

Traffic Crashes as a Cost of Doing Business

Assumptions

- Assume a 5% Company profit margin
- Assume that for every dollar in crash costs, \$20 in products and services must be sold to break even.
- Assume 15 vehicles are used for company business.
- Assume a 10% traffic crash rate
- Assume \$5,000 cost for each crash

Total Cost of Crashes:

15 vehicles x the crash rate of 10% =
1.5 vehicles per crash x \$5,000 cost of each crash = \$7,500

Break even point:

\$7,500 (total cost of crashes) times
\$20 (needed sales to cover one dollar of crash cost) =

\$150,000!!

just to break even!!



If your company had just five crashes a year, you would need \$750,000 in sales just to break even!

Can you afford that!?



The Boss
needs to say:

“OK”!!

No matter what kind of highway workplace safety program you have in your company, **It won't work unless the owner gives complete and unqualified support!**

The Cost of Workers' Compensation is Directly Impacted by Workplace Traffic Safety.

Do you have an **enforceable Workplace Traffic Safety Policy?**

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Project RoadSafe



A Workplace Traffic Safety Program For Your Company

Buckle Up Every Time

**An Effective
Highway Workplace
Safety Program Will
Mitigate Worker's
Compensation Costs**

This dozen of easy-to-follow steps will help any company create an effective highway workplace safety program.

- 1) Gather general facts and statistics about the cost of motor vehicle crashes.
- 2) Collect information about the cost of traffic crashes to your company in the past year.
- 3) Draft a company-wide highway workplace safety action plan with clear objectives setting realistic dates, and a plan to document and evaluate results of the action plan.
- 4) Create clear, comprehensive and enforceable highway workplace safety policies.
- 5) Post the new policies throughout the company and distribute the policies periodically to each employee.

Buckle Up — Every Time!

- 6) Discuss the policies at company meetings.
- 7) Create incentives for adhering to the policies and point out the consequences for ignoring the policies.
- 8) Organize an Employee Awareness Campaign.
- 9) Invent fun, creative ways to boost awareness of highway workplace safety issues and procedures.
- 10) Establish an Evaluation Program.
- 11) Look at progress (or lack thereof) that workers have made toward reaching the objectives of the highway workplace safety program.
- 12) Share the good results of the program and adjust the program where the results are not so good.

Periodically refresh your highway workplace safety policies and procedures.

Contact us at our website:

www.labor.vermont.gov

- * Under "Businesses" click "Workplace Safety"
- * Then click "Project RoadSafe."



**Who Pays for the
Cost of a Crash?**

- **50%** *Private insurers*
- **25%** *Individual crash victims*
- **15%** *Uninvolved motorists delayed in traffic plus charities and health care providers*
- **10%** *Public Funds*

100%

Those not directly involved in crashes pay for nearly three-quarters of all crash costs, primarily through insurance premiums, taxes and travel (delivery) delay.



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