To be competitive, profitable, and provide a desirable place for drivers to work, carriers’ cultures and fleet management processes must work together to form the backbone of a safe company. The Federal Motor Carrier Safety Administration (FMCSA) prioritizes carriers for interventions based on the violations and crashes that are attributed to them in the Safety Measurement System (SMS). However, it is the Safety Management Cycle (SMC) that FMCSA utilizes to gauge the effectiveness of a carrier’s safety program.

Integrating the Safety Management Cycle into fleet management processes is crucial to maintain a Satisfactory safety rating, which is the best rating possible. The SMC is a six-part model that systematically assesses a company’s safety management practices and identifies the root causes of issues. Such an assessment allows motor carriers to develop or refine their policies and procedures.

This whitepaper will provide guidance on the building blocks of a solid fleet management program, including:

1. Safety management controls (SMCs)
2. The right tools for fleet management
3. Four components of performance management
4. “Must-have” policies
5. Improving retention through coaching, recognition, and rewards

Trusted by transportation professionals across the country, the J. J. Keller® FleetMentor® online service provides the tools needed to effectively manage your operations, personnel and safety programs. Developed by our trusted team of in-house regulatory experts, this comprehensive cloud solution can help you make more informed decisions, stay in compliance, reduce expenses and improve driver retention.
An overview of safety management controls

Safety management controls provide a framework for fleet management as well as a guide for FMCSA to evaluate a carrier’s performance in each of CSA’s seven Behavioral Analysis and Safety Improvement Categories (BASICs). These controls are grounded in common sense — the focus is to ensure that people know what is expected of them as well as when to take corrective action.

The Safety Management Cycle provides a cycle of accountability and requires carriers to meet their “duty to act” to avoid or resolve unsafe conditions. The FMCSA needs to see that you took meaningful action to fix a safety issue and that you have proactive processes to minimize the occurrence of risky behavior. Thoroughly documenting corrective actions and adhering to established processes are also critical to mitigating the impact of litigation and avoiding negligence.

To avoid falling prey to a charge of negligent supervision or worse, a carrier must decide which safety management controls are in greatest need of strengthening. Negligent supervision occurs when a carrier fails to properly identify, coach, and remediate high-risk drivers or office personnel, leading to poor performance — or in the worst case — a crash involving a fatality or injuries.

The FMCSA’s safety management controls are used in safety interventions as an audit checklist in each BASIC during a compliance review and can even be used in a focused audit of one or two BASIC areas. The framework provided by safety management controls is also an effective guide to reducing potential liability.

THE FMCSA’S SAFETY MANAGEMENT CONTROLS ARE AS FOLLOWS:

- **POLICIES AND PROCEDURES** establish guidelines for how motor carriers and their employees should act in specific situations. The policies set expectations of what must be done as well as set standards of performance. Procedures are the details on how to accomplish tasks.

- **ROLES AND RESPONSIBILITIES** document what each safety-related job entails as they relate to successfully reinforcing and following the policies and procedures. New hires and current employees require clear guidance on what is expected of them if you want to find and keep the best match for each role.

- **QUALIFICATION AND HIRING** ensures that due diligence is undertaken to meet company standards each time a person is hired. To build a safe, high-performing fleet, many carriers have driver hiring standards that exceed FMCSA’s minimum qualification standards. Fleet managers, safety and administrative personnel, mechanics, and leadership all participate in maintaining a safe organization, so every member must meet or exceed standards at the time of hire and throughout their tenure.

- **TRAINING AND COMMUNICATION** support new and existing associates’ understanding of policies and procedures and roles and responsibilities. Skill development and knowledge to execute all jobs in a manner that meets or exceeds expectations cannot happen without recurring training.

- **MONITORING AND TRACKING** provides a feedback loop to assess the effectiveness of policies and procedures, and the clarity of job responsibilities. A system must be in place to monitor and track employee performance relative to both federal and company standards. An assessment must be made based on the data collected to determine whether corrective action is required.

- **MEANINGFUL ACTION** is the critical step of correcting or continuously improving employee behavior. This could include refresher training, a rewards program for positive behaviors, as well as disciplinary action up to and including termination in the most severe circumstances. The goal of meaningful action is to improve the fleet’s safety performance and avoid future crashes.

**FleetMentor** has been specifically designed to align with the SMC so you can more effectively manage your operations, personnel and safety programs.

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The right tools for the job

One of the tools of fleet management is an employee handbook that communicates company policy regarding topics such as:

- Job descriptions and role responsibilities
- Dispatch operations
- Vehicle inspections
- Hours-of service and electronic log use
- Company speed limits
- Post-accident requirements
- Open door policy
- Drug and alcohol requirements
- Items that are prohibited in the vehicle

All employees want to know what is expected of them, what is acceptable and what is not, and what will either keep them employed or end their employment. Everyone’s role and the accompanying responsibilities must be well understood by all employees, not just drivers.

A great team results from hiring people with the right qualifications and most importantly — people who share your company values. Setting and maintaining your hiring standards is easy to say, but harder to do when qualified potential employees are scarce. However, the quality of your organization is directly determined by the quality of people you choose to join your team.

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FMCSA stresses that driver qualification processes must be followed precisely as there are several steps with multiple requirements. It is also imperative to ensure that your drivers are always qualified when operating your commercial motor vehicles (CMVs). If you manage this process from spreadsheets or paper only, you may not have enough hours in a day to stay current on every driver. An electronic tickler process or system that allows you to stay on top of every aspect of driver qualification and hiring makes this daunting task very manageable.
Another tool is training. Training can be viewed as a means of communication to get desired results. Effectively leading and motivating a workforce is a responsibility for transportation leaders and dispatchers. These results can best be accomplished when dispatchers can understand their job responsibilities, what the drivers are dealing with, as well as the company and regulatory requirements. Consequently, any training and testing that drivers are exposed to should also be shared with dispatchers and others working with drivers as appropriate. A formal training program with a broad library of topics presented both on a regular basis and as impromptu corrective action is a foundational element of any successful safety program.

For dispatchers, communicating with drivers in a manner that engenders cooperation and reliability can be a challenge. When employees receive regular training, dispatchers are empowered to devise solutions to satisfy business needs and generates more job satisfaction. Drivers want to know that their support team is capable and there to help when needed. Training is essential to building that confidence in everyone on the team. If a carrier relegates most training to on-the-job, trial-by-fire training instead of formal training, it will be a barrier for drivers to be confident in the company and more difficult to optimize driver performance.

FleetMentor offers a variety of best-in-class training modules for both new hires and seasoned employees. In addition, the Discussion Board contains a wealth of useful information from industry peers who often share best practices and safety insights.
Four components of performance management

From the top down, organizations must make safety a core value through clear policies and procedures that define acceptable, safe behaviors and unacceptable, unsafe behaviors, along with the associated consequences for violating these policies. Once you develop and communicate your policies and procedures, drivers and office employees will understand performance boundaries and know better how to drive improvement. Tracking and monitoring behaviors and providing specific corrective feedback or recognition is integral to sustaining performance standards, especially safety-related standards.

To support operations with fleet management systems, electronic logging, and the associated telemetric data, the following actions should be considered:

1. Develop comprehensive safety policies and procedures as a foundation for a structured performance assessment program that can:
   a. Prioritize risky behavior events for timely coaching,
   b. Highlight desirable behavior and provide recognition opportunities, and
   c. Provide a balanced measure of good and bad behaviors to gauge overall driver performance and risk;
2. Define when and how (hands-on, class, online training, etc.) people will be trained, and on which skills;
3. Outline when and to what degree drivers will be disciplined, retrained, and when necessary, terminated; and
4. Outline when and how drivers will be recognized and rewarded for positive behaviors.

A system to integrate these four critical components of performance management is essential to properly administering and sustaining a top-notch performance management program. Again, if you document actions in spreadsheets or on paper, this can be very time consuming, and it is easy to fall behind without an electronic reminder and a repository to document all actions taken. Documentation of timely, relevant coaching and training to improve performance, eliminate unsafe behaviors, and protect your company in the event of a termination or litigation is crucial to protect your company’s brand.

FleetMentor provides an extensive library of policies and procedures to help you create a personalized handbook that’s unique to your business.

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1. SAFETY POLICIES AND PROCEDURES
2. TRAINING
3. RULES AND EXPECTATIONS
4. REWARDS AND RECOGNITION
“Must-have” policies – A closer look

Driver Qualification and Hiring

Anyone needing to review a motor carrier’s operation, such as a DOT investigator, should see formal standards that guide the carrier through the qualifying, interviewing, and hiring process. Even if a background investigation is completed, including drug and alcohol testing information, accident history, and Motor Vehicle Record (MVR) requests, the investigator should see that a quality standard exists, roles and responsibilities are clear, and the hiring process is monitored and tracked.

Drug and Alcohol Testing

Motor carriers with Commercial Driver’s License (CDL) drivers operating CDL vehicles are required to have a policy outlining their alcohol and drug testing program. Most importantly, a negative preemployment drug test must be in hand for each driver and each must also sign a receipt that he or she has received a copy of the drug and alcohol policy before operating your CMV in commerce. The only exception is that a driver may participate in a road test that does not involve activities to support the business, such as hauling a load or dropping off a trailer for maintenance.

Preventative Maintenance

Whether a carrier has its own maintenance technicians or works with a local vendor, it is a best practice to annually review the maintenance program and policies for ways to lower costs, improve the quality of repairs, and increase driver satisfaction. Maintenance program improvements lead to lower CSA scores, greater driver satisfaction, and higher vehicle utilization.

Hours of Service and electronic logs

Hours of service is most carriers’ greatest compliance challenge, so it’s important that your related policies and requirements incorporate thorough new hire training. Make clear that falsification may be grounds for termination — no “high performer” is worth increasing potential liability. It’s also imperative to have a system for tracking violations and falsification trends to focus on meaningful corrective action of unsafe behaviors.

ANNUALLY REVIEWING THE MAINTENANCE PROGRAM AND POLICIES CAN:

- LOWER COSTS
- IMPROVE QUALITY OF REPAIRS
- INCREASE DRIVER SATISFACTION

FleetMentor delivers detailed summaries of state, federal, and Canadian regulations, plain English explanations, best practices, and FAQs to help you stay current on key requirements.

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Improving retention with coaching, recognition, and rewards

Managing a fleet requires many critical compliance and safety-related tasks, however, a stable, productive fleet must be fairly compensated, as well as recognized and rewarded for exceptional performance. Recognition and reward programs, combined with a solid performance management process, can aid in minimizing the unintended turnover of your safest, most dependable, and most productive drivers.

Monitoring and tracking drivers is more effective with risk and performance-based scorecards to avoid overlooking excessive risk because of productivity. On the other hand, scorecards also show when individuals move from unacceptable or marginal performance levels to be “keepers”, which can reduce turnover and decrease potential liability.

Driver scorecards are an integral tool to recognize positive behaviors. Don’t confuse dependability with loyalty, as good performers also need to feel appreciated. The scorecard is a tool to promote friendly competition, reward cost saving and safe behavior, and sustain continuous improvement as a keystone of the company’s culture.

Conclusion

Fleet management is combination of following or exceeding the FMCSA’s rules, investing in the quality of your team, and balancing risk and productivity to drive profitability. Given our litigious society and the persistent shortage of qualified drivers, investing in performance management tools and training resources is imperative. Carriers are expected to efficiently detect and correct unsafe behaviors in their “duty to act.”

The use of safety management controls and the Safety Management Cycle — along with performance management tools — will assist with the execution and administration of your policies and procedures. However, at the end of each day, you can assess your fleet management program with these two questions:

1. Do we have consistent, safety-driven leadership, clear policies and procedures, and the appropriate tools to improve our safety and compliance culture?

2. What could we be doing to better protect our company and the motoring public?
Effectively manage your fleet operations, personnel and safety programs with J. J. Keller’s FleetMentor® online service — a comprehensive cloud solution trusted by thousands of transportation professionals nationwide.

Developed by J. J. Keller’s trusted team of in-house regulatory experts, this must-have resource can help you:

- **Make more informed decisions** with unlimited access to word-for-word regulations, plain English explanations, FAQs, best practices, training materials and interactive management tools.

- **Stay in compliance** by keeping you current on U.S. federal, state, and Canadian regulatory changes. Conduct an FMCSA safety audit, maintain your DOT accident register, track OSHA Form 300 incidents, and set alerts to manage the numerous dates and deadlines requires by various regulatory agencies.

- **Reduce your expenses** to improve your overall profitability. Create better policies and procedures, accurately calculate your cost of operations, manage your insurance coverage, and track your repair costs to make better asset management decisions.

- **Improve driver retention** through better hiring practices. Identify turnover trends to develop competitive pay packages, superior driver retention plans, and driver safety standards to push your operation to the very top.

- **Exchange information** by sharing your ideas, knowledge, and expertise with other transportation professionals or privately post your toughest compliance questions to J. J. Keller industry experts.

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