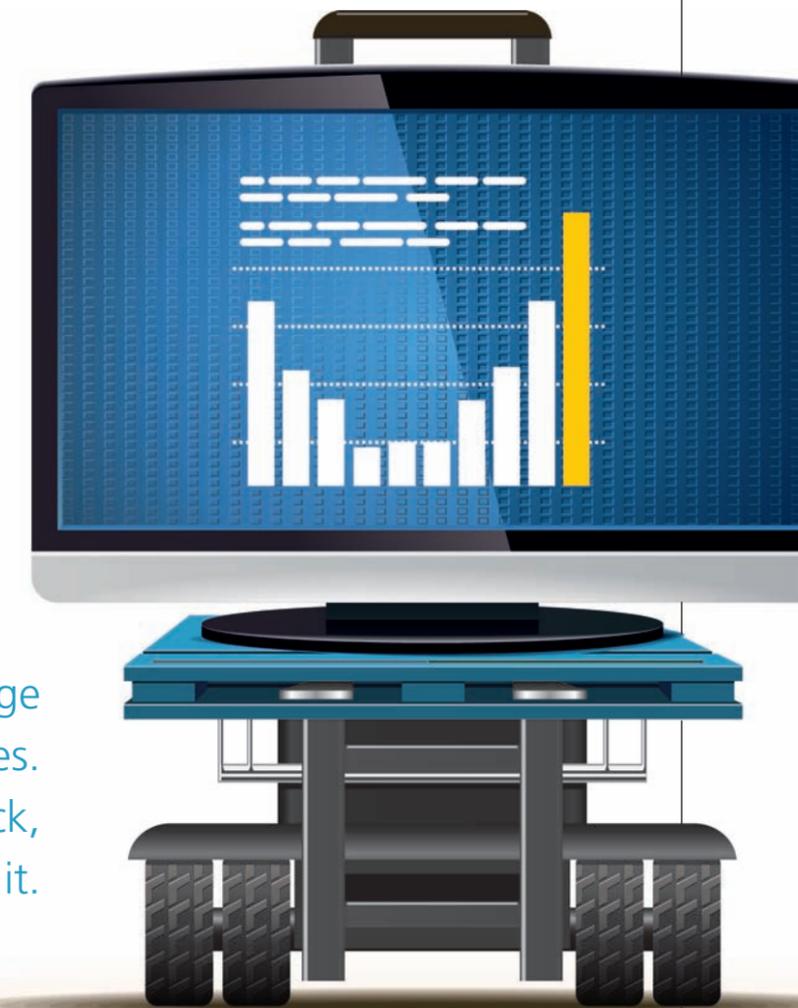


Six ways to get more from your fleet management software

Few companies take full advantage of their systems' many capabilities. Here's what's holding them back, and what they can do about it.

FORKLIFT FLEET MANAGEMENT SOFTWARE provides a wealth of information that helps companies optimize lift truck safety, productivity, maintenance, and operating costs. Most solutions fall into one of two camps: those that track vehicles' and drivers' activities, and those that track maintenance and repair activities and costs. They range from relatively simple spreadsheets to sophisticated systems that remotely monitor lift trucks' inner workings. Some are sold on a stand-alone basis for a monthly per-truck fee by independent developers, while others are provided by forklift manufacturers and dealers as part of a fleet management or maintenance contract.

Most of these programs are not difficult to use. What *can* be hard, though, is figuring out how to take full advantage of the software's many capabilities. We asked providers of fleet management services and software for advice on how to make the most of this technology. Here, in no particular order, are some of their recommendations.



1 *Get buy-in from operators and managers.* Forklift operators are often suspicious of systems that track vehicles' and drivers' activities. They may feel threatened by the close oversight and worry about being disciplined for mistakes. Explaining the system's potential benefits to operators, such as improved regulatory compliance, training, and safety, can help to overcome such concerns, says Arun Patel, president of Access Control Systems.

Managers often have trouble accepting fleet management systems, too. Some may think of data collection and analysis as an additional, unwanted burden, instead of a useful tool for carrying out their primary job responsibilities. To make the case, it's helpful to show how using the software could improve their own key performance indicators (KPIs), such as return on investment (ROI), operating

costs, and damage rates.

But that's not always enough. Tell a fleet manager that the data show he needs fewer trucks than he's been running for the past 20 years, for instance, and he's likely to feel that his competence is being questioned. "A lot of times, people take [the software's conclusions] as a personal affront," says Joe LaFergola, manager of business and information solutions for The Raymond Corp. A better way to frame the message, he says, is to tell the manager, "It's not that you did it wrong in the past. It's that technology has improved so much that you can do the same or more work with fewer vehicles."

In fact, it's difficult to get full buy-in from operators and managers without recognizing and acknowledging the value of their knowledge and experience. "The best decisions are usually a blend of both data and personal experience ... otherwise, you won't get the results you intended," says Nick Adams, senior manager of fleet management services at Mitsubishi Caterpillar Forklift America Inc. (MCFA), which represents Mitsubishi Forklift Trucks, Cat Lift Trucks, and Jungheinrich.

Nevertheless, cautions Scott McLeod, president of Fleetman Consulting, an independent forklift fleet management and procurement company, "Data is an input, and unless you have an argument as to why the data is not relevant, you have to accept the data."

2 *Keep on training.* Vendors say it doesn't take much training to learn to use fleet management software. Sometimes, though, users need additional instruction in basic tasks such as how to access and review reports. In such cases, a live online seminar using the customer's actual data can improve their comfort level, says Jim Gaskell, director of global Insite products for Crown Equipment Corp. "After they get used to it and it's familiar, then it becomes routine—and that's what you want, to make it

routine," he says.

Even after users are familiar with the software, additional training will help them learn more about the software's capabilities, including functions that are specific to safety, maintenance, or other subject areas. In addition, says Patel, once users have hands-on experience with the system, they often have questions that didn't come up during the initial training.

Be sure, too, that anyone responsible for data entry is at least familiar with forklifts and maintenance procedures, McLeod advises. That person must understand how to sort the repair orders into the proper categories—recognizing, for example, what should go under planned maintenance and what belongs in repairs, he says. Otherwise, you could end up basing decisions about replacing trucks on inaccurate information.

3 *Be disciplined and consistent.* Consistent, timely data collection and entry is necessary in order to get an accurate, up-to-date picture of operating and maintenance costs. That's not a big issue with systems that automatically gather data from the trucks or those that depend on forklift dealers to produce maintenance reports. But for software that requires users to gather and enter data themselves, it takes discipline to stick with it day in and day out. It's not uncommon for that effort to peter out after a couple of years, particularly when there are personnel changes.

Consistency in collecting, measuring, and evaluating data is critical for multifacility installations, says Adams of MCFA. If facility managers handle those tasks differently, companies will end up setting policies and making decisions based on invalid comparisons.

Furthermore, says Crown's Gaskell, when everyone is handling data consistently, it ensures accurate benchmarking of cost drivers. "Without that, you can't see that your

operation in one state is paying twice as much [for maintenance] as someone two states over—and both of them think they're getting a good deal because they don't have a yardstick to measure against," he says.

Centralized review and decision making, in concert with local managers, will help to ensure that data analysis and the resulting decisions are sound, says Adams. Central oversight will also compensate for fleet managers' varying degrees of experience, which can influence asset decisions. "The word 'objectively' comes to mind," he says.

4 *Properly prioritize information.* Information overload, a common worry among users, can discourage people from making full use of the software's many capabilities. One way to prevent that is to clearly define each user's roles and responsibilities, and then provide them with only the information they actually need to carry out those responsibilities.

I.D. Systems President Ken Ehrman favors a "cookbook approach" centered on a guidebook that identifies the roles that will be affected by the technology; specifies which reports and graphs the person performing each role should look at, and at what intervals; and recommends actions to take based on those reports. For example, a safety manager should be alerted immediately to problems with critical items on the OSHA operator checklist, while the fleet manager may only need to get that information weekly in order to look at safety trends, he explains.

Still, fleet management software makes so much information available that it's easy to lose sight of what's most important. Mike McKean, fleet sales and marketing manager for Toyota Material Handling, U.S.A. Inc., recommends that fleet managers focus on the reasons the company decided to take on the fleet optimization project in the first place. "It could be that you have too many trucks ... or you want to reduce the cost of avoidable damage," he says. Whatever it is, that's what you need to focus on as the primary objective, McKean says. "That doesn't mean you can't look at secondary issues, but you should identify priorities and then phase in others."

McLeod cautions, however, that the time and effort spent obtaining some types of data may outweigh the cost benefits to be gained from analyzing it. "I would challenge fleet managers to stay away from the 'nice to know' information, because in many cases, it simply is not going to give them adequate payback," he says.

5 *Start small and take it slow.* Once fleet managers start seeing opportunities for improvement, they may be eager to introduce changes quickly. But moving too

fast could disrupt operations and elicit pushback from employees. Raymond's LaFergola suggests starting with small initiatives that require little effort or change, and then moving on to broader efforts.

Don't start those big projects without all the necessary data in hand, though. "In order for you to properly analyze the fleet, you have to look at it over your company's business cycle," LaFergola says. "When you optimize, analyze at least six months, including the busiest time of the year, but a full year of data that lets you see the ebb and flow of business is better."

For a multifacility implementation, conducting a pilot program at one warehouse or DC will help users narrow the scope of the project, establish pre-launch and launch plans, work out any bugs, and set benchmarks for consistency, McKean says. He also suggests putting together a policy and procedures manual based on that experience. "Now you have a template you can take and roll out to other facilities," he says. "It reduces risk."

6 *Make people accountable.* The ability of fleet management software to take data and generate reports is impressive, but to get a return on their investment, users have to take action based on what they learn. The best way to ensure they do that, says Ehrman, is to hold them accountable for making improvements in fleet costs, asset utilization, safety, maintenance, and any other major areas of concern.

All fleet management software programs have exception reporting and alert functions, and some vendors will prompt users either electronically or with a phone call if they fail to take action in response to an event. In addition to monitoring such short-term actions, Ehrman says, it's important to notify users when they fail to make improvements over the longer term. If progress—or the lack of it—in cost control and productivity is clearly visible to both users and management, he says, it encourages the responsible parties to take action and solve problems.

MEANINGFUL CHANGE

Because fleet management software provides companies with a seemingly endless array of data and reports, it can be tempting for fleet managers to think that the software itself will solve all their problems. But that's not very realistic. The purpose of the software, McLeod says, is to track costs in a meaningful way to help fleet managers make meaningful decisions. Any cost savings or other improvements will depend not on the software or the data itself, but on how the user analyzes it and responds. □



Where to learn more

Both forklift manufacturers and independent software developers offer fleet management software and systems. Here's where to learn more about some of the fleet management technology products on the market today.

- Access Control Group: www.assetor.net
- Crown Equipment Corp.: www.crown.com/usa/fleetoptimization
- Fleetman Consulting Inc.: www.fleetmanconsulting.com
- Hyster Co.: www.Hyster.com/Americas/en-US/FleetServices/FleetSmart.htm
- I.D. Systems: www.id-systems.com
- Keytroller LLC: <http://keytroller.com>
- KMH Systems Inc.: www.kmhsystems.com/speedshield.html
- LinkIt Software Corp.: www.ez-maintenance.com/forklift-maintenance-software.php
- Mitsubishi Caterpillar Forklift America Inc. (Cat, Mitsubishi, and Jungheinrich): www.mcfa.com/_mcfa/index.cfm/our-company/national-accounts
- On-Board Communications Inc.: www.on-boardcommunications.com/LTSol.php
- The Raymond Corp.: www.raymondcorp.com/fleet-management-iwarehouse
- TotalTrax Inc.: <http://totaltraxinc.com/index.php/smart-forklift-solutions>
- Toyota Material Handling, U.S.A. Inc.: www.toyotaforklift.com/pages/fleet-management.aspx
- Yale Materials Handling Corp.: www.northamerica.yale.com/yna_fleet.asp