



Company vehicles: Out-of-site, out-of-mind or out-of-control?

Since its invention, the automobile has contributed to individual independence and autonomy. It provides for easy, quick and comfortable travel from one point to another.

Company-supplied vehicles are used in the day-to-day operations of the business. Often these vehicles are entrusted to employees with limited or no direct control. Sometimes this results in an out-of-control situation. The following scenarios illustrate what should be avoided when a company-owned vehicle is entrusted to an employee.

Scenario #1: Unauthorized use of a company vehicle

An employee receives a new company vehicle. While showing it to the family that night, the employee's daughter asks if she can use the vehicle to show it off. The father agrees and the daughter goes out, picks up her friend and goes to a party. During the course of the evening, additional beverages are needed. The daughter's friend and another person head out, using the company vehicle. After picking up supplies, the friend of the friend asks to drive the new vehicle and is allowed to. On the way back to the party, the vehicle is involved in a single-car accident. Fortunately, there are no serious injuries, but the vehicle is a total loss.

A written vehicle-use policy may have prevented this from happening. Take control of your vehicle. Have clear rules and restrictions on how the vehicle can be used and who is authorized to use it. Electronic telematics devices, available on the open market, can help monitor the vehicle's use.

You can find UFG's vehicle use policy for your reference at ufginsurance.com/riskcontrol.

Scenario #2: Ignore your cell phone while driving

Two vehicles are traveling in opposite directions on a two-lane highway. As the vehicles approach each other, a cell phone rings in one of the vehicles. The phone is sitting out of reach and the driver stretches to grab it. In doing this, his vehicle wanders over the center line and hits the oncoming car head on. As a result of the collision, a mother and her baby daughter are killed. A second daughter, who is also a passenger, is seriously injured. A horrific tragedy and all because of a phone call.

Have a clear no-cell-phone-use-while-driving policy. Have all employees read the policy and sign a written version of it as proof of their agreement. This may help to reinforce the policy.

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Monitoring phone records for calls made while traveling to work or business may also help to reinforce this policy.

Scenario #3: Before getting into a company vehicle, conduct a basic inspection to help prevent an accident

A company-owned passenger vehicle is being driven by an employee. One of the front tires comes off the vehicle, causing it to veer out of control. A second vehicle traveling along the same road is struck by the out-of-control vehicle, causing serious injury and property damage. The company-owned vehicle had recently had service work done. A quick inspection of it prior to use may have prevented the accident.

Large trucks and specialty vehicles, by law, need to be inspected on a daily basis. Passenger vehicles do not carry the same requirement but a walk-around and basic inspection of a vehicle can often reveal issues that, if caught and corrected before it is used, may help to prevent a serious accident.

Scenario #4: Be alert to and obey all traffic signs

A company driver in a medium-sized truck was traveling in a residential area. The driver failed to stop at a posted stop sign. A passenger vehicle driven by an elderly person was traveling through the intersection at the same time. The vehicles collided, resulting in fatal injuries to the elderly driver and extensive property damage.

Traffic laws are in place for good reason. All too often, the failure to obey a traffic law results in serious consequences. Individuals who have a history of traffic violations are more likely to be involved in an accident. Driving records of employees who operate company vehicles should be monitored on a regular basis and the employees held accountable.

Driving as part of a job is often thought of as being non-productive time. Nothing could be further from the truth. If the trip does not have a positive net gain for the company, it simply should not happen. There are very few activities like driving a company vehicle by an employee during business hours that can have a bigger impact on the company, especially if something goes wrong. It can literally be a matter of life and death.

UFG has a number of safety materials available at

ufginsurance.com/insurance/services/risk-control.

These materials include information on:

- Vehicle use.
- Distracted driving policies.

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