# **Case Study - BT**

## Profile

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| Company Name: | British Telecom |
| Business Sector: | Telecommunications |
| Postal Address: | BT, 81 Newgate Street, London |
| Postcode: | EC1A 7AJ |
| Fleet Size Overall: | 43,123 vehicles in total (March 2008)1,567 heavy commercial. 30,639 vans. 9,058 cars. 1,859 other (including trailers) In addition 15-20,000 vehicles per year are taken up from trade. |
| Private vehicles used for business purposes: | 30,000+ (including commuting) |

## Company Overview

British Telecom (BT) is one of the world's leading providers of communications solutions and services operating in 170 countries. Its principal activities include networked IT services, local, national and international telecommunications services, and higher-value broadband and internet products and services. BT consists principally of six lines of business: BT Global Services, BT Openreach, BT Retail, BT Wholesale, BT Design and BT Operate.

BT’s corporate identity defines the kind of company it is now and the one it needs to be in the future. Central to that identity is a commitment to create ways to help customers thrive in a changing world. To do this BT must live its brand values:

* Trustworthy - we do what we say we will.
* Helpful - we work as one team.
* Inspiring - we create new possibilities.
* Straightforward - we make things clear.
* Heart - we believe in what we do.

BT is committed to contributing positively to society and to a sustainable future. This is part of the heart of BT.

Sustainability has been at the cornerstone of BT strategy for many years and BT is proud of its record. BT believes that better communications can help create a better, more sustainable world for everyone.

As one of the world’s leading information and communication technology (ICT) providers BT has approximately 100,000 staff that may be called upon to drive while at work. Since BT’s Health and Safety Centre of Expertise identified driving as its biggest and most expensive risk during 2003, BT’s quarterly meeting Motor Risk Management Forum (MRMF) has developed a strategic programmeme initiated to manage occupational road risk issues across all Lines of Business. This has seen a range of ground-breaking occupational road safety initiatives to manage and encourage safer driving by everyone associated with the company.

## Nature of Operation and Driving Activities

BT operations are characterised by the following facts:

* BT has approximately 100,000 employees, most of whom are drivers.
* BT’s employees have around 250,000 family members, most of whom use the road.
* BT has around 60,000 Drivers in 50+ countries.
* BT’s 43,000+ vehicles make it the largest commercial fleet in Europe.
* BT also uses 15-20,000 other vehicles on its business.
* BT’s fleet composition is diverse.
* Occupational Road Risk is a key area of health and safety strategy for the company and each Line of Business has made a detailed business case for its occupational road safety programme, based on the moral, legal business and financial costs. This included calculating how many broadbands the company needs to sell to pay for its collisions.
* In the United Kingdon, repair costs have reduced significantly in recent years, to between £15-20 million each year with additional costs of approximately £6m for claims management.
* In the United Kingdon, fuel costs the company approximately £70m each year.
* Despite significant year on year improvements, from >60 to <30 collisions per 1,000 vehicles over the past 6 years, there have been several fatalities among employees and members of the public during that time.

## Organisational Structure

BT follows Health and Safety Executive Guidance (HSG 65) in managing its occupational road risk, and its ORR strategy utilises a 14-point occupational road safety strategy based on the Haddon Matrix framework of management culture, journeys, road/site environment, people, vehicles and society/community.

* All employees who drive on business for BT complete RoadRISK assessment and Safe Driving Pledge as their ‘Permit to Drive’.
* A range of interventions are available to address the most common types of development needs required based on BT’s RoadRISK allocation rules
* All managers responsible for five or more drivers complete a half day fleet safety management workshop called ‘Whose Risk is it Anyway’?
* All drivers involved in a collision complete RoadRISK to re-evaluate their risk profile and possibly in-vehicle training.
* Investigation of collisions is mandatory for all incidents resulting in more than £2,500 damage as part of BT’s Health and Safety Accident procedure.
* Formal link between the data logged by claims handler and the profiling carried out under RoadRISK to allow interventions to be based on risk assessment as well as collision history.
* Sophisticated analysis of collision data, using CrashCOUNT 24/7/365 web based KPI and intervention cascading tool.
* Regular internal and external publicity campaigns to promote road safety messages on a range of issues – most recent on smoking in vehicles.
* Van familiarisation training built into all engineers’ basic induction training.
* Short duration slow speed manoeuvring courses available for appropriate BT drivers.
* Routine eyesight testing for drivers using the University of London’s automated testing system.
* Online driver assessment and training tools available to family members of BT people and non Occupational Drivers to promote the community road safety agenda.
* Extra consideration given to minimum vehicle selection safety specifications via the European New Car Assessment Programme (NCAP) programme, and the Birthday Process for vehicle checking, monitoring and maintenance.
* Trials of technological interventions such as reversing alarms and vehicle monitoring technology undertaken where they can be shown to offer risk management benefits.

BT publishes its policies and ensures that they are accessible to all its employees via the BT Intranet. In addition, driver handbooks, individual driver assessments and intervention plans for individual drivers also form part of the management process. This has been statistically validated by Napier University in studies based on 8,000, 16,000 and 26,000 drivers, which are in the process of being published in the peer reviewed Safety Science journal.

The foundation for this process is that BT managers also receive training in managing occupational road risk because the company views managing road risk as a main stream business activity.

The driver level risk assessment and improvement process is summarised below:



To date, this process has led to:

* 3,000+ managers trained in occupational road safety.
* 95,000+ people registered on occupational road safety system.
* 65,000+ drivers risk assessed.
* 45,000+ drivers signing road safety pledge
* 45,000+ trained via CBT modules One More Second and RoadSKILLS.
* 10,000+ drivers have participated in BT’s safe driver of the year competition.
* 6,000+ drivers trained in-vehicle (defensive driving, induction, van familiarisation, slow speed manoeuvring and SaFED)
* 3,000+ family and friends have logged on to the family members programme.
* Hundreds of thousands of kilometres of exposure (over 10% of journeys) reduced through home, tele and smarter working.

## Occupational Road Safety Policy and Procedures

One of BT’s business principles is to care for the health and safety of people across all BT’s operations and products. Health and safety is not just about avoiding accidents – it requires a broader commitment to protecting BT employees’ physical and mental health.

Health and safety issues related to managing occupational road risk include: working at heights; electric shock; exposure to EMF and radio frequency (RF) fields; and exposure to hazardous chemicals. The BT internal Health and Safety Handbook provides information to employees about Health and Safety issues and guidance notes for specific jobs. Some examples of guidance provisions include practices relating to cabling work, climbing practices, personal protective equipment and working on external radio stations.

The Management team involved in managing occupational road safety is as follows:

* BT People.
* Line Managers.
* Senior Managers and Policy Makers.
* Health and Safety Specialists.
* Risk Managers.
* External Consultants.
* Fleet Managers.
* Insurers.
* Trades Unions.

BT has developed a multidisciplinary approach to its management of occupational road risk and uses a BT wide steering group, called the Motor Risk Management Forum (MRMF) to develop and implement policy as follows:

* Set standards.
* Bring road risk issues into the business mainstream.
* Encourage personal responsibility.
* Select the right tools for the job.
* Assess the risks.
* Intervene to stop things going wrong.
* React when things have gone wrong.
* Monitor performance.
* Learn from BT’s experience.
* Learn from the experience of others.
* Seek continuously to improve BT’s process and methodology.

## Occupational Road Safety Guidance for drivers

BT bases its attitude to managing occupational road risk on the following factors:

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| **Negative Factors** | **Positive Factors (if Management Action is taken)** |
| * Time pressures.
* High mileage.
* In car distractions.
* Vehicle types.
* Someone else's property.
* Non productive time.
 | * Policies.
* Training.
* Behaviours
* Management.
* Monitoring.
* Review.
* Maintenance.
* Assessment
* Occupational drivers are private motorists too!
 |

## Specific examples of procedures

All BT employees take a mandatory Driver Assessment on-line (65,000+ completions so far). This process evaluates drivers according to the following factors:

* Exposure (including Age, Collision History and Mileage)
* Hazard Perception
* Attitude
* Behaviour
* Knowledge

On the basis of this evaluation, a decision is made whether and which training invention is required for a particular individual. BT has 3 main categories of intervention:

1. **On Road Training.** This training package consists of the following programme:
	* SaFED Programme.
	* Back in Control.
	* Van Familiarisation.
	* Personal Focus Courses.
2. **Administrative.** An administrative intervention consists of the following:
	* Manager led MIS and OneToOne process.
	* Vehicle condition checks.
	* Pledge.
	* License checks.
	* Journey management/reduction.
3. **Education.** BT runs the following education programme focussed on managing occupational road risk:
	* One More Second.
	* Road Skills.
	* Whose Risk is it Anyway.
	* Risk Foundation (New for 2008).
	* Driver of the Year.
	* Communications Programme.
	* Friends and Families Programme.
	* Safed (New for 2008).
	* RiskCOACH (New for 2008).

## Auditing and review

BT has been highly proactive in auditing and reviewing its occupational road safety programme, being a founding/sponsoring member of the Fleet Safety Benchmarking Group ([www.fleetsafetybenchmarking.net](http://www.fleetsafetybenchmarking.net/)); and reviewing its performance and processes in detail against other organisations including Royal Mail and Wolseley UK.

## Performance measures

BT’s bases its assessment of its processes and performance on the following measures:

* Repair and Maintenance.
* Data analysis and KPI Reporting based on collisions per 1,000 vehicles and costs.
* Claims Handling.
* Benchmarking and Sharing Best Practice.

Although they are important, and BT has been successful in monitoring them (see below), lag indicators such as claims and costs are by their very nature reactive and too late. For this reason BT has chosen to be proactive and also focus on ‘lead’ (before the event) indicators. In the Company Vehicle Incident Recording (CoVIR) research published by the Department for Transport the proactive lead indicators shown in the table below were amongst those recommended for fleets to adopt. The right hand column shows the steps BT has taken.

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| **Lead indicators** | **BT initiatives** |
| Barriers to change identified | Quarterly MRMF meetings and regular safety management workshops focus on identifying overcoming barriers |
| Budget available for safety | BT has invested heavily in its fleet safety programme |
| Safety meetings held | Group wide MRMF meets quarterly, local groups monthly |
| Hazards identified, risk assessed and controlled | Over 65,000 drivers risk assessed and targeted to date |
| Health, eyesight and well-being checks undertaken | Health issues are a major driver for BT´s fleet programme, including BT´s employee health initiative touching over 15,000 people during 2006 |
| Journeys evaluated and minimised | All drivers travelling >20,000 miles per annum for work undertake 1-1 session with manager to review journeys |
| Legal and OHS requirements met | Programme is led by BT´s Group Safety Advisor |
| Manage reputational risk | BT has been externally recognised by Brake, Fleet News and Prince Michael for its fleet safety programmes. The programme has generated a great deal of good media coverage. BT staff are also highly sought after guest speakers on the fleet safety conference circuit |
| Regulator safety meetings held | BT works proactively with and guides the DfT, HSE and similar European regulators |
| Relevant training activities undertaken | BT has the largest training programme on fleet safety in the world – for its managers, supervisors and drivers |
| Safety audits undertaken | BT has a sophisticated push of a button online safety auditing programme for its vehicles and drivers |
| Staff risk-assessed | To date BT has risk assessed 65,000+ drivers´ attitude, behaviour, hazard perception, knowledge and risk exposure. |

## Collision reduction

BT has achieved a significant reduction in its lag (after the event) indicators. As a result of the policies, processes and practices described for managing occupational road risk BT has seen a six year improvement from >60 collisions per 1,000 vehicles to the current figure of <30. This is summarised in the diagram below:



## Financial and other benefits

Although it works with Zurich to manage calamity claims, BT is essentially self insured. The company, therefore, views its expenditure on vehicles repairs as having an impact on its sales. With annual repair costs resulting from damage to its vehicles of just under £20m., this, this means that BT has to generate £100m worth of sales to pay for its collisions. This is equivalent of an additional 10 pence on its share price. BT is therefore, well aware of the financial benefits of managing its occupational road risk.

Although BT is ‘self insured’ for incidents up to £500,000, it has worked closely with its insurers and obtained substantial savings on both its motor fleet and employers liability premiums. BT’s fleet insurer, Zurich, has also helped to part fund several risk management initiatives, particularly its Driver of the Year competitions for the past few years – which include online tests to filter participants down to a manageable number to take part in an in-vehicle finals day.

Overall, during the past six year years BT has gained many benefits from this programme of work, not least:

* Year on year incident reductions.
* Substantial vehicle damage cost reductions.
* Managers and drivers hit personal targets.
* Raised profile, awareness and brand internally and externally, including major contribution to Corporate Social Responsibility (CSR) programme.
* Led to internal and external funding for programme (eg Driver of Year prizes funded by insurer Zurich).
* Cost effective targeting of interventions and training, at the 10% of drivers who were most ‘at-risk’ and 70% of drivers identified as being at ‘medium risk’.
* Visibility, integration and Indexing of assessment data with previously ‘invisible’ training and crash data.
* Reduced fleet’s calamity claims premium and improved insurer relationship.
* Reduced employer’s Liability (EL) insurance costs.
* Established safety credentials – 65,000 drivers risk assessed is worlds biggest ever programme, which has been based on sound science with support from Napier University.
* Allowed proactive management of key Government agencies and regulators.
* 14 element strategy approved by board to continue programme for next 3 years.

## Lessons learned

The key lesson learnt is that there are no silver bullets in occupational road safety. For this reason BT has taken a holistic approach, based on the Haddon Matrix and clear application of well researched policies, procedures and processes.

## Current and future developments

Despite the excellent results shown above BT is not perfect, and is not standing still. Effective occupational road safety is an on-going process rather than a one-off event.

Process and system developments are on-going, including rolling out the programme to new lines of business, piloting and implementing SaFED. Trials of Greenroad an in vehicle sensor continuously monitoring vehicle manoeuvres which gives immediate feedback to the driver and provides reports for Managers. Behavioural training, developing new targeted online training modules called RiskCOACH, upgrading to Version 2 of the RoadRISK driver assessment tool, implementing the Risk Foundation policy programme, electronic licensing checks with the DVLA and more effective use of and linkage of management information via Driver Indexing and highly detailed claims analysis.

BT is particularly keen to develop the lessons it has learnt through participation in the DfT sponsored Safe and Fuel Efficient Driving programme, has introduced Safed training promoting the key drivers in recognising the importance of the environmental agenda. BT is keen to ensure that its drivers understand the skills required to:

* Drive safely.
* Drive economically.
* Drive with a knowledge-based, professional attitude.

All these initiatives will allow on-going and future countermeasures to be targeted at the greatest areas of risk within the organisation.

## Additional information

BT’s performance in managing its occupational road risk has been recognised as follows:

* 2003 Fleet Safety Forum Award for Excellence.
* 2004 Prince Michael International Road Safety Award.
* 2005 Fleet News Award.
* 2007 Fleet Safety Forum Best Large Fleet Risk Management Programme.