Camms.

Software to Change Tomorrow.

Safe Routes Ahead:
Transforming Safety in Transport and Logistics with GRC Technology

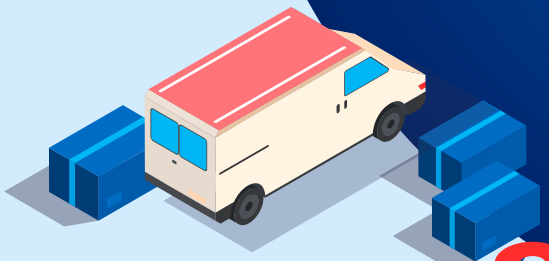
Intro

The transport and logistics industry is an economic powerhouse, keeping the wheels of commerce turning, shelves stocked, businesses running, and communities connected.

However, this dynamic sector faces a constant challenge – achieving operational excellence while effectively managing risk, resolving unexpected incidents, and operating in line with regulations & safety procedures.

This eBook delves into the critical Governance, Risk & Compliance (GRC) issues plaguing the transport and logistics sector. We explore the inherent operational challenges and risks facing the sector – citing real-world examples & industry statistics. We'll explore how a best-practice incident reporting process can reduce recurrence and guide an organisation towards safer practices.

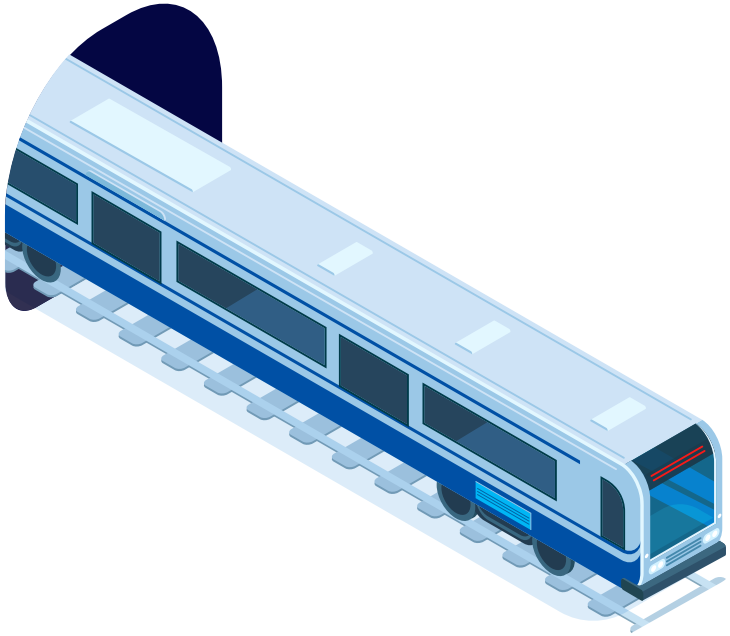
Plus, we explain how GRC software can automate and integrate processes across risk management, compliance, incident reporting, and health & safety to create a more efficient, streamlined operating model.



Governance, Risk & Compliance: A Precarious Balancing Act

The transport & logistics industry is plagued by inherent risks. From driver fatigue and vehicle breakdowns to workplace injuries and cargo mishaps, every operational area is strewn with risk and holds the potential to generate unwanted incidents.

Here are just some of the GRC concerns relevant to the transport and logistics industry:



1. **Maintaining Compliance:**
   The transport & logistics sector must comply with a whole host of regulations, safety standards, environmental guidelines, driver fatigue limitations, and a raft of internal policies and procedures. Maintaining compliance with these evolving requirements across multiple jurisdictions can be a significant challenge.

2. **Incident Management:**
   Accidents and incidents are a reality in the transport and logistics industry. Efficient and transparent incident management is crucial to ensure worker safety, minimise downtime, and comply with reporting obligations.

3. **Data Security and Privacy:**
   The industry relies heavily on data to manage operations, including customer information, shipment details, payment transactions, and driver performance data. Cyber security threats and data breaches can have a devastating impact on operations and brand reputation.

4. **Supply Chain Risks:**
   The global nature of supply chains introduces additional complexities. Managing risks associated with third-party suppliers, and ensuring they are meeting their SLAs and KPIs requires robust risk management practices.

5. **Fragmented Systems:**
   Data on incidents, compliance requirements, and risk assessments are often siloed across different systems and departments, obstructing visibility and preventing informed decision-making.

6. **Reactive Approach to Safety:**
   Many companies take a reactive approach to safety – acting after incidents occur, rather than implementing proactive risk mitigation strategies.

7. **Manual Incident Reporting:**
   Time-consuming manual processes for incident reporting, investigation, and corrective actions lead to delayed resolution and inefficiencies.

8. **Limited Visibility into Third-Party Risks:**
   Collaboration with a network of vendors and contractors introduces additional risks that need to be managed effectively.

Why Incident Management is an Integral Part of GRC Processes

The transport & logistics sector is susceptible to a wide range of incidents, each requiring a distinct approach to ensure swift escalation and resolution. Theft is a major concern, encompassing cargo theft, pilferage, and even internal asset theft. Accidents can occur throughout the supply chain, including road accidents involving driver error, mechanical failure, or environmental hazards. Other incidents include IT and data privacy breaches, which can expose sensitive customer information or disrupt operations. HR incidents like unexplained absences or sexual harassment can impact workplace morale and productivity and must be carefully managed.

The impact of these incidents varies. Theft disrupts operations, damages reputation, and leads to financial losses. Accidents can cause injuries, fatalities, property damage, and legal repercussions. Data breaches erode customer trust and can result in hefty fines. HR incidents can affect employee well-being, lead to lawsuits, and hinder operational efficiency.

As incidents can range so much in type and severity, firms need to define a way to categorise and rate incidents according to their type and criticality. This will allow for swift escalation, enabling the incident to be resolved faster. Businesses must implement a best-practice incident reporting process to capture the necessary details. By defining a clear and simple way to report incidents, conduct investigations, and implement corrective actions for each incident type, organisations can minimise risk, ensure compliance, and safeguard their reputation.

Here's what makes governance, risk, and compliance the cornerstone of a successful transport and logistics operation.

Governance:

Ensures clear lines of accountability, robust operating structures, and adherence to internal policies – which is crucial for smooth operations.

Risk Management:

Proactive identification, assessment, and mitigation of potential risks like accidents, spills, cargo theft, and cyber security threats are essential to protect personnel, assets, and reputation.

Compliance:

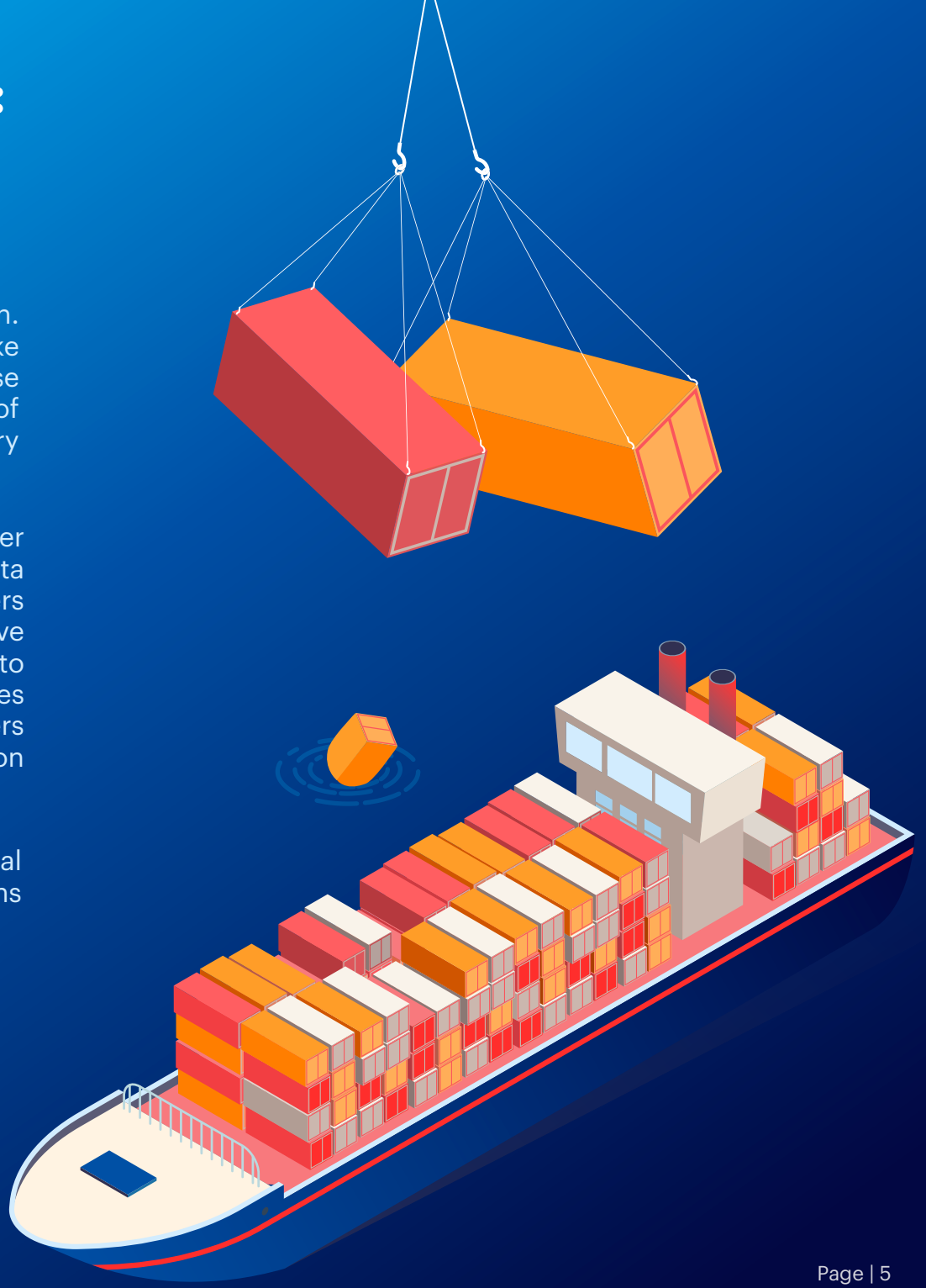
Maintaining compliance with safety standards, environmental regulations, and transport codes – is vital to avoid hefty fines and operational disruptions.

The Pitfalls of Manual Processes: Why a Siloed Approach to GRC Doesn't Work

The transport and logistics industry thrives on efficiency and precision. Yet, many organisations rely on manual processes for crucial tasks like risk management, incident reporting, and compliance. While these traditional methods may seem familiar, they create a multitude of challenges that hinder overall safety, efficiency, and regulatory adherence.

Managing risk, incident reporting, and compliance in isolation further exacerbates these challenges. Without a central information hub, data cannot be easily shared or analysed across these functions. This hinders a holistic view of the organisation's risk profile, prevents proactive measures, and makes it difficult to identify trends that could lead to serious incidents or compliance failures. Additionally, siloed processes create duplication of efforts, wastes resources, and hinders communication between departments - leading to poor decision making.

Let's delve into the specific problems associated with manual processes in each of these GRC areas, and the additional complications that arise when they're managed in isolation.



Risk Management

Incomplete Risk Assessments

Manual processes often rely on paper-based forms and spreadsheets, making it difficult to capture all relevant risk factors. This leads to incomplete assessments, potentially overlooking critical threats to safety and security.

Lack of Visibility

Siloed manual processes make it challenging to get a holistic view of risk across all departments & teams as there is often no standardised risk framework making it hard to categorise, rate and prioritise risk across the organisation. New regulations, evolving threats, and changing operational environments may not be reflected in outdated static risk assessment forms.

Ineffective Mitigation Strategies

Manual processes make it challenging to develop and implement effective mitigation plans. Without a centralised system, assigning resources, tracking progress, and monitoring the effectiveness of controls becomes cumbersome.

Incident Reporting

Delayed Reporting and Investigation

Manual reporting often relies on paper forms and email chains, leading to delays in notifying relevant personnel and initiating investigations. This can hinder a swift response and slow down corrective actions - potentially escalating the severity of the incident.

Inconsistent Data Collection

Manual reporting methods often suffer from inconsistencies in data capture. Incomplete or inaccurate information makes it difficult to identify trends, analyse root causes, and prevent similar incidents from recurring.

Limited Visibility and Communication

Siloed manual reporting restricts visibility into incident data across the organisation. This hinders communication between departments, preventing a coordinated response and leaving organisations unable to learn from past incidents.

Compliance

Staying Up-to-Date with Regulations

Manually tracking regulatory changes and updates to industry standards, policies and procedures make ensuring compliance across all departments a time-consuming and error-prone process.

Inefficient Audit Management

Preparing for audits & inspections is a significant undertaking with manual processes. Gathering and organising documentation from various departments can be a logistical nightmare, increasing the risk of missed deadlines, failed audits, and non-compliance findings.

Limited Visibility Resulting in a Reactive Approach

Manual compliance management makes it difficult to identify potential gaps in adherence before they become major issues. This reactive approach can result in penalties, reputational damage, and delays.

The Challenge: A Minefield of Incidents and Mounting Costs

Recent years have seen a rise in incidents - highlighting the vulnerabilities in transport and logistics practices. Here are some concerning statistics:

According to the Safe Work Australia report, there were 195 worker fatalities in 2022, and 67 of those were in the transport, postal and warehousing industry. There were also 9,500 workplace injury claims in this sector in the same year.

A 2022 report by The New Zealand Ministry of Transport revealed that heavy vehicle crashes resulted in 62 fatalities and over 900 injuries in 2022 alone.

A recent investigation by The Sydney Morning Herald uncovered a surge in cargo theft incidents across Australian ports in 2023, highlighting the growing security risks.

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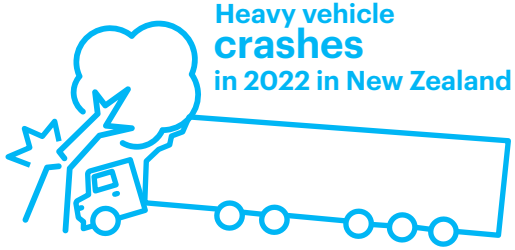
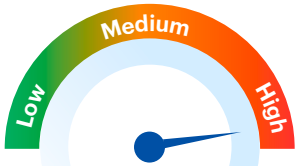
Workplace **injury claims** in 2022 in Australia



Heavy vehicle **crashes** in 2022 in New Zealand

A Huge Surge in **Cargo theft** incidents across Australian ports in 2023

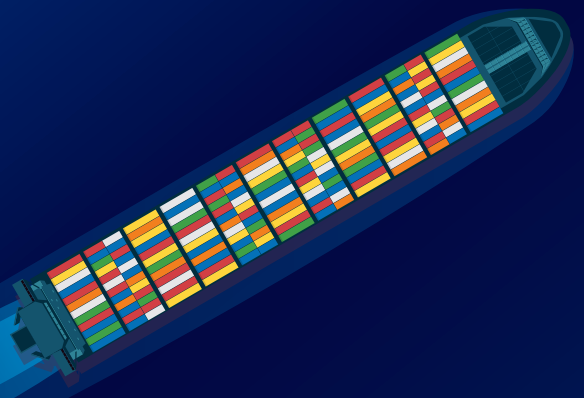


Growing security risks

Real-World Examples:
A Glimpse into the Cost of GRC Failures

Let's look at some recent incidents that underscore the importance of robust GRC practices:

Hazmat Leak in Auckland (2023):
A chemical spill from a damaged container at the port went undetected for several hours due to inadequate incident reporting procedures, leading to environmental damage and health risks for dockworkers.



Cyber attack on Logistics Giant DP World Australia (2023):
DP World Australia's operations were disrupted for several days due to a cyberattack. The attack, likely caused by a known software vulnerability, forced the company to disconnect its network to contain the breach and prevent further damage.

Drone Disruptions at Gatwick Airport (2023):
Multiple drone sightings near Gatwick Airport in the UK caused significant disruptions, grounding flights and impacting thousands of travelers. This incident highlighted the potential security risks posed by unauthorised drone activity near airports.

Hurricane Ian Disruptions (2023):
Hurricane Ian's devastating impact on Florida and the Caribbean disrupted crucial transportation hubs and infrastructure, causing delays in shipments and highlighting the vulnerability of logistics networks to extreme weather events.

Truck Rollover in Melbourne (2022):
A driver - fatigued due to poor rostering practices - lost control of a heavy vehicle, causing a multi-vehicle accident that resulted in fatalities and road closures for hours.

Ever Given Suez Canal Blockage (2021):
The mega-container ship "Ever Given" became wedged sideways in Egypt's Suez Canal for six days, disrupting global trade and causing billions of dollars in losses. This incident highlighted the vulnerability of critical maritime chokepoints and the potential impact of even a single vessel grounding.

Major transport firm hit with £1.9m fine after worker killed by HGV (2019):
Back in 2019 an employee was killed when we was hit by a HGV as the vehicle reversed out of a space in the transport yard. An investigation by the Health and Safety Executive (HSE) found that the companies involved had failed to manage the risk associated with workplace transport - concluding that the tragic incident was completely preventable.

These incidents highlight the domino effect of GRC failures. A seemingly minor lapse in one area can cascade into a major incident, halting operations, causing environmental damage, and harming the reputation of the organisation involved.

Streamlining Efficiency and Safety in Transport & Logistics: A Multi-Faceted Approach with GRC Software

Here we explore 5 key areas where software can streamline & automate processes in the transport & logistics sector across incident reporting, risk management, compliance, and governance procedures.

1 Incident Management

Teams can set up a best-practice incident reporting tool within a GRC software platform. Incidents, hazards or near misses are logged by employees using online forms - with all data feeding directly into the platform. Vital data is captured regarding date & time, employees involved, and processes affected. Cost and evidence - such as images, URLs, files and likely associated costs can also be recorded. Once an incident is logged, an automated workflow kicks into action to escalate the incident and implement mitigating actions - ensuring it can be worked through to resolution. Organisations can create different forms and workflow escalation routes for different types of incidents. Management can view real time dashboards & reports to understand the source and cause of incidents – enabling them to take proactive measures to reduce recurrence and ensure health & safety. Incidents can be linked to the originating risk to understand where any associated controls failed.

2 Risk Management

GRC technology offers a wealth of functionality to support the transport & logistics sector to automate their operational risk management process and get a consolidated view of risk. These intuitive solutions enable organisations to set up a comprehensive on-line risk register, where multiple departments can directly log a risk, and risks can easily be categorised and rated using a consistent risk framework.

Risk assessments, questionnaires, and surveys can be rolled out via online forms with all data feeding directly into the platform. This makes it easy for risk teams to collect sufficient risk data to calculate the likelihood, severity and impact of risk and generate risk ratings. Transactional & operational data can be pulled into the solution from other systems & data sources via API connections – enabling teams to set Key Risk Indicators (KRI's) and define risk tolerances based on real data.

Once the system is established and the risk register is completed, teams can set controls to monitor risk on an ongoing basis and automated notifications & alerts are sent when the degree of risk reaches an intolerable level.

Organisations can define a risk appetite based on KPIs & tolerances and set controls to ensure they operate within it. Teams can establish a fully functioning 'controls library' and perform regular control testing to ensure controls remain effective.

Employees of all levels have personalised dashboards where they can perform risk related tasks - such as completing risk assessments & control checks – without having to view complex risk registers. This enables risk teams to capture more data than ever before – building a broader view of risk. Automated workflows can be used to escalate risks, or to manage risk events through to resolution. All activity in the platform is date and time stamped and can be traced back to the relevant user ensuring accountability.

GRC platforms can auto generate instant reports – enabling an organisation to get a complete view of their risk profile and drill down into the detail to address problem areas.

Software engages the entire organisation in the risk management process and ensures all stakeholders across the business can log risks and take ownership of risk. This makes risk management more accessible, accountable, trackable, and resolvable – providing visibility to leadership teams – and the automation saves time and valuable resources.

GRC platforms create a risk aware culture. They eliminate time-consuming admin tasks and reporting – leaving risk professionals time to analyse risk data and introduce measures to reduce risk – rather than performing admin tasks.

More advanced organisations use risk management platforms to uncover potential opportunities for growth. Instead of simply using the tool to mitigate risk, they use the analytics capabilities to weigh up potential outcomes – enabling them to take a calculated level of risk in pursuit of their strategic objectives.

3 Compliance & Governance

Ensuring compliance with regulations, policies, and procedures is a massive undertaking for transport & logistics companies. It requires constant monitoring & reporting and complex mapping between regulations, business processes, and governance policies & procedures.

Many organisations are turning to GRC software solutions to add structure to their processes. Software enables them to collate & map extensive amounts of data and provide proof of compliance through automated reporting capabilities.

A big part of compliance is knowing what rules to adhere to. Software facilitates the implementation of a comprehensive on-line 'obligations library' – enabling organisations to understand their regulatory obligations & live policies. Obligations are logged using online forms, with all information feeding directly into the tool. Teams can log expiry dates, add links to relevant business processes, assign ownership, and upload supporting documentation. Empowered by this database of regulatory requirements & policies – which is updated in real-time – the teams can prioritise tasks by tracking progress & analysing results based on the risk of non-compliance.

Many companies are already harnessing this genre of software to highlight the risk of non-compliance by setting up 'obligations libraries' linked to 'controls' that notify relevant stakeholders of compliance failures and potential exposure.

The automated policy management capabilities available within GRC platforms can also support compliance efforts. The functionality can help an organisation maintain an up-to-date library of relevant policies & procedures that link back to the corresponding regulations or business processes. Automated policy management capabilities allow an organisation to:

- Build a central repository of relevant policies & procedures, which can be housed alongside mandatory regulations.
- Access vital policy information conveniently, and benefit from a timestamped history of all revisions and changes.
- Utilise workflows to automate the policy approval process – supporting accountability.
- Obtain employee attestations proving staff have read and understood the policy.
- Run reports on policy status and understand areas of non-compliance with convenient dashboards.

Many GRC software solutions provide integrations with regulatory content providers to offer 'regulatory horizon scanning'. This allows organisations to receive updates from regulatory content providers that feed into their compliance programme enabling them to make changes quickly and efficiently.

This ability to access a broad spectrum of up-to-date regulatory content & intelligence ensures they keep pace with changing rules & regulations. Once embedded, the software can support the creation of a comprehensive regulatory change programme with automated workflows and stringent signoff and approval processes.

4 Audits & Safety Checks

Audits and safety checks are conducted in the transport & logistics industry to maintain safety and quality standards. Using software enables transport & logistics organisations to build a centralised register of all their audits in one place and effectively implement recommendations for the findings identified.

Software streamlines the process by aggregating audit & inspection data into a consistent format and implementing automated workflows to add ownership & accountability. This allows businesses to maintain a central audit register that enhances data accuracy, accessibility, and usability. Automation enables teams to set reminders for upcoming audits and send notifications for outstanding audit actions. Maintaining a digital record of audit findings and the action taken enhances the efficacy of the audit process when demonstrating compliance to external auditors and regulators.

For transport & logistics companies a lot of their audits & checks will be health & safety related, stock related, and vehicle safety related. Automating this process and capturing the findings will prevent failed audits and support continuous improvement efforts.

5 Third party Risk Management

Transport & logistics companies deal with a wide variety of third parties and an endless supply chain - making third party risk a key concern. GRC technology elevates vendor risk management by providing organisations with automated tools and processes that identify, assess, monitor, and mitigate the risks associated with vendors, third parties, and suppliers. Critical information regarding contracts, cost, SLAs, KPIs, pricing, and performance data relating to each vendor are entered into the platform via customised online forms that feed into a single repository. The findings are displayed via a centralised dashboard, making it easier to manage and track vendor relationships.

Online vendor risk assessments with conditional workflows and transparent scoring methodologies automate the vendor risk management process. This streamlined approach allows organisations to consistently evaluate and compare vendor risk profiles. The tool provides a framework for supplier onboarding & off boarding - ensuring teams have full visibility of supplier contract dates, costs, and SLAs.

Seamless due diligence processes are driven by integrations with external risk intelligence sources to provide real-time information about critical factors like vendor financial stability and customer satisfaction scores. The technology also automates compliance checks and provides real-time updates on changes in regulatory standards, helping organisations avoid potential penalties and legal issues due to supplier related non-compliance. Real-time dashboards and reports ensure third-party threats are accessible at all levels of an organisation, allowing boards and senior executives to understand the dependencies and associated risks.

Integrated GRC Processes Provide Deeper Insights

Linking risk management and incident management within a GRC system unlocks a multitude of benefits for transport and logistics companies. This powerful integration fosters a proactive approach to safety and compliance.

Firstly, incident data becomes a treasure trove of insights for identifying and addressing potential risks. By analysing past incidents, organisations can pinpoint weaknesses in existing controls and procedures before they escalate into major safety incidents or compliance failures. This proactive approach allows for targeted mitigation strategies - preventing future occurrences and safeguarding the well-being of employees and the integrity of operations.

Finally, the combined insights from incident reporting and risk management equip leadership teams with a holistic view of their risk landscape. This comprehensive understanding enables well-informed decision-making regarding resource allocation, safety investments, and overall risk appetite. Leaders can strategically allocate resources to address the most pressing risks, prioritise investments in safety initiatives that will yield the greatest impact, and establish a clear risk tolerance level that balances efficiency with robust safety protocols.

Furthermore, the two-way communication loop between these functions fosters a culture of continuous improvement. Incident data feeds back into the risk management programme - leading to a more comprehensive understanding of the organisation's risk landscape. This knowledge empowers continuous refinement of safety protocols and risk mitigation strategies. For instance, recurring incidents of a specific nature might expose a previously unidentified risk requiring stricter controls. By learning from past experiences and adapting accordingly, organisations can create a safer and more resilient operating environment.

In conclusion, by integrating these functionalities within a single GRC system, transport & logistics organisations can achieve a powerful synergy. The integrated processes will run like a well-oiled machine, where each element plays a crucial role. Incident management captures valuable data for risk mitigation, risk management informs proactive safety measures, compliance ensures adherence to regulations, audits ensure continuous improvement, and strong third-party risk management safeguards the supply chain. This integrated approach leads to safer operations, improved efficiency, and operational excellence - ensuring a smooth and successful performance within the complex world of transport and logistics.

About Camms.

Camms offers a powerful GRC platform that can be specifically configured to meet the needs of the transport & logistics sector.

Key capabilities include:

Incident Management

Report incidents, near misses, and emerging risks via online incident forms that feed directly into the platform. Use automated workflows to conduct investigations, determine impact, perform route cause analysis, and monitor cases until closed. Use reports & dashboards to spot trends and introduce controls to reduce reoccurrence and link incidents back to the originating risk.

Risk Management

Establish a digital risk register and roll out risk assessments and control checks online - with all data feeding into the platform. Set up a control framework to successfully reduce unwanted risk. Monitor risk levels against KRI's and your risk appetite. Use automated workflows to escalate risk and implement risk treatment actions. Access dashboards & reports to understand key actions and provide a holistic view of risk. Link risk to your strategic objectives to achieve your goals.

Compliance

Build a comprehensive obligations library of relevant regulations, legislation, policies, and internal procedures and monitor compliance. Implement a best-practice regulatory change management workflow. Receive notification of upcoming regulatory changes from your preferred content provider. Implement a best-practice policy management process.

Third Party Risk Management

Build an online library of all your vendors capturing critical details regarding contract, pricing, SLAs, and KPIs. Monitor supplier performance. Formalise the onboarding and offboarding process. Use Benchmarking and scorecards to rate and select vendors and understand any potential threats.

Audits & Inspections

Schedule and manage internal and external audits. Formalise the results and use automated workflows to implement the required actions. Provides a complete history of all your audits and their findings and any outstanding actions or compliance failures.

Cyber & IT Risk Management

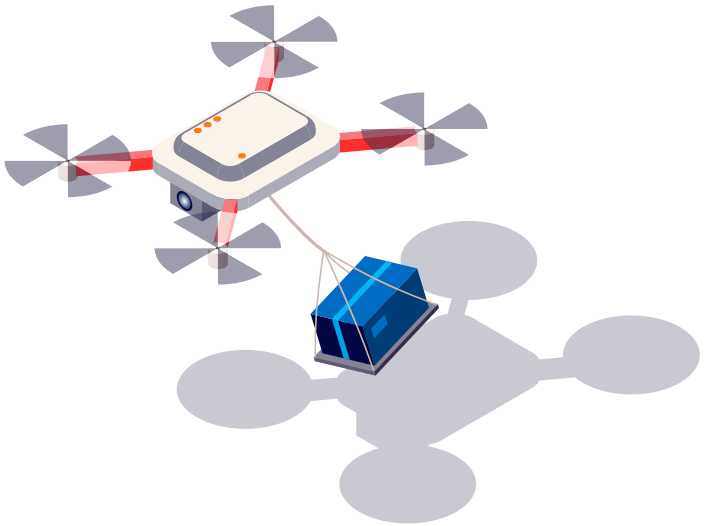
Build a cyber risk register and monitor cyber risk and implement the relevant controls. Access frameworks to ensure compliance with data privacy regulations like ISO 27001, GDPR & NIST. Manage & resolve cyber incidents.

ESG

Plan out an environmental, social and governance (ESG) strategy and monitor progress. Manage ESG related risks, incidents, and compliance obligations. Confidently report on the progress of key metrics and ESG initiatives.

Workplace Health & Safety

Maintain workplace health & safety registers, identify & address hazards, and create & track actions to resolve issues. Staff can report incident, log hazards and near misses and carry out safety checks via the mobile app.



Benefits include:

- Highly configurable
- Enhanced collaboration
- API Integrations
- Better visibility
- Automated workflows & alerts
- Clear insights to support decisions
- Effortless reporting
- Integrated GRC

Transport & Logistics firms we support include:

transdev the mobility company
MAG
Flinders Ports
NTA Údarás Náisiúnta Iompair National Transport Authority
pacificnational
Adelaide Airport
MILAHA
KiwiRail

Discover How Camms is Helping the Transport & Logistics Sector to Automate Their GRC Processes

Camms offers a cloud-based SaaS solution that can be specifically configured for the needs of the transport & logistics sector enabling them to set up a comprehensive risk & incident process and ensure compliance with regulations and health & safety measures.

Firms can digitise obligations libraries and risk registers, manage incidents, monitor compliance, administer policies & regulations, and roll out their corporate strategy – all within one platform.

With integrated solutions across governance, risk, compliance, ESG, strategy, and project management, Camms software is helping those in the transport & logistics sector manage risk, resolve incidents, streamline & automate processes and generate business insights to drive decision making.

Visit Website **Request Demo**

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