

# MANAGING YOUR ORGANIZATION'S DRIVING RISK

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## Abstract

Driving motor vehicles is one of the highest risk areas for companies, yet it is often the area most overlooked when developing risk allocation, supervision, education, and training strategies. The following paper will explore key points to consider when developing a comprehensive ground transportation management plan including: defining vehicle use relationships (e.g., personally owned, company owned, leased, rented, borrowed, public transportation), selecting appropriate vehicles, vehicle administration, vehicle maintenance and inspections, vehicle operating procedures and standards, driver screening, selection, training, and vehicle accident reviews.

## SCA Background

The SCA traces its origins back to 1955, when Elizabeth Titus Putnam—then a student at Vassar College—developed her senior thesis around the concept of young volunteers performing natural resource conservation in our nation's parklands. With the support of many, both in and out of the conservation field, Liz and her teammate, Martha Hayne Talbot, placed the first SCA volunteers two years later at Grand Teton and Olympic National Parks.

Today, SCA is a national conservation force of college and high school volunteers who protect our parks and restore our environment. SCA interns and volunteers annually provide more than 1.6 million hours of conservation service at nearly 1000 sites throughout the US. Almost 45 thousand alumni around the world continue to practice the ethics and values they first encountered through SCA.

## SCA's Risk Management Philosophy

SCA is deeply cognizant of the tremendous variety of environments and social conditions in which it works. These range from office settings to mountainous rain forests, from deep remoteness to the inner city. Although SCA cannot eliminate risks that exist in the places we work, it can guarantee constant commitment to learning and practicing safe work habits for its members and staff. SCA is committed to creating the ability to operate safely in each and every one of these environments.

SCA is dedicated to making it possible for every staff member and volunteer to have sufficient knowledge about the risks and hazards of each workplace in order to make appropriate decisions about how they work. We

understand that one of the most important aspects of the SCA experience is staff and members learning how to make informed judgments that affect themselves and their team. SCA strives to continually improve the ability of staff and members to make good decisions regarding risk and safety.

SCA believes that through solidly performing enabling safety systems, continuing education, training, and fostering a safety climate and culture that focuses on identifying and managing hazardous situations, accidents, injuries and incidents are preventable. SCA's goal is no accidents, no injuries, and no incidents. The reason for this seemingly unreachable goal is to continually create more effective ways of operating intelligently and effectively in environments that contain hazards and risk. SCA seeks to empower staff and members with the ability to make decisions that allow them to be successful when operating in these environments without personal or organizational loss.

## Introduction

Through personal experience, anecdotal evidence and as confirmed by the 2001 St. Paul risk management study entitled *Rocky Terrain: A look at the risks in the outdoor adventure industry*, transportation safety is of great concern to outdoor programs across the industry. In our own personal lives, driving is one of the most dangerous activities that we do on a daily basis. Domestically, there are over six million motor vehicle crashes each year with nearly fifty thousand fatalities. Think about it. Fifty thousand people—a stadium filled with people—very sobering indeed. With less than “seven degrees of separation,” every one of us has been impacted by a motor vehicle accident. Likewise, our programs are not isolated from the reality of motor vehicles accidents and we need to manage this risk with great care and diligence.

This paper will build on two fundamental underlying goals. First, how do we “safely” transport people to where they need to go and reduce the likelihood of an accident? Secondly, how can we protect our staff, members and organization in the event that we experience a vehicle accident?

Before exploring this topic in more depth, I think that it's prudent to examine if vehicles are really needed at all. At first glance, this may sound a bit silly but I think that it is a reasonable first question to ask whenever we develop processes and procedures. Do we [our company] need to drive vehicles at all? One of the truisms of life is

that when we engage in one task, we have a tendency to be swept into a pattern of needing to complete other tasks because of cause and effect relationships. To extend this concept to vehicles, by designing our programs in certain locations, we have to drive. Because we need to drive, we need to screen, select and train drivers. By owning vehicles, we have to register them, have them inspected, maintain them, and insure them and so forth and so on. Instead of figuring out how to manage vehicles and drivers, we should first ask the question, are there ways to conduct our business so that we do not need to manage vehicles at all, or at least, as little as possible?

### **Vehicle Ownership Relationships**

There are several vehicle ownership relationships that may be utilized including: personally owned, company owned, borrowed or loaned, public transportation, chartered, leased, or rented. All of these vehicle relationships have their upsides and downsides.

#### *Personally Owned Vehicles*

People are most comfortable in their own vehicle. Drivers are familiar with its size, weight, and handling characteristics. Because of this, they may also have some level of complacency when behind the wheel, operating the vehicle in an “auto pilot mindset.” Companies should ensure that they have non-hired, non-owned vehicle insurance coverage and since vehicle insurance primarily follows the vehicle, you may wish to require certain levels of personal coverage on that vehicle. It is important to note that if an employee is driving on behalf of your organization, they should be held to the same stringent selection, training and operational standards regardless of what vehicle they are driving.

#### *Company Owned Vehicles*

People have a tendency to treat company vehicles (or any vehicle other than their own) with less care than their own vehicle. This may be influenced by their lack of financial responsibility for the vehicle. Company owned vehicles are pretty straightforward in terms of insurance coverage.

#### *Borrowed or Loaned*

Companies often have opportunities to use other organizations’ vehicles. It must be clearly documented in a written agreement who assumes liability for physical damage or injuries that may occur. If your company maintains liability, you should confirm that you have non-hired, non-owned vehicle insurance coverage.

#### *Chartered*

An option that is often overlooked is hiring or chartering a vehicle. Selecting companies of high repute is very important. Chartering a vehicle is a way to reallocate organizational liability to a transportation company that employs professional drivers.

### *Public Transportation*

“Leave the driving to us.” Although the term Greyhound may conjure up some disturbing images and situations (some of the most frightening places in the world I have ever been are U.S. bus stations), organizations should consider whether starting and ending programs from a public transportation system is a reasonable solution to their transportation needs. Many urban and even front-country programs may be within walking distance from a subway, “metro” train, or bus station. In parent and member agreements, organizations should ensure that supervision of minors is clearly the responsibility of parents while en route to your program on public transportation.

#### *Rented Vehicles*

Rented vehicles are typically secured through companies like Hertz, Avis, Budget. The rental company maintains the vehicles although renters should be aware that these vehicles might not be maintained at an extremely high level, tires can often be an issue. Rental companies often carry over the counter insurance options for collision and liability. By allocating the cost of repairs to a rental company on individual rental agreement (provided that you do not have a corporate agreement) you may be able to keep some of your accident experience off your primary insurance.

#### *Leased Vehicles*

Leased vehicles are secured from a leasing company like Automotive Rentals Incorporated (ARI). Many rental companies offer leasing options as well. Leasing companies develop maintenance schedules and may offer insurance options. Many leasing companies also allow you to custom order your vehicles directly from the manufacturer. The vehicles are then delivered through a local dealership.

### **Vehicle Use and Selection**

One of the first considerations when selecting an appropriate vehicle use relationship is the nature of the activity that you are conducting. Are you using the vehicle to travel back and forth to the local Staples, to conduct airport transportation, along a dirt road for a trailhead drop-off or full-on four-wheel drive access to remote off-road locations?

Often when reviewers visit programs in the field, the vehicles being used are not the most appropriate. During the vehicle acquisition process, many have been influenced to choose a vehicle because of extraneous factors including price and availability. Often times, vehicles are included in a fleet because of popularity rather than fuel economy, trendy and cool SUVs rather than a vehicle with a lower rollover propensity, a bargain price rather than utility or safety. I have often heard the phrase that “it’s too expensive.” With great understanding of budgetary realities, how much is safety worth to your company? The expense of one major accident alone—not to mention the

impact on future insurability—will far exceed any cost savings achieved by selecting an inappropriate vehicle.

Often not considered when selecting a vehicle, is how a company can operate in a way that will reduce our footprint on our earth and tread lightly on the land. With gas prices soaring and emissions clearly having an impact on our environment, should we begin to select our vehicles accordingly? Will the gasoline cost savings incurred by selecting a more environmentally friendly vehicle outweigh the higher purchase, rental, or lease price? It is important that our industry walks our talk and applies our Leave No Trace ethics to all areas of our operations not just the “in the field” experiences.

### Driver Selection

If companies choose to allow participants or staff drive, it is imperative to have a multi-faceted strategy for ensuring that the people behind the wheel are driving in a safe and prudent manner. The first step is developing an appropriate screening and selection criteria for your drivers. This includes establishing an appropriate driver license level (e.g., Class B) and assessing the driver's motor vehicle record history.

Many companies out in the market provide motor vehicle record services (e.g., HRPlus). They gather records by accessing different national, state, and local databases but it is up to your company to access the information that they send to you. The criteria for assessing records includes categories of offenses (e.g., moving violations, accidents), number of offenses and a list of “cardinal sins” that would automatically disqualify a driver.

The following is an example of seven cardinal offenses:

- Vehicular homicide, manslaughter or assault arising out of the use of a vehicle
- Driving while impaired
- Reckless driving/speeding contest
- Failure to stop/report an accident
- Making a false accident report
- Driving while license is suspended/revoked
- Attempting to elude a police officer

### Driver Education and Training

How do you motivate people to change their driving behavior? How do you influence drivers to accept less risk when driving for your organization than they would in their personal lives? Driving is an activity that most people have little or no ability to assess their own skill level. Think about it, when behind the wheel we drive with the attitude that “everyone else is the idiot.” We are all great drivers, right? This is obviously not the case and needs to be the focus of training and educational efforts to increase driver awareness and influence their behind-the-wheel behavior.

There are two fundamental approaches to encourage driving behavior to change: driver education and driver training. Driver education is an awareness-based approach that seeks to change behavior through education. This can be done by educating drivers about the impact that accidents have on lives (e.g., accident pictures, accident statistics), your organization's ability to complete their mission, and the societal costs.

Driver training increases driving skill through behind the wheel training and practice. Typically, this approach is not implemented as a stand-alone solution, but rather this approach is integrated with driver education initiatives. Increasing a driver's comfort while increasing their skill level could potentially influence driver's to accept more driving risk rather than less, therefore it is important to integrate driver education strategies with any behind the wheel skill development.

Some training modules to consider for your driver education and training program:

- Classroom based awareness education
- Behind the Wheel Practice (“getting a feel behind the wheel”)
- Driver and Spotter Practice
- Pulling and backing Trailers
- Off road driving/4-wheel drive
- City and Highway Driving

### Keeping Safety Messages Fresh

One of the most powerful techniques that clearly changes driver behavior is placing crashed cars in front of a local high school. This approach has a measurable and profound impact throughout a community although it is very short lived with accident rates returning to the same level within months. So how do we keep safety messages fresh so that old habits and complacent driving do not return?

Vehicle safety needs to be a regular, consistent part of every manager's check-in procedures. This can be done daily, weekly or whatever timeframe works best for your company. Many companies place safety messages on vehicles, on key chains, and on dashboard stickers. The messages are used to help reinforce key points from training and keep safety fresh and in the forefront of driver's minds as they operate their vehicle.

### Vehicle Maintenance and Inspections

Each vehicle should be serviced on a regular basis and have a retirement plan. It is not uncommon for companies to retire a vehicle after exceeding a predetermined number of miles or timeframe (e.g., 3 year, 75 thousand miles). All major servicing should be completed by a professional, certified mechanic and documented by staff.

All drivers should be trained to conduct a routine “pre-

flight” check of their vehicle. The pre-flight check would examine basic vehicle safety items such as lights and turn signals, fluid levels, and tire wear. Again, the inspection should be documented by staff in a designated vehicle log.

### Vehicle Operating Procedures

A thoughtful and detailed set of policies and expectations are critical for driver and passenger safety. Some areas to consider may include driver eligibility, operational expectations, safe transportation of people, safe transportation of equipment, and driver accountability.

### Vehicle Accident Reviews

Unfortunately, vehicle accidents can and do happen. Hopefully through education and well-developed defensive driving habits, accidents can be reduced and severe accidents can be eliminated. A sign of a healthy organization is one in which information from past accidents can be fed forward into a proactive training and communication loop. One way to accomplish this is through a systematic review of all vehicle accidents regardless of severity level. As with all internal reviews, vehicle accident reviews are fact-finding inquiries to determine the what, how, and why so that we can prevent accidents from occurring in the future. The information from these reviews can be used to implement immediate corrective actions and fed forward into future training and educational initiatives.

The following are some suggested standards:

- All vehicle accidents will be reviewed
- A review committee consisting of the driver’s supervisor and appropriate senior level management will examine the accident
- Reviews shall be coordinated by the driver’s direct supervisor

- Until examined by the review committee, the involved driver may not continue to drive under the following circumstances:

- a. The vehicle is not drivable
- b. There was a citation given to a driver
- c. An injury occurred
- d. At the discretion of the driver’s supervisor

### Recapitulation

Ground transportation is an area that needs diligent, focused attention to “safely” transport people to where they need to go while reducing the likelihood of an accident. Secondly but equally important, is to have the ability to effectively respond to protect our staff, participants, and our organizations should a vehicle accident occur. By first understanding our risk areas, we can then begin to develop strategies to manage our vehicle transportation risk.

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