

# Using Fleet Reports to Brag About Your Operations



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**MERCURY**

Tony Yankovich  
*Director*  
*Government Fleet Consulting*

# Presentation Agenda

## Key Topics

- Introduction
- Mercury Associates, Inc.
- Why Brag?
- How Do We Brag?
- Samples
- Take-aways





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Introduction

# About the Presenter



**TONY YANKOVICH**  
**MANAGING DIRECTOR**

**30** years in the fleet industry

**275** fleet studies conducted

**12** years in municipal government



# Mercury Associates, Inc.



- Established in 2002
- Largest dedicated fleet consulting and technology service provider in North America
- Serve fleets of 50 to 250,000 vehicles and pieces of equipment
- Assist organizations improve fleet management practices, increase operational safety and efficiency, optimize asset utilization and reliability, and operate a cost competitive fleet operation.

# Our Clients





# Mercury's Services



Operations "Best Practices" Assessment



Consolidation & Organization Restructuring



Optimal Replacement Cycle Modeling



Cost Analysis & Financing Strategies



Utilization, Right-typing & Right-sizing



Asset Replacement Planning



AFV Feasibility Assessment



Lease Contract Development & Contracting



Staffing Levels & Recruiting



Management Training & Policy Development



Facility Planning & Space Needs Assessment



Onsite Support Personnel



Data Analytics & Technology Services



Cloud Services



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Why brag?



# Why Should You Brag About Your Operation?



- Eliminate uncertainty about your fleet performance
  - If you don't tell them, who will?
- Bad news travels fast
- Good news crawls
- Champion your own cause
- Many of our projects were initiated because the leadership simply didn't know if the fleet organization was doing a great job or a lousy job



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How do we brag?

# How Do We Brag?



- Conversations are good
- But formal performance reports are better



# Fleet Reports



- Annual *State of the Fleet* Report
  - Purpose to provide meaningful information regarding the fleet operation and an opportunity to discuss activities or actions that have or may impact the fleet community

# What Should You Include in the Annual Report?



- Promote your organization
- Highlight any significant achievements
  - Cost reductions
  - Program enhancements
  - Purchased first all electric vehicle
  - Certifications achieved
- Organization and personal



# What Should You Include in the Annual Report?



- Identify services that you provide
  - M&R, asset management (acquisition through disposal), inspections, vehicle wash, rental program, motor pool, etc.
- Educate customers
  - PM vs. quick oil/filer change
- Justify change
- Demonstrate performance
- Communicate new initiatives or changes
  - New fuel management system, improved access to FMIS, new utilization management policy
- Share results of customer satisfaction surveys

# Demonstrate Performance



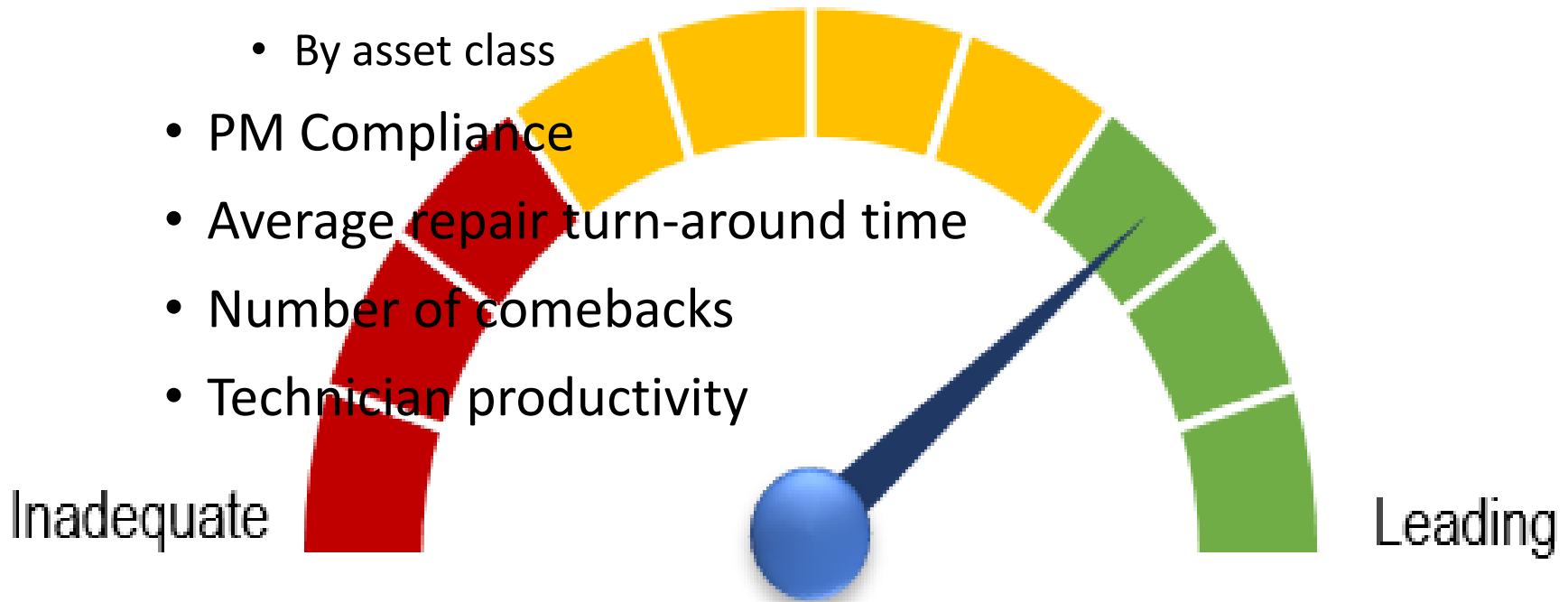
- Statistics

- Fleet size
  - Classes of vehicles
  - Classes of equipment
- Staffing levels
- Replacement value of the fleet
- Average age of the fleet
- Volumes of Service
  - Work orders completed
  - Assets replaced
  - Inspections conducted
- Number of maintenance facilities
- Gallons of fuel consumed
- Direct labor hours billed
- Dollar value of parts procured
- Dollar value of sublet services
- Fleet miles traveled

# Key Performance Indicators

- Performance

- Fleet availability
  - By department
  - By asset class
- PM Compliance
- Average repair turn-around time
- Number of comebacks
- Technician productivity



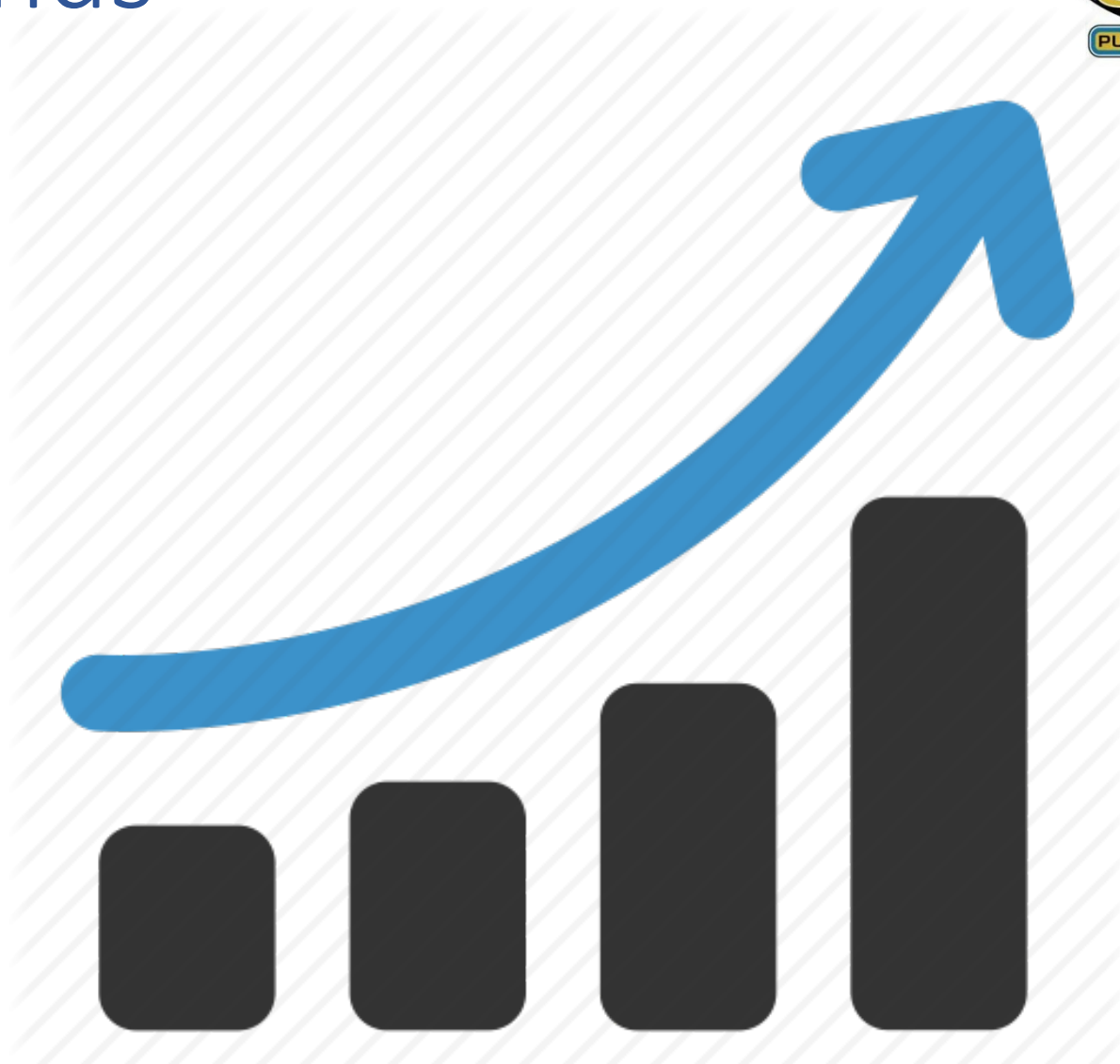




# Put Performance in Context

Performance Measure	Description	Target	Us
Fleet Availability Rate	The degree to which the fleet service provider is able to ensure the regular availability of fleet units to user departments. Availability rates should be highest for mission critical fleet units.	95%	<b>Overall 93%</b> Fire – 98% Police – 96% Public Works – 91%
PM Program Compliance	Measures the number of PMs performed on the date scheduled. A low compliance rate indicates that PMs are not being performed regularly. A high PM compliance rate is a basic building block for an effective maintenance and repair program.	95% on-time	<b>Overall 96%</b>
Scheduled Repair Rate	Measures the portion of all repairs identified and conducted in a controlled, planned manner. The combined purpose of the PM program, operator inspections, and service writing is to identify and take care of problems in a planned, scheduled manner so they do not result in unscheduled and costly breakdowns.	65% - 75%	<b>Overall 55%</b>
Repair Completion Time	Measures the number of maintenance and repair events that are completed with a given amount of time.	90% completed within 48 hours	<b>Overall 88% w/in 48 hours -75% w/in 24 hours</b>
Road Call/Tow Rate	Measures the percentage of all repairs conducted on broken-down or towed vehicles that cannot be driven to the Garage. In combination with scheduled service rate, it provides an indication of PM program effectiveness.	1%-2%	<b>Overall 1.8%</b>
Cost per VEU	Measures competitiveness of the fleet organization in terms of cost of service provided.	\$1400 - \$1,800 per VEU	<b>\$1,640 per VEU</b>

# Trends



# Don't Wait



- Need for periodic updates and regular communication
- Quarterly reports
- “Hot Sheets”



# Presentation



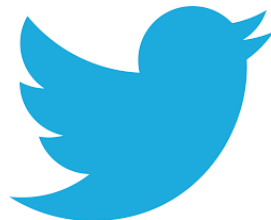
- Professional
- Focused on specific activities, issues, accomplishments, etc.
- Brief
  - Annual Report: 4-8 pages
  - Quarterly updates: 2-4 pages
  - Hot Sheets: 1-2 pages
- Understand the importance of visualization
  - Charts, graphs and pictures are better than words
  - Bullet points are better than paragraphs



# Push the Report



- Report availability
  - Internal website
  - Email customers
  - Social media
  - Post in driver's waiting area
  - Monthly leadership meetings
  - Donuts with Directors







# Target Audience

- Customers
- Leadership
- Elected officials
- Taxpayers
- Fleet staff

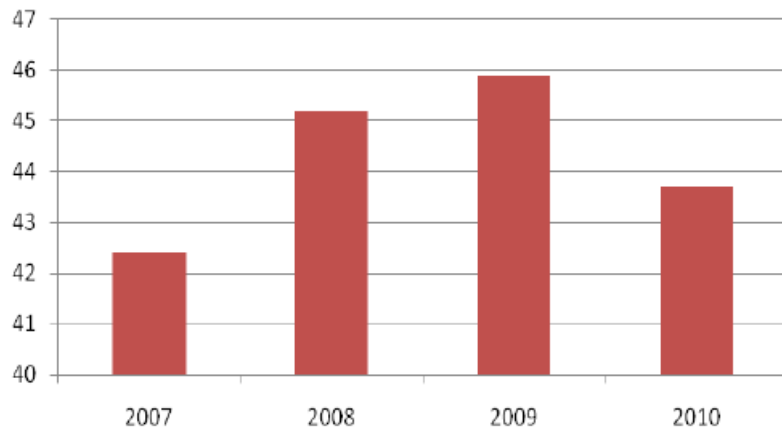




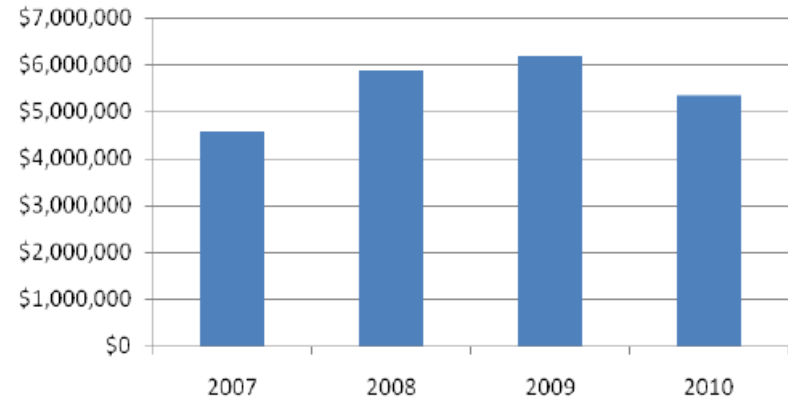


**Fleet Cost Drivers:** The miles driven by state government employees directly correlates to the cost incurred by DAS to provide the vehicles. Please note how the curves for General Fund expended, fuel usage, and maintenance costs follow a very similar pattern as the miles the vehicles traveled.

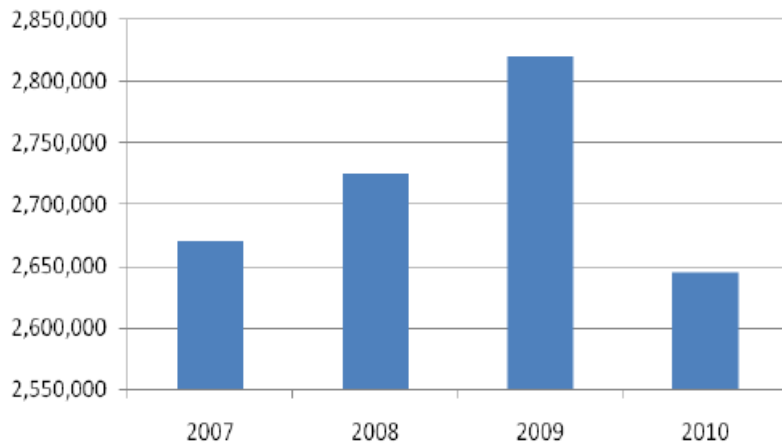
**Millions of Miles**



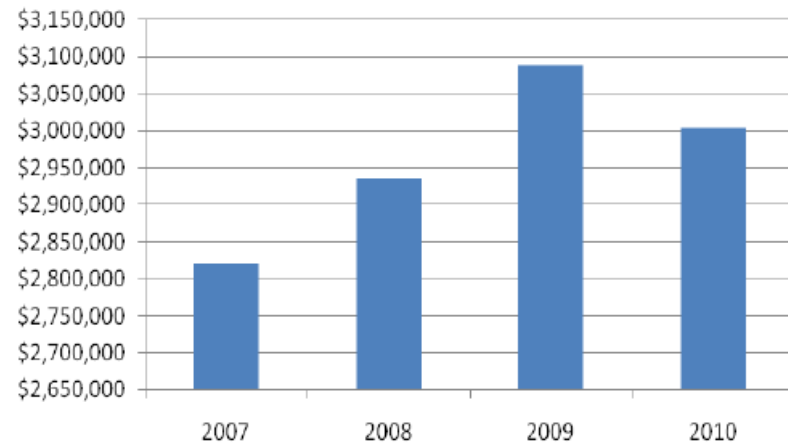
**General Fund Expended for DAS Fleet Services**



**Gallons of Fuel**



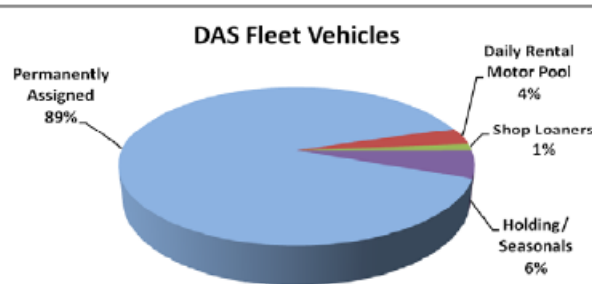
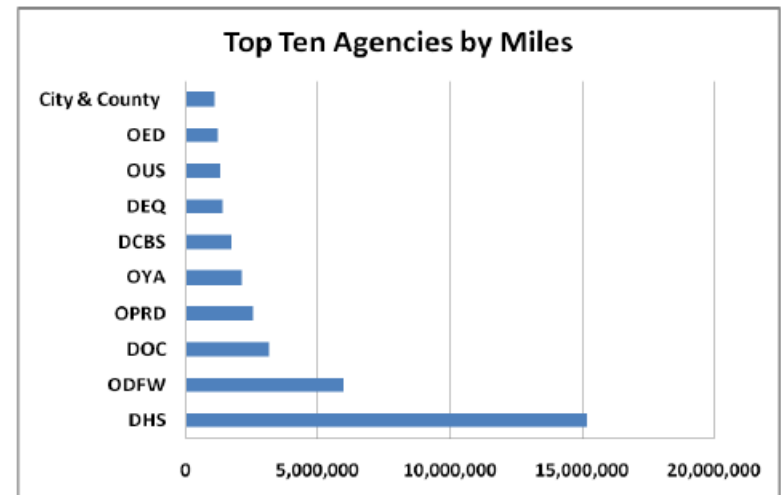
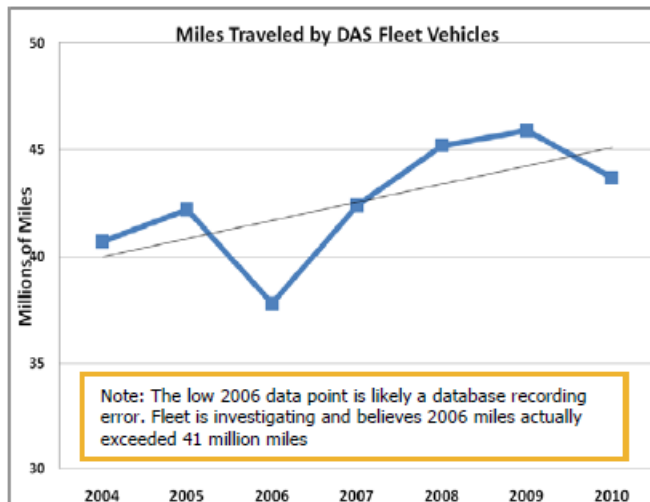
**Shop Charges**



**DAS Fleet:** Many of the state's missions and goals rely on face to face, human interactions to deliver quality government services to the people of Oregon. This often means state employees must travel to where the service is delivered. However, the cost for the number of vehicles we purchase, the amount of maintenance required and the fuel we consume are directly tied to how far and how often employees travel to do their work. Using our data and working closely with agency partners, DAS Fleet informs customers to know where, when and how much they use vehicles in their businesses. This approach manages the costs and environmental impacts of state government transportation

Customers can input miles and days traveled into DAS Fleet's online Daily Rental Cost Calculator to determine the lowest cost option for the trip.

Agencies drove the vehicles we provide 43.7 million miles in fiscal year 2010. DAS Fleet helps Oregon monitor the costs and increase the effectiveness of the ground transportation agencies use as they deliver their services

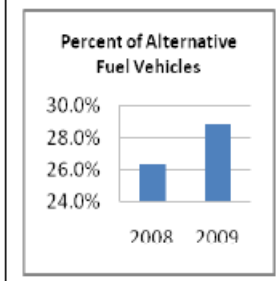


**Permanently Assigned:** used by agencies and local governments across the state  
**Daily Rental Motor Pool:** vehicles rented for short trips  
**Seasonals:** ~300 depreciated vehicles used primarily by natural resource agencies for 6-months or less before final sale  
**Shop Loaners:** Customers rent while other cars in for repairs

#### Trends of DAS Fleet Cost Drivers

Fuel Cost, 37.2% of expenditures for 2010 = \$6.75 million	↑	Down from 2009 levels but on the rise again; avg cost per gallon up 11% since beginning of biennium
Total Miles Traveled, 43.7 million for 2010	→	Down from 2009 but 3.1% higher than historical avg. Follows overall increased trend
Miles traveled per assigned vehicle; currently 862 miles per month	↓	Very close to historical average; down 20 miles per vehicle; monitor for increase that will indicate more efficient utilization of vehicles
Daily Rental Motor Pool Trips; 2011 YTD average = 940/ month	↓	Following low historical trends; similar to 2004 recession period. Usage may rise as underutilized permanently assigned vehicles eliminated
Miles traveled per Daily Rental vehicle; avg = 1592 Per month	↑	Desired result from Lean exercise to increase efficiency; up from same period last year by 3.8%
Vehicle Purchase Cost; 23% of 2010 expenditures = \$4.16 million	↓	Vehicle prices flat or lower than last year; due to stagnant economy and new vehicle contract method?
Maintenance; 16.2% of 2010 expenditures = \$2.94 million	↑	Up very slightly (\$20K over previous year); possibly due to additional maintenance needed from extending replacement mileage

**Hybrids:** 2010 Automotive Fleet Magazine; Ranked 8<sup>th</sup> for Top 25 Hybrid Public Sector Fleet in the nation; DAS Fleet has over 440 hybrid vehicles.



Mercury Associates Inc 2007 peer review concluded "As we have reviewed the State of Oregon (DAS) fleet we found it is among one of the better run State fleet organizations in the country"

ISO 14001 Certified Environmental Management System since 2006





## Fleet Maintenance Monthly Performance Report

2019

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
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375

Work Orders  
Processed This  
Month

13

New vehicles put  
into service

8 – Police Dept  
2 – Public Works  
1 – Fire Dept  
1 – Utilities

Fleet  
Availability

95%

1,500

Direct Labor Hours  
Charged to Work  
Orders

PM  
Compliance

80%

20,000 gallons  
Fuel Consumed

Comebacks

1%

### NOTES

- *Reminder – Fuel management system upgrade next month. System will be down from February 14<sup>th</sup> – 16<sup>th</sup>.*
- *Technician Bob earned ASE Master Technician Certification*
- *9<sup>th</sup> consecutive month without an injury in the shop*

Technician  
Productivity

70%

# Fleet At A Glance



take away!

# Final Thoughts



- Advocate for yourself, your organization, and your staff
- Make it a priority
- Be diligent about reporting
- Communicate
- Communicate
- Communicate

*It's never the wrong time to do the right thing, it's never the right time to do the wrong thing!*

Lou Holtz



# Contact Information



**TONY YANKOVICH**  
**MANAGING DIRECTOR**

**tyankovich@mercury-assoc.com**

**913-568-5837**

**www.mercury-assoc.com**

**MERCURY**