Vehicle telematics systems can benefit an organization in many ways. But implementing a new telematics system requires a structured plan to ensure that its full benefits are realized. Common implementation pitfalls include:

- Not selecting a system that meets the organization’s needs; read Nationwide’s Telematics Selection Guide for more information
- Not introducing the system properly to drivers and driver managers
- Using it as a disciplinary tool rather than a means of identifying unsafe behavior and coaching drivers to improve
- Not rewarding drivers who are performing well
- Introducing the system with fanfare but neglecting to use it effectively as the newness wears off
- Not holding managers accountable for coaching their drivers

Why telematics?
The primary reasons for using telematics are:

- To identify and reduce aggressive and unsafe driving which, in turn, can result in:
  - A safer work environment for employees
  - A safer experience for passengers (clients) and the public
  - A reduction in accident costs
  - Fewer violations, such as speeding tickets
  - Less wear and tear on brakes, tires, and suspension systems
  - Improved vehicle fuel economy
  - A better public image, particularly if your company name or logo is on your vehicles
- To enhance vehicle operations and customer service
  - By knowing where each vehicle is at all times, allowing quicker response to customer requests
  - By improving vehicle routes and efficiency
  - By reviewing past trips to confirm when a driver arrived or left, what route they took and how long they were at a location; this information can be used to substantiate deliveries or service visits made, confirm billable hours or verify employee work hours
  - By monitoring vehicle health and tracking maintenance

Administration and policies
Changes to fleet and personnel policies/procedures are often needed when implementing telematics.

- Employees should be made aware that they are being tracked and should acknowledge that in writing. If the system uses biometric information, such as fingerprints/facial recognition, pre-collection notices and consent are required in some states and data privacy and security measures should be in place.
- A rule should be established prohibiting removal of the device or preventing its normal operation.
- Disciplinary policies should be adjusted to address identified unsafe driving.
- Safety-related rewards and bonuses would be adjusted to reflect telematics information.
Manager and supervisor roles/responsibilities should be adjusted to reflect the use of telematics.

- Who is responsible for monitoring the portal, alerts and reports?
- How often should these tools be reviewed?
- What action should be taken when they receive alerts or drivers have unsafe trips, scores, etc.?
- What role does a manager have in changing a driver’s behavior?

**Introducing telematics to drivers**

Common driver questions and concerns when a telematics system is introduced include:

- “Why are you tracking me? Don’t you trust me?”
- “Will I be tracked when I’m not working?”
- “Will I be disciplined every time I go 1 mile per hour over the speed limit?”

It is best practice to introduce a telematics system to employees in a group meeting or conference call, so that the reasoning behind implementing the system can be fully explained, staff questions can be answered and concerns can be addressed. Generally, it is better that everyone receives the information at the same time to reduce rumors. If group meetings are not possible, a communication should be sent to drivers. Refer to the “Sample email communication to drivers” at right.

Another best practice is to first introduce telematics to a small group of supervisors who drive or senior drivers/driver mentors who you feel will support the system. Questions and concerns generated from this group can form the outline for your introduction to the rest of the drivers. These “test” drivers can also attest to the fairness of the scoring, etc. With several weeks of data from the test, the administrator could also demonstrate the system to drivers, which generally enhances their understanding and comfort level.

Some organizations choose to place devices in vehicles without telling drivers, so they can establish a baseline score. However, this often results in mistrust when drivers find out they were being tracked without their knowledge. Therefore, this practice is not recommended.

**Sample email communication to drivers for a dongle-based system**

At (Company Name), we are continually looking for ways to improve employee safety and to enhance operational efficiencies. To that end, we have decided to use _________ telematics in our fleet of vehicles. _______ telematics consists of a dongle plugged into the OBD II port on the vehicle. You can also download a smartphone app to check your driving performance.

The dongle transmits the following information to a management portal: vehicle location, including trip history; engine information such as idle time, odometer readings, fault codes and maintenance alerts; and aggressive driving behavior, such as excessive speeding, hard braking and sudden accelerating.

We will use this information to better manage our fleet, with the goals of reducing accidents and employee injuries; improving customer service, vehicle utilization and operational efficiency; reducing vehicle downtime and maintenance costs; and improving fuel economy.

It is not our intention to be monitoring a driver’s every minute. We will be using the vehicle location feature to assist with operations when needed and will be periodically reviewing safety information to identify drivers who may be driving too aggressively. The system analyzes safety information, generates an objective driver score and ranks all drivers based on this score. Drivers with higher-than-average scores will be provided with guidance on how to improve their driving and encouraged to correct poor driving habits. Safety is very important to us.

The driver scoring is set up with reasonable parameters. For example, driving just over the speed limit will not trigger an alert or have a substantial impact on a driver’s score. However, we will be alerted when a driver significantly exceeds the speed limit.

The dongle devices will be installed over the course of the next 2 weeks. Once installed, please download the associated driver app by following the attached instructions. If you have questions, please call me at ___________________.

**Driver meeting discussion points**

- Why you are adding telematics; benefits to the organization and drivers; consult the “Why telematics?” section of this bulletin.
- How does the system work? Dongles, smartphone apps, tags, etc.
- What data is being collected? Location, trip histories, maintenance, unsafe driving events, etc.
- How is unsafe driving defined? What constitutes speeding, hard braking, etc.?
• Will it track drivers when they are driving on personal time?
• How is the data going to be used? Emphasize the impact on safety bonuses or rewards for good driving.
• What will be the consequences for unsafe driving?
• The system is required to be plugged in at all times.
• If a driver is required to use an app on their personal phone, how much data will be used, and will they be reimbursed?
• Demonstrating the system management portal will enhance driver understanding.
• If the system has an associated app, drivers should be asked to download it and installation assistance should be provided.

**Introducing telematics to management**

It is important that managers who supervise drivers have a full understanding of and support the use of the system. Key topics include why the system is being implemented, benefits of the system, how the system works, and their role in utilizing the system.

• It is a best practice to have an initial manager meeting to discuss these topics, as well as a follow-up meeting 2 to 3 weeks after tracking begins to demonstrate the portal and discuss initial findings.

• Driver managers should have a full understanding of their role, including:
  - The frequency of monitoring information and communicating to staff members
  - Understanding when coaching action is needed
  - Proper coaching methods to improve driver behavior
  - Rewarding or acknowledging drivers who are driving well or are improving
  - Documenting coaching sessions

• The system administrator should periodically meet with driver managers to ensure that they are carrying out their responsibilities consistently.

• It is strongly recommended that teams/groups be established and that managers be held accountable for the performance of their teams.

**Management monitoring of telematics systems**

• How often should a manager review telematics for driver performance? That depends. An organization operating heavy trucks, transporting passengers or hauling hazardous materials should be reviewing driver performance daily. Organizations operating light vehicles may review less frequently. At a minimum, driver performance should be checked once a week and whenever they receive critical safety alerts.

• Drivers who are performing poorly should be checked more frequently until their performance improves.

• Best practice is to set up a recurring calendar reminder to review the portal.

• Utilize our Coaching Best Practices and Coaching Topics, provided at the end of this document, to assist you in your coaching efforts.

**Important reminders**

• The purpose of driver scoring and ranking is to assist management in identifying drivers that may not be driving as safely as they should and to coach them to improve.

• Management should use this system as one of many tools they use to manage fleet safety.

• Management should evaluate a driver’s score over many trips to determine their true driving behavior rather than relying on an individual trip.

• Although very infrequent, telematics systems can generate false information. A dongle could malfunction, or the speed limit on a roadway could change or not be properly mapped. Management should be open to these possibilities and investigate.

• Drivers with continually poor scores should have their driving validated by other means such as ride-alongs or road observations.

• Remember to reward drivers who post consistently good scores, as well as drivers who have improved over time.
Coaching best practices

Drivers who have generated a serious alert or have developed a poor driver score need to be made aware of the organization’s concerns and should be provided guidance to improve. This is typically done during individual coaching sessions held by the fleet manager, safety director or the driver’s direct manager. Coaching best practices include:

**Preparation**

- Set up a specific time to hold the coaching session.
- Ensure that you are properly prepared. Do not coach on the fly.
- Gather all the supporting materials:
  - Overall driver scores and subscores
  - Scoring history indicating when the scores began to decline
  - Overall group/team scores for similar drivers
  - Access to the portal to point out specific trips during which events are occurring; if the portal is not available, make screenshots to share
  - If the drivers are violating a specific organization rule or policy, have that rule or policy available to refer to

- Examine events resulting in alerts or poor scores to determine why they are happening. Is the driver always speeding in the same location? Do they have a habit of driving up to an intersection and then stopping abruptly? Do they have a new manager who is pushing them hard, resulting in excessive speeding? Look for trends or changes in their routes or duties that could be impacting their driving performance.

**Discussion with the driver**

- Clearly lay out the situation using supporting documentation, including why you are concerned.
- Most drivers feel they are safe drivers compared with the average. To demonstrate their relative performance, show the driver the benchmark group data for their co-workers. Do not compare them to a specific driver. For example, “Tom, your overall driver score is 42. The average score for the southern sales division is 85. Your score is the second-lowest of 25 drivers in the group.”

- Explain that the telematics data is objective and treats all drivers the same.
- Ask the driver to explain why these events are occurring.
  - Ask open-ended questions
  - Listen fully without interrupting
  - Confirm what they have told you as a way of acknowledging your understanding of what they said

- Be prepared for pushback or excuses such as “My region is in the city, where traffic is worse.”
- Reinforce the organization’s policy of safe driving over operational priorities and customer service.
- Discuss possible solutions to operational issues that could be changed: routes, time of travel, etc.
- Indicate what changes you expect the driver to make and have them confirm what those expectations are. Clearly state the consequences of not complying. Use your organization’s system for documentation of employee performance issues.
  - Provide guidance on ways to improve
  - Establish reasonable goals for improvement and timelines; for example, “Your daily speeding score should average at least 75 over the next 2 weeks”
  - Establish a date and time for a follow-up discussion
Hard braking coaching topic

Our system generates a hard-braking alert anytime a vehicle has a sudden decrease in speed of ___ in 1 second. The hard braking score makes up ___% of a driver’s overall safety score. Hard braking indicates that a driver:

- May not be paying attention or is distracted
- May be following the vehicle in front of them too closely
- May not be slowing down in advance as they approach an intersection or stopped traffic
- May not be driving defensively or anticipating the unsafe actions of others

Share our Rear-end Collisions infographic with drivers as part of your coaching session.

Managers should review a driver’s trip reports to identify problem locations or trends. Is hard braking:

- Occurring at intersections, an indication that they are not slowing gradually as they approach, or not anticipating a light turning to yellow/red?
- Occurring on straight sections of roads or freeways, indicating inattentive driving or following too close?

The following are general practices to reduce hard-braking events:

- Drive defensively.
  - Scan ahead for potential hazards, such as a driver trying to pull out from a side street, vehicles merging, stopped traffic, etc.
  - Anticipate the actions of others by slowing down, covering your brake and looking for an alternate path if needed
- Be attentive to your driving responsibilities.
  - Keep your eyes focused on the roadway ahead
  - Keep mirror and blind-spot checks to 1.5 seconds or less
  - Increase your following distance when looking for an address, sign, etc.
- Perform distracting activities only while safely parked. Don’t perform any distracting activities while driving, such as:
  - Using a phone — calling, texting, checking social media, etc.
  - Reading, writing, reaching, eating, etc.
- Keep your mind focused on the roadway and vehicles around you. Don’t daydream.
- Maintain a safe following distance from the vehicle in front of you.
  - Maintaining a safe distance will allow you to react safely if the other vehicle slows or stops
  - A safe distance for light vehicles such as cars, SUVs, pickups and small vans is at least 3 seconds; larger vehicles require additional distance
  - Pick a mark that the vehicle in front of you is passing, such as a sign or bridge, and as the vehicle passes, begin counting (“one-one-thousand, two-one-thousand, three-one-thousand”); if you pass the object prior to 3 seconds, back off and count again
  - Increase your following distance in poor weather conditions, at night or when pulling a trailer
- When approaching intersections:
  - Slow down gradually when approaching stop signs or red lights
  - Anticipate that a “stale” green light could turn yellow/red (stale lights are those that have been green for a long time and are likely to turn yellow/red); don’t be surprised when a light turns
  - Watch for drivers in front of you who may speed up as a light turns yellow, then brake unexpectedly; avoid this practice

Note: Hard braking can increase wear and tear on suspensions, tires and brakes. The driving style that leads to hard braking typically increases fuel consumption.
**Sudden acceleration coaching topic**

Our system generates a sudden acceleration alert anytime a vehicle accelerates at more than ______ miles per hour in 1 second. Sudden acceleration scoring makes up ______ % of a driver’s overall safety score.

Sudden acceleration indicates that a driver may be:

- Pulling out in front of others when they do not have adequate space to do so
- Aggressively changing lanes or passing other vehicles
- In a hurry and performing other unsafe driving maneuvers

Managers should review a driver’s trip reports to identify problem locations or trends. Is sudden acceleration occurring:

- On straight sections of roads, indicating the driver may be making aggressive lane change or passing maneuvers?
- When exiting parking lots or side streets onto a main roadway, indicating the driver may be pulling out in front of cross traffic?
- When turning at intersections, indicating the driver may be pulling out in front of oncoming traffic or cross traffic?
- On highway entrance ramps because the driver waits too long to get up to speed to merge safely?

The following are general practices to reduce sudden acceleration events:

- Start from a stop at an intersection gradually, observing for cross traffic that may be running a red light.
- Don’t enter a roadway from a parking lot or side street without ensuring that cross traffic is clear. Other drivers should not have to slow down or change lanes as you enter the roadway in front of them. Be patient and wait for a safe opening so you don’t have to accelerate suddenly.

- Don’t enter an intersection unless you are sure you can make it through without stopping. Going partially into an intersection while waiting to turn leaves you in an unsafe spot, which may result in having to accelerate suddenly as the light changes.
- Judging the speed and distance of oncoming traffic while making a left turn is difficult.
  - When making a left turn, use intersections with green arrows when available
  - Wait for an adequate opening; you should be able to complete the turn without oncoming drivers having to slow down or change lanes
  - Look twice for motorcycles, which are difficult to see and may be closer than they look; in 2021, 43% of all motorcycle/vehicle fatality collisions occurred when the other vehicle was making a left turn.

**Note:** Sudden acceleration can increase wear and tear on suspensions, tires and brakes. It also significantly increases fuel consumption.

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**Share our Yielding Right-of-Way infographic with drivers as part of your coaching session.**
Speeding coaching topic

A speeding event occurs anytime drivers exceed ______ miles per hour or drive ______ miles per hour over the posted speed limit. The level and duration of the speeding factor into the driver’s speeding score. Speeding makes up ______ % of the overall driver safety score.

In 2021, speeding was a contributing factor in 28% of traffic fatalities, according to the National Highway Traffic Safety Administration (NHTSA). Although there are plenty of other factors that are involved in unsafe driving, speeding is one of the most common and preventable causes.

Share our Speeding Dangers infographic with drivers as part of your coaching session.

Managers should review a driver’s trip reports to identify problem locations or trends. Is speeding occurring:

- In specific, reoccurring locations?
- In residential areas, or on ramps or curves, where speeding can be particularly dangerous?

Driving above the posted speed limit:

- Decreases the reaction time of the driver
- Increases the likelihood of tailgating, which can lead to a rear-end collision
- Often results in more lane change accidents as the driver passes slower vehicles
- Makes it easier to lose control of a vehicle
- Increases merging- and intersection-related accidents, as other drivers do not expect your vehicle to be approaching so quickly
- Results in violations which could jeopardize driving privileges

To reduce speeding:

- Plan ahead and leave on time; do not speed to make up for lost time.
- Know the speed limit on the road you are on; look for signs indicating a reduction of speed as you:
  - Approach smaller towns where speeds often drop quickly, often 30 miles per hour or more in a short distance
  - Approach curves or merging areas
  - Move into deceleration lanes, ramps and cloverleafs on freeways
- Stay out of the left lane or other faster-moving lanes where you must speed to keep from being tailgated.
- Use your cruise control.

Fuel economy

Most vehicles reach optimal fuel economy between 40 and 55 mph. After 55 mph, fuel economy drops significantly as speed increases. On average, a car’s fuel economy drops 23% from 55 mph to 75 mph. Speeding also creates additional wear and tear on a vehicle, particularly tires and brakes.2

2 “ORNL researchers quantify the effect of increasing highway speed on fuel economy.” John Foster Thomas, Brian H. West and Shean P. Huff, greencarcongress.com/2013/01/thomas-20130117.html (Jan. 18, 2013).

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