

Risk, Loss, Theft and Liability: Preventing Four Mobile Workforce Profit-Killers

There are many challenges involved in running a mobile-based business. One of the biggest: mitigating the risks inherent in managing a mobile workforce. While some aspects of this risk are related to the vehicles and assets themselves, most stem from the inability to monitor the activities and performance of mobile workers. They include:

- Lawsuits and higher insurance costs due to unsafe driver behavior that causes accidents.
- The loss and theft of mobile equipment and assets in the field.
- Damaged reputation due to poor service and inferior quality work performed by mobile workers.
- Expensive vehicle repairs and/or replacement due to inadequate routine maintenance and reckless driving.

This paper examines these risks in more detail and explores how the right GPS tracking and mobile workforce management solution can help mitigate them, thereby reducing high insurance premiums, fleet maintenance costs, and equipment expenditures. It also provides guidance to help in your search for the right mobile workforce management solution provider for your company.

Unsafe Driver Behavior

Whenever your employees are driving your vehicles, your company is liable for their actions. This is true not only when they are performing their jobs while driving your vehicles, but also when they're driving your vehicles after hours. Any damage or injuries they cause are your company's responsibility and can result in higher insurance costs. You may also be subject to lawsuits, especially if your company has not identified problem drivers and taken corrective action with them.

It's not unusual for companies with a poor history of driver behavior to find themselves unable to obtain insurance from traditional carriers. If gross negligence is involved, it exacerbates the problem even further. In these cases, companies are forced to buy very expensive coverage from high-risk insurers.

Mobile workforce management solutions provide a high of level visibility into driver behavior, enabling companies to address unsafe behaviors before they lead to accidents and high insurance premiums. Drivers log in and out of their vehicles each time they make a move, either with a key fob or through onboard login/logout capabilities. Many mobile workforce management solutions also offer in-cabin alerts to make drivers aware in real-time when they brake, corner, or accelerate too aggressively. Some insurance companies now look at driver safety technologies like these and reward companies that offer them with lower premiums and other incentives.





Mobile workforce management solutions also help increase safety and reduce accidents by providing real-time, automatic updates back to dispatchers on the location and job status of vehicles and drivers. This eliminates the need for constant phone or radio status checks, enabling drivers to focus on the road, not on answering calls.

How might such a solution help a business reduce accidents and insurance premiums? Consider the case of a large home services business located in a major metropolitan area whose workers were repeatedly having accidents while driving company trucks. Eventually, the business was no longer able to secure insurance from a conventional underwriter and instead was forced to buy sub-par coverage from a specialized high-risk carrier—at an astronomical price. The high premiums increased their operating costs to the point that their profits were being affected. Each accident was costing them nearly \$25,000 out of pocket.

To help prevent accidents and reduce their insurance costs, the company implemented GPS tracking and mobile workforce management technology to monitor driver behavior and provide drivers with instant feedback whenever unsafe driving behaviors were detected. The technology also notified the drivers' supervisors of unsafe driving behaviors via real-time alerts.

Drivers were scored over time for the number and severity of unsafe driving occurrences, and scores were compared across the board to identify the worst offenders. Management set thresholds for acceptable driving behavior in terms of aggressive driving practices and overall driver safety.

After six months of using the technology, accidents had decreased by nearly 80 percent. The company is now establishing a claims history that will enable them once again to buy insurance from a traditional carrier at a much lower rate.

Equipment Loss and Theft

The loss of expensive equipment and other assets in the field is another risk for mobile-based companies. Many of these companies have substantial investments in equipment and other assets located at job sites where—due to theft or carelessness—expensive assets can be lost. When field assets aren't carefully monitored, companies can end up wasting money on asset replacement and insurance claims.

Today's sophisticated mobile workforce management solutions enable companies to track and monitor their equipment and mobile assets. These solutions include smartphone scanners that mobile workers can use to monitor the location of field assets at each job site. This enables managers to pinpoint exactly when an asset went missing and address the cause of the loss appropriately. The result is less risk of lost and stolen equipment and assets and lower insurance premiums.

Vehicle Maintenance

Mobile workforce management solutions can also help companies that manage mobile fleets ensure that their vehicles are maintained properly and according to schedule. All data related to vehicle mileage and wear and tear can be stored in the company's integrated back-office systems. This makes it easy to schedule routine maintenance that will help ensure that vehicles are running smoothly and efficiently so that repair and insurance costs are kept to a minimum.



Customer Service Expectations and Reputational Risk

Thanks to the instant, on-demand nature of the Internet, most people today have high expectations regarding customer service. These expectations have a major impact on many companies that provide service and delivery via a mobile workforce.

In the past, for example, people were generally willing to accept a four-hour service or delivery window—but not any more. Mobile workforce management technology solutions now enable companies to narrow this window considerably and make it more predictable. These solutions can even enable customers to track the progress of a service or delivery provider and plan their daily schedule and activities accordingly.

To remain competitive in today's environment of heightened customer service expectations, companies that provide service and delivery via a mobile workforce must adopt these technology solutions. Those that don't run the risk of damaged reputations, unmet customer expectations, and lost sales and revenue.

How to Select the Right Mobile Workforce Management Solution Provider

We have explored some of the unique challenges and risks faced by mobile-based companies and their associated costs, and demonstrated how the right mobile workforce management solution can help lower these risks and reduce insurance premiums. But what does the "right" solution look like?

In short, the right solution offers all of the features outlined above, reinforced by a strong foundation of service and support. The right mobile workforce management solution provider will work directly with you to ensure that your systems are integrated and that the solution is deployed in the most efficient way to reduce your risks and their associated costs.

Remember that mobile workforce management technology is a tool that's only helpful when used properly. Be sure to ask solution providers how they are going to help you implement the technology in a way that will reduce your insurance premiums and increase your margins. Specifically, you should **make sure your new mobile workforce management solution partner does the following:**

- Integrates your multiple systems as a standard part of your contract, not as an expensive add-on.
- Helps you monitor, analyze, and act on system-generated data.
- Maximizes your existing mobile technology, such as smartphones and tablets—no more need for bulky laptops traveling with your field crew.
- Offers on-site training and support, and acts as a trusted advisor to your team—not just another vendor.

By being diligent in your search for the right mobile workforce management solution and provider, your company will be able to reduce mobile workforce management insurance risks and their associated costs for years to come.

Founded in 1998, InSight Mobile Data is an independent, employee-owned technology company dedicated to one thing: providing real-time visibility into the mobile work environment. We've made decisions over 15 years to remain independent, because it allows us to preserve our uniquely close relationship with our customers. We're accountable to them, and to our own high standards of innovation and customer service.



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