

Safety and Your Bottom Line

by Kim T. Folsom

Every time a utility professional gets behind the wheel of a company-owned vehicle, he or she puts the organization at risk. Opportunities exist for an incident that may result in vehicle damages, or worse, personal injury. These risks create an ongoing challenge for all organizations with fleets, and especially utility companies. How can they provide fast, quality service to their customers while ensuring the safety of their mobile workforce and those who share the roadways with them?

Edison Electric Institute estimates that 138 million utility customers are served every year, many by utility professionals who are trained to be linemen, not professional drivers. You might contend that your organization has driver training programs in place to ensure the safety of your fleet, but a lineman's core job function is to install and maintain electric power transmissions. If driving is not a core function, how can you be assured that your linemen are participating in those training programs and taking the necessary safety precautions while on the road to keep themselves safe and protect your corporate reputation and bottom line? New technologies can help identify risky driving behavior.

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Accidents increase annual expenditures

According to the National Safety Council, motor vehicle crashes are the leading cause of accidental death, both on and off the job. Of the more than 113,000 accidental deaths in 2005, 45,800 were Americans who died in motor vehicle collisions. These accidents accounted for almost half of the 5,702 workers killed on the job.

For families, accidental deaths cannot be measured in claims costs and figures. For utility companies, vehicle collisions affect the final profit margin and can be detrimental to the organization and employee morale. In fact, damage and claims costs are major causes of expenditures.


The *Journal of Transportation and Statistics* reports that motor vehicle accidents and responsible vehicle accidents cost companies an average of \$2,000 to \$2,400 per vehicle. In the utility market, accidents typically require moderate vehicle repair. Given this data, a utility company with 500 vehicles in its fleet can spend upwards of \$1 million to \$1.2 million a year in vehicle crash-related expenses. Third-party injury and property damage related insurance claims can also add additional costs for each vehicle.

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Motor vehicle accidents are often preventable and unnecessary, while responsible vehicle accidents, the most commonly tracked statistic in the utility market, occur when the utility company's driver is held responsible for a vehicle collision. In order to prevent these types of accidents, the riskiest drivers need coaching to improve their driving behavior before it results in an accident.

Risky driving behavior can be identified as it occurs and corrected quickly and efficiently through expert event analysis and coaching. Behavior-based risk mitigation solutions provide customers with a 360-degree analysis of each driver. This individual and comprehensive analysis enables companies to train their drivers immediately, thus reducing the likelihood that a driver would continue the same risky driving behavior.

Preventable analysis and coaching not only keeps employees and other drivers safer while on the road, it can help decrease fuel consumption, vehicle maintenance and damage costs for fleets, giving utilities an opportunity to lower insurance premiums and increase profit margins. Vehicle collisions are costly to any organization's bottom line. With proper training and constructive conversations between employee and employer, these costs can be mitigated and lives can be saved. 


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