



BUILD VS. BUY

The Challenges Trucking Fleets Face & The Emerging Need for Safety Solutions



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Introduction

The trucking industry faces numerous challenges: [Nuclear Verdicts are on the rise](#) while insurance costs have increased by double digits each year. Driver turnover can run well above 100% for truckload fleets, all while crashes have grown more common. Together, these trends endanger professional drivers' lives and lead to slowdowns in operations,

hampering fleets' profitability and tarnishing their brand.

In the wake of these trends, fleets have begun using driver management platforms to reduce their risk and retain drivers. Fleets using driver management platforms have successfully [reduced their claims costs by 48%](#), [increased retention rates by](#)

[43%](#), and [cut their accident rate in half](#), all while enabling fleet professionals to perform their entire job in one consolidated platform.

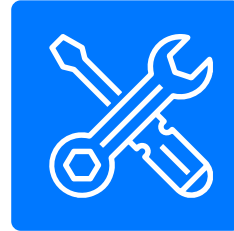
As other fleets have noticed these outstanding improvements, some have started to wonder: **Should I build my driver management platform? Or should I buy one?**

Build vs. Buy: --- The Five Key Considerations

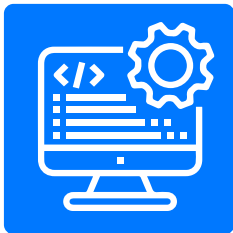
When a fleet is making the Build vs. Buy decision, there are five key considerations they must make before choosing an action plan:



Initial Development & Deployment Speed



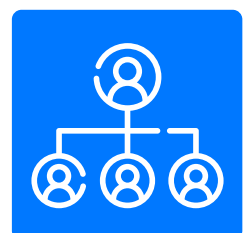
Maintenance & Support



Product Evolution



Total Cost of Ownership



Best Practice Alignment

These five considerations are central to the Build vs. Buy debate and must be thought over before acquiring a driver management platform.

#1: Initial Development & Deployment Speed

A driver management platform's scope is the extent to which a fleet will use it to solve their driver management challenges, encompassing the platform's functionality and the results a fleet wishes to gain from it. Defining the platform's scope is typically the first step in the Buy vs. Build decision.

In defining the scope, fleets must define three crucial aspects of the solution they seek:

01 The end-users of the platform

Off-the-shelf driver management platforms bring together a fleet's safety, risk, compliance, and operations departments into a single solution. If a fleet wants to build their own, they must define which departments will use the platform and consult with these stakeholders during the initial development phase.

02 The number of third-party integrations necessary

For a driver management platform to be effective, it must pull all of a fleet's data surrounding their drivers, equipment, documentation, and more from a fleet's current systems and internal spreadsheets; **any device that produces data will need an integration**. Further, it must also push information back out to those systems. While off-the-shelf solutions have established partnerships with most of trucking's third-party systems, fleets seeking to build a driver management platform must work with each vendor's engineering team to build their integrations.

03 The base functionality of the platform

Driver management encompasses safety, risk, compliance, and operations concerns. If a fleet wants its platform to contain all areas of driver management, they will need to include data management, reporting functionality, dashboards, alerts, and process workflows that enable and track all of the necessary metrics. These include, but are not limited to:

- Crash and injury management
- Training management
- Recruiting information
- ELD and camera data
- HR information
- Citations and violations
- Predictive analytics
- Task management
- Hierarchical reporting and dashboarding

After defining their platform's broad needs, fleets must determine if they can build it on a timeline that makes sense for them. To do this, there are two primary questions they should ask:

01

How urgently do they need a solution in place?

Driver turnover, crash, and insurance costs are continuing to rise and eat away at an already thin profit margin. Each day a fleet doesn't invest in a driver management solution to combat this, they are losing money. With the [rise of Nuclear Verdicts](#), every day that a fleet is not at the cutting edge of driver and fleet management is a day they are at risk of a liability disaster. If a fleet is concerned about their liability, they should obtain a driver management platform as soon as possible.

02

Within the timeline, will they be able to build out the scope they need?

Any driver management platform comprehensive enough to reduce a fleet's liability will take a year or more to build out even basic functionality. To meet a shorter timeline, a fleet would have to dramatically reduce the solution's scope or purchase a comprehensive off-the-shelf solution.

Finally, when defining the initial scope, fleets need to consider their project's staffing requirements.

For fleets pursuing a comprehensive driver management platform, they will need a large team including software engineers, product managers, designers, API engineers, DevOps engineers, and more.

For many fleets, acquiring the necessary talent is a challenging endeavor. Software engineers are generally highly compensated individuals working in a competitive industry. When fleets seek to recruit engineers to their team, they need to **compete against other fleets, Fortune 500 companies, and dedicated software companies**. Many fleets will need to employ recruiting firms to hire the talent they need, which will significantly drive up their cost.

Fleets may also consider contracting with a development company to build the platform they require, though this approach has a number of pain points, too. While this route can be a faster process than developing the solution alone, it is also costly, and these firms have no industry-specific experience to rely on. The result could be a fleet shelling out millions of dollars for a final product that is far short of what they originally envisioned.

#2: Maintenance and Support

For any software project, essential technical maintenance will require keeping a development team on-hand long after a project's completion for support. Maintenance has two primary components:

01

Updates to the platform's hosting system

When building a browser-based or downloadable software solution, fleets will need to use the services of a hosting platform like Microsoft, Apple, or Google. These platforms push out constant updates. Every time one goes live, the driver management platform will need to be updated to ensure it is compatible with its newly refigured hosting system.

02

Basic coding errors and bug fixes

Though any platform will undergo testing before launch, bugs and simple code mistakes will inevitably arise as it is used and continues to evolve. Fleets need to keep a team on-hand to address emergent issues as their solution experiences the stress of continual use.

Another important consideration is that, because the software engineers a fleet will have to keep on staff are highly in-demand workers, retaining these employees can be difficult and expensive, [as trucking fleets well know](#). **This can add significant additional recurring employment costs to a fleet's annual budget.** For this reason, the maintenance consideration fleets must make during a Build vs. Buy decision generally weighs in favor of buying a solution.

The screenshot displays a fleet management dashboard. On the left, a bar chart titled 'Drivers' shows risk scores across various bins (21-30, 31-40, 41-50, 51-60, 61-70, 71-80, 81-90, 91-100). Below the chart is a table with columns for Terminal, Risk Score, and Plan Status. On the right, a section titled 'Expiring Documents' shows counts for 'Currently Expired' (10), 'Expiring in 30 Days' (15), and 'Expiring in 60 Days' (30). Below this is a table with columns for Record No., Expiration Date, Employee, Terminal, and Record. A red semi-truck is visible in the background on the right side of the dashboard.

Terminal	Risk Score	Plan Status
Pittsburgh	70	Plan Assigned Not Started
Wheeling	68	Plan Assigned Not Started
Cleveland	64	1 Task Past Due
Tampa	62	Plan in Progress
Tampa	58	Plan in Progress

Record No.	Expiration Date	Employee	Terminal	Record
009007	07/28/2020	James Wilkson (009007)	Detroit	Perm
008341	07/29/2020	Michael Smith (008341)	Wheeling	MV
004112	07/01/2020	George Roberts (0041...	Cleveland	C
005009	08/05/2020	Mark Washington (005...	Pittsburgh	
007854	08/05/2020	Tim Smith (007854)	Tampa	

#3: Product Evolution

Before a fleet commits to building a driver management platform, they must consider how their platform will evolve over time and whether it is worth supporting this product evolution indefinitely.

Fleets must understand that developing a platform isn't confined to the project's maintenance and initial development phases. Instead, software generally sees continual evolution and requires an engineering team to be indefinitely held on staff. Why? There are three main reasons:

01

Second-class solutions increase liability

"Failure to equip the latest technology" is a form of liability that transportation defense attorneys [are increasingly seeing claimed in court](#). If a fleet isn't using the best and latest tools on the market, they expose themselves to this liability form. With an in-house solution, fleets must continuously evolve their platform to stay on par with solutions available on the market.

02

Business needs change over time

For example, suppose a fleet moves into hazardous materials transportation years after implementing their driver management platform. In that case, they will need to update their platform to add new features relevant to the hazardous materials sector, such as HAZMAT certificate tracking.

03

Technology needs change over time

If a fleet ever purchases new technology, such as [Lytx cameras](#) or [DriverReach software](#), they will need to build a unique integration for each platform. As it is difficult to anticipate future technology needs, fleets should always be prepared to build a new integration when necessary.

By contrast, when a fleet purchases a driver management platform, **their vendor has an incentive to add new features to the platform over time to improve the customer experience and ward off emergent competitors.** Additionally, fleets can count on vendors to have integrations with all or almost all of the technology they will need.

For fleets that wish to build an in-house driver management platform, the reality of product evolution necessitates keeping a software development team indefinitely employed. As this is an expensive class of workers that requires a management team to oversee them, fleets can expect to incur a large cost in exchange for the ability to control their product's evolution.

Control of Product Evolution

One advantage many fleets desire when building a driver management platform is control over the solution's evolution—determining which features will be added to the platform and tailoring them to their specific needs. Additionally, some believe that building a system will provide faster access to the product features they desire than buying a solution and relying on a vendor's product roadmap for updates.

Unfortunately, this control is largely an illusion. The competing demands of different stakeholders, the budget limitations of the IT team, and the operational realities of software development preclude strong control over a software solution's timeline. Fleet IT teams often have other projects on their plate, so in cases where they are maintaining a driver management platform, product enhancements and even initial development are frequently delayed.

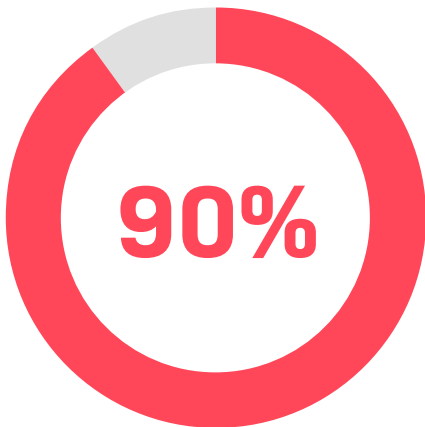
On the other hand, if fleets can identify a driver management platform vendor that they are confident will listen to their feedback and consistently develop product enhancements, they can obtain a product that is tailored to their needs without embarking on a software development project. Even better, vendors develop updates using feedback from all of their customers, so fleets receive a wide variety of regular enhancements.

#4: Total Cost of Ownership

Understanding the full cost of owning a driver management platform is the most crucial consideration when building a profitable business case. While the cost of a platform's initial development may be clear, there are several hidden costs associated with building a driver management platform that are hard to predict, such as:

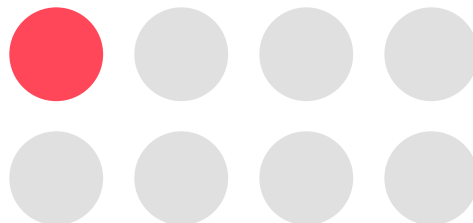
- Product hosting fees
- Developing training materials for new users
- The time cost of onboarding new users
- Data privacy and security costs
- Healthcare and other benefits for the development team
- Revenue not spent on expanding the fleet's core business

This uncertainty has consequences for internal software development projects. In a study on the success of IT projects conducted by John McManus and Trevor Wood-Harper, [Understanding the Sources of Information Systems Project Failure](#), the authors found that "only one in eight information technology projects can be considered truly successful." This study defined failure as those projects that do not meet their original time, cost, and requirements goals. In other words, no matter how much pre-planning is done before beginning a software project, almost 90% go over budget or drag on for far too long.



go over budget or drag on for far too long

one in eight information technology projects can be considered truly successful



#4: Total Cost of Ownership

On the other hand, when purchasing a commercial driver management platform, the associated costs and services are far more transparent. Technology vendors provide:

- A detailed contract outlining the complete costs of usage
- A timeline defining the rollout of the platform across the fleet
- A schedule plotting out training and onboarding
- An evolving roadmap detailing updates to the platform and new product releases
- Monthly and quarterly business reviews to ensure the customer is getting full use of the platform
- Access to Customer Support staff and a knowledge base full of resources to enhance the customer's use of the platform

Opportunity Cost

Another uncertainty associated with building a driver management platform is the opportunity cost for an IT team. Every man-hour spent building a driver management platform is a man-hour not spent improving route planning, developing smarter pricing, or improving sales efficiency. The years and resources spent building a solution and training and retaining technical staff could instead be used to make a difference in a fleet's sales, safety, and efficiency.

In summary, predicting the total time, dollar, and opportunity cost of a driver management platform's ownership is extremely difficult, while anticipating the total time and dollar cost of purchasing a driver management platform is decidedly straightforward. The risks and uncertainty associated with building a solution are outweighed by the certainty and security of buying a platform.

#5: Best Practice Alignment

Another critical consideration in the Buy vs. Build debate is the additional benefits and best practices a fleet can obtain from a vendor's network.

When a fleet builds a driver management platform, they can only put together a solution based on their current processes and practices. This can have serious consequences.

The total of the trucking industry's driver management knowledge is far greater than the amount any one fleet possesses.

Vendors build platforms that use insights gleaned from their customers, their own experience managing drivers, and research pulled in from organizations like

the [American Transportation Research Institute](#) (ATRI). When purchasing a solution, software vendors can facilitate best-in-class practices for their customers and help ensure consistency and adherence to those practices.

For example: As Nuclear Verdicts are growing increasingly common, the strategies fleets once used to reduce their liability may no longer cut it. Third-party systems stay current in best practices concerning things like training documentation and maintenance of crash records. They also implement workflows in their systems to help easily

follow those best practices. When using an off-the-shelf driver management platform, fleets can pursue liability reduction strategies they would previously have not been aware of.

Additionally, partnering with a vendor can grant a fleet access to various secondary resources and education not otherwise available. **Software vendors host networking events for users, publish industry-specific educational materials, and conduct quarterly business reviews with their customers.** When a fleet chooses to build a solution on their own, they are also choosing to relinquish access to these resources.

Secondary Resources Available



**NETWORKING
EVENTS**



**EDUCATIONAL
MATERIALS**



**QUARTERLY
BUSINESS REVIEWS**

Conclusion

For modern trucking fleets, driver management platforms are an absolute necessity. They increase driver retention, giving adopters an edge over the fleets experiencing typical turnover rates. They reduce liability in the wake of rising insurance costs and Nuclear Verdicts. **Most importantly, they reduce crashes and save lives.**

Although using a driver management platform has clear benefits, building one generally does not.

Between the technical complexity of a driver management platform, the risk of taking on a software development project, and the lack of strategic purpose in owning one,

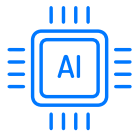
it rarely makes sense for a fleet to build a driver management platform. The following table demonstrates this on the five considerations, which makes a case for and against building or buying a solution:

Consideration	Build	Buy	Ruling
Initial Development & Deployment Speed	A process lasting at least a year that involves hiring a full software development team, meeting with various stakeholders, and planning out the desired solution	A few weeks-long deployment process where the software vendor's team works with the buyer to scope out their full needs and deploys immediately	Buy
Maintenance and Support	The fleet must keep a dedicated software team on-hand at all times to address emergent bugs and platform updates while also developing user training in-house	Free of charge with any service contract and includes robust training and Help Desk support	Buy
Product Evolution	Development teams will need to be hired or retained every time the fleet wishes to add a new feature, integrations, or enter a new business line, and control over enhancements is minimal	New features are continuously rolled out monthly based on customer and industry needs and include fleet feedback and input	Buy
Total Cost of Ownership	87% of all IT projects fail by either going over budget or dragging on too long, and all of them have hidden opportunity costs, making this impossible to price accurately	A detailed contract listing out the full cost makes the total cost of purchase immediately clear	Buy
Best Practice Alignment	No new knowledge of the driver management process is gained when building a solution	Fleets gain access to best-in-class software and workflows, educational materials, and quarterly business reviews to optimize their driver management procedures	Buy

Conclusion

For fleets that do wish to unlock the benefits promised by driver management platforms, finding the right one is crucial.

If your fleet is looking for a solution that will help you:



Use AI to know which drivers are at risk of a crash



Consistently engage and retain your best drivers



Perform all of your risk management alongside your driver management



Seamlessly assign and monitor training without ever leaving one platform

... then you should invest in the [Idelic Safety Suite®](#).

Safety Suite customers have experienced a [52% reduction in crashes](#), a [43% increase in driver retention](#), and a [48% reduction in claims costs](#).

The Idelic Safety Suite is trucking's most comprehensive driver management platform. **Safety Suite consolidates all third-party fleet systems into one platform to help you manage your fleet data and enable your safety team to predict and prevent crashes proactively.**

Safety Suite also **uses AI and machine learning (ML) models to analyze all of your driver data in conjunction with historical driver data**, spanning over hundreds of thousands of drivers and 20+ years, to predict which of your drivers are most at risk of a crash. You not only understand who is at risk, but Safety Suite also ***explains why they're at risk***, and enables managers to assign and track targeted training all in one platform, preventing crashes before they occur.

Like other off-the-shelf solutions, Safety Suite's feature set is constantly expanding. If you'd like to learn more about how Safety Suite can improve your safety, operational efficiency, and risk management today, **click [here](#) to watch a 2-minute demo** or sign up for a deep dive with an Idelic team member.



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