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Industrial Asset Management **Presented by:**

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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.









Why Bother?



In most cases, by using the <u>leverage</u> 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?

Thousands of \$

5%

10%

15%

50%

w BroMetShow oo

I've seen MILLIONS SAVED!!!



#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 your asking them to change.





#4 Expecting Fleet Manager to Sell concept and



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!





Industrial Asset Management





#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!





#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









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

How To Avoid

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 <u>no apparent</u>

"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 support of the head of the in jeopardy.

Make a plan, so get "BUY-IN Cut your organization.



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Sin	Introduction			'here,	
"Is Businesses those busi focused ef	 This manual provides procedures and documents necessary for obtaining service for mobile equipment by outside suppliers, to procure parts for facilities with in-house maintenance, and to rent replacement equipment, procure new equipment and dispose of or retire obsolete equipment. Direct questions on the intent or content of this manual to one of the following: 			of Conte	nts
	BEB Hotline: For service dispatch and/or p	arts orders	888-408-3888	Togon Tonu	Papel P Papel P P Papel P P Papel P P P
Communic	BEB Account Manager: BNSF Program Manager:	Darlene Zagalik Jeremy Yanez	816-452-4222 817-352-0039	asi@varvine	Factor Factor Factor
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Solutions. Savings. Simple.



No One Wants To Commit Sin #4



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some hard good or brand o

- Most of the time your folks suspicion because he is an
- Most of 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.











Sin #7 Continuing Review

If you can't: Track it Count it Measure it **You simply can't r**

If you can't do this after you place or the fleet is identifinaught.



Don't commit the 7th dead ________nent, 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!







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