

IRTEENZ

Technology 2000

JIM WILES

INSURANCE BENCHMARKING



UNIVERSITY OF CANTERBURY
INSURANCE SOCIETY LTD

A PRACTICAL APPROACH TO RISK MANAGEMENT

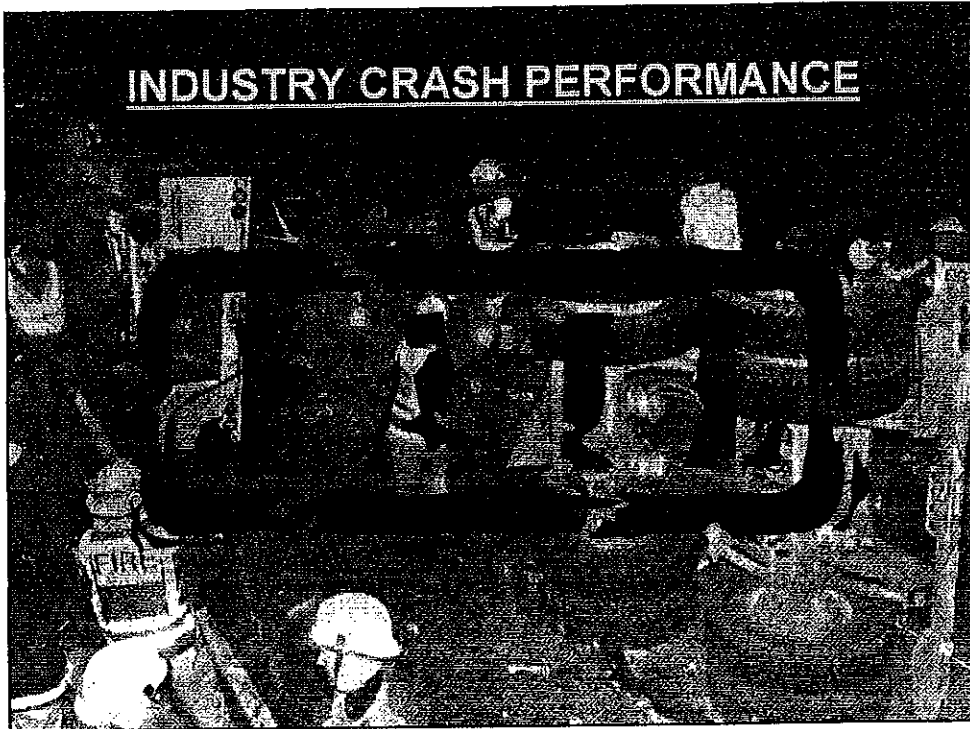
Presented By:

Jim Wiles - NZ Loss Control Manager

SESSION OBJECTIVES

1. To discuss the Industry Crash Performance and Crash Costs
2. To provide an overview of Risk Management and a Loss Prevention Model.

INDUSTRY CRASH PERFORMANCE



INDUSTRY CRASH PERFORMANCE

**THERE IS AN URGENT NEED TO REDUCE
THE NUMBER OF CRASHES THAT
INVOLVE TRUCKS**

IN 1999 THERE WERE:

**94 FATAL CRASHES INVOLVING A
TRUCK**

THIS RESULTED IN 117 FATALITIES

INDUSTRY CRASH PERFORMANCE

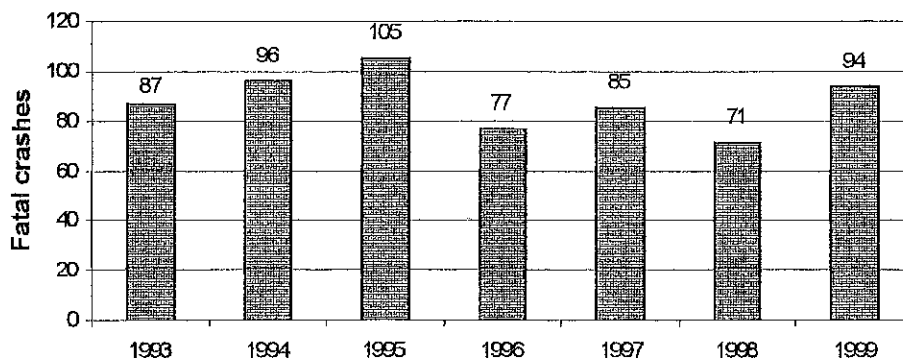
14 OF THOSE KILLED WERE TRUCK OCCUPANTS

22% OF ALL FATAL CRASHES ON NZ ROADS INVOLVED A TRUCK

TRUCKS AND THEIR DRIVERS REPORTED AS AT FAULT IN 1/3 OF FATAL CRASHES & 1/2 OF SERIOUS/MINOR INJURY CRASHES

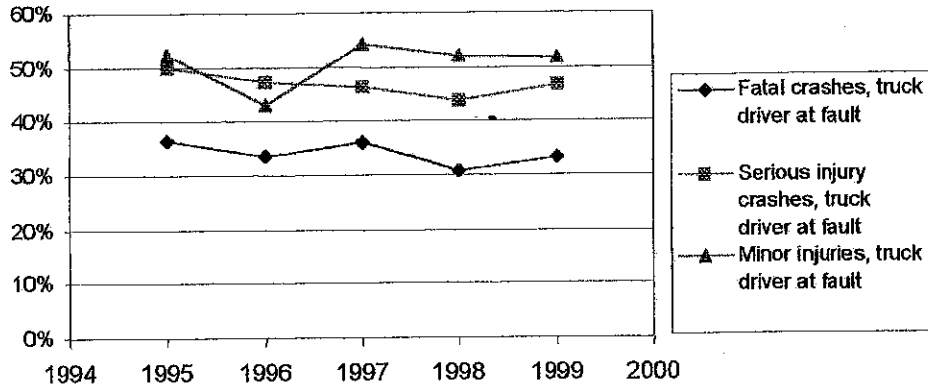
INDUSTRY CRASH PERFORMANCE

Fatal crashes Involving Trucks



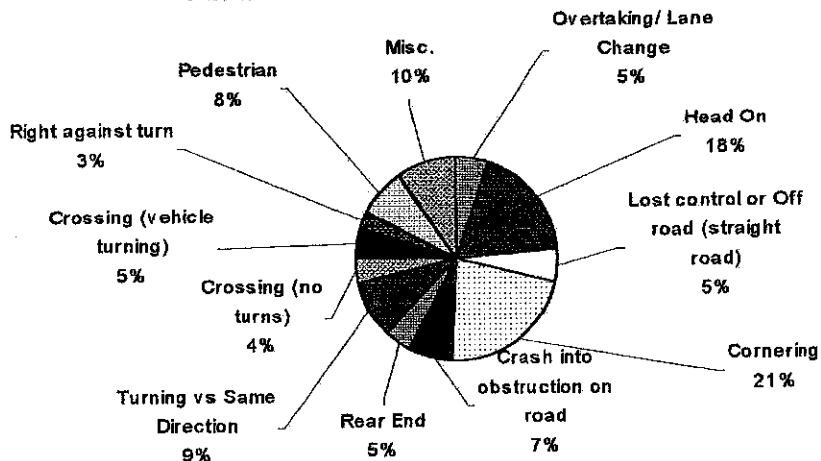
INDUSTRY CRASH PERFORMANCE

Crashes where truck driver at fault



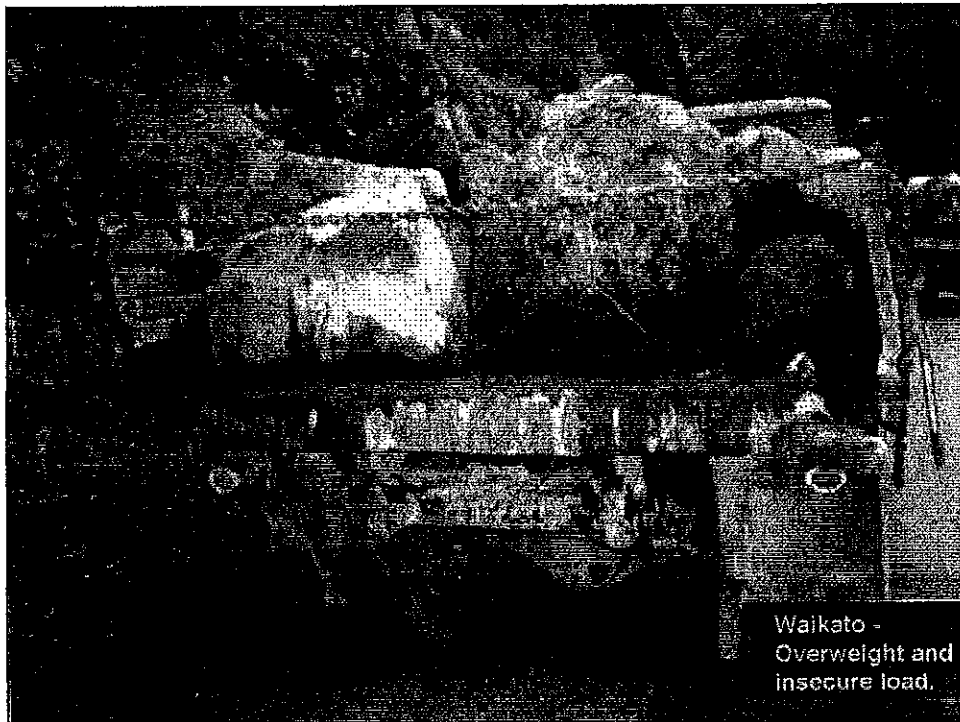
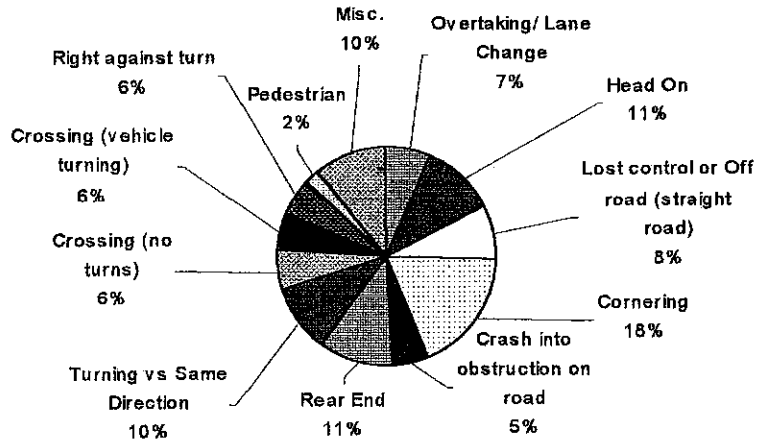
INDUSTRY CRASH PERFORMANCE

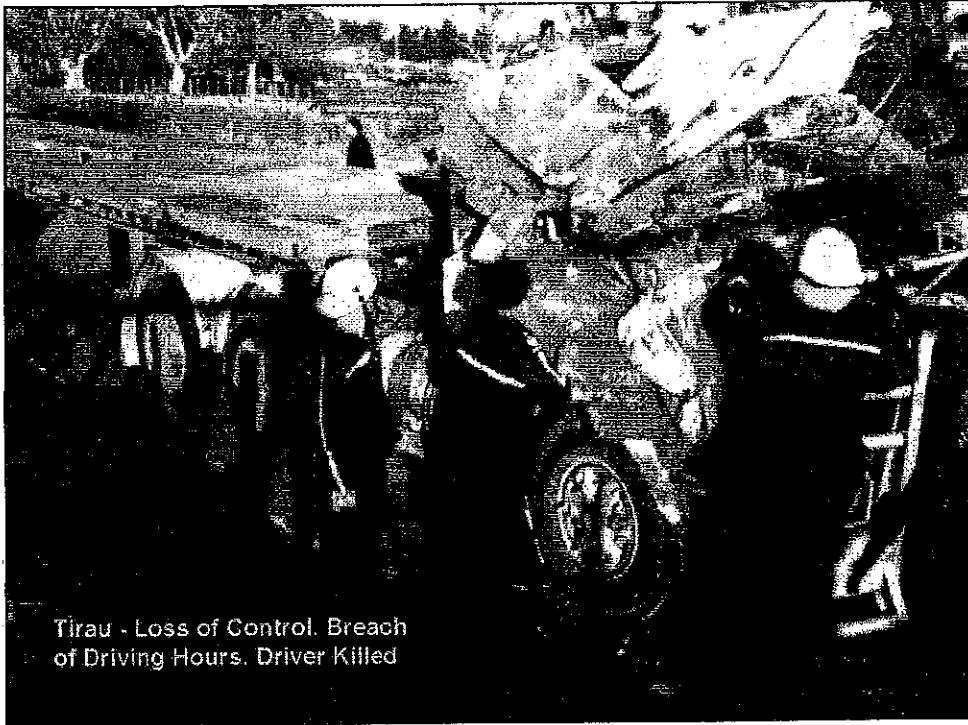
Fatal crash movements truck at fault



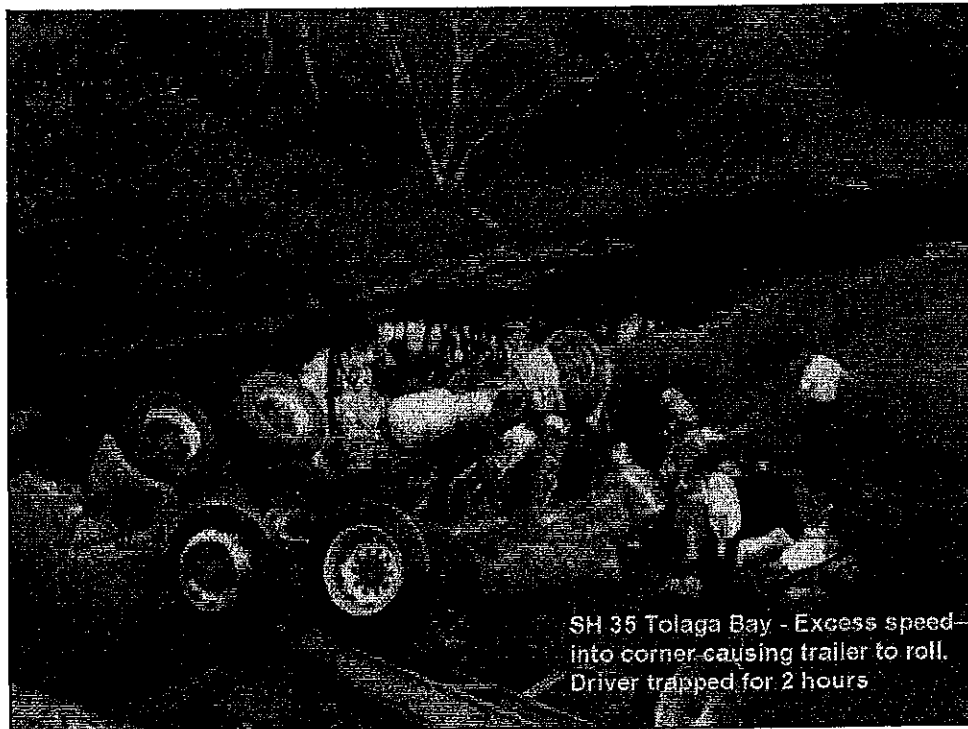
INDUSTRY CRASH PERFORMANCE

Injury crash movements, truck at fault





Tirau - Loss of Control. Breach
of Driving Hours. Driver Killed



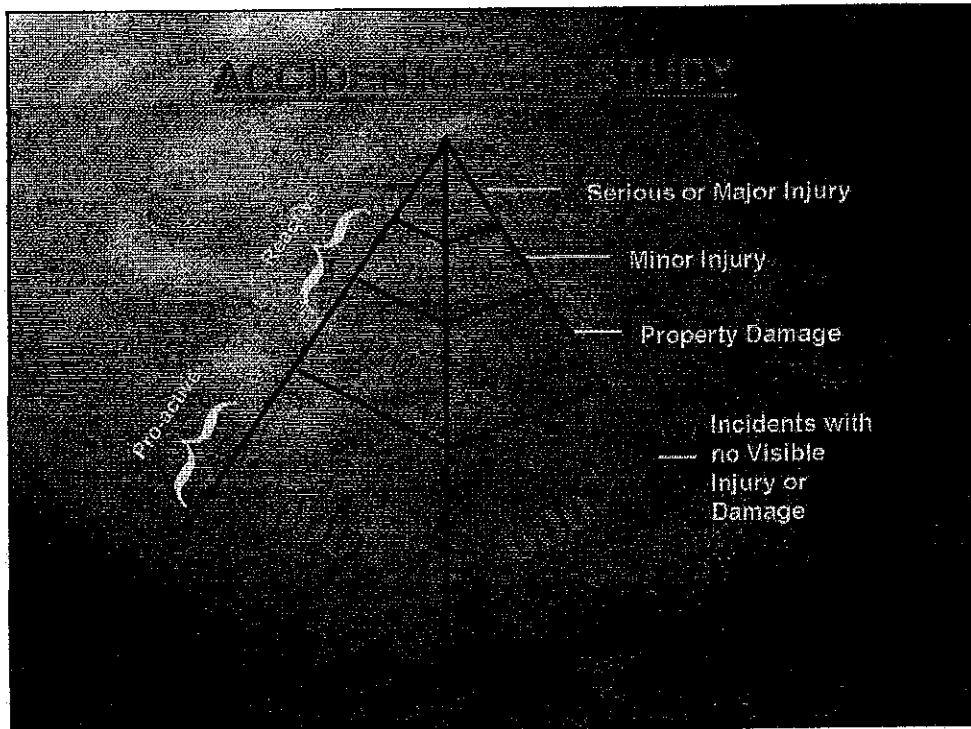
SH 35 Tolaga Bay - Excess speed
into corner causing trailer to roll.
Driver trapped for 2 hours



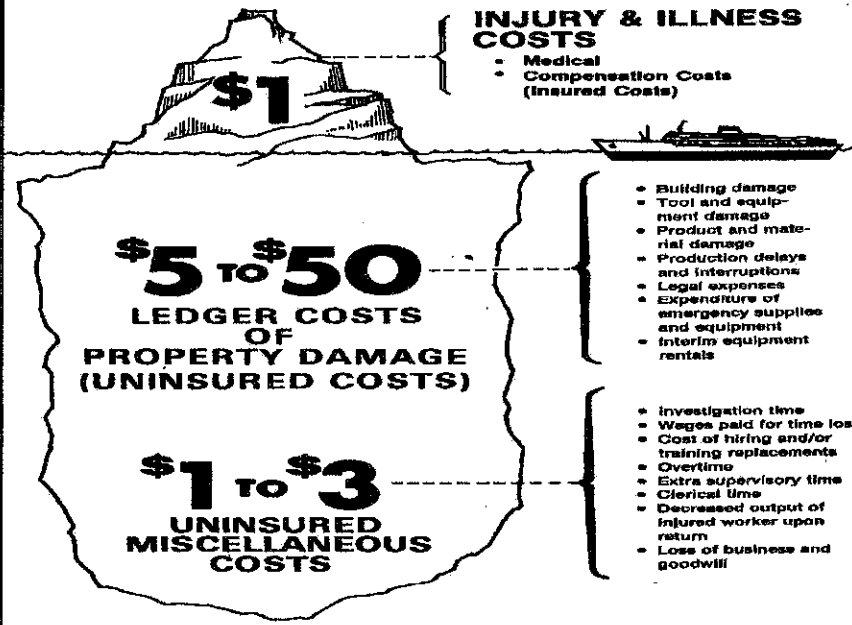
Hunterville - Rollover following inadequate time off-duty.



Hamilton - Driver lost control. His 3rd crash. He died in another incident 2 weeks later.

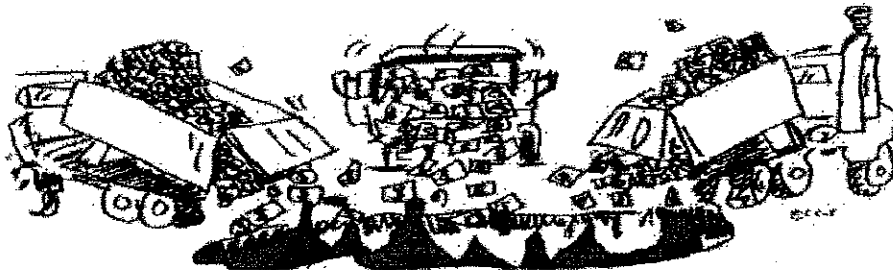


ACCIDENT COST ICEBERG



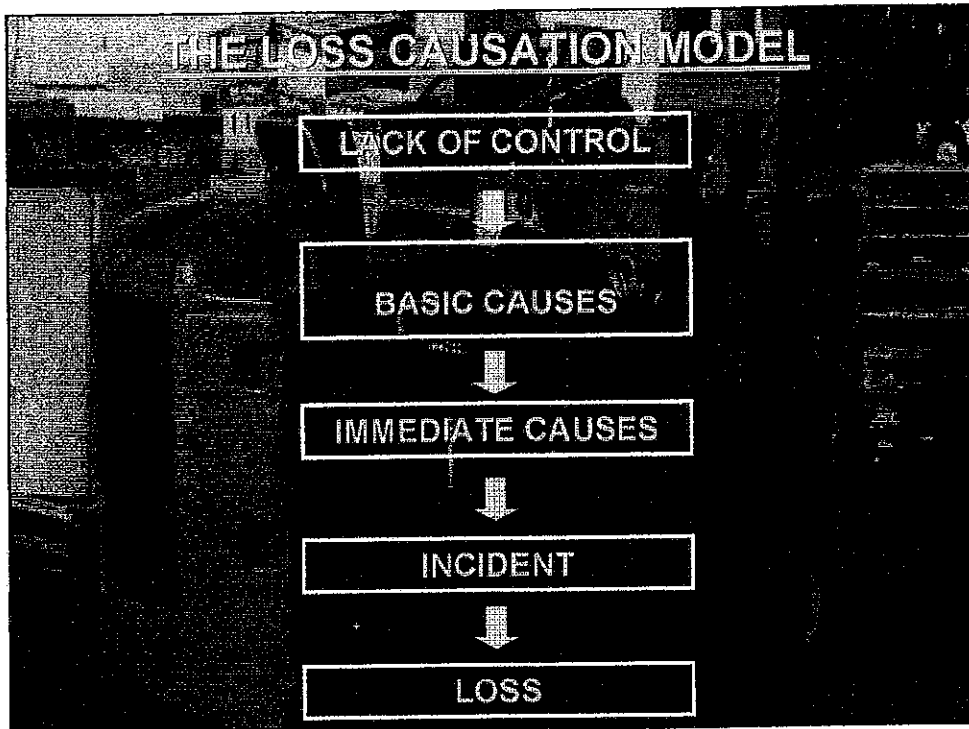
PERSONAL INJURY COST

\$1.6 BILLION



ACCIDENT REHABILITATION AND COMPENSATION

THE LOSS CAUSATION MODEL



LACK OF CONTROL

1. INADEQUATE PROGRAMME
2. INADEQUATE PROGRAMME STANDARDS
3. INADEQUATE COMPLIANCE TO STANDARDS

LACK OF CONTROL

INADEQUATE PROCEDURES FOR:

- Leadership & Administration
- Management Training
- Planned Inspections
- Job / Task Analysis & Procedures
- Accident / Incident Investigations
- Job / Task Observations

LACK OF CONTROL

INADEQUATE PROCEDURES FOR:

- Emergency Preparedness
- Organisational Rules Accident / Incident Analysis
- Employee Training
- Personal Protective Equipment
- Health Control & Services
- Programme Evaluation System

LACK OF CONTROL

INADEQUATE PROCEDURES AND STANDARDS FOR:

- Purchasing & Engineering Controls
- Personal Communications Group Meetings
- General Promotion
- Hiring & Placement
- Records & Reports
- Off - the - Job Safety

THE LOSS CAUSATION MODEL

BASIC CAUSES

1. PERSONAL FACTORS
2. JOB FACTORS

BASIC CAUSES

Inadequate Capability

- Physical / Physiological
- Mental / Psychological

Lack of Knowledge

Lack of Skill

BASIC CAUSES

Stress

- Physical / Physiological
- Mental / Psychological

Improper Motivation / Attitude

BASIC CAUSES

- ▶ Inadequate Leadership or Supervision
- ▶ Inadequate Engineering
- ▶ Inadequate Purchasing
- ▶ Inadequate Maintenance
- ▶ Inadequate Tools, Equipment, Materials
- ▶ Inadequate Work Standards
- ▶ Abuse or Misuse
- ▶ Wear and Tear

IMMEDIATE CAUSES

SUBSTANDARD
PRACTICES
AND
SUBSTANDARD
CONDITIONS

IMMEDIATE CAUSES

Sub 77

- Operating Equipment Without Authority
- Failure to Warn
- Failure to Secure
- Operating at Improper Speed
- Making Safety Devices Inoperable
- Removing Safety Devices
- Using Defective Equipment

IMMEDIATE CAUSES

Sub 78

- Improper Loading
- Improper Placement
- Improper Lifting
- Improper Position for Task
- Servicing Equipment in Operation
- Horseplay
- Under Influence of Alcohol and/or Other Drugs

IMMEDIATE CAUSES

SUBSTANTIAL CONDITIONS

- ▶ Inadequate Guards or Barriers
- ▶ Inadequate or Improper Protective Equipment
- ▶ Defective Tools, Equipment or Materials
- ▶ Congestion or Restricted Action
- ▶ Inadequate Warning System
- ▶ Fire & Explosion Hazards

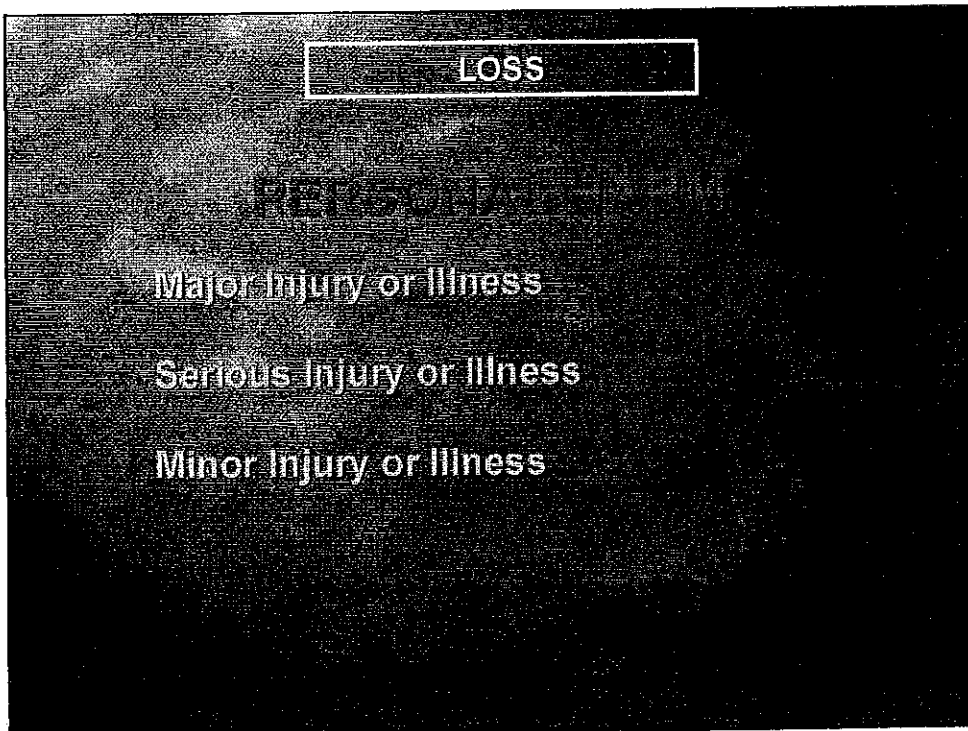
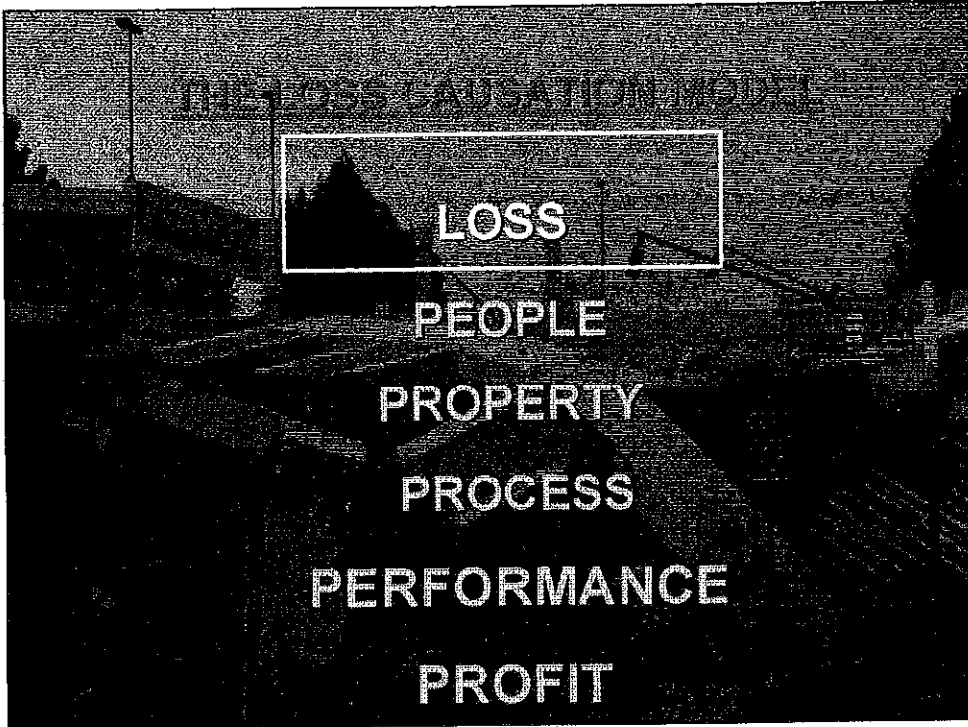
IMMEDIATE CAUSES

SUBSTANTIAL CONDITIONS

- ▶ Poor Housekeeping: Disorder
- ▶ Noise Exposure
- ▶ Radiation Exposure
- ▶ Temperature Extremes
- ▶ Inadequate or Excess Illumination
- ▶ Inadequate Ventilation



- ### INCIDENT
- Struck Against (Running or Bumping Into)
 - Struck By (Hit by Moving Object)
 - Fall to Lower Level
 - Fall on Same Level (Slip & Fall, Tip Over)
 - Caught In (Pinch & Nip Points)
 - Caught On (Snagged, Hung)
 - Caught Between (Crushed or Amputated)
 - Contact With (Electricity, Heat, Cold, Caustics, Toxics, Noise)
 - Overstress; Overexertion; Overload



LOSS

PROCESSING OF LOSS

Catastrophic

Major

Serious

Minor

FLEET RISK MANAGEMENT

Loss Control Programme Assessment

Report by: _____ Date: _____
Organisation: _____
Cost Centre Assessed: _____
Address: _____
Contact: _____
Phone No: _____ Facsimile No: _____
Persons interviewed: _____

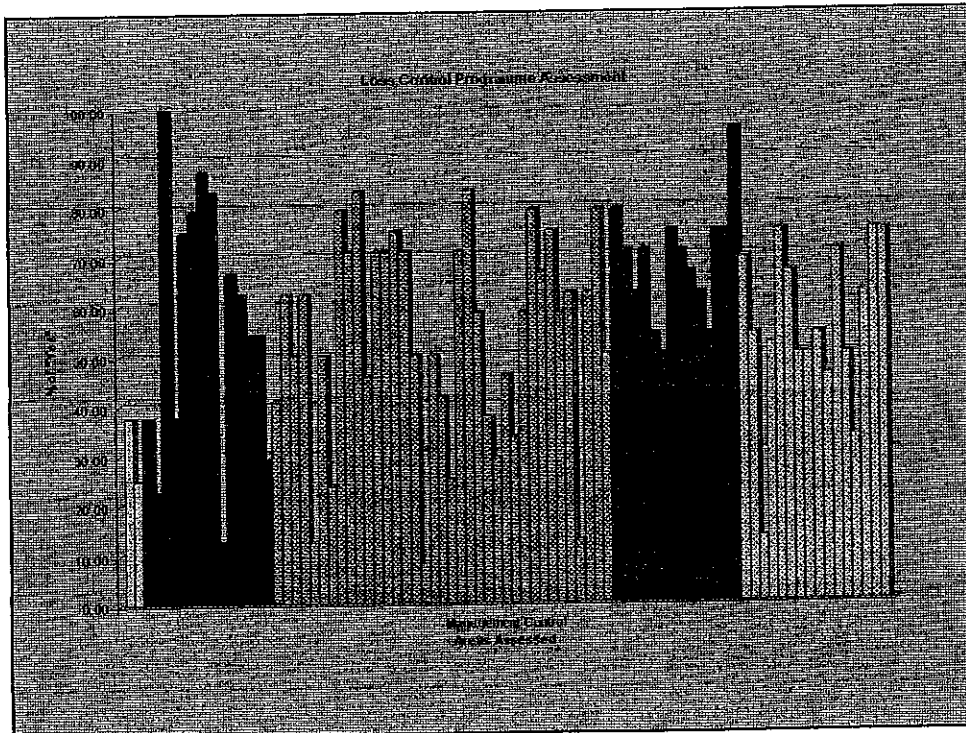
Name	Title	Phone No.

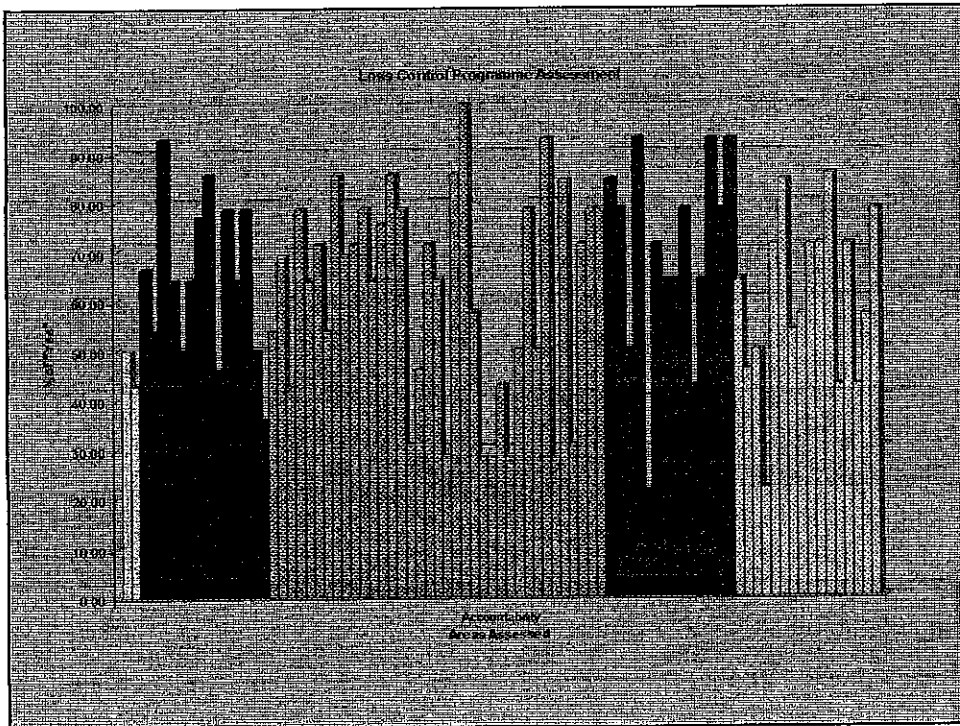
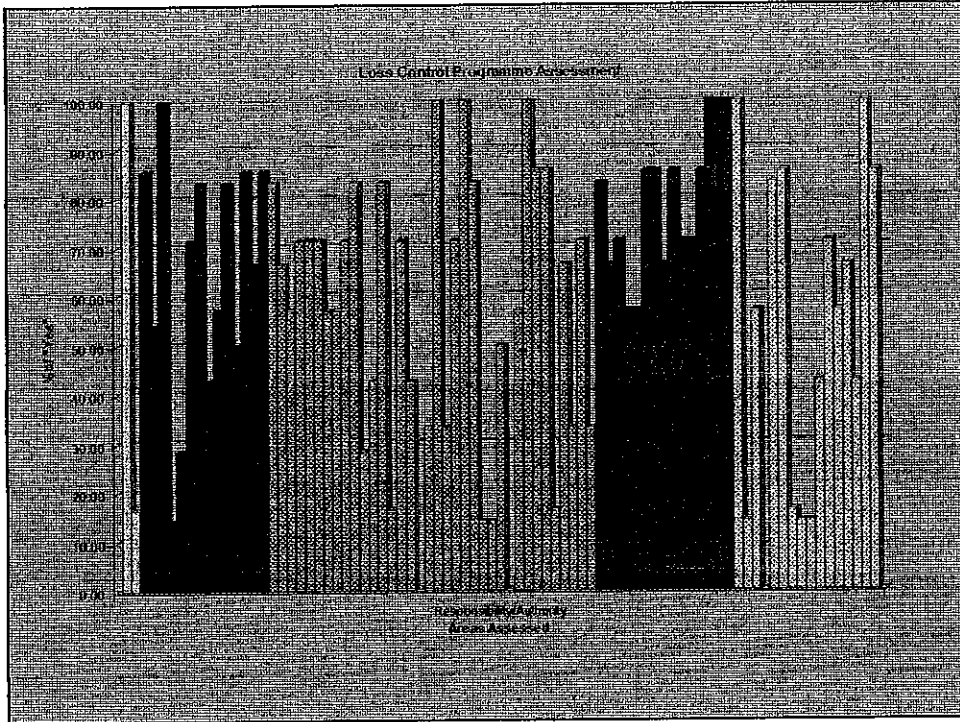
8. SUMMARY: (Overall general comment as part of report)

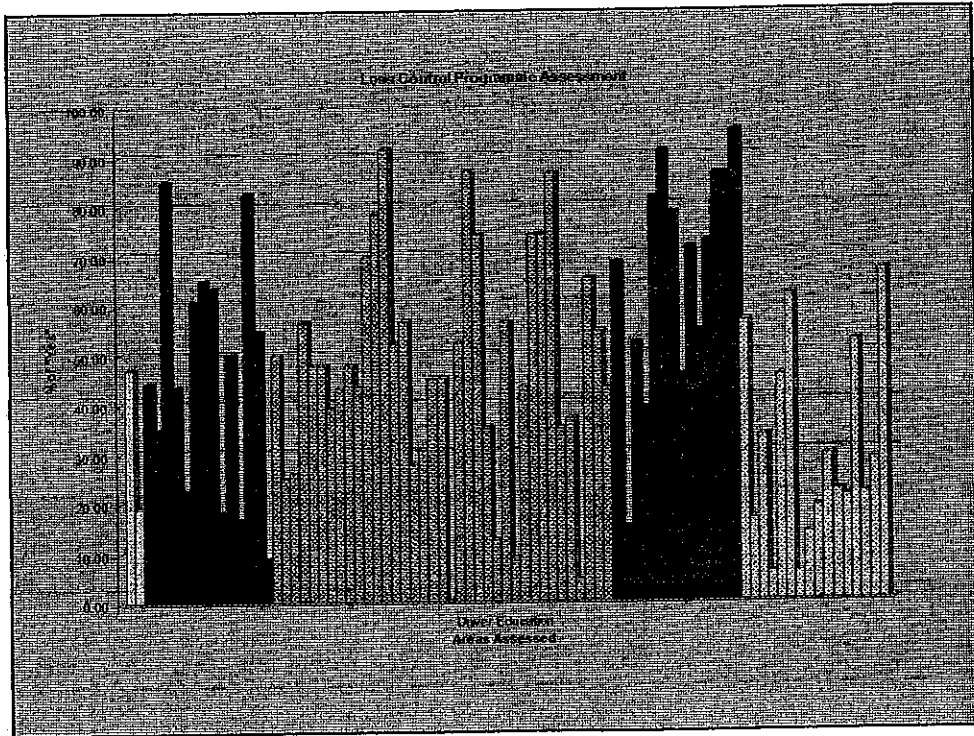
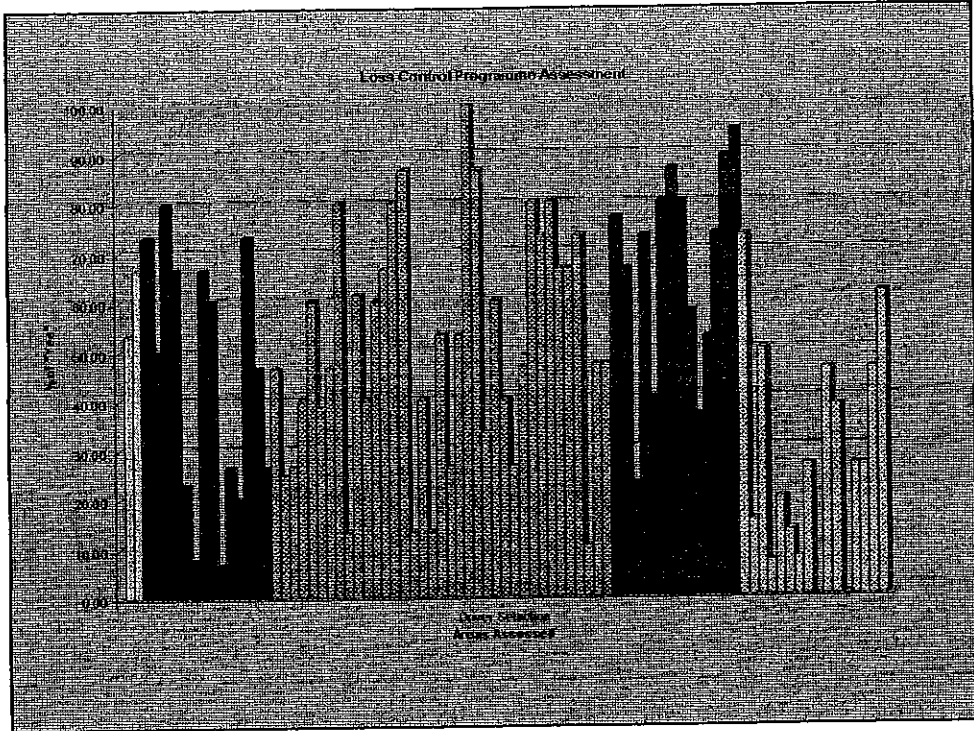
Ratings to be one point for all "YES" answers; nil points for "NO" answers

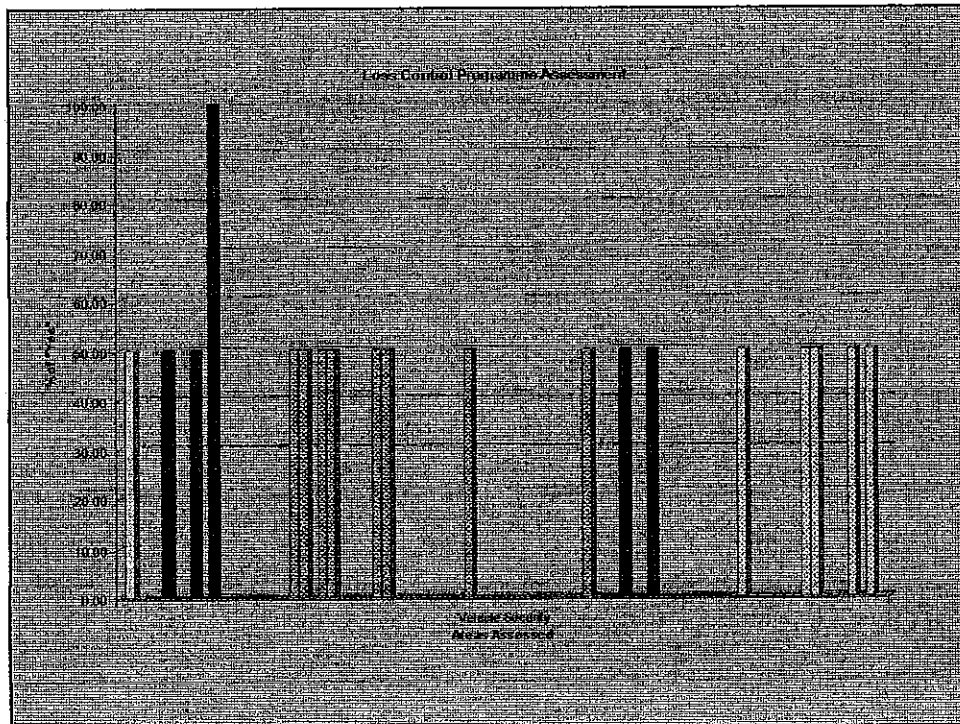
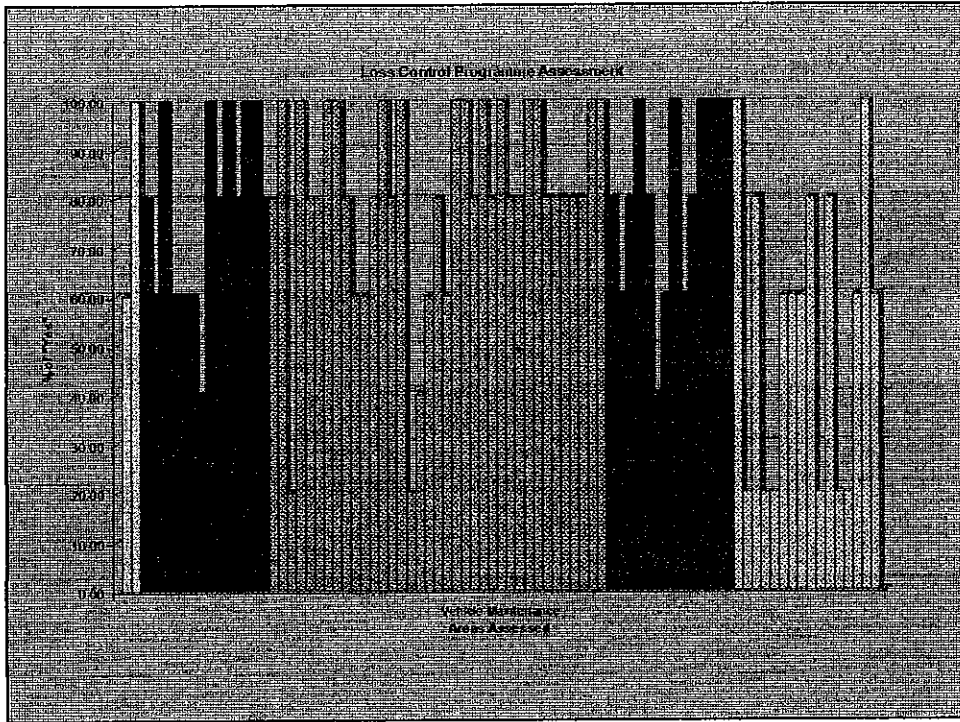
Section 1. Management Control	points
Section 2. Responsibility / Authority	points
Section 3. Accountability	points
Section 4. Driver Selection and Induction	points
Section 5. Driver Education / Training	points
Section 6. Vehicle Maintenance	points
Section 7. Vehicle Security	points

Section 8. Summary	Total Scoring
---------------------------	----------------------









The Cause

Accidents/Mishaps can occur when there is:

- A Breakdown in Systems
- Faulty or Inadequate Equipment

HUMAN ERROR

- Research Indicates 91% of Accidents are directly caused by Human Error

Saved Costs + Increased Revenue
= \$ Profits

HUMAN ERROR ACCIDENTS

- Unsafe Behaviour
- Poor Maintenance
- Not Following Procedures
- Cutting Corners
- Short Cuts

Understanding Ourselves

Two Major Causes Within the Human
Error area:

Those that result from
inadequate training; and?

Those that result from beliefs
and attitudes

NO ONE

ACTS

JUST

HUMAN ERROR accidents happen

DESPITE Management's commitment to spending on Skill and Knowledge Training

***HUMAN ERROR* Accidents Mostly Caused by poor Safety Awareness (Attitudinal Factors)**

POOR SAFETY "ATTITUDES" CAUSE MOST ACCIDENTS

Understanding Ourselves

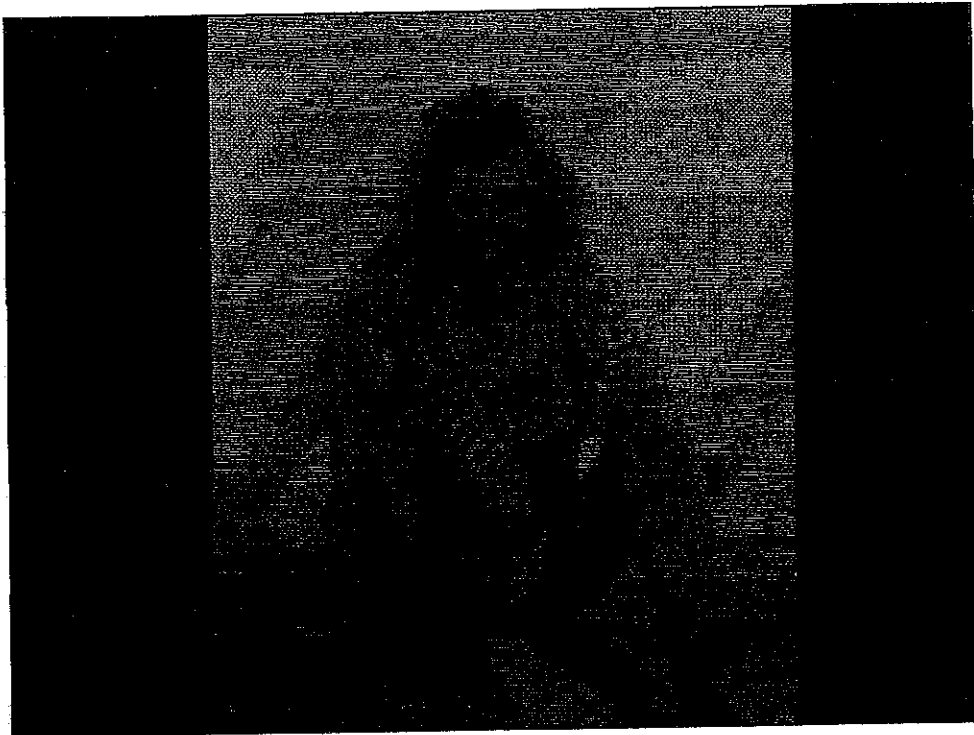
Three Key Areas of Training



Attitude

Knowledge

Skill

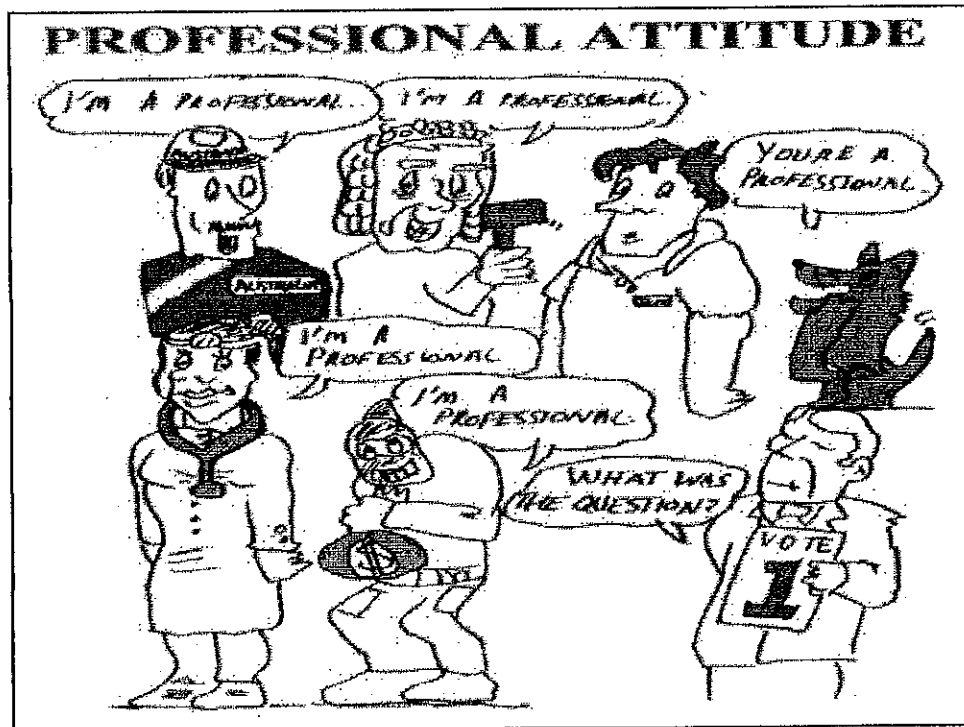


MANAGEMENT:

- ★ Providing Safety Equipment
- ★ Implementing Systems and Procedures
- ★ Ensuring Training

EVERYBODY:

- ★ Use Proper Equipment
- ★ Follow Procedures
- ★ Provide Feedback



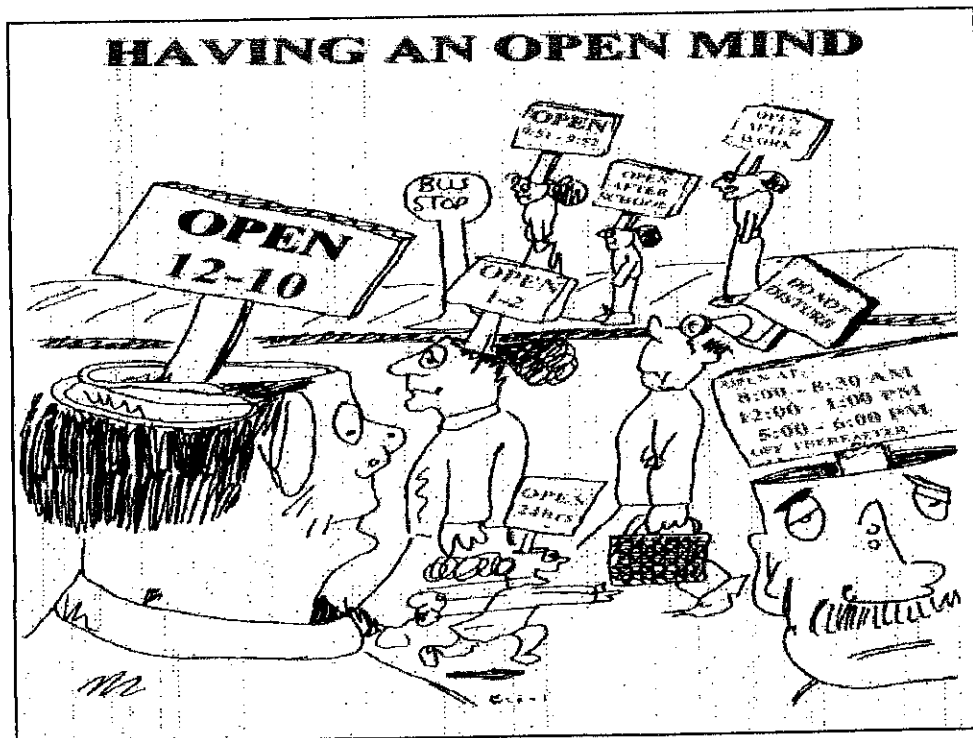
Professional Attitude

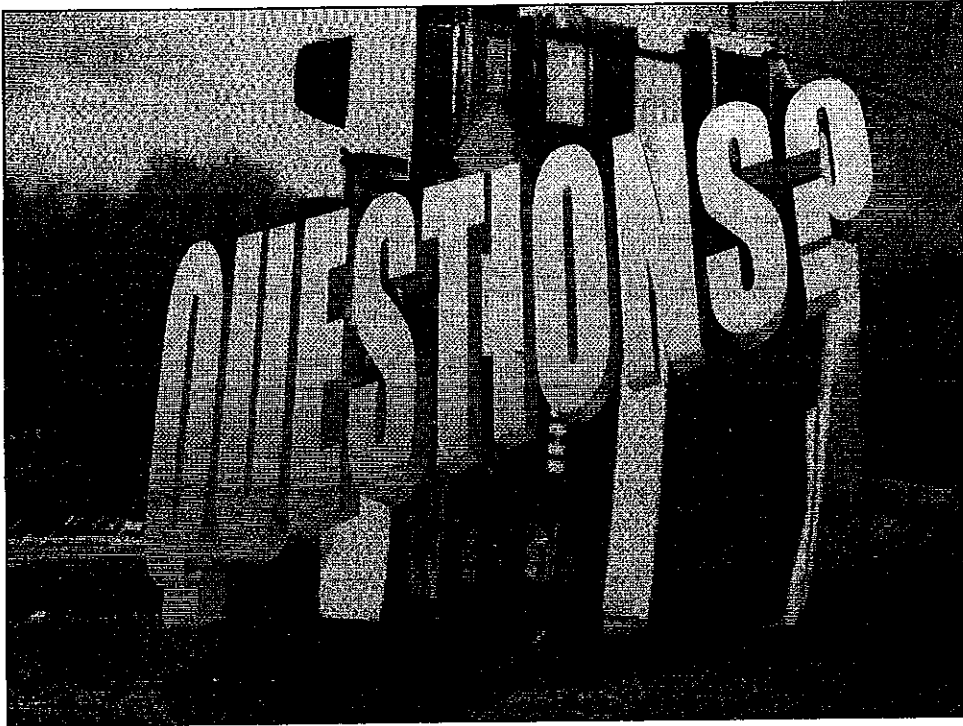
Being Professional has nothing to do
with career choice

Being Professional has nothing to do
with an Academic Qualification

Being Professional has nothing to do
with representing your region or
country in sport

Being Professional is a Quality
Attitude or State of Mind





Go the extra mile. In work situations especially, grudges and a feeling of resentment play havoc with the mind's ability to conceive and achieve. Going the extra mile has a tonic effect in relieving the mind of built-in obstacles. Add to your work more than you are paid for. Always qualify yourself for the next step upward and the steps beyond. People who succeed are not people who hold grudges or who withhold their best work, but those who in every act and thought pave their way toward greater things.

The only place that
success comes
before work is in the
dictionary

PROFESSIONALS

PROVIDING
HIGH QUALITY INSURANCE PRODUCTS
AND RELATED
PROFESSIONAL SERVICES