performance.
 - Don't tell you whether the results are positive or negative
 - Measure and monitoring
 - Measures performance
 - Updated in real time
- Scorecards are performance management tools that compares goals with results -- measures results against expectations
 - Performance management
 - Links directly to business objectives
 - Measures progress
 - Updated periodically



Tom Moore, CTP
Senior Vice President
National Private Truck Council



Why Measure Performance?

- You cannot get better at something unless it can be measured
- KPIs are quantifiable measurements used to evaluate progress towards achieving business goals
- They should be tied to the overall organizational strategy



Tom Moore, CTP
Senior Vice President
National Private Truck Council



Key Performance Indicators (KPIs)

- Metrics that tell an individual or an organization at a glance how it is operating
 - Against historical averages
 - Against competition
 - Against expectations
- There should be enough to judge the performance, but not so many as to be overwhelming.



Tom Moore, CTP
Senior Vice President
National Private Truck Council



Elements of Identifying KPIs

- Having clear goals/performance requirements
 - Specific
 - Measurable
 - Achievable
 - Result-oriented
 - Time- based
- Having a quantitative/qualitative measurement of the results and comparison with set goals
- Involve the drivers



Tom Moore, CTP
Senior Vice President
National Private Truck Council



Why use KPI's?

- Permit focus & scrutiny
- Detect change
- Score performance
- Detect problems
- Drive improvement
- Data vs. information
- KPI's should change behavior
- Must tie to the overall goal
- Typically tied to continuous improvement initiatives



Tom Moore, CTP
Senior Vice President
National Private Truck Council



Scorecards

- Scorecards are a simple way to share results with associates
- Visual representation of performance
- Focuses on shorter list of business elements driving results



Tom Moore, CTP
Senior Vice President
National Private Truck Council



Typical Metrics

- Company goals
- On-time delivery
- Driver retention
- Fuel economy
- Safety
 - Accidents
 - Injuries
 - CSA scores
- Stops, cases
- Loss and damage claims



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Senior Vice President
National Private Truck Council



Lagging vs. Leading indicators

- Lagging indicators are typically "output" oriented, easy to measure but hard to improve or influence
- Leading indicators are typically input oriented, hard to measure and easy to influence
- Example: For many of us a personal goal is weight loss
 - A clear lagging indicator that is easy to measure. You step on a scale and you have your answer
- But how do you actually reach your goal?
 - For weight loss there are 2 "leading" indicators: 1. Calories taken in and 2. Calories burned
 - These 2 indicators are easy to influence but very hard to measure

In business terms, measuring performance daily and making adjustments closer to the work helps make sure Lagging indicators are not turned into missed goals!



Tom Moore, CTP
Senior Vice President
National Private Truck Council



Driving Improvements

- Establish the goals
- Establish the scoring
- Communicate the goal and the scoring
- Shouldn't be just an individual report card
- Use it to recognize trends
- Re-set the program if spikes in certain areas of scoring
- Communicate the results
- Make it positive
- Train your personnel
- Don't let it pile up



Tom Moore, CTP
Senior Vice President
National Private Truck Council



The Fleet Perspective: Core-Mark International



Brian Johnston, CTP
Sr. Director of Transportation
Core-Mark International



Agenda

- Who is Core-Mark?
- Definition of a Scorecard
- KPI vs. Scorecard vs. Dashboard
- Balanced Scorecard
- Core-Mark and Scorecards
- Scorecard Basics



Brian Johnston, CTP
Sr. Director of Transportation
Core-Mark International



Core-Mark International Inc.

- Industry Leader in Convenience Store Delivery
 - 30 Distribution Centers
 - 1,873 Drivers
 - 1,217 Tractors
 - 150 Straight Trucks
 - 1,545 Multi-Temp Trailers
- 2018 Projected Miles – 72,948,292
- 2018 Projected Deliveries – 2,827,229
- 2018 Projected Cubes Delivered – 240,314,465



Brian Johnston, CTP
Sr. Director of Transportation
Core-Mark International





Brian Johnston, CTP
Sr. Director of Transportation
Core-Mark International



Scorecard - Definition

- Scorecard vs. Dashboard
 - Scorecards must exhibit progress against a goal
 - Dashboards simply display individual pieces of data, without any particular context



Brian Johnston, CTP
Sr. Director of Transportation
Core-Mark International



Scorecard - Definition

- Key Performance Indicators – KPI's
 - Individual measurements and controls that make up a scorecard
 - Used to measure against benchmark and progress trends



Brian Johnston, CTP
Sr. Director of Transportation
Core-Mark International



Scorecard - Definition

- Business Intelligence* Defines Scorecard:
 - Data visualization tool that helps organizations, individuals, or groups of individuals reach goals by displaying PROGRESS TOWARD OBJECTIVES
 - Scorecards provide an "AT – A – GLANCE" measure of progress.



Brian Johnston, CTP
Sr. Director of Transportation
Core-Mark International



Balanced Scorecard

- Definition –
 - Focus on the strategic agenda of the organization
 - Selection of small number of data items to monitor
 - A mix of financial and non-financial data items
- Balanced Scorecard Requirements -
 - A choice of data to measure
 - Setting of a reference value for data
 - Ability to make a corrective intervention



Brian Johnston, CTP
Sr. Director of Transportation
Core-Mark International




Balanced Scorecard

- Leading vs. Lagging Indicators - MPG
 - Lagging – Measuring what has already happened
 - Idle Time
 - Speeding
 - MPG
 - Safety
 - Leading – Measuring what will/can happen
 - Mechanical Spec
 - Aerodynamics



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1960 PGA Masters Tournament Final Round Leaderboard

Hole	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Par	4	5	4	3	4	3	4	5	4	4	4	3	5	4	5	3	4	4
Palmer	-5	-5	-4	-4	-3	-3	-4	-4	-4	-4	-4	-4	-4	-4	-4	-4	-5	-6
Venturi	-3	-4	-5	-5	-6	-6	-6	-6	-6	-5	-5	-5	-5	-5	-5	-5	-5	-5
Finsterwald	-3	-3	-3	-3	-3	-3	-4	-5	-5	-5	-4	-4	-5	-5	-5	-5	-4	
Casper	-3	-3	-3	-2	-2	-2	-2	-2	-2	-2	-1	-2	-1	-2	-1	-1	-1	
Boros	-3	-3		-1	-1	-2	-1	-1	-1	-2	-2	-2	-1	-2	-2	-2	-1	E
Hogan	-2	-3	-2	-2	-2	-1	-1	-1	-1	-1	-1	-1	E	E	+1	+1		



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Arnold Palmer April 10, 1960

OFFICIAL SCORE CARD

HOLE	1	2	3	4	5	6	7	8	9	Out	10	11	12	13	14	15	16	17	18	In	Total	
YARDAGE	400	555	535	520	450	150	585	530	420	345	470	445	355	475	430	550	190	400	420	545	6950	
PAR	4	5	4	4	3	3	4	4	3	3	4	4	3	4	3	4	3	4	3	3	34	72
PLAYER	3	5	3	5	3	4	4	4	3	6	4	4	3	5	4	5	3	3	3	4	70	

I have checked my paper hole by hole.

Player Signature: *Arnold Palmer* Attend: *Brian Carpenter, Jr.*



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Score Cards (Dashboard) at Core-Mark

0110	Miles Driven	Miles ENG	Total Miles	Hours Driven	Hours ENG	Hours Total	Costs	Weighted Total Miles	Weighted Total Hours	MPG	MPG ENG	MPG Total	MPG Fuel	MPG Oil	MPG Water	MPG Air	MPG Other	MPG Total	MPG Fuel	MPG Oil	MPG Water	MPG Air	MPG Other	MPG Total
Albuquerque	258,503	348,543	607,046	7,000	7,000	14,000	252,900	316	516	39,292	25,96	4,008	310	6,86	60.41	60.58	61.51	60.17	60.17	60.17	60.17	60.17	60.17	60.17
Bakersfield	89,621	41,211	130,832	4,727	4,727	9,454	121,400	385	385	32,014	54.79	2,560	241	4.12	53.18	52.96	53.12	52.10	52.10	52.10	52.10	52.10	52.10	52.10
Corona	110,720	105,424	216,144	3,504	3,504	7,008	100,720	454	454	38,502	52.34	33,533	51.61	7.81	4.88	4.49	4.29	5.03	57.68	59.10	59.10	59.10	59.10	59.10
Daymond	42,578	11,011	53,589	1,800	1,800	3,600	50,778	357	357	8,640	59.82	3,348	32.20	3,068	170	4.01	3.50	3.92	43.17	48.00	48.00	48.00	48.00	48.00
Las Vegas	48,755	14,725	63,480	2,051	2,051	4,102	72,251	493	493	7,320	52.05	3,300	152	2.79	43.11	43.25	43.39	48.81	50.25	50.25	50.25	50.25	50.25	
Los Angeles	31,205	112,010	143,215	2,768	2,768	5,536	120,495	381	381	3,303	52.78	3,303	62	2.04	40.20	40.70	41.01	47.70	47.70	47.70	47.70	47.70	47.70	
Portland	150,101	136,111	286,212	11,021	11,021	22,042	190,380	635	635	20,133	51.99	8,023	1,402	5.07	44.04	45.78	46.11	45.10	45.10	45.10	45.10	45.10	45.10	
Sacramento	254,564	234,544	489,108	6,000	6,000	12,000	121,600	1,080	1,080	11,117	51.99	11,117	1,010	7.00	54.56	54.60	54.60	54.60	54.60	54.60	54.60	54.60	54.60	
Salt Lake City	244,876	10,011	254,887	3,027	3,027	6,054	175,171	836	836	39,100	42.47	11,045	11,910	1,361	6.74	43.11	43.89	48.19	55.00	55.00	55.00	55.00	55.00	



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Core-Mark – MPG Improvement

- Bottom Three Divisions Commonalities
 - Lowest MPG
 - Highest Accident Ratio
 - Highest Long Idle
 - No Governed Speed
 - No Scorecarding
 - No FUN



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Core-Mark – MPG Improvement

Vehicle	StartDate	EndDate	Obs. Start	Obs. End	Miles	Fuel (gal)	MPG	Moving MPG	Overspeed %	ExcessSpeed %	Over RPM %	Long Idle %	Short Idle %	Long Idle Fuel (gal)	Short Idle Fuel (gal)
102	7/14/2017 4:45	8/14/2017 5:44	63074	68271	1197	228	5.24	6.05	1.50%	0.12%	1.64%	3.34%	28.47%	1.9	28.0
103	7/14/2017 5:28	8/14/2017 7:35	62703	64427	1324	346	4.38	5.66	14.55%	3.39%	3.90%	4.38%	27.72%	3.9	37.5
105	7/14/2017 5:46	8/14/2017 5:32	60825	61367	741	121	6.35	7.01	3.78%	0.29%	2.38%	8.21%	22.31%	4.7	10.1



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MPG Cost Calculator

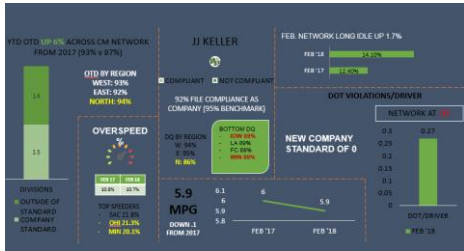
MPG INCREASE CALCULATOR	
ANNUAL MILES	72,218,822
CURRENT MPG	6.2
CURRENT GALLONS	11,649,645
NEW MPG	6.1
NEW GALLONS	11,958,736
FUEL PRICE/GALLON	\$ 2.25
CURRENT FUEL COST	\$ 262,117
NEW FUEL COST	\$ 269,050
FUEL SAVINGS	\$ -6,933
ANNUAL FUEL SAVINGS	\$ -69,330



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Scorecards at Core-Mark




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Scorecarding – The Basics

- Goals – What, Why, How
 - Improvement Focus
 - Safety/Regulatory
 - Attrition
 - Financial
- Benchmark (Start Point)
- Specific KPI's
- Audience
- Frequency : time to make adjustments
- Data Source
- Measuring Improvement Trends to Goals
- Dashboard or SCORECARD



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Reportable Injury Ratio (RIR)

Division	YTD Work Hours	May				YTD Lost Time Days	YTD Lost Time Incidents	%	YTD LTI	YTD FTI	YTD %	18 Vs. 17	
		Recordable Incidents	Recordable Incidents	Lost Time Incidents	Lost Time Incidents								
PA	223,750	10	3	3	0	337	0	23%	2.7	11.6	9.7	6.9	-26%
ATL	133,909	7	1	4	0	53	0	57%	6.0	10.5	4.0	8.8	-16%
MNE	528,701	10	4	10	3	139	52	77%	6.1	7.9	4.4	29.2	-46%
TAM	107,398	3	2	0	0	0	0	0%	0.0	5.6	6.4	2.7	10%
ONE	189,572	5	2	4	2	23	10	60%	4.2	5.3	6.0	4.2	82%
CAR	263,781	7	0	4	0	12	0	57%	2.8	5.0	5.4	31.5	81%
FRIC	186,808	4	3	4	3	23	26	100%	4.2	4.2	8.6	10.6	57%
KY	252,591	4	0	3	0	36	0	75%	2.9	2.9	5.1	5.3	28%
FW	245,421	2	1	1	1	12	11	90%	0.9	1.6	4.0	5.5	91%
FC	166,466	1	1	1	1	11	11	100%	1.0	1.0	2.5	2.3	68%
AAE	12,005	0	0	0	0	0	0	0%	0.0	0.0	3.2	7.8	190%
AANE	3,766	0	0	0	0	0	0	0%	0.0	0.0	n/a	NA	
Total	5,372,599	192	43	67	16	1,392	227	95%	2.2	6.4	6.7	6.8	



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CSA Score May 2018

DOT#	Entity Name	#RIs	#Crashes	ISS Score	ISS mm	General	65%	65%	65%	80%	80%	80%	80%	May 2018		
														Unsafe Driving	Crash Indicator	HOC Compliance
292829	Core-Mark International Inc	664	26	28	Pass	General	8.0%	13.0%	31.0%	21.0%	No HOC	No HOC	CSA 100	APPROVED		
338912	Mester-Weisman Co	26	1	27	Pass	General	7.0%	0.0%	0.0%	0.0%	CSA 100	No HOC	CSA 100	ACCUSED		
429223	Core-Mark Distributors Inc	123	10	35	Pass	General	14.0%	6.0%	20.0%	7.0%	CSA 100	No HOC	CSA 100			
1132727	Core-Mark Continent Inc	694	49	90	Unsafe	General	64.0%	80.0%	62.0%	49.0%	CSA 100	No HOC	CSA 100			

DOT#	Entity Name	#RIs	# Crashes	ISS Score	ISS mm	General	65%	65%	65%	80%	80%	80%	80%	APRIL 2018		
														Unsafe Driving	Crash Indicator	HOC Compliance
292829	Core-Mark International Inc	663	25	28	Pass	General	11.0%	28.0%	29.0%	22.0%	No HOC	No HOC	CSA 100			
338912	Mester-Weisman Co	27	1	26	Pass	General	7.0%	0.0%	0.0%	0.0%	CSA 100	No HOC	CSA 100			
429223	Core-Mark Distributors Inc	127	11	35	Pass	General	17.0%	12.0%	20.0%	34.0%	CSA 100	No HOC	CSA 100			
1132727	Core-Mark Continent Inc	677	48	90	Unsafe	General	39.0%	65.0%	53.0%	51.0%	CSA 100	No HOC	CSA 100			



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Wednesday, October 17, 2018 at 10 AM CST

How to Survive a DOT Audit
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