

A “non-regulated fleet” involves the operation of motor vehicles for business purposes where the fleet is not regulated by the Department of Transportation. While not regulated, these types of fleets make up the overwhelming majority of commercial vehicles and are subject to the same types of day-to-day road hazards.

In many organizations, the operation of vehicles to conduct company business is an essential component of product and service offerings to customers. Doing this however, also exposes the organization to potentially significant financial risk associated with the costs of collisions, insurance expense, and service interruptions. Poor and discourteous driving habits reflect negatively on the company and can also impact business results. An additional consideration is that driving a motor vehicle is the most dangerous activity that most people do on a daily basis.

Operating safe, well maintained vehicles is important to controlling these risks, and procedures should be in place for routine inspections and periodic maintenance. Perhaps the most critical piece of a sound fleet risk management program are the people that operate the vehicles.

- Put fleet risk management policies in writing and make them a condition of employment
- Patterns of poor driving behavior are indications of an increased potential for on-the-job collisions. Monitor employee driving behavior, both on and off the job. Poor driving patterns do increase the risk. Require the reporting of any violation or collision and verify they have been reported through at least annual MVR (motor vehicle records) checks. Report any new drivers to your Pharmacists Mutual underwriter. While we are not able to provide you with results of the MVR check, we will alert you to drivers we cannot insure.

Employers can obtain detailed MVR reports in most states for a nominal fee. Vendors providing these services list states where this service is available. If available, we recommend that you do so.

- Establish rules and policies governing the operation of vehicles while on company business
 - Distracted driving
 - Who is allowed to drive or accompany the driver during business hours?
 - Drug and alcohol policies
 - What to do when an accident occurs
- Implement fair and consistent disciplinary policies. Some company’s structure these based on a points system, with infractions such as driving under the influence receiving maximum points. In addition to provisions “up to and including termination of driving privileges”, policies may also include measures to correct poor driving practices, such as on-site or internet based defensive driving courses (National Safety Council), or remedial driving instruction.
- If drivers are operating their own vehicles while on company business, require that they provide both a valid driver’s license and proof of insurance. It is important that the proof of insurance include an indication that their insurance carrier will provide coverage for business related driving.
- Riding along with drivers provides direct feedback about how drivers operate vehicles. This should be considered for new drivers on a post offer, pre-employment basis, and existing drivers as part of annual skill recertification. These are especially important when driving vehicles that have different handling characteristics than their personal vehicles.

Periodic driver training, conducted on at least an annual basis as well as to emphasize specific emerging problems (rear end collisions, collisions with deer, winter driving etc.) should be provided. Instructional materials can be obtained from Pharmacists Mutual by visiting www.phmic.com or by e-mail to loss.control@phmic.com. We can also provide Sample Fleet Policy materials and are available to help you develop and implement policies and practices that improve your ability to manage risks to your organization associated with driving.