



How a Fleet Management Company Can Dramatically Revolutionize Your Organization

2023

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Efficiency Unleashed

The Impact of Fleet Management



Can fleet management truly revolutionize your organization?

Many organizations rely on Fleet Management Companies (FMCs) as a solution to streamline processes, reduce expenses, and improve overall operations. For companies with their most prized employees on the road, having the right approach and a dedicated fleet partner is critical to ensure the efficiency and accuracy of logistics needed to drive business functions. While fleets can vary in size and use case, management of multiple company vehicles involves keeping track of many moving parts. How well a fleet is managed directly influences customer experience, productivity, and operational costs. Partnering with the right FMC eliminates the burdens of hands-on fleet management, allowing companies to achieve their goals and focus on what matters most - their business.

Fleet Safety & MVR Experts

The importance of driver safety cannot be overlooked.

Any time an employee gets behind the wheel of a company vehicle, they expose their business to potential risks and liabilities. If a driver in a fleet is in an accident or breaks the law, their organization must navigate the costly repercussions such as rising insurance premiums, workers comp, lawsuits, fines, and potentially severe or fatal injuries.

Comprehensive fleet safety policies play a crucial role in setting standards for drivers, reducing costs, and protecting the company. Safety encompasses not only the rules outlined for employee use of company vehicles but also the process by which a company vets its drivers. If neglected, these areas could result in significant liability risks. Where does a fleet management company come in?

The right fleet partner can guide organizations through the process of implementing a safety program designed to mitigate risk early on. An impactful fleet safety program typically features two core elements: Safety Policy and Motor Vehicle Records (MVR) checks.

Fleet Safety Policy Checks

The Fleet Safety Policy (car policy) is a set of guidelines an organization provides drivers regarding the expectations for operating their company-provided vehicle. These policies generally outline maintenance, safety, potential tax liability, and other critical elements and serve as the standard to which all drivers will be held, protecting organizations in the event of a lawsuit. Clearly outlining expectations in writing leaves little room for interpretation when a situation arises. An organization could be open to serious liability risks if a safety policy is too ambiguous. The right fleet partner should be willing to advise and work collaboratively with an organization's legal or safety department to develop a tailored policy to suit that organization's specific needs.

Motor Vehicle Records Checks

A Motor Vehicle Records check (MVR) is among the most common methods employers use to identify potentially problematic patterns in their drivers. An MVR check allows companies to verify the driving record of potential hires. When an organization allows a driver to drive on company business (whether in a personal vehicle or a company-provided vehicle), they are certifying the driver's competence. Neglecting an MVR check opens the door to potential lawsuits and increases the risk of negligent entrustment.



What is negligent entrustment?

The term refers to the act of entrusting a dangerous item, such as a car, to someone who is reckless, inexperienced, or incompetent to use the device safely. It is recommended to conduct checks on MVRs on an annual basis, as records and behaviors may change over time. These tasks might seem like an enormous administrative burden, but it doesn't have to be. Many FMCs specialize in performing these tasks on behalf of organizations and can facilitate the entire process, helping to ensure that only safe and reliable drivers are using company vehicles.



Sustainability

With corporations of all sizes making commitments to improve sustainability efforts, often with aggressive timelines, fleets are increasingly being put under a microscope. Executives often look to their fleets as a means of reducing their company's carbon footprint and meeting organizational Environmental, Social, and Governance (ESG) goals.

With multiple options available, ranging from fully electric vehicles and plug-in hybrid vehicles to mild hybrids, it could be daunting to figure out the type of vehicle that best fits an organization. An experienced FMC will analyze a fleet's unique requirements and identify the vehicles that best meet those needs.





Fleets aren't a one-size-fits-all situation.

The Right EMC Will Listen and Not Talk

Crafting Custom Fleet Solutions for Unique Business Needs

Even within a single fleet, there may be different vehicle use cases and driver profiles. A company's fleet should be designed for optimal efficiency, and the right fleet partner will help develop a program that works specific to the needs of that individual organization and drivers. The right FMC should ask detailed questions and work to fully understand the company's needs. They will want to learn the "ins and outs" of a business's operations, encompassing everything from external functions, such as what the vehicles will be used for, to the drivers assigned to each car. They will also deeply dive into internal processes by asking questions to determine the desired level of involvement in day-to-day operations.

FMCs may ask questions like:

01

Does your organization want all driver interaction routed through the fleet management company, or does your company prefer an internal person to be the first point of contact?

02

How much day-to-day management do you want to handle internally?

03

Would you prefer to be hands-off and have your fleet partner handle everything?



This attention to detail is the type of service that fleets should expect from an FMC that positions itself as a trusted advisor.

Fleet management needs to be approached as a strategic partnership.

An FMC Will Help Regulate Your Costs

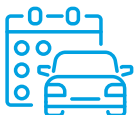
It should come as no surprise that operating a fleet is expensive.

Budgets and expense control are essential factors in managing a fleet. Companies may be searching for opportunities to improve systems and processes that impact their bottom line. Some organizations see fleet management as an added expense with little to no benefits, but it's the opposite in many cases. Partnering with a fleet expert is a valuable investment that can pay for itself multiple times over.



Fleet management companies are experts in the automotive industry. They can help optimize a fleet's lifecycle, provide insights on industry trends, and guide overall fleet composition to save a company's time and money. This support leaves business leaders with time to focus on what truly matters: growing their business. With an optimized vehicle lifecycle, fleets would maximize the value and efficiency of vehicles and control maintenance costs. Maintenance costs can become a significant operational expense; however, having a program in place that accounts for vehicle maintenance and service can be a budget saver.

Some FMCs offer all-inclusive maintenance programs, with a flat monthly rate covering vehicle maintenance, typically including preventive maintenance. Preventative maintenance includes necessary services such as oil changes, air filters, brake pads, and tires. Utilizing an FMC that can provide you with a true fixed-cost program will enable organizations to forecast fleet expenditures accurately years in advance.



The Hidden Costs of Driver Reimbursement Programs

Many organizations consider a driver reimbursement program a less expensive option. However, with reimbursement programs, drivers must submit their business miles on a set interval, and companies aren't responsible for the cost associated with vehicle maintenance or insurance. In reality, reimbursement can be a more costly program.



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of reimbursed fleet drivers
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According to MileIQ, 34.5% of reimbursed fleet drivers admit to inflating their business mileage on expense reports, impacting an organization's bottom line. It's estimated that \$2.8 billion is lost annually due to misreporting of business miles.

When it comes to liability and reimbursement, many companies believe their exposure is limited under reimbursement. In fact, reimbursement policies can increase risk. Companies rely on their drivers to carry proper business insurance policies, but many drivers don't because of the increase in premiums. Moreover, reimbursement doesn't necessarily provide an organization with a predictable budget, as drivers' submitted expenses can vary.



Fleet Vehicles Make a Difference in Employee Engagement

In the eyes of some business leaders, a reimbursement program is a form of vehicle rental. Companies are paying their drivers to 'rent' their personal vehicles for that company's business use. Decision makers should consider the impact of asking an individual to purchase, finance, insure, and maintain their vehicle. There can be inconsistencies in quality, reliability, and professional appearance when employees use a personal car, compared to organizations that take advantage of the fleet purchasing and managing power of an FMC.

“There can be inconsistencies in quality, reliability, and professional appearance when employees use a personal car”

Offering a fleet vehicle to your employees can provide competitive hiring and recruiting advantages. It can also save businesses money in the long run. Suppose drivers are spending more time and money handling maintenance on their personal vehicles for work use. In that case, they can become disengaged and feel undervalued, leading them to search for a new role and organizations to foot the bill for recruiting a new employee to fill the gap.

The Solution to Fleet Management Concerns

There are countless benefits to using an FMC. However, the most significant advantage is that these partnerships give organizations access to a team of dedicated and trusted motor vehicle experts. Relying on an FMC allows business leaders to reduce the stress, uncertainties, and potentially costly errors that can come with navigating the nuances of a complex industry that's not an area of expertise.

Motorlease is a pioneer in the fleet industry with over 75 years of experience in serving the small to mid-size fleet market. We promise to do "whatever it takes to keep you on the road," and we fulfill that through outstanding customer service and personal care. Excellent customer care and providing white-glove service are core elements of our approach. We understand the value of answering the phone when a customer calls and understanding their exact needs. Our customers become part of the Motorlease family because we take the time to understand their needs and foster meaningful partnerships that often span years, if not decades. We are real people who care about our clients, and we believe everyone thrives when there are strong relationships to lean on.



Fleet management does not have to be a daunting, stressful, or expensive function of operations. Businesses with small and mid-size fleets need options, and that's precisely what Motorlease can deliver. We curate flexible, customizable fleet solutions that are designed to meet the exact needs of our clients. Get in touch today to explore the many ways we can optimize your operations and streamline your fleet program.

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