

## 5 ways to manage small fleet risk

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### At a glance

- Telematics and driver training are just two of a variety of ways for companies to manage their fleet risk
- Not all risk management approaches will be suitable for every size of fleet
- We look at five risk management tools that are best suited to your small fleet customers



**Whether your customers' fleets include hundreds of vehicles, or just a handful, there are many different options available to help them manage their fleet risk.**

Nick Blacknell, Motor VM and Engineering Manager at Zurich, discusses five different ways of managing small fleet risk.

### 1. Telematics

"A lot of the telematics solutions on the market are aimed at larger fleets and as a result, companies with smaller fleets sometimes write off telematics as an option," says Nick.

However, there are telematics solutions that are ideally suited to smaller fleets and available for a minimal cost.

Nick says: "If a business owner has a fleet of four or five vehicles, there are some simple smartphone apps that can tell them where their vehicles are at any time of day and how they are being driven – including data on speed, braking and cornering.

"The costs of these apps are minimal, but the benefits are substantial. While the number one benefit is knowing where your vehicles are at all times, telematics can also be useful in the event of a claim, by helping to determine who was at fault and therefore exposing fraudulent claims."

### 2. Dash cams

A dashboard camera – or dash cam – is another cost-effective device that can help protect a company against fraudulent claims.

Nick says: "I have been involved in some claims recently where the footage from dash cams has been invaluable.

"One of our customers was targeted by a fraudster in a staged accident, but we were able to use the dash cam footage in court to defend the claim. The footage showed exactly what happened as the vehicles approached the junction and the collision itself; it was the key to defending this claim."

### 3. Driver excesses

Not every fleet risk management solution involves technology. Some companies choose to use driver excesses for at-fault claims to encourage their employees to take better care of vehicles and to improve on-road behaviour. Scaled excesses can be an effective structure – where the amount payable by an employee increases each time they are involved in a collision.

While driver excess systems are common for larger fleets, Nick says they are also straightforward to implement for smaller fleets. He adds: "As long as companies are open and honest with their employees and explain from the beginning that they have a driver excess system in place, they are unlikely to face objections."

### 4. Driver training

Formal driver training programmes can be expensive, but there are an increasing number of options suited to smaller fleets, including cost-effective online training courses.

"If you are sending an employee who has been driving the same vehicle for 20 years, on a course and expecting a sudden change in their driver behaviour, you are likely to be disappointed," explains Nick. "However, training can be very valuable when employees are being asked to drive

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### Small fleet risk management tools

- Telematics smartphone apps
- Dashboard cameras
- At-fault driver excess systems
- Checklists and logbooks
- Driver training
- Post-collision debriefs
- Regular inspections
- Parking sensors

vehicles they are unfamiliar with.

“If you’ve got an employee who has only ever driven cars and you are suddenly asking them to drive a Mercedes Sprinter, that could be a challenge. Companies need to always consider whether their employees have had sufficient training to drive a particular vehicle, and provide training where it is needed.”

## 5. Driver checklists and accident logbooks

Checklist systems can be particularly useful in businesses where a number of employees will be driving the same company vehicle at different times.

Nick says: “If you have a check sheet that drivers sign each time they use the vehicle – for example, to record whether there are any signs of damage – then you then have an audit trail that encourages everybody to keep the vehicle in good condition.

“Accident logbooks are also an excellent tool. These can list the business’s insurance details, and also have prompts for what information employees should record at the scene of a collision.”

## Additional small fleet risk management solutions

Other measures that can help to reduce small fleet risk include:

- Post-collision debriefs
- Regular fleet inspections
- Parking sensors (especially useful for larger vans)

## How we can help brokers manage customers’ small fleet risk

Our Small Fleet product is now available online via [ZTrade](#), making it quicker and easier for you to service your customers’ small fleet risks.

Some of the key broker benefits include:

- The ability to get a [Zurich Indicative Price \(ZIP\) quote](#) in just two minutes
- Multiple vehicles can be loaded at once
- Documents and certificates are available immediately after quoting and binding
- Motor Insurance Database is automatically updated as and when, without the need for a declaration

We have recently made some exciting changes to our [award-winning SME proposition](#). To find out more about this, or anything else discussed in this article, please speak with your local Zurich contact.

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