

Fleet safety

How to implement a program that will keep your employees safe

INTERVIEWED BY ROGER VOZAR

Auto insurance premiums are based on several factors relating to risk. Companies with strong fleet safety programs reduce their risk level, resulting in lower insurance rates.

“Depending on what steps you take, the savings could be substantial,” says Derek M. Hoch, president of Levery Insurance Group.

Smart Business spoke with Hoch about what companies can do to improve the safety of employees who drive while working.

How are auto insurance rates calculated?

They are based on several factors, including frequency and severity of crashes, auto repair costs, medical and hospital costs, lawsuits and court judgments, insurance fraud, vehicle type and deductibles.

One of the best things you can do to reduce insurance premiums is to decrease the frequency of accidents. A U.S. Department of Transportation study indicated that 90 percent of collisions were because of driver action, attitude and behavior. Keeping your drivers safe will lead to fewer and less severe accidents.

Some steps to implement are:

- Buying newer model vehicles that are in better condition.
- Hiring drivers that have good motor vehicle records.
- Providing driver safety programs that include incentives for positive performance.

All of these factors can have an impact on lowering your insurance premiums.

How can you determine if drivers are being safe?

Constantly supervise and monitor drivers' motor vehicle records. Many companies have implemented GPS tracking that shows

how fast drivers are going, where they are going — if it's the best route, and if fuel is being used efficiently.

Maintenance of the vehicle also can produce telltale signs someone is driving too fast. For example, there will be more wear on tires, brakes and other equipment than there would be for someone operating it in a safe or proper manner.

Companies that are really dedicated to safety have installed electronic onboard recorders to monitor how drivers are doing.

What should be done about cellphone use?

Almost everyone talks on the phone while driving at some point — a nationwide poll found 81 percent of cellphone owners admitted to talking while driving. Distracted driving also resulted in about 3,000 fatal traffic accidents in 2012, according to the National Highway Traffic Safety Administration.

If employees are driving on company time, you need to establish a policy with clear-cut rules restricting cellphone use while driving, and offering suggestions such as pulling over to either place or answer an important call.

Even with a comprehensive cellphone use policy that employees sign off on, courts may still hold employers responsible for harm caused by employees while conducting company business; so it's important that your policy is upheld and enforced.



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What are essential elements of a good fleet safety program?

There are five main components:

- Management support and ongoing supervision.
- Driver prequalification.
- Driver training and ongoing education.
- Vehicle maintenance.
- Accident investigation.

Safety starts with the culture of the business owner and the management team; they need to create a solid plan and hire the right people. Next comes driver selection and qualification. That involves checking motor vehicle reports, conducting criminal background checks and contacting former employers about work history.

Once a program is in place, continuously remind employees about safety and provide ongoing training courses. Even seasoned drivers can get complacent as it becomes routine; don't let them forget their training.

Fleet safety programs aren't just for companies that employ drivers, they are for any company with employees driving anything from a private passenger vehicle to an extra-heavy truck while on the job.

A true insurance professional or adviser can help your company develop a comprehensive driver safety program. That way you can create a safer culture that not only enhances the well-being of employees but also decreases insurance premiums. ●