

LBS (location-based services) technology has become attainable for all size companies — and the benefits of LBS are clear for all.

How To Maximize Your LBS Investment

So you've decided that your fleet could be better managed. Perhaps you've entertained a few bids for location-based services. Or maybe you've taken the plunge and are in the process of implementing a new fleet management system. Along the way, have you asked, "Am I doing the right thing? Have I chosen the right company? What is the best way to maximize this new tool?" Well, three experts in the business have a few things for you to consider while you implement this useful, cost-saving technology.

Whether your fleet has a dozen vehicles or thousands of vehicles, you may already be realizing the gains from implementing embedded GPS technology in those vehicles. It allows you to monitor exactly how each vehicle is being used minute-by-minute. By tracking engine idle time, route efficiency, fuel usage, or vehicle location, this technology enables you to more efficiently use your resources, maximize your productivity, and reduce costs. "LBS is something you can get into without jumping off a cliff," says Jeffrey Cohen, CEO of Intergis LLC. "You can take one step in and realize some savings pretty easily."

Helpful Hints For LBS Selection

The experts say LBS has become an affordable "plug-and-play" solution, and that any company with mobile workers can easily implement LBS into their operations. "When going through the discovery process of LBS systems, a company should look at all aspects of their operations," says Drew Hamilton, executive VP at Teletrac Inc. "Customer service should explore how knowing the real-time position of their fleet can improve respon-

siveness to customer inquiries. Sales/marketing should probe to understand how an LBS system can impact future wins by providing higher levels of security for materials in transit. And finance and operations should explore how increased productivity and efficiency can affect the bottom line and budgets."

In the past, the decision to implement LBS into operations was perceived to be difficult because it typically involved purchasing expensive equipment and involved a time-sensitive process to integrate — a scary proposition for some. Today, LBS products can be installed and fully integrated with back office systems in a matter of weeks, not months, and at a fraction of the cost. Some providers claim they can have a fleet integrated with GPS in about a week. Daily oversight of the system requires just one person with a good understanding of how the solution works and what to watch for.

And, keep it simple — don't make the selection or the implementation harder than it really is. "The key to taking on fleet management is to think simplicity," Cohen says. "When choosing a provider, it's important to choose a straightforward solution that allows the system to pay for itself right away. Pick a provider that offers longevity, meaning they offer a variety of products that you can grow into when you are ready to want more."

Seek Customization Of LBS

LBS products have become more adaptable as providers have created more customizable fleet management solutions. There are options available for all size companies. For instance, smaller companies may not need route



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optimization software, whereas a large customer can have the product customized to meet advanced routing needs. These options make the solutions scalable, and provide the benefit of paying for only what you need.

Ravi Acharya, director of enterprise solutions at TeleNav Inc., says they have several school districts as clients who use an entry-level LBS product to simply track each school bus. This allows the district to ease any concerns parents may have when a bus may run behind. On the other end of the spectrum, Acharya says, they have healthcare clients who need to exchange a lot of information from the field back to the office, and tying LBS into that information exchange is very valuable. “These clients use a more robust LBS product that allows them to location-stamp things such as time card activities, job start and completion details, and signature capture,” Acharya says. “They can tie this into their back office payroll, inventory, or other systems to create a seamless process with location information at the core.”

LBS Obstacles To Anticipate

Change, regardless of what it is, can be difficult. The experts recommend a well-thought-out and documented roll-out plan. Keeping all stakeholders informed, especially fleet drivers, is critical to a successful launch.

Getting employees to “buy in” to the idea of a fleet management system can be challenging. Employees sometimes feel like their employer is taking on the role of “big brother.” For that reason, it is imperative for companies to effectively communicate to their employees the benefits of an LBS solution. “Workers can experience many benefits from having LBS in their day-to-day jobs,” Acharya says. “Whether it is finding job sites more easily via GPS navigation tools, reducing paperwork by submitting information on their mobile device, or eliminating time they spend waiting for cargo to be unloaded — let them know how LBS can make their lives easier.”

How To Maximize LBS Savings

According to the experts, within three months of implementing an LBS solution, most companies should begin to see measurable results. The “low-hanging fruit” — such as reduced overtime and fuel costs — are seen right away. “LBS can pay for itself right away,” Cohen says. “We see a lot of companies not managing overtime well. They implement a tracking system to ensure employees are doing what they are supposed to do. They might see right away that there are people cheating the system, maybe not starting on time, taking a long lunch, or idling their car, which burns fuel. You’d be surprised how much wasted energy there is in this part of the business.”

Hamilton says ROI is somewhat driven by the type of tools companies employ within their solution. For example, the financial benefits for a fleet with a theft problem can be drastically different from a fleet with a compliance problem. “We typically see a 10% to 15% reduction in wasted time in the field, and up to a 30% reduction in fuel consumption for customers using an integrated routing and navigation tool,” Hamilton explains.

Acharya says some clients see thousands of dollars in savings through a mix of benefits. “The great thing about LBS ROI is — in most cases — it is realized right away,” he says. “If route optimization shaves off 100 miles a week on routes, the fuel cost savings is realized immediately. Some customers save \$10,000 to \$20,000 per year by outfitting a few employees with LBS products.”

Take LBS To The Next Level

The experts emphasize that LBS products should not be thought of solely as tracking tools. While the tracking aspect of LBS is certainly valuable, LBS products have also become enterprise mobility solutions that allow employees to exchange information in real time with the back office. Adding location helps companies verify and track information easily. “LBS shouldn’t be confined to conversations about fleet or shipping operations, but inclusive of any business with mobile workers who can benefit from being able to do more from the field in less time,” Acharya says.

GPS data provides a number of benefits to organizations with mobile workforces, such as improving routing to save on fuel costs. Workers are less likely to get lost driving from job to job, which saves time and fuel. Route optimization can evaluate all jobs for a given day and assign an order of job completion and route information to ensure employees are traveling the most efficient routes. Some LBS providers offer geofencing that uses GPS to trigger alerts when a worker or vehicle enters a pre-determined zone. This technology can improve loading and unloading processes by triggering an alert when a truck enters within 10 miles of a loading dock. The alert tells dock personnel to prepare for the truck prior to arrival, helping reduce the amount of truck idle time.

Employers can also realize a reduction of labor costs through location-verification of time card activities. Verification of clock-in and clock-out times using GPS data saves thousands of dollars in labor costs each year. “If a team of eight employees all clock in just 15 minutes before they actually reach the job site each day and clock out 15 minutes after they actually leave, that’s four hours a day or 20 hours a week in added labor costs,” Acharya says. “GPS data can be used to verify these time card activities and eliminate situations like these.” ●