Three Ways Your FMIS Can Help You Mitigate Risk

eBook

Three ways your FMIS can help you mitigate risk.

"The best laid plans of mice and men often go awry." When Robert Burns penned this phrase, it's unlikely that he had fleet management in mind, but the sentiment holds in our context. The safety and well-being of our drivers and institutions are at the forefront of every decision we make as fleet managers. The reality is, however, that accidents happen. According to the Bureau of Labor Statistics, around thirteen car crashes occur in the US every minute. Annually, we crash at a rate of 181 times per 100 million miles traveled (2020 data).

We must accept that when we hand the keys over to our drivers, we cede control over the vehicle.While we can't exert full control over our drivers and have no influence on the environment in which they operate, we do have tools available to influence our drivers' behavior and to limit our organization's exposure to risk when accidents inevitably happen.

In this article, we'll discuss some of the risk mitigation tools at a fleet manager's disposal and how these can be seamlessly integrated into our processes via a fleet management information system (FMIS).

Policy Communication and Enforcement

Good practice begins with good policy. A thoughtfully crafted fleet policy sets expectations for driving conduct and explains penalties when policies aren't followed. This document details the licensing and safety training required of our drivers and their responsibilities when behind the wheel. As legal and regulatory pressures represent a moving target, fleet policy should be a living document; amended and updated as the conditions under which we operate change.

Our policies and our ability to enforce them are only valid to the extent that they are communicated and acknowledged by our drivers. So, it is critical that as our policy shifts, revisions and amendments are agreed to by our driver community.

Ed Smith, President of Agile Fleet, has decades of experience in the fleet industry and speaks to the pervasiveness of the policy challenge. He notes, "Read any fleet audit across any type of fleet. You're almost certain to find that auditors found that 1) Adequate fleet policy didn't exist, 2) Fleet policy wasn't communicated and acknowledged, and 3) Fleet policy wasn't enforced."

A good FMIS includes a function to require drivers to review and acknowledge policy as soon as policy is updated and before we dispatch vehicle keys. Rather than a passive communication via email or a web page post that may or may not be seen, policy acknowledgement should be built into the dispatch process, as a barrier to successful checkout.

Agile Fleet's Ed Smith recognizes the current and ongoing importance of the company's fleet management information system (FMIS), FleetCommander, in managing policy. Smith shares, "A driving factor in developing the 5-year product roadmap for FleetCommander is filling policy gaps that are identified in fleet audits." He asks, "If audits are telling you what fleet managers need to do better, why not help them?"

Monitoring Driver Data

Handing the keys over to our drivers doesn't absolve us of liability for our drivers' actions. So, it's critically important that we're putting those keys in qualified hands.

What's at stake?

Two legal frameworks serve to encapsulate our primary sources of risk. Negligent entrustment holds that vehicle lenders can assume as much, and sometimes more, of the legal and financial responsibility as the driver because the lender had the obligation to deny an unsafe driver that utility. Respondeat superior is a doctrine under which employers or principals (vehicle lenders) can be held legally responsible for the wrongful acts of an employee or agent if such acts occur within the scope of the employment or agency. You don't have to look far to find numerous examples of organizations who bore the brunt of the exposure when accidents have occurred.

To help mitigate our fleet's risk exposure, we need to demonstrate that:

- **We have properly vetted our drivers.** We need to pull our drivers' motor vehicle records to look for a history of unsafe driving and to verify they have the appropriate and current licensure and insurance to operate the types of vehicles they intend to operate.
- **We have trained our drivers.** We need to show that our drivers have completed our safety trainings, where applicable. Importantly, we also need to demonstrate that our safety training procedures comply with relevant standards and laws for our location and industry.
- **Our drivers have read and acknowledged our policies.** As noted above, our policies will hold water only if they are communicated.
- **We have consistently and comprehensively enforced our policies.** Standard tools and practices should be used across the entire organization and should be centrally managed.

Your FMIS should be integral to your driver data monitoring function, and when handled correctly, it should automatically interrupt the process through which drivers obtain vehicles. This can obviously happen at the front end, when drivers are considered for the use of your motor pool. When MVRs indicate a history of unsafe practices or licensure has lapsed, drivers are simply disallowed from our reservation and key dispatch platforms. This much is intuitive. The value of your FMIS should truly shine once a driver has been onboarded. The FMIS should routinely check MVRs, license expiration dates, safety training compliance, and driver policy acceptance.Should one or more of these requirements go unmet, the FMIS disables key and vehicle access.

Vehicle Maintenance

Regular vehicle maintenance is a core function of any fleet operation. Well maintained vehicles last longer, operate most efficiently, and aim to stem safety concerns before they become liabilities.

Regular maintenance plays an important role in our ability to mitigate risk, and a high-performing FMIS should be central to our ability to demonstrate that we've performed preventative maintenance, as required, and that we've addressed issues in a timely and complete fashion.

A sound preventative maintenance program should be table stakes for any FMIS platform. The system should allow teams to track when maintenance is due by either and both of time lapsed and distance-driven parameters. Staff should have a simple means to check vehicles out for work to remove vehicles from the pool until preventive maintenance or repairs are completed. The FMIS should also empower drivers to alert us to issues they encounter with vehicles so that we're aware of potential issues before they become hazards. This feedback loop, as enabled through the FMIS, effectively amplifies our detection ability.

The FMIS also provides a record of accountability, should an accident occur. Using FMIS maintenance records, we can demonstrate our history of maintenance, the timeliness and scope of repairs, and those involved with the work and reporting of issues. As our motor pool and driver communities scale, the FMIS platform's value in keeping a regular schedule and documenting our work grows, as well.

The Upshot

An effective FMIS will help you cover your risk management bases. With so many moving parts, a paper- or spreadsheet-based approach to fleet management simply doesn't have the tools and triggers to stay ahead of potential liabilities. Whatever FMIS platform you choose, it must be purpose-built with driver compliance in mind and capable of giving you quick and convenient access to vehicle and driver data when accidents happen.

If you're left wondering about your ability to mitigate risk, please reach out. We're here to help.

Want to know more?

With FleetCommander, policy enforcement can be customized to include your fleet's specific requirements, and there are dozens of types of rules that can be enforced automatically.

Contact us and we will be happy to discuss how FleetCommander can help communicate and enforce your fleet policy. Here is what a few of our customers are saying:

"A top priority of initiating fleet automation tools is to slash POV mileage reimbursement, which we estimate now costs the county upwards of $350,000. Going to an all-online vehicle reservation process will require drivers to check for the availability of a fleet vehicle first. If there is not a vehicle available, drivers will be allowed to use their own vehicle. This will enable the county to cut way back on POV mileage reimbursement. We could buy FleetCommander and a whole fleet of vehicles for what we are spending on POV mileage reimbursement."

— Scott County, MN

"The savings started on day one and we haven't looked back."

— Greater Toronto Airports Authority

"We have more than surpassed our goals by reducing POV by 50%. That alone has been a huge success for us."

— Forsyth County, NC

Whether you are a veteran to fleet and motor pool management, interested in rightsizing, or new to motorpool and sharing vehicles, the expert Agile Fleet sales team knows the questions to ask to steer you on the right path. And even if our solution isn't right for you, we will tell you that -- and make recommendations.

Our sales team is made up of subject matter experts that have had a hand in automating more than 100 fleets across the world. No hard sell, just help and advice--tailored to meet your needs. Feel free to call or email us at the contact information below. We look forward to hearing from you.

**General Information: (571) 498-7555 x1
info@AgileFleet.com**

**Sales: (571) 498-7555 x 1
sales@AgileFleet.com**

**Support: (571) 498-7555 x 2
fcsupport@agilefleet.com**

Top Money - Saving Fleet Policies
White Paper

The Expert Guide to a Successful Preventive Maintenance Program
White Paper

Making the Business Case for Motor Pools
White Paper

www.agilefleet.com
Fleet Cost Savings Calculator

Show Me The Data
Cutting Costs with Utilization Metrics
eBook

The Ultimate Guide to Understanding Fleet Utilization
eBook

www.agilefleet.com   info@agilefleet.com   (571) 498-7555