Reducing Fuel & Maintenance Costs

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For fleet managers, the two things keeping them up at night are expensive costs of vehicle downtime and how much they're spending on fuel.
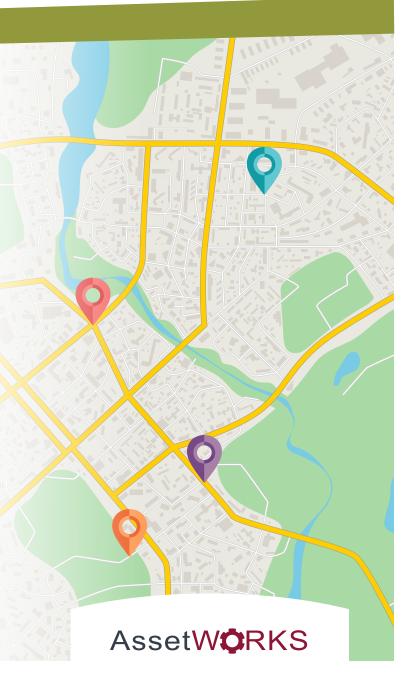
Trying to cut down on one of these costs can be a challenge alone, but cutting down on both can seem impossible. From overuse of idling to excessive speeding, driver behavior is the biggest cause of fuel consumption. On average, one Class 8 truck uses about 12,889 gallons of gasoline per year, while a light duty vehicle uses 524 gallons of gasoline per year (1). If you're a mid-size fleet with about 100 Class 8 trucks, you could be purchasing and consuming about 1.3 million gallons of fuel.

Getting the most out of your vehicles and receiving the best performance from your drivers are always the goals of any fleet manager. Over the years, many fleet managers have tried different strategies to prevent wasted fuel consumption and downtime on their vehicles. GPS/Telematics technology have significantly made a difference in fleet management. To guide you in understanding and applying GPS/Telematics, AssetWorks Field Service Solutions (FSS) has put together 10 ways to reduce costs and improve vehicle and driver performance using this newer technology.

Real Time Data

You can use real time data when the devices in your vehicles are reporting. You no longer have to call your drivers to get a status update on a job, or where they are in their route. With new Distracted Driving Laws, using this data allows your drivers to focus on the road and not answer phone calls. By simply logging into the FSS portal, you're able to pull up a map of all your vehicles and their locations. Because you know where your fleet is in real time, you can schedule pick-ups and drop-offs more efficiently. You can find the closest driver in the area of the last minute job, effectively cutting down on fuel costs while boosting customer service.

Setting up real-time alerts of an event can help you increase your fleet's safety. Speed Monitoring allows you to receive notifications of when a vehicle is speeding, the length of the speeding event, where the speeding occurred and the top speed reached. Driver Behavior Reporting will increase safety and reduce ticket costs. In addition, if you can pair up with your drivers on ways to run a safer fleet, you will find that the collaboration will go a long way.

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More Precise Billing/Payroll

Fleet Managers can determine the exact time spent waiting for a load/unload job to receive more precise billing. AssetWorks Geofence Notification feature will show how long your driver has been at the job for, and lets you bill the customer for actual time.

AssetWorks Work Order integration allows for exact billing when drivers enter LOAD and DEPART information from a client site. Time spent waiting for the customer to load the truck can be billed accordingly and you can see how much time your drivers are spending waiting.
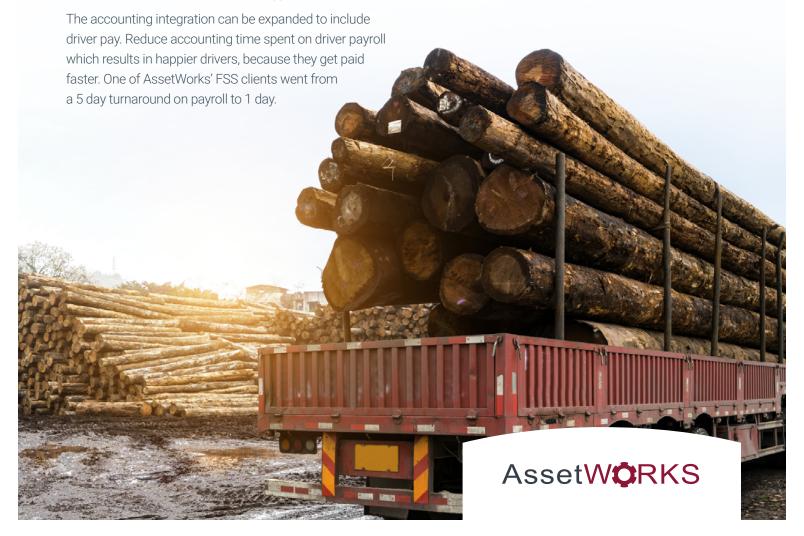
Scan and attach receipts/pictures/required paperwork for billing purposes. No need to wait for the driver to hand in paper receipts or risk losing or damaging them. Saves warehousing/shipping/paper costs (cost overhead).

Real time work order information – as soon as the ticket is completed, the integration with the accounting system bills the customer right away. A two week billing process has now become a five minute process! Any discrepancies can be dealt with sooner and lead to happier client relations.

The accounting integration can be expanded to include driver pay. Reduce accounting time spent on driver payroll which results in happier drivers, because they get paid faster. One of AssetWorks' FSS clients went from a 5 day turnaround on payroll to 1 day.

Some clients utilize the FSS APIs to electronically collect real time data for running financial reports (revenue, net profit, operating costs etc,) without requiring any manual data entry. All of these data analyses allowed them to project their workload for the next quarter.

Reduce Idling Costs

By having the ability to track where your drivers are, you're able to see how long they've been idling. Idling your vehicle takes about a gallon of fuel per hour. If your driver idles for eight hours a day, that will cost you about $215 per week (2). On average, idling costs $10,215 in fuel each year. That's a huge cost for something so small to be fixed. Over-idling not only eats up fuel costs, but can be harmful to the engine and other parts of the vehicle as well. As a result, you will have to take it in for unscheduled maintenance more often than you would have to otherwise.

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Integration with Other Systems

Asset and Trailer Tracking

Taking what you have now and making it faster and more efficient is the best way to see a greater ROI. AssetWorks FSS can integrate with your current systems in order to simplify processes and reduce billing cycles so that you bring revenue in faster to your business. By streamlining your businesses electronically and reducing the need for paper processes, you're able to see more accurate billing. Electronic ticketing allows you to create custom workflows for your drivers and operators, so you can receive the most accurate data possible. Instead of having the driver fill out a regular form and hope for accuracy, you're able to program steps which they will need to follow so that nothing is missed.

Electronic dispatching allows the drivers to login to their devices and see the jobs right on the screen – no more paper tickets or phone calls to the office. As work is being completed throughout the day, real time data is being updated to the back-office, where they can see accurate and up to date information. You're able to eliminate multiple data entry to give your drivers easier options, like drop down menus and mandatory fields while checking in forms. This will eliminate any inaccuracies and give you faster approval.

Another benefit is found with client and contractor portal integration. You're able to give clients and customers a custom login and have them go to your portal and submit new work tickets to be completed. They're able to see job statuses in real time and see when jobs have been completed. This will eliminate overhead because you no longer need someone taking down new jobs and it also eliminates calls from the customer to the dispatcher and dispatcher to the operator. We also provide contractor portals that work the same way. If you use use a third party vendor to help you with distributing work, the portal helps you organize work easier and more efficiently. You get to maintain visibility into all work, while the contractor gets to maintain their own fleet. This allows you to eliminate paper and duplicate entry.

Another way to cut down on fuel costs is Asset/Trailer tracking. It's an easy-to-install, cost effective way to make sure all of your important and expensive assets in the field are safe. The value with asset/trailer tracking is that you know where all your assets are located, eliminating wasted fuel costs by driving to various job sites, or attempting to track down missing equipment. The asset health monitoring capabilities also allows for focus on those assets that need attention versus driving to visually inspect each and every assets. This level of awareness and management can give you the peace of mind you deserve. By using Automatic Vehicle Location (AVL), you're able to set rules for when the vehicles are allowed and not allowed to be in use. The system pushes a notification to the fleet manager, which helps to cut down on personal time on company vehicles.

If you're hauling valuable cargo, security is a top priority to have. In the United States alone, reported stolen cargo ranges from $15 -$30 billion dollars. That's an average loss of $254,800 an incident (3). Cargo theft is down 20% in 2018 due to technology like asset tracking. Don't fall victim to theft or loss of revenue. Protecting your fleet and assets with a cost effective, top of the line asset tracker will go a long way.

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Vehicle Health Monitoring

You're able to get in front of vehicle issues before they become a problem. You'll receive diagnostic trouble code (DTC) reports to proactively maintain vehicle issues. Get real-time alerts to keep vehicles up to date with improvements. Through the FSS portal, you can schedule maintenance and inspections when necessary using the digital scheduling system. You can see the number of days since that vehicle has been in the shop, engine hours and review any vehicles that are flagged for overdue maintenance.

Speaking of overdue maintenance, how much are you spending on your vehicles being in the shop? Average repair spend per unit has increased up to 5% due to higher labor rates and part prices (2). Vehicle downtime is hard to budget for, but not impossible to prevent. Let's say an operator in the service industries hourly cost of is between $22-$30 and the lost profit of a job is $35-$45, making the total hourly cost of downtime up to $75. As your fleet size grows, the annual downtime cost increases. A fleet size of 20 units with the same type of technician, at an average of 3 half days of downtime per unit, per year, will result in a cost of $18,000 worth of downtime. A 200 unit fleet with 3 half day downtime events per unit, per year, will result in $180,000 in lost opportunity cost (4). The average cost for a fleet is $448-$760 a day, per vehicle (4). These numbers add up so fast, and can be prevented so easily, wouldn't it make sense to look into a preventive maintenance software?

Reporting Modules and Other Tracking Solutions

With FSS software, you're able to track almost any input you do. Anytime an input or switch has been used on a piece of equipment, FSS can show you real-time data of what's in use. If you want to see how long your equipment has been running that can be easily viewed as well. Customers have used this feature to see exactly when a load was being dumped to start the billing process to the customer. Using this technology allows you to be more efficient with your equipment, which ultimately can lead to faster billing.

IFTA Data Report Modules can be purchased to make IFTA reporting easier. Additional reports such as Driver Scorecard allow you to focus your training on those drivers that are exhibiting both potentially dangerous and fuel consuming driver behaviors such as speeding and idling. Drill down reports for individual behaviours allow you to narrow your training focus to challenging drivers while also allowing you to reward those drivers that are safe and efficient.

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You're Never Alone, with the WorkAlone Module

When you have a driver or technician going to remote areas, the main priority is staying in contact with them. The AssetWorks FSS WorkAlone feature allows you to determine the last location of an employee's vehicle when a "workalone" is triggered, which helps to keep your employee safe as well as keep you in compliance. Many times the employee will forget to turn on or off their workalone feature, signaling alarms and alerts to go off when a check-in hasn't been processed. Dispatchers now have the capability to turn the feature on and off to prevent any alarms from going off. As a result, your employee can focus on the job at hand and give your staff a better peace of mind.

With all the technology that is out there today, using data to run a fleet can be overwhelming. With GPS/Telematics, eliminating your vehicles downtime and cutting fuel costs is just the tip of the iceberg when it comes to running a more efficient fleet. Telematics solutions can help fleet managers optimize workforce productivity, improve maintenance scheduling, and most importantly, monitor driver behavior to decrease overall costs.

AssetWorks has been specializing in mobile workforce and fleet management solutions for over 35 years. With a leadership team in place since the technology was developed, AssetWorks understands the challenges faced by the trucking industry. We bring together the best ideas in GPS/AVL, ELD, fleet management, fuel management, and asset management, to help make your choice easier. To schedule a custom demonstration of the technologies in this guide, visit assetworks.com/fss.

Sources

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