

# Grey Fleet Management

**A brief guide to employer responsibilities and the development of a comprehensive driver policy**

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The use of personally-owned vehicles (grey fleet) has increased following the COVID-19 pandemic, due to “working from home” status affecting company car eligibility and safety concerns resulting in a preference for private-use vehicles. How does this affect employers, and how can organizations ensure they meet their legal and duty of care responsibilities in helping to protect the safety of those who drive for work purposes in their own vehicles?

# A Peak in Grey Fleet

"Grey fleet" refers to ANY vehicle used by an employee for making a work-related trip, including motorcycles, scooters and bicycles.

Currently, approximately 40% of work vehicles are grey fleet\*, but this figure is expected to increase as a result of the COVID-19 pandemic.

There are several possible reasons for this:

- "Working from home" status affecting eligibility for a company car
- A reduction in business mileage, making it less financially appealing to use a company car
- More business decisions not to offer company cars
- Employees who previously used public transportation choosing to travel in their own vehicles
- Employees who previously used shared vehicles choosing to use their own vehicles

*\* Fleet Europe*

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**A company  
that relaxes  
its oversight of  
personal vehicles  
could actually  
be considered  
more negligent  
because they  
relaxed known  
safety standards  
and failed to  
protect the  
public.**



**Sarah Bechtold**

Senior Vice President, Global  
Driver Risk Management



# Did You Know?

Driving is the most dangerous work activity that most people do<sup>1</sup>.

The number one cause of workplace deaths is motor vehicle crashes<sup>2</sup>.

Business drivers account for 40% of road deaths across Europe<sup>3</sup>.

Globally, 1.35 million people are killed on roadways around the world every year<sup>4</sup>.



A common misconception around grey fleet use is that a switch to personally-owned vehicles carries less liability for an organization. In fact, if a personally-owned vehicle is being used for business purposes there is no reduction in the organization's level of duty to ensure the vehicle, the driver and public are safe – and that relates to ANY vehicle.

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<sup>1</sup> RoSPA

<sup>2</sup> National Safety Council

<sup>3</sup> European Transport Safety Council

<sup>4</sup> Centers for Disease Control and Prevention



# Company Responsibility

Multiple laws and regulations relate to the safety of vehicles and drivers, including the use of personally-owned vehicles for work purposes. These include, but may not be limited to:

- Federal Motor Carrier Safety Administration (FMCSA)
- U.S. Department of Transportation (USDOT)
- National Highway Transportation Safety Administration (NHTSA)
- Federal Highway Administration (FHWA)
- Employment Standards Administration (ESA)

Under the Occupational Safety & Health (OSH) Act of 1970 General Duty Clause, the employer has an obligation to protect workers from serious and recognized workplace hazards even where there is no standard. There is also a moral obligation to ensure that your drivers are safe while driving for work purposes. It is not just a case of ticking boxes; rather, that you genuinely care for the health and well-being of your employees.

It is recommended that a designated, competent person have full responsibility for managing grey fleet safety in line with the organization's wider driver safety policy. Additionally, line managers and supervisors should be trained and fully understand their responsibilities for helping to manage grey fleet safety.

It is advisable for employment contracts to specify that drivers using their own vehicles for work purposes must abide by the same policies and procedures as company car drivers and that drivers' understanding of this is confirmed in writing.

**A crash-free culture® is one that does not accept collisions, injuries, incidents or license violations as an inevitable part of driving for work purposes.**



## The Big Three Considerations

# Driver

The key point to address is whether the driver is legally entitled to use the vehicle for business purposes. Driver license checks and a visual inspection of insurance documents can confirm this.

Note that standard auto insurance does NOT usually cover a driver for business use.

If an incident happens while an employee is driving their own vehicle for work purposes and that driver is not correctly covered, it's unlikely that the driver's insurance company will cover the costs. Furthermore, in the case of a serious incident, failure to ensure that the employee was adequately insured could leave your company open to potential prosecution, civil litigation and damage to reputation.

If insured correctly, a driver using their own vehicle for work purposes will be covered by their insurance policy, should a collision occur.

Remember that the risk to your company comes if the driver does NOT have insurance that allows for business use, or has the wrong type of insurance. In these cases, it IS possible for your company to be considered to have "vicarious responsibility" – where someone is held responsible for the actions of another person.



## The driver

- ☐ Understands it is their responsibility to ensure they have adequate business use auto insurance in place
- ☐ Agrees to have their license checked upon employment and routinely thereafter to ensure it is valid and to identify violations
- ☐ Confirms they are medically fit to drive and agrees to notify the organization of any medical or other conditions that may impact their ability to drive
- ☐ Is suitably trained and qualified to drive on behalf of the organization
- ☐ Has read, understood and accepted their obligations, and is aware of the consequences of failure to comply
- ☐ Agrees that, if they need to use a private car on business, they must obtain prior written authorization from their manager
- ☐ Agrees to the company's privacy policy
- ☐ Has completed a Driver Pledge

## The Big Three Considerations

# Vehicle

It's important to ensure that any vehicle used for work purposes conforms to road traffic legislation. As well as a physical vehicle inspection, documentation should be routinely inspected, including driving license, insurance, and maintenance schedule.

Your company policy may define a maximum age for a vehicle, and may define minimum vehicle safety standards.

Note that compared to the traditional company car fleet, where vehicles tend to be on three- to four- year replacement cycles, the average grey fleet vehicle is much older, more in the region of eight years old.



### Grey Fleet Vehicles

- ☐ Conform to road traffic legislation
- ☐ Are kept in a roadworthy condition at all times
- ☐ Do not exceed the maximum age, as permitted by the company
- ☐ Are in line with company requirements/ standards – for example, engine size, body style
- ☐ Undergo regular maintenance that is undertaken, recorded and monitored in line with manufacturer's recommendations
- ☐ Are covered by a repair service
- ☐ Are subject to planned and random inspections



## The Big Three Considerations

# Trip

A comprehensive grey fleet policy will define a business trip, and will encourage consideration of travel alternatives, such as video conferencing, in place of travel. It will also include details of your company policies, rules of conduct and the driver's pledge. For example, is the employee permitted to carry passengers while traveling for work purposes? And is the employee permitted to make a personal trip (such as stopping at a shop they are passing), while driving on work-related business?

A grey fleet policy will typically also cover trip reimbursement, as well as details of anything that affects reimbursement, such as unauthorized trips or failure to comply with requirements. A grey fleet policy is also an ideal place to make a link between other safety policies such as seat belt use policy, drug/alcohol policy/testing and your distracted driving policy. You might also include details of driver training requirements and your company's policies and procedures for incident/collision reporting.

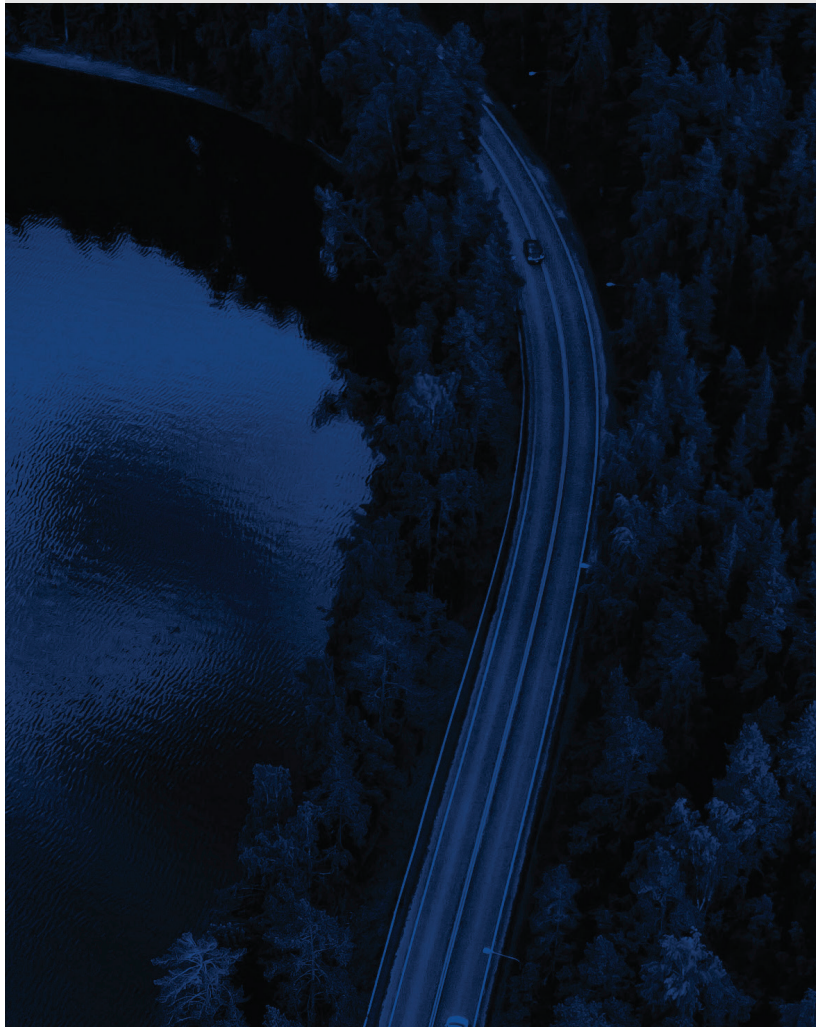
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**It's only when all policies are in place, and the required checks have been made, that a driver should be given authority to drive on behalf of the company.**



## The Trip

- ☐ Is essential
- ☐ Utilizes the most suitable form of transportation
- ☐ Has been authorized by the relevant person
- ☐ Has been planned to incorporate the most suitable route, time of day etc., to minimize risk factors such as peak traffic times, peak times for driver fatigue, etc.
- ☐ Has been planned in a way that enables adequate rest stops





# Driver Behavior

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**94% of crashes are caused by human error (attitude and behavior)**

*National Highway Traffic Safety Administration*

Research and best practice from around the world indicate that, without a doubt, once the techniques of driving have been mastered, the next single most important factor that determines a driver's safety is their own attitude.

Whether someone is driving in a company-owned or leased vehicle or a privately-owned vehicle, their safety is paramount. So, knowing HOW someone drives matters. Identifying driver attitudes and behaviors is extremely important, since we know that human error is the primary contributing factor to collisions.

A driver's attitude determines everything from their approach to following distances, the speed at which they choose to travel, the way they interact with other drivers, as well as their appetite for taking risks, such as using a phone while driving. Attitude even influences a driver's thinking on what constitutes a hazard in the first place!

Sometimes there are warning signs for drivers who have a negative attitude – for example, having regular near-misses, being involved in incidents, having a bad attitude in other areas of life, breaking the law, and/or getting angry/frustrated on the road. But sometimes a driver with a previously good record CAN have a negative change in attitude and behavior – and there can be many reasons for this, including work pressures or personal issues, and this is a good reason for considering implementing a program that enables you to identify changes in behavior so you can pick up on warning signs quickly, and help to remedy risky behaviors as soon as possible.

## Methods of identifying driver behavior include:

- In-person driver risk assessments
- Online driver risk assessments
- Defensive driving knowledge checks
- MVR license checks
- Continuous license monitoring
- Digital driver risk management programs





# Is Your Grey Fleet Program Working?

As with any risk management program, it's important to measure effectiveness.

When you review your program's performance, you learn from your experience, and collect information that helps you to make informed decisions about the effectiveness of your existing policies and the need for potential changes. You should also be able to determine whether drivers are adhering to the requirements and regulations. For example, if you carry out driver documentation checks on a quarterly basis, are you uncovering similar issues each time? If so, it may indicate that your policy does not clearly specify what is expected of the driver, and it may be a case that you need to consider additional education and communication.

Recommended programs to help with this review stage include license checking and ongoing monitoring that alerts you of violations, as well as routine and random documentation checks, for example, adequate, appropriate proof of insurance. Also, if you use a digital driver safety program that measures driver performance in areas such as harsh acceleration, braking and cornering, speeding and phone distraction, you will be able to identify whether driver safety policies are being adhered to.

If gaps ARE identified in terms of employee knowledge and awareness, or on-road performance, training and coaching can help to address these weaker areas.

At eDriving, we recommend a multi-pronged approach that includes a combination of routine and targeted training, as well as manager coaching, where needed. For example, our Mentor<sup>SM</sup> program includes identification of driver behavior and provides regular micro-training modules delivered directly to all drivers in a smartphone app to help remedy unsafe behaviors.

This approach helps to maintain best practice in core areas such as defensive driving, hazard recognition, following distance and scanning. Targeted training also helps to remedy risky behavior in specific areas, such as speeding, distraction, and blind spots.

Such training can be supported by more intensive eLearning modules for those who need it, as well as manager or professional coaching for higher risk drivers.

## Benchmarking: Closing the Loop

Benchmarking helps you to compare where you started with how you've progressed. You can use monthly, quarterly and annual metrics including lagging indicators, such as collisions, incidents, license violations and collisions per million miles. These can be evaluated at division, organization, country, and/or industry levels.

# Comprehensive digital driver risk management

Award-winning Mentor<sup>SM</sup> by eDriving identifies and remediates risky driver behavior using **scoring**, **eLearning**, **coaching**, and **gamification**, while recognizing safe, **eco-friendly driving** with **rewards**. Integrated **Automatic Crash Detection** and **Personal SOS** features powered by Sfera and Bosch trigger emergency help when needed most. Delivered from a **privacy-first, data-secure platform** and supported with unsurpassed **professional services**, Mentor offers flexible options to meet the needs of small-to-medium sized businesses (SMB) and enterprises around the world.

## Key Benefits

- Reduced collisions, incidents, injuries, violations
- Reduced operational costs
- Reduced emissions; increased eco-driving
- Reduced cost of vehicle ownership
- Proven sustained driver behavior change; increased driver safety
- Comprehensive view of driver risk with insightful intelligence
- Peace of mind via 24 x 7 emergency response services
- Highest levels of driver privacy protection and data security
- Deep, respected expertise with 25+ years' experience and 120+ awards
- Positive brand association for safety and sustainability

## Flexible Mentor Options

### Full-Service for Enterprise

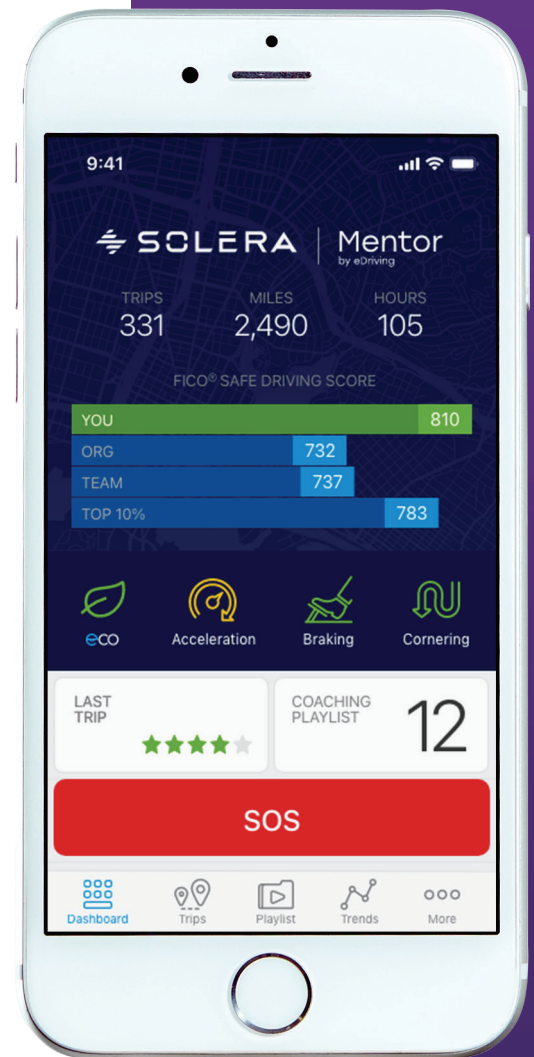
For large, enterprise clients that want a more **customized solution** which may involve a pilot, tailored training sessions, adapted reporting, extended support, and more!

### Turnkey for SMB

For small- to medium-sized businesses that want a solution that's **quick to implement** but won't distract from their core mission or stress company resources and includes dedicated support.

### Telematics-Free for SMB or Enterprise

**Mentor Insight** does NOT include telematics, but still delivers the most powerful, award-winning tools in driver risk management.



## Proven Success

High-risk drivers improved their FICO® Safe Driving Score by 32% in as little as 6 months and reached 35% improvement over 15 months. They also reduced Speeding by 82% and Distraction by 59% over 15 months.

Source: eDriving analysis conducted in December 2020 coinciding with 1.5B Mentor miles driven.

## Robust, Unique Features



### Advanced Risk Assessment

Predictive, independently-validated RoadRISK® assessment identifies a driver's initial risk level using driver profile, knowledge, attitude, behavior, and hazard perception inputs.



### Driver Scoring

Drivers receive a validated score that predicts likelihood of being in a collision – EITHER the best-in-class, telematics-based FICO® Safe Driving Score (Mentor users) OR a DriverINDEX® score (Mentor Insight users) encompassing incidents, collisions, violations, and RoadRISK® results.



### EcoDrive\*

Dashboard indicator shows drivers just how eco-friendly their driving is and reminds them that smooth, defensive driving IS eco-driving.



### eLearning

300+ micro-training modules available in 25+ languages provide drivers with a solid foundation, as well as address individual risk patterns.



### Engagement & Gamification

Promote friendly competition by enabling users to set up Circles where they can see fellow members' progress/scores and send motivational messages. Positive behavior improvement earns badges and rewards.



### Step-by-step Coaching Template(s)

Easy-to-use template(s) help managers provide intervention and guide critical coaching conversations with high-risk drivers.



### Driver Event Reporting

Allows drivers to submit collision information directly from Mentor to Fleet/Accident Management Partners/Insurers to help reduce claims cost by up to 40%.



### Driver Vehicle Inspection Report (DVIR)

Checklist guides drivers through daily inspection of their vehicles before and after their appointments/routes, prompting for maintenance issues.



### Automatic Crash Detection\*

Sfara's automatic crash detection technology triggers a voice call to the driver from one of Bosch's Global Call Center agents supporting over 50 countries who can quickly dispatch Police, Fire, and/or Ambulance/EMT to the scene.



### Personal SOS

Allows drivers to silently initiate a call for help whenever they feel unwell or unsafe to Bosch's Global Call Center agents who relay information to local emergency services for immediate dispatch of help to the scene.



### Driver Risk Monitoring

Continuous license monitoring ensures employers have the most up-to-date information regarding employees' driving records and ability to drive for work.



### KPIs, Analytics & Benchmarking

Unified platform delivering insightful analytics which provide comprehensive view of driver risk and help demonstrate ROI through reduced collisions, incidents, violations, and total cost of vehicle ownership. Includes CrashPACK data in event of collision.

\*Not available with Mentor Insight

**edriving.com**

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## Unmatched Professional Services & Support

**Customer Success** - Dedicated account teams are committed to achieving your goals.

**SWAT Implementation Team** - Elite "special ops" team is focused on supporting enterprise customers through successful pilots and launch.

**Data Analytics/Reporting** - Data scientists and analysts help eDriving customers turn data into actionable insights.

**Privacy Support** - Experts in privacy regulations around the world help customers navigate potential concerns.

**24/5 Tech Support** – Available throughout the world in the local language, help is only a phone call or email away.

**Professional Coaching** - One-to-one learning sessions are held with an eDriving ProCOACH following an event and sustained risky behavior.

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## Privacy-Centric, Data-Secure Environment

**Mentor is NOT:**

**A driver surveillance or tracking tool.** Location data is only visible to drivers for training purposes, except in the event of a collision.

**A mobile phone tracker or blocker.** It does not read, record, monitor or block phone calls, text messages or emails. Mentor only detects whether the cell phone is used while driving in order to record distraction events.



**Mentor**  
by eDriving