



FLEET WARE:

GETTING ORGANISED WITH FLEET MANAGEMENT SOFTWARE

Dedicated fleet management software packages offer more than just a good-looking user interface. They can save time, money and, believe it or not, lives. **Rosemary Ann Ogilvie** investigates.

Despite the fact that fleet expenses can rank way up there with other high-spend areas including wages, rent and freight, many organisations use nothing more sophisticated than a spreadsheet, or the basic database software that comes in business software packages, to manage their fleets.

Data must be keyed in manually from source documents, a tedious, time-consuming, and totally unnecessary task. More than that, reports are limited, making it difficult to identify and analyse trends, and there are no systems to flag things like overdue vehicle services, or to send reminders that registration or insurance are due.

Consider the OH&S ramifications if an employee is seriously injured or killed as a result of a missed vehicle service: the employer may be found culpable and, in some jurisdictions, wind up in court facing a bankrupting fine and a lengthy jail sentence.

The sophisticated fleet management software now available can make the fleet manager's life less stressful as it improves fleet efficiencies and helps create a safer workplace. While packages designed for large fleets aren't cheap, if the software is used well, it can produce significant cost-savings.

Bill Baker, CEO of Resonance Group, comments that the prevention of just one accident and the avoidance of subsequent legal action through automatic warnings for key maintenance issues may save an organisation more than the implementation cost of fleet management software. And depending on the size of the fleet, the software could reduce the need for at least one data-entry person, as transaction details are uploaded from emailed fuel and leasing company files.

Even if the entire fleet is leased on fully maintained operating leases, monitoring key elements such as fuel consumption

INTERNAL OR EXTERNAL

EXTERNAL FLEET MANAGEMENT:

A fleet is leased on an operating lease – generally a fully maintained operating lease – from a specialist company such as Orix or Lease Plan. It also applies where the organisation owns a fleet of vehicles, but contracts a leasing company to provide management services.

INTERNAL FLEET MANAGEMENT:

An organisation owns a fleet of vehicles and manages that fleet internally on in-house software that tracks all relevant data including running costs and purchase and disposal information.

Whether a company uses the external or internal model essentially comes down to determining whether it is cost-effective to manage the fleet in-house or to outsource it, and the company's attitude to outsourcing non-core functions.

"A company that uses just one external fleet service provider can probably get away with external software," says e-Fleet's John Slaiman. "However, it's rare for a supplier to be able to provide 100 per cent of the data: they may be providing the lease, and the repairs and maintenance, but not insurance, accidents or traffic fines. If this is the case, internal software could be useful. A company that leases its fleet from multiple suppliers will certainly find it beneficial to have internal software, as this software is supplier-indifferent."

SOFTWARE CHECKLIST

Here's a checklist to help you assess the various marketing offerings.

- > Is it suitable for the number of vehicles in the fleet?
- > Is it compatible with the company's fuel provider and leasing provider so that data can be directly imported?
- > Does it allow budgets to be recorded?
- > Can fields and reporting be tailored to the user's requirements?
- > Does it include a diary system to set warnings and reminders?
- > Does it offer accident/insurance management?
- > Does it integrate vehicle and employee data for easy calculation of FBT?
- > Does it track warranties to ensure parts replaced under warranty are claimed back?
- > Is there an inventory module to keep track of spare parts stock?
- > Does the reporting meet your requirements?
- > Can the reports be easily customised without major reprogramming?
- > Is your current computer system – hardware and software – compatible with the system?
- > Does the software integrate with other systems, such as financial and HR?
- > Can documents be scanned and retained in the system?
- > Does it monitor:
 - fuel usage?
 - employee-owned vehicles?
 - driver hours?
 - vehicle safety checks?
 - driver training and appraisal?
 - driver's licence inspections?
 - driver health checks and screening?

FRINGE BENEFITS TAX (FBT)

Calculating FBT liability is a snip with fleet management software. All the information related to the vehicle goes into the database: make and model, date of lease or purchase, replacement date, running expenses, kilometres travelled and so on. Information about the employee and their cost centre is also recorded. "With AutoManager, the two sets of records are married together and can be separated and joined at various stages with different vehicles and different employees," says e-Fleet's John Slaiman.

REFERENCE CHECKS

Word-of-mouth is a great way of learning about effective fleet management software, so make some phone calls to find out what other fleet managers are using and determine their level of satisfaction with the product. Check vendors' websites: often they name customers, so contact them for feedback about the system.

and mileage through reports generated by the software can lead to cost-savings, sometimes in the order of 10 to 15 per cent. This monitoring can also ensure you avoid penalties imposed by leasing companies for exceeding contracted mileage for the lease term.

Broadly, these are some of the features fleet management software can offer:

- tracking and controlling each vehicle's life cycle
- tracking vehicle-related expenses such as repairs, fuel, insurance and registration
- monitoring workshop workload
- monitoring preventative maintenance outcomes
- monitoring fleet efficiency, and
- accuracy of data input.

Here is some information about some of the software currently available to give you an idea of features that can be used to improve your fleet management. By no means is it comprehensive – space doesn't allow this – so we advise you research websites and contact companies personally for further assistance. And make sure you guide them, rather than letting a software provider try to convince you that your organisation needs something it doesn't.

AUTOMANAGER/POOL CAR MANAGER (e-FLEET)



AUTOMANAGER

This software is designed for companies with fleets of 100-plus vehicles wanting an in-house fleet management system.

AutoManager comes with a complete set of modules: they are not purchased separately.

All data logically revolves around the vehicle, so the vehicle module contains all relevant data and all of the life-to-date costs including:

- repairs
- servicing
- tyres
- fuel
- leasing
- registration, and
- insurance.

Other modules hold the details of the life-to-date costs. These modules include:

- costs
- accident management
- FBT
- driver history
- fuel card imports, and
- workshop and parts inventory.

Around \$15,000 gets the software installed and one licence to operate it. Additional licences are charged as a percentage of the initial licence.

POOL CAR MANAGER

This Internet-based software is geared towards organisations such as councils, hospitals, universities and government departments with a pool of vehicles that are booked out on an as-needs basis and returned at the end of the day.

Employees can reserve a vehicle from any PC with intranet access: the software can be set up with security access, user ID and password. The system allocates the least-utilised vehicle, although vehicles can be booked out by type – for example, a station wagon when a larger vehicle is required for a particular job.

Specific destinations can be nominated, and users can be alerted when a similar booking exists, thereby preventing the situation where several vehicles carrying only the driver travel to the one location.

Vehicles can be assigned a charge-out rate – hourly, daily or per kilometre – so the employee's cost centre can be charged for the use of the car.

Pool Car Manager also tracks how the vehicle is used while it's reserved.

"Certainly, you can take one view that says this vehicle was reserved and booked out for eight hours, therefore it was 100 per cent utilised," says John Slaiman, manager, e-Fleet.

"However, that vehicle may have been driven four kilometres to another site, where it sat all day until the employee returned in the afternoon. So essentially, it just moved from one car park to another."

Utilisation looks at how many kilometres the vehicle travelled per hour while it was booked out.

"Some customers are finding that utilisation rates in terms of hours reserved are around 80 per cent, but the number of kilometres travelled per hour averages around 1.5. The ultimate aim is to increase the utilisation rate and reduce the total number of vehicles in the fleet, which can



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OCCUPATIONAL HEALTH AND SAFETY

Fleet management software can help an organisation manage its OH&S obligations. Suppose your induction for new staff is something along the lines of ‘here are the keys, here’s the fuel card, make sure you get the car serviced when it’s due.’

A busy salesperson has an accident on a wet day because the tyres on her vehicle were worn to the point of being illegal, a consequence of missing prescribed services because of work pressures.

The company is quizzed as to the processes it has in place to alert employees that their cars need to be serviced, and also the processes in place to alert management when a car service is overdue. If the company responds that it doesn’t have such processes, that it’s left to the employee, then chances are management will be found guilty of negligence. However, if the company has processes in place – such as automatic reminders generated by fleet management software - and they are able to prove the employee ignored those reminders, that employee is clearly culpable.

lead to significant savings.”

The Pool Car Manager system is charged on a per-vehicle, per-month basis. Because you are buying the service rather than the software, there is no additional cost for upgrades and enhancements. Contact the company for more information.

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FLEETWAVE (THE RESONANCE GROUP)

Specially developed for the internet/intranet, FleetWave is a thin-client solution, suited to multi-site and multi-workshop operations, that offers real-time access to information. The package is easy to use, flexible, and has been proven in

sites with more than 20,000 assets. The ASP model, which caters specifically to SMEs, is suitable for organisations with fleets of 50-plus vehicles.

FleetWave provides flexible, user-definable screens and reports without the need for reprogramming. Reports can be emailed directly from the system.

The main modules include:

- user-definable vehicles database, which holds all equipment details
- repairs and maintenance
- fuel
- diary reporting, a task-reminder system with a wide selection of reports and standard letters
- stock control
- driver records, which includes vehicle allocation history to aid FBT calculations
- accident analysis
- vehicle pooling, which can be used to identify low-mileage vehicles and swap them where necessary with high-mileage to maximise vehicle usage and minimise the risk of vehicles exceeding contracted lease-term mileage
- reporting, using Crystal Reports for design and production
- lease/charter management, and
- workshop management.

The system can flag key information such as rogue drivers or vehicles, warranty repairs, and statutory requirements.



GPS SYSTEMS

Specialised – and expensive - systems are available where vehicles are fitted with a device that is tracked by a GPS and satellite system, and information about their location is transmitted to a central system, which means you know where your vehicles are at any one time. This type of system is generally not used on sales or managerial fleets; instead, its application is more as a security device for vehicles carrying high-value goods to ensure they reach their destinations safely. The system is also used for getting efficiencies in delivery schedules and extracting maximum efficiency from delivery vehicle fleets.

There is some feeling – here and overseas - that current GPS technology is not the optimal fleet solution and that more work needs to be done to refine and customise the software. As an example, one major drawback is the lack of real route data: the most common form of tracking is point position.

SERVICE AND UPGRADES

Generally, you pay an annual support fee for purchased software, with some organisations giving you options for different levels of support. While you can expect periodic software improvements and upgrades, it is not something that happens incessantly, as with virus software, for example.

CUSTOMER ENDORSEMENTS

RESONANCE

"We are amazed at the amount of time and paperwork FleetWave will save us," says Michael Stewart of Innovation, an SME. "A lot of software we looked at was too restrictive – if you wanted a particular report, it had to go back to the designers. With this system, we can build reports the way we want them. FleetWave provides us with a full audit trail of our fleet management functions and increases our visibility with upcoming dates for each asset or driver."

Neil Foster, fleet administration manager of Cadbury Schweppes PLC, comments that FleetWave's flexibility and functionality allows the system to be tailored to changing requirements as the company's fleet and policies evolve. Because the software is web-based, with multi-user access, managers at sites across the country can receive real-time information about vehicles and drivers in their area. "FleetWave arrived at the right time for us, and will be a valuable tool to help create a better and more efficiently operated fleet."

E-FLEET

Southern Health (Victoria) began using AutoManager in January 2005. "The program has helped us to centrally manage our 300-plus mixed-vehicle fleet and provide a complete history of all our vehicles," says executive director of Primary Care, Greg Young.

In February the pilot site went live. Since then, Southern Health has been using the booking software system, Pool Car Manager. Prior to that, Southern Health's fleet manager used a basic spreadsheet system to manage the fleet.

Mr Young says the new system has benefited the organisation on many levels.

"There is now greater access to vehicles for all Southern Health service programs. Previously, if a Southern Health service program was not funded to have a fleet vehicle, there was little access. It also gives us better access to fleet data, which helps with budgeting and determining whether a particular program needs additional vehicles. This additional data enables us to effectively rotate vehicles between low-end users and high-end users, resulting in greater efficiency of vehicle management. We will undoubtedly see further benefits over time."

Resonance CEO Bill Baker estimates the system can achieve savings of up to \$450 per vehicle per year, including a seven per cent saving on maintenance costs, and eight per cent of workshop wages.

FleetWave was awarded Best Fleet Management Software 2003 at the Institute of Transport Management's award ceremony in London.

Price to get you up and running: FleetWave \$12,000.

For ASP, the system is rented for a small monthly charge.

THE RESONANCE GROUP

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FLEETMEX (MAINTENANCE EXPERTS)

Organisations such as heavy transport operators, local councils and bus and transport companies that operate their own maintenance facilities use this Microsoft-compatible maintenance-management system to reduce equipment breakdowns, cut paperwork and save time.

Suitable for fleets ranging from 10 to 5000 vehicles, FleetMEX also tracks each vehicle's vital statistics. These can be analysed through the 'Reporting' module, which contains more than 150 preset reports and is also user customisable through Microsoft Access.

Basic functions include:

- asset register
- work orders
- maintenance policies
- history, which has the capability of utilising failure analysis codes that produce reports identifying things like repetitive failures
- invoicing, which eliminates the need for a secondary invoicing program, and
- readings/fuel.

A range of additional modules is available to tailor the software to organisational requirements: from a basic overview of workshop efficiency right up the scale to delivering detailed information on every aspect of the maintenance operation.

Modules include: stores for inventory control; FuelMEX, which allows data to be uploaded from fuel suppliers; MEX Ops; Easytime to create timecards for each trades-

person; MEX Links; and Mex Inspections.

While there is no FBT component, the software can interface with financial systems.

Director of business Helen Ninnes says savings are largely dependent on an organisation's maintenance prior to implementing FleetMEX.

"However, if they start from scratch (no record keeping), there could be significant savings, around 15 to 20 per cent. This is achieved through reduction in breakdowns and lower maintenance costs, usually as a result of lower overtime costs."

Base price for a single user licence (which means one PC accessing the database at a time) is \$2398. Pricing is structured on a per-user licence basis, with discounts applying for multiple licence purchases. Additional modules start at \$1089.

MAINTENANCE EXPERTS

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FIGFLEET (FIGTREE SYSTEMS)

This company did not respond to our many attempts to make contact. The following information about their fleet management software is extracted from their website:

Data can be imported/exported from ancillary sources.

The software interfaces with general ledgers, HR employee databases such as SAP and PeopleSoft, insurance company claims databases such as COGEN, service providers such as loss adjustors, medical practitioners and rehabilitation managers.

It includes data merge facilities and coding capability for statistical analysis.

Security maintenance incorporates user profiling to restrict access to certain areas.

Standard reports include FBT return based on statutory, actual and/or 'best fit' method, service scheduling, lease payments and statistical reports comparing various factors within the database.

It includes diary and job card facilities.

There is a booking and charge-out system that allows vehicles to be booked in advance and charged on a per-kilometre or time basis. *bvm*

FIGTREE SYSTEMS

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