15-Minute Q&A
Top 10 Best Practices
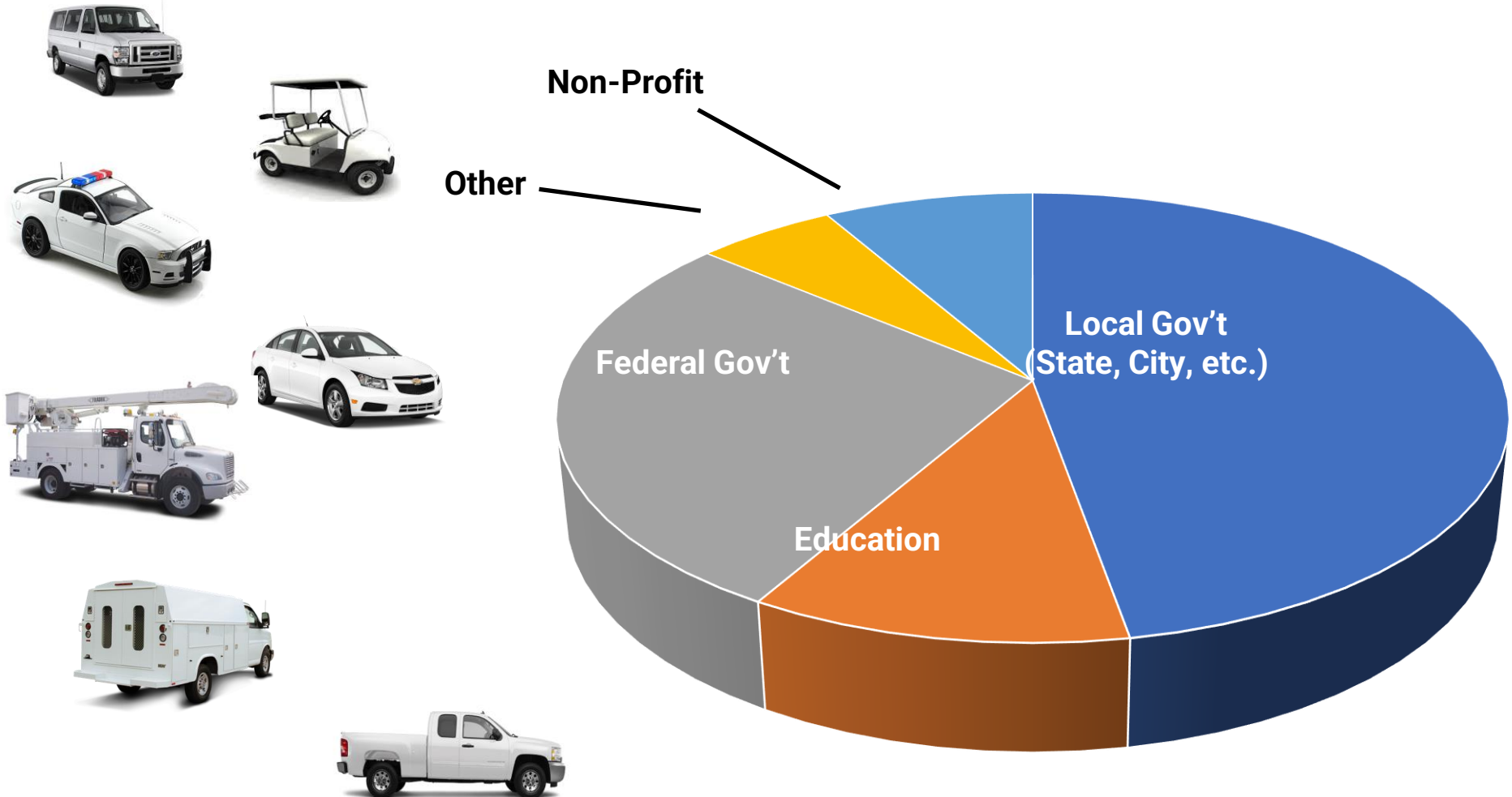
Introduction

If you are new to fleet, or just feeling lost…

Get back to basics

Your Best Practices May Vary…

Non-Profit

Other

Local Gov't
(State, City, etc.)

Federal Gov't

Education

1.

POLICY

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FLEET MANAGEMENT SOLUTIONS

<u>Have</u> Comprehensive Fleet Policy

- Policy is generally the foundation for everything you do to manage or change your fleet

- Good policy is like having a money tree

- Have cradle-to-grave, comprehensive fleet policy

- Use a "steering organization" to set, manage, and recommend policy

- Use a process for keeping policy current

    o One innovative fleet updates one fleet policy section per month!
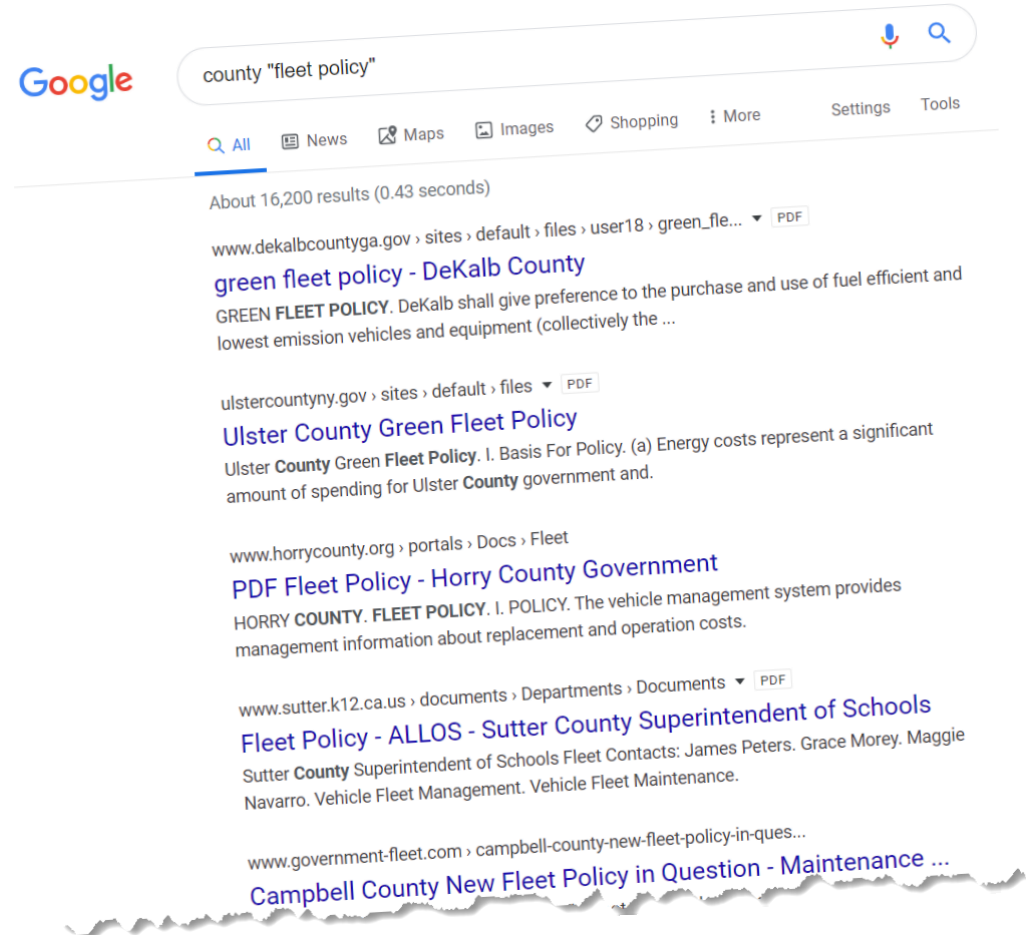
Have Comprehensive Fleet Policy

- **Fleet Management Authority and Organization**
  - ○ Overall Fleet Mission & Goals
  - ○ Benchmarks, Policies and Plans
  - ○ Fleet Policy
  - ○ Financial Policy
  - ○ Management Organization
  - ○ Information Technology Foundation

- **Fleet Policy Management**
  - ○ Cost Control and Chargeback Management
  - ○ Assignment and Fleet Size Management
  - ○ Fleet Replacement (Cycling) Management
  - ○ Fleet Service Delivery Management

- **Fleet Services Delivery**
  - ○ Maintenance and Repair Services
  - ○ Fueling Services
  - ○ Motor Pool Services

Specific needs of your fleet, e.g.:

- DOT requirements
- GPS guidelines
- Drug screening
- Eligibility of dependents
- Lowest cost alternatives
- Allowable passengers
- Vehicle branding / undercover
- TEMPORARY, time-bound, changes due to COVID-19

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Have Comprehensive Fleet Policy

Don't re-invent the wheel

"Government fleet policy"

"University fleet policy"

"Company fleet policy"

"Drug screening for fleet drivers"

"Fleet GPS policy"

Have Comprehensive Fleet Policy

It's a lot easier to be proactive… than reactive

Have Comprehensive Fleet Policy

Good examples of policies:

1. Govt: Iowa DAS Policies and Procedures (comprehensive) https://das.iowa.gov/sites/default/files/fleet/pdf/DASFleetPNPmanual.pdf

2. Higher Education: Yale University (comprehensive) https://your.yale.edu/policies-procedures/policies/1705-university-fleet-policy

3. Frisco Texas: City of Fresco Personnel Policies Section: Vehicles   (good GPS, geo-fence, speed, idling examples)

   https://friscotexas.gov/DocumentCenter/View/6081/GPS-Vehicle-Tracking-Policy-PDF

2.

COMMUNICATE AND ENFORCE POLICY

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Communicate & Enforce Policy

- Policy has limited value if it's not shared and enforced

- Communicate!

    - E.G., FMIS interfaces, Emails, in-vehicle docs, posted metrics

- Ensure all drivers acknowledge fleet policy

    - Before driving, Every time policy changes

- Enforce policy - automatically

    - Policy enforcement is often the first thing dropped when things get busy

- Clearly define related roles and processes

- Centralize overall responsibilities

Communicate & Enforce Policy

Automate the communication and enforcement of policy

Communicate & Enforce Policy

Automate the communication and enforcement of policy

3.

FMIS

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Fleet Management Information System

- You need "a" fleet management information system!
- In 2022, many large fleets are still using:
  - Excel
  - Outlook
  - Mainframe asset management systems
- FMIS should be accessible to all fleet stakeholders
- Own your fleet data
- Understand and take advantage of fleet data
- Make sure data can be shared across other enterprise systems

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Fleet Management Information System

Your FMIS should tell your fleet story
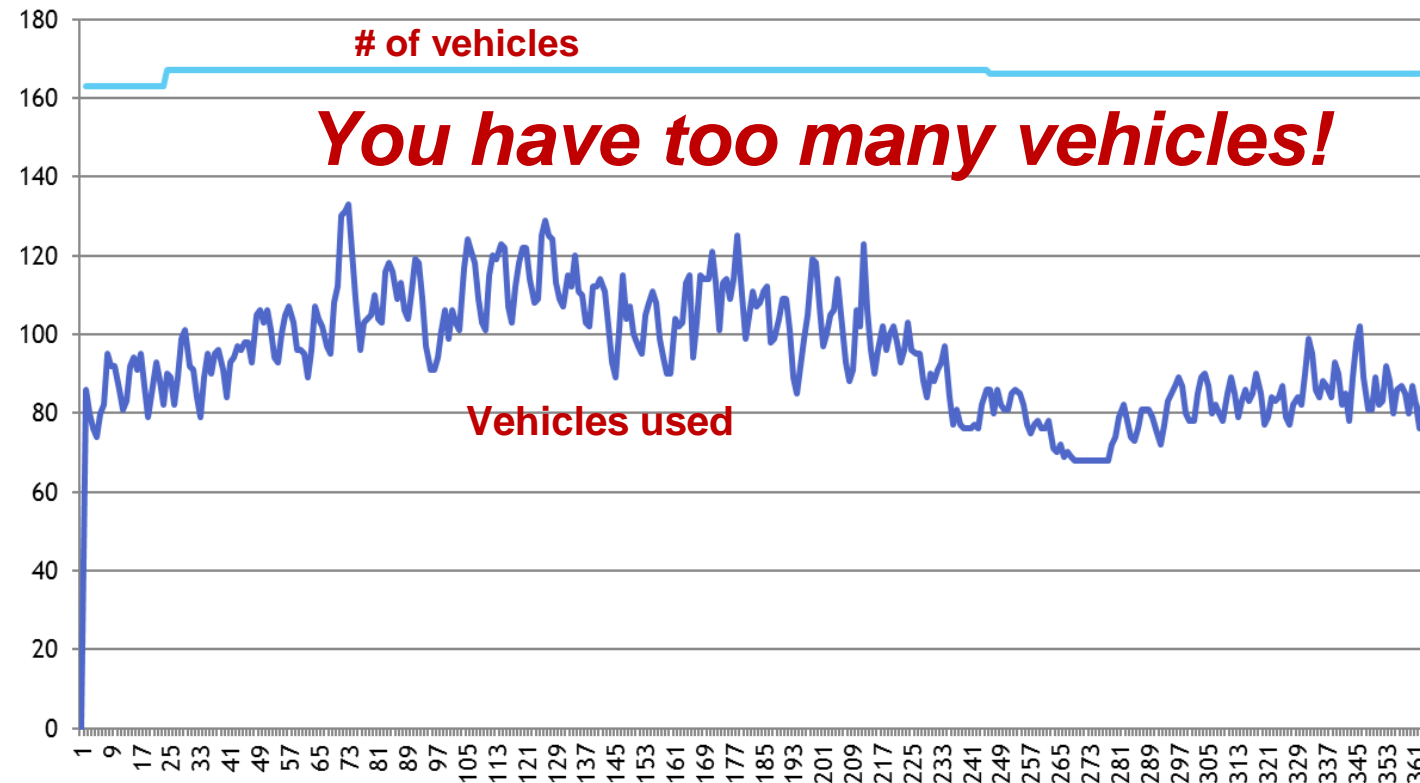
Day by Day Fleet Utilization

4.

PREVENTIVE MAINTENANCE

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Preventive Maintenance Program

- Well-maintained vehicles cost less to operate

- There is liability in not maintaining your fleet

- Obstacles of the past have been eliminated
    - Manual processes
    - Spreadsheets & whiteboards

- Your FMIS should give you a clear picture of your break-even point for vehicle replacement, i.e., versus continued repairs and preventive maintenance

5.

SHARE VEHICLES

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Share Vehicles

- Pooling vehicles is one of the most effective means of increasing utilization of fleet vehicles

- Sharing provides for:
  - Vehicles-on-demand (pay as you go)
  - Access to more vehicles
  - Access to more types of vehicles

- Cost savings generally exceed $4,000 annually per vehicle for every vehicle eliminated via sharing

- Don't limit yourself to passenger vehicles

- Obstacles of the past have been eliminated
  - Manual processes, Limited hours, Etc.

Share Vehicles

Sharing vehicles is more efficient than ever before
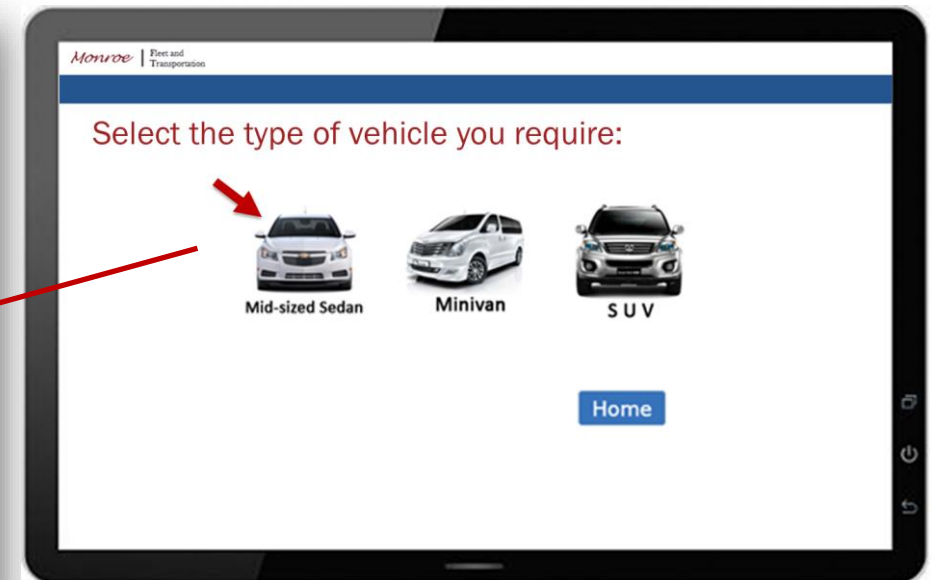
Share Vehicles

City of Stamford CT eliminated 61 of 80 assigned vehicles!

- ✓ Consolidated 80 department assigned vehicles into 1 centralized motor pool

- ✓ Immediately eliminated 30 vehicles

- ✓ Monitored utilization and ultimately eliminated another 21 vehicles… totaling 51 vehicles eliminated.

- ✓ Savings from reducing 51 vehicles:

  - ✓ $204,000 in disposal income

  - ✓ $357,000 annually (maintenance, depreciation, etc.)

CITY OF
STAMFORD
innovating since 1641

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FLEET MANAGEMENT SOLUTIONS

Share Vehicles

Cornell saves more than $500K annually… ($10M+ total)

Cornell's Fleet Size Over Time
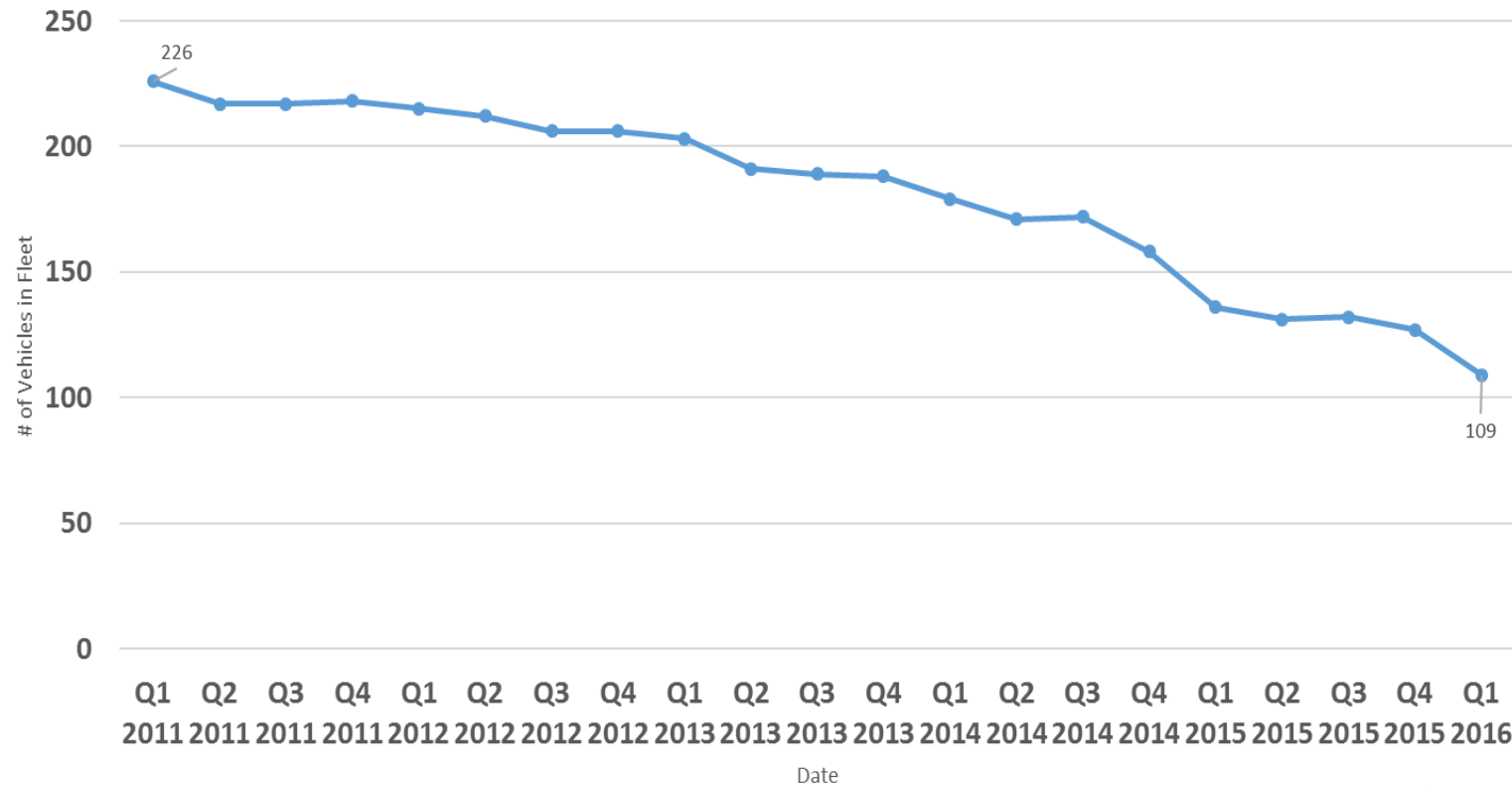
6.

MAKE ADJUSTMENTS TO MEET THE NEEDS OF THE DAY

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Make Adjustments

"Dead batteries, rusted rotors/calipers and dry rotted wiper blades have been an issue for us. We have hired a young man (part time 4 hours per day) at our primary location to start vehicles, check fluids and keep an eye on the fleet. At the other locations, we have our Facilities staff doing the same."

County fleet manager

"It is crazy how fast the batteries will go down when they are not driven for weeks."

University fleet manager

"Rotting wipers and flat-spotted tires are common…and brake calipers corroded like the rotors."

Commercial fleet manager

Make Adjustments

Listen to what your FMIS is telling you… and act!

Vehicle Use
March 2019 vs March 2020

You are in a pandemic!
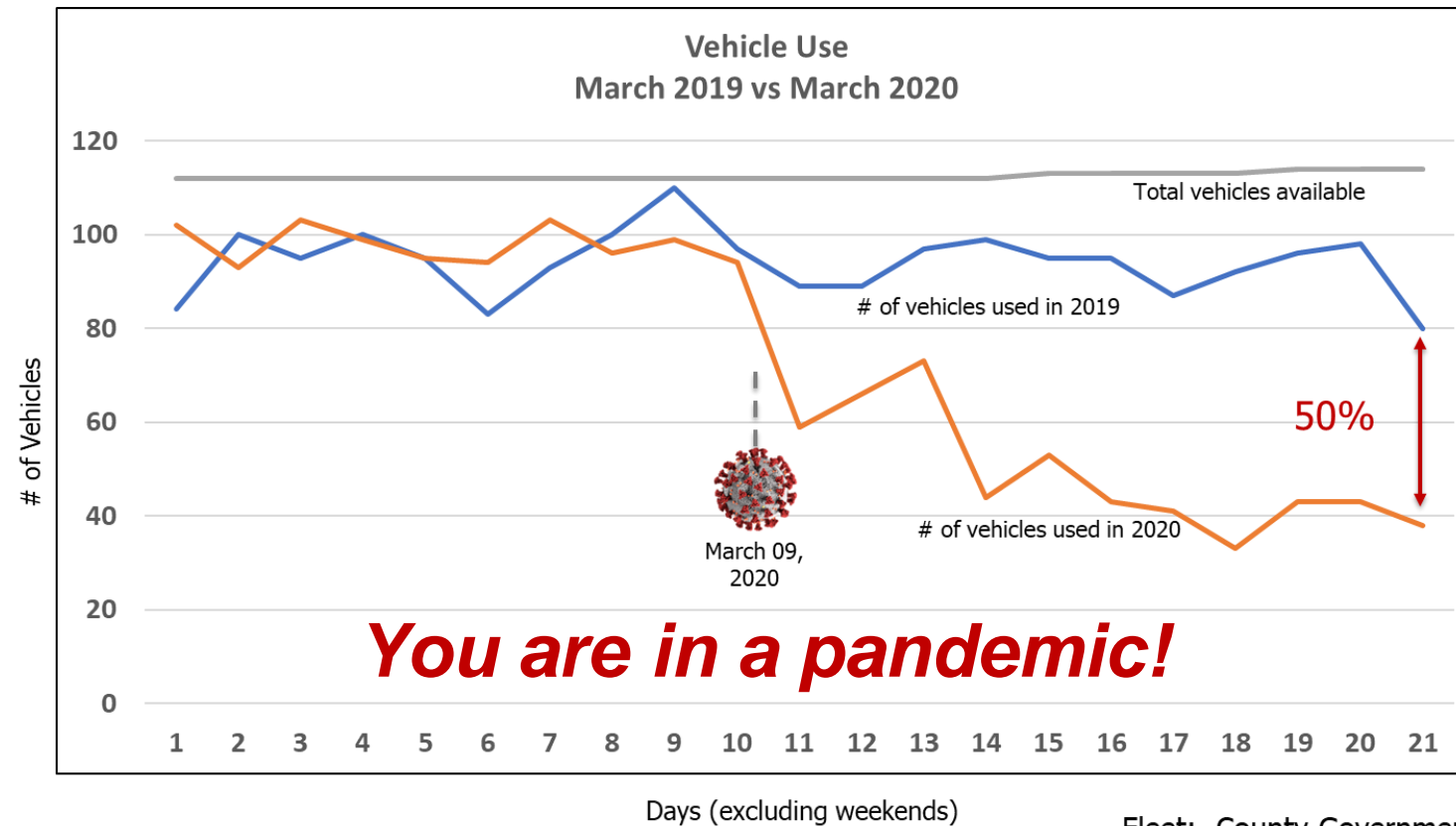
Fleet: County Government

Make Adjustments

Today, more than ever, your needs may be changing
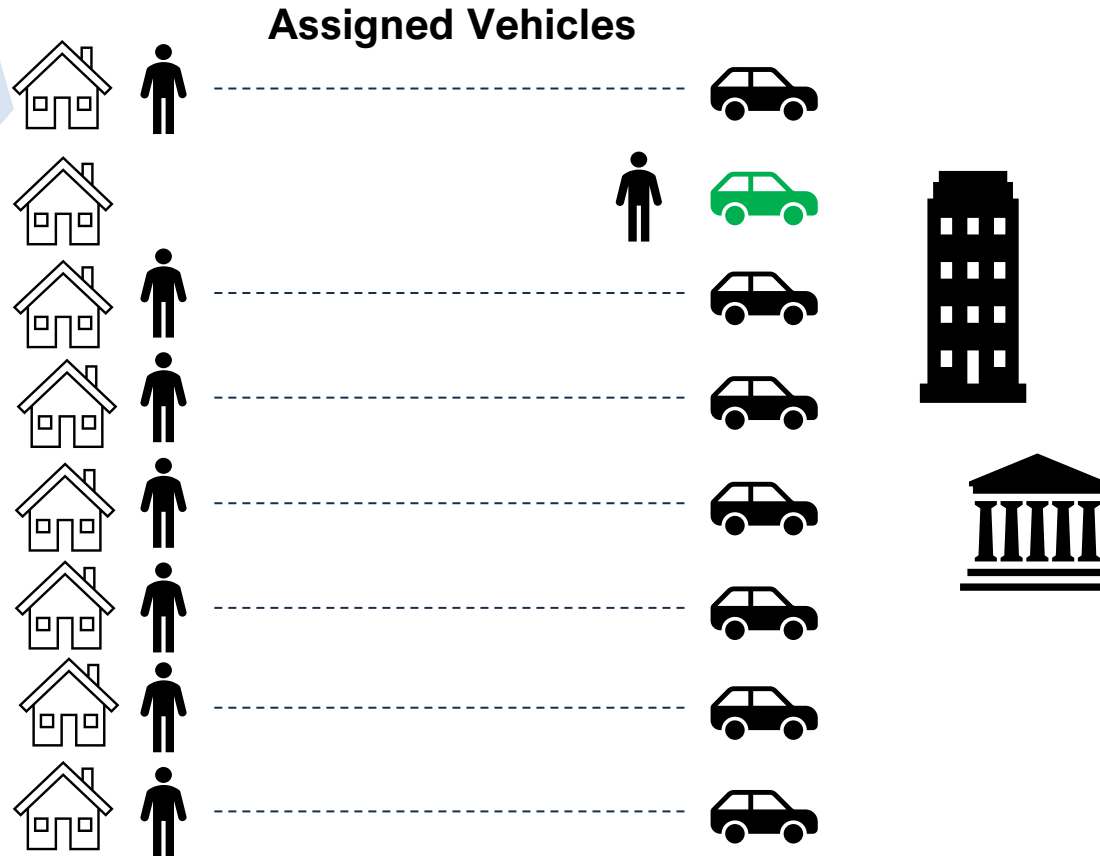
Assigned Vehicles

- 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 considering the pandemic… often reducing the need for vehicles

- A vehicle assigned to an individual may sit idle for up to five weeks annually due to vacation, sick, and other time off alone

- Assigned vehicles that are not in use are costing money

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Make Adjustments

1. Change policy... if needed

2. Change quantities of vehicles

3. Change the class of vehicles

4. Change the location of vehicles

5. Change the method of providing vehicles (e.g., shared versus assigned)

"Deliver what matters"

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Make Adjustments

Make a Plan

Although we may not know exactly where we're headed, we know we need to prepare for more changes now.

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7.

METRICS, METRICS, METRICS… START SOMEWHERE!

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Get Odometer data!

- If you can only capture one piece of information, capture odometer data!

- Odometer (and other utilization metrics) data drives maintenance, billing, replacement, and other activities

- Use all sources available… preferably automated:

    - GPS/telematics, fuel systems, Work Orders, on-line reporting, motor pools, etc.

- Avoid humans!

You Need Data!

Really?

Use ANY metric to track utilization… even if it's only odometer.

8.

KNOW THE MONEY

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Know the Money – Know the Fleet

- Understanding the money behind your fleet is key to managing a healthy fleet

- Understand the numbers that your management team is most interested in

- Know your organization's cash position (buy versus lease, CAPEX vs OPEX, vendor relationships, etc.)

- Understand Total Cost of Ownership (TCO) for all vehicles in the fleet

- Develop budgets and track against them regularly

- Have a vehicle replacement plan

Know the Money – Know the Fleet

How many vehicles are in your fleet?	100 vehicles	
What % of your vehicles are used each day during COVID?	35% % of vehicles used each day	
Average annual cost per vehicle (including maintenance, depreciation, administrative, insurance, registration, etc.)	$4,000 annual cost per vehicle	
Every weekday (Monday - Friday) you delay making a change in your fleet size may be costing you this much!	$712 Idle vehicle costs per day	
		3/9/2020
Days since start of COVID-19 shutdown:	696	2/3/2022
Total cost of idle vehicles since start or COVID:	$495,781	
What date do you think things will return to normal?	1/2/2023	
Total cost of idle vehicles at end of COVID:	$732,986	

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9.

KEEP GROWING

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Learn and Grow Every Day

- Seek fleet certifications (e.g., CAFS, CAFM)

- Attend local and national meetings and conferences

- Take advantage of vendor training

- Understand your partner's business (e.g., dealers, parts)

- Seek fleet awards

  o You'll learn more than you can imagine

  o Your team will get the recognition it deserves

- Educate all stakeholders (technicians, drivers, managers, risk managers, business analysts)

10.

CELEBRATE

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Celebrate Your Successes

- Share your annual fleet plan with all stakeholders

- Acknowledge milestones reached against your plan, e.g.,

    o   Launching of a new vehicle sharing initiative

    o   Receipt of electric plug-in vehicles

    o   Hiring of an additional technician

    o   Achieving a targeted utilization rate

    o   Certifications achieved by drivers

Celebrate Your Successes

Insights, ideas, & expertise for optimal fleet management

Part 1: An Insider's look at Prince George's County, MD Fleet Success with Rick Hilmer, CAFM

Posted by The Agile Fleet on April 14, 2016
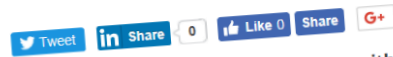
This is Part One of a two-part Interview with Rick Hilmer, County Fleet Manager for Prince George's County, MD Office of Central Services.

County fleet expert and Certified Automotive Fleet Manager (CAFM) Rick Hilmer has worked in county fleet management since 1994. The Prince George's County Fleet Management Division currently oversees 3,500 light vehicles, which include both public safety and public service vehicles.

Part 1: County Government Fleet and Motor Pool Automation

Q: Give us a brief history of your career in fleet.

THE MUNICIPAL
The Premier Magazine For America's Municipalities   March 2020

Fleet Service & Management

INSIDE:
City of Atlanta Watershed automates fleet management

Rolling out electric buses

QUESTIONS

Questions

- What are the best cost savings ideas that most companies are not taking advantage of?

- How does vehicle fleet management organization operate efficiently?

- *What is the best way to internally audit your fleet management processes and procedures?*

  - o Top 100 Best Fleet Award -
  - o https://www.nafa.org/Awards/Awards/100-Best-Fleets.aspx

  - o Leading Government Fleet Awards -
  - o https://www.government-fleet.com/10158272/apply-now-for-the-2022-leading-fleets-award

Questions

When data isn't enough how do you get buy-in from senior leadership?

BUSINESS CASE

1. Proposal Statement
2. **Relationship to Organizational Vision**
3. Scope / Alternatives
4. Resources
5. Dependencies
6. Measurable Goals, Targets & Outcomes
7. Key Performance Indicators
8. Risks / Barriers
9. Cost / Benefit Analysis
10. Funding / Contract Vehicle[s]

- Convince senior leadership this is *their* plan! That is, describe how it fulfills their goals for sustainability, safety, image, customer satisfaction, lowering costs, being good stewards of taxpayers' money, etc.

- Consider whether your audience is visual or whether a spreadsheet works just fine.

- Can you tell your story in 3 minutes and 1-page?

- Follow-up with me and we'll send you the full presentation that talks about the business case.

THANKS FOR JOINING!

Here to help!

How to Make a Business Case for Using a FMIS

Top Fleet Policies that will Reduce Costs

Podcast: Cutting Personal Vehicle Use & Costs

Questions to Ask Before You Buy a Fleet & Motor Pool Solution

Developing and Enforcing Fleet Policy

State Fleet Success: Managing Multiple Motor Pools

https://www.agilefleet.com/resources
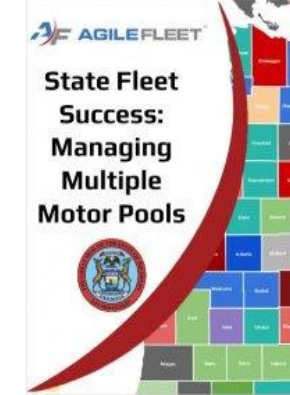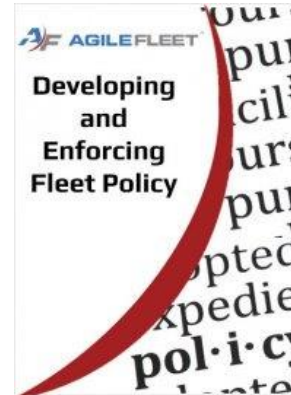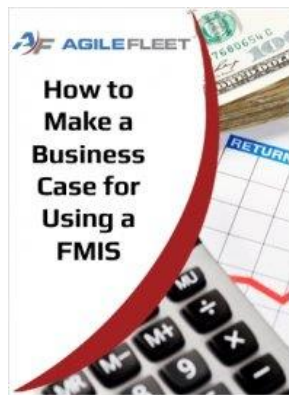
Ed Smith
President
Agile Fleet, Inc.
(571) 498-7555 x501

THE AGILE FLEET WAY™

DISCOVERY

Learn about your fleet, challenges, goals, and culture

- Open discussion
- Review of fleet challenges, reports and audits, mandates, timelines, constraints, decision-making process, etc.
- Demo of solution

1 - 2 Weeks

FITNESS

Mutual determination that we are a good "fit" for each other

- Identify functional and technical needs
- Check our references
- Analyze ROI
- Share Core Values
- Meet our president

2 - 4 Weeks

PARTNERSHIP

Work together to formalize the relationship

- Comprehensive Investment Summary
- 5-year fixed-fee budget
- IT/security review, as needed
- Select procurement vehicle (e.g., direct purchase, GSA, Sourcewell, etc.)

1 - 2 Weeks

MOBILIZATION

Get it done: It's easy!

- Kick-off meeting
- System setup
- Software in 3-10 weeks
- Hardware in +4 weeks
- Training
- Go-live
- Continue to refine business practices

6 - 14 Weeks

SUCCESS

Succeeding Together

- Industry-leading client support
- Open dialog
- Quantifiable results
- On-going education: webinars, user group, sharing

1 - 20+ Years

AF AGILEFLEET™ FLEET MANAGEMENT SOLUTIONS