7 Deadly Sins Of Fleet Management

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Fleet Management

If you were to ask 50 fleet managers the definition of fleet management you would probably get 50 different definitions.
In most cases, by using the **leverage** of a regional, national or international fleet of equipment there are savings available throughout the life cycle of the equipment.

For years it was thought that fleet management meant buying better. The problem is that if you are buying too much, or not the right types you may in fact getting the best prices on the wrong stuff! Just as buying too little and too late can be a very expensive proposition.
Reasons to Consider Fleet Management

There are several good reasons for becoming involved in fleet management:

• Leverage Purchases
• Leverage Best Practices
• Leverage Data to create knowledge
• Leverage safety to decrease employee and corporate liability.

All of these increase **PROFIT POTENTIAL**
How Much Can Be Saved?

5%
10%
15%
50%

Thousands of $

I’ve seen MILLIONS SAVED!!!
7 Deadly Sins of Fleet Management

#1 Failure to set a desired Goal and having a Plan

Goals that can be understood and explained.

The plan has to explain who is to do what!

Goals that represent a return on the investment you make in the program.
#2 Failure to get Executive Commitment

It is absolutely essential that your plan has the full support of the key executives in your organization. Change, even small changes that may come out of this new fleet awareness will cause people to resist.

You need the boss on your side from day 1!

We are talking culture change and he/she sets the culture in your business!
#3 Failure to Communicate to organization

It does not matter if your project encompasses people all over the world, the country, or just a few regional plants.

Communicating the goals, the plan and the overall program to all team members is essential.

Remember change is hard for people, especially if they don’t know why you’re asking them to change.
7 Deadly Sins of Fleet Management

#4 Expecting Fleet Manager to Sell concept and process.

We all have to sell ourselves and our value to others everyday,
BUT if your new fleet partner is sent out into the universe of your company to “Sell The Program”, without a clearly communicated plan, supported by the executive staff, It’s a little like sending Daniel to visit with the lions!
#5 Making exceptions for difficult locations

Beware the Bulldog in the Princess Gown!

For some people “change” implies that they have done something wrong!

There are others who feel they MUST challenge every potential change. THEY JUST MUST!

Work with your Fleet Manager partner to help these people join the party, Cultures can Change!
7 Deadly Sins of Fleet Management

#6 Failure to Act on the information

One of the key features of any fleet management program is to bring relevant data to the top. Make it visible, make it actionable.

Can you imagine the frustration of an executive who bought into a program that was supposed to save money, but discovered his organization was still paying astronomical bills for equipment repairs.

Be Ready Too Act On The Data!
#7 Failure to Create continuous review

Know your KPI’s and have a format for delivering them to all levels of your organization in real time.

60 days later is too late to be actionable!
The 7 Deadly Sins of Fleet Management

1. Failure to set a desired goal and a plan
2. Skipping executive level of the organization
3. Poor communication to organization
4. Expecting Fleet Manager to sell concept and process
5. Making exceptions for difficult locations
6. Failure to act on the information
7. Failure to create continuous review
Now We Know The Sins

Here are some sin beater ideas
How To Avoid

#1-- Failure To Set A Desired Goal and Plan

Prior to beginning a fleet program:
1. Make sure of the inventory to be included.
2. Determine actual spend levels now.

Make sure you include expenses like:

- Tires
- Lpg/Gas/Diesel fuel costs
- Battery costs and related battery expenses.
Why Not Setting a Goal/Plan is Sin #1

If there is no easily Understood Goal/Plan it is almost impossible to change the habits of the participants as there is no apparent “Need to CHANGE!”

So the goal needs to include some basic elements:

ROI  Return-On-Investment

(Current Cost-Proposed Spend/Proposed Spend)

Explanation of Program

(How will it work)

Benefits of Data

(What impacts are we expecting)

Features and Benefits for All Locations

(Right Size Right Type and Right Spend)
Please No Skipping The Buy-in From The Executive Level of Organization-- Sin #2

Without the support of the head of the organizations the overall success will be in jeopardy.

Make a plan, set a goal, develop a process and get “BUY-IN at the Highest Level Possible” in your organization.
“Is A Failure To Communicate”}

Businesses run on the energy of the individuals in those businesses, but merging that energy into focused efforts on specific objectives comes from communication. Communicate the Plan. Detailed Plan. Seriously Detailed Plan.
Keep Communication Coming!

Work with an experienced Fleet Management partner that has the ability to help you develop the communication media and the delivery systems that can help the entire organization to get focused on the fleet management objectives and goals.

Automated Reporting
Dashboard
KPI's
Monthly Meetings
Quarterly Meetings
No One Wants To Commit Sin #4

It's easy to expect the fleet manager partner to go out and spread the word, but think about it this way:

– Most of the time your folks will think he is selling some hard good or brand of equipment.
– Most of the time your folks will see him with suspicion because he is an outsider.
– Most of the time your folks think the people back at corporate are reptilian creatures sending other reptilian creatures out to ruin their day in general.
Prevent Sin #5 Making Exceptions

The truth is that Ballerina Bulldogs win more than they lose. That is good, because in many instances their dogged determination has helped your business.

But if you decide that the ballerina bulldogs in your organization just need to be sold, make sure you send support staff to the location to enhance the chances of the business plans and goals of being heard and understood.
Don’t BE Afraid to Act!

Sin #6 Failure to Act

Fleet Management if done right, will harvest a large amount of data that when run through appropriate software will deliver some wonderful information.

Actionable Information

A big mistake many corporations make is that once presented with this Actionable Information they do nothing. The reasons are legion, including everything from accounting protocols to old management paradigms, but what it usually comes down to is, “we have always done it this way and we are not going to change that for anyone.”

Preempt your ability to commit this sin, by making it part of your early communications to your executive levels and to the field, if you can’t pull the trigger on changes needed you can’t succeed in achieving savings goals, safety goals, efficiency improvements are any of the things that were in your original goal set.

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Total Expense and Contract Cost 1/1/11 thru

Projected Annual Hours Of Work by Unit 2012
Sin #7 Continuing Review

If you can’t:
Track it
Count it
Measure it
You simply can’t manage it.

If you can’t do this after your fleet management program is set in place or the fleet is identified and best practices started it is all for naught.

Don’t commit the 7th deadly sin of Fleet Management, find a professional 3rd party partner and get control and maintain control of your fleet starting today!
Thank You!

Thank You ProMat for giving us this time.

Thank you attendees for sharing this time.

Thank You All!
For More Information:

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