Protecting Your Business: You Hold the Keys

Auto crashes continue to wreak havoc on our nation’s roads — and as a result on businesses that rely on vehicles to move people or goods. The devastation is apparent in employees and their families, who must cope with tragic consequences, and in courtrooms, where businesses are held responsible for the behavior of employees driving for company purposes.

Court decisions designed to punish businesses are becoming more and more common. Your best chance to avoid a ruling that could reach into the tens of millions is to proactively address the common issues that arise in auto crash claims. Do your driving policies address the right factors, such as substance use and mobile device distraction? Are you doing your homework on your drivers? Can you demonstrate that you did everything you could to help prevent a crash?

Strong policies and effective communication are a great foundation, but you have to go further. You have to be proactive.

Who’s Behind the Wheel?
Understanding your drivers’ driving history is key to strong hiring practices. Do they have a record of crashes or driving-related arrests? Is it worth the risk to put them behind the wheel of a company vehicle?

Even if a driver has a satisfactory driving record, it might not stay that way forever. But how will you know if that happens? Consider a monitoring service that automatically orders motor vehicle records (MVRs) periodically. It will reduce the likelihood that you will miss a change in an employee’s driving record, potentially.

An Eye on Your Fleet
Technology can help you monitor your vehicle. Telematics systems give you a set of eyes in the cabs of your vehicles and on the road ahead of them. The data they collect helps you discover risky behaviors, optimize productivity, reduce fuel costs, and increase uptime, among other benefits.

Drivers might be nervous about this constant surveillance at first, but the point of the systems is not to babysit your employees. Rather, they help you coach your drivers to be at their best. They also help you and investigating authorities understand crashes, which could exonerate innocent drivers and reduce claims.

Prevention is Protection
Auto crashes are not going away, and their financial consequences keep growing. The best thing you can do as a business owner is realize that you could be a target for high-stakes litigation. Sitting back and hoping that your drivers will stay safe on the road just won’t do anymore. Take the initiative. Showing a judge and jury that your business did all it could to prevent a crash will go a long way toward helping you defend your business if you find yourself in a courtroom.

Contact your local Federated Insurance marketing representative for more information on this and many more risk management topics.

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