

J. J. Keller's FLEETMENTOR®

DRIVER MANAGEMENT

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QUALIFICATION AND HIRING

The need for driver management

Managing drivers is actually a fairly new concept. Both drivers and carriers have only recently begun to accept the concept of driver management and understand the importance of using it.

Need for driver management — the driver's perspective

Many drivers initially got into the trucking industry because they wanted to work in an industry that allowed them freedom. One of the selling points to the industry (up until a few years ago) was the freedom of the road. No one really cared where you were or what you were doing as long as deliveries were made without loss, damage, or delay. No one supervised drivers on a minute-by-minute or even a day-to-day basis.

However, with the advent of just-in-time deliveries and limited inventories more demands began being placed on drivers. As these demands kept piling on the driver, the driver's job became more and more difficult. Daily or even hourly check calls became the norm.

The increased emphasis on compliance with regulations also added pressure to being a driver.

Drivers at most carriers were expected to operate in compliance, schedule their own appointments, get their own customer directions, alert customers to late deliveries, and deal with customer demands and complaints. As newer driver management practices started appearing some drivers were ready for them, especially drivers new to the industry!

Need for driver management — the carrier's perspective

Many carriers in the "good ole days" were only concerned about one thing. Is the driver making his/her deliveries on time without claims or accidents? If not, the driver was managed with a "swift kick." The "swift kick" management was also rolled out if the driver had an accident or damage claim.

At the same time this was all occurring, the driver shortage started to become an issue. In the last five years the driver shortage has appeared on every survey of management concerns.

In the "good ole days" driver retention was not a concern. If a driver left, the carrier replaced him/her. No need to manage, simply place an ad in the paper and hire another driver. As drivers have become harder to find, more progressive carriers have turned to actively managing their drivers as a method of improving turnover.

As retention started to become a concern carriers also began being held legally responsible for the actions of their drivers and their actions pertaining to their drivers. Because the carriers started being held responsible, they became more active participants in their drivers' daily activities. In other words, most carriers started trying to manage their drivers.

Some carriers end up trying to manage their drivers for the first time as the result of a DOT compliance review, a major loss to litigation, or high turnover. More progressive carriers witnessed another carrier's difficulties due to lack of driver management and decided to become more active in their drivers' day-to-day activities.

Screening

When hiring a driver, carriers use many objective and subjective measures to determine if the driver is qualified for employment at the company. Typical measures that are looked at are driving record,

accident record, driving experience, employment record, and overall stability. These standards have been developed based on risk management/reduction practices and the carrier's experiences.

Establish supervisor and manager qualifications

When hiring people to supervise drivers, many carriers do not apply the same principles as when hiring drivers. Some carriers only place one or two requirements upon applicants. Typical advertisements for driver supervisors include the simple requirement of "applicant must understand XYZ dispatch software." This is the equivalent of saying drivers only need to be able to shift the truck to gain employment.

This is done because many carriers consider the computer software to be the most difficult skill a new driver supervisor must master.

The problem is that the selection of driver managers and supervisors is possibly one of the most important responsibilities at a carrier, for reasons unrelated to the operation of the computer. These individuals will be the representative the employees and customers will be dealing with on a day-to-day basis.

Any time a new supervisor or manager is hired the carrier is rolling the dice. Will this individual be the cause of an increase in employee or driver turnover or the loss of a customer? Is this person willing to adhere to our policies and comply with the regulations? Will this individual be able to grow into the position?

Of course, no one can predict such things. But what can be done is the establishment of minimum standards every candidate must meet in order to be considered for the position (much the same process as is used for driver). In this way, you will know that supervisors or managers you bring in will possess a baseline set of skills and knowledge. Having this baseline of knowledge and skills will improve the odds that the employee will be able to fill the position successfully.

When determining the standards for the position, it is best to start with an accurate job analysis and job description. If hiring a dispatcher, the ability to lift 150 pounds is not a valid job requirement, but knowledge of a specific computer program and interpersonal skills may be. Typical requirements for driver supervisor or manager applicants can include:

- Ability to communicate effectively.
- Ability to work well with others.
- Ability to make decisions under pressure.
- Supervisory and industry experience requirement.
- Education requirement.
- Intelligence test.
- Personality test.
- Customized job skills test.
- Drug and alcohol test (under general employment policies, not the DOT testing program).
- Computer aptitude (if your operation uses a computer system).
- Interviews by other supervisors and managers.
- Background check including past employment, credit, driving record, and criminal history.

Hiring supervisors and managers from within

Often, and depending on the size of the operation, a good place to look for supervisors and managers is from within the company.

There are many advantages of hiring from within. A main benefit is that there is reliable information on the candidate because of his/her history with the company. The individual's work ethic, reliability, disposition, and interpersonal skills are known. This information can provide insight as to whether or not the person would make a good supervisor or manager.

Another benefit of hiring from within is that training on company policies and practices takes less, if any, time. Internal candidates should be familiar with all the policies and practices of the company.

However, getting an internal candidate up to speed doesn't happen overnight. There could be an investment of time and money to get these employees trained. The employee might need to go to school for additional training on supervision. He/she might also need to become familiar with the FMCSRs and other corporate concerns — such as budgeting, manpower allocation, and software systems. This

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process can take weeks, even months. Because of this, the ability to communicate, willingness to work with others, willingness to be trained, and the ability to learn all need to be considered when deciding to promote from within.

The danger of promoting from within is the problem of “promoting to the level of incompetence.” This is also true when hiring an individual from outside the company that does not have supervisory experience. A mechanic may have been a very good mechanic, but he/she may not have the ability to develop any further. This phenomenon can be avoided by remembering to screen all candidates against standards and train the individuals. Many times it is assumed that the individual should do well as a supervisor or manager simply because they were good at their previous position.

There is one key point to remember when selecting individuals to become driver managers and supervisors. Good workers do not always make good managers. Working and supervising are two different skill sets. When an employee works, he/she is judged on direct performance. When supervisors and managers work, the results are not direct performance. The results are what they are able to get others to produce.

Supervising and managing requires being able to train, motivate, supply, and direct other people, not the ability to personally produce. A driver may have started as trainee, worked up to driver, and now is a driver trainer. This individual has a wealth of knowledge on how to operate vehicles. But, does he/she know how to supervise people operating vehicles?

As a supervisor the individual is going to sit behind a desk and establish schedules, maintain records, perform data entry, answer the phone, solve personnel and scheduling problems, consult with management on difficult issues, and prepare reports for management. The individual’s knowledge of operating vehicles will come in handy, but it is no longer the core responsibility of his/her employment.

Hiring supervisors and managers from outside

Hiring from outside may create issues with your existing employees, but hiring supervisors and managers only from inside the company may mean not hiring experienced, quality individuals. There is nothing wrong with giving preference to inside candidates, but do not want to consider existing employees to be the only pool of candidates.

Many carriers actively recruit supervisors and managers from outside their organization if the management believes that the carrier needs to change its business efforts or policies and procedures. In such cases the management will normally try to recruit a supervisor or manager from another carrier that has been successful in their efforts to change to a new business model or system.

The bottom line is whether you hire a supervisor or manager from inside or the outside, be sure to screen the candidate against a job description and be prepared to provide the necessary training.

Orientation

Once the decision is made to hire a new driver supervisor or manager, the individual should be placed in an orientation program (much like the drivers). In this program the job responsibilities and requirements should be spelled out. Also, the orientation should be used as a final screening tool.

Some carriers require driver supervisors and managers to complete the new driver orientation as part of their orientation. While this can be useful in exposing the driver supervisor to the operation of the company and the drivers’ responsibilities, it alone does not prepare the supervisor for his/her position. The supervisor will still need to complete a job-specific orientation.

Typical driver supervisor orientation programs in use include:

- Required paperwork.
- Company history.
- Company structure.
- Company policies and procedures.
- Operation system familiarization.
- Introduction to coworkers and supervisors.
- “Ride along” with a senior driver to see the operation from the driver’s perspective.

Training

Many times the training program for supervisors is geared toward operational procedures and the computer system. While this is vital training, it should not be the entire training program. It is equally important to train new supervisors on company policies and procedures, communications, interpersonal skills, and dealing with drivers. These are critical skills that the training program must address.

As with any training program it is important to determine the goals of the training program, structure objectives and activities that match the goals, and establish standards that must be met. Having vague goals, objectives, and standards can create problems in any training program.

One difficulty with supervisory training is that it can be difficult to quantify the trainee's performance compared to certain standards. Some of the standards will require subjective, rather than objective, measures. An example would be attempting to quantify if the trainee has the ability to work well with others. There is no test that can be administered that can determine if the trainee is successful at working well with others. This will require a subjective judgment of a trainer.

Objective measures are preferred in any training program. However, as you can see, it is not always possible. When training driver supervisors many of the critical goals and measure, and therefore the related standards, are subjective.

Because of the subjective nature of supervisory training standards, it is critical that trainers be selected based on criteria that matches the goals, objectives, and standards of the training program. It has been said that if you want "hard-nosed" supervisors, have your hard-nosed supervisors do the hiring and training. It is also true that if you want supervisors that communicate well and work well with drivers, then use supervisors that have these traits involved in the hiring and training of new supervisors. While this is a fairly simple concept, it is one that is many times overlooked.

There are objective standards that can also be used to rate a trainee's performance, such as phone time, time to complete a dispatch, and computer error rates/ratios.

OPERATIONS

Determination of responsibilities

One driver management issue that many carriers deal with is who has responsibility for the driver. At some carriers the dispatcher is not provided with direct supervisory control. The dispatcher simply assigns loads. Safety, human resources, or personnel has responsibility for disciplining the driver. Maintenance has responsibility for the driver in mechanical issues. Customer service or load planning has responsibility for the driver's on-time delivery.

This type of management can create problems if it is not done correctly. The carrier is in a situation where it is possible to have both overlapping responsibilities and a lack of accountability.

The overlapping responsibilities can create the situation where several supervisors or managers are dealing with the driver on the same issue. This will quickly cause a driver to wonder, "Who's the boss?" It can also be frustrating for a driver as problems are many times discussed with several people. Finally, it can create a situation where the driver will ask several supervisors or managers the same question to try to get the answer he/she wants to hear.

The lack of accountability can come from supervisors and managers assuming that someone else "takes care of that." Who disciplines the driver if a driver hits a curb, and flattens a tire and bends a rim? Does maintenance, on the basis that it was a repair issue? Or does Safety on the basis that it was a driving issue? If the repair led to a late delivery, does that make the incident a dispatch issue?

If a carrier is not using a single point of contact system it is important to avoid such problems by assigning responsibilities to the various supervisors and managers. To make this work, the drivers, supervisors, and managers all need to be aware of what responsibilities have been assigned to the different supervisors and managers. This will create a situation where supervisors and managers can hand off the driver to the correct supervisor or manager if the driver has come to the wrong supervisor or manager.

One driver management issue that many carriers deal with is who has responsibility for the driver.

Policies and procedures

Policies and procedures keep a carrier operating consistently. If drivers do not have policies and procedures to follow they cannot know what performance is expected. If supervisors do not have policies and procedures to follow they cannot manage correctly.

Supervisors must know the policies and procedures

If supervisory and management personnel do not have policies and procedures to follow, the consequences can be severe. Each supervisor will be allowed to operate independently. The carrier will find drivers going to several supervisors until they get the answer they want to hear, leading to major differences in performance and operations. It will also create a situation where drivers will only want to work for certain supervisors or managers.

Another problem with not having policies and procedures in place for supervisors and managers to use is the appearance of a lack of fairness. If one driver is punished by one supervisor, but another driver is rewarded by different supervisor for the same behavior, it will not take long before cries of favoritism are heard.

Policies must be consistent

Carriers need to avoid conflicting policies. Here is a prime example:

- Policy 1 — Under no circumstances is a driver to violate the hours-of-service regulations.
- Policy 2 — Under no circumstances shall a driver deliver a load late.

Simply looking at these two policies it is easy to see the conflict. What happens the day a driver is delayed by a shipper and cannot make delivery on time without violating the hours-of-service regulations? Simply changing Policy 2 to read “Drivers must deliver loads with no unnecessary delays” solves the conflict.

Policies and procedures provide benchmarks and measures

Policies and procedure also provide drivers with guidance and known measures. If policies and procedures are reasonable, relevant, and known to the drivers; drivers will understand what is expected of them. Because of this the policies and procedures create benchmarks that performance can be fairly judged against.

Policies and procedures also provide benchmarks that discipline can be based on. This is the “dark side” of driver management. At times, for the good of the company a driver must be disciplined or discharged. Because of this, each policy must specify what the consequences of non-compliance are. If the carrier does not have documented policies, it would be easy for a driver to claim discipline or discharge actions were unwarranted. If a driver is not complying with a documented, reasonable, relevant, and known policy or procedure, the carrier is in a position where effective discipline (up to termination) can be undertaken without fear of a claim.

Disciplinary policy

It is important to have a discipline policy. The policy should clearly state the consequences of violations of company policy. The discipline policy should also outline the corrective and progressive nature of the discipline. Finally, it should explain what the consequences of not correcting behavior are, including what will result in termination.

Here is an example of a corrective and progressive discipline policy:

It is the intent of the company and this policy to improve compliance with company policies and procedures rather than to punish employees. Due to this intent, the company uses a corrective and progressive disciplinary system. Please note that some policies have their own disciplinary component. In such cases the discipline outlined in the other policy will apply. Violations of company policies will be dealt with in the following manner:

Policies and procedures also provide benchmarks that discipline can be based on.

- **First violation** — verbal warning and coaching. The employee shall be given a verbal warning and coached on improvements that can lead to compliance with the policy in question for the first violation of a company policy. The employee shall also be offered voluntary retraining in the performance area in question. The coaching session and any retraining shall be documented.
- **Second violation** — Written warning and retraining. The employee shall be given a written warning and retrained on the performance area covered by the policy for the second violation of a company policy. The employee must sign the written warning and the retraining is to be documented. If the employee refuses to sign the warning, or refuses to participate in the retraining the employee will immediately be suspended and issued a final warning.
- **Third violation** — Suspension, retraining, and final warning. The employee shall be suspended for one week and attend retraining upon return from the suspension.
- **Fourth violation** — Termination. Employees that repeatedly violate company policy following warnings, retraining, and suspension shall be terminated. Employees that reach this level of the disciplinary system have demonstrated that they do not have any interest in improving compliance with company policies. For the protection of the company, these individuals are to be terminated. Employees terminated for repeated violations of company policy will not be eligible for rehire consideration for one year following the date of the termination.

Notice that each level of the policy requires documentation. This is to provide the carrier with proof that the employee was offered a chance, or chances, to improve his/her compliance with the policies.

By having documented, reasonable, relevant, and known policies in place and using them even handedly when disciplining drivers, a driver cannot claim that he/she was singled out for discipline or another driver was not disciplined for the same activity.

Transitional dispatchers, training dispatchers, and mentors

Transitional dispatchers

A transitional or training dispatcher is a driver supervisor who works with new drivers, understands their needs, and may have special skills or experience in dealing with this transitional phase of a driver's career. The concept with this type of dispatcher is to train the driver to operate successfully in your company's environment.

This dispatcher will serve as the driver's single point of contact during the transition. Any and all questions or issues that arise are brought to this dispatcher's attention. A transitional dispatcher's job is to get answers for the new drivers and deal with their issues. This way, the driver knows exactly who to call to get help and is comfortable doing it.

From an operational standpoint, the transitional dispatcher will provide the driver with many more details than would be given to other company drivers, such as guidance on complying with company policies and procedures. Transitional dispatchers also know the company's "lingo and shorthand" that the driver will need to learn. Once the necessary skills are learned, the driver can be passed onto a line dispatcher or driver manager.

One of the biggest items a transitional dispatcher can provide the new driver with is time. Simply chatting with the new drivers to see how the transition is going is a key function of this type of dispatcher. Many of the problems solved by transitional dispatchers are solved during informal chats. Every problem solved by a transitional dispatcher makes the driver easier to manage in the future.

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Mentors

An alternative to having a transitional dispatcher, or as a supplement to the transitional dispatch system, may be the assignment of a mentor. This might be another driver, a driver trainer, or an orientation instructor. The mentor would serve as a point of contact for all questions or problems.

The mentor would handle load assignment questions, safety issues, and anything else that the mentor is knowledgeable on. This person would also serve as the driver's advocate, supporting the driver in discussions with supervisory personnel. Much like the transitional dispatchers, time is one of the key elements.

Driver managers

A "driver manager" is not a dispatcher. A dispatcher is part of the operational system that utilizes multiple supervisors to oversee the performance of the driver. The dispatcher's responsibility in this system is simply to inform the driver of the decisions made by others. This is part of the "classic" operational and driver management process in use in the industry. The classic operational model in the transportation industry includes:

- The upper management establishing policies and practices, and managing the overall operation.
- Sales people "selling" the fleet.
- Customer service representatives maintaining contact with customers, dealing with customer requests, booking loads, and dealing with any customer related problems (some fleets refer to people in these positions as the "load planners")
- Safety or human resources personnel handling all driver compliance, performance, discipline, and training.
- Maintenance personnel handling all truck repair and service issues.
- Dispatchers assigning loads to the driver based on orders from customer service representatives or load planners.
- Drivers going where their dispatcher tells them to. If they have a request, complaint, or concern they are instructed to address it with the department that "handles that."
- Drivers are expected to coordinate their activities with the different departments (schedule maintenance, notify customer service of delays, safety for corrections, etc.).
- Direct, personal communications with the driver is kept to a minimum through technology.

In smaller operations some of these positions many times are combined, making the driver's job a little easier. This is one of the advantages that a small company has over a larger company.

The biggest problem with this classic model is the driver is completely removed from the decision-making cycle if the positions are separated. In some cases the driver may not even know who to talk to when a decision is made or a problem arises!

Even if the driver makes a direct request to their supervisor (dispatcher), that individual cannot make decisions without discussing the request with either their supervisor, a supervisor from another department, or a customer service representative/load planner. In short, the dispatcher in many cases is also not part of the decision-making cycle. Now the driver is two people away from the decisions that will affect his/her income, time away from home, and run area.

The other major problem with the classic system is even if the dispatcher wants to be an effective supervisor, he/she does not have the authority or training to do so. This system has frustrated many good dispatchers as they watch their drivers being "eaten alive" by others in the operation.

Many carriers have moved to a newer operational model which places the dispatcher into the role of managing drivers, rather than just assigning loads. If a driver is having problems with hours-of-service compliance, it is the driver manager's responsibility to correct the driver. If the driver needs to be home

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on a specific date, it is the driver manager's responsibility to work with customer service to get the driver home on time. If the driver has questions about payroll, it is the driver manager's responsibility to find the answers for the driver.

Driver managers carry additional responsibilities

The "driver manager" concept carries a considerable amount of responsibility. Because of this, the driver manager must be given the authority necessary to make decisions on load assignments, routing, driver time off, and other personnel issues. Along with the authority to act, the driver manager must also be given the training and be held accountable.

If the driver manager is informed that the driver needs to be at the terminal for a physical on Tuesday, the driver manager must have the training to understand the importance of getting the driver to the physical. He/she must also have the authority to work with the customer service and load planning personnel to secure a load that will allow the driver to get to the physical. Finally, he/she must be held accountable if the driver did not make it.

Under the "driver manager" concept, almost all communications to and from the company should come through the driver manager.

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