

DRIVING DOWN RISK, DRIVING UP SAFETY AND PERFORMANCE

Ryans Group has significantly improved safety and operational efficiency since 2005, in close cooperation with Zurich Risk Engineering.

About Ryans

Ryans Group is a family-owned transportation company headquartered in Victoria, Australia. Their expertise is in general freight, removals and storage, warehouse solutions, recycling services and international freight.

Ryans prides itself on providing excellent customer service at the right price. Its levels of customer retention are high. Some of its major retail and corporate customers have been with them for more than 50 years, and they have been known to move some families' households numerous times.

Ryans has been insured with Zurich since 2002 and sees the insurance firm and its insurance broker as trading partners. Ryans started actively working with Zurich Risk Engineering in 2005.

A key objective for Ryans was to improve the management of their work-related road risks in order to:

- Reduce the risk of harm to employees and others
- Reduce the number of incidents and claims
- Reduce costs
- Fulfill their legal duty under Health & Safety legislation
- Meet planned corporate social responsibility objectives



Ryans is a fantastic example of how working with insurance experts adds real value to an operation. They recognised that the relationship with RSM as the broker and Zurich as the insurer was just as much about prevention and risk management, as it was about being covered in the event of adversity. Ryans' operation is sounder than ever before, making them a business of choice for customers as well as employees.

Bruce Richards, RSM Insurance Brokers



Assessing the risk

As part of the initial benchmarking exercise, Zurich's risk engineers undertook the initial heavy vehicle risk assessment in 2005.

Three fundamental areas of work-related road safety were assessed (via 27 risk factors): the **driver**, the **journeys** they make and the **vehicles** they use. This included the core driving competencies for drivers: **attitude, behaviour, knowledge and hazard recognition skills**.

An unusually high number of single vehicle accidents contributed to a poor claims experience.

The assessment provided a comprehensive insight into the risks faced, allowing Ryans to prioritise where action was needed and what interventions were required.

Managing the risk

Recognising that driving can be an emotive issue, one of the key success factors was to build an *On-Road Safety Culture* within Ryans, whilst giving drivers the tools and opportunities to improve their own driving as required.

A strong commitment from Ryans management was there from the beginning. They saw the value in prevention and embedding risk management more strongly into their culture. As a result, they embarked on rolling out an ongoing program for cultural change.

A comprehensive roll-out plan ensured that everyone – drivers and their managers – knew what the company was looking to achieve and what the benefits were to them.

Since 2005, Ryans has introduced a number of innovative practices which have directly impacted upon their safety performance.

1. Road safety

All vehicles are now speed limited to 90 km/h. This has driven a focus and cultural change around the areas of safety, environment, and business sustainability, and has been very well received by customers and the wider community.

2. Vehicle recognition

All vehicles including company cars have had their bumpers painted bright orange, meaning Ryans vehicles are easier to recognise and more visible to the driving public at greater distances on the road.

3. Driver selection

Driver selection standards have been enhanced with the addition of driver medical exams, license points checks and on-road driver evaluations. Drug and alcohol controls are now part of pre-employment checks.

4. Driver training

A full Employee Induction Manual (EIM) has been introduced with good coverage of key topics, and yearly re-inductions are required. Driver training standards, road safety and customer service skills have been boosted by all drivers undergoing Cert 3 training programs.

5. Finance and health management

Wellbeing and financial assistance programs are now available to drivers. A partnership with the Great South Coast Medicare Local enabled a federally funded program over a two year period that gives employees the tools and skills to make healthier food and lifestyle decisions.

Through partnerships with two local banks, the Ryans Group ensures better banking deals, complete with financial advisory services, become available to all staff.



6. Drug and alcohol policy

Strong controls form part of driver pre-employment checks, whilst random drug and alcohol testing is in place for all employees.

7. Driver monitoring

All new heavy vehicles are fitted with telematics systems, regardless of vehicle manufacturer. Telematics systems are now a feature in all new vehicles of the fleet.

8. Fleet management

Partnerships with key vehicle manufacturers such as Scania have allowed Ryans to concentrate on core business, whilst the purchase of new vehicles has become a regular program, complete with buy-back schemes and maintenance programs.

9. Vehicle maintenance & inspections

As part of the ongoing partnership, Ryans has outsourced all vehicle maintenance activities to Scania, again allowing Ryans to concentrate on its core business whilst ensuring all its vehicles are maintained at the highest possible standards of compliance by the manufacturer.

10. Incident reporting

Ryans has boosted efforts in incident reporting and investigation, with causal analysis and corrective actions now integrated into the company's safety and management systems.

11. Fleet Risk Management policies & procedures

Ryans created the new position of *Quality & Compliance Manager* and has appointed a highly regarded individual from the heavy road transport industry. This position focuses on ensuring safety in all depots, maintaining compliance and enforcement of Chain of Responsibility requirements for the business. This is a key element to ensure Ryans meets its legislative requirements.

Working with Zurich as a strategic partner, we continue to make improvements to better manage our risk. This in turn adds value to our customers and the environment that we work in, and provides a focus on the safety, health and well-being of our team. We have realised at Ryans that our people are our competitive advantage.



We are very proud of what we have achieved by setting the right priorities for our business. Our ongoing risk management program is an integral part of our pitch to new and existing customers. We are confident that our approach makes for a consistently excellent customer experience.

Graham Ryan, Managing Director, Ryans Group

The results

Improved claims performance

There has been a major improvement in the motor vehicle claims performance. Between 2010 and 2013, claims frequency has reduced by 58% and the average cost of a claim has reduced by 52%. Looking back over the last 9 years, the claims frequency has reduced by an impressive 87%.

Improved risk grading

Many risk factors of the *Zurich Risk Grading for Motor-Fleet-Truck* have improved significantly since 2005, contributing to better risk grading. Zurich's last assessment graded Ryans 'Good' at 83 points – a direct result of the practices that were put in place.

I am extremely impressed with Ryans and the journey that they are undertaking. They have demonstrated that they are empowered and focused on improvement and innovation far beyond the baseline of legal compliance. I am confident that these initiatives will keep improving the risks to the business and the safety and wellbeing of their employees.

Peter Johansson, Zurich Risk Engineer

Onwards and upwards

Ryans is looking to introduce Zurich's driver performance / risk management system, Zurich Fleet Intelligence (ZFI), to their fleet operations.

This system embraces telematics and is part of the larger Virtual Risk Manager system which will enable drivers to monitor their own driving performance (with regards to service and safety) and compare it 'live' across the entire fleet.



Credit: Thanks to Ryans Group for their corporate images.
Date of production: May 2014

ZU22259 V10514 BWIN-008877-2014

Zurich Australia Limited
ABN 13 000 296 640, AFS Licence No. 232507
5 Blue Street North Sydney NSW 2060
www.zurich.com.au

