

# THE IMPORTANCE OF A PROGRAM THAT REINFORCES SAFETY FOCUSED BEHAVIORS

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TIM HINDES OF STAY METRICS

# About Us:

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Tim Hinds CEO – President – Founder

- 25 Year Transportation Industry Veteran
  - Brokerage
  - OTR – Line haul – P&D
  - Expediting
  - Owner Operator

Kurt LaDow EVP – Co-Founder

- 20 Year Transportation Industry Veteran
  - Operations
  - Process design
  - New product launch

Dr. Timothy Judge – Director of Research

Professor Notre Dame Mendoza College of Business

25 Years studying employee attitudes and behaviors

83 Published research articles

Dr. Amir Erez

University of Florida

Dr. John Kammeyer – Mueller

University of Minnesota

Collaborative relationships

Notre Dame Behavioral Psychology Department

Notre Dame Mendoza College of Business – JM Crant

Innovation Park – Notre Dame



# About Us

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- Founded in January 2012
  - Launched from Innovation Park – Notre Dame
  - Collaborative relationships with “Behavioral Psychology” & Mendoza College of Business
- “To Market” July 2012
  - 45 Carriers 13000 Drivers
  - 300,000+ log ins
  - 12,000+ Redemptions,
    - from a \$3.00 Redbox Rental to a 7 Night Caribbean Cruise
- ½ Analytics & ½ Driver Rewards Platform
  - Rewards Platform built for our industry
  - Survey results with comparative data

# Today's Discussion Items

## 1. Surveys and Analytics

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- Driver Recognition Programs.
- Annual Driver Satisfaction Surveys .
- Exit interviews
- Orientation Interviews
- What is “Big Data” and what Predictive Models can tell us.

# Today's Discussion Items

## 2. Points based Rewards / Loyalty Programs

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- How they work
- Do they work
- Why not cash?
- A run through a driver's account, what a driver can do on the site.
- How much it costs to fund points
- How Reward Companies make their money
  - Never pay for points until they are redeemed
  - Look to pay within 15% of Amazon
- What % of engagement can I expect?

# Points Based Loyalty Programs

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Why does every retailer of size have a points based loyalty program?

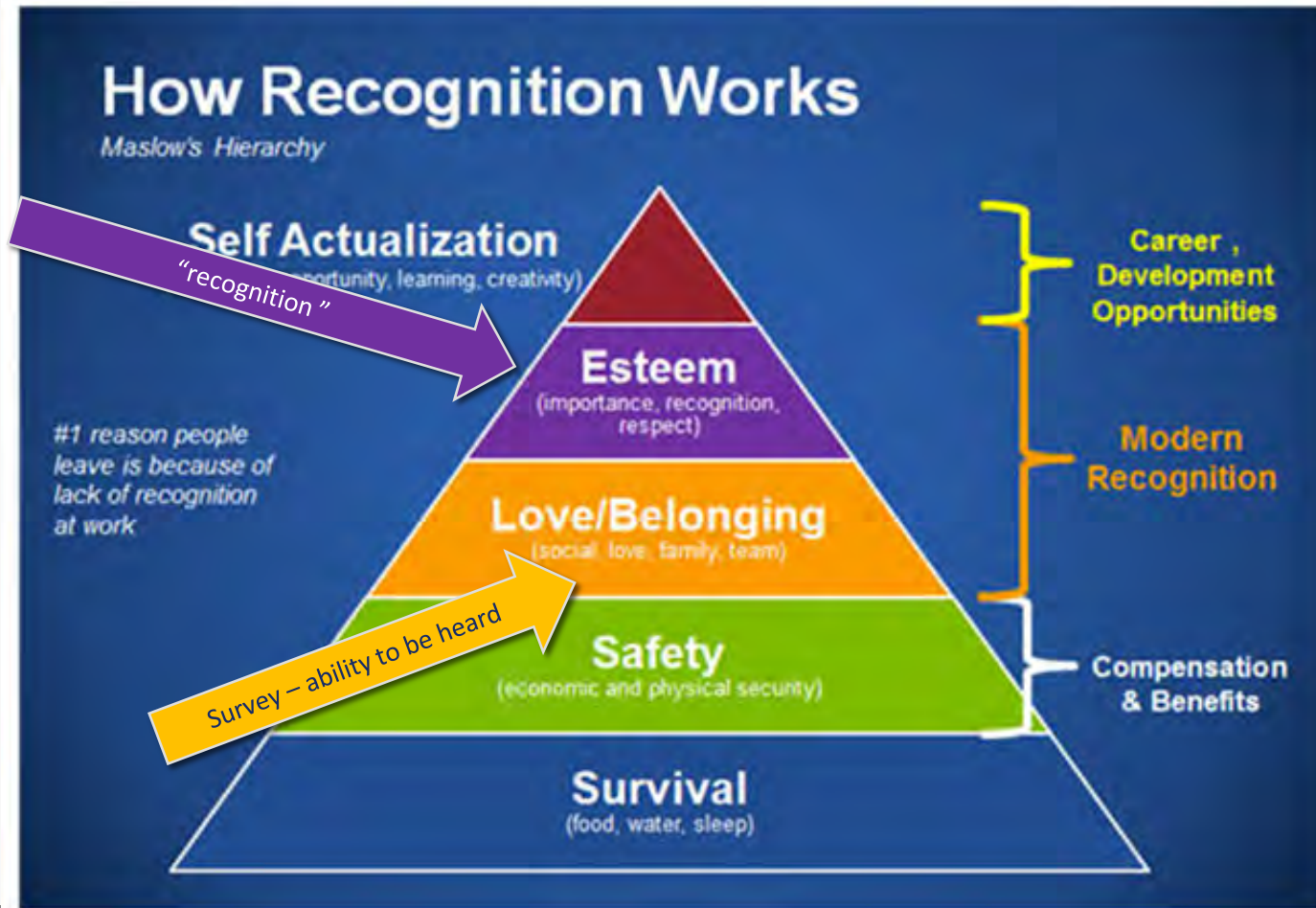
And ...

Why do now more than 50% of top 100 Carriers have a points based reward / loyalty program ?

**They Work !!!!!!!!!!!!!**

# Why recognition and surveys move the needle.

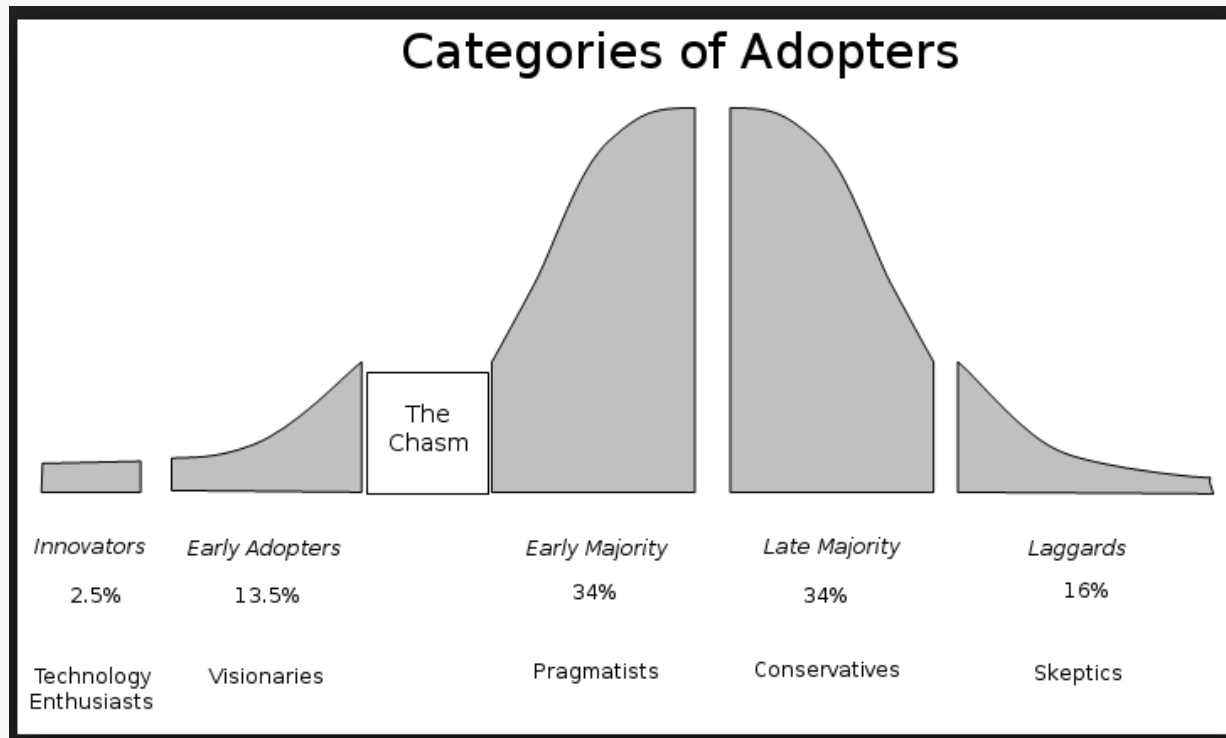
Source Forbes June 13, 2012



# Reward Programs What % of Engagement Can I Expect?

Average 70% Low 30% High 90%

- How good is your program?
- How fresh is your content?

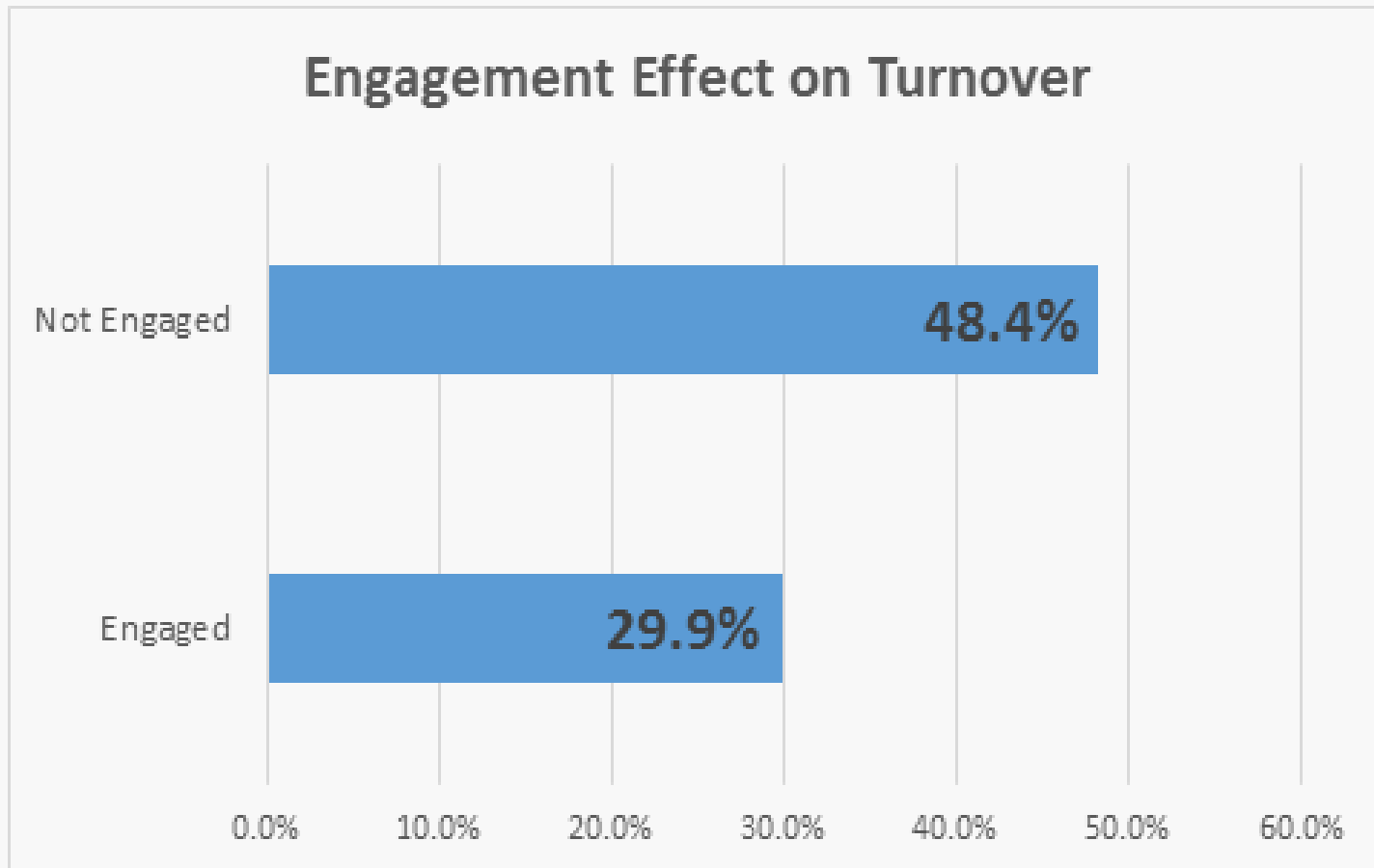






# How Does Engagement Affect Retention?

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# Points Based Loyalty Programs

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- Go big or go home!
  - No trinkets and trash
  - Award 350.00 to 2000.00 in Annual Points
- Don't try to replace cash that has become a part of their income with a points based program. It has to be "above and beyond" compensation
- Drivers that engage their carriers rewards / loyalty program are 20% more likely to "Stay"
- Everyone likes to be recognized and rewarded.
  - Trophy Value of the grill, flat screen, or memorable vacation
  - Cash hits "needs" Rewards items hit "wants"

# Reward Programs- Why Not Cash?

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- Cash becomes an entitlement
- Cash hits the “needs” bucket , Rewards hit the “wants” bucket
  - I’d really like a new grill, but I need to pay down the credit card bill.
- Trophy Value
  - “I got this new chainsaw free from my company for safe driving”
  - “I took my wife on a 7 day cruise for being one of the most fuel efficient drivers in the fleet. “
- Gifts get remembered and maybe even posted on social media.
  - “Thanks John for the great reward program, we just redeemed for gifts for Christmas” Thanks to \_\_\_\_\_ for being a great carrier to drive for.

# Reward Companies – Insights

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- Never pay for points until they are redeemed
- If there is no monthly per driver fee or nominal they are making it all on the product.
- Look to pay within 15% of Amazon
- Make sure shipping is built in to the points
- Make sure you can put your company store items on the web catalog without paying a mark up
- Avoid adding cash credit cards to the program as they are a sure way to kill a good rewards program.

# Customized Homepage

**Welcome Chase Parker!**  
**You currently have 16,350 points.**  
[click here if you are not Chase Parker](#)

## Welcome to your Drive for Gold Rewards

**STAY METRICS**  
Driving Retention



## FAMILY PICNIC

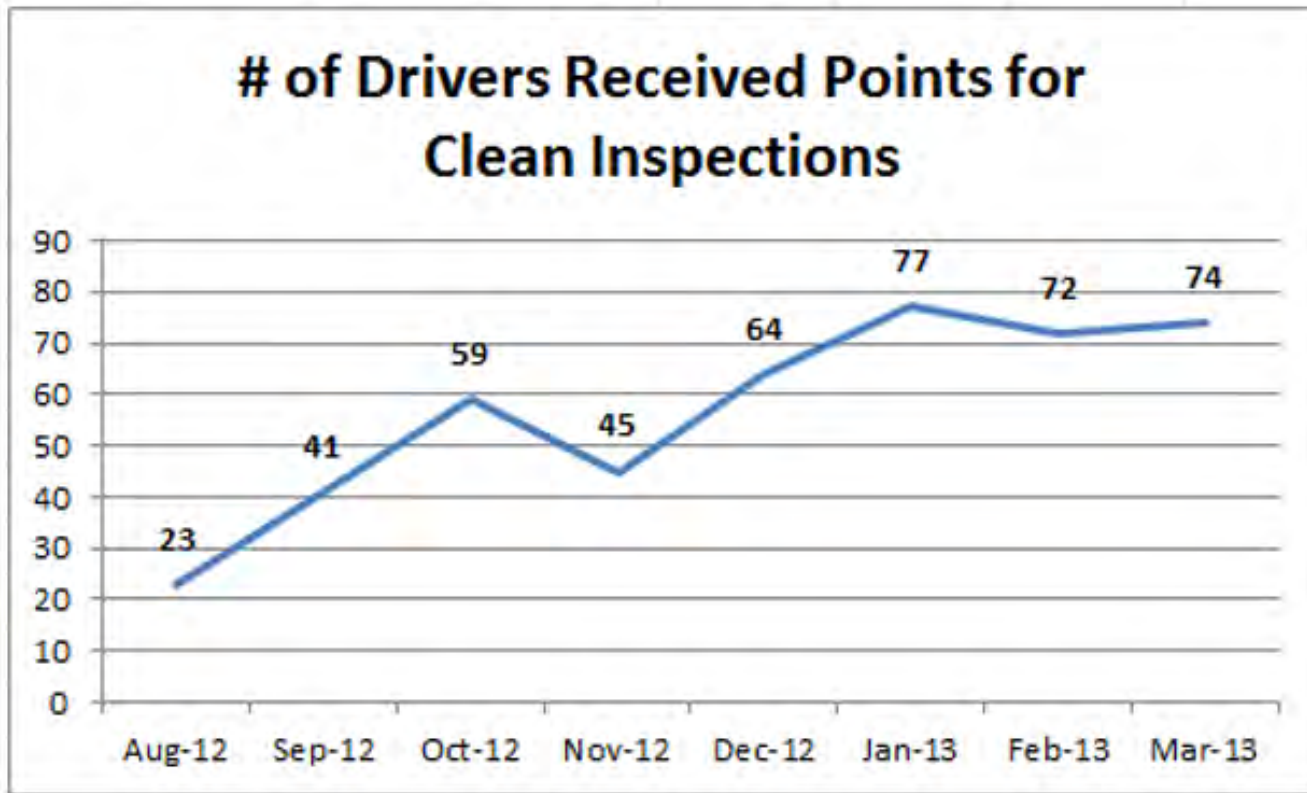
We invite your family to join our family for our annual company picnic. We will grill out and have a corn-hole tournament and games for the kids!  
More details will follow.

### Driver of the Month

Congratulations **David Smith**  
Thank you for all of your hard work and dedication.  
You are an asset to the Stay Metrics team.

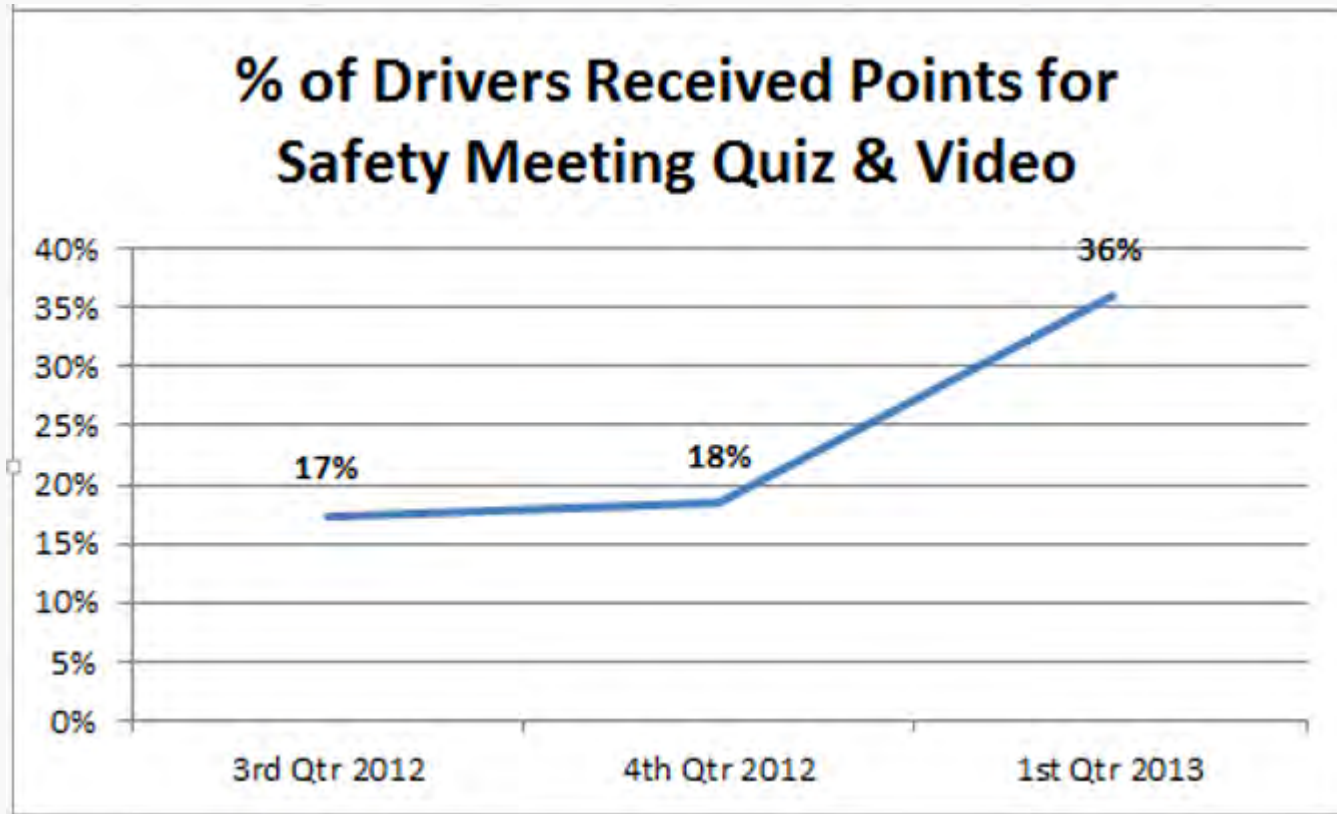
# Gamification and “Clean Inspections”

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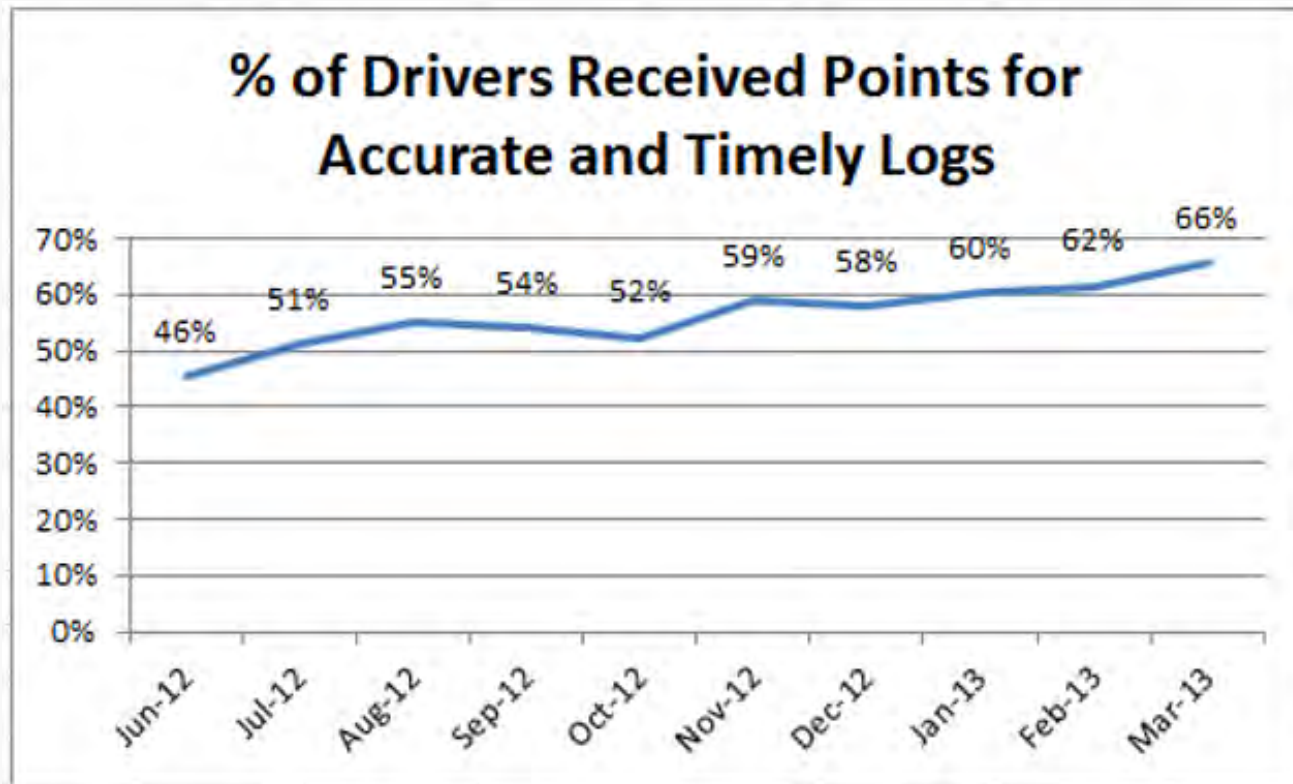
# Gamification and “Safety Training” Participation

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# Gamification and “Accurate and Timely Logs”

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# Satisfaction Survey

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- Run one each year
- Don't change questions so you can get comparative year over year data.
- Use a third party with comparative industry data
- 60% to 90% participation possible with carrier assistance
- Be prepared to respond to drivers with a "Thank-you this is what we learned and this is what we are doing about it"
- Drivers like to heard
- Behavior changes when dispatchers and others realize the driver does indeed have a voice.

# Comparative Data is a must

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- All “my group”
- One of my group against another of my group
- Region vs. Region
- All Carriers in the Stay Metrics Network
- Specific Industries within the network
  - OTR, Expedited, Regional TL, Flatbed

# Areas of Focus

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## DRIVER SATISFACTION

The degree to which the driver appraises his work, his job, and those with whom he works, favorably. Job satisfaction is comprised of both extrinsic (pay/benefits; safety/conditions, recruiter/career) and intrinsic (supervisor/dispatcher, fellow drivers, the work itself) elements.

### Pay and Benefits

Fair pay

Health Care

Retirement

### Supervisor/ Dispatcher

Happiness with dispatcher

Relationship with dispatcher

Dispatcher competence

Dispatcher responsiveness

### Fellow Drivers

Support from fellow drivers

Respect of fellow drivers

Relationships with fellow drivers

### Safety & Conditions

Job is safe

Cleanliness of vehicle

Quality of equipment

Safety training/measures

### Work Itself

Respect in community

Feeling of accomplishment

Learn from job

Independence

Work load

### Recruiter/ Career

Recruiter promise

Steady work

Career success

# An Action Model

Translating Stay Metrics Analytics Into Higher Retention

## The Five “What’s”

What do they *say*?

What do we *know*?

What *can* we do?

What *are* we doing?

What’s the *outcome*?

Surveying  
Driver Attitudes

Understanding  
What They Mean

Generating  
Ideas for  
Practice

Acting on Ideas

Reducing  
Turnover

*Stay Metrics  
surveys your  
drivers*

*Stay Metrics  
works with you to  
sift through and  
understand data*

*Stay Metrics helps  
you consider best  
practices*

*You implement  
“low hanging  
fruit” best  
practices*

*You witness lower  
turnover (which  
Stay Metrics  
verifies)*

### The Upshot:

It doesn't do you much good to survey driver attitudes unless you're able to put those metrics to use. In our experience, carriers are often too busy putting out fires and running the operational side of the business to effectively put the data to use (and too often consultants simply tell “war stories” that lack scientific grounding). At Stay Metrics, we use our own data, along with your benchmark data, to help you **implement** turnover reduction strategies. It is a practice-oriented approach to science, and a scientific approach to practice.

# Dispatcher Comparison

(5 being the best score)

Community Rank	Dispatcher Name	Rating Average (5 = Perfect)	# of Responses
6	Jeremy	4.58	176
20	Caryn	4.44	176
35	Susan	4.31	176
40	Michael	4.28	175
42	Jon	4.27	175
43	Larry	4.27	177
46	Tim	4.25	177
48	Jamie	4.24	177
55	Alex	4.17	175
62	Joe	4.15	176
74	Belinda	4.10	175
78	Bob	4.09	175
81	Rick	4.08	175
86	Kristen	4.05	175
94	Lynn	4.02	175
95	Shawn	4.00	175
129	Mark	3.89	177
159	Gator	3.76	174
<b>Year 1 Totals</b>		<b>4.16</b>	<b>3161</b>

164	Bob	3.78	44
<b>Year 1 Totals</b>		<b>4.14</b>	<b>1928</b>

Shawn, Shows up as a low performing dispatcher. He also shows up with negative comments in Exit and Orientation Interviews.

Shawn has to find a new profession.  
*(pssst. What happen to Shawn?)*

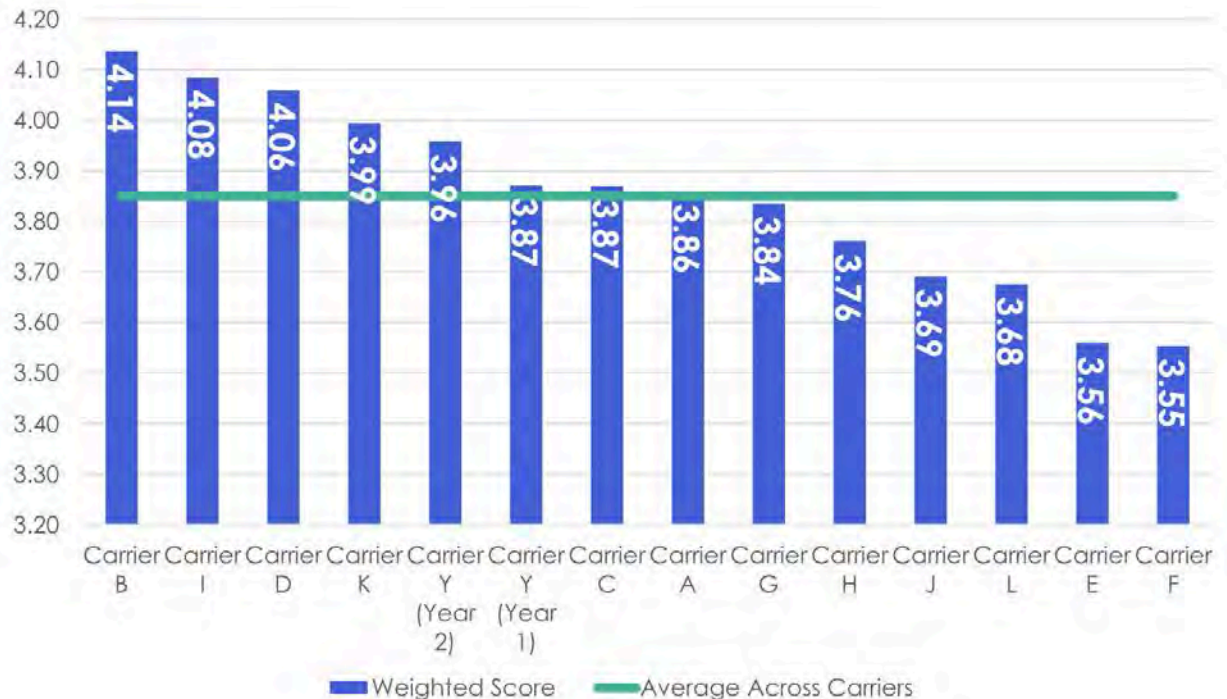
# Dispatcher Report

(5 being the best score)

## Combined Weighted Score for the “Supervisor/Dispatcher” Section

**Supervisor/  
Dispatcher**

- Happiness with dispatcher
- Relationship with dispatcher
- Dispatcher competence
- Dispatcher responsiveness





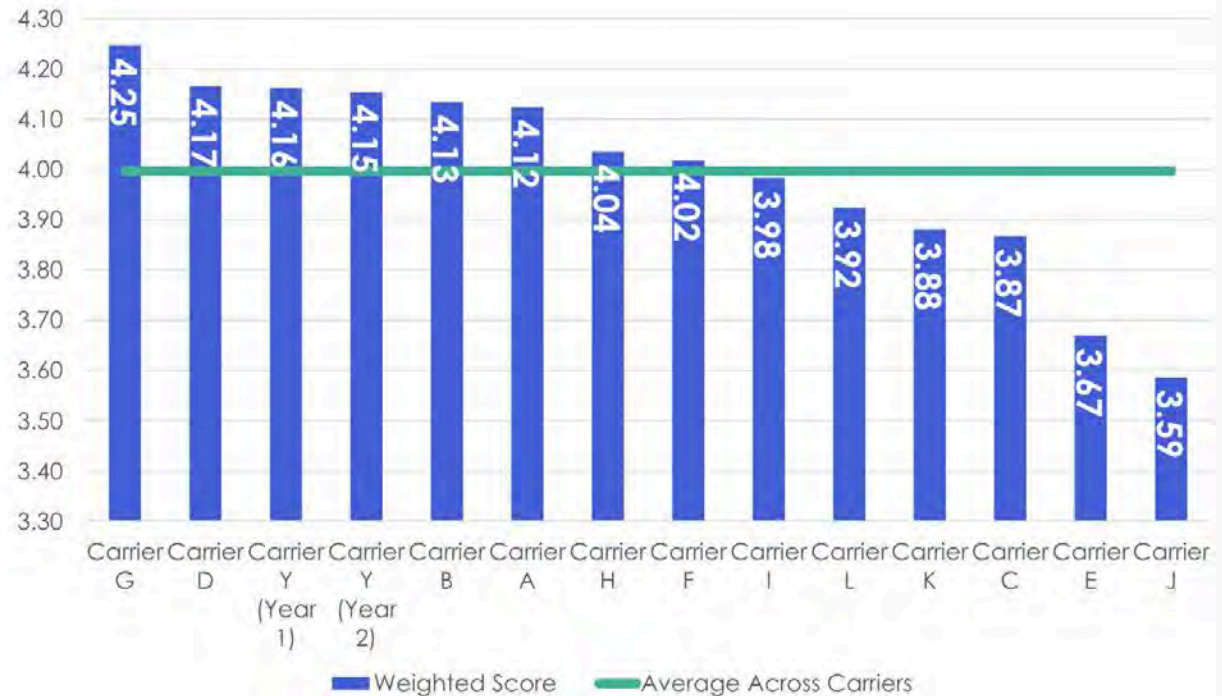
# Safety and Conditions

(5 being the best score)

## Combined Weighted Score for the “Safety & Conditions” Section

**Safety & Conditions**

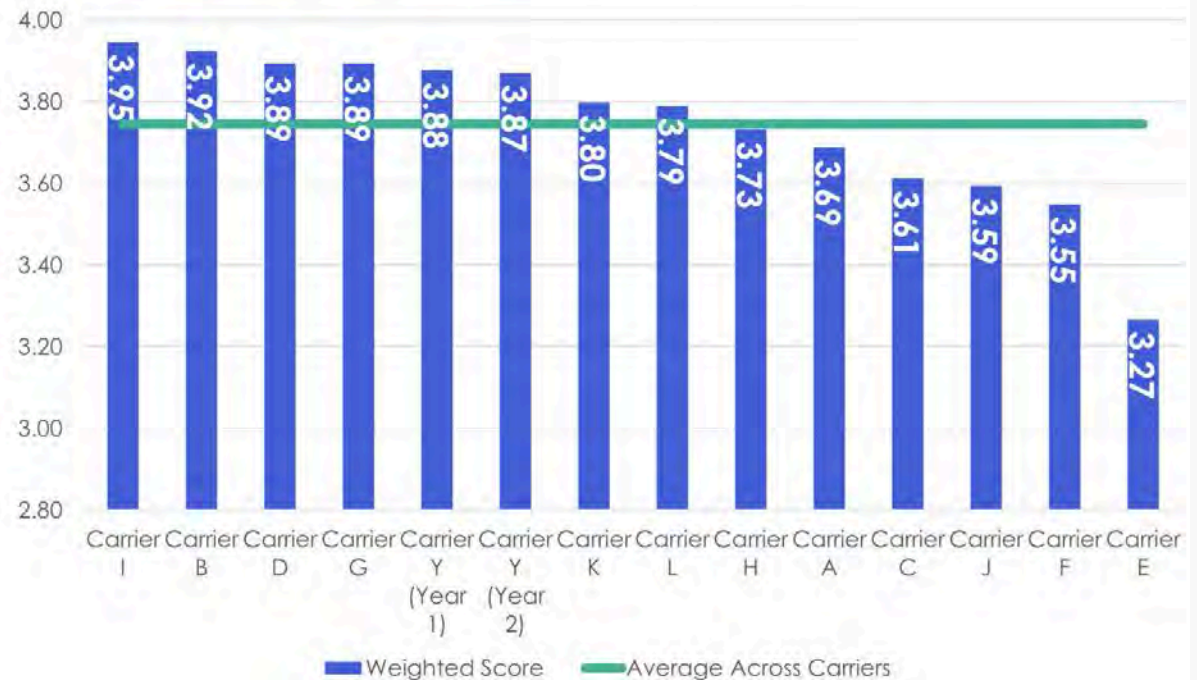
- Job is safe
- Cleanliness of vehicle
- Quality of equipment



# Recruiter and Carrier

(5 being the best score)

## Combined Weighted Score for the “Recruiter/Career” Section



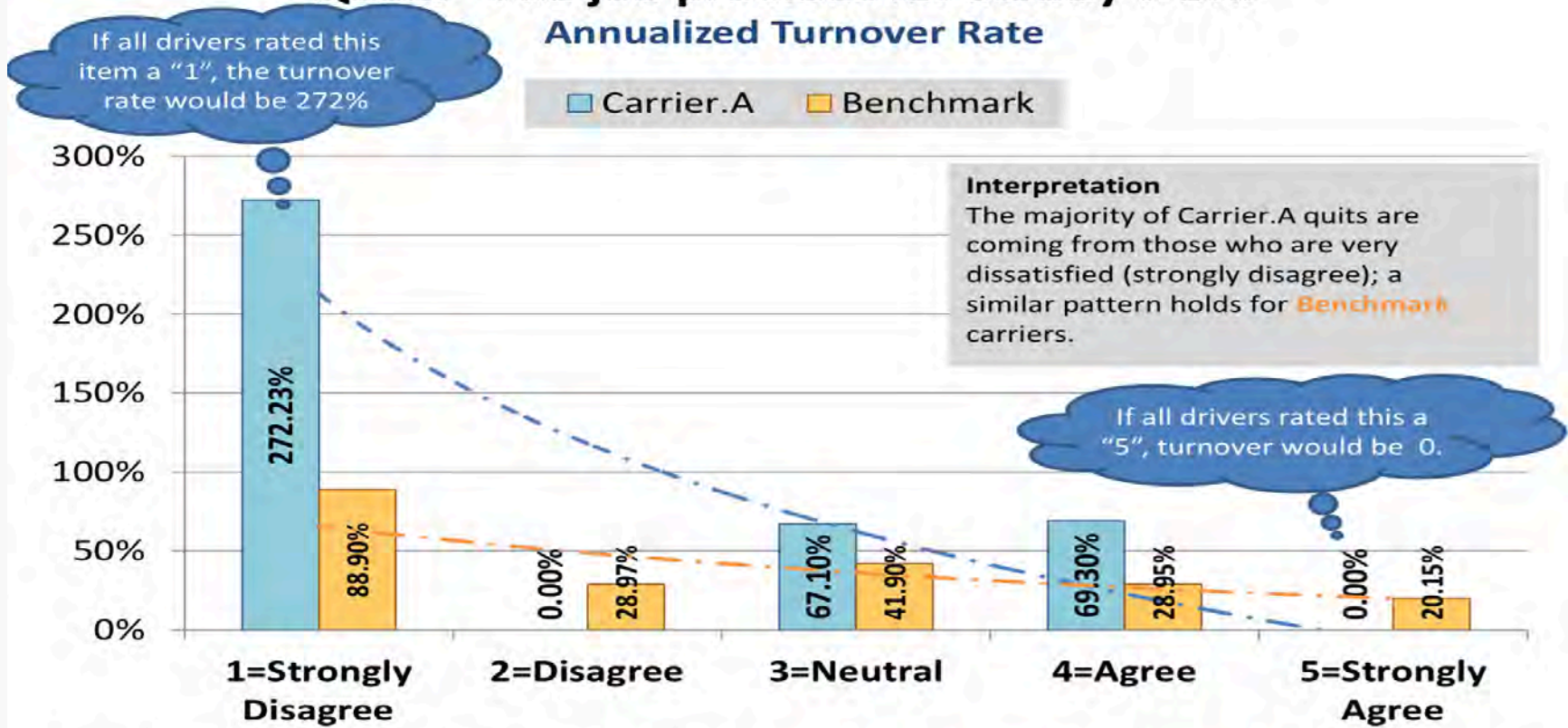


# Predictive Modeling ...What Causes Your Turnover?

\*\*\*Shown as sample results only

## Q108: "The job provides for steady work"

### Annualized Turnover Rate

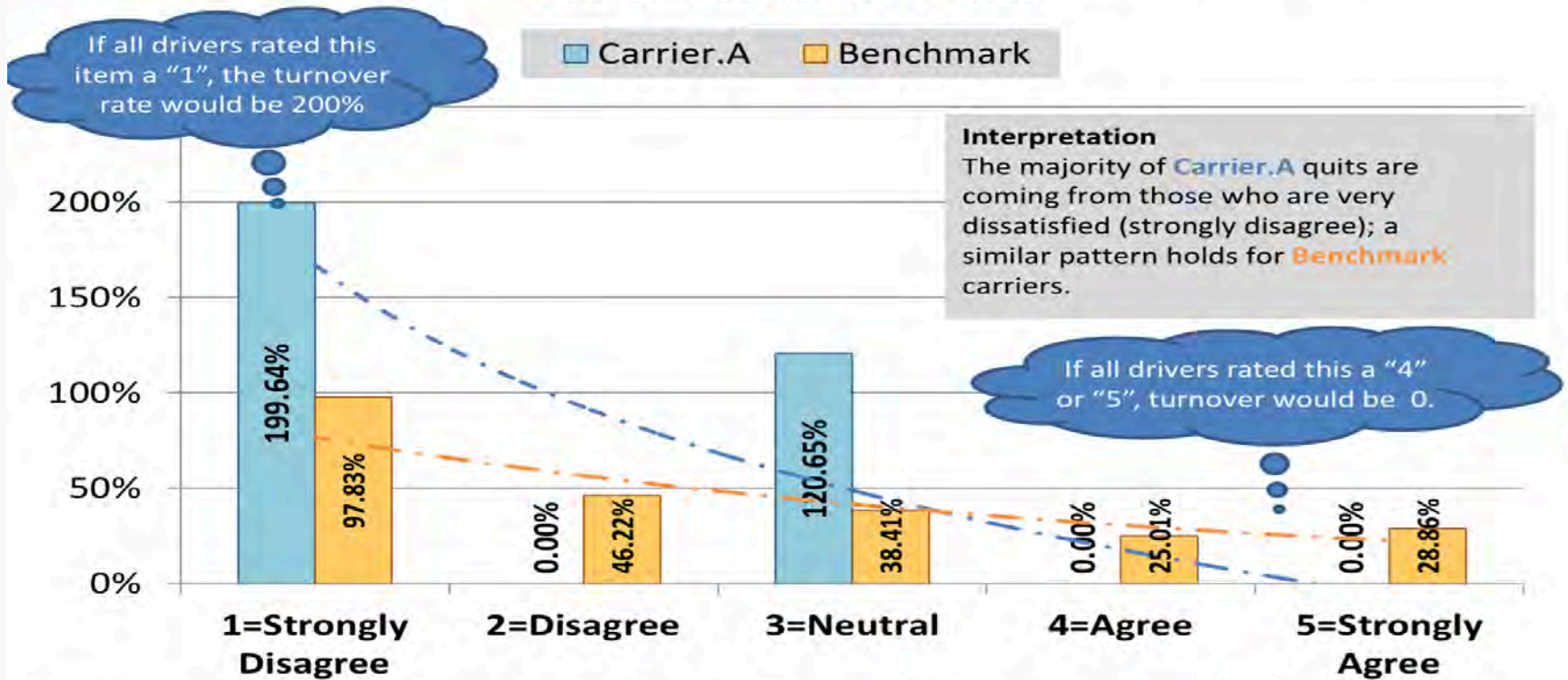


**Notes:** Annualized turnover rate is computed by projecting annual turnover rate based on the number of days ago the survey was completed. Best fit prediction = dashed line (blue=Carrier.A; orange=Benchmark).

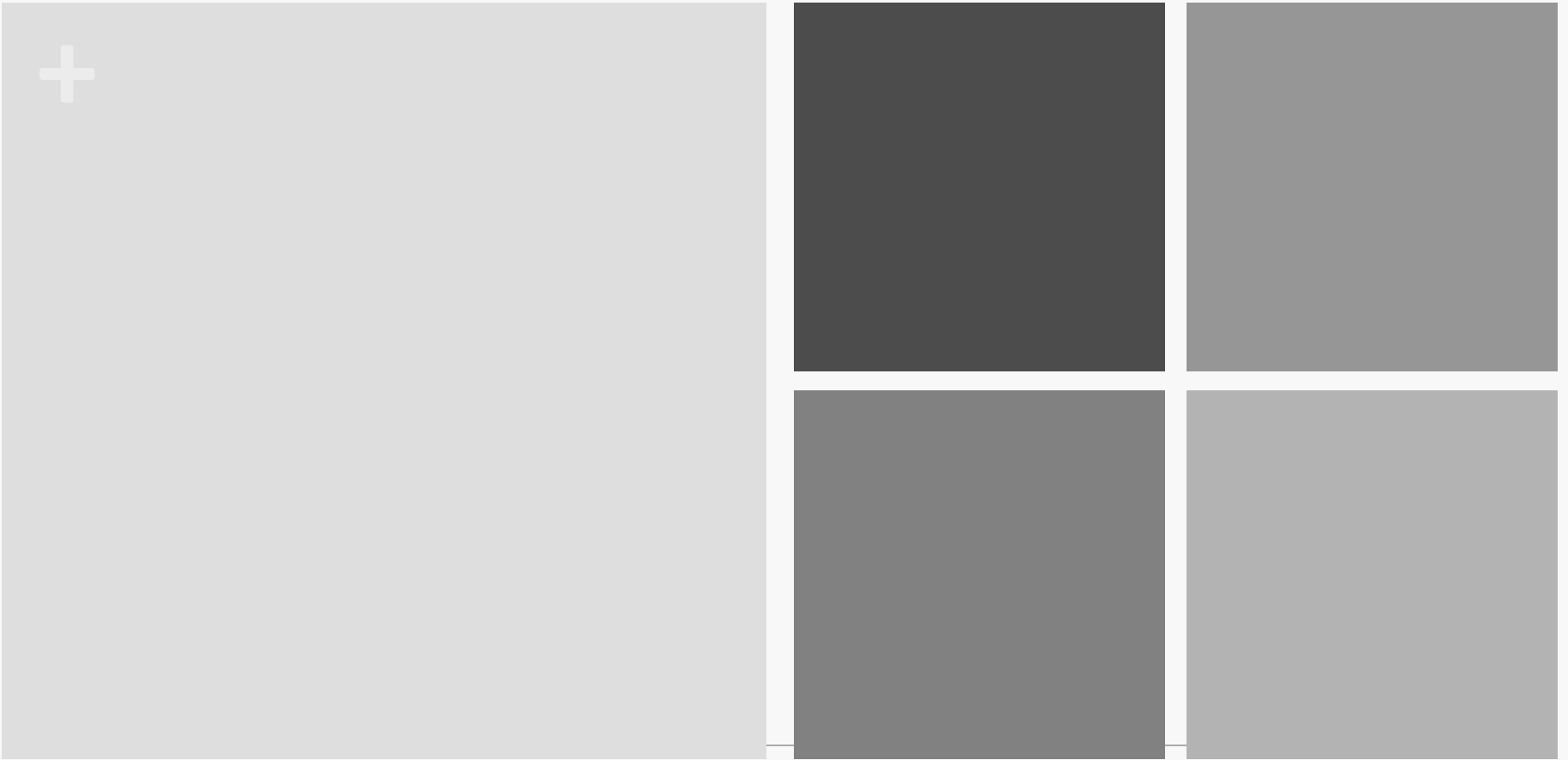
# What Causes Your Turnover?

\*\*\*Shown as sample results only

## Q144: "My carrier has my best interests in mind" Annualized Turnover Rate



**Notes:** Annualized turnover rate is computed by projecting annual turnover rated based on the number of days ago the survey was completed. Best fit prediction = dashed line (blue=Carrier.A; orange=Benchmark).



# Exit Interviews



# Exit Interviews... The Ideal Process

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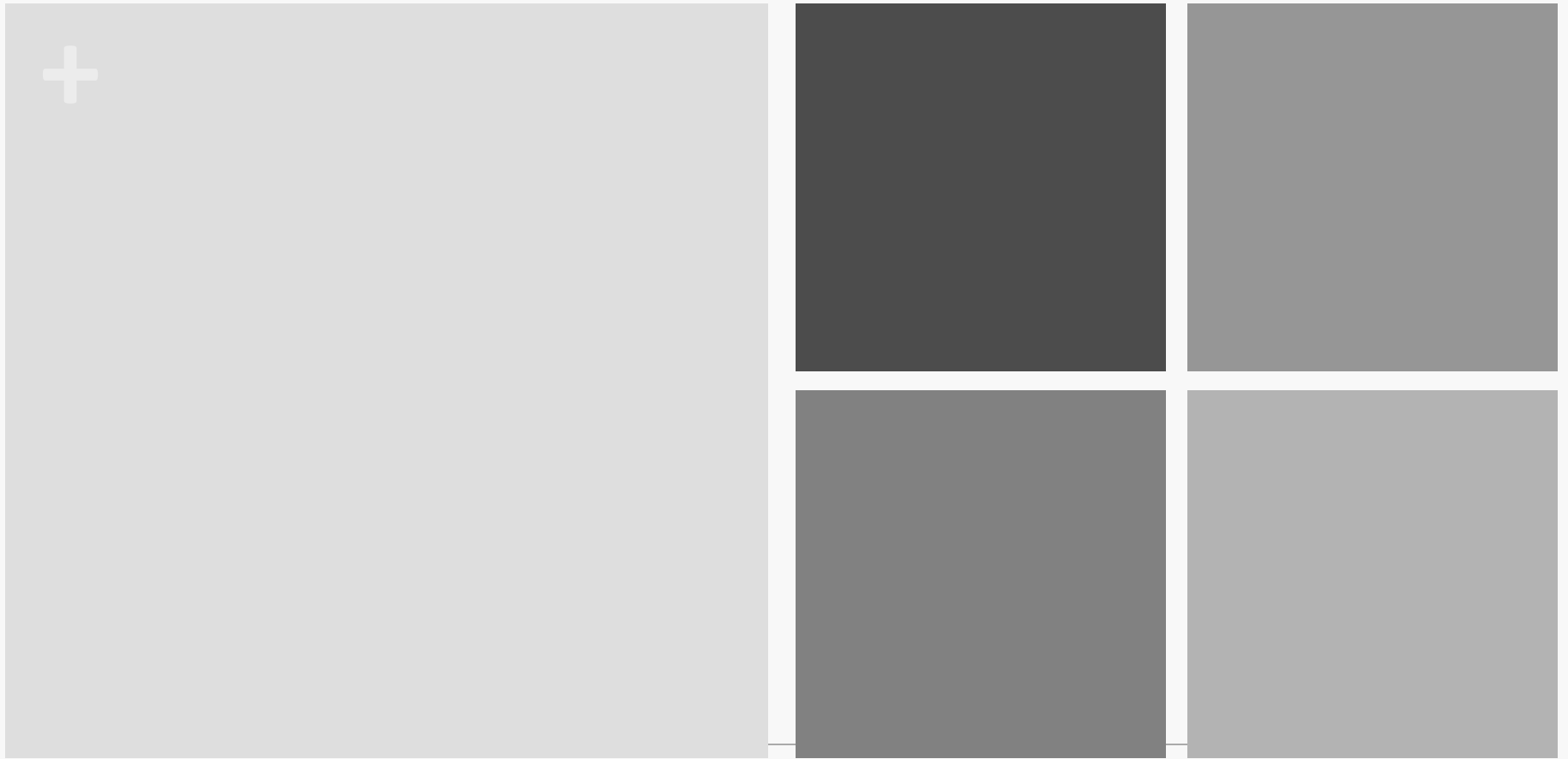
- Every Driver that leaves gets a phone call from a neutral third party interviewer
- They should introduce themselves as an independent third party that has been contracted by the carrier. (we add that we are studying turnover in the industry)
- It should be explained that their responses are anonymous and only shared with the carrier in a blended format
- The carrier gets the responses monthly and quarterly comparable data
- Every effort must be made to protect the drivers anonymity. (some responses will not be able to used)
- Engagement = Expect 60% of what you have good phone numbers for

# Answers

(sample only and questions can be altered to your needs)

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- Percent of terminations that were voluntary vs. involuntary
- Length of time with the carrier
- Type of driver i.e. Owner Operator, Company Driver, Fleet Driver
- Name and relationship with dispatcher
- Reason for separation
- Where they are going and what they plan to do
- Final event if there was one
- What would have kept them from leaving
- How they would rate the company in 10 different key areas
- If leaving for money how much more money they believe they will be making
- Percent of drivers leaving that would recommend the carrier to other drivers
- Open comments on what they believe would make the carrier better



# Orientation Interviews 7 & 45 Day



# The Process-

## 7 & 45 Day Interviews

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- In Orientation each driver is told to expect a call at 7 and 45 days from a Stay Metrics Interviewer.
- We introduce ourselves as calling on behalf of the carrier.
- We explain that the intent is to see how their “experience” has been since joining the company.
- We ask the drivers if they would like someone from the company to contact them about any questions and concerns.
- The carrier gets immediate notification of
  - Drivers declining the interview = disengaged
  - Drivers requesting a phone call from the carrier
  - Drivers with answers indicating disenchantment
- The carrier receives monthly recaps and quarterly comparative data

# 7 Day Answers

(sample only and questions can be altered to your needs)

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- How they found out about the company
- Feedback on recruiter
  - Response time
  - Personal engagement
  - “shot it to me straight”
- How they feel about your orientation program as compared to “others” they have experienced.
- How quickly they were scheduled into Orientation
- Use of social media
- How well the safety message was delivered
- Are expectations clear on
  - Pay
  - Home-time
  - Deadhead – Unpaid miles
- Feedback on “Travel Arrangements”
- How much they learned about the company in Orientation. Rehire ?
  - If so what was original reason for leaving?
  - What was primary reason for returning?
- Would they like someone from the company to contact them?



# 45 Day Answers

(sample only and questions can be altered to your needs)

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- Feedback on the recruiting process
- Turnover by Orientation Class
- Did schedule and type of runs match what was explained
- Was **quality of company** provided equipment “as described” in the recruiting process.
- Home-time expectations defined and being met
- Level of pride in the company
- Are they becoming embedded in the culture?
- Pay expectation as defined at recruiting being met?
- Time waiting between loads as expected?
- Waiting time as expected?
- Deadhead / unpaid miles as expected?
- Feedback on relationship with dispatcher
- Can they feel a “family” culture?
- Stress level
- Would they like someone from the company to contact them?

# More Information

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If you would like more information regarding anything in this presentation, please feel free to speak with me after the presentation.