



Berkley Life Sciences believes that the key to developing a successful risk management program is client collaboration. Our Risk Management Resources team offers a full menu of knowledge resources based on your needs by creating customized client service programs through onsite consultations, streaming training presentations, and access to hundreds of proprietary loss prevention and loss minimization tools. Risk Management Resources has fleet safety resources available to you and can provide guidance on the development of your fleet management plan.

The average on-the-job motor vehicle crash costs an employer \$16,500. If a crash results in an injury, the employer's cost is around \$74,000 and can exceed \$500,000 if the crash results in a fatality.<sup>1</sup> Employers may be held liable for the actions of an employee within the scope of his or her employment and recovery by an injured third party is likely to include actions against the employer. It can also lead to injuries and lost work time for employees involved in vehicular accidents. While your company may not have a large commercial fleet, you are relying on a fleet of some sort to conduct business, whether it is company-owned vehicles or non-owned vehicles such as rental cars or employee personal vehicles used for company business.

### Fleet Management

A fleet management program can help you protect your employees and financial resources and guard against potential liabilities. Berkley Life Sciences has a [checklist](#) to use as a starting point when creating or updating your fleet safety management program.



### Non-Owned Vehicles

Using personal vehicles for company business is an often overlooked and under-managed exposure. Best practices for managing your fleet when private vehicles are utilized for company business include:

- Reviewing driver qualifications, evaluation of driver records, and removal of driving privileges for those drivers with unacceptable driving records.
- Requirements that drivers comply with company fleet policies/programs, including safety rules, vehicle maintenance, and reporting of accidents, traffic violations, or revocation/suspension of driver's license.
- Driver proof of personal automobile liability and property damage insurance coverage with no "business use" exclusion on the policy.

### Distracted Driving/Electronic Device Usage



It is generally accepted that distracted driving significantly increases the risk of a vehicle accident. State law regarding the use of hand-held phones while driving varies and may ban texting while driving, require hands-free devices, or ban all hand-held phone use by drivers. The Federal Motor Carrier Safety Administration has banned using hand-held cell phones and texting while driving commercial motor vehicles. Due to the increased risk of vehicle accidents related to distracted driving, strong language prohibiting using electronic devices when driving for company business in your fleet management plan is recommended. An even stronger policy may include requiring drivers to turn off or silence their cell phones when driving, modifying voice mail greetings to indicate that the driver is unavailable to answer calls while driving, and informing customers of the policy so they are aware of why their calls may not be returned immediately.

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<sup>1</sup> 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.

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