

CSA 2010 Report: How to Keep the Hammer from Falling

New routines can be annoying for anyone, especially in today's ultra-demanding business environment. Nobody has time to mess around with change unless there is a very good reason.

For many commercial motor vehicle drivers, owner-operators, fleet managers, transportation company owners and others, CSA 2010, the latest initiative of the Federal Motor Carrier Safety Administration (FMCSA), is considered a very good reason to change routine. In fact, it's mandatory.

There's a lot to worry about, from losing drivers evaluated as unfit to spending time and thousands of dollars on fines and resolving interventions. However, CSA 2010 offers good news, too. It gives carriers new reliable information to help identify problems with drivers and solve them before they become big issues—or cause interventions—or lead to disaster on the road.

That's CSA 2010's most positive aspect. The initiative is designed to inspire companies and drivers to become more vigilant in safety procedures, so it is likely to reduce the number of large truck and bus crashes, injuries and deaths. With more than 400,000 large trucks involved in traffic crashes each year (nearly 5,000 of them fatal), no one is arguing that safety is of the utmost concern to everyone involved.¹

More good news: You can take advantage of proven ways to help carriers and drivers change behaviors that lead to safety problems. This white paper will share some of those methods in the hope of helping managers and owners cope with the changes—and thrive under the new environment created by CSA 2010.

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CSA 2010 Worries: Data, Drivers and Defects

Carriers are understandably concerned about the way new enforcement methods will impact daily operation. Above all, they are worried that their positive SafeStat ratings will go by the wayside under new, more stringent requirements of the CSA 2010 Safety Measurement System (SMS). In the nine-state field test program for CSA 2010, some companies with prior positive SafeState ratings have already found themselves deep into intervention processes under the new guidelines.

The SMS, which includes a new comprehensive data collection system called COMPASS, promises greater scrutiny and requires higher transparency. Each carrier's and driver's public "safety fitness determination" will be updated every 30 days, drawing from traditional sources, such as law enforcement records, as well as all roadside violations (not just for out-of-service defects). The safety fitness determination will be based on a carrier's or driver's previous two years of roadside violations and crash data, and the evaluation is retroactive beginning immediately after CSA 2010 takes effect.

Furthermore, the SMS switches focus from carrier to driver. Individual drivers will be evaluated in seven areas called the BASICs (Behavior Analysis and Safety Improvement Categories).²

People in the industry have said they believe as many as 22,000 to 175,000 drivers won't meet the challenge, and will be declared "unfit."³ In the face of a driver shortage already expected by the industry in coming years, that's not the best news.

For carriers that don't meet standards, there will be more organized, greater detailed levels of intervention, ranging from warning letters to on-site comprehensive investigations for carriers with serious safety problems. Although the FMCSA thankfully emphasizes early identification of problems so they can be solved before serious violations are incurred, field test participants are finding that interventions are intense and thorough.

The FMCSA's own fact sheet about CSA 2010 admits that one of its goals is to bring the hammer down on safety violations: "Together with this emphasis on safety improvement," the flyer says, "FMSCA continues to employ the full weight of its enforcement authority when a carrier's safety performance requires it."²

As Deborah Lockridge, editor of Trucking Info put it in a recent editorial, "CSA 2010 is going to require some serious revamping of procedures on everything from screening drivers to training to safety incentives."⁴ Trucking Info recently reported that a survey by Transport Capital Partners showed as many as half of all carriers and drivers are not prepared for the requirements of CSA 2010.⁵

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Changing Behavior, Sidestepping the Hammer of Intervention

The revamping of training programs, in-house inspections, driver qualification processes and other aspects of daily operation—actions within the control of managers and owners—are givens under CSA 2010. Unless companies already have impeccable safety records, action will have to be taken in these areas to show that effort is being made to improve.

However, because the intent of CSA 2010 is partly to get to the bottom of safety issues at the driver level, managers and owners will lose some control over their own safety ratings. At the very least, their focus has necessarily changed from detecting violations to preventing violations. The solution, many believe, is to seek ways to more deeply influence driver behavior. Traditionally, this is done in two ways: punishment and reward (the whip and the carrot, so to speak).

Although the “whip” of regulation and enforcement by the FMCSA is inarguably an important and effective ingredient to keeping the roads safe, there is a question whether focusing on the negative is a good idea for managers and owners. Threatening drivers with in-house consequences for negative behavior creates a negative field of operation. It can destroy driver loyalty and tempt drivers to cover up defects, or at the minimum not work very hard to find and solve problems. On the other hand, drivers don’t usually overlook defects or negative behaviors maliciously. In many cases, letting defects slide is just a matter of choosing the lesser of two evils.

Ellen Voie of Women in Trucking explains: “Drivers want to drive safe, but sometimes the incentive to get where you’re going faster or to get home supersedes safety.”

Ellen believes the key to changing unsafe behaviors is supporting positive behaviors, not threatening drivers with punishment. CSA 2010 already has remedial action under control, anyway. She believes a more effective method for managers and owners to influence safe driving is to give drivers just as much motivation to act safely as to slide over defects.

“A trucker who picks up a trailer with a defect doesn’t always want to tell anyone about it,” Ellen explains. “It would take unpaid time to get it fixed, which costs the driver money. They need a good reason to report problems before they are detected.”

The same could be said of getting drivers to take proactive steps to prevent defects altogether. One very important example is wellness, an area of behavior that Ellen and others believe is critical to safety. FMCSA agrees; one of the BASIC categories is Driver Fitness. Drivers need a good reason to take the sometimes difficult steps needed to prevent obesity, sleep apnea and other physical challenges—to take care of a problem before it becomes a problem.

Which brings us to the other type of influence on behavior: rewards (the carrot).

People have argued for years about the true effects of rewards. At first glance, rewards seem unconvincing. The carrot appears to be a weaker or softer solution than the whip, so the effectiveness of rewards is suspect. Rewards cost money, which makes them seem futile—the goal is to SAVE money, not spend it. And, let’s face it, they honestly don’t always work.

In spite of those points, if safety incentive programs (rewards for good safety-related behavior) are administered correctly, rewards may offer the best opportunity for changing driver behavior, getting ratings under control, and facing CSA 2010 with confidence.

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The Up-Side of Rewarding Driver Behavior

To solve the question of whether rewards are worth your time, let's not start at the beginning. Let's go right to the end.

The Incentive Research Foundation (IRF) is a private not-for-profit foundation that conducts research to help businesses develop effective motivational and performance improvement strategies. In 2002, the foundation compiled all research in the field to answer the question of incentive effectiveness once and for all. The study was designed to "analyze the complete body of scientific research on incentive programs, determine what if any research-supported conclusions exist as to their effectiveness and the circumstances under which they can succeed, and to benchmark these findings with actual business conditions through surveys and interviews with business executives whose organizations use incentives."⁶ The program included a study of 145 U.S. companies that use incentive programs.

To reach its conclusions, the study used a "meta-analysis" of all known scientific research on the subject. It was the most comprehensive study on this topic in history, conducted because people were still questioning the effectiveness of incentives, even though U.S. organizations spend over \$100 billion annually on incentive programs.

The result: "Incentive programs improve performance. If selected, implemented, and monitored correctly, incentive programs—with awards in the form of money or tangible awards—increase performance by an average of 22 percent. Team incentives can increase performance by as much as 44 percent."⁶

This study, along with any conversations you have with others in the commercial transportation industry should convince you once and for all that incentives are an effective way to change behavior. In addition, as the IRF study reveals, incentives can:

- Increase interest in work (engagement, proactive thinking)
- Increase performance toward a goal
- Encourage people to think smarter
- Attract quality employees and keep them (loyalty)

Two other studies reveal that incentive programs often are remarkably effective specifically in reducing vehicle accidents. The studies were conducted by Transport Canada, that country's official transportation policy maker and enforcer. In one study, reductions in accidents of 80% or more were reported.⁷ The other study showed that the benefits of incentive programs far exceeded the costs. "Benefit-cost ratios are usually greater than 2 to 1, meaning that companies can make money on these accident reduction efforts. Two companies interviewed as part of this project reported benefit-cost ratios of 3 to 1 for their programs. In both cases insurance rebates due to reduced claims as a result of the program covered the employee bonuses paid under the programs."⁸

It's safe to conclude that safety incentive programs are the most powerful tools available to owners and managers to help them change negative safety-related behaviors that, unless properly addressed, could send them headlong into intervention under the SMS.

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How to Make Sure Incentives Work

The IRF study includes recommendations to help assure that a safety incentive program is successful. Many other sources offer similar advice, but this study does a good job of summarizing the steps and backing them up with research.

Using the IRF report as a resource, we compiled the following list of conditions that should be met and steps followed to assure any incentive program used to change driver behavior has the greatest possible chance of working the way owners and managers hope it will. This list is paraphrased from the original report to help apply it to the commercial transportation industry.

1. Do a "gap analysis" to make sure there is a real opportunity to change behavior. A safety incentive program won't work unless there is a gap between the current level of driver performance and the desired level. It also won't work if drivers are already performing at their best. If there is truly a gap in performance and it's only motivation that's keeping drivers from doing their best, the situation is ripe for an incentive program to create improvement.
2. Design a long-term safety incentive program. The study found that programs running a year or more produced a 44 percent increase in performance. Six months or less: a 30 percent increase. One week or less: 20 percent increase. Not only is a long-term program more likely to be successful, establishing long-term program goals makes it possible to measure and demonstrate success.
3. Design a program that rewards everyone, not just a few. The least effective, but most commonly used, programs have tournament-style structures that reward only a few winners. The most effective programs have open-ended structures that result in everyone having a chance to earn rewards for meeting quotas or displaying certain behaviors. To make the rewards as effective as possible, some sources urge companies to award points, certificates or other incremental rewards immediately, or as soon as possible, after the positive behavior takes place.
4. Make it a team effort. As the study above showed, results of a safety incentive program reasonably can be expected to double if you get drivers to work as teams against one another to see who gets the most points, the most dollars or the biggest rewards.
5. Provide a range of incentives so drivers can choose what really motivates them as individuals. According to the IRF, "Companies may actually be able to get more motivational impact for less money if employees can choose their own rewards." Ellen agrees. "Not everyone is at the same level of need. Some are motivated by getting out of debt, and merchandise isn't going to do them any good. Others are motivated by recognition and they want the five-year anniversary logo jacket. Think of drivers separately, rather than as a group. Maslow's Hierarchy of Needs applies here.⁹ Each person will be at a different place on the hierarchy of needs."

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Money and merchandise (such as logoed caps, pins and jackets) are traditionally used as incentives in the commercial transportation industry, and are still valid for some drivers. However, money often gets absorbed into a family's budget and immediately loses its ability to elicit a driver's feeling of pride in his or her performance. Merchandise can be expensive to keep in inventory, susceptible to theft and viewed as "only a token." Gift cards and certificates from a chosen merchant aren't always liked by everybody. So, how do you make everyone happy?

A universal certificate like the SuperCertificate® REWARD from GiftCertificates.com is an ideal solution to the question of reward type. Motivation is self-selecting, because drivers can use the SuperCertificate reward to get gift cards THEY choose at the beginning of the program, and then work toward a reward that means the world to them. That means program administrators don't have to take the time to choose rewards, and the reward is truly something that has enough power to change behavior. SuperCertificate® REWARDS can be redeemed for hundreds of different gift cards, have no expiration dates, can be delivered in paper form or by e-mail, and can be customized with company logos and personal messages. They are also pay-as-you-go, rather than all up front, so costs are manageable.¹⁰

6. Establish a regular, clear method of communicating your goals and program details. This helps people know what the right thing is, so they can do it.
7. Establish a companion training program to teach the skills needed to meet the goals. Don't assume drivers know how to follow through with positive safety behaviors. Show them specifically how to do it, how to document it and how to make their efforts consistent. It's a prerequisite for a successful incentive program.
8. Make an emotional appeal. "The biggest performance gains come when people become emotionally engaged. With careful consideration, incentive awards should have a positive impact on emotion and organizational spirit."⁶ This means you need to think about how drivers are feeling about their performance, the tasks at hand, your company and anything else related to safety. Take advantage of all opportunities to make positive emotional connections between drivers and the goals of the program.
9. Analyze the program and get driver feedback. Comparing the results of a program against its objectives gives owners and managers the data they need to adjust future programs accordingly.
10. Show your support of drivers' success by keeping the program well organized. This means carefully measuring and recording performance, disbursing rewards fairly, helping drivers reach goals authentically, and communicating your support often.

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The Biggest Potential Pitfalls

Once a program is in place and rewards are chosen, owners and managers will encounter the two biggest potential pitfalls of safety incentives: 1) inconsistent, unclear management of the ongoing program, and 2) misalignment with the company's objectives. How does one make sure that everything is aligned strategically and kept on track over the duration of a long safety program?

Because the core competencies of commercial transportation companies lies in providing transportation, not safety incentives, it is advisable—and often most cost effective—to use the services of an outsourced program administrator. Look for a program that doesn't require all costs up-front, and does offer customizable software so it fits your needs and you are not designing your program to fit it.

GiftCertificates.com, for example, provides a resource for program management in the form of its IncentCore™ Incentive Management System (IMS).¹¹ A software program like IncentCore IMS automates some of the processes required for successful safety incentive programs and eliminates many costly and time consuming tasks. The Web-based platform is customizable, and helps owners and managers streamline communications about the program, automate program rules, nominate employees and approve nominations, track and report program metrics, and easily issue rewards. In addition, one of the benefits of software like IncentCore IMS is that it integrates all of a company's reward and incentive programs into a single solution, so owners and managers can align a number of employee behaviors with a number of business objectives.

Shield against the Blow of CSA 2010

The advent of CSA 2010 has given commercial transportation company owners and managers a lot to think about—and worry about. However, safety incentive programs offer a strong shield against the potential damage CSA 2010 could cause, even for companies that find themselves inadvertently caught in an intervention battle.

We hope this white paper will give owners and managers a framework for new routines that could significantly decrease safety problems, along with reducing worries of being rated "unfit" and pulled off the road.

The end results of a well-administered safety incentive program include not only better numbers to present to FMCSA through the SMS process, but also healthier drivers, happier families of drivers, fewer injuries and fatalities, less time off work, less time spent dealing with violations and remedial actions, and a freer ability to focus on what you do best...get people and things on down the road.

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Resources used to prepare this report:

- 1 National Highway Traffic Safety Administration (NHTSA), National Center for Statistics and Analysis, 315 KB PDF, 6 pages
- 2 Federal Motor Carrier Safety Administration (FMCSA) Web site: <http://csa2010.fmcsa.dot.gov/>.
- 3 Vertical Alliance Group, csa201.com: "Interview with Jay Thomas of Packard Transport on the CSA 2010 Mandate," June 25, 2009, http://www.csa2010.com/articles/Interview_Packard_Transport_CSA2010.htm
- 4 TruckingInfo.com; http://www.truckinginfo.com/drivers/news-detail.asp?news_id=68041&news_category_id=87
- 5 Trucking Info, 4/9/10, accessed at www.truckinginfo.com. (Search for "CSA 2010" and go to the article by date in the chronological list.)
- 6 "Incentives, Motivation and Workplace Performance," Incentive Research Foundation, 2002. Link to online report: http://www.incentivecentral.org/employees/whitepapers/incentives_motivation_workplace_performance.1824.html
- 7 "Safety and productivity programs for transport fleets (TP 13886EP)," Transport Canada. Accessed online at [www.tc.gc.ca: http://www.tc.gc.ca/innovation/tdc/summary/13800/13886e.htm](http://www.tc.gc.ca/innovation/tdc/summary/13800/13886e.htm).
- 8 "Incentive programs for enhancing truck safety and productivity: a Canadian perspective (TP 13256E)," Transport Canada. Accessed online at [www.tc.gc.ca: http://www.tc.gc.ca/innovation/tdc/summary/13200/13256e.htm](http://www.tc.gc.ca/innovation/tdc/summary/13200/13256e.htm).
- 9 About.com: Psychology, accessed 4/12/10, <http://psychology.about.com/od/theoriesofpersonality/a/hierarchyneeds.htm>.

"Psychologist Abraham Maslow first introduced his concept of a hierarchy of needs in his 1943 paper "A Theory of Human Motivation"¹ and his subsequent book, *Motivation and Personality*.² This hierarchy suggests that people are motivated to fulfill basic needs before moving on to other needs. Maslow's hierarchy of needs is most often displayed as a pyramid. The lowest levels of the pyramid are made up of the most basic needs, while the more complex needs are located at the top of the pyramid. Needs at the bottom of the pyramid are basic physical requirements including the need for food, water, sleep and warmth. Once these lower-level needs have been met, people can move on to the next level of needs, which are for safety and security. As people progress up the pyramid, needs become increasingly psychological and social. Soon, the need for love, friendship and intimacy become important. Further up the pyramid, the need for personal esteem and feelings of accomplishment take priority. Like Carl Rogers, Maslow emphasized the importance of self-actualization, which is a process of growing and developing as a person to achieve individual potential."

- 10 "The Ultimate Reward," GiftCertificates.com. Accessed at <http://www.giftcertificates.com/business/industrysolutions/default.aspx>.
- 11 "Reduce administrative costs," GiftCertificates.com. Accessed at <http://www.giftcertificates.com/business/services/ims.aspx>.