

RISK TIP

COMPREHENSIVE LOSS TREND ANALYSIS

Trending requires us to gather and track consistent information over a specified period of time. The more events we track, and the longer period of time we track them for, the more apparent the trends will be. This analysis is one of the crucial steps in discovering a root cause.

These events should not be tracked based on severity alone. First Dollar Losses should be analyzed as these events can be relatively minor or could potentially have an adverse effect on your organization. Even minor incidents have an impact on your bottom line and could be an indicator of a future catastrophic loss.

The trending information should be analyzed on an on-going basis with regular reports and updates to the management team, operations staff, maintenance personnel and drivers. Investigation of these trends will help to determine contributing factors that cause these events. This will lead you to the development of remedial solutions such as policy and procedural changes, training programs, disciplinary actions, etc.

A properly structured trend analysis tool should provide a loss report summary which can be used to establish benchmarks and then set loss reduction goals. Contact your Risk Solutions Specialist or access our website (www.theguarantee.com/transportation) for more information.

It is important to track specific data surrounding the events which may have contributed to the loss. This data should consist of, but not be limited to, details involving:

- Driver information such as age and experience
- Employment status and length of employment
- Time and date information
- Driver's hours of service
- Location
- Road types and terrain
- Weather conditions
- Vehicle speed and traffic devices
- Vehicle types
- Commodity types
- Preventability
- Primary cause
- Loss types
- Any additional items that may be specific to your operation