

Berkley Life Sciences Fleet Safety Newsletter Article Series – Article 1 Why do I need a fleet management program?

Did you know that a motor vehicle crash occurs every 5 seconds, and every 12 minutes, someone dies in a motor vehicle crash?¹ Your company's potential exposure to car accidents increases with the number of drivers, the number of vehicles, and the number of miles driven. With these odds, you want to be sure you have a solid program in place to manage your fleet and drivers and reduce your exposure.



If you are currently relying on an employee having a valid driver's license and conducting some vehicle preventative maintenance as the entire extent of your fleet management program.....can we talk?

Those of us in the life science industry know a great deal about management programs. We have management programs for the development, manufacture, quality, and marketing of our product(s), workplace safety, and a host of other issues. While many of us do not have a large commercial fleet, most of us rely on a fleet of some sort to conduct business, whether it is the automobiles used by our sales or technical representatives to sell or service our product, the trucks that we use to transport our supplies and/or products or rental cars for travel. However, a fleet management program is often an afterthought, especially if the fleet is small or employees use their personal vehicles for company business. Sometimes, a program is implemented only after a particular event, such as the recommendation of an insurance carrier or due to a significant loss arising from a vehicle accident.



If you don't already have a fleet management program, consider this: motor vehicle crashes cost employers \$60 billion annually in property damage, medical care, lost productivity, and legal expenses. These costs subsequently impact benefits and insurance costs.¹ The average motor vehicle crash costs an employer \$16,500. If an employee has an on-the-job crash that results in an injury, the employer's cost is around \$74,000 and can exceed \$500,000 if the crash results in a fatality.² Employers may be held liable for the actions of an employee within the scope of his or her employment, including motor vehicle accidents caused by the employee and recovery by an injured third party is likely to include actions against the employer.

A fleet management program can help you manage these exposures, protect your employees and financial resources, and guard against liabilities. A good fleet management program sets expectations for drivers up front. Some of the components of a solid fleet safety management program include:

¹ OSHA Motor Vehicle Guide

² NHTSA [2003]. The economic burden of traffic crashes on employers: costs by state and industry and by alcohol and restraint use. Publication DOT HS 809 682.

1. Management commitment and a written policy
2. Driver rules and responsibilities when operating a vehicle
3. Permitted use of vehicles – only business or personal use allowed?
4. Verification of driver qualifications and acceptable driving records
5. Requirements for accident reporting, investigation and follow-up
6. Disciplinary procedures for employees not following policy and not meeting acceptable driver criteria
7. Driver training on policy and defensive driving techniques
8. Vehicle selection, inspection and maintenance
9. Something to consider – use of vehicle tracking devices

We will expand on these elements in our fleet safety newsletter article series. When you are ready to develop or expand your fleet management program, Berkley Life Sciences Risk Management Resources has fleet safety resources and can provide guidance and input.

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