Government Motorpool Strategy

Comprehensive Guide

GEOTAB

An introduction to motorpool

Managing a shared vehicle fleet is a complex task for any agency. You have to keep track of all available vehicles, make sure they get serviced on schedule and monitor who can access them. Not to mention the increased pressure to stick to your budget and make sure those vehicles are effectively utilized.

It's these reasons and more that have led many agencies to build a motorpool in order to optimize and modernize their fleet management practices. In this guide, we'll share the secrets to building the right motorpool strategy for your agency's fleet and explore how telematics technology can help you simplify motorpool fleet management.
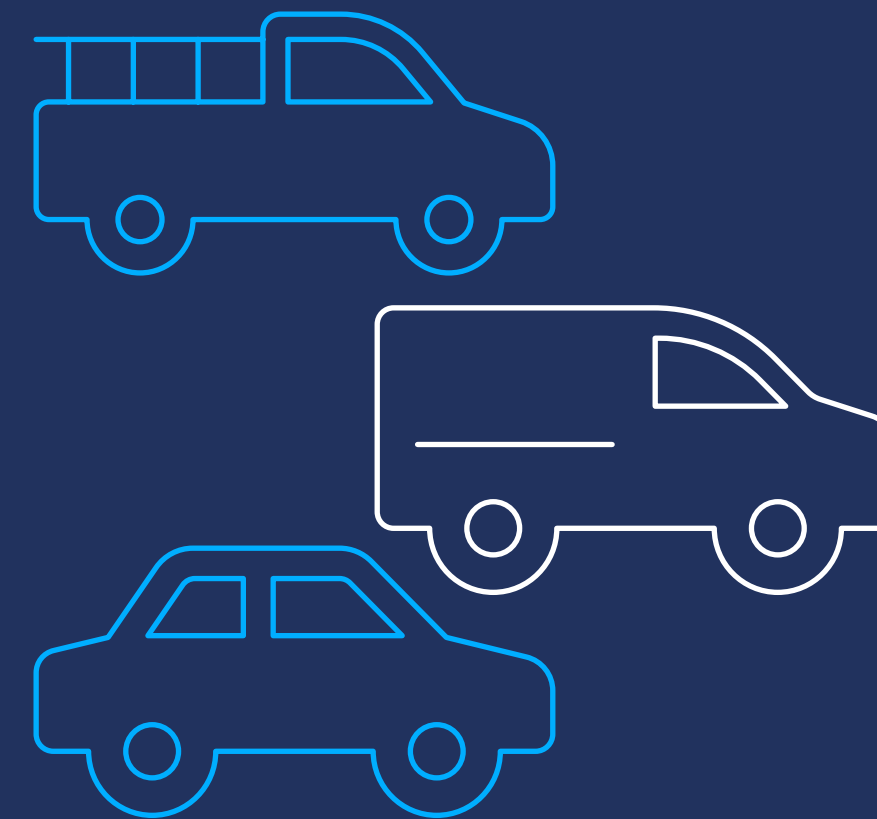
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CHAPTER 01

Why share vehicles?

Agencies see lots of benefits when they first introduce a motorpool solution, most notably around vehicle utilization. One painful realization a fleet manager can have is realizing a vehicle is underutilized. These vehicles are costing you unnecessary dollars to maintain.

Motorpools at their core are meant to save your fleet money but not if the motorpool is too big and vehicles sit idle in the parking lot, or too small where productivity takes a hit.

Too large of a motorpool will lead to you to pay more than you need to for maintenance and parking space. All in all, an underutilized motorpool is a waste of resources and simply not cost-effective.

A motorpool that's too small introduces another set of problems. Workers face vehicle shortages and need to find alternative transportation which wastes both time and money.

The goal is to create a motorpool that has the right number of vehicles for optimum usage and operational efficiency. This way you can provide your drivers with choices while still containing costs. In the next chapter, we walk you through the right questions to ask in order to build a motorpool strategy that works for your agency's needs.

Take care of under-utilized vehicles

Manage trip data

Ease laborious key dispatch

Top 5 reasons to motorpool

Streamline motorpool operations

Reduce fleet size

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Motorpools can bring unexpected sustainability benefits

An added bonus for many government fleets when they switch to a motorpool strategy is a path forward to electrification. This helps fleets meet some of the **green energy standards set by the federal government**.

Effective motorpools will help agencies identify older vehicle models that are costly to operate and require more expensive and frequent maintenance. Running a motorpool will put you on track to developing a 4 to 5 year cycle for purchasing, maintaining and deprecating vehicles. An acquisition rhythm like this will help you budget for newer vehicles in the long run and presents an opportunity to easily swap electric vehicles into your purchasing plans.

For example, both **Missoula County and the City of Missoula** were faced with this very opportunity. Their large fleets had both adopted goals aimed at achieving 100% clean electricity and carbon neutrality. Adopting a new approach and following an optimal fleet cycle in their motorpool allowed them to move in hybrid and electric vehicles when they were set to retire older ones.

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CHAPTER 02

How to build an efficient motorpool

In order to build a high-performing motorpool, it might be helpful to first understand what they do. While there are many different types of technologies and services that ultimately enable motorpools and the sharing of vehicles, the core functions of any vehicle sharing initiative are basically the same. They consist of:

Scheduling or coordinating the use of motorpool vehicles

Dispatching motorpool vehicles out and in (i.e., gaining access to vehicles)

Generating the requisite billing or reports related to a motorpool

Now that you know how motorpools are supposed to function, we've created a handy questionnaire to help get you started and figure out the right path forward on how to build yours.
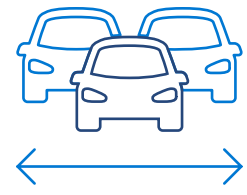
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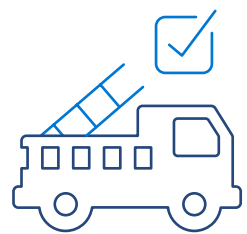# Five questions to ask when building a motorpool

1 Do you have the right number of vehicles?

Right off the bat, you'll need to figure out if your problem is having too many vehicles that are underutilized or too few where you're running into inventory problems.
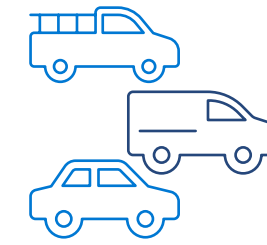
2 Are the vehicles where they are needed?

Ensure vehicles are easily accessible at the location where the majority of the work or your drivers are located to increase productivity and get drivers going quicker.
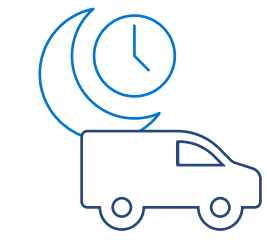
3 Are the most critical vehicles available when needed?

Some pieces of equipment or types of vehicles are critical to supporting your operations and those assets need to be available at all times, even if they're only used occasionally. Emergency vehicles are often an example of this scenario where even if these assets aren't used often, they're very much needed.

4 Do you have the right vehicle types and classes available?

Let's say you have ten box trucks available but you still seem to have a shortage of small passenger vehicles for your operations to run smoothly. The fleet isn't properly equipped and you'll want to factor this into your motorpool strategy.

5 Do drivers have access to vehicles when they are needed?

If vehicles are needed after hours or on weekends, this needs to be addressed in your motorpool strategy. You don't want to have a situation where a driver requires access to a vehicle and the outside rental office is closed. This results in lost productivity as drivers need access to vehicles at the time the job needs to be done.

Armed with the answers to these questions, you can start to think about how you want to build out and implement your motorpool solution. One additional factor to consider is whether to automate the entire process.

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Manual vs. automated reservations

Many agencies attempt to manage motorpools manually, using spreadsheets, email, and by handing out keys in person. This method results in time-consuming inefficient motorpool processes, excessive staff time needed to manage vehicles, lack of understanding of the types and numbers of vehicles needed, and expensive carrying costs with no metrics for fleet composition decision-making.

By introducing an online reservation and tracking system, you will reduce errors and minimize the amount of time employees spend handling reservations. But that's not even the best part. Automation allows for tracking usage and vehicle type accurately helping to improve your motorpool strategy and allocate resources properly.

Online systems can be particularly helpful for organizations with multiple motorpool sites, erasing physical boundaries and encouraging shared resources.

Now before you decide to go ahead and automate everything at once, you may want to think about a pilot program with one or two locations to work your way up and see how the automated motorpool is working. Once you have a handle on how the vehicles are being used, and if the staff are learning the new system easily, you can then start to think about adding more locations or new technology and features.

Utilization metrics will help you settle on the right number of vehicles, narrow down the best candidates for the next location as well as identify areas for improvement in your workers' experience.

At this stage, it's about putting the right technology in place to collect those vehicle usage metrics that will form the basis for your motorpool strategy going forward.

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CHAPTER 03

Streamlining your motorpool

Data-driven strategies prove to be key for building an effective motorpool because you have to have an understanding of how your fleet is currently being used in order to settle on the right mix of vehicles. Armed with usage data that accurately captures the true story behind how your fleet is performing, you can start to make decisions about what tweaks need to be made in order to implement a more effective motorpool.

Once your motorpool is operational, using telematics to capture usage data is the best way to know your fleet has struck the right balance and all vehicles are performing optimally. It's also the best way to figure out if you have the right number of vehicles in your fleet to get the job done efficiently.

Why rightsizing is the right move

Many automatically jump to downsizing their fleet when thinking about ways to improve efficiency, but why downsize when you can rightsize? That's the difference that telematics data can bring to your motorpool strategy. The data helps you pinpoint the vehicles that might be under-utilized in your fleet while also identifying the ones that are over worked.

When most of your budget is tied up in the actual purchasing of vehicles, imagine how your budget could be redistributed. What if you were able to identify that you only need to purchase a certain amount of assets? Or replace a few? How great if the number ends up being fewer than you originally thought. A rightsizing evaluation can give you a little bit more wiggle room in your budget that you may not have previously had.

In the next section, we'll walk you through the five steps to performing a rightsizing analysis.

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How to rightsize in five simple steps

Rightsizing is all about having the right type of vehicle, at the right location, available at the right time. That's the key to building the most efficient motorpool possible.

Here's how to evaluate your fleet and conduct a rightsizing assessment:
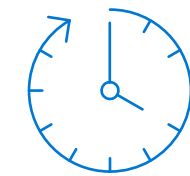
1 Set an internal usage threshold

What's the minimum number of miles driven or hours operating to justify having a vehicle in your fleet? This can vary depending on your type of operation and seasonality so weigh this threshold carefully before setting a benchmark.

2 Determine the usage of each vehicle

This is where an Asset Utilization Report can come in handy. The report can help you calculate and determine what your vehicles are being used for and how often they are being used to assess against your threshold.

Make sure you can drill-down into the data of your report. For instance Geotab's Asset Utilization Report is completely customizable and can be broken down by vehicle type or time in use. You can easily factor in other data points like:

Times of day the vehicles are used
This is useful if your employees are working in shifts so you can identify opportunities where car sharing might be an option.

Months of the year the vehicles are used
When looking at seasonal workers or operations, this is useful to know when certain vehicles will be in heavy rotation.

Different vehicle locations
Sorting vehicles by location can be a quick way to spot any patterns of under or over utilization.

With access to the information in these usage reports, you can determine the daily, weekly or monthly mileage of each vehicle and their duty cycles.

**Asset Utilization

**Date			**Utilization%Thresholds	
**From	Jan 14, 2018		**Drive Time Threshold	20:21:47
**To	Jan 20, 2018		**Distance Threshold	119.32
**Days	7		**Days Driven Threshold	1

**Distance Unit	miles				
**Name	**Total Utilization %		**Drive Time	**Total Distance	**Days Driven
Vehicle 93	98.76%		20:08	116	1
Vehicle 109	97.91%		19:05	119	1
Vehicle 76	97.82%		20:21	112	1
Vehicle 87	95.26%		19:46	106	1
Vehicle 77	93.94%		19:18	104	1
Vehicle 96	91.19%		17:50	103	1
Vehicle 71	90.86%		20:02	88	1
Vehicle 80	90.09%		18:44	93	1
Vehicle 112	87.13%		16:43	95	1
Vehicle 88	86.96%		18:17	85	1
Vehicle 32	86.90%		18:25	84	1
Vehicle 31	86.60%		19:01	79	1
Vehicle 103	86.55%		17:29	88	1
Vehicle 39	86.42%		18:55	79	1
Vehicle 99	85.39%		17:41	83	1
Vehicle 84	85.06%		18:31	77	1
Vehicle 44	83.71%		16:58	81	1
Vehicle 83	63.53%		18:04	74	1

**Most Utilized Vehicles				**Least Utilized Vehicles			
**Vehicle	**Drive Time	**Vehicle	**Distance	**Vehicle	**Drive Time	**Vehicle	**Distance
1 Vehicle 76	20:21:47	Vehicle 109	119.32	1 Vehicle 2	00:00:00	Vehicle 2	0.00
2 Vehicle 93	20:08:51	Vehicle 93	116.15	2 Vehicle 2	00:00:00	Vehicle 2	0.00
3 Vehicle 71	20:02:37	Vehicle 76	111.51	3 Vehicle 2	00:00:00	Vehicle 2	0.00
4 Vehicle 87	19:46:35	Vehicle 87	105.80	4 Vehicle 2	00:00:00	Vehicle 2	0.00
5 Vehicle 77	19:18:41	Vehicle 77	103.80	5 Vehicle 2	00:00:00	Vehicle 2	0.00
6 Vehicle 109	19:05:07	Vehicle 96	102.60	6 Vehicle 2	00:00:00	Vehicle 2	0.00
7 Vehicle 31	19:01:31	Vehicle 112	94.59	7 Vehicle 2	00:00:00	Vehicle 2	0.00
8 Vehicle 39	18:55:45	Vehicle 80	93.39	8 Vehicle 2	00:00:00	Vehicle 2	0.00
9 Vehicle 80	18:44:07	Vehicle 71	88.49	9 Vehicle 2	00:00:00	Vehicle 2	0.00
10 Vehicle 84	18:31:31	Vehicle 103	88.03	10 Vehicle 2	00:00:00	Vehicle 2	0.00

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3 Determine the number of
over- and under-used vehicles

Now that you have an accurate assessment of your fleet's usage, you can compare those numbers to your threshold to identify underachievers hiding in your fleet or the workhorses that might need a break.

4 Clarify your results

We know not all fleets are built the same so you'll want to consider some additional questions that may be specific to your vehicle mix.

Here's a helpful list of questions to help get you started:

• Do you have multiple locations and are there usage patterns by location that you need to segment?

• Do employees work in shifts and will you need to segment usage by time bands to optimize your fleet for each shift?

• Are fleet vehicles the optimal vehicle type, class and size for the job? This highlights that sometimes just tracking usage on its own can be misleading. Tracking the vehicle type and its purpose can be equally important

• Is the vehicle economical and does it have a low Total Cost of Ownership (TCO)?

• At any given time, how many vehicles are out of rotation for maintenance?

• What is the fuel consumption of each vehicle and can a lighter, more fuel efficient vehicle be used instead?

• What is the age of the vehicles and can any be replaced with a newer, maybe more reliable or sustainable vehicle?

• Are there any alternatives to owning or leasing a vehicle, such as shuttle bus services, sharing vehicles with other offices/agencies, vehicle stipends, public transportation, or short-term rentals when needed?

5 Implement changes

You're all set to make data-driven decisions to rightsize your fleet and kick your motorpool into high gear.
If you need to reduce fleet size by optimizing the use of existing motorpool vehicles you can do that by looking at utilization by vehicle type and average trips per day.

Also keep an eye on the future as demand fluctuates in your operations.

PRO TIP

Utilization = demand divided by capacity

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How the State of Utah police force used telematics to rightsize

Knowing how many vehicles are needed to do the job is a fundamental challenge for any type of fleet but can be more complicated for public agencies when they have to justify fleet utilization to other officials and taxpayers. That's why the State of Utah Department of Corrections invested in a rightsizing analysis to get to the bottom of how their vehicles were being used.

After adopting the Geotab solution, they had complete fleet usage reporting and could drill down into odometer mileage, engine hours, on-duty vs. off-duty use and time spent in pursuit mode. The data helped them ultimately downsize the fleet by 60 vehicles, freeing up budget from unnecessary vehicles and presenting alternatives to owning a vehicle such as a short-term rental opportunity.

Read the case study

⚡ DID YOU KNOW?

The Federal government has put policies in place to ensure agencies across the U.S. are implementing fleet utilization strategies. They now require agencies to conduct a vehicle allocation methodology (VAM) on their fleets once every five years. This is the perfect opportunity to eliminate unnecessary vehicles and to perform a rightsizing exercise on your agency's fleet with telematics data.

View the blog post

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CHAPTER 04

Best practices for accountability

Now that you've rightsized your fleet and your motorpool is operating smoothly, you'll want to make sure this was the right investment for your agency. Being able to show positive returns for your motorpool allows you to make future financial decisions that will help you continue to meet budgets while also creating a cost-effective, operationally efficient fleet.

Five ways to prove ROI in your motorpool

1 Lower costs, not miles driven

Once you've efficiently consolidated miles driven to fewer vehicles, the fixed costs per vehicle are also lowered. Costs like parking, insurance and overall depreciation are no longer a factor.

Plus, you no longer have to limit the amount of work done or trips taken to save money by using fewer vehicles. You've done the hard work of figuring out how to increase utilization of your existing resources and now you get to reap the financial benefits.

2 Protect against supply chain disruption

Supply chain disruptions can put a screeching halt to any operation but if you've built a strong motorpool strategy, you'll be ahead of the game. If a supply chain issue pops up preventing new vehicles rolling off the line, or even production of spare parts, you'll be prepared to share vehicles and keep your staff working.

You'll also be able to hold on to vehicles longer or reallocate them between departments by understanding their maintenance needs and duty cycle capabilities. Next time new vehicles are requested during a shortage, you'll be able to evaluate usage with facts.

3 Provide flexibility for workers to change activity types

Be prepared for changes in operations that may require workers to switch tasks with a variety of vehicles ready to go. If a worker switches from a task that requires a heavy truck to one that can be done with a light-duty vehicle, the change is done quickly and efficiently, saving fuel and freeing up an expensive resource.

This will help get workers in the habit of rightsizing their vehicle selection based on the task at hand whenever possible and prevents a feeling of ownership over a particular vehicle that can lead to misuse or low usage.

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4 **An optimized fleet is a cost-efficient fleet**

The more that you're aware of how many vehicles you really need, the more you're able to effectively use the current vehicles you possess. It results in a better ROI per vehicle and less upfront vehicle acquisition costs.

Once your motorpool efficiency metrics are truly in place, you'll know each vehicle's exact downtime, availability and days used. Armed with these numbers, you can help inform your agency's future budget decisions and decide how many assets you really need going forward.

5 **Hit sustainability targets**

Every government agency is under pressure to find more sustainable solutions to their challenges, and fleets are not exempt from this. Downsizing is often thought of as the best way to lower a fleet's environmental footprint but with a motorpool you're well on your way to reducing emissions.

When you can correctly identify the right amount of assets for your fleet mix, you'll no longer be accidentally spending more on fuel and maintenance than is actually necessary. You'll be able to strike the right balance to use only as much fuel is necessary – becoming more sustainable in the process.

Plus with the rightsizing exercise, you can also identify opportunities for electrification knowing which vehicle's duty cycles could be achieved with an electric vehicle.

So now that you know all the ways to build a successful motorpool strategy, how do you decide on a technology partner that will allow you to track all the key data points you need in order to optimize it? Let's explore the criteria you should consider when selecting a telematics vendor for your motorpool.

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CHAPTER 05

Evaluating a vendor

Congratulations on moving ahead with your government agency's motorpool. It's now time to make sure you have the right technological building blocks in place for you to monitor, assess and maximize your motorpool resources. It all starts with choosing a telematics vendor that will set you up for success.

A decision-maker's checklist for choosing a motorpool technology partner

Here are some key items to consider when evaluating a potential telematics vendor:

☐ Do they focus on telematics as their core business? Or will you need multiple on-vehicle solutions?

☐ Do they offer other technologies that you may want in the future, or future proofing technologies to prevent having to remove and reinstall hardware?

☐ Do they provide solutions that align directly with your common business drivers (e.g., fleet management, reservation management, compliance, liability, accountability)?

☐ Do they use portable, OEM-based equipment that meets your operating needs?

☐ Do they easily integrate with your existing internal systems, equipment and third-party applications?

☐ Do they have a future direction and solutions that align with your organization's road map?

☐ Do they provide the necessary support and staffing for successful implementation?

☐ How does a vehicle user get help when the solution fails?

Speaking of implementation, it's also key to partner with a telematics vendor that will be with you every step of the way as you roll out your motorpool solution across your agency's fleet.

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**3 key factors for
a successful rollout:**

1   Hardware strategy

You'll need to decide which devices you're going to install and how the keys for the vehicles will be handled and managed.

2   Actual implementation strategy

Who will manage the implementation project and ensure it's staying on track? How will the installs be handled and how do the vehicles need to be positioned for an easy rollout?

3   Reservation strategy

Once in place, how will vehicle reservations be managed and by who? What are the costs for a new reservation system if you don't already have one in place?

Remote fleet management with Geotab Keyless

Times have changed and the motorpool attendant with a key box filled with loose keys just isn't efficient. It's highly recommended to implement an automated key system for your motorpool, which eliminates the need for an on-site attendant and keeps everything organized.

Whether you have 10 cars or 1,000 different vehicles, it can be tough to track reservations, keys and vehicle use to stay on top of your motorpool's performance.

That's where a solution like Geotab Keyless can help. It's a scalable, digital key solution that enables multiple drivers to share vehicles without the need for physical key handoffs. Plus it allows fleet managers to remotely manage the motorpool fleet.

Geotab Keyless uses OEM keys for near 100% compatibility with your entire mixed motorpool fleet. The hardware is portable making it easy to swap out and integrate with a

number of reservation partners. Another bonus? It's easy to install — and uninstall if need be. Simply plug the Keyless into your Geotab GO device with no hardwiring or other inputs necessary.

Geotab Keyless would be a great addition to your motorpool strategy as it:

- Allows for more efficient shift management as you can prioritize those with regular vehicle needs vs. workers with intermittent driving requirements

- Identifies efficiencies for a leaner, more cost-effective operation that uses its vehicles optimally

- Makes for a smooth vehicle transition with customers, drivers, cleanup staff and mechanics through remote access

- Provides complete fleet visibility to either reduce, repurpose or redistribute assets to increase motorpool vehicle usage

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Get motoring on your motorpool strategy

Telematics data is an extremely valuable tool in the development, deployment and management of your agency's motorpool. Once the wheels are in motion, having telematics helps you keep track of how vehicles are being used and reveals where improvements can be made. Using tools like Geotab's Asset Utilization reporting will have your agency's motorpool fleet in tip top shape with just the right number of vehicles at your worker's disposal.

Getting those vehicles into the right hands becomes that much easier with Geotab's Keyless solution as well. No more last minute worries about misplaced keys or concerns that drivers won't have a vehicle to use for the day. Stay on top of your motorpool with ease.

To discover more of Geotab's solutions for government fleets and motorpools, visit
geotab.com/industries/motorpool

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