Trucking Industry Benchmarking Program

Partners in Safety

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What is TIBP?

• Part of the Sloan Foundation’s Trucking Industry Program
• One of 22 University Centers focusing on industries and cross-cutting field research
• Goals:
  – Educate academic faculty about the real problems and processes of these industries
  – Develop research agendas examining operational and workforce issues
  – Train graduate students to take an interdisciplinary approach to their study of industry issues
  – Plan an active role in industry policy development
  – Play an active role in government policy development
Objectives of TIBP

• Develop intensive understanding of the trucking industry
• Develop a research agenda that address pressing industry issues while maintaining academic objectivity
• Dual focus:
  – Improve industry competitiveness
  – Help develop and support good jobs
TIBP Projects

- Truck safety, including the relationship between driver compensation and safety
- Human capital, driver and firm turnover, and skill development
- Broad research agenda on truck driver OSH involving trucking industry, driver representatives, scholars, and government
- Owner-operator cost-of-operations on-line survey
- Safety benchmarking, continuous improvement (kaizen), and safety self-regulation on-line survey
Trucking Industry Safety Benchmarking

- Partnership with California Trucking Association
- Cost: $500 per CTA carrier, sharing revenue with CTA
- Funds support recruiting carriers and training personnel, data collection and software development, data analysis by faculty, and regular reports to carriers
- Additional funds will support auditors to ensure data integrity
- University base means it is non-profit
- Bottom Line
  - Definition of Best Practice based on sound science
  - CTA Safety Certification
Benchmarking Features

• Flexibility
  – Easy to reconfigure to meet carriers’ needs
  – Customer-driven because survey is customizable
  – Allows carrier associations to add modules as needed or change the questions when appropriate

• Ease of use
  – No special software needed; just use your browser
  – No special training needed
  – Anyone who can fill out a form can fill it out.

• Low cost
Benchmarking Benefits

- Just click a button to download your data
- Secure information entry and retrieval
- Benchmark results available 24/7
- Annual reports for each carrier
- Annual meetings of participating carriers allow interaction among carriers under the TIBP academic umbrella
- Certification by TIBP-CTA as a safe carrier
- Lower PL & PD and workers’ compensation insurance
- Gain a marketing edge
  - Shippers that use safe carriers have done due diligence
  - Safer carriers are premium carriers
The Value of Information

If you can’t measure it, you can’t manage it.
The Trucking Industry Benchmarking Program will give you the ability to collect, compare, and analyze safety performance data on all kinds of carriers.
For the same cost we can modify this survey or create new modules as you need them.
This new partnership between academia and industry is designed to allow you to become more efficient and professional while educating scholars and policy-makers about trucking industry issues.
Safety and Sound Science

• Multivariate analysis allows us to use these data to predict safety outcomes based on best practices
• Overcomes the weakness of experience ratings for small firms that enter and exit the market frequently
• Scientists will work with carriers to identify the weaknesses they can remedy most efficiently
• Insurance companies – for both PL and PD insurance and for workers’ comp – can develop realistic ratings
• Economic efficiency:
  – Accurate ratings will shift the cost of unsafe operations to the carriers that create the problem
Benchmarks

Primary Business Type
Statistics
Graphical Display
## Trucking Industry Benchmarking Program

Wayne State University & University of Michigan

January 14, 2004

### CTA Best Practices Benchmarking Results Demo: 2002 Benchmarks

#### Primary Business Type

<table>
<thead>
<tr>
<th>Year</th>
<th>Benchmark</th>
<th>Your Firm's Value</th>
<th>Bulk</th>
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Benchmarks

Average Age of Drivers
Statistics - relative to zero
Graphical Display - relative to zero
## Benchmarks

### Average Driver Age - Graphical Display Options

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<th>Relative to the minimum</th>
<th>Relative to the average</th>
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<tr>
<td>Relative to the maximum</td>
<td>Relative to the median</td>
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Benchmarks

Average Number of Points on Employee Drivers’ Licenses Relative to the average
### 2002 Safety Outcomes

#### Average Number of Points on Employee Driver Licenses

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<tr>
<td>18</td>
<td>2.30</td>
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- 0.26 points
- 1.00 violations / driver
- 5.000 violations / million miles
- 3.150 crashes / million miles
- 0.678 crashes / million miles
- 0.942 crashes / million miles
- 1.02 injuries / crash
- 0.785 crashes / million miles
- 1.50 days / crash
- not available
- not available

### Additional Data

- 2,675.00 dollars / crash
- 2,250.00 dollars / crash
- 8,000 inspections / million miles
- 8,000 inspections / million miles
- 3,170 inspections / million miles
- 0.025 equip violations / inspection
- 0.006 drivers / inspection
- 0.003 trucks / inspection
Benchmarks

Number of Moving Violations per Driver
Relative to the average
Benchmarks

Number of Crashes with over $500 in Damage per Million Miles
Relative to the average
Benchmarks

Number of Crashes with Injuries per Million Miles Relative to average
Benchmarks

Number of Equipment Violations per Inspection
Relative to average
Benchmarks

Number of Drivers Put Out of Service per Inspection
Relative to average
Benchmarks

Average Earnings per Driver
Relative to average
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Benchmarks

Average Cost of Health Insurance per Driver
Relative to average
Benchmarks

Operating Ratio
Relative to average
Benchmarks

Annual Company Payment for PL and PD Insurance per Company-Owned Power Unit
Relative to the average