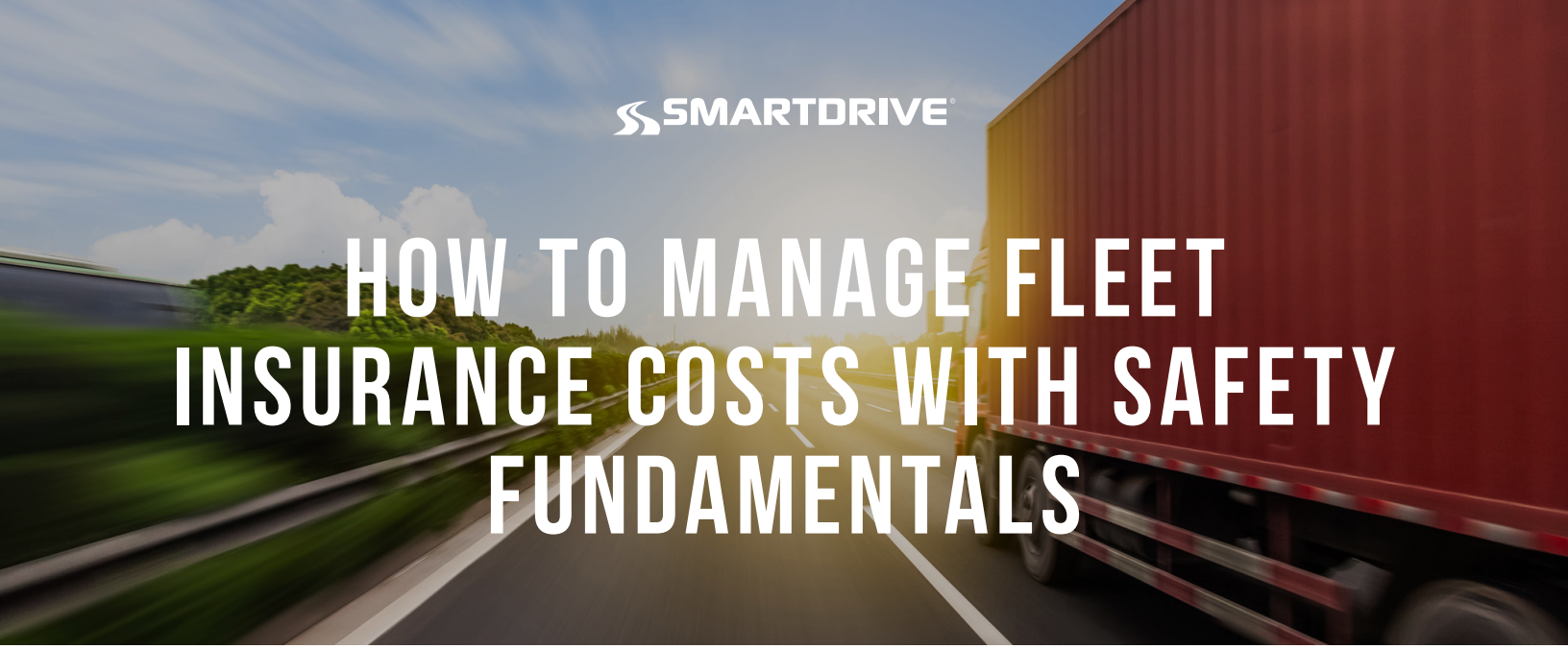


# HOW TO MANAGE FLEET INSURANCE COSTS WITH SAFETY FUNDAMENTALS

As collisions and personal injury claims are the biggest cause of pay-outs, fleet operators of all kinds must demonstrably lower their risk profile – or see their insurance premiums increase. Fleets that don't address their safety protocols and drive their risks down may find themselves uninsurable.

Here's a quick guide to taking control of your fleet risk management. And why investing time, and a little money now, can save you time and money in the future.

## How to Manage Your Fleet Risk to Keep Insurance Premiums Manageable

To have manageable premiums going forward, you need to invest in a proactive fleet risk management strategy. Insurers want clients that can demonstrate that their policies and safety interventions actually work to reduce collisions. This means proving to your insurer that driver risk is identified, minimized and managed.

1. Conduct a complete risk analysis of your fleet. This should move from the macro to the micro. The macro is the number of vehicles, your claims history, a breakdown of the kinds of collisions the fleet has, claimed for or otherwise, and the causes. The micro level is a detailed analysis of specific blackspots where such collisions occur; dangers at access points; dangers with specific types of road user and the places these occur; and possibly, risks that spike at certain times of day or night.

2. Make sure that everything in your fleet is legally compliant – vehicle maintenance, driver licensing and CSA records, compliance, etc.

3. Create a full list of driver policies covering such things as vehicle and work orientation, fatigue, food/beverage/smoking rules, in-cab distractions and the use of mobile technologies. Make sure drivers are informed and sign to say that they understand these policies. It's also important to ensure that managers also respect them – the policies must be embedded in how your fleet actually operates.

4. Go back to your risk analysis and identify which risks you will concentrate on first. It may be the biggest or it may be the easiest wins. That's a management decision. Many fleets focus first on speeding incidents, then mobile phone use and so on. A structured and targeted approach is more effective at changing the culture among drivers than trying to tackle everything at once.

5. Make sure tasks and trips are organized in the safest possible way. Is the driver fully trained on any additional equipment on the vehicle? Do the drivers know their routes and potential risks on those routes clearly? For long distance trips, do they know the safest places to park and take rest breaks?

6. Once you have decided which risks you are focusing on, ensure that you can monitor breaches and enforce safe practices, whether that is through driver training, debriefings or disciplinary measures. Mostly, you will need technology to support you in monitoring and managing risk.

7. Telematics has been introduced to great effect in reducing consumption. However, its one-dimensional nature and the sheer volume of data means it has not had the same correlation in the reduction of damage and collisions. While it can capture exceptional vehicle events, such as hard braking, speed violations or fast cornering – along with other vehicle performance data – the results depend on where you set the parameters. A telematics system relies upon you to tell it what 'good' driving looks like. If you target the 10% worst offenders for specific events, you can improve your on-road performance quickly, although it needs constant management and takes a lot of time.

   BUT telematics only shows the what, not the why. Studying driving breaches is useful up to a point but most poor driving is not caused by a lack of skill; fleets can see limited results when trying to 'retrain' drivers about specific habits. Many of those habits are caused by underlying behaviors, the most comprehensive and egregious being drivers not paying attention. Distracted drivers – whether eating, drinking, looking at their phones, etc. – are more likely to speed, to brake hard, to drive poorly and, unfortunately, to have collisions.

## The Truth is in the Data

SmartDrive Systems offers a video-based driver risk management program from which we've analyzed over 250 million pieces of risky driving fleet footage.

One analysis we produced showed that collision drivers are consistently more distracted, 61% more likely to use a mobile phone, 56% more likely to be eating and 59% more likely to be engaged in personal grooming while driving. These are all drivers who will show up on telematics feeds as speeding, braking hard, cornering too fast, etc. With our Managed Service program, fleet managers can immediately address the underlying behavior that causes those drivers to drive dangerously, rather than wade through each type of driving event individually.

In a separate analysis, we found that, on average, for every 300 risky driving behaviors captured, fleets will have 29 minor collisions and one major collision. This means that identifying and eliminating those driving behaviors will directly lower your risk of collision.

Cab- and road-facing cameras, with exception footage analyzed by our risk assessment experts, provide a clear portrait of which behaviors you need to address. There are other benefits (such as reducing fuel usage, assuring standard operating procedures, identifying mystery damage), but identifying and correcting specific driver behavior, which is driving up your fleet risk, is the prize.

## Speed Claims. Exonerate Quickly When Not at Fault. Reduce Costs.

As captured video events are off-loaded as they occur, via the cellular network, you get fast visibility of what's happened in the incident. With our road-facing and cab-facing cameras, plus the ability to link to other cameras and sensors on the vehicle, evidential proof can be quickly supplied to your insurer as part of the FNOL (First Notification of Loss) process, as well as law enforcement or compliance organizations as appropriate.

Our video and accompanying data enables your insurer to be much more efficient and effective in its FNOL claim handling and routing, which has the potential to reduce loss adjustment expense significantly, while positively influencing your risk profile and subsequent premiums.

## Capture your data. Track your improvements.

Insurers know that the majority of all collisions are caused by people, not weather, vehicles or road surfaces. Demonstrate that you know what your drivers are doing on the road – that you monitor it, manage it, proactively work to improve it, and can prove it with a programmatic video-based driver risk management solution, like SmartDrive.




### THE SMARTDRIVE PROMISE

**We put our customers first.**
**We deliver video in minutes, not days.**
**We safeguard your drivers and business in every collision.**
**We protect your investment with a solution you won't outgrow.**
**We will save you the most money in the shortest time.**

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