⇒ SCLERA | eDriving



Combining Digital Transformation with Cultural Excellence to

Reduce Service Team Costs and Improve Efficiency

An Industry Perspective Report brought to you by WBR Insights & eDriving





Contributing Thought Leader



Jim Noble
Senior Vice President
Risk Engineering
eDriving

"I've been associated with eDriving for over 20 years, first as a customer, then as a consultant, and now as a team member. I've worked within the transportation industry for over 40 years in leadership positions, field operations, logistics management, advocacy, driver safety, and global risk management."

What Does a Culture of Excellence Look Like?

"You are trying to improve a problem that many people do not see as a problem. It begins with securing buy-in and commitment at the leadership level."

Jim Noble: In the fleet world, a culture of excellence is about creating a crash-free culture, one where even the slightest incident is considered a performance failure. Every culture of excellence looks a little bit different, but all crash-free cultures have this in common: Safety is at the center of everything that the organization does. It's embedded in your processes. It's part of your strategies. It's a uniform message throughout the organization.



In this report, you'll learn:



What a successful culture of driver excellence looks like



The data and analytics that can be provided by smartphone telematics technologies



How telematics data can be combined with additional driver data for a holistic view of driver performance



How mobile technologies can help maintain employee engagement



The results of Ecolab's 'Vision Zero' mission incorporating smartphone technology and a crash-free culture®



Creating a crash-free culture has a dramatic effect on reducing costs, reducing collisions, improving efficiencies, and most importantly, improving customer service. A field service team that is safe wastes less time due to vehicle repairs or injuries. They succeed in meeting targets and deadlines without compromising safety, customer service, and the value of your brand.

The foundation of a crash-free culture of excellence is employee engagement. The engaged employee is motivated to meet expectations. They show enthusiasm for the company's mission and their own performance. They take coaching as a positive means to grow. Engagement can come from personal traits, but a well-managed company culture is also imperative. You can turn the engaged employee to the dark side of disengagement with disingenuous management.

In this digital age, making everyone in the organization aware of your operational goals, your missions, and your objectives is relatively simple. It can be as easy as starting with an

annual refresher to coach them on policies and expectations. But do not overlook a basic barrier to achieving your endgame of a crash-free culture of excellence: Most drivers think they are great drivers and they accept the risk of driving.

You are trying to improve a problem that many people do not see as a problem. It begins with securing buy-in and commitment at the leadership level and, of course, having relevant policies, support and measurement systems, and processes throughout the organization.

Any good improvement plan includes assessing where you are today, setting expectations, creating a fair performance measurement system, and giving your employees the tools they need to achieve expected results. You also need to create feedback loops and you need to make the whole experience enjoyable — or at least not drudgery.

Living and breathing your cultural values is often overlooked. Yet, this is probably one of the most important parts of a company-wide culture of excellence.

Engagement is Profitable



It is estimated that actively disengaged workers alone cost the U.S. between \$450 billion and \$550 billion per year (Gallup)

Absenteeism is 37% higher among disengaged workers (Harvard Business Review) A culture of employee engagement can lead to up to 18% higher revenue per employee (Gallup)

Companies with highly engaged workers have 70% fewer accidents than companies with poor employee engagement (Gallup)

Both **cultural alignment** and **engagement** have a proven relationship with a company's financial performance. Together, the two forces have a more positive impact on revenue than when working independently (Hewitt)

Using Communication to Address Fleet Risk Performance and Operational Performance

"If you have no intention of providing a safe working environment, don't bother with the platitudes. You've already set yourself up for failure."

Jim Noble: Your number one consideration should be communication. But before you consider the elements of your communication, you need to consider the spirit of your communication.

If you have no intention of providing a safe working environment, don't bother with platitudes. You've already set yourself up for failure. But everyone has different preferences on how they communicate with their employees.

Think about sending communications that address specific risks that are facing your field services team. For example, you could send communications about distraction, fatigue, speeding, or any of the other risks that you've

identified.

You also want to be able to share best practices. Send some tips around holiday time when crashes tend to increase. Send communications before season changes to remind drivers of safe practices, especially around extreme seasons like winter.



Senior leadership endorsement can also be very effective in highlighting and reinforcing strategic imperatives and in urging participation and engagement. Work with your senior leaders or administrative teams to create signed messages to be sent to drivers.

Email regular safety tips to your drivers and encourage them to share them with their families. Including families as much as you can helps demonstrate your commitment to a crash-free culture.

Also, make time to have some informal discussions with your drivers about how they're doing. Ask them about things they may be seeing out in the field that are impediments or barriers to their safe operation. And don't forget to involve employees who are not part of your field service team. You want them to get home safely, too.

One of the things that can bolster your culture of excellence is the use of what we call 'energizers.' These are promotional items that can help engage your drivers and riders. Energizers can be little things. For example, one of the favorite things at eDriving is branded fidget spinners.

Another useful way of living and reinforcing the word about your company's culture is to create an ambassador network within your organization.

Many employees in the ambassador role are being groomed for the next level of supervisors or managers. This can be an important step in that grooming, as it helps them develop their communication skills with their fellow employees. We recommend that you aim for about five percent of your workforce generating this team message with a target of at least one interaction per week.

The ambassador role exists to help influence and change the mindset and behaviors of your drivers. While your ultimate aim may be to increase efficiencies and decrease costs, the ambassador focus should be on reducing injuries, collisions, incidents and motor vehicle record (MVR) violations.

This network can be very useful because it moves and breathes with your organization. It's also very effective because, in most cases, it is peer-to-peer. It's not something being preached at your drivers; it's just a very well-accepted way to keep your message fresh within your driving population.





The Digital Transformation: Using Telematics and Behavioral Data to Further Your Culture of Excellence



"Digital information gives us instant feedback into how our efforts are going to create a crash-free culture of excellence. We no longer have to wait for performance failure."

Jim Noble: In the not too distant past, fleet risk management was done almost completely with lighting indicators and intuition. The digital revolution of installed units, plug and play devices, cameras, and now smartphone apps has dramatically changed our understanding of risk inside the vehicle.

We no longer give our keys to a driver and hope that they drive responsibly. Today, we have deeper insights into our drivers' risk behaviors and how those behaviors are influenced by outside forces.

Digital information gives us instant feedback into how our efforts are going to create a crash-free culture of excellence. We no longer have to wait for performance failure. We're getting instant feedback as to whether we're being effective, or whether we're not.

Traditional risk measures still play an important role in assessing your company's risk portrait. Past collisions, past incidents, call-in observation, and other performance failure measures have their place. License checks and MVR reviews still tell you things about your drivers and your program that you can't get from telematics alone.

But one of the important things that has happened recently is the arrival of continuous monitoring. Now, you can know in almost real-time if your driver has violation activity that's attributed to their license. This has greatly reduced the possibility of the surprise revelation that your driver had a serious violation, like DUI, that you didn't know about until it was too late.





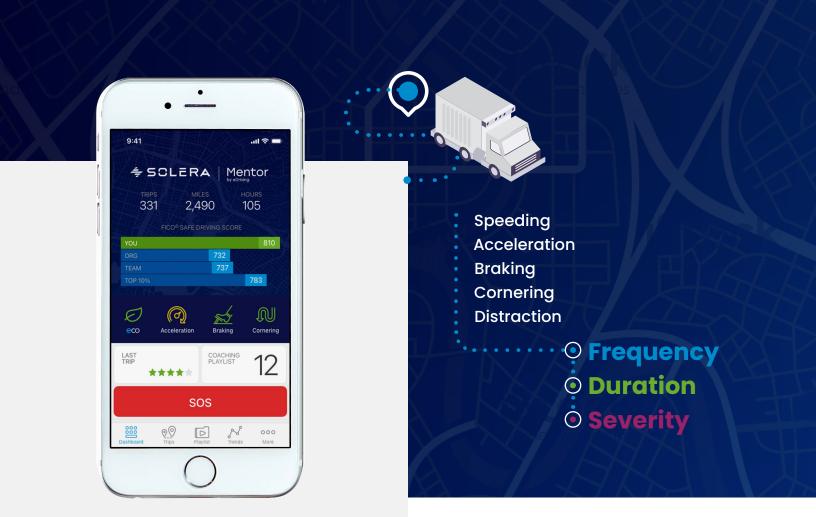






Meanwhile, the behavioral insights that you see on the screen come from what I call "in-vehicle intelligence," which most people refer to as telematics. In addition to risk insights and risk inputs, telematics data can help you build a picture of your field service employees that is almost in real-time.

Telematics give you insights into location, out-of-hours, vehicle use, miles per gallon, idling, seat belt use, and more. That is a great start, but this type of data doesn't necessarily sustain or measure the effectiveness of your company culture. To do this, I recommend using smartphone telematics.



Smartphone-based telematics differs. Rather than being connected to the vehicle, it's connected to the driver. It gives you driver-level information and behavioral insights that are important — data about speeding, acceleration, braking, cornering, and distraction.

Each behavior points to a single or combination of at-risk behaviors, allowing you to apply precise management. Add to that the everexpanding pool of contextual data like road type and weather and you're getting a very clear picture of your organizational risk portrait as well as what it means for furthering your crash-free culture of excellence.

Telematics in smartphone sensors collect and analyze driver behavior, most predictive of collisions, including harsh acceleration, braking, cornering, speeding and phone distraction. How is this data then used? In the case of Mentor by eDrivingSM, it's converted into the FICO® Safe Driving Score by eDriving's partner and analytics industry leader, FICO®. This is an objective, standardized driver score, validated by research, that can predict the likelihood of future collision involvement.

In this environment, drivers can also be prescribed micro-training that is designed to support your organization's culture and help remedy specific risk factors. There's also a gamification feature that helps groups compete for higher scores. They can even send messages to one another, including emojis.

Finally, digital transformation has allowed us to introduce a First Notice of Loss feature (also available as standalone app) that allows drivers to quickly and easily submit documentation and images of a collision to facilitate faster claims processing, thereby reducing total claims costs.

This is presented to the field service leader as a single performance management system. You can see all your information in one place, including telematics, collisions, incidents, and license violations, providing a holistic view of driver risk. Even better, that same system can incorporate not only telematics input, but also lagging indicators like driver assessment results.





Digital transformation For a wider view of risk/ performance

eDriving's Mentor TSP can augment your existing telematics solution:

- Acceleration, braking, cornering, speeding, distraction, smooth maneuver data are combined with idling & fuel efficiency, reversing and seat belt use data
- Wider risk management program can incorporate risk assessment, license violations and collision history
- Smartphone-based technology incorporates micro-training

Of course, none of this technology is worth much if it isn't actionable. We've done a lot of research into the way that employee drivers learn, and we've discovered that employee drivers and field service teams learn no differently than the average modern learner. However, the average learner has changed dramatically over the last couple of years.

Research conducted by Bersin by Deloitte has found that the modern learner is overwhelmed, distracted, and impatient. Most learners won't watch a video longer than four minutes.

But people unlock their smartphones up to about nine times an hour. Workers get

interrupted as frequently as every five minutes, and employees have just one percent of their typical workweek to focus on training and development. Also, people are used to the "YouTube effect." They can learn how to create a pivot table, chop on onion, or change the oil in their vehicle in five minutes or less by watching a video on YouTube.

How do you engage and motivate these people? Interactive micro-training modules that are delivered directly to the driver in-app based on their road performance can help retain their engagement and reiterate your organization's mission.

The Modern Learner

Unlocks their smartphone up to nine times every hour Gets interrupted as often as every five minutes

Has 1% of work week to focus on training & development

Overwhelmed, distracted, impatient

than four minutes

Won't watch videos longer

Research conducted by Bersin by Deloitte



This type of training has less of an impact on schedules, and it can be taken anytime, anywhere, just not while driving.

It's also contextual, as some of the modules are triggered as a result of the behaviors that the driver displays. Providing these training modules on an ongoing basis helps maintain that engagement level over the long term and it provides drivers with refreshers about best practices and how to operate on the road.

You should leverage gamification. Using technology that enables interaction between field service employees can help to engage

and motivate them. Integrating transparency and informality into your program can also help with interactions between your managers and drivers. It takes away some of the formality of performance reviews and drivers not knowing what they're going to be talking about when they get into a coaching situation.

For example, you can set up teams and even award prizes for top performers in safety performance. This helps keep the focus on the mission, and it ensures that everyone feels like they are a part of your culture of excellence.



Founded in 1923

Headquartered in **St. Paul, MN**

49,000+Total Employees

Fortune **500** Company

Serving Customers in 170+
Countries

3 Million
Customer Locations

120Total Manufacturing
Facilities

\$15 Billion
In Annual Sales



...

Proactive

- · Driver screening
- Driver skills
- Adapted to local driving environment

Predictive

- · Who will have an incident?
- How can we change that?
- Technology + Coaching + Training

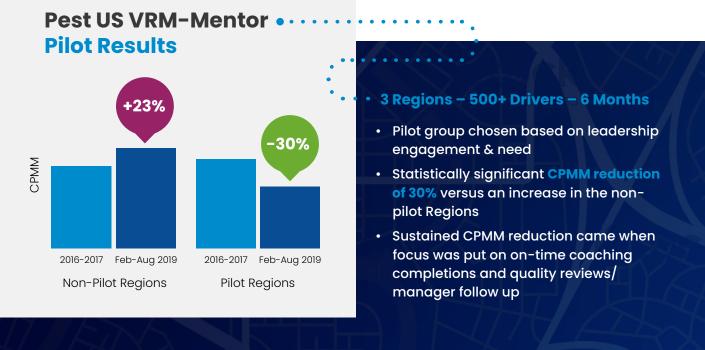
Reactive

- Investigations
- Consequences

Learnings From North America

- Commitment & support necessary for success
 - Business/field leaders
 - SH&E
 - HR
- Consistent program messaging and thoughtful launch planning is critical

- Significant change for the division SH&E leaders; take time to engrain VRM program processes in daily routines
- Coaching is key to success and a significant change for the field organization
- Program compliance must be managed; difficult to "reel in" once out of control





eDriving Recommendations



Define and communicate safety as a strategic imperative.

Use formal communications, informal communications, and employee ambassadors to build a culture of excellence and transparency.



Establish a holistic picture of risk.

Combine traditional measurements of risk with collected telematics data and collisions, incidents, and license violations to get a full understanding of your organization's risk portrait.



Identify and support at-risk drivers.

Use targeted management, coaching, and training to address drivers with higher levels of risk.



Use micro-learning and gamification to provide engaging coaching and training.

Help drivers learn micro-training modules that can be completed during downtime. Use gamification to allow drivers to share their insights through informal peer-to-peer messaging.



Set next steps and use analytics to measure progress.

Start with a pilot and use analytics to measure success. Achieve buyin from executive leadership and establish a crash-free culture of excellence before implementing a roll-out strategy.

About the Authors



⇒ SCLERA | eDriving

eDrivingSM helps organizations to reduce collisions, injuries, license violations and total cost of fleet ownership through a patented driver risk management program.

Mentor by eDrivingSM is a smartphone-based solution that collects and analyzes driver behaviors most predictive of crash risk and helps remediate risky behavior by providing engaging, interactive micro-training modules delivered directly to the driver in the smartphone app. As part of a broader risk management platform, Virtual Risk Manager®, eDriving provides organizations with everything they need to establish safety as a strategic imperative, and support drivers and managers as they strive to create a crash-free culture®.

eDriving is the driver risk management partner of choice for many of the world's largest organizations, supporting over 1,200,000 drivers in 125 countries. Over the past 25 years, eDriving's research-validated programs have been recognized with over 90 awards around the world.

For more information, please visit edriving.com.



WBR Insights is the custom research division of Worldwide Business Research (WBR), the world leader in industry-driven thought-leadership conferences. Our mission is to help inform and educate key stakeholders with research-based whitepapers, webinars, digital summits, and other thought-leadership assets while achieving our clients' strategic goals.

For more information, please visit www.wbrinsights.com

