

## PARTNERSHIP PROGRAM

# Discussion Paper: The Power of Incentives in Improving Workplace Road Safety

## Introduction

### Workplace Road Safety Incentives what do they mean?

Incentives differ from traditional rewards because benefits are conditional on employees' future safe driving practices, rather than previous practices. Studies consistently show humans respond best to positive reinforcement.

**15%** of national road deaths in Australia are work-related road incidents  
(Newton et al., 2013)



**50%** of work fatalities in Australia are road incidents  
(Newton et al., 2013)



On average, company drivers travel more than **twice the annual distance** of private drivers and have about **50%** more incidents  
(National Road Safety Strategy, 2016)



Fleet vehicle insurance claims are estimated to be **4-15** times higher than average direct repair  
(Fleet Safety Solutions, 2013)



Organisations are accountable for providing a safe working environment under the [Work Health and Safety Act 2011](#). The Act says a workplace is any place where work is carried out for a business or undertaking and includes any place where a worker goes or is likely to be while at work, including vehicles and other mobile structures. This means the roads and vehicles are a workplace when employees are on duty. The term commonly used is workplace road safety.

Workplace road safety is a prime concern when operating a fleet of vehicles, or relying on employees to operate vehicles, within an organisation. When incidents or crashes occur, employees are at risk of injury and the organisation is at risk of substantial costs, which can include a loss of productivity; the potential for liability; damage to the organisation's reputation; and expensive insurance claims. Keeping employees, and the public, safe on the roads is a key responsibility of any organisation. One effective way to improve workplace road safety, and motivate behavioural change towards safer driving practices, is to incorporate incentives in safe driving initiatives. This is where a driver's driving practices are monitored, using various technologies, and those drivers with excellent driving records are recognised and/or rewarded.

Incentives differ from traditional rewards because the benefits are conditional on employees' future safe driving practices, not previous driving practices. This paper looks at why incentives can work, current incentives schemes used in the real world, and challenges and considerations in using and implementing them.

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### **Motivating Behavioural Change**

*“This is where incentives can come into play. Incentives provide a means for employee recognition. Positive reinforcement has been the most widely used component of behaviour modification”*

As humans, we are motivated to satisfy a hierarchy of five basic needs. Tanner (2016) has assigned meaning to these universal needs based on motivating employees in the workplace:

1. Physiological needs are associated with survival – in the workplace, this includes a stable salary and stable employment.
2. Security needs refer to a stable physical and emotional environment – this includes benefits, pensions, safe working environment, and fair work practices in the workplace.
3. ‘Belongingness’ needs refer to social acceptance – so in the workplace this includes friendship or cooperation on the job.
4. Esteem needs are about positive self-image, respect and recognition – job titles, working spaces, prestigious job assignments and recognition for efforts.
5. Self-actualisation needs are associated with achievement – in the workplace this can be workplace autonomy, challenging work, expert subject matter or reaching a level of achievement for the work undertaken.

When it comes to workplace road safety, Maslow’s In workplace road safety, the Hierarchy of Needs is taken a step further and applied to motivate behavioural change towards safer driving practices.

Security needs, for example, can be met by implementing a safe driving program that goes above and beyond compliance to provide employees with a safe working environment. ‘Belongingness’ needs can be met by providing ongoing communication between managers and employees so that employees feel their concerns are being heard.

Humans seek the respect and recognition of others, so esteem needs are tied to an employee’s image of themselves. This is where incentives can come into play. Incentives provide a means for employee recognition. Positive reinforcement has been the most widely used component of behaviour modification, and reinforcing safe acts is presumed to have many advantages. It removes the unwanted side effects associated with discipline and disincentives, increases employees’ job satisfaction, enhances the relationship between employers and employees, increases the probability of safe behaviour, and is more direct than punishment in its effects.

This recognition is then transferred into satisfying self-actualisation needs, which translates to employees striving to be the best they can be when it comes to safety. This means changing driving practices to be more in line with industry-leading safety practices. Using incentives to endorse esteem needs within employees generates motivation to create behavioural change.

*“Enforcement should always be a weapon in the compliance armoury, but it should not be the first or only weapon” (McIntyre and Moore, 2002)*

Enforcement focuses a response towards actual or suspected breaches of the law or organisation policy, so this is of limited effectiveness. Gratifying and recognising effort is more likely to reap better compliance outcomes than punishment and enforcement because it is founded on a positive principle that attracts industry participation in achieving compliance and drives motivation towards desired behaviours.

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### Incentives within Driver Safety Programs

#### Benefits of Incentives

The NRSPP and Accident Compensation Corporation (ACC)'s guide to applying road safety within a workplace outlines the following benefits of increased workplace road safety:

- Reduction in the number of actual and potential road traffic crashes and injuries
- Reduced sickness and injury absence
- Retained corporate knowledge, less reliance on the use of temporary staff
- Reduced risk of being sued for negligence
- Reduced repair bills
- Reduction in volume and value of insurance claims and costs
- Improved social responsibility credentials and corporate image
- Increased customer confidence
- Tendering advantages, and
- Increased staff morale.

#### Elements of Incentives

The way humans behave are the most important predictor of a driver's safety practices, but motivational and incentive factors can be greatly influential in maintaining workplace road safety. There is substantial experimental and other evidence to suggest that incentive programs improve workplace road safety. The benefits resulting from an incentives program are conditional on future safe driving behaviours whereas in a traditional rewards program, they are conditional on previous safe driving practices.

So, rather than using 'reward' in the traditional sense, it is better used to refer to a positive consequence that has the intention of providing a desired change in behaviour. In other words, incentives are used to motivate employees towards a change in behaviour rather than expecting a reward based on a preferred behaviour.

There is evidence to suggest that good drivers who are given a reward for being incident free show either no improvements in driving practices or a decline in safe driving behaviour, and relying on rewards to boost workplace road safety doesn't address the underlying problems causing incidents. Simply rewarding employees to 'be safer' or 'not get injured' doesn't address the cause because employees are unaware of what behaviours they need to change.

*Providing incentives based on what the organisation defines as good driving behaviours is more effective as it motivates, recognises and then rewards safe behaviours.*

The three main types of incentives that have been proven to help promote a safety culture are recognition, tangible rewards and monetary benefits.

Recognition is something many people like to receive, so recognition among peers and seniors can be used as an incentive to promote safer driving practices within a fleet.

Tangible rewards allow fleet drivers to publicly display their achievements in safe driving. Tangible rewards can be letters of commendation, plaques, trophies, prizes form catalogues or permitting drivers to upgrade the model of their vehicle or equipment.

Monetary benefits can be in the form of a cheque, reduced personal use charges, or anything else that provides more kept income to the driver. These monetary benefits can be self-funded from the savings made due to safer driving practices.

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The Monash University Accident Research Centre (MUARC) identified a range of factors as the elements to consider for a functioning incentives program, including:

- The extent of incident free performance (either measured by time or kilometres)
- Whether there is a contingency or an all-or-nothing approach, or whether the incentive is proportional to the actual reduction in incidents
- Whether there is a group or an individual contingency
- Whether the incentive is extended straight away or in an indirect form, notably as a ticket in a lottery that may win an even larger incentive.

There is increasing evidence in the field of economics that suggests the effects of incentives depend on such factors as how they are designed, the form in which they are given, how they interact with intrinsic and social motivations, and what happens when they are withdrawn. Economists often emphasise that incentives matter because the basic law of behaviour is that higher incentives lead to more effort and a higher performance.

### **Benefits of Incentives**

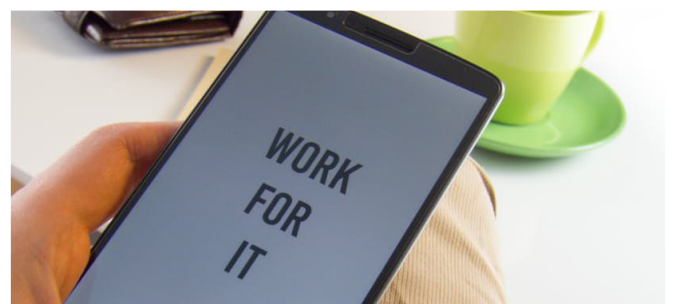
Incentive programs can boost performance in a task substantially, but only if selected, implemented and monitored carefully. Research shows that organisations which have already invested in road safety initiatives consider that these efforts have resulted in an improved safety culture and outcomes and lower operating costs. Through consultation with key stakeholders and key road-safety personal within differing organisations across Australia, the NRSPP has developed a matrix of different incentives programs currently used in practice, including the benefits and outcomes from each specific case study (see pop-out box, Table 1 and Appendix 1).

### **Designing Incentives**

Incentives programs that provide rewards are only effective when the reward is viewed as something of value to the employee (not something management thinks is of value to the employee). Organisations should have open lines of communication with employees during the development of an incentives program to determine what employees believe is a valuable and fair reward for their efforts. Motivation provided by monetary incentives can give the employee a goal to achieve, whereas incentivising by recognition can lead to a sense of self-empowerment. Thus, all tangible rewards programs should also include an element of recognition.

Incentive programs are most effective when the timeframe of expected outcome is short. The power of incentive programs to improve workplace road safety and prevent road incidents will increase once incentives have started to be earned. Once esteem needs have been met through recognition, self-actualisation needs can be met by an employee striving to be the best they can be. The most effective incentives programs are likely to include an incentive that is proportional to the actual reduction in incident rates achieved, a group contingency rather than individual, and a large incentive awarded to a small number of drivers (selected by lottery) rather than a small incentive given to all eligible drivers.

Care should be taken when designing an incentives program to prevent adverse change to attitudes, social norms, image concerns and trust. Incentives programs should be tailored to the types of vehicles used, the types of uses, and the role driving plays in the employment of different employees.



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### Types of Incentives Programs Used in Practice

Table 1: Real world incentive programs (see full details in Appendix 1)

Recognition	Tangible Rewards	Monetary Benefits	Disincentives	Measurable Results
<ul style="list-style-type: none"> <li>○ Certificates of acknowledgement</li> <li>○ Engagement between drivers and managers</li> <li>○ Hearing drivers concerns through near-miss reporting follow-ups</li> <li>○ Talking to drivers in the yard can highlight key issues</li> <li>○ Engaging drivers in risk management decisions by obtaining their feedback</li> </ul>	<ul style="list-style-type: none"> <li>○ Drivers who excel are considered for higher positions or promoted to the managerial team.</li> <li>○ Rewards increase overtime, e.g. from movie tickets to dinner vouchers, etc.</li> <li>○ Some voucher schemes have proven ineffective</li> </ul>	<ul style="list-style-type: none"> <li>○ 5% remuneration when employee reaches next level</li> <li>○ Bonuses paid to top performing group of drivers, not individuals</li> <li>○ Incentivise senior management to reduce workplace injuries and improve safety</li> </ul>	<ul style="list-style-type: none"> <li>○ A standardised demerit point system</li> <li>○ Using a risk matrix to determine if drivers are reckless</li> <li>○ Demotion if drivers fail to meet safe driving requirements</li> <li>○ In-ability to drive for work until deemed a safe driver after an at-fault incident.</li> <li>○ Drivers can comply with safety requirements or they are not the right fit for the organisation</li> </ul>	<ul style="list-style-type: none"> <li>○ Insurance premium costs per vehicle significantly reduced</li> <li>○ Claims frequency dropped</li> <li>○ Reductions in average cost of insurance claims</li> <li>○ Increased productivity</li> <li>○ Reduced maintenance costs</li> <li>○ Reduction in lost-time injuries</li> <li>○ Reduction in the number of driving exceptions</li> </ul>

### Implementation, Challenges and Considerations

#### The Road to Success

- Be clear and consistent in implementing a safe driving program
- Good participation from the workforce
- Get management buy-in
- Be proactive in addressing issues
- Get the culture right within the organisation
- Use near-miss reporting to manage risks
- Act on employee feedback and address concerns (where possible)
- Make safety front of mind, guard against complacency



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### ***The Counter View***

Some people suggest using incentives or rewards can backfire because extrinsic incentives may crowd intrinsic motivations that are important in producing desired behaviour. Some industry experts believe that once the incentive towards the task is removed, incentives can result in the permanent reduction of motivation to perform a task.

Others believe that incentivising compliance means the organisation is aiming only for compliance, and compliance sets the bar too low. This opinion sees compliance not as an objective but as an outcome of a wider reaching road safety strategy.

Just because a behaviour is legal and compliant doesn't necessarily make it safe. Safety maturity and communication are pivotal in motivating employees to strive for much higher than the legal level of compliance. As trained professionals, fleet drivers need to know what good safety practices for their specified field are. Just having a driver's licence is not enough; work should be done to create a positive attitude within an organisation towards what constitutes safe driving to get employees to adopt these practices.

When incident reporting is incentivised, companies have seen an increase in reporting, resulting in short-term benefits towards safety. Although, in some cases, incident reporting and safety checks then became a 'tick-the-box' exercise, where employees only adhere to the minimum requirement to receive the incentive, rather than complying with the policies to protect their safety. Some organisational representatives believe safety should be a job requirement and not incentivised at all. This is where consideration of recruitment is necessary.

If a safety induction can be undertaken during recruitment, incoming employees understand that the safety culture of the organisation is a pivotal element of their job, and that non-compliance means they aren't the right fit for the company.

Another factor to consider is whether safe driving incentives programs can, in turn, discourage reporting of injuries and incidents caused during work-related driving. This is a view taken by some organisations who believe incentives can make the numbers look good on paper but people will continue to get hurt as incidents will go unreported, completely compromising safety.

An incentive (or disincentive) program recognises the good and bad driving performance of employees within a safe driving program. Corporate fleet managers often refer to the 'carrot and stick' approach to encouraging safer driving practices and increasing workplace road safety. The reactionary stick uses discipline and disincentives to correct unsafe driving practices; the precautionary carrot approach uses safety training and encouragement to motivate drivers to improve their driving practices.



Some believe incentives should be used in conjunction with disincentives, and others believe an incentives system alone provides much more beneficial long term results and influences a positive, safe, driving culture. The two can be used simultaneously. A system of incentives promotes safe driving practices that can be reinforced by penalties or disincentives for non-adherence.

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### **Employee Engagement and Opposition**

It is important to build a mechanism into incentive programs that allows for employee feedback. This allows any issues with the program to be addressed, and employees feel their opinions are being heard.

Through consultation with stakeholders, the NRSP has determined the main factors involved with getting good employee acceptance and participation in safe driving and incentives programs.

- Scepticism and verbal complaint may arise from employees if they are concerned that management is targeting certain people or groups, or if they are concerned there will be consequences if they are deemed incompetent. If driver education is fully transparent, open and fair, most employees will be happy to oblige.
- Where there is a safety culture already ingrained into an organisation, employees had no opposition to the implementation of programs.
- If there is a platform for data collection and employees can see where they are sitting, it makes the process clear and visible.
- Criteria for assessment also needs to be clear so if employees have questions, management can answer them.

### **Safe Driving Program**

A safe driving program is where workshops and training intervention strategies are used to improve employee driving practices. The Fleet Safety Manual (Federal Office of Road Safety et al., 1995) says an ideal fleet safety program includes incentives and disincentives, driver selection and hiring, driver induction, vehicle selection, driver training and education, crash reporting, crash investigation, and a fleet vehicle incident database.

Research by the MUARC reinforced that effective fleet safety programs include incentives (not rewards), driver education and training programs, and a company culture that emphasises safety.

The framework for driver safety programs needs to be embedded across the organisation through a top-down approach. Organisation leaders or site managers need to be clear and consistent when it comes to what will and won't be rewarded, and what is defined as good and bad driving behaviours. Organisations engaged in road transport, and professionals in the road transport industry, need to set the standard for how the road should be used, going beyond just adhering to the road laws.

Before rolling out a new program within a company, it's important to set up a system to evaluate it, so there is a structured way to assess whether it's working effectively and if changes are needed. When developing a driver safety program with an incentives program, be sure the plan is incentivising the right way; programs with flaws in measurement criteria fall over quickly.

### **Safety Culture**

***"To build a safety culture, company leadership must be willing to invest in safety, have the energy to follow through on decisions and continually educate employees." (METS and NRSP, 2016)***

A strong safety culture within an organisation, ensuring safe practices are valued and sustained over time, promotes and reinforces employee behavioural change towards safer driving practices. Without this culture as a base, new safety policies won't have long term safety outcomes. Through stakeholder consultation, the NRSP has determined that one of the most important factors in any driver safety program is that it needs to be leader-lead. A top-down approach gives employees the sense that management cares about their safety, as well as showing that safety is a key concern within the organisation.

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Nevertheless, as a team, everyone within an organisation carries the burden of safety; from senior management to employees, everyone has a responsibility to maintain their own safety and the safety of others.

This breeds a positive safety culture, and getting the culture right within the organisation is a key factor to the success of any program. It takes time to build a culture, and company expectations and safety procedures need to be constantly reinforced and reiterated to site managers and drivers.

Commitment to a safety culture is strongly demonstrated by being prepared to lose drivers who don't share the same attitude; this sends a strong message that the company is serious about safety. A strong safety culture is the missing link between the presence of safety within an organisation and actual safety performance.



### ***Safety Maturity***

How effective a safety culture is within an organisation can be measured using a maturity matrix or a maturity model, which provides insights into the next best step for an organisation during the process of improving safety.

Applied on a company to company or site to site basis, these models can help identify and address behavioural and cultural issues towards improving safety culture. The five main steps of safety maturity are emerging, managing, involving, co-operating and continually improving. A safety culture maturity improvement process is completed through determining the organisation's current level of maturity and then designing a strategy to move to the next level.

Co-operating is when employees understand that reporting incidents is what is most effective in preventing further incidents, employees are more engaged and the system moves away from a top-down approach. This means employees are actively participating in Work Health and Safety.

Continually improving is when the safety culture of an organisation is fully engrained in the behaviour of all employees, and there is active participation in safety from all levels of the organisation. Therefore all employees share the belief that safety is a critical aspect of their job and prevention of injuries is of the utmost importance.

When it comes to fleet safety, to achieve excellence all members in an organisation need to:

- Recognise the risks involved and that they need to be managed
- Understand these risks and the best ways to manage them
- Begin managing risks through driver education and other safe driving program elements.



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### ***Near-miss Reporting***

When employees participate in driver safety through incident reporting, there is quantifiable evidence that allows management to lead the way in providing a positive safety outcome. Providing employees with a tool for near-miss reporting is an effective method of data collection and risk management. This is also a platform for employees to share experiences in regards to safety as well as to provide feedback on whether safety practices are effective. When a safety culture exists within an organisation, employees understand that data collected from an unsafe incident is used as part of a process for improvement, not as evidence for punishment.

A proactive incentives program can help prevent incidents when it rewards drivers for using safe work procedures and participating in safety activities, recognising good behaviour before an incident occurs. Linking improvements in injuries or other OHS-recordable incidents rather than safety related behaviours and near-misses can be a disincentive for injury reporting.

Simply, if the incentives are based on the number of injuries reported or the number of negative events, the reporting of these events may become masked (see section 4.1). It is important to have a near-miss reporting component within a safe driving program.



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### **Lessons from the Coalface**

- “The key critical component is that the program needs to be leader-lead. Embed the framework across the organisation through the use of a top-down approach. You need to be clear and consistent when it comes to outlines of behaviour and what will/won’t be rewarded. Be clear and consistent in the way it is delivered.”  
**David Pearce, Health and Safety Advisor, Santos**
- “The key to an effective safe driving program is getting the culture across stakeholders correct. I would like to see a greater variety of stakeholders getting involved in the safety programs.”  
**Tom Wachal, Transport Training and Safety Coordinator, Holcim**
- “More formal planning for evaluation of the program upfront would be effective, so you have thought about how you are going to evaluate the effectiveness before you roll it out. A top-down approach is not the only imperative, but it is definitely important and there is a strong management-led culture at Downer which makes it a lot easier to get buy-in. It is a crucial success factor.”  
**Mark Collins, General Manager Zero Harm, Downer Infrastructure Services**
- “Getting the buy-in of management and putting effort into developing this buy-in is crucial towards the success of your program.”  
**Stuart Fraser, Driver Educator, Blacktown City Council**
- “Evaluating what you are doing is critical to determine what parts of the program are effective so you can do more of those things that work and less of the others. It is important to take your employees on the journey with you, getting them involved and getting them engaged consultatively from the outset of any program. Testing programs and concepts with focus groups (a representative sample of employees) and seeking their input at the program design stage is a key factor in the effectiveness of a program.”  
**George Karlis, Manager Work Health Safety, SA Power Networks**
- “Having a clear timeline in how and when you are going to implement your strategy is important. Being firm on how critical project requirements and deadlines are means you are less likely to have some elements of the program ready to be rolled out before others. Our program is still in its infancy; once deployed, the feedback received will be the key in determining its success.”  
**Bridie Gloag, Health Safety & Wellbeing Specialist, Coca-Cola Amatil**

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### Appendix 1: Summary Table of Types of Programs

Organisation	Recognition	Tangible Rewards	Monetary Benefits	Disincentives	Measurable Results
Metropolitan Express Transport Services		Drivers who excel are considered for higher positions, with A level drivers becoming part of the Driver Support team (if they wish to keep driving) or promoted to the managerial team.	When an employee progresses in the tiered structure of the METS program, they're awarded a 5% increase in remuneration.	Drivers are demoted to a lower category if they fail to meet requirements and maintain adherence to safe driving policies.	METS insurance premium cost per vehicle has halved, from \$1658 in 2009 to \$856 in 2015. Claims frequency has dropped 44%, with the average cost of a claim reduced by 12% since the implementation of incentives program. Improvements were seen across a period of 6 years.
Hornby Transport Services	The simple act of talking to drivers while they are in the yard can highlight key issues that need addressing. When managers are engaged with drivers, the safety culture within the organisation is reinforced.		Rather than paying individual performance bonuses to the top three drivers over a 12 month period, Hornby's insurer suggested the company pay bonuses to the top performing group of drivers.		A safe system approach, incorporating safe drivers in safe vehicles operating at safe speeds, delivers multiple benefits to the company and the community. Safety improvements can increase productivity and reduce maintenance, lost time to injury and insurance costs.
Blacktown City Council	Good work with regards to driving safety is recognised by a supervisor and an employee is given a certificate of acknowledgement.	Over time rewards increase to movie tickets, dinner vouchers, theme park vouchers, etc.		If a driver causes more than \$10,000 damage in an incident or they have a second incident in 6 months, they are referred to the driving educator and are not allowed to drive for work until they have been deemed a safe driver. "Taking away the ability to drive self corrects", says the City's Driving Educator.	As the rewards and education were actively communicated and delivered average crash cost rates have decreased from \$5000 to less than \$3000. Annual insurance costs of \$3million to \$4million per annum decreased through self-insurance to less than \$1million per annum.

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Organisation	Recognition	Tangible Rewards	Monetary Benefits	Disincentives	Measurable Results
Holcim Australia (VIC-SA)	Drivers actively address safety concerns through the use of incident/near miss reporting. Stakeholders are consulted and their combined efforts regularly lead to positive safety outcomes that benefit not just themselves but the local community at low cost.		The Holcim Safe Driving Program is seen as a job requirement. It is a job requirement to comply with the standards set forth by the organisation and if drivers do not wish to comply, then they are not the right fit for the company.	Holcim's safe driving program has evolved over more than 10 years. The Victorian and South Australian Aggregate Transport business has had 0 lost time injuries in 5+ years by engaging drivers in the benefits of maintaining health and safety as a front of mind concern and not becoming complacent.	Holcim uses near miss and hazard reporting results in addition to incident and Lost time injury rates as a measurable indicator of participation and buy in with it's road safety systems. Holcim's safe driving program has evolved over more than 10 years. The Victorian and South Australian Aggregate Transport business has had 0 lost time injuries in 5+ years by engaging drivers in the benefits of maintaining health and safety as a front of mind concern and not becoming complacent.
Santos	Public recognition is the key factor of Santos' recognition and demerit point program. Supervisors recognise safe drivers in weekly to monthly discussions; one driver is rewarded annually in front of their peers as safe driver of the year.			Modelled on the driver's licence demerit point system, Santos has a scale of consequence, ranging up from written warning to potential for termination, with an associated appeals process. This is a structured framework that has standardised consequences across the company to allow for transparency and clarity.	Data has clearly shown a significant impact on driving behaviours. On average Santos were recording a total of 459 exceptions per month, with the largest number of recorded exceptions in one month being 900. However since the implementation of the Driver Management Framework, Santos drivers now average only 50 exceptions per month. Santos' vehicle related hospitalisation injury rate is half that of the national average.
Downer Infrastructure Services	Downer encourages near-miss reporting through recognition from senior management. A sample of calls are allocated to senior management who then ring the reporter, thank them for reporting the incident and listen to their thoughts on how to fix the problem. Downer finds this kind of recognition effective, and that feedback is critical.		Senior managers have incentive targets for reducing workplace injuries and implementing initiatives to address high potential incidents. Recent initiatives have focused on reducing uncontrolled vehicle movements which resulted in driver training programs, installation of handbrake alarms and maintaining exclusion zones around moving plant.		As it is only early days, Downer has yet to see a definitive improvement, although it is optimistic about the future. There has been good feedback from employees and everyone at Downer has an ongoing commitment to continue to improve safety.



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Organisation	Recognition	Tangible Rewards	Monetary Benefits	Disincentives	Measurable Results
SA Power Networks	A local workgroup based safety recognition scheme acknowledges safe driving behaviours (as one of several safety measures). The results against each workgroup are shared with the workforce.	A local workgroup based safety reward scheme acknowledges safe driving behaviours (as one of several safety measures) and offers a small financial reward (e.g. \$50 gift voucher) on a quarterly and half yearly basis. This scheme is under review.	At a broader level SAPN operate a Business Based Incentive Plan (BBIP) which measures end-of-year performance against three balanced corporate target areas (earnings, reliability and safety). Safety is assessed against several factors one of which is the number of at fault driving incidents. Positive results against targets in the BBIP results in an annual bonus payment to all employees.	Infringements received by law are enough of a disincentive to stop employees from driving unsafely. When an employee receives a driving infringement they must pay their own fine. There is also an escalation process with infringements; not only does the employee pay the fine, depending on the severity of the event it triggers a proportionate response. A disincentive program is also in place for repeat infringements or serious at-fault incidents. If the driving act is considered reckless, disciplinary action follows, counselling is provided in the case of an honest mistake.	When an employee receives a driving infringement they must pay their own fine. There is also an escalation process with infringements; not only does the employee pay the fine, depending on the severity of the event it triggers a staged response based on the number of incidents.  If the driving act is considered reckless, SAPN's normal disciplinary process follows
Coca-Cola Amatil	Recognition will be a focus in Coca-Cola Amatil's incentives program as its new fleet safety policy will focus on the encouragement of good driving behaviours before incidents occur.	As the incentives element of Coca-Cola Amatil's new fleet safety policy is still being developed, what incentives will be included is yet to be decided. It may include small rewards, such as vouchers.		Coca-Cola Amatil have a safe driving program in place which coaches employees with unsafe driving practices towards behavioural change and includes warning of career impacts resulting from continued unsafe driving practices.	It is too early in the roll-out of the new programs and policy to identify any statistical changes but safety is more on the agenda and being spoken about regularly within the organisation.

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### Appendix 2: Case Studies

#### 2.1 Blacktown City Council

Industry: Local Government



**Vehicles in fleet:** 360 major fleet vehicles – commercial (including garbage trucks, large trucks, tractors, back hoes, etc.) and 300 leaseback vehicles – non-commercial (including 3 and 5 door hatches, 4 door sedan, etc.)

**Number of employees:** 950 (700 regular drivers, 250 less frequent drivers)

#### Approach to workplace road safety compliance

- Blacktown City Council believes that having a strategy is key (this strategy must be voted on and adopted by councillors). Key elements of the City's yet-to-be-adopted driver safety program, referred to as 'Driver Educator Guides', include policies, standard operating procedures (SOP) and instructions.
- A regular series of toolbox talks are used where a supervisor provides information to staff, with a third party driver educator then heading up the driver safety education program to train drivers. Traditionally this would be a program to train drivers in how to drive, but is now more focused on training drivers in risk management rather than driving skills. Workshops are run to further educate drivers, based on a risk analysis (undertaken by a third party).
- A driver educator is employed by the council to promote safety initiatives and to undertake crash investigations within a managed system.

#### Main elements of incentives program

- Good work with regards to driving safety within the rewards and recognition scheme refers to acts such as undertaking a pre-start check. When these efforts are recognised by a supervisor, the employee is given a certificate of acknowledgement. Once time goals have been achieved, employees are rewarded with movie tickets, dinner vouchers, theme park vouchers, certificates, etc.
- Rather than having a specific disincentive system, the City is looking more towards natural penalties. For example, if a driver causes more than \$10,000 worth of damage or if they have a second crash within 6 months they come under the driver educator's guidance. They have not lost their job, but cannot drive until deemed safe drivers; this means if an employee needs to drive to complete a job they must ask someone else to assist with transportation. "Taking away the ability to drive self corrects," he said.

#### Outcomes

- While achievements take time and it is difficult to see improvements yet because the program is still in its early stages, average incident cost rates within the council have decreased from \$5000 to \$3000. The rewards and recognition scheme has been beneficial to the organisation and the wider community. People and residents are happier.

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### 2.2 Holcim Australia (VIC-SA)

**Industry:** Aggregate Transport

**Vehicles in Fleet:** 150 tippers

**Number of Employees:** 3000-4000 Australia wide



#### Approach to workplace road safety

- As a team at Holcim, everyone carries the burden of safety. Driver safety is led from the top; drivers answer to the Transport Training and Safety Coordinator (direct responsibilities) and then they report to safety, health and environment coordinators. They all work with a national safety person within the organisation.
- Holcim uses a range of activities to deliver safe driving programs, including an initial induction; an off-road driving assessment using driving history; an on-road driving assessment to gather information on driving behaviours; behavioural monitoring using in-cabin cameras, GPS and other technologies; a reporting system for incidents and near-misses; a structured series of toolbox talks; and safety improvement meetings.

#### Main elements of incentives program

- The Holcim safe driving program is seen as a job requirement not an incentives program. It is a job requirement to comply with the standards set by the organisation and if drivers do not wish to comply then they are not the right fit for the organisation. When the drivers participate in driver safety through the use of incident reporting, management listen, leading to a positive safety outcome.
- Receiving support and recognition within the company is the incentive that motivates drivers to continue reporting unsafe occurrences, near-misses and concerns. When drivers feel their opinions are being heard and recognised, this provides enough of an incentive.
- By encouraging near-miss reporting Holcim's Transport Training and Safety Coordinator was able to provide evidence to quantify and qualify his concerns to company management as well associated local councils, road authorities and police.

#### Outcomes

- Since the implementation of its safe driving program, Holcim's VIC-SA Aggregate Transport business has had zero lost time injuries in more than five years and an estimated one million vehicle movements. This was achieved by engaging drivers in the benefits of maintaining health and safety as a front of mind concern and not becoming complacent.

## PARTNERSHIP PROGRAM

### 2.3 Santos

**Industry:** Oil and Gas

**Vehicles in Fleet:** 1600 (Handful of passenger vehicles, 800+ light commercial vehicles primarily 4WD, 130 heavy vehicles, 630 plant and equipment - trailers)

**Number of Employees:** 1300



#### Approach to workplace road safety

- Through the use of in-vehicle telematics, Santos found a high number of exceptions (not wearing seatbelts, harsh braking, speeding in excess of Santos speed limits etc.). It was concluded this was due to inconsistency in management of workplace road safety; some managers were providing a strong safety culture within their departments and others were focusing on other priorities. A land transport team was developed to spearhead driver safety right across the organisation.
- A Driver Management Framework (DMF) was developed, which involved getting out in front of every driver right across Santos and giving them a full understanding of the driver risks and what in-vehicle monitoring systems are about. The DMF focussed on positive re-enforcement of good driving behaviours and a demerit point system to address poor performance, which aligns with their Disciplinary and Counselling Policy. Although, Santos don't only focus on either rewarding or punishing drivers, they focus on supporting drivers through continuous analysis of exceptions and development support tools. These tools include: hotspot analysis, a field navigation application, and driver behaviour reports. Hotspot analysis involved identifying areas where drivers continuously report exceptions, and solving these issues through driver education, warning signs in navigational systems, and working with councils to add additional warnings.

#### Main elements of incentives program

- There are incentives for the drivers to drive safely and incur minimum exceptions within the driver management framework. By directly targeting exceptions, Santos has had an impact on the number of serious injuries seen. This means the strategy is geared towards rewarding and recognising drivers for good behaviour. Recognition consists of weekly to monthly discussions held by supervisors to recognise safe drivers.
- There are also rewards associated with milestones, and at the end of the year the organisation recognises the driver of the year based on these milestones and several criteria. This is presented in front of their peers as a further form of recognition. Public recognition is what is most effective; monetary incentives are not publicised.
- Santos also has a demerit point system where there are a number of gates a driver has to get through, which can lead to potential termination. Modelled on the framework of driver's licence demerit points, there is a scale of consequence. If drivers accrues 10 or more points in a 6 month period, they will receive a formal warning and step into stage 1, which means they have to maintain 5 points or less for the next 6 months. If they go over this 5 points, they go into stage 2, which is a formal written warning. Advancing to the written warning stage can affect annual performance bonuses; some staff see this as being penalised financially. If too many points are accrued in this stage they move to stage 3, which is the final written warning. If they continue to display poor driving behaviour they move into stage 4, which is show cause for potential termination. Santos has provided a very clear structured framework with standardised consequences that are known to everyone.

#### Outcomes

- Since the implementation of this program, driving exceptions at Santos have reduced from an average of 459 per month to an average of 50, and all of the remaining exceptions have been at the lower end of the violation scale. Data has clearly shown a significant impact on driving behaviours. Although Santos has no formal analysis of their incident rate, their vehicle related hospitalised injury rate is 50% lower than the national average. Some feedback from drivers in the initial stages were they were focusing on their speedometer rather than the road; however, to assist drivers, Santos has implemented a range of tools such as navigation app with speed alerts, hotspot maps etc.



## PARTNERSHIP PROGRAM

### 2.4 Downer Infrastructure Services

**Industry:** Infrastructure Services

**Vehicles in Fleet:** 2000+ (Light commercial vehicles, range of heavy vehicles, trucks, plant operational vehicles, earthmoving and road maintenance equipment)

**Number of Employees:** 1500-2000



#### Approach to workplace road safety

- Downer's workplace road safety program is a combination of several initiatives. The organisation has done a lot of workshops, driver competency assessments, and additional training where required. Downer is looking to spread the program over the entire business, as currently it matures differently in different sections of the organisation. Downer has received good feedback about its in-vehicle coaching and monitoring program that has been delivered as part of driver safety training. Road safety at Downer is a responsibility at all levels of the organisation.
- At the employee level, everyone is required to comply with the road rules. At the supervisor level, there are additional responsibilities of planning works to minimise impacts on communities. These works include planning the movement of transport vehicles to have the least impact and selection of the safest route, as well as meeting any requirements for the transport of dangerous goods on public roads. The higher levels of management are required to make sure employees are competent to drive vehicles they are assigned to and to manage fatigue and other risks.

#### Main elements of incentives program

- Downer uses recognition as a form of encouragement through near-miss reporting. A sample of near-miss reports are given to senior management, who then call the reporter of the near-miss (a driver). During this phone call, senior management thank the employee for reporting the near-miss or the hazard and have a discussion about it, as well as gaining the employee's feedback about how to mitigate the risk. This feedback and recognition has been a key factor in developing the safety culture across Downer.

#### Outcomes

- Due to Downer's program still being in the early stages, there hasn't yet been a definitive improvement in driving practices but there has certainly been good feedback, and Downer is optimistic about the outcomes of the program.

## PARTNERSHIP PROGRAM

### 2.5 SA Power Networks

**Industry:** Electrical Utilities Industry

**Vehicles in Fleet:** 950 (650 light vehicles, 300 heavy vehicles)

**Number of Employees:** 2000 (all use vehicles at some point)



#### Approach to workplace road safety

- SA Power Networks' driver safety program begins with online introductory training. It goes through road safety fundamentals including road rules, differences in speeding and stopping distances, attention to the road and avoiding the use of mobile phones.
- Road safety training programs depend on the risks employees are exposed to in their specific roles within the organisation. This is developed through a system of training matrices, and every role within the matrix has specific mandatory training requirements. There is defensive driver training for those who do significant driving, for those driving 4WDs there is 4WD training, and for heavy vehicle operators there is heavy vehicle and vehicle recovery training. This training is cyclical and occurs every three years to maintain the best practice with employees.
- All employees must also watch a series of seven DVDs about road safety that have been developed, including one about a crash where two employees nearly lost their lives. SA Power Networks' training programs are run in conjunction with South Australia Police's road awareness workshop and the Metropolitan Fire Service's Road Awareness Program (RAP). These are high-impact driving behavioural safety programs which include the presence and personal accounts of crash survivors. Other initiatives include use of posters and campaigns.

#### Main elements of incentives program

- SA Power Networks believe incentivising good driving can work but not necessarily in a financial manner. Safe driving is a moral and legal requirement but recognition of high diligence should occur.
- SA Power Networks has a Business Based Performance Incentive Program (BBPIP) that has some general safety KPIs, not necessarily related to driving, where individuals are awarded a financial bonus if the organisation succeeds in three key business domains, one of which is safety. For many years, a local work group safety reward and recognition program has been in operation. Under this program, if no driving infringements were received within the whole group each individual received a reward (e.g. a \$50 gift voucher). This program and its efficacy is under review.
- SA Power Networks has a disincentive program for recurrent infringements or serious at-fault crashes. Using a decision matrix, if the driving act is considered reckless, disciplinary action is taken and where it is deemed an honest mistake, there is counselling. In the case of a system error, management deal with the issue by further training or vehicle maintenance. There is also an escalation process with infringements. Not only does the employee pay the fine, depending on the severity and recurrence of the event, a proportionate response is evoked. Many employees feel the penalties provided at law are enough of a disincentive to deter unsafe driving practices. For example, employees must pay the fine if they break a road law.

#### Outcomes

- There has been significant improvement in at fault driving incident numbers and severity. The improvement cannot be pinned down to one particular initiative but evaluation of the broad program has shown it is effective. The combination of driver education, campaigns, recognition, incentives, disincentives and vehicle GPS tracking has contributed to the success. Employee evaluations received indicate that a significant contributor has been the high-impact Metropolitan Fire Service Road Awareness Program (RAP). Due to the implementation of these driver safety initiatives there have been less at-fault incidents and therefore less costs for the organisation.

## PARTNERSHIP PROGRAM

### 2.6 Coca-Cola Amatil (CCA)

**Industry:** Fast Moving Consumer Goods (FMCG)

**Vehicles in Fleet:** 1400 (in Australia - passenger SUV wagons, light vans and utility vehicles)

**Number of Employees:** 1400



#### Approach to workplace road safety

- Recently, Coca-Cola Amatil has been working on a revamp of its driving safety training program so it has many avenues in which driver safety is undertaken. There are online training modules that are assigned individually in response to personal and organisational trends in incidents and infringements. Safety messages are shared through the organisation through online intranet forums, toolbox talks, and social media platforms.
- Coca-Cola Amatil is also applying coaching based programs around the telematics and GPS data it has collected. Coca-Cola Amatil has been developing a new driver safety policy that goes along with the telematics program. This means training programs are based on results of driving behaviour, that is, incidents and infringements. With the new policy roll out, Coca-Cola Amatil is planning to move towards more proactive solutions that are focused on behavioural change before an incident or infringement occurs.

#### Main elements of incentives program

- From a management perspective there are many commercial benefits to improving safety within the fleet. There would be a reduction in the number of incidents, lost-time injuries and vehicle repair expenses. This means there is an incentive for management to improve safety within the organisation. At a driver level, a formal incentive program has not yet been developed to coincide with the new policy Coca-Cola Amatil has been developing, beyond the online training modules that are treated as an employee performance requirement.
- Poor safety performance is focused on within the organisation through the use of incident and infringement data; it is quite reactive. Once the new fleet policy is launched, feedback will be provided to employees through GPS and telematics systems. This new fleet safety policy will include a recognition and potentially a small rewards component, such as a voucher. The focus of Coca-Cola Amatil's safe driving program around encouraging and coaching unsafe drivers towards behavioural change. Thus, promoting acknowledgment of the good driving behaviours that want to be seen. This includes warnings of careers impacts that the employee may incur if they continue their unsafe driving practices.

#### Outcomes

- As Coca-Cola Amatil's program is still in its infancy, it is too early to talk about statistical changes. Within the organisation, although, safety is more on the agenda and being spoken about as many people across the organisation are more aware of safety. Furthermore, employees feel safer, and safety is always one of the highest rating areas when employee feedback is undertaken. Coca-Cola Amatil employees are taking safety very seriously, making the leadership team proud.

## PARTNERSHIP PROGRAM

### Appendix 3: References

- [Metropolitan Transport Services](#)
- [Hornby Transport Services](#)
- Blacktown City Council (Appendix 2.1)
- Holcim Australia (VIC-SA) (Appendix 2.2)
- Santos (Appendix 2.3)
- Downer Infrastructure Services (Appendix 2.4)
- SA Power Networks (Appendix 2.5)
- Coca-Cola Amatil (Appendix 2.6)

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