

WHITE PAPER:

# Driver Monitoring: Myth vs. Reality



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# Busting Three Common Driver Risk Management Myths that Could Put Your Business at Risk

Despite what the myriad of industry experts might tell you, driver monitoring programs and technologies are not all created equal. In fact, this overused term varies widely not only in its definition but also in its interpretation.

To complicate the picture, many service and solution providers claiming to “monitor” drivers really only address one element of driver monitoring.

The space between the myths and realities of comprehensive driver monitoring can make a huge impact on your business’ exposure to risk, litigation and insurance premium costs.

But what is true driver monitoring and how can you utilize it to make your drivers and communities safer? And what are some of the most common myths that put businesses at the highest degree of risk?

Before we explore the three most common myths of driver monitoring, it’s important to understand why driver monitoring is critical — and what it truly means to monitor drivers.

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# Setting The Stage: Comprehensive Driver Monitoring is a Company Imperative

Accurately understanding the behavior of employees who drive as part of their job — whether it's a commercial driver, field personnel or staff personnel — really comes down to three critical questions:

- **Do you know the driving record of the employees who are driving on your company's behalf right now?**
- **What do you know about their driving behaviors when they are not working?**
- **How frequently are you reviewing their driving records to understand their current safety profile? Depending on your answers, you could be exposing your business to potentially millions of dollars in lost revenue, substantial legal costs, higher insurance premiums and increased overall risk.**

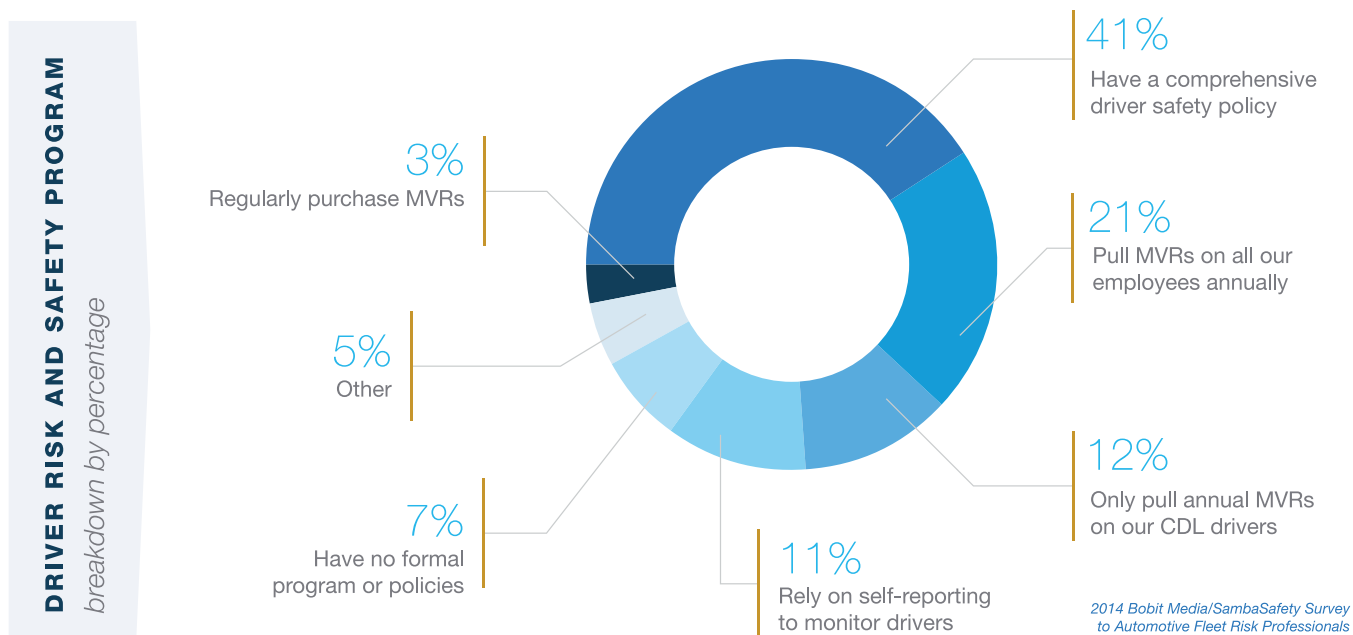
Knowing the performance of each employee who drives on the job is only one part of the equation — taking action to correct risky driver behavior is just as critical.

In light of all the technology and data available today, companies cannot use the excuse that they weren't aware of a driver's safety record.

But in order to truly know and act, businesses must be able to confront their own misconceptions about what effective driver monitoring really entails.

Let's explore the three most common myths in greater detail with a singular focus: eliminating their potential to threaten your business with unnecessary and avoidable risk.

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## Myth #1: “Background checks, public records and license status checks upon hire gives me the information I need about the safety of my drivers.”

**Reality check:** This information is critical to a comprehensive view of a driver’s performance, but it doesn’t tell the whole story.

There is more public information available about a driver’s performance than ever before. But taken carte blanche or interpreted in silos is risky business.

For example, the Fair Credit Reporting Act (FCRA) requires that data used to take adverse action on an individual (including reprimands, suspensions and termination) must be the most up-to-date and accurate available. Because public records include cases that are in progress and have varied data availability amongst different jurisdictions, court records alone don’t meet this standard.

What’s also missing from violation data is other important information, such as expirations, endorsements and actions, which may not be part of the public record.





That's why a comprehensive driver monitoring program should collect violation data in addition to a variety of other data to provide a complete picture of an employee's driving record.

And while checking to ensure that an employee has a valid driver's license is a critical first step in driver monitoring, it is only that — a critical first step. Why?

Because license status doesn't provide any information about the driver's behavior and includes no detail about specific violations or actions that lead to the invalid status. In addition, the reasons for an invalid driver's license differ from state to state. For example, in some states, non-moving violations can result in a driver's license to be suspended, such as a failure to pay child support. This information alone does not shed any light on an employees' driving history.

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## Myth #2: “If I pull Motor Vehicle Records once or twice a year, it’s enough.”

**Reality check:** What happens between MVR checks could make a huge impact on your business’ liability — and the safety of your fleet and community.

Pulling Motor Vehicle Records (MVRs) once a year for commercial drivers is required by the U.S. Department of Transportation.

While this helps you meet regulatory requirements, it only captures a snapshot in time of a driver’s performance. What about the other 364 days in the year the driver was on the road?

**“The reality is that anything less than a monthly review of your drivers/employees’ driving behavior creates a blind spot in what you know about your drivers — and when you know it.”**

Consider this example: an employee driving your delivery truck was involved in accident. A passenger in the other vehicle sustained serious injuries. The victim’s insurance company later sues for damages — including pain and suffering. As part of the lawsuit, the victim’s lawyers investigate your employee’s driving records and turns up information you didn’t know: your employee had recently been in two minor accidents and a pre-adjudicated DUI.

The reality is that anything less than a monthly review of your drivers/employees’ driving behavior creates a blind spot in what you know about your drivers — and when you know it. Unfortunately, with state fees averaging around \$9 per MVR, scheduled MVR buys can have a real financial impact on your company — not to mention the time and effort it takes to collect, sort and review MVRs.

The good news is that monthly frequency is easy and cost-effective for your business. New technologies enable you to check drivers’ MVRs every month for changes without buying an MVR. If activity is found, only then is an MVR is automatically purchased.

“Telematics and GPS does not give you the full picture of a driver’s safety record.”

### **Myth #3: “Telematics and GPS data provides all the monitoring information I need.”**

**Reality check:** Telematics and GPS does not give you the full picture of a driver’s safety record.

The benefits of telematics and GPS data from commercial vehicles are widely documented.

Company vehicles can use the information generated by these systems to lower fuel costs, more effectively route drivers to their destinations and pinpoint issues in the field that result in added miles on routes. And of course, telematics and GPS can spot an unsafe employee driver on the road.

While this information is invaluable, it does not give your business the whole picture of a driver’s performance. Telematics and GPS will not tell you, for example, about behavior during an employee’s non-working hours or in personal vehicles. If you rely solely on these technologies, you will not know when a driver is arrested for a DUI, is ticketed for a traffic violation or is involved in an accident after hours.

Why is it important to understand an employees’ driver performance during non-working hours? Statistics show that the majority of accidents occur between 6 p.m. and 3 a.m. — when the majority of employees are not working.



# The Best Practices for Comprehensive Driver Monitoring

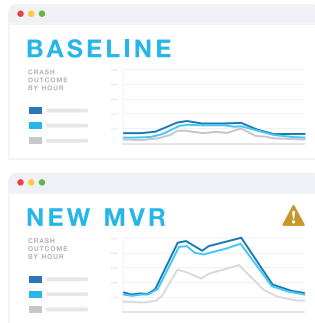
Violation and license data, background checks, accident details, bumper sticker programs, telematics information and Motor Vehicle Records (MVRs) are all part of an integrated approach to monitoring driver safety — but by themselves they give an incomplete picture of driver risk.

Business owners today have access to an unprecedented amount of data about their employees who drive on the job. The trick is to connect the dots between numerous records and information to create a comprehensive view of a driver's record — and monitor their behavior over time.

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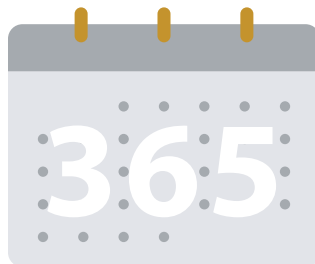


## THE MOST COMPREHENSIVE DRIVER MONITORING PROGRAMS INCLUDE FOUR KEY COMPONENTS:



### 1 | Establish a baseline.

Monitoring must start with a complete and accurate baseline providing an official three-year driver history, which can only be provided by an official state MVR. All future monitoring activities will be compared to this baseline.



### 2 | Monitor frequently.

At the very least, drivers must be monitored monthly. Many things happen in 30 days, let alone 365. Any frequency less than monthly creates potential gaps in coverage, leading to potential problems and increasing the risk of negligent entrustment.



### 3 | Expand your depth and breadth of coverage.

Monitoring must be applied to all employees in all geographic locations — and that includes employees driving personal vehicles while on the job. Monitoring must also take multiple data sources in to account to create a composite view of driver behavior beyond just the MVR.



### 4 | Take action.

Insight into a driver's behavior provides you with the ability to take corrective action including enrollment into a driver training program — and that not only reduces your risks but makes your drivers safer.

“Costs aside,  
understanding the  
performance of  
employees who drive  
as part of their jobs  
is the right thing to  
do. It creates safer  
businesses and safer  
employees, and in  
turn, it builds safer  
communities.”



Since 1998, SambaSafety® has been the pioneer and leading provider of driver risk management software in North America. Our mission is to guide our customers including employers, fleet managers and insurance providers to make the right decision at the right time. By collecting, correlating and analyzing motor vehicle records (MVRs) and other data sources, we identify driver risk and enable our customers to modify their drivers' behavior, reduce accidents, ensure compliance, and lower costs — ultimately improving driver and community safety.

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