Four Pillars of Efficient Fleet Utilisation
Today, the imperative for fleet companies is to do more with less. **The more you get out of your current fleet, the more you can stay ahead of your competition.** Some companies may look at fleet size and simply reduce the number of vehicles on the road and require that the remaining vehicles do more. This is not always the best strategy when you have different kinds of vehicles, different kinds of services or deliveries and different kinds of territories or routes that your vehicles travel. How do you know which vehicles to eliminate? How do you know the best way to re-route the remaining vehicles to be as efficient as possible?

To strategically improve fleet utilisation it requires looking at each individual vehicle’s utilisation so you can make incremental changes that add up to larger savings. The complexity involved in analysing individual vehicle data across a broad range of metrics and over varying periods of time depending on the type of vehicle can be very difficult. Companies that can leverage software solutions to assist with tracking and analysis for fleet utilisation will find the task much easier and the results more accurate. **The result of a well-utilised fleet is not only boosted productivity and decreased costs, but also increased profitability** which is the real value of doing more with less.

**The four pillars to improving fleet utilisation are**:
1) Quantify key metrics, 2) Analyse job history, 3) Address last-minute re-routing challenges and 4) Be prepared for changes in weather and traffic.
1) Quantify key metrics

Before measuring your fleet’s utilisation, it’s most important to make sure you are evaluating the right metrics. Ideally, you’re collecting data at the vehicle level so you can spot vehicles or routes that are sending your overall averages up or down. **The best metrics to measure are the following,** including reasons why these metrics can help you determine how well your vehicles are being used:

- **Miles traveled**—essentially you want the number of miles traveled per vehicle to be as low as possible, as this implies that the number of trips, engine hours and overall fuel consumption are being optimised.

- **After-hours utilisation (9PM to 6AM)**—the purpose of tracking and analysing the usage after hours is two-fold. If after-hour usage is unauthorised on certain vehicles, identifying and curbing unauthorised use can improve utilisation in terms of the cost-to-revenue ratio. On the flip side, by identifying vehicles with locations, routes or types that make them ideal candidates for after-hours jobs or maintenance, you’ll be increasing vehicles’ utilisation and fleet productivity around the clock.

- **Drive time vs. on-site time vs. idle time**—much of this data is influenced by the particular driver of the vehicle, so it’s essential to be able to review these metrics by driver and/or vehicle in addition to the fleet as a whole. These metrics can raise a flag to a host of issues such as customers whose stops are repeatedly longer than expected, routes that are frequently impacted by traffic patterns, and drivers whose work habits suddenly slowed down.

With all of this data at your fingertips, in a format that lets you view by vehicle and by location, you will be able to identify where there are gaps or inefficiencies in your fleet.
2) Analyse job history

The best laid plans are only good if they were carried out. The best laid plans are great when they actually happen as planned. When all of your jobs are happening as planned (and assuming you’re optimising your routes), your fleet utilisation and productivity rate is likely very high. The only way to assess your original plan and resulting performance is to review and analyse your job history. How does the planned compare to the actual? This kind of inquiry can be hard to do without capable software because the technology pulls data right out of the field in real time and stores it in your system for later review across all of your vehicles. **Whether you’re looking to identify bottlenecks in your delivery schedule, speed up delivery times or improve customer service, job history is where the answers lie.**

The best telematics solutions will not only tell you where vehicles have been, when they arrived, and how long they were there, but also will help you compare planned to actual. Identify problem jobs that are not meeting customer delivery standards or isolate longer drive-time patterns for specific stops that are slowing down delivery times across the board. With this knowledge, you can make incremental changes that have a significant impact on fleet utilisation.
3) Address last minute re-routing challenges

One area that can throw a company’s fleet utilisation rate off, even if they have the best planning and reporting practices and technology in place, is the inevitable but unpredictable last-minute change.

If you have days where delivery plans change by the hour, or if your service delivery is dependent on customers whose demands change, you need to secure a system for handling these changes and rerouting drivers optimally. Sometimes these changes can be managed manually, but when you factor in the time required to do so, it doesn’t often make sense with the technology available today. Furthermore, consider that with the intelligence derived from a telematics solution you might find that re-routing another vehicle is better than re-routing the vehicle with the delay or changed plan.

Real-time routing can make or break your fleet utilisation and productivity rate. Look for a unique “day-ahead” view as well as a “real-time” view within your telematics solution so you can make any necessary last-minute changes to be communicated to your drivers instantaneously when needed on the day of deliveries.
4) Be prepared for changes in weather and traffic

Every year we see more and more severe weather including flash floods and winter storms that put a damper on and often shut down delivery schedules. New vehicles are added to the road every year, but the roads and infrastructure are not necessarily expanding to accommodate increased traffic. Since these events are becoming more frequent, it’s important to recognise that both the weather and traffic can negatively impact your fleet utilisation. It’s wise to have your fleet utilisation efforts include a plan for storm response. It should also include plans for navigating around traffic or road blockage issues so you can continue to meet customers’ needs, even during or in the aftermath of rough weather.

Integrated, advanced telematics and navigation solutions with up-to-the-minute weather and traffic data are the best ways to ensure that routing is optimal. These solutions are designed to help navigate your vehicles around major traffic events and construction areas, so deliveries stay on time.

The key here is having the weather and traffic information your drivers need before they get stuck in a jam or severe storm. Your drivers remain safe and productive and your utilisation remains high.
Improved fleet utilisation means more available resources to take on more business.

It is important to use the right metrics when evaluating fleet utilisation. Then, looking at job history and your ability to re-route and handle changes needed due to traffic and weather in real time, you gain a complete picture of how well you are utilising your fleet. Advanced telematics, navigation and routing solutions are available to assist with all of these areas, and the most useful and innovative solutions will do all of them on one platform. Having a well-utilised fleet can be the answer to doing more with less and will help you add measurable benefit to your company’s bottom line.

About Telogis

Telogis provides a cloud-based location intelligence software platform for companies that require route optimisation, real-time work order management, commercial navigation, telematics and mobile integration services for their mobile workforces.

Telogis is dedicated to enhancing the value of its customers’ businesses through intelligent integration of location technology, information and services. Telogis was established in 2001 and is headquartered in Aliso Viejo, California, with offices in Europe and Latin America as well as development centers in Austin, Texas; Toronto; and Christchurch, New Zealand. Telogis’ products and services are used and distributed in more than 100 countries worldwide. To learn more about Telogis, visit www.telogis.co.uk or call: +44 (0) 203 005 8805