

Risk management on a global scale



Natalie Wallis finds out how a leading biopharmaceutical company is managing its fleet risk exposure on a global scale through the use of a new online solution.

Founded in 1986, Shire Limited is a global specialty biopharmaceutical company whose goal is to develop and market medicines that improve the quality of life for patients and their caregivers.

The company's growth in recent times has been meteoric, helped by mergers with seven companies over a ten-year period. The group has a broad portfolio of products targeting the US, Canada, UK, Republic of Ireland, France, Germany, Italy and Spain, and covers other significant pharmaceutical markets through distributors.

Within the last year, Shire Pharmaceuticals took the decision to assess its worldwide fleet of 1,000 vehicles to ascertain its risk exposure and subsequently take action to reduce it. The intention was to take control of the risks posed by employees driving company cars and make necessary changes to ensure that staff were well protected. The UK fleet of 150 vehicles was to be analysed first before moving on to the 900-strong fleet in the United States, and then Ireland, France, Germany, Italy and Spain.



The project was undertaken by Greg Newey, senior manager, EHS International with Shire Pharmaceuticals (left) in conjunction with his senior director and fleet managers. In total, three fleet risk management companies participated in the tender exercise with one round of negotiations.

At the end of the proceedings, the contract was won by the Fleet Risk Profiler system developed by Risk Frisk Ltd, a strategic risk management consultancy based in the UK. Billed as the most complete fleet risk management solution on the market, this product is specifically designed to enable organisations to meet their risk management responsibilities across a whole corporation, regardless of geographic location. While the product can be used to focus on the risks posed by vehicles and drivers, it works on a much broader level, looking at all areas of a fleet including the supply chain, management support, site, loads, journey and delivery.

A total of 16 different risk factors across the corporation's activities are assessed by asking the transport manager to fill in an online questionnaire of around 250 questions. These responses are assessed against preset weighted criteria. A series of risk rating and management reports are then provided that highlight any areas that could be improved and give advisory recommendations.

These reports allow organisations to measure their own performance internally on a site-by-site basis and externally against other organisations. At the same time, by providing advisory guidance, rather than prescriptive outputs, the product helps organisations to improve their risk management across all risk areas in line with their own levels of requirement and resources.

Fleet Risk Profiler can be used on a worldwide scale - this was a key criterion for Shire Pharmaceuticals. Mr Newey explains how the product fits Shire Pharmaceuticals' needs, explaining: 'It considered vehicle fleet risks on a global basis (incorporating OSHA and ANSI standards) rather than a "tick-the-box" legalistic approach.'

Shire's UK fleet has been the first to use this new product before it is taken over to the States and the rest of Europe. When asked if the UK was prioritised because of the new corporate manslaughter legislation, Mr Newey says: 'We needed to identify what the fleet risks were initially; being in compliance to the Corporate Manslaughter Act was secondary.'

'In the UK, some staff drive extensively on company business,' he adds. 'The actions we will take as a result of the introduction of Fleet Risk Profiler will enable the company to manage its risks, be legally compliant and meet our objectives in protecting our most valuable asset; our staff.'

When asked how well such objectives have been met, Mr Newey responds: 'Very well. We now have a system that has identified our fleet risks and enables us to compile a risk reduction plan.'

Installation took just one day, and Mr Newey says there have been no teething problems. As Fleet Risk Profiler has been designed as a global product, set-up in other countries should also be trouble-free.

With improved risk management often comes other benefits, such as cost reductions. Does Mr Newey expect to see such benefits? 'Yes, but this will come when the risks are under control and will mainly be fleet operational costs.'

Finally, does he have any advice to give to pan-European or global fleets looking to implement similar deals? 'You won't find a better product to identify global fleet risks on the market - I certainly haven't.'

