



# Five Ways to Optimize Public Sector Fleet Operations

Industry surveys show that government agency fleets are getting larger – 56% of fleets reported size increases in 2019, which was more than any other year surveyed.<sup>1</sup> Aging fleets and replacement funding topped the list as the top concerns for respondents. In addition to growing in size and vehicle age, government fleet operations must also be well maintained to serve a wide variety of constituent needs such as public works, street maintenance, parks and recreation, law enforcement, and emergency services.

Public sector agencies face unique challenges when managing fleet costs and operations. Here are five ways to optimize public sector fleets.

## 1. Prioritize driver and public safety

Ensuring safety is an important consideration for public sector fleets. Drivers with the cleanest records hold positions in public transportation, postal service, and cargo shipment.<sup>2</sup> When outsourcing safety and collision management, public sector agencies can further protect their drivers and themselves from risk. Motor vehicle record checks, driver risk profiles, scorecards, and advanced driver safety training help drivers avoid collisions and remain compliant with all regional regulations.

## 2. Develop an electric vehicle and infrastructure strategy

Road transportation accounts for 15% of global greenhouse gas emissions<sup>3</sup> and the desire for green fleet objectives is growing. Before implementing an electrification strategy, a thorough analysis should be completed to develop successful policies while also identifying potential challenges. Fleet management companies can provide expert recommendations to assist public fleets in reaching their sustainability goals by establishing a variety of strategic, cost-effective initiatives. These include vehicle adoption planning, total cost of ownership modeling, driver suitability, usage pattern analysis, and more.

### Did you know?

- ✓ 50,000 crashes could have been prevented if every U.S. vehicle were equipped with blind spot monitoring. Does your vehicle selection plan consider availability of advanced safety features?
- ✓ Electric vehicle battery costs have fallen 86% since 2010 while also increasing range. Strategic consultants help identify affordable adoption strategies as well as proactive infrastructure planning.
- ✓ Are you ignoring a hidden cost of your aging fleet? A recent client case study revealed that by pursuing fleet leasing, they were able to reserve cash, replace  $\frac{3}{4}$  of their fleet, and reduce monthly maintenance by 58%.

### 3. Use data to optimize fleet vehicle management decisions

Fleet vehicle data tells a story. But it must be handled properly to empower fleet decisions. Combining real-time advanced fleet analytics technologies with industry expertise helps ensure decisions are proactive rather than reactive. Whether the agency is evaluating vehicle maintenance costs, comparing own vs. lease financing, or assessing current acquisition and replacement strategies, data can provide meaningful insights.

Customized recommendations from strategic consultants can help analyze vehicle utilization, optimize inventory management, and determine the best time to replace vehicles to reduce downtime, minimize vehicle depreciation, and maximize resale price.

### 4. Refresh aging fleets and gain access to capital

One of the most important missions of any public sector agency is to save taxpayers money. Given their reliance on taxpayer dollars, public sector agencies are known for owning and operating aging fleets. At the same

time, these agencies often lack the capital to refresh their fleets with newer, more fuel-efficient vehicles that require less maintenance. A fleet management company can provide access to customized vehicle financing options such as lease and sale leaseback programs. These flexible solutions allow for a more strategic approach to meeting budget and operational goals, ultimately boosting cash flow and addressing budget shortfalls.

### 5. Embrace telematics as the future of fleet

Telematics and data visibility are key to unlocking strategic decisions to help navigate the changing public sector landscape. Market research suggests that telematics can increase workforce productivity and reduce labor costs by up to 12%.<sup>4</sup> Implementing telematics can also empower leaders to make data-driven decisions and proactively optimize fleet operations. Combining data with a fleet management company's expert consulting services provides invaluable insights to increase cost savings, improve productivity, and continuously enhance safety.

## Why Element



Financial strength and resilience: our model provide access to capital, flexible funding, and financial control in order to optimize performance and meet changing business needs.



Tailored solutions and services: our purpose-built fleet solutions are designed to reduce administrative burden, improve productivity and safety, and deliver the outcome you desire.



Deep expertise and coverage: our clients realize value from our innovative technologies and strategic consulting which turn raw analytics into actionable insights.



For more information about how Element can complement your fleet strategy, visit us at [elementfleet.com](https://www.elementfleet.com).

#### Sources:

1. Government Fleet, 2019 Benchmarking Statistics.
2. Government Fleet, "Ranking Driving Jobs with the Best & Worst Drivers," August 26, 2020.
3. Ritchie, H. "Cars, planes, trains: Where do CO2 emissions from transport come from?" October 06, 2020.
4. Pilon-Bignell, J. and Milne A., "Increasing Fleet Profitability with Telematics: COI vs ROI." Geotab. June 1, 2016.