

Fleet Management In Field Service

At one point in time, fleet management solutions were adopted primarily by companies with large fleets, long hauls, or high security needs. Today, smaller companies are experiencing the benefits of fleet management as well — and here's why.

When you think of fleet management, companies with big rigs or thousands of vehicles to keep track of might come to mind — and it's easy to imagine how these companies benefit from a fleet management solution. What might not be as intuitive is the impact a fleet management solution can have on a company with a smaller fleet. According to the fleet management industry experts to whom I recently spoke, the impact of today's fleet management solutions are universal — the business case for adoption can be made for large and small fleets alike.

The Fleet Management Business Case

With any technology investment, the purpose is to drive down costs and increase efficiencies — and this is no different with fleet management. What has changed is that the technology components of a fleet management solution have come down in cost, opening the technology up to companies for which it was once cost prohibitive. “When the fleet tracking industry first began, systems were bulky and very expensive to install and operate,” explains Lee Knight, president of XacTrac. “Over the last few years, evolving technology has made systems much less expensive and far more reliable than the first systems on the market.”

For example, a field service organization that might not have been able to justify the cost of a fleet management solution before can do so now. “Local service fleets are the biggest growth market for fleet management, which has certainly changed over time,” says Tony Lourakis, CEO of Complete Innovations. “The value proposition of fleet management has only recently become compelling to those companies who need high frequency tracking with rich data capture, as lower hardware and technology costs allow these users to experience ROI.”

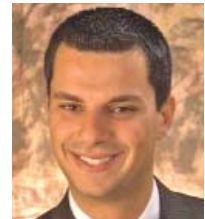
Obviously, the fact that fleet management solutions are more affordable than ever before doesn't complete a business case for deployment. What benefits can you expect to see? “There are a wide variety of things fleet management can do for a business, but they all boil down to one point — increasing the bottom line,” says Peter Mitchell, CTO of FleetMatics. “By knowing the location of their vehicles, business owners can maximize vehicle usage. Routing and dispatching are improved, and extended breaks and unauthorized journeys are eliminated, decreasing fuel usage and limiting the number of miles put on the vehicles.” In addition, solutions can track idle time and monitor speed, resulting in additional fuel savings as well as increased driver safety. By tracking vehicles, not only do you avoid wasted miles and unnecessary fuel costs, but so, too, do you ensure you're utilizing your labor effectively.

Further, a fleet management solution provides you with concrete data about the performance of your mobile workers and assets instead of wondering what happens when your workers drive away each morning. “Fleet management tools enable better decision making,” explains Sean McCormick, product manager at Telogis. “You're able to understand the utilization of your fleet, which helps you to make better decisions about vehicle replacement, maintenance, and purchasing.” The real-time information allows you to make informed decisions on the actual use of your fleet instead of relying on guess work — eliminating manual methods of tracking vehicle maintenance, the risk of purchasing a vehicle too soon and not needing it, or purchasing it too late and missing out on revenue.

Fleet Management's Fit In The Enterprise

If you decide to implement a fleet management solution, be aware of the differences

Lee Knight
president,
XacTrac



Tony Lourakis
CEO,
Complete Innovations



Peter Mitchell
CTO,
FleetMatics

Sean McCormick
product manager,
Telogis

ENERGIZE

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MOBILE WORKFORCE MANAGEMENT



Technology Update

that exist among solutions and the key features today's adopters are requesting. The experts agree that the number one feature users are demanding today is that the information be conveyed in real time. "End users want the ability to see the exact location of their vehicles at any time — in real time, without waiting several minutes for the screen to refresh," explains Mitchell. "A customizable 'dashboard' is also a popular feature. The dashboard shows the performance of the entire fleet on one simple page so management can make decisions on the fly."

Indeed, decision-making is an important consideration when choosing a fleet management solution, and another aspect that can differentiate how one solution fits your decision-making process versus another is its reporting capabilities. "Users are expecting a wider set of features than solely tracking," notes Lourakis. "As needs become more sophisticated, users look for customized reporting and systems that provide more analytical data." Depending on the solution, you can have the capability to determine what reporting you'd like, how often it's run, what level of detailed information is included, and how it's formatted. The point is that the solution should fit the way you want to make your business decisions rather than you having to conform to how the solution presents information.

As with any software solution, there's the debate of whether you should choose a SaaS (Software-as-a-Service) or premise-based model. "It's about what the customer needs," says McCormick. "Finding a solution tailored to your needs is more important than any industry trend. From an industry perspective, everything is driving toward SaaS — ROI is higher because implementation costs are lower. However, the 'best' solution depends on your individual needs."

Advice For Your Fleet Management Deployment

If you decide to implement a fleet management solution, the experts provide a few words of wisdom. "Understand that you'll need to designate someone internally to manage the system," says Knight. "Even the most advanced system is useless unless someone within the organization fully understands the benefits of the system and the needs of the organization."

Aside from making sure someone in the organization is monitoring and managing the system, McCormick suggests easing those management challenges by choosing a provider of a complete solution. "Look for a company that provides end-to-end solutions and supports scalability," he says. "When you start integrating too many solutions, you start introducing interdependencies and reliance on many companies to fix problems as they arise."

Lastly, be aware that there are a lot of options out there when it comes to fleet management providers — maybe too many. "There have been a lot of fly-by-night fleet management providers popping up that tend to offer limited services with inferior software and hardware. And, most harmful to businesses, these companies have a short lifespan, which can leave you without a fleet management solution suddenly," cautions Mitchell. "Do your homework — ensure the provider has been in the industry for five or more years, check to see if they're financially sound, and ask for references."

It seems now is the prime time to be taking advantage of fleet management — no matter what the size of your fleet. And, according to Lourakis, if you don't do so now, you'll regret it soon enough. "In the next few years, GPS tracking and fleet management will be a must-have to be on a level playing field," he says. "Without it, you're leaving money on the table." •