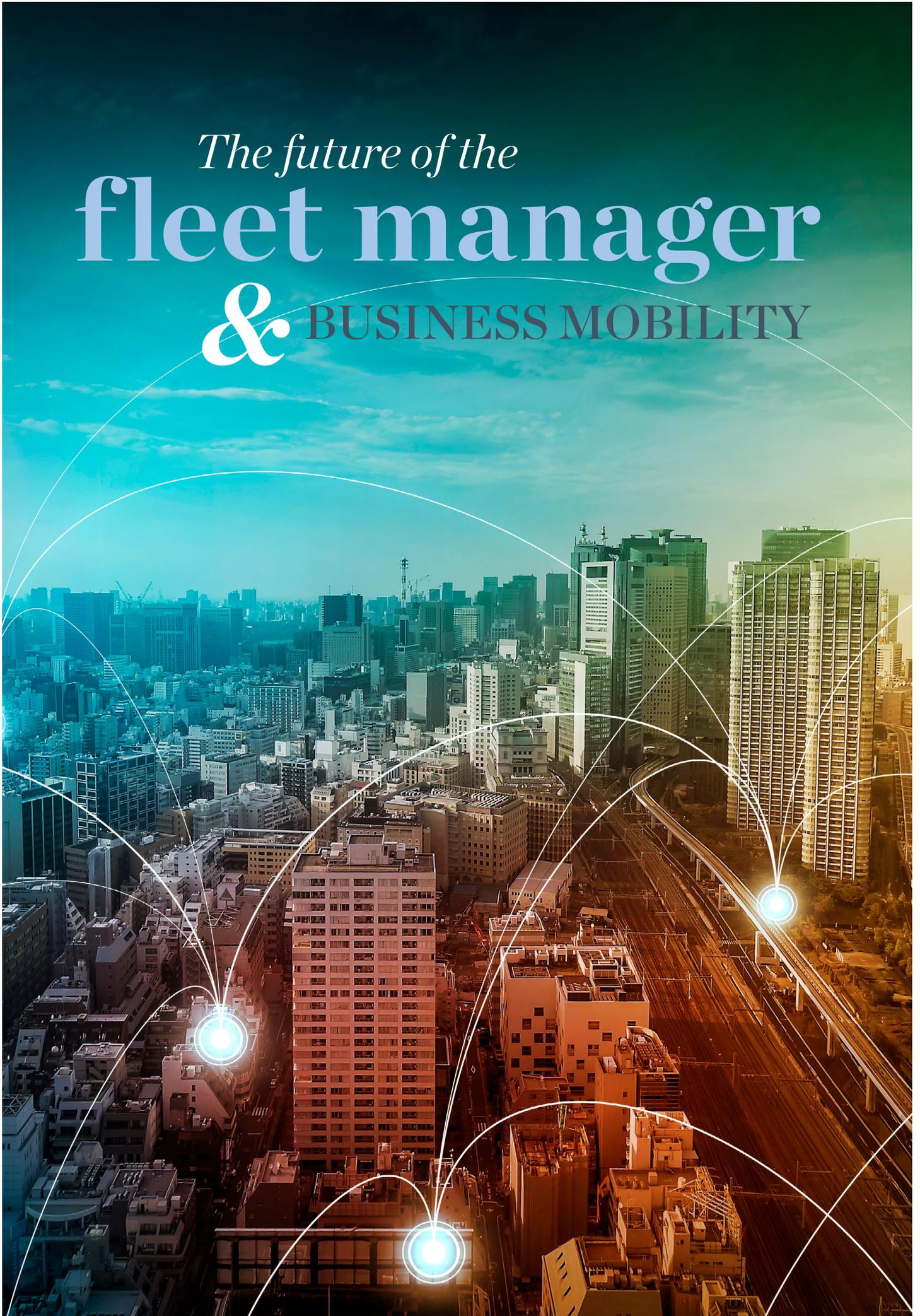


The future of the
fleet manager
& BUSINESS MOBILITY



Venson fleet management solutions

Company vehicles are an important asset for supporting core business operations and that's why our fleet management solutions are created in response to our clients' needs and are based on our commitment to long term partnership and exceptional customer service.

Testimony to this is our customer retention rate of over 95%. Along with exceptional service we ensure our clients receive great value from their fleet, by delivering solutions that are based on impartial advice and that provide tangible financial return. We can do this because we've only ever specialised in fleet services, so our knowledge and in-depth understanding of the market is the best in this sector and relevant to public, private, not for profit and emergency service organisations. We also believe in true partnership, working with fleet operators and their drivers to ensure they always receive the most appropriate solution to support their organisation's operational and financial needs.

The logo for Venson, featuring the word "venson" in a lowercase, sans-serif font. A solid black circle is positioned above the letter "v".



Planning for the future is critical for all employers as is the ability for employees to travel on business and for goods and services to be delivered to customers.

Executive SUMMARY

Historically, vehicle management was the domain of the fleet/transport manager, but over the last two decades or so, many companies have abolished that role opting to outsource the management of company cars – and in some cases light commercial vehicles.

In the intervening years, despite fleet in most organisations being the second largest expense after payroll, the number of employees solely dedicated to managing vehicles has continued to shrink.

Instead, we have seen 'fleet management' hived off into numerous other areas of businesses – particularly HR, finance, procurement and even becoming the responsibility of the managing director's PA.

But today we are witnessing the rise of mobility management – and so-called intelligent mobility brought about by the digital age in which we are living – and with it comes a myriad of change and new responsibilities.

So what is the future of the fleet manager? Indeed could the role of the fleet manager be reborn as we move into a brave new world of mobility featuring the 'connected' car and eventually autonomous vehicles and 'big data' while traditional fleet suppliers – vehicle manufacturers, contract hire and leasing companies and daily rental providers – evolve into mobility providers.

The fleet industry has never stood still and has continually adapted to changes in legislation and the way society operates. Just as drivers need to anticipate the road ahead to avoid a collision, fleet managers must be able to read the minds of legislators, anticipate marketplace changes and understand how internal business developments will impact on the transport and travel operations they manage influenced by smarter, 'greener' and the more efficient movement of people, as well as goods.

This white paper does not seek to provide answers, it is to stimulate debate. Venson Automotive Solutions believes incumbent fleet managers should seize the initiative in their organisations and develop appropriate mobility management strategies to address the demands of next generation fleet management.

Meanwhile, organisations that do not employ a fleet manager – or have significantly diluted the role – should employ a mobility manager.



Mobility management is not a new term. Indeed, in the fleet arena, the late Professor Peter Cooke, Emeritus Professor of Automotive Management at the University of Buckingham Business School and a long-time commentator on fleet and automotive industry issues, can perhaps lay claim to first applying the phrase in the late 1990s.

Managing Employee Mobility

While Professor Cooke may have been ahead of his time in expecting mobility management to be widely adopted 20 years ago, his insight was accurate as the concept is starting to become reality.

Ultimately, as some providers already point out, at the heart of corporate mobility solutions in the changing world in which we live and employers operate in is personal smart mobility.

Consequently, fleet decision-makers are increasingly being urged to focus on adopting business mobility or Mobility-as-a-Service (MaaS), which describes a shift away from personally owned and operated modes of transport, such as company cars, vehicle salary sacrifice schemes and private cars reimbursed for business use – the so-called 'grey fleet' – towards mobility solutions that are consumed as a service and obtained at an individual, personal level. As a result, the focus is on the overall cost of journeys and not simply the whole life cost of vehicles.

Global market research and consulting firm Frost & Sullivan said in its study, 'European Corporate Mobility Market, 2016', focussing on the future of the sector and whether or not fleet and travel management functions would converge:



Corporate mobility is a relatively new term that defines a wide range of mobility services adopted specifically to cater to the mobility requirements of companies.

“Transport solutions for companies have traditionally comprised private cars for employees along with a few spare company vehicles and have essentially been about the total cost of ownership.

“However, with growing financial viability concerns in an increasingly competitive market environment along with a pressing need to reduce carbon footprint, corporates are seeking a shift of focus towards the total cost of usage and mobility.

“Whilst so far, leasing companies have primarily catered to transport solutions for organisations, a wide range of service providers such as rental companies, travel management companies, IT platforms, and vehicle manufacturers are now offering new mobility services that shift the focus from ownership to usage to mobility.

“The key markets under corporate mobility are car-sharing, corporate car-sharing, car rental, ride-sharing, bike-sharing, ride hailing, public transport, and integrated mobility.

“Under the private ownership model, fuel cards and payments cards were the main tools to improve fleet efficiency. On the other hand, under the usage and mobility model, mobility cards, mobility budget, and smart mobility are the strategic tools in enabling a behavioural change amongst employees.

“Flexible mobility, business travel, new corporate partnerships for travel and hospitality, business leisure, smartphone-based services, internet aggregators, and real-time data analytics are expected to be the defining trends in the corporate mobility market.



The study suggested that the “important considerations that lead to the adoption of corporate mobility services” are: “Reducing the need for travel, consensus on private ownership of cars, adoption of ‘green’ vehicles, encouraging economical driving, and offering incentives.”

Yet, research by ACFO, the UK’s premier fleet decision-makers’ organisation, has suggested that most companies are in the dark on implementing a 21st century move to an all-encompassing business mobility solution for employees’ travel. Even though businesses can cut travel costs and potentially share some of the savings with employees to drive cultural change by focusing on the ‘total cost of mobility’ rather than a fleet-based ‘total of cost of vehicle ownership’ model.

The survey of businesses across SMEs, mid-sector and major corporates operating in urban and rural areas and ranging in size from firms with fewer than 10 employees to

more than 1,000 and operating fleets ranging in size from a handful of company cars to more than 1,000 revealed:

- **A high proportion (46%) of city centric companies would welcome a shift to a total cost of mobility principle for corporate travel.**
- **32% said they were “undecided” and, as such, could be looking for support or guidance on the future and how they could implement a business mobility management solution that examined total journey costs.**
- **More than two-thirds (68%) of companies responding admitted they had yet to consider switching from a fleet-focused total cost of vehicle ownership model to a broader total cost of mobility principle encompassing fleet, travel and expense management in a single function.**

As ACFO chairman John Pryor said: **“Business mobility or MaaS is being much talked about, but many corporates are not exactly sure what it means or how they can benefit and how it integrates with current fleet operations.”**

Nevertheless, what is emerging – albeit at an embryonic level – is a ‘door-to-door’ mobility cost model approach to travel. That is seeing the merger of corporate fleet and business travel departments enabling the manager to have a complete picture of all journey and related expense costs, including hotel bills and meal claims as well as expenditure relating to car parking, taxi fares, flights and rail tickets.

While there is an acknowledgement that job-need company cars will be “here to stay” and vans will also continue to be a business tool, there are opportunities for employers to deliver mobility to all employees, not simply to those who qualify for a company car by virtue of their job.

A rapid shift in the transport and travel demands of businesses is taking place influenced by employees, legislation and technology.

Forward-thinking fleet decision-makers have the ability to reinvent their job and become ever-more influential in the transport and travel operations of their employers. Boards of directors will eventually catch-up with the changing world, but those with fleet responsibility can seize the initiative and put the organisations they work for ahead of the curve.

Far from the role of the fleet manager being further confined to history, now is the time for its reinvention. Those employees with responsibility for fleet can ensure career longevity by providing solutions that meet the changing world of the business in which they work and the requirements of the people employed.

Historically, transport has been treated by employers with a silo mentality and it is either public or private. But there is now a move to a ‘total cost of mobility’ focus and the importance of understanding the full cost of travelling from A to B.

So the future role of the fleet manager – and a job title change is required – is managing employee mobility in all its forms.

THE challenges that fleet managers face

Cost management, corporate and personal taxation, carbon footprint reduction and work-related road safety are among the challenges that fleet chiefs must tackle.

'Job-need' cars and business-critical vans aside, the complexity of taxation – including 2017's introduction of Optional Remuneration Arrangements (OpRA) and the ever-rising cost of benefit-in-kind tax and related Class 1A National Insurance – and it is possible that the popularity of the 'perk' car may decline.

Led by Generation Y (see page 12) and today's teenagers the company car is perhaps not the 'must have' employee benefit that it was for the older generation.

In addition to the rising cost of company car-related taxation, businesses – under government pressure – are firmly focused on the 'green' agenda as well as work-related road safety.

Global warming, climate change and air quality concerns are all contributing to fleets 'going green', but the perceived cost attached to such a switch – wrongly in many cases – and the current minuscule take-up of plug-in vehicles could alternatively be viewed as a threat to the traditional company car.

Meanwhile, driving on business is invariably cited by the likes of the Royal Society for the Prevention of Accidents, a Venson partner company, as "the most dangerous work activity that most people do".

Furthermore, Department for Transport data reveals that road crashes in 2015, the most recent year for which statistics are available, cost the British economy an estimated £35.55 billion taking into account human costs, lost productivity, medical, ambulance and police costs, insurance and administration and property damage.

What's more, with around a third of road traffic collisions involving a person at work, the government-backed Driving for Better Business campaign, has calculated that based on a 10% return on sales, businesses would have to sell £60,000 worth of goods to cover the cost of a £3,000 crash.

Meanwhile, the emergence of new technology, the 'connected' car and in the longer-term the autonomous car and data protection – the General Data Protection Regulation (GDPR) will become law on May 25, 2018 – further adds to the complexity of fleet management.

The sharing and using of personal vehicle user data is a huge issue and businesses are being advised to update employment contracts, terms and conditions and codes of conduct to reflect the new world of 'big data', which will have a potentially significant impact across organisations, and particularly for fleet introduction of 'connected' cars.

Additionally, total business mileage is under scrutiny as employers look to reduce operating costs and limit their emissions and risk exposure, which also includes either better managing or utilising alternatives to allowing employees to drive their own cars on business, the so-called 'grey fleet'.

Meanwhile, the arrival of 'on-demand' vehicle travel – such as via car clubs – as well as the easy accessibility of daily rental and car-sharing is making the requirement for employees to be in possession of their own car – company-provided or private – less important.

What's more, the rise of the digital generation and their acknowledgement that to hire or rent – witness mobile phones – is 'OK' and vehicle ownership is undeniably changing.

As Professor Cooke wrote in a report, 'Fleet 2020: Business Car or Business Mobility', published almost a decade ago in reference to company car travel to meetings:

“ While, historically, the ethos may have been 'get in the car and go and talk' – just how sustainable will that policy be in the future? The real total cost of travel – executive time, vehicle fuel and carbon footprint, not to mention taxes, congestion charges, mileage charges and parking – may all, in reality, lead to prohibitively large costs for the potential benefit of the communication.

“On the other hand, what might be the real cost of failing to communicate to the prospect, client or supplier? It is more than an issue of risk management and, as the business moves forward, so an increasing number of sophisticated decisions will need to be taken with regard to business mobility and business communications.

“Corporate governance is a critical issue. The car and personal business mobility fit into the wider corporate policy and modus operandi, as well as the relationship of the business to the state, its employees and the external parties it interacts with.



As Professor Cooke remarked **“making time to analyse and discuss the development of the fleet” will be critical for fleet decision-makers and boards of directors and, he concluded: “Strategic thinking and quality planning will become ever-more important.”**

What’s more managers have to be very aware of the law of unintended consequences – change one aspect of fleet operation and it can necessitate changes elsewhere.

As Mr Pryor explains: **“Today’s fleet decision-makers have to be jugglers – the trick is to keep all the plates spinning in the same direction at the same time, while more plates are being added and that challenge will become ever more difficult.”**

With so much on the agenda of fleet managers, it begs the question, why have so many companies made the role redundant?

However, what is perhaps more apposite is how should a company decide whether it requires a dedicated fleet manager or, in 21st century Britain a mobility manager?

Historically it was traditional to set only company car/van fleet size levels to the employment of a fleet supervisor/fleet manager – typically perhaps 50-plus vehicle – but in today’s market the role should be linked to many other factors including:

- **The level of travel management that a business is engaged in**
- **The number of traditional fleet vehicles – cars and vans**
- **The volume of ‘grey fleet’ vehicles that are operated.**

By assessing the job requirement for that combined activity, rather than just focussing on the number of fleet vehicles, the justification for a fleet/travel manager – or mobility manager – would provide businesses with a more insightful view as to why such a dedicated role should be filled within a business.

The above topics have all been highlighted in a series of white papers published by Venson Automotive Solutions. They are available to download at: <http://www.venson.com/Media/WhitePapers>

The biggest issues facing fleet managers

- Year-on-year increases in company car benefit-in-kind tax through to 2020/21 and potentially beyond once the government announces rates for those years.
- Sign-posted changes to the taxation of diesel vehicles, which could be announced in the 2017 Autumn Budget on November 22.
- Potential government changes to the taxation of benefits-in-kind and employee vehicle mileage expenses.
- The impact on fleets and vehicle-related taxation of the introduction of the Worldwide harmonised Light vehicles Test Procedure, the new vehicle CO2 and MPG test procedure that will replace the long-established New European Driving Cycle (NEDC).
- Carbon footprint reduction/cutting vehicle emissions – Clean Air Zones set for introduction in towns and cities nationwide including London’s Ultra-Low Emission Zone scheduled to launch on April 8, 2019.
- The rise of plug-in and autonomous vehicles and how they fit into fleet operations.
- Congestion charging and the possible introduction of more urban road tolls and workplace parking charges.
- ‘Big data’ and all that it entails – the ‘connected’ car, the internet of things, cyber security concerns and the May 25, 2018 introduction of the General Data Protection Regulation (GDPR), which notably impacts on the sharing and using of personal vehicle user data.
- Work-related road safety compliance impacting on vehicle, driver and journey management.
- Managing employees’ remuneration and flexible benefit expectations benefits, particularly those of Generation Y.
- The impact of new lease accounting standards changes that are effective from January 1, 2019, which require most leased assets to be reported on company balance sheets.
- Brexit and the impact it could have on fleet operations notably in respect of potential new vehicle price increases and a rise in service, maintenance and repair costs if trade agreements with the European Union are not reached.

A man with a beard, wearing a dark suit and a maroon shirt, is driving a car. He is looking out the window to his left. The background is blurred, suggesting motion. The text is overlaid on the image.

CALCULATING *total*

Cost management, carbon footprint reduction, risk management, business efficiency and effectiveness and time management are all issues that impact on business travel.

journey cost

Travelling to a face-to-face meeting may or may not be vital, but it is important that employers have assessed alternative forms of business mobility and communication.

Historically, car travel has almost always been the preferred form of travel for 'meetings' with prospects, clients, suppliers, colleagues etc.

But, the car may not always be the optimum option in terms of cost, time, reducing risk exposure or carbon-cutting, for example.

Furthermore, Department for Transport data suggests that between April 2016 and March 2017 traffic volumes rose 1.7% – to a new record high of 324.3 billion miles – with a further 12% rise forecast to 2025.

Additionally, analysis from telematics provider In-car Cleverness has revealed that in 2017 average MPH achieved when driving within a one-mile and five-mile radius of major city centres had slowed to a crawl. For example, in London, the worst offender for commuters, average driving speeds five miles from the centre were just 8mph and within one mile of the centre they barely registered 5mph.

Meanwhile, a report by the Centre for Economics and Business Research called 'The Economic Effect of Road Investment' calculates that the cumulative cost of road congestion to the UK will be £307 billion by 2030 taking account of drivers' time, 'wasted' fuel due to idling and the impact of gridlock on businesses and households.

Given the corporate focus on cost management retaining the status quo and 'doing nothing' will inevitably mean business costs will rise with an associated carbon footprint increase, greater risk exposure and reduced company efficiency and effectiveness.

It is therefore vital in the 21st century age of mobility that businesses no longer focus on 'whole life vehicle costs' – also known as the 'total cost of ownership' – but analyse the 'total cost of mobility'.

That takes account of 'whole life vehicle costs', but additionally expenses including: hotel bills and meal claims as well as expenditure relating to car parking, road tolls, bus and taxi fares, flights and rail tickets.

In addition to pure financial cost – the pence per mile figure or the price of a rail or plane ticket – it is also important to

factor in the time a journey should take and the distance as well as the associated risks for both employer and employee – driving from London to Edinburgh potentially carries significantly greater risk than travelling by train or flying – and the environmental considerations.

However, while a fleet manager may focus on the 'risks' associated with driving, the mobility manager must factor in other 'risks'. For example, it may be business and travel efficient for a female employee to make a journey by train following a day in the office ahead of an early morning meeting the next day, but to reduce 'risks' a car should be booked in advance to take the employee to her overnight hotel.

Too often fleet managers do not have full sight of the cost of business travel. That's why the future of the fleet manager – embracing travel in its broadest sense – should expand so when analysing business mobility they know the total cost of a journey so the full cost of corporate travel can be identified.

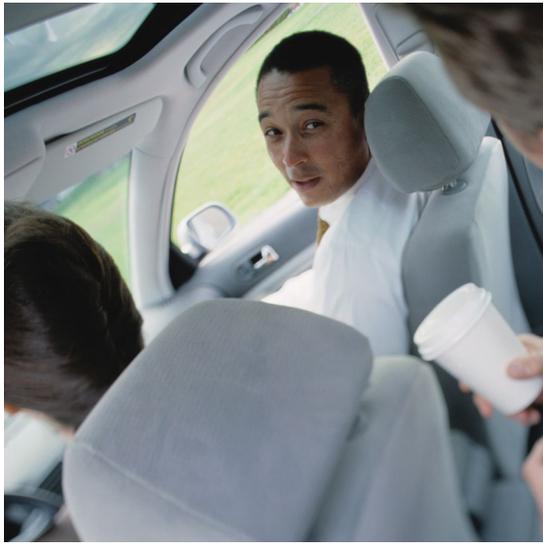
As 'The ACFO Guide to UK Journey Planning' highlighted: **"The opportunities for employers to implement a diverse, multi-faceted, sustainable mobility plan and display corporate social responsibility have never been greater."**

But, it is not only vital to implement a business mobility policy it was, said the Guide:

“Critical to fully communicate it to staff thereby addressing the relevant issues relating to cost, safety and environmental matters set against whether the need for a journey is essential or can the objective be achieved equally successfully using technology while always focused on ensuring optimum business efficiency.”

Simultaneously, employers must ensure that both they and their employees have all the information available to make a clear decision on whether to travel by car, train or plane; whether to use a company car, their own vehicle or a hire; for short journeys whether to walk, cycle or use public transport; or alternatively whether car share, taxi or one of the many technology options such as video or tele conferencing are viable.

Mobility as a Service



Mobility-as-a-Service (MaaS), as highlighted on page 4, describes a shift away from personally owned and operated modes of transport, such as company cars, vehicle salary sacrifice schemes and private cars reimbursed for business use, towards mobility solutions that are consumed as a service.

Effectively MaaS uses a digital interface to source and manage the supply of transport-related services, which meet the individual requirements of a person and each journey they are making.

Experts argue that hyper convenience for employees is the key requirement for true business mobility to be successful.

MaaS starts with a smart mobility search to assess the best mode of transport and total door-to-door cost for a particular journey embracing requirements such as car parking, tolls and overnight accommodation if necessary.

Options must be preference-based or driven by corporate policy with the single platform technology having the ability for employees to “find, book and pay” for their journey.

Simultaneously, the technology must be able to normalise multi-data sources. The platform must embrace business objectives and employees’ personal objectives and deliver the best mode of transport for each particular journey.

Furthermore, once a journey is booked and paid for real-time updates must be provided to employees related to influential factors such as traffic congestion, weather and rail delays.

What’s more, the new era of mobility managers means a more expansive role for yesterday’s fleet or travel managers as the benefits of MaaS can be offered to all company employees not just to company car drivers or business travellers.

Justin Whitston, chief executive of MaaS business journey platform provider Fleetondemand, a Venson partner company, has said: **“MaaS is about choice, flexibility and trust. Give all employees benefits and empowerment.**

“MaaS presents an exciting opportunity for companies to look at how their employees move.

Many employees don’t have a company car, but employers need to think about the benefits they give to all their staff. MaaS presents an opportunity to restructure choice.”

Fleetondemand through its Mobbileo platform, launched following two years of development and claimed to be the first MaaS technology platform dedicated to business, offers organisations the ability to assess any corporate journey, compare the available modes of transport and allow the user to find, book and pay for most suitable whether preference-based, travel-policy based or on a cost reduction basis.

(MaaS) explained

Meanwhile, the Transport Systems Catapult, the UK's technology and innovation centre for intelligent mobility overseen by the UK's innovation agency, Innovate UK, which is sponsored by the Department for Business, Energy and Industrial Strategy, says its research shows that travellers **"increasingly view transport as a service which they want to buy when they need it"**.

Steve Yianni, chief executive officer, Transport Systems Catapult (TSC), said in a report 'Mobility as a Service: Exploring the Opportunity for Mobility as a Service in the UK':



Dynamically updated and user-relevant information should be the norm, not an exception. This is evident in the way customers adopt services such as Uber.

"In the future, this trend will continue due to growth of urban populations and changing preferences of younger generations that care less about ownership and more about experiences.

"This trend will be especially evident when the car industry confronts an environment where customers prefer not to buy cars but instead require only occasional access to a vehicle and service – this represents a clear shift from an ownership model, to a service model.

"The availability of data, processing power and the ubiquitous use of mobile phones have enabled travellers and their needs to be better understood. There is a plethora of personalised apps designed to serve travellers – these apps deliver information in real-time to help avoid congestion and delays and enable the customer to choose a travel option according to the specific travel need.

"Tailored travel options can be made possible – whether it is the fastest route, low-cost route, most direct route, most environmentally-friendly or most accessible service for persons with reduced mobility, or those travelling with children. This is all enabled by technological advancement, combined with the rise of new business models such as MaaS.



TSC's October 2016 report, 'The Intelligent Mobility Skills Strategy', estimated that the worldwide market for smart new transport methods, collectively known as intelligent mobility, would reach £900 billion annually by 2025. It highlights the requirement for new skills and suggests intelligent mobility is "an exciting career path".

In a blog post in July 2017, TSC said: **"At the moment, the workforce employed in transport is ageing and lacks diversity. With increased awareness across all tiers of education, and a trained talent pool ready to jump on new career opportunities that could easily change.**

"The UK is already a leader in many of the skills required for intelligent mobility, such as data management and analysis, autonomous vehicles, cyber security, and smart ticketing. With the Brexit process already in motion, there is more reason than ever to invest money in a workforce equipped with skills needed by the jobs market of the future."

MaaS is not simply a concept, but real world. A report by business advisors Deloitte, 'The Rise of Mobility as a Service: Reshaping How Urbanites Get Around', highlighted that since 2016 residents in Finland's capital Helsinki have been able to use an app to plan and pay for all modes of public and private transportation within the city – be it by train, taxi, bus, car share, or bike share.

App users can enter a destination, select their preferred mode of getting there – or, in cases where no single mode covers the door-to-door journey, a combination thereof – and go. Users can either pre-pay for the service as part of a monthly mobility subscription, or pay as they go using a payment account linked to the service.

The goal is to make it so convenient for users to get around that they opt to give up their personal vehicles for city commuting, not because they're forced to, but because the alternative is more appealing.

As the report says: **"Streaming services like Netflix have fundamentally changed the way people search for, consume, and pay for media. Transportation now stands on a similar frontier. Helsinki's vision represents the next revolution in mobility: MaaS, which brings together end users, transport operators and data providers."**

The millennials/ Generation Y

*and their
business
mobility
requirements*



Historically the traditional company car was a highly prized status symbol within the business where a person worked, among their peers and in their neighbourhood.

While industry surveys continue to highlight company cars as a valuable employee recruitment and retention tool, the fact is that amongst millennials and the so-called Generation Y – those born in the 1980s and 1990s – company cars are less of an attraction.

As they climb the corporate ladder and assume management positions – and thus be in a position to influence business and corporate mobility – on-demand transport, car-pooling, car-sharing, smart parking etc – will increasingly become part of the landscape with which they associate themselves.

What's more such choice may become more important than a remuneration package that includes a company car. However, it is currently difficult to envisage 'job-need' cars and light commercial vehicles being confined to history so they will require managing.

Nevertheless, allied to Generation Y's familiarity with digital and electronic technology, business mobility is shifting from a way of exercising social status – the traditional hierarchical company car – to a method of streamlining efficiency.

Could it be that instead of employees having a 'car allowance' they will have a monthly 'mobility allowance' as part of their remuneration package. One suggestion is that such an allowance could be tailored towards utilising more sustainable travel – public transport or, for example, using video or teleconference facilities – with the employee retaining any remaining allowance at the end of each month.

Some say the emergence of Generation Y in the workforce and in positions of influence is triggering the fourth industrial revolution with its focus on digitalisation, while embracing sharing, corporate social responsibility, connectivity and autonomy.

So, employees are driving change but how it is delivered is a more complex question. Motor manufacturers are slowly becoming 'smart mobility' providers, while contract hire and leasing and daily rental providers are also seeking to diversify and enter that space and new providers in the sector are emerging.

Flexible working and employee efficiency is business-critical. That drives technology development with the aim of creating efficiencies outside the scope of human capability. Such platforms then drive the on-demand effect, the need for real-time questions and results to deliver maximum output. Finally, that pushes the data effect: the need for reliable and accurate information to make constant improvements.

In the world of fleet it means traditional fleet managers must morph into 'mobility managers' to drive efficiency.

However, it is critical to understand what the focal point is to truly understand what is going to change and why. It has and it will always be people because new technologies and processes are aimed solely at improving the human experience and their operating methods.

Ultimately, employees must be at the epicentre of corporate mobility and empowered to make choices, which could be encouraged by enabling them to share in the savings generated. For example:

- **If hiring a car costs £45, but a car share option cost £25 then £5 of the savings made could be paid to the employee**
- **If an overnight hotel stay costs £120, but an employee was prepared to stay with a friend then the company could pay the employee £25**
- **If booking a flight and one option costs £100 and another £80 then £10 of the saving could be paid to the employee.**

In the age of MaaS the 'must have' is human satisfaction. Without that, no amount of data, technology or planning is going to have a positive impact.

Meanwhile, as the age of the fully autonomous vehicle moves ever-closer effectively making the driver redundant, it could mean that the driving licence may also be confined to history.

The government says:



When automated vehicle technologies develop to the extent that vehicles which can undertake door to door journeys without the need of a driver at all, they could improve mobility for the elderly

and disabled and those without a driving licence enhancing their quality of life."

The law currently states that a driving licence is required to drive a car, but says the government: "It would seem reasonable to allow ownership or use of a fully automated vehicle without the need to hold a driving licence. If the vehicle was designed to allow the driver to elect to control the vehicle manually or to take over control of the vehicle in the event of failure of the automated systems, then it would be appropriate to require that the occupant should hold a full driving licence."



What's more government data also suggests that fewer young people are learning to drive. The Department for Transport's National Travel Survey published in September 2016 cited the high price of driving lessons and insurance premiums as the reasons, but it also indicates that the car may not have the same cache today as yesteryear.

Vehicle manufacturers & SMART MOBILITY

The motor industry is on the cusp of a revolution as great as that when Henry Ford first made the car accessible to the masses more than 100 years ago.



That's the view of Sarah-Jane Williams, who has joined global vehicle manufacturer Ford, the number one seller of fleet vehicles in the UK, as its first director of smart mobility in Europe.

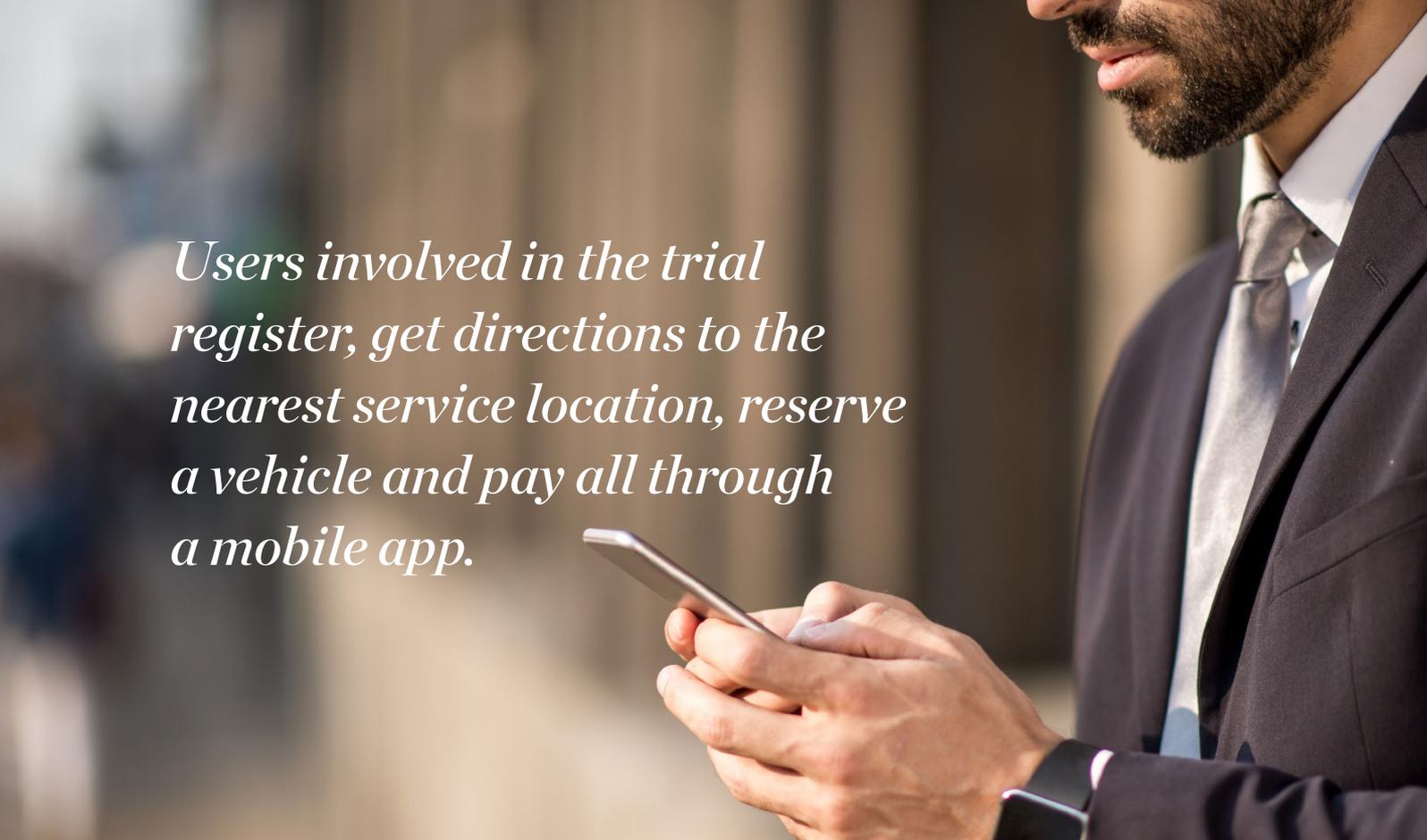
Ford's vision through its Smart Mobility subsidiary, which in addition to mobility embraces connectivity, autonomous vehicles, customer experience and data analytics, is to quickly become part of the growing transportation services market.

The vast majority of mainstream vehicle manufacturers already offer a wide range of connectivity – driver assistance and digital services – that enhance safety and comfort as well as being at the embryonic stage of offering 'big data' to fleet decision-makers to manage vehicle performance and driver behaviour.

But Ford has a vision shared by other traditional vehicle manufacturers of reinventing themselves as both automotive – investing in and designing, manufacturing, marketing, financing and servicing cars and commercial vehicles – and mobility companies.

Ironically for a vehicle manufacturer, BMW Group suggests that its move into smart mobility will actually lead to fewer cars on the roads with a resulting better quality of life, particularly in urban areas.

Based in the new Ford Smart Mobility Innovation Office in London, Ms Williams' role is to tackle urban transportation challenges and opportunities, and respond to the growth of the sharing economy by defining and implementing Ford of Europe's smart mobility strategy. That means accelerating the launch of mobility services across Europe through collaboration, especially with cities.



Users involved in the trial register, get directions to the nearest service location, reserve a vehicle and pay all through a mobile app.

Initiatives include a trial starting in late 2017 of a year-long 20-strong fleet of plug in hybrid electric Ford Transit delivery vans working with Transport for London and other fleet partners prior to the vehicle going into production in 2019, and in the future may include shared services like ride-sharing.

The trial will explore how hybrid electric vans can contribute to cleaner air targets and enhanced productivity in city use – the toughest working environment for vehicles. The van, which has a zero-emission range in excess of 31 miles, is in addition to Transport for London, being trialled by: Addison Lee, Autoglass, British Gas, BskyB, Clancy Plant, DPD, Heathrow Airport, Kier, Mears, Metropolitan Police, Morrison Utility Services and Speedy Services.

Ford Smart Mobility has in place more than 30 experiments around the world designed to anticipate what customers will want and need in tomorrow's "transportation ecosystem".

That vision is a world where vehicles will talk to one another, drivers and vehicles communicate with a city's infrastructure to relieve congestion, and people routinely share vehicles or multiple forms of transportation for their daily commute.

Ford anticipates that the experiments will lead to "an all-new model of transportation and mobility" before 2025.

The experiments address four global "megatrends" – explosive population growth, an expanding middle class, air quality and public health concerns, and changing customer attitudes and priorities – challenging today's transportation model and limiting personal mobility, especially in urban areas.

One experiment in London – 'City Driving on-Demand' – is Ford's take on car-sharing. There are many car-

sharing services in the UK based on the reservation model, but Ford's focus is on-demand use.

The initiative, utilising a fleet of Ford Focus electric and Ford Fiesta cars – envisages the day when vehicles will be located at hubs and on street corners for one-way or return trips across cities. Users involved in the trial register, get directions to the nearest service location, reserve a vehicle and pay all through a mobile app.

Ford says: **"The London service targets a better customer experience and improved operational efficiency compared to existing car-sharing models. Car-sharing through the use of zero and low-emissions vehicles can reduce congestion and pollution."**

The experiment takes 'Ford Car-sharing', which is being trialled in Germany and involves dealers in 55 cities, a significant step further.

Another experiment at Ford's global headquarters in Dearborn involves a vehicle exchange programme among managers who lease company vehicles.

In a clear nod to the company car market of the future, Ford acknowledges that an individual's chosen vehicle may not fit all requirements all of the time. Therefore 'Car Swap', as it is known, is an experiment using Ford-owned fleet vehicles.

Participating Ford employees use a mobile app that allows them to search for a vehicle that meets their needs, and negotiate terms of the swap. The experiment, according to Ford, will provide an in-depth understanding of how Ford can help make car swapping easier potentially among a closed group, such as employees at a single business.

Predictive demand and scheduling optimises the number of vehicles in circulation.

In a third initiative that targets commuters, Ford is investigating a shareable service of premium minibuses offering point-to-point pick-up and drop-off on-demand. The goal of the 'Dynamic Social Shuttle' experiment is to better understand the social dynamics and routing requirements of shared transportation.

Commuters enter a starting location and a destination into a smartphone app, a minibus accommodating up to 10 passenger picks-up arrives and drops them off at convenient locations, taking the most suitable route for people on board. Predictive demand and scheduling optimises the number of vehicles in circulation.

BMW ConnectedDrive, available in the UK, already effectively links a driver's vehicle with their smartphone offering a wide range of intelligent services and apps that provide individuals with information and entertainment during their journey.

But BMW ConnectedDrive is also geared towards the mobility needs of tomorrow's users and alongside the manufacturer's i brand – launched to promote urban mobility with and without vehicles – will offer access to "innovative services and solutions" to improve urban mobility.

BMW says: **"These intelligent, integrated services are not only seamlessly integrated into everyday life, but also create synergies between themselves – from car-sharing to locating and using public charging stations to finding parking spaces."**

For example, BMW and MINI already offer BMW Group's 'DriveNow' car sharing service in London with 300 cars available in partnership with rental giant Sixt.



Further initiatives include 'ParkNow' – available across the UK and with any make of vehicle due to BMW's investment in parking service provider Parkmobile – and 'ChargeNow', which is accessible in the UK through electric vehicle charging specialist Chargemaster.

BMW Group set up a Centre of Urban Mobility Competence in 2015 saying that it supported a "paradigm shift to cities based around people rather than cars".

Already with a significant presence in the electric car market – the BMW i3 and i8 are available in the UK and the former is on the 'DriveNow' fleet in London – electric car sharing is seen as "an important pillar of the BMW Group's efforts to help create a sustainable model for urban mobility, reduce traffic volumes and improve the quality of life in cities".

Dr Bernhard Blättel, head of mobility services at BMW Group, said:

“A significant change has taken place within the BMW Group. In line with our strategic goals, we are setting out to establish ourselves as the leading supplier of premium products and premium services for personal mobility worldwide. We are witnessing the changes our customers and society as a whole are making and we are taking them on board. Our aim is to work towards developing a higher quality of life in cities with ample space for urban living.”

Experts at the Urban Mobility Competence Centre are working with cities and the associated stakeholders to develop and implement new concepts for future urban mobility.

Surprisingly for a motor manufacturer, BMW argues that: **“One way to improve urban living is to reduce the number of cars in use and in the process free-up large areas of parking, which is why BMW is so focused on car-sharing initiatives.”**

For example, in Germany new legislation enables cities to offer parking privileges for car sharers over private car users in the public interest. The same applies to Germany's electric mobility legislation, which, among other things, gives cities the option of designating parking areas exclusively for electric vehicles.

BMW says: **“The substantial pressure on parking in central areas of cities around the world gives rise to considerable traffic caused by people looking for parking spaces – and with it unnecessary emissions. For drivers, this is often the most unpleasant part of a journey. 'ParkNow' serves as an integrated platform on which to manage parking using both public areas and private spaces.”**

PSA Group, which operates the Citroen, DS and Peugeot brands and most recently Opel/Vauxhall, has united its mobility and smart services offering under a new brand, Free2Move with the aim of becoming “the preferred worldwide mobility service provider by 2030”.

The development of Free2Move, in response to what the Group called “the major shifts taking place in society and the emergence of new collaborative ways of using transport”, is aimed at developing “sustainable, smart, safe and shared mobility solutions for everyone”.

Free2Move unites all of the PSA Group’s new mobility solutions with the aim of satisfying the full spectrum of both consumers and businesses’ transport needs:

- **Free2Move Car Sharing – car sharing services run by the Group**
- **Free2Move Smart Services – connected services to make life easier and save time**
- **Free2Move Fleet Sharing and Free2Move Fleet Management – corporate fleet services**
- **Free2Move Lease – financial solutions to make vehicles more affordable.**

The brand also incorporates the leasing and car sharing services run by Peugeot, Citroën and DS – and potentially Opel/Vauxhall – as well as those provided by the PSA Group’s partners.

Via Free2Move for fleets, PSA Group says:

- **Fleets can choose leased cars alongside a range of packaged services**
- **Reduce total cost of ownership and better schedule maintenance operations**
- **Streamline car usage by employees**
- **Combine several Free2Move services.**

The fleet initiative will see more than 50,000 business-operated vehicles connected to leading European fleet management companies via PSA Connect Fleet Management; vehicle optimisation via the car sharing system; and partnerships via providers Orange Business Services, TomTom Telematics and Masternaut.

PSA Connect Fleet Management is a platform that delivers a multi-brand solution either fitted to new vehicles or retrospectively giving access to a raft of model and driver data and location.

Since launch Free2Move has been accessed via a mobility app, but it will move to a smart mobility platform that offers vehicle sharing but is also engaging urban planners, corporates and municipalities.

Meanwhile, late in 2016 in London the Volkswagen Group launched MOIA, its new Berlin-headquartered company for mobility services committed to individual solutions such as ride-hailing via app and car-pooling.

The objective is holistic transport solutions that make individual transport and public transport more effective, thus avoiding unnecessary journeys and optimising use of the existing road infrastructure.



Matthias Müller, CEO of the Volkswagen Group, Europe's largest vehicle manufacturer, said:



MOIA will help us gain a deeper understanding of new forms of mobility and how to make them even more attractive in future, to offer a much broader scope than at

present and to tailor these services to suit very wide-ranging needs. Even though not everyone will still own a car in future, MOIA can help make everyone a customer of our company in some way or another.



The Group, which numbers 12 vehicle brands including Audi, Porsche, SEAT, Skoda and Volkswagen, says that alongside the traditional automobile business, innovative, digitally networked mobility services promise a high growth dynamic.

MOIA, a stand-alone company under the Volkswagen Group umbrella, will develop and market its own mobility services either independently or in partnership with cities and existing transport systems. In parallel, the Group brands will continue to move forward with their own services.

In the medium term, the brand says it has its sights set on “becoming one of the global top players for mobility services” and “one of the three largest providers of efficient, comfortable mobility services worldwide by 2025”.

Thomas Sedran, head of group strategy at Volkswagen AG, said: **“As customers’ needs change, so does the automobile business model. In the world’s major urban areas, there is an ever-stronger trend away from owning a vehicle towards shared mobility as well as mobility on demand.”**

Initial developments by MOIA are focused on a ride-hailing app – the Group already has a stake in Gett, one of the world’s leading ride-hailing providers offering on-demand transport, delivery and logistics in more than 100 cities worldwide including in the UK – and a ride-pooling business. The company’s goal is to set up its own on-demand pooling services via app – also known as connected commuting. The objective is holistic transport solutions that make individual transport and public transport more effective, thus avoiding unnecessary journeys and optimising use of the existing road infrastructure.

Ride-pooling will see the service booked via a smartphone app with people entering their location and destination. The specially developed MOIA shuttle then picks up passengers who are travelling in a similar direction. An algorithm will combine trip requests, plan the route, and calculate the duration of the trip and arrival times for each individual passenger. By combining individual journeys, roads are used more efficiently, which reduces emissions, noise, and traffic. Testing of the service began in Hannover in October 2017 using an initial fleet of 20 Multivan T6s.

After successfully completing the field test in Hanover, the goal will be to launch the service in Hamburg with 200 electric shuttle vehicles in 2018 – and extend the fleet in 2019. Once the service has successfully launched, MOIA intends to expand to other cities.

Ole Harms, MOIA chief executive officer, said:

“By closing the gap between public transportation and taxis, ride-pooling will offer an attractive new mobility alternative to owning a car.”

Volkswagen Group’s ultimate aim is to offer mobility on demand and vehicle on demand services across all brands in its portfolio.

The vehicle leasing & rental

Contract hire and leasing companies and daily rental operators will, over the coming years, increasingly seek to diversify from their long-established core business of long or short-term vehicle supply.

For example, Europcar, a Venson daily rental partner company, says it has ambitions to become “a global mobility solutions leader” with digital technology at the heart of customer experience.

In response to the ever-growing place of smartphones in the customer journey, Europcar is rolling out solutions that can meet every mobility need, from rental to car-sharing, on a daily basis or occasionally.

For instance, it is possible to book a traditional or electric vehicle, access a car-sharing solution with Ubeeqo, a Europcar Group subsidiary, or to rent a Scooter with Scooty, a Belgian start-up that gives access to electric scooters and is a partner of Europcar in Belgium.

Through Ubeeqo, which operates in the UK, customers can use its app to access car rental, a minicab or car club depending on individual journey requirements.

The company says: **“This innovative mobility platform allows users to both book and pay for solutions like car-sharing, car rental and taxi/chauffeur service. This platform also attracts business customers, thanks to its centralised billing, as they are looking for solutions that limit the volume of expense accounts.”**

Ubeeqo claims to be the leader in the European car-sharing market and to save employers both time and money. It points to:

- **A 60% reduction in ground transportation expenses for customers due to savings in taxi spend, ‘grey fleet’ mileage – employees using their own cars on business trips – and short-term rental hire**
- **A fleet reduction of 30% by ‘mutualising’ the use of available vehicles to maximise efficiency.**

Additionally, in a bid to meet the needs of all employees, Ubeeqo has launched Mobility Credit. Focused on vehicle usage and not ownership, it is promoting the initiative for employees “whose needs are not satisfied by the company car”.

In a nod to MaaS, the company says: **“Employees all have different preferences when it comes to the way they travel. Whether it’s by train, bus, taxi or car, the company car is not always the best solution for everyone. Employees need flexibility.”**

Mobility Credit is seen as an additional employee benefit with staff having a ‘mobility credit’ enabling them to access via the Ubeeqo app a service to meet individual journey requirements with their employer invoiced monthly.

Mobility Credit has to-date only been launched in France. Currently there are no plans to launch it in the UK. In the UK, tax rules mean that mobility credit is currently fully taxed as income whereas in France mobility credit is taxed at a much lower rate giving benefits to both companies and their employees.

Amid political pressures and a host of other issues, including growing urbanisation, climate change, traffic congestion and changing behaviours and values, vehicle leasing and rental suppliers are likely to further develop their corporate mobility solutions.

Historically focusing on vehicle supply and traditional fleet management, new business solutions will take account of the changing world in which employers and employees operate with the over-arching aim of delivering greater flexibility, changing traditional habits and saving time and money through new mobility solutions.



industry

Gary Smith, managing director of Europcar Group UK, said:



Vehicle rental has always been about providing convenience – and that hasn't really changed.

“What is changing is the reasons why people want to rent vehicles. It used to be the case that leisure car hire was mainly for the holiday or the trip away, etc. But for the private motorist cost of car ownership is now a big issue – especially for urban dwellers. And vehicle rental provides an incredibly effective alternative, making it something that has become much more integral in day-to-day living.

“Europcar did a study a couple of years ago which found that more than half of motorists used their car for less than six hours a week; and one in five said they spent more than 20% of their monthly income to run their car. When you consider that they could be making an upfront investment of thousands of pounds – as well as the cost of insurance, servicing and maintenance – it doesn't really make sense for really infrequent car users to be owners.

“To service that sort of demand, the vehicle rental sector has had to change. In the 21st century, 24/7 ‘always-on’ culture, the focus is on providing an immensely convenient and cost-effective alternative to car ownership.

“Locations that are convenient for customers to access or, even better, the car is brought to them; and choice in terms of what can be hired and for how long – starting at



just an hour. Hence the evolution of car use by the hour and car share alongside more traditional rental by the day, week or longer.

“The UK vehicle rental industry is quick to adapt to changing customer needs and it has a track record of adopting emerging

technologies to deliver the best possible customer service. It is also a sector that can deliver the best possible driving experience by accessing the latest motoring technology.

“Looking to the future, the businesses that will succeed in the sector will be those that adapt their proposition to the wider mobility needs of the customer – whether business or leisure.

“By offering customers genuine choice to opt for the mobility solution that works for each journey – encompassing everything from daily rental to car use by the hour, taxi hire and even chauffeur drive; and connecting that to public transport networks, such as the way Europcar works with the UK railway network to make it easy for customers to pick up a car as they come off a train, in the same way they do for journeys by air.



Expert VIEWS

The leaders of the three fleet organisations – ACFO (Association of Car Fleet Operators), the Fleet Industry Advisory Group (FIAG) and ICFM (Institute of Car Fleet Management) – explain how they see the role and career of the fleet manager evolving.



John Pryor

CHAIRMAN, ACFO

There is an unprecedented level of change impacting on fleet decision-makers and that presents those employees – whether holding a full-time or part-time vehicle management responsibility – with exciting opportunities.

While there will be no “big bang”, change will need to be managed and that presents career enhancing opportunities.

There has always been a distinction between the “job-need” and “perk” company car and while I believe the former will remain, the latter will be impacted by changes.

Those changes are many and varied, but notably include:

- **The rise of mobility as a service (MaaS) and the move to a total cost of mobility concept and with it the importance of understanding the full cost of employees travelling from A to B – not just the vehicle cost.**
- **The move to MaaS is further underpinned by the rise of Generation Y – those born in the 1980s and 1990s – in the working world and assuming management positions influencing business and corporate mobility. For these people the traditional hierarchical company car does not necessarily have the same cache to employees as yesteryear.**

Depending on the shape and size of a company’s fleet – and whether organisations operate light and/or heavy commercial vehicles as well as company cars – we may see:

- **The traditional fleet/transport manager taking control of all commercial vehicles and “job-need” cars perhaps where there are no “perk cars”, or only a handful.**
- **A mobility manager taking responsibility for managing employees that need to travel around the country whether by car or another mode of transport. That could, depending on the size of the fleet, also include managing “perk cars” and/or “job-need” cars.**

Either way there are exciting opportunities for fleet decision-makers to take advantage of the changing climate and open up new career options.

Vehicles will still need to be managed and employees and goods will need to move around the country. Where the person responsible for managing both sits in a business – in the boardroom or outside it – will depend on the size of the company in terms of both people and fleet.

Historically, many fleet decision-makers have learned the job as they have gone along, but today training courses are available thanks to the ICFM.

Many people have “inherited” fleet management responsibility – either on a full or part-time basis – or in large organisations with significant numbers of vehicles succession planning should be part and parcel of the future.

However, we continue to see the rise of outsourcing and, in many cases, fleet management has, to an extent, morphed into contract management. As a result, performance management, benchmarking and the continuing challenging of suppliers is vital and those responsible should be trained in those areas to ensure the best fleet solutions are delivered for the business at the best value.

Operating a vehicle fleet and mobilising employees costs businesses significant sums of money – in many cases the second largest area of expenditure after people – and while there are no hard and fast rules a company would not appoint an unqualified lawyer or accountant.

Therefore, the fleet/transport or mobility manager should be “qualified” and their position within the company hierarchy should be commensurate with their responsibilities.

- **ACFO is the largest UK body representing the interests of businesses which operate cars and vans as part of their normal commercial activities. For further information go to www.acfo.org.**



Geoffrey Bray

CHAIRMAN, FLEET INDUSTRY ADVISORY GROUP

The traditional fleet manager is now rare and with their passing many companies have lost the knowledge and skills necessary to deliver a cost effective transport operation.

As a result there is a real need to reintroduce into the fleet management process individuals with a clear understanding and the necessary skill and knowledge to deliver professional fleet management.

The goal for every professional fleet manager should be to implement a sustainable performance programme in all areas of managing the driver, vehicle and journey.

Across many organisations fleet is a non-core activity and, today, is too often a wholly outsourced function or the management of vehicles, drivers and journeys is treated with little more than lip-service and hived off into another department: typically HR, finance or procurement where there is at best little fleet management experience.

Yet the financial cost – as well as the compliance risk – associated with managing vehicles, drivers and journeys is astronomical.

Boards of directors need to recognise that and instead of undervaluing fleet managers, to reflect on the critical role they can play in the business.

Too many companies have made the job of the fleet manager redundant and with that they have lost valuable knowledge and skills not simply in the day-to-day challenge of managing vehicle fleets, but also understanding and handling the impact on their employer's company cars and vans of changes in legislation and taxation.

Add in to the mix the nuances of balancing corporate social responsibility matters such as environmental considerations and work-related road risk along with procurement and HR issues and the role of the fleet manager is a complex, multi-faceted one.

A good professional fleet manager does not need to be an expert in all areas, but they do need to be intuitive and have access to people – inside and outside the organisation – who they can rely on for knowledge and advice to solve issues.

In organisations with a large fleet there may well be a fleet/transport director managing a team of people and taking responsibility for the assets, HR demands and health and safety requirements. In smaller organisations the job title may not be so grand, but the role may be similar.

Either way there must be a director with fleet responsibility. Fleet is a function that is too important for any business given the significant investment in assets and the associated risks to be run 'off the cuff' or from a back office.

The Fleet Industry Advisory Group (FIAG) utilising the wealth of knowledge and experience of the founders who collectively have around 200 years' experience in running vehicle operations – as well as other fleet decision-makers as they join – provides fleet advice, consultancy and support through the mentoring of newcomers to the role of fleet manager and less experienced employees with car, van and HGV responsibility.

It is important that today's fleet managers pass on their knowledge and experience to tomorrow's fleet managers. There is no defined fleet manager career path but it is a responsible job and one that requires protection and board of director recognition.

- **The Fleet Industry Advisory Group (FIAG) was launched by a team of highly experienced professional fleet managers to develop and share best practice among their peers. For further information go to www.fiag.co.uk.**



Peter Eldridge

DIRECTOR, ICFM

To survive and flourish in today's fleet management arena, it is vital that all participants can demonstrate a high standard of accredited skill and knowledge involving the core subjects of vehicle acquisition, administration, legal compliance and finance.

The days of assuming the role of fleet manager based on a backdrop of simply 'being interested' in motor vehicles is no longer either relevant or acceptable.

Like all other industries, the fleet management sector has changed considerably in recent times and the rate of change is becoming ever-more rapid.

What is now required of a modern day fleet manager is less understanding of the workings of a motor vehicle but more a demonstrable capacity for promoting a strategic and cost-controlled environment that embraces the core elements highlighted above.

But that in itself is only part of the picture. To be successful, today's fleet managers need to go the extra mile in terms of promoting environmental awareness and operational compliance and this of course means managing travel in all its guises – planes, trains and automobiles. Fleet leaders must increasingly become mobility providers.

Dovetailed with these evolving fleet management credentials is the fast developing technological sector, which includes connected vehicles and autonomous vehicles and that adds another skill set dynamic into the mix. That's because it entails an even-more focussed approach when dealing with the so-called 'big data' revolution and associated data protection – the principles of transparency, accountability and consent.

In summary, the days of the 'interested amateur' are long gone. The only way forward is for fleet managers – and those employees with the desire to fulfil that job function – to achieve a credible and knowledgeable standard in the wide-ranging mix of skills and knowledge that are essential for future success in the fleet management sector.

Irrespective of whether employees have some fleet management experience, are newcomers to the role in a full-time or part-time capacity or have a career background in HR, finance or procurement, ICFM training courses provide them with a clearly signposted development programme that is recognised across the profession.

Meanwhile, the complexity of the fleet management 'cake' now requires that stakeholders from HR, finance, procurement and fleet (as a bare minimum) all take a share in managing what is arguably the next largest company asset after payroll.

As a result, the on/off relationships that have previously existed between board level and operational fleet management level in some businesses is not acceptable going forward.

The implications that sit alongside this, both in terms of potential cost exposure and risk, must therefore be acknowledged and managed carefully and the only way to achieve that is by including the fleet operation as a regular item on a board's agenda.

Proactive board representation, either via a nominated board member or an invited fleet stakeholder, is therefore essential if the business is to achieve high success in this important area.

ICFM is the only organisation dedicated to advancing the profession of car and light commercial fleet management through a range of externally endorsed qualifications. For further information go to www.icfm.com.

The job of the fleet manager has historically been male-dominated. However, as the profession changes and morphs into mobility management could it provide career opportunities for more women?

A number of women over the years have made their mark as fleet managers with high-profile roles and have won industry awards.

Furthermore, Caroline Sandall is deputy chairman of ACFO and Debbie Floyd is a director of the organisation. They give their views here.

Women

FLEET

Caroline Sandall became a director of ESE Consulting in mid-2017 having been fleet manager at Barclays Bank. She was elected deputy chairman of ACFO for a fifth year in 2017/18 and has served on the board since 2012.



How long have you been a fleet manager?

I've been working in fleet management since 1994, and whilst I've had additional duties in all my roles, fleet management has been core to each.

How did your fleet manager career start?

I started as a temp working at Orange UK, which was a mobile phone network operator and a former internet service provider subsequently purchased by France Télécom. The temporary role was just ahead of the company's 1993 UK launch. I was then offered a permanent role and still hadn't decided at that time whether to go back to college to do a Master's degree. I decided to take the job so I could start to pay off my student debts whilst I finally made up my mind. The rest, as they say, is history! It was such a fun and exciting place to work and there was so much going on with the fleet that I stayed.

Given the changing role of the fleet manager is it a career path that you believe more women will pursue and why?

As the role has diversified tremendously in the past few years I think more women are attracted to the variety and opportunities. It requires a broad skill set and therefore women with their career roots in other areas of business could take up a fleet management role. For example, those from a broad HR background or procurement have found interest in fleet – managing policy and operations, managing suppliers and developing strategies.

With regards to training – formal or on the job – what skills does the future fleet manager need to have/or training do they need to undergo to gain those skills so they can fulfil the requirements of the role?

There are many fleet managers who have grown into the role and developed skills as they progressed. However it is not possible to gain all the knowledge required purely by 'doing the job'; that needs to be complemented with training which does not always have to be fleet specific. Fleet managers must have strong knowledge and awareness of core components of the role – contract and supplier management and regulatory, especially critical areas such as data protection/privacy for example- and training in those areas can often be accessed via employers. Any opportunity to gain fleet specific-training is always worth exploring, courses via ICFM for example will cover off all key areas across finance and policy design etc. and formal training will always be a key strength to help anyone advance their careers.

Where will the future fleet manager sit/report in the business and is there a need for boardroom representation?

I don't think that fleet 'should' sit anywhere in particular as it depends on the structure and needs of each organisation. In my experience it is often down to the strength of leadership and quality of the individual that enables fleet to 'gain presence' on key committee agendas, whether fleet sits within HR or finance or procurement. For many businesses, fleet is a large spend and exposure to risk – work-related driving and data capture – so should be recognised as such through senior leadership/board. But that is usually not down to just the fleet manager; it is down to the 'leaders' who sit at the top of whichever business unit fleet sits within. It is the responsibility of the fleet manager to ensure that their own 'leaders and influencers' are kept informed and updated on the fleet and issues arising from any changes and garner their support in any initiatives for change.

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AND MOBILITY MANAGERS

Debbie Floyd, is in charge of the fleet at Bauer Media, owner of trade publication Fleet News, and currently holds the title of group fleet and risk manager. She was first elected to the ACFO board in 2014 and is its finance director.



How long have you been a fleet manager?

I joined publishers EMAP, forerunner to Bauer Media, 19 years ago with a role combining managing petty cash and fleet administration based in Peterborough. Fleet took about four hours a day of my time then. Over the years, as the fleet expanded to about 1,000 units, managing vehicles took more of my time. Today the fleet numbers about 450 company cars.

How did your fleet manager career start?

I had a career background in banking, credit control and vehicle repossession. Initially, I was fulfilling a part-time administration role but the fleet grew and I took on more vehicle-related responsibility, while other functions such as group insurance also became part of my responsibility.

Given the changing role of the fleet manager is it a career path that you believe more women will pursue and why?

An employee does not have to be a man or be technically minded to fulfil the job of a fleet manager. While it does help to know spark plugs from a dip stick it is not essential! With fleet managers covering such a broad remit in today's business world, the appeal of the job could be greater to more women as roles move into the 'total mobility sector' and those fulfilling such jobs become accountable for business travel overall. I predict there will be more change in the next five years than in the last 15 years, all of which will contribute to the future of the company vehicle/business travel so it is an interesting time to join the industry.

With regards to training – formal or on the job – what skills does the future fleet manager need to have/or training do they need to undergo to gain those skills so they can fulfil the requirements of the role?

I have learned – and continue to learn – the fleet manager's job as the function at my employer has developed. Common sense is a must and potentially having a thick skin as the fleet manager is not always a fellow employee's favourite person! The ability to manage suppliers and control costs is imperative and also the desire to innovate and embrace change at a fast pace, always so as to improve current operations and make a difference. I enjoy significant 'freedom' in my role and that has enabled me to develop the role as I see fit – particularly strategically. Not all employers are so 'hands-off', and a move into also managing corporate travel is also possible. However, such developments depend on the structure of individual businesses. What is clear is that managing suppliers and health and safety, for example, require distinct skill sets and so much knowledge is required that it may be difficult to meet the required remit without specific qualifications.

Where will the future fleet manager sit/report in the business and is there a need for boardroom representation?

The future fleet manager/travel manager/mobility manager should be a senior role and, in my opinion, there is a need for boardroom representation in particular when considering the duty of care liability we have to those driving at work. The exact reporting line and hierarchy position will depend on the nature of the business – whether a 'job-need' or 'perk' car fleet, does the role include managing vans, 'grey fleet' drivers and travel provision generally as well as the volume of miles driven annually and the number of employees driving/travelling. Whatever, a company's individual situation senior management responsibility must be taken seriously.

Fleet managers:

There is no structured career path to becoming a fleet manager with those employees fulfilling the role arriving in post from a variety of career backgrounds.

Ryan Coles was the commercial fleet manager at Wolseley UK until recently when a restructure saw him switch to operations manager – distribution within the company’s supply chain team. As commercial fleet manager he was responsible for managing approximately 400 light commercial vehicles, which are fleet managed by Venson, as well as 400 HGVs and 1,000 forklift trucks. Wolseley UK is the leading distributor of plumbing and building materials and products, serving professionals in the construction industry through a number of trading brands.



How did you enter the fleet management profession?

In 1994 as an 18-year-old I joined Burdens UK, the leading supplier of civil engineering and building materials to the infrastructure, environmental and industrial markets. I worked in IT and reported to the HR director. I subsequently worked my way up the ladder and was appointed group health and safety officer before also adding management of the company's 150-strong 26-tonne HGV fleet to my job role in 2009. I did not have an awareness of fleet, but completed Certificate of Professional Competence training and particularly focused on supplier management. The Burdens business was acquired by Wolseley in 2012. Following a transitional period, in August 2013 I became Wolseley commercial fleet manager with responsibility for all vans, HGVs and forklifts across all Wolseley UK brands. In August 2017 I switched to a regional role working with the South West and Wales branch network in the company's plumbing and heating division, which also involves a fleet focus, notably in ensuring we have the right vehicles, for the right job and they are located in the right place.

How long have you been in the role and how has the job changed over those years?

I've had a fleet management role for eight years and during that time the single biggest change has been the growth and availability of vehicle and driver-related data online with the emergence of first vehicle tracking technology and subsequently telematics. In 2009 there was no visibility of information relating to vehicle performance and driver behaviour. Today the availability of data is amazing, but it is both a blessing and a curse. The challenge is to manipulate the information from in-vehicle technology – and numerous suppliers – into one place and then drill down into it to identify where current and future 'hot spots' are to drive fleet operating efficiencies, reduce vehicle downtime by improved maintenance management and ensure optimum compliance in terms of both vehicles and drivers. Just eight years ago, fleet management was very reactive but today the availability of online data means I can be pro-active and that drives fleet operating efficiencies and improves overall business effectiveness for Wolseley UK.

How do you see the role changing in the future given the unprecedented changes taking place in the fleet management industry?

Technology and 'big data' will continue to drive fleet management change whether relating to commercial vehicles or cars. The data explosion will continue at a rapid rate over the coming years and it will be down to individual fleet managers to determine how much of that information they use to drive operating efficiencies according to business need. Meanwhile, vehicle technology will continue to develop – Mercedes-Benz, for example, already has an electric truck in production (the Canter product). We will see fleet take-up of electric vehicles increase as operating capability improves, particularly in terms of commercial vehicles battery range and load-carrying capability. Autonomous vehicles and HGV fleet platooning will develop and the raft of safety technology and predictive servicing and fault software that we already have in cars and HGVs will migrate to vans. HGVs are already very well regulated and that regulation will, I believe, be extended to include light commercial vehicles. The number of vans on the UK's roads is rising year-on-year and government data suggests increasing compliance issues with overweight vans, vehicles failing MoTs etc. Many of the UK's major van fleets, including Wolseley, either have already or are now moving to ensure that the compliance requirements associated with HGVs are equally applied to light commercial vehicles. That pro-active approach from major fleets will eventually be taken up in the SME community and road safety will improve as a result. As mentioned earlier, I learned fleet management 'on the job', but have actively networked with my peers, suppliers and have been involved with organisations such as FORS (Fleet Operator Recognition Scheme) and the Freight Transport Association (FTA) and its Van Excellence initiative. It is vital to interact with all these people and organisations because they all have knowledge and information that can benefit me, the vehicles I manage and ultimately Wolseley UK. I think that it is particularly important that people responsible for small fleets or working in SMEs with a degree of fleet responsibility also become involved in these organisations. Everyone can benefit and there are, and always will be, new ideas and initiatives that can be adapted to meet the requirements of your own fleet.



Conclusion

In an ever-changing world the role of the fleet manager, which has been part of British life since the ‘creation’ of the company car in the 1970s and has its roots in truck transport management, will inevitably evolve.



Some people anticipate that there will be more change in the next five years than in the past 15 or 20 years, as a rapid shift in the transport and travel demands of businesses take place influenced by employees, legislation and technology.

That shift towards mobility solutions – also known as intelligent mobility – further develops and expands the role of the fleet manager. What’s more, organisations that have axed the job should, perhaps, look at promoting it – in the guise of a mobility manager – as a career that delivers corporate as well employee benefits and not just to those members of staff that have historically qualified for a company car by virtue of their job.

The role of the mobility manager – embracing both fleet and travel management and potentially opening out the benefits of ‘mobility’ to all employees – is one that all organisations should look at afresh.

Motor manufacturers as well as traditional fleet industry suppliers – contract hire and leasing companies and vehicle rental providers – are moving into the mobility space as are many other organisations, including those specialising in digitalisation.

Those organisations that fail to adapt and meet the requirements demanded by business, customers and employees in a world of smart mobility may find themselves on the road to corporate failure.

Meanwhile, those that embrace the exciting future of intelligent mobility overseen by a mobility manager can expect to be in the fast lane to business success and meeting employee satisfaction. Today’s fleet decision-makers – tomorrow’s mobility managers – are critical to those goals being achieved.

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