



Fleet Utilization Questions & Answers



Introduction

- “Good” utilization metrics – what they are/aren’t & how to find yours
- How to cut costs using metrics
- How much savings you can achieve -- and where you can find it



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The Answer... NOT!

80%



That's all folks!

Fleet Utilization

Fleet utilization can be measured or perceived in many different ways



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% of vehicles used per day by class

% of days each specific vehicle is used per month

of trips per day per vehicle

Total % of miles traveled per month using alternative fuels

of outside rentals per month by class

\$ value of POV reimbursements per month by class

of unfulfilled vehicle requests per month by class

of miles traveled per month per class

What's our end game relative to utilization?

Utilization – The End Game

Have metrics to clearly understand utilization.

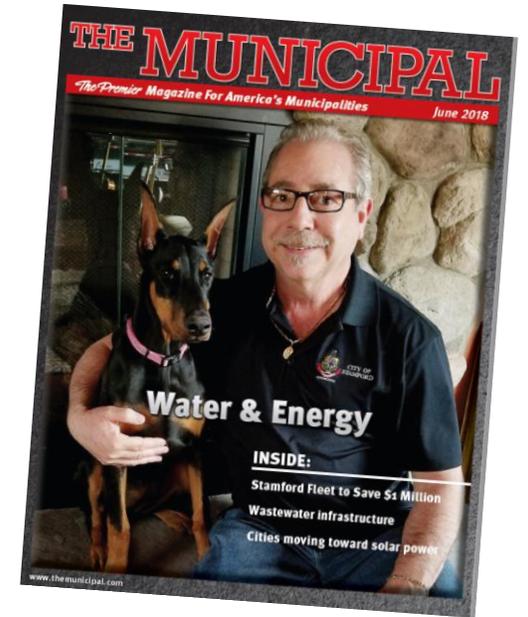
Operate your fleet effectively and efficiently.

Metrics

Metrics

In fleet, we need numbers that:

- Are objective
- Are timely
- Are calculated consistently
- Are collected automatically (preferably)
- Show trends
- Have the fidelity that makes sense
- Show us what we are looking for



***“We need more vehicles.
We ran out twice last week”***

**This fleet ultimately reduce
from 80 vehicles to 19
vehicles without ever
running out!**

Metrics

Use the data you have correctly... do not misinterpret it:

Time	Activity	1 Observation #1 - Vehicle in Use by Driver?	2 Observation #2 - Vehicle in Use per GPS or other Telematics Data?
08:00 a.m.	Pick up keys to vehicle from fleet	Yes	No
08:15 a.m.	Drive 1 mile to another location	Yes	Yes
08:17 a.m.	Park vehicle and attending meeting	Yes	No
03:30 p.m.	Drive 1 mile back to fleet garage	Yes	Yes
03:32 p.m.	Park vehicle at fleet garage	Yes	No
04:00 p.m.	Return keys to fleet	Yes	No
TOTAL TIME IN USE		8 hours	4 minutes



Which metric is correct? Was the vehicle used for 8 hours or 4 minutes?

Metrics

Sources of utilization data:

- Manual observations
- Motor pool check-outs & check-ins
- GPS (e.g., odometer, trip data)
- Fuel files (e.g., odometer)
- Work Orders (e.g., odometer)
- On-line trip reporting
- Other

Metrics

Sources of utilization data:

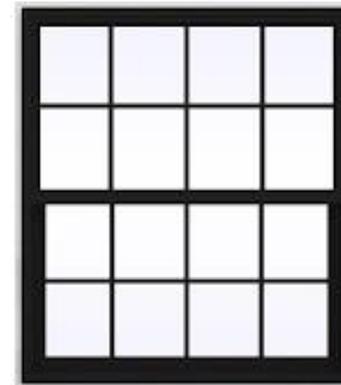


Self-service dispatching systems are a great way to capture data



Metrics

How can I quantify utilization or prove that vehicles are being used if nothing is automated?



METRICS!

Metrics

For a specific period of time:

DEMAND



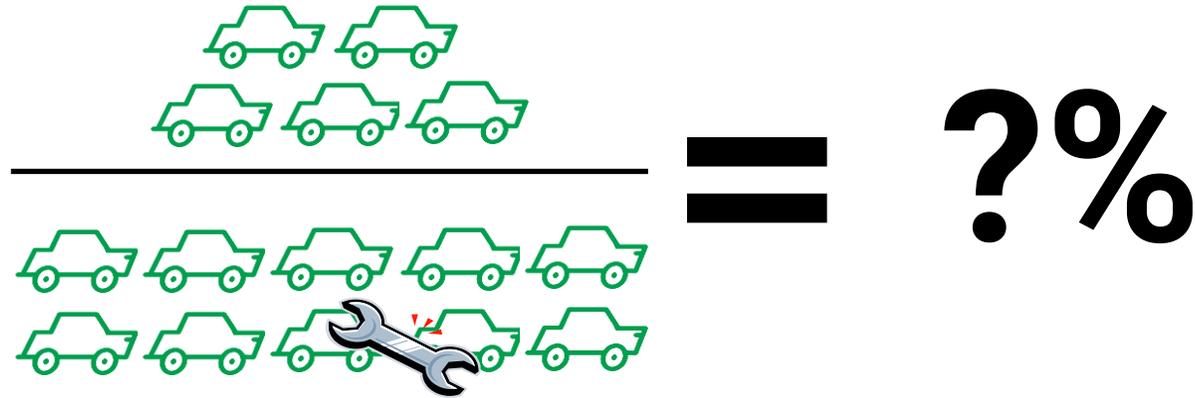
=

50%



CAPACITY / GOAL

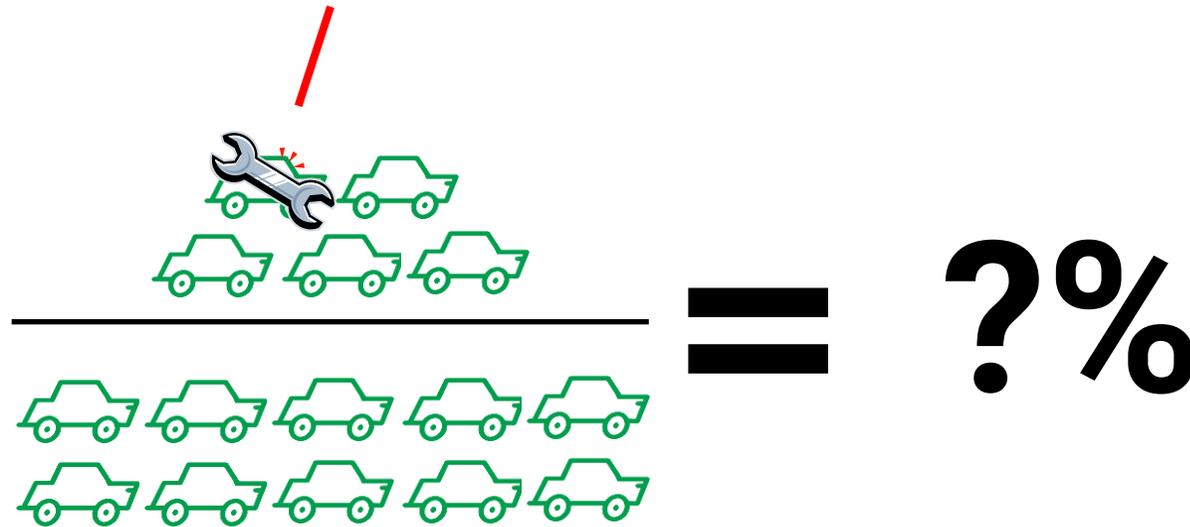
Metrics



- *If I have vehicles out-of-service, are they really to be considered as part of my capacity?*
- *Are vehicles awaiting delivery inspection counted?*
- *Are vehicles awaiting disposal counted?*

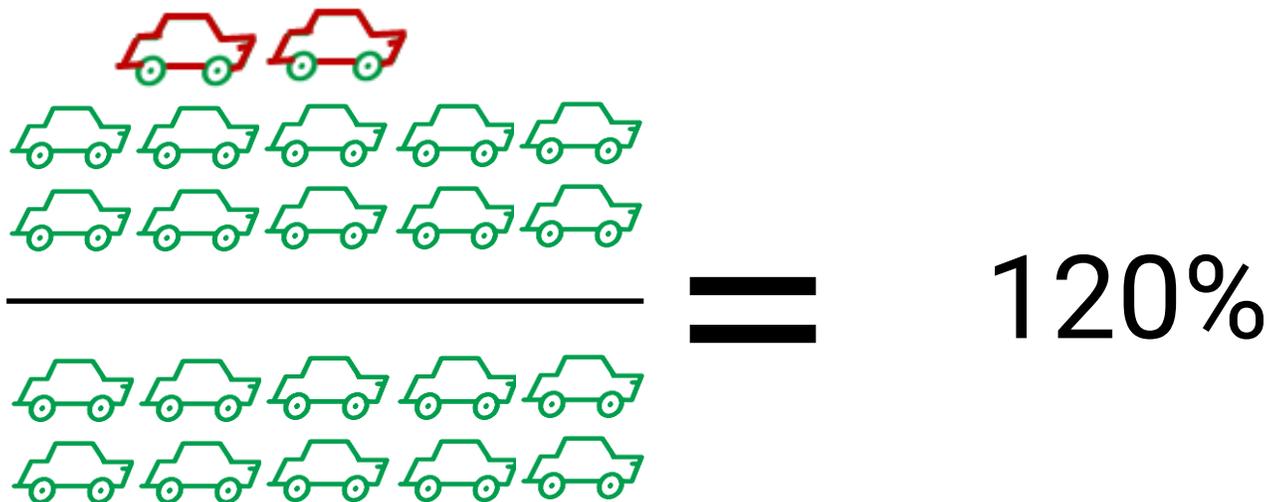
Metrics

If I'm "using a vehicle" to take it out for maintenance, am I really using it?



Metrics

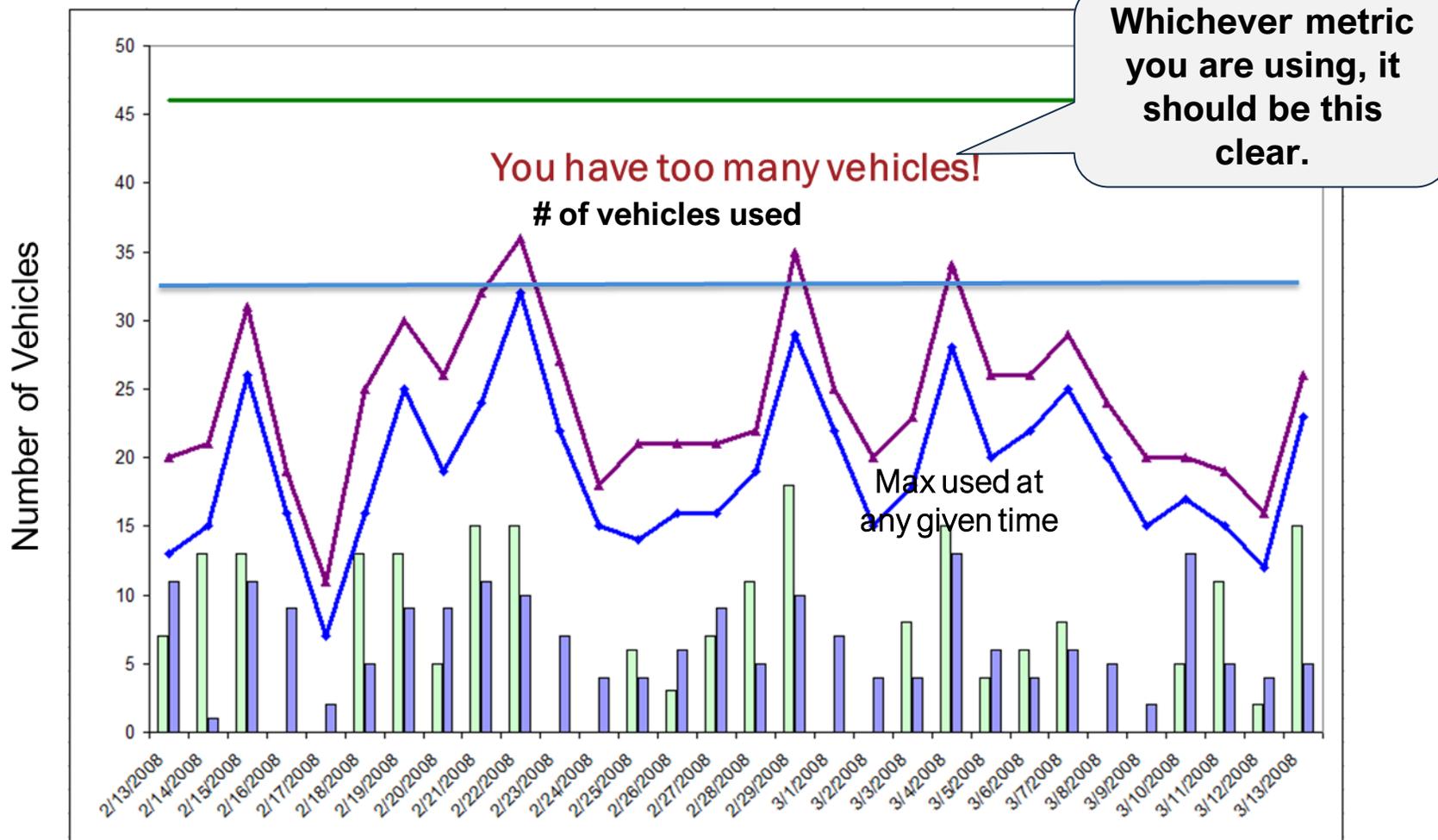
Outside rentals or personal vehicles



Are you considering outside rentals and use of personal vehicles when looking at utilization?

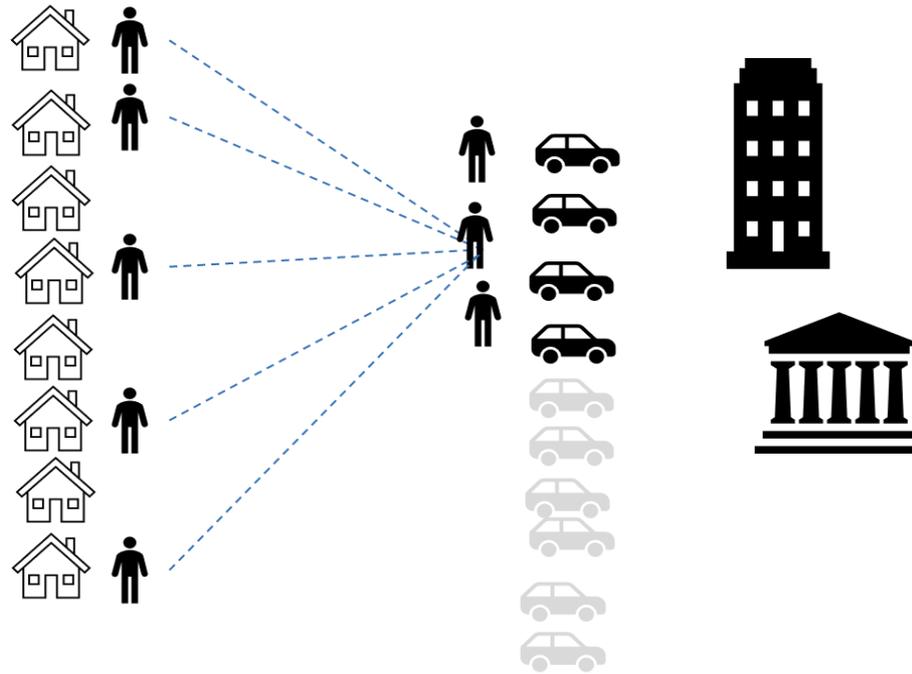
Metrics

Vehicle Demand Vs. Capacity



Operating Efficiently

Shared Vehicles



- A shared vehicle fleet may lessen the number of idle vehicles by more than ten-fold while still meeting all vehicle needs
- Vehicle use metrics can be monitored to ensure the appropriate number of vehicles are available for the “new world” roles (e.g., inspectors, home visits, assessors)
- Idle time due to vacation, sick, and non-use of an assigned vehicle is eliminated
- A shared fleet is perfect for scaling back to pre-pandemic size until metrics justify purchase of assigned vehicles

Operating Effectively and Efficiently

Operating Effectively

At the end of the day:

- Are you providing the vehicles your enterprise needs to fulfill its mission?
- Are the right quantities and types of vehicles readily available at the “right” location at the right time?

Motor Pool Utilization Report

For the period from 04/01/2019 to 04/10/2019

Day of Month	1	2	3	4	5
	M	T	W	R	F
Active Vehicles	100	100	100	100	100
Vehicles In Maintenance	2	2	2	2	3
Vehicles Available	98	98	98	98	97
Vehicles In Use	72	79	89	90	73
Total Trips	84	88	106	107	93
Idle Vehicles	26	19	9	8	24
Requests Turned Down	0	0	0	1	0
% of Vehicles Used	73	81	91	92	75
Total Hours Available	2352	2352	2352	2352	2328
Hours Used	730	902	971	997	818
% Hours Used	31	38	41	42	35

Operating Efficiently

At the end of the day:

- If you NEVER run out of vehicles, you probably have too many
- It may be perfectly legitimate to augment your fleet with:
 - Personal mileage reimbursement
 - Outside rentals (e.g., Enterprise, Uber)
 - Public transportation
- Every additional passenger vehicle may be costing you \$3,500 - \$8,000 annually...
so don't carry too many
- If you take away vehicles, how does the job get done?

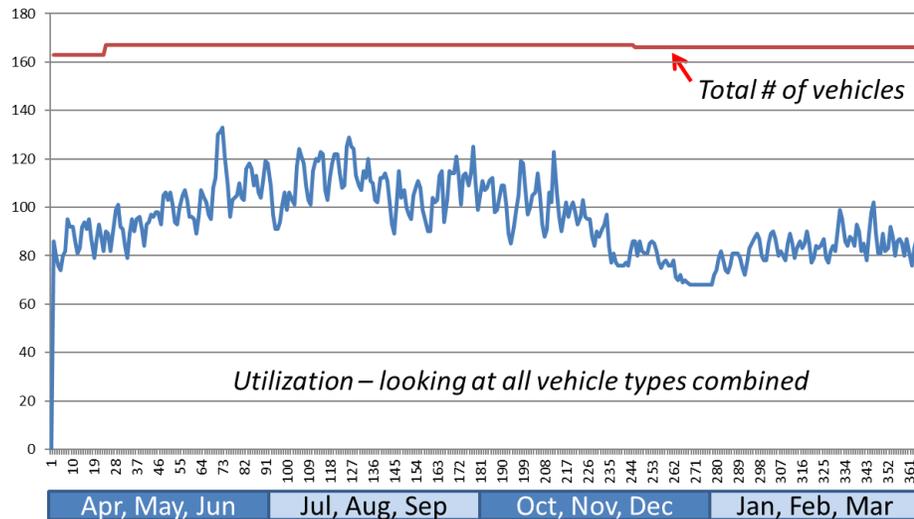
Operating Efficiently

What is a good target for a vehicle utilization rate?

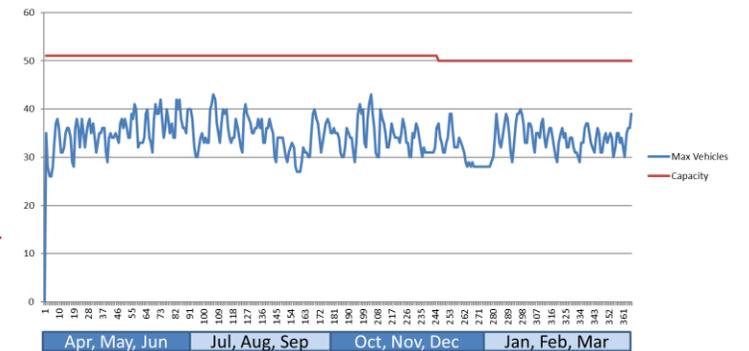
Considerations:

- Right-sizing: Quantity, **Type**, Location, Time of Day

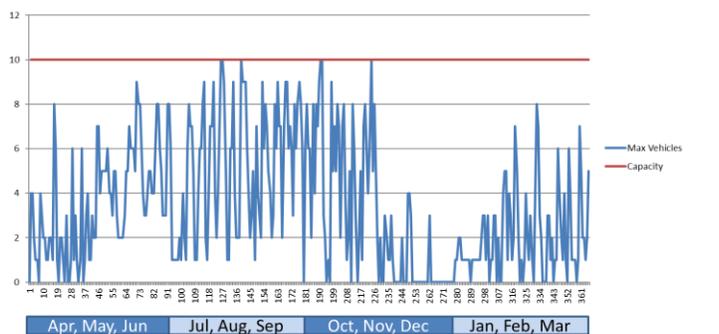
All Fleet Vehicles (all types)



Midsize/Standard (All Usage Types)



12-Person Minivan (All Usage Types)

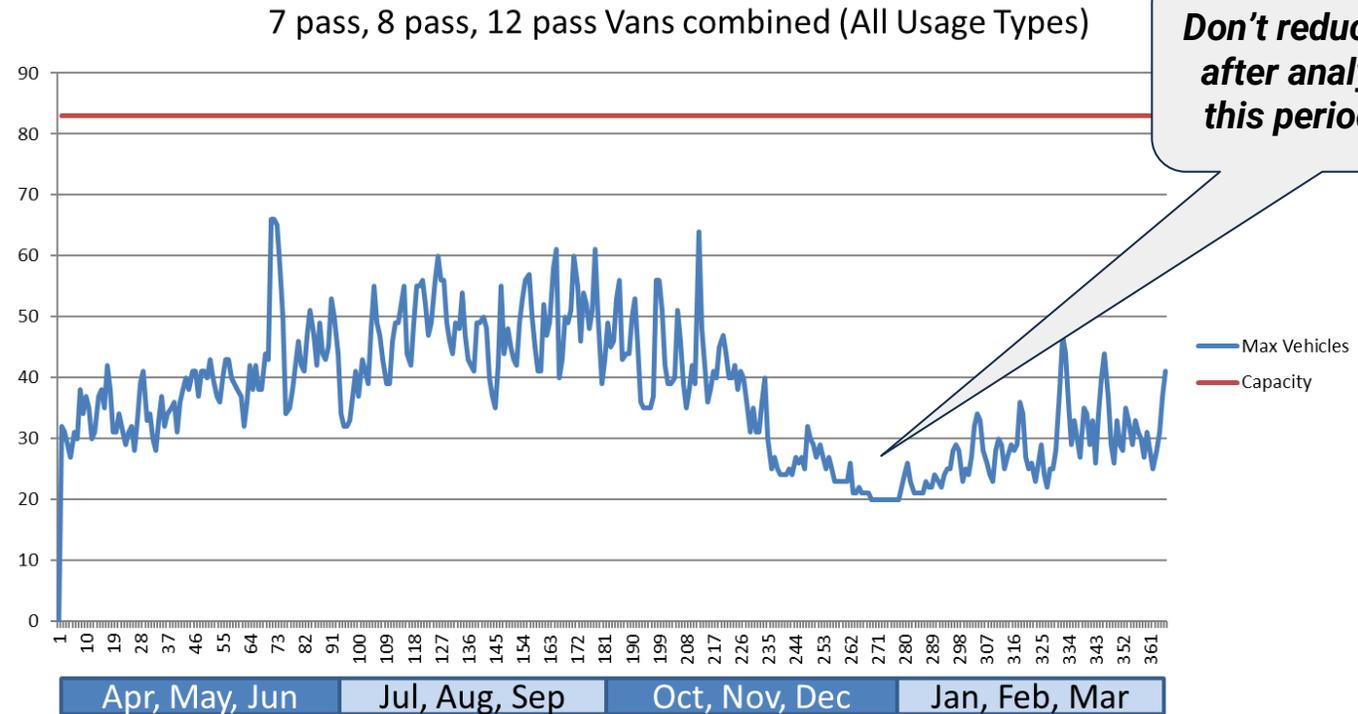


Operating Efficiently

What is a good target for a vehicle utilization rate?

Considerations:

- **Cycles** in your vehicle usage



Operating Efficiently

How do you fix low utilization rates in shared fleets?



METRICS!

Operating Efficiently

How do you fix low utilization rates in a shared fleet?

1

By Site

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Vehicles In Use	72	79	89	90	73
Total Trips	84	88	106	107	93
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2

By Class (% used)

Motor Pool Utilization Report - By Asset Type
(% of vehicles used)

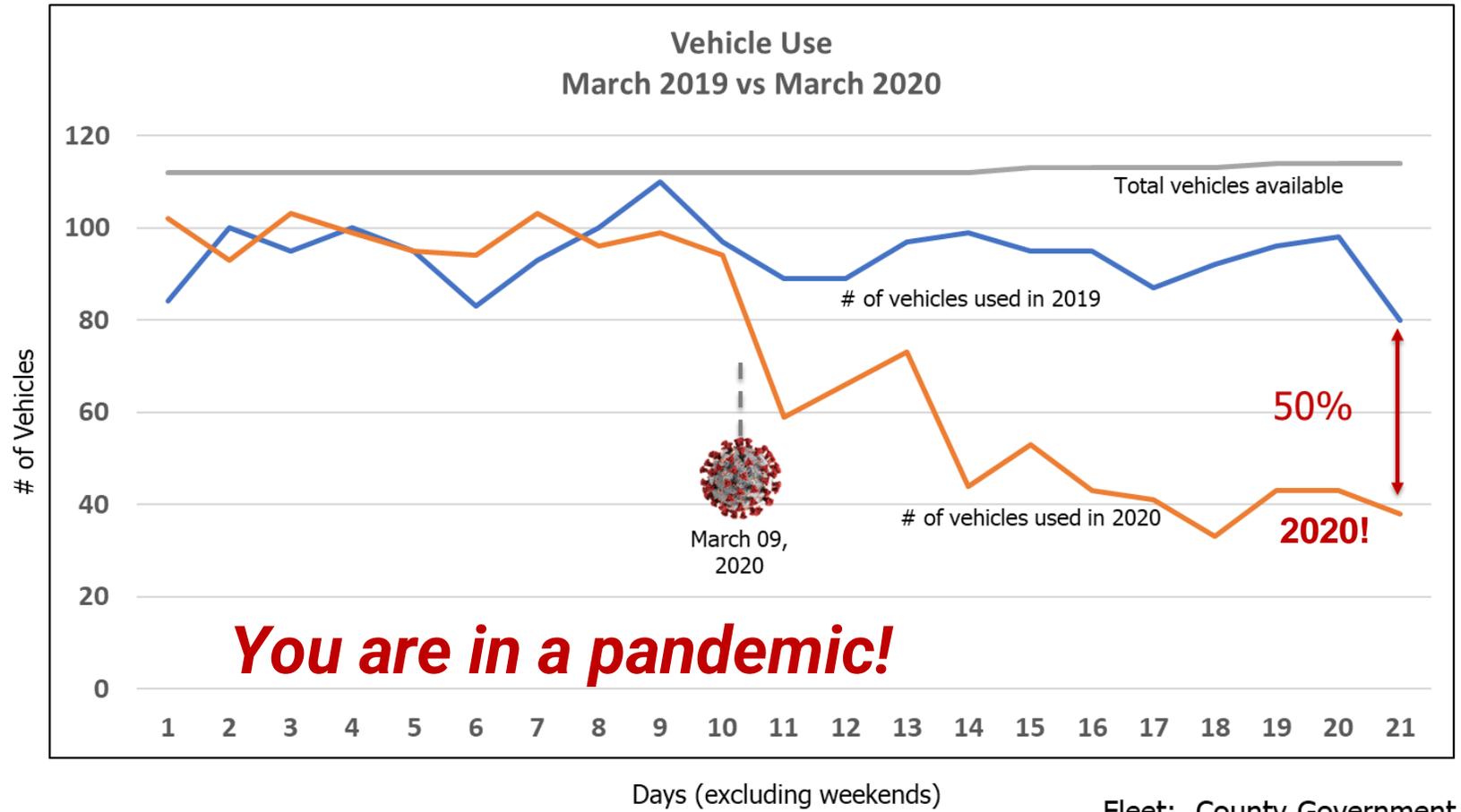
For the period from 04/01/2019 to 04/10/2019

Day of Month	1	2	3	4	5	Average
	M	T	W	R	F	
Sedan	73	81	92	93	75	70.08
Mini Van	88	88	88	100	88	73.75
15 Passenger Van	33	33	67	67	33	46.67
SUV	100	100	100	50	100	80.00
Average	73	81	91	92	75	69.87

3

Vehicle	Elapsed Days	Total Days Used	% Days Used	Total Hours Used	Total # of Trips	Avg Trip Per Day	Total Miles	Average Miles Per Trip
E07058	31	16	51.61%	177	13	0.42	703	54
E07059	31	10	32.26%	106	8	0.26	284	36
E07060	31	16	51.61%	115	14	0.45	593	42
E07062	31	14	45.16%	165	9	0.29	411	46
E07065	31	18	58.06%	83	14	0.45	496	35
E07067	31	22	70.97%	331	11	0.35	430	39
E08080	31	24	77.42%	375	11	0.35	870	79
E08089	31	14	45.16%	195	9	0.29	449	50
E08090	31	21	67.74%	325	11	0.35	751	68
E08093	31	0	0.00%	0	0	0.00	0	0
	310	155.00	50.00%	1,872	100	0.32	4,987	49.87

Operating Efficiently



Fleet: County Government

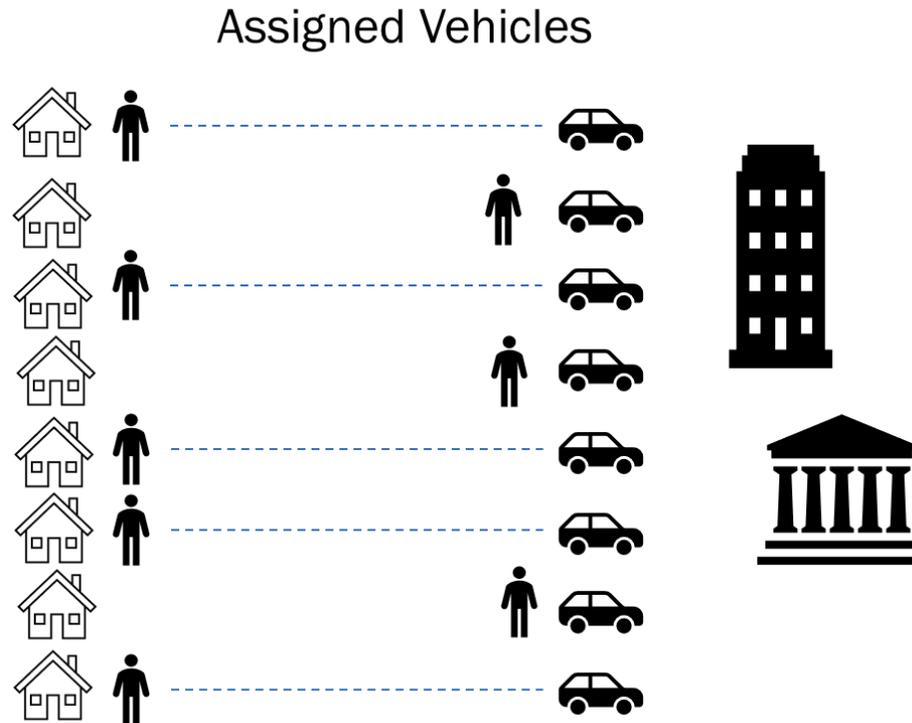
Operating Efficiently

How do you fix low utilization rates for an assigned vehicle fleet?

For an assigned vehicle fleet:

- You must find some metric to use as a starting point (e.g., from GPS data, manual observations at a certain time each day)
- Understand utilization and establish policy
- Evaluate quantity and type of vehicles at each location for suitability for sharing
- Implement some type of check-out / check-in system even if it's for a 1:1 driver-to-vehicle "sharing" – it'll get you the data you need.
- Communicate the advantages of sharing
- Tweak your sharing to remove the 1:1 ratio of vehicles to drivers

Operating Efficiently



- Work-from-home scenarios can have an impact as big as 1:1 drivers-to-vehicles
- Roles (e.g., inspectors, home visits, assessors) are being re-defined in light of the pandemic... often reducing the need for vehicles
- A vehicle assigned to an individual may sit idle for up to 5 weeks annually due to vacation, sick, and other time off alone
- Assigned vehicles that are not in use are costing money

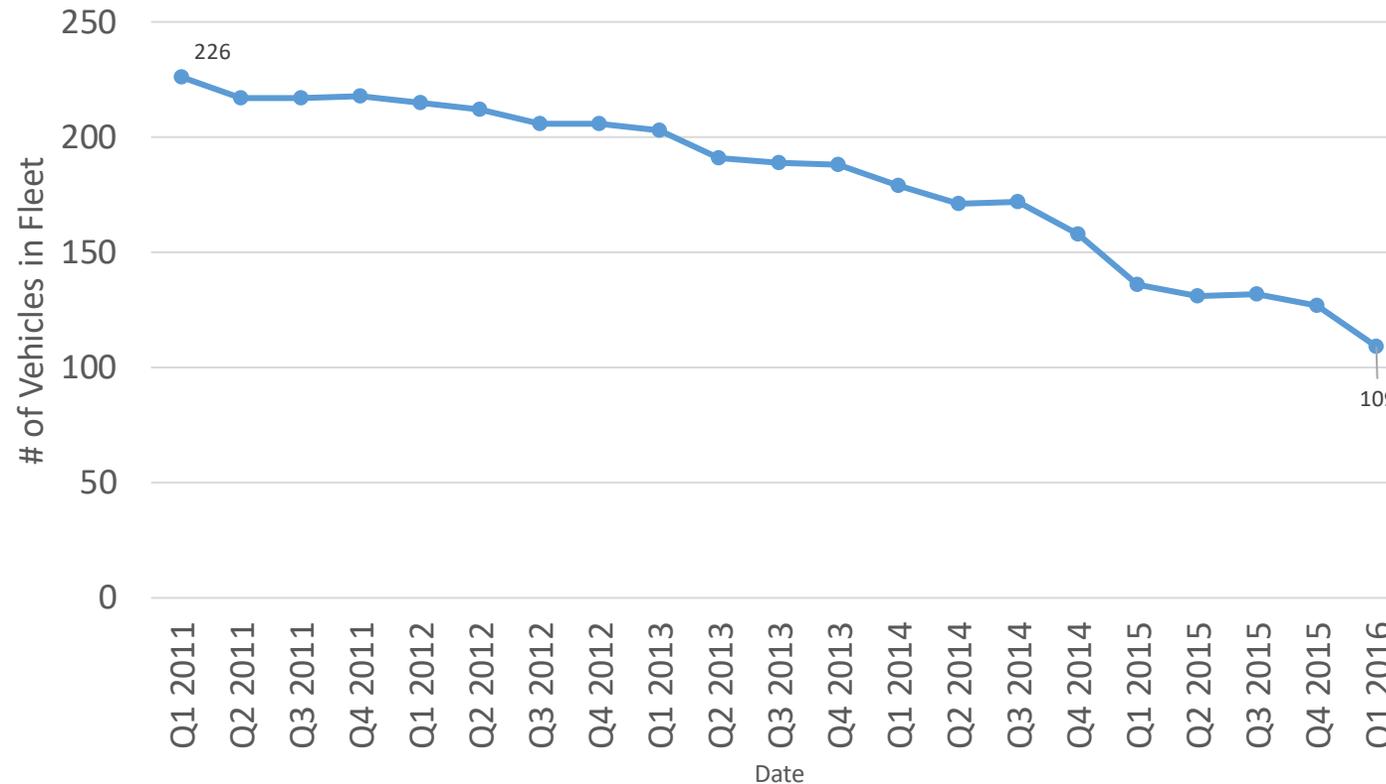
The Savings

The Savings

- Each passenger vehicle eliminated:
 - Reduces maintenance & depreciation (or lease), insurance, etc. ~ \$3,500 - \$8,000 annually
 - Generates a one-time disposal income of \$2,000 - \$5,000
 - May save in labor, parts in inventory, loss of parking revenue (consumed by unneeded vehicle)
- A vehicle eliminated now, “keeps on giving.” It’s a recurring savings year after year

The Savings

How much can you save?



Reduced from
226 to 109
vehicles

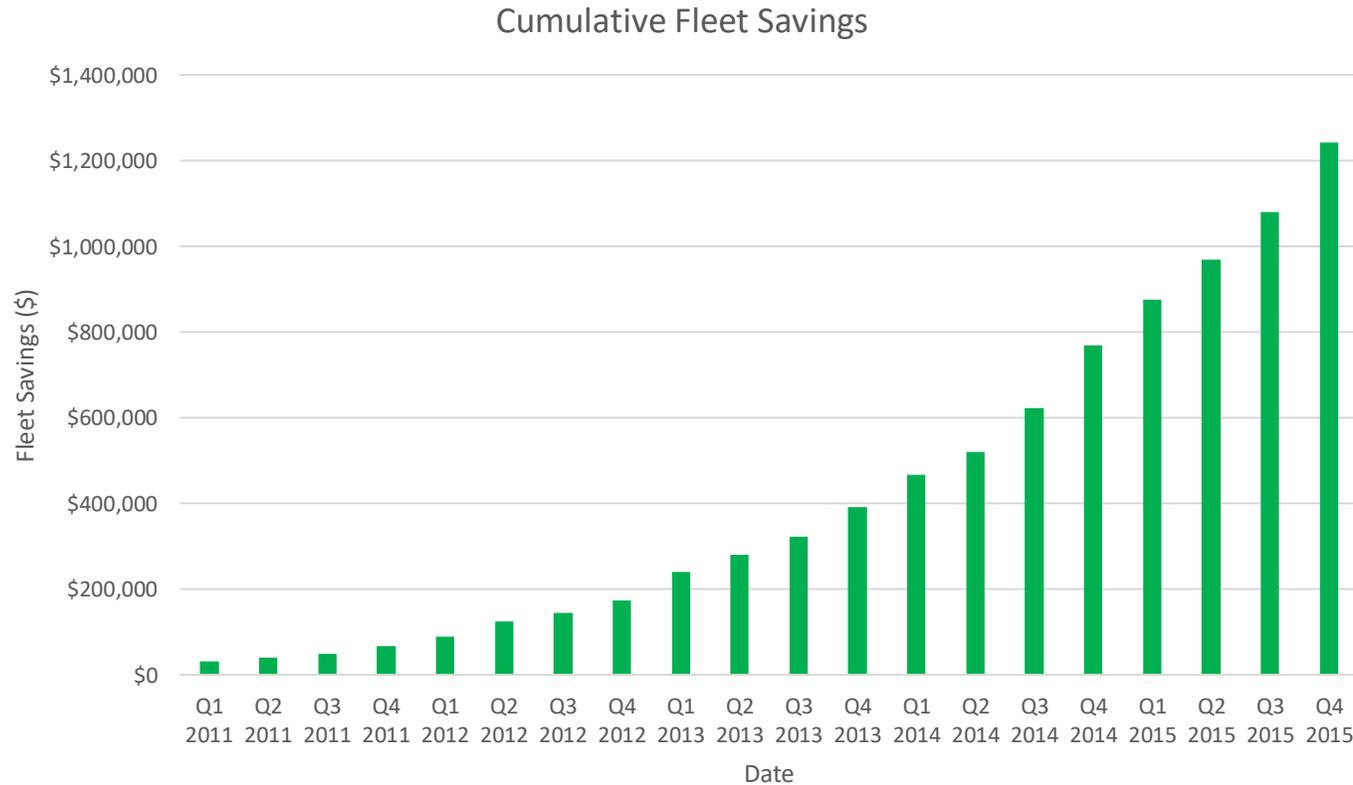
Disposal
\$300,000

5-year Maintenance
& Depreciation
savings \$2M

Driver satisfaction
ratings
90%+

The Savings

How much can you save?



Reduced from 226 to
109 vehicles

Disposal
\$300,000

Maintenance &
Depreciation \$943,000

Driver satisfaction ratings
90%+

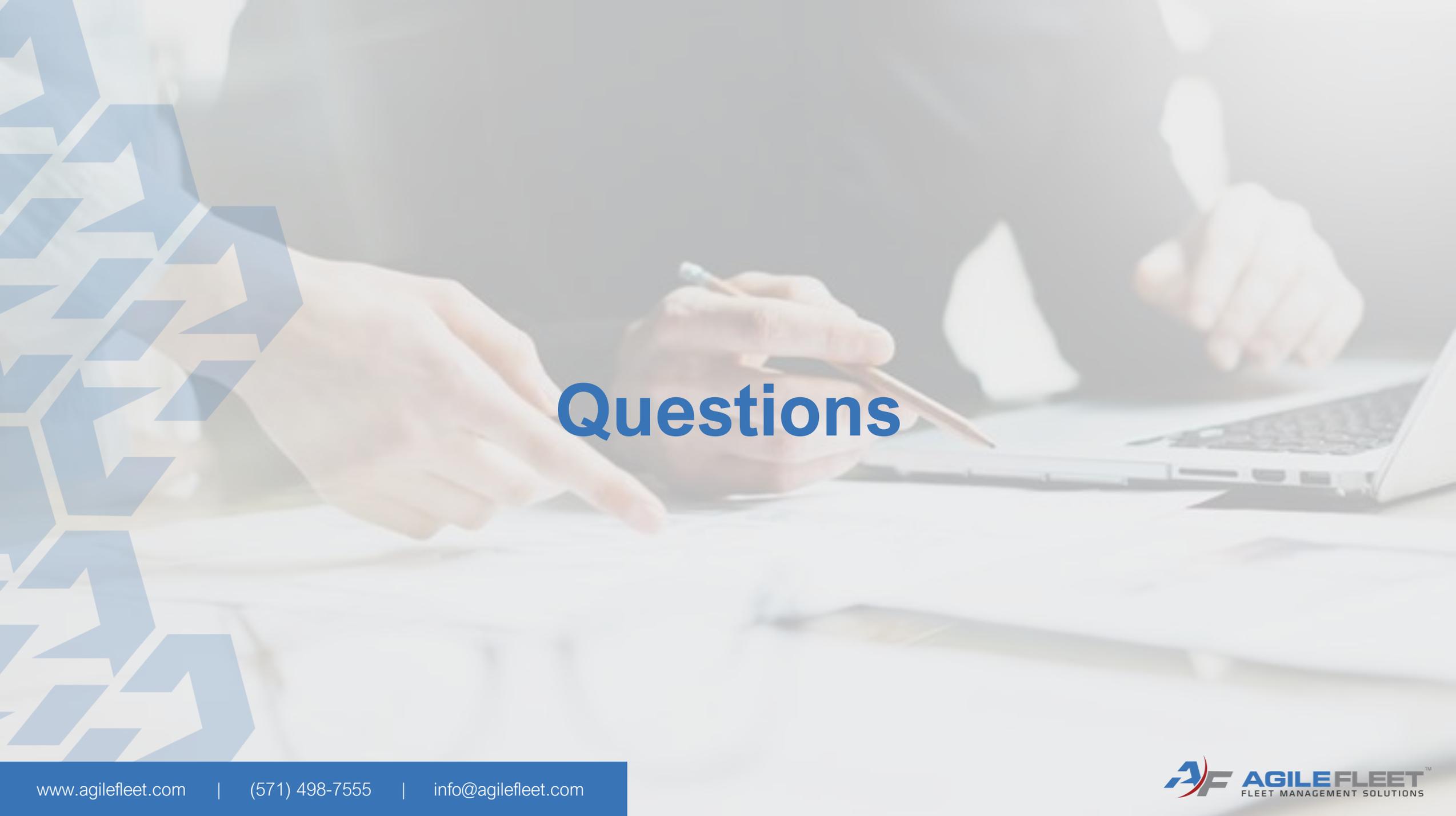
Summary

Summary

- Having good metrics is key to saving
- Having any metric is a good place to start
- You may find answers to your utilization in some not-so-obvious places:
 - Personal mileage reimbursements
 - Outside rental costs
 - Service calls for dead batteries
- You will require policy to reinforce any right-sizing initiative

Summary

- First, understand WHY you are interested in utilization... Then we'll figure out WHAT and HOW to measure it.
- It's ok to have questions about utilization!
- Reach out to us at Agile Fleet. We are here to help!



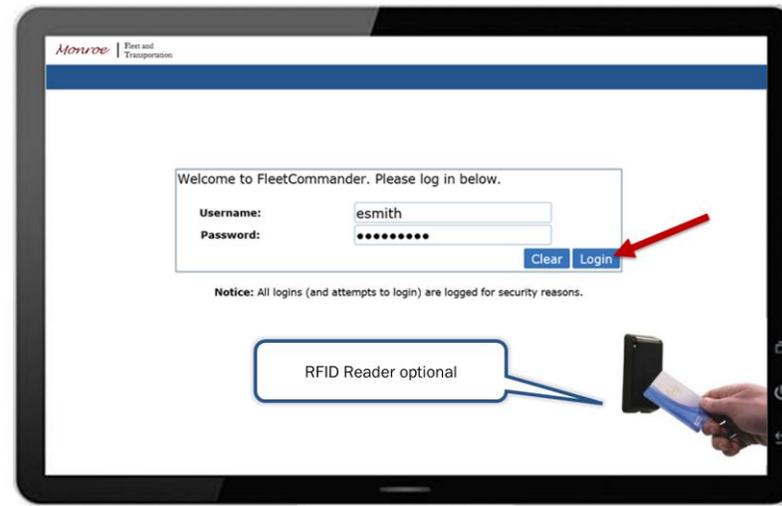
Questions

Questions

- How are you adjusting metrics from pre-pandemic usage? How is that affecting fleet management?
- My fleet serves both time sensitive deliveries (can only be early or on time) and not so time sensitive (can be late at max of 30 mins), would you recommend allocating resources to each service type ?
- As we electrify our fleet, what is the best metric (KPI) to track our success? What should the metric look like for the remaining petroleum-based fleet?
- How does fleet utilization minimize organization fleet costs?

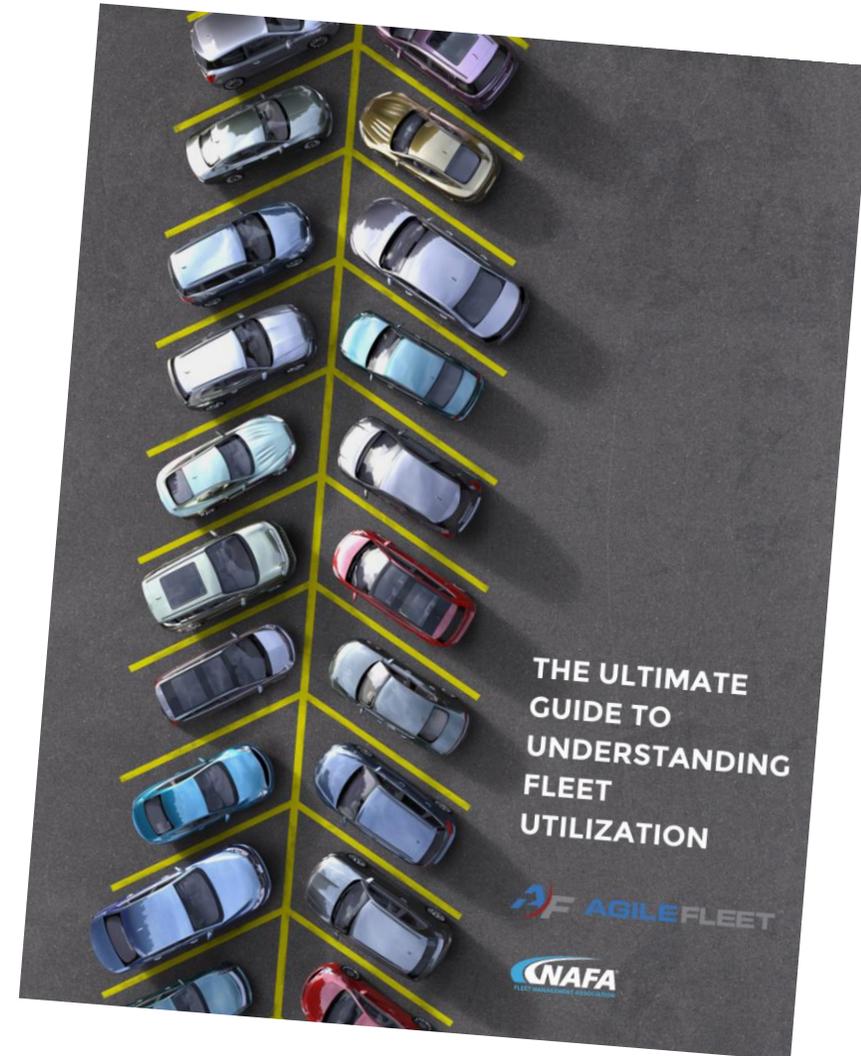
Questions

- What are the best strategies for identifying vehicles that are prime candidates for reallocation due to underutilization (e.g., high number of zero activity days? low weekly/ monthly mileage? etc.) and how to negate the common response of 'we don't use it all the time, but our line of works requires us to be able to access a vehicle with very short notice, so we need this vehicle just in case....'



More Resources

- Participate in our Q&A sessions and webinars & earn NAFA credits
- Learn more on the Resources Page at www.AgileFleet.com



Feel free to contact me directly!
We are here to help.



Ed Smith

President & CEO

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Speak With Us!

Agile Fleet will be at the following fleet events this month



FleetPros
FleetCon

September 19-21, 2022
Rio All-Suite Hotel & Casino, Las Vegas, Nevada

Meet Ed Smith
and
Joe Poznick in
person at Booth
#502!



NATIONAL CONFERENCE OF
STATE FLEET ADMINISTRATORS
NCSFA

BACK TO THE FUTURE
GETTING BACK TO NORMAL WHILE HEADING TOWARDS THE FUTURE

SEPTEMBER 19-22, 2022 • DENVER, CO

Meet Ron Katz
in person at the
NCSFA
workshop event!