



By Corinne Watson

# WHAT SHALL I DO TODAY? THE ANSWER IS IN YOUR EXCEPTION REPORTS

It's your business. You set it up to do a good job for your customers and to make some money for yourself.

When your company got bigger, you tried to make sure that every person you took on worked to the same standards that you set for yourself. Now that the operation has grown to the size it is today, you have a person responsible for looking after each of these standards on a day to day basis whilst you look after the big issues.

Do you ever worry that your standards aren't being met as often as they should be?

Now that you have a GPS Fleet management system installed, you can easily check on compliance with your standards. And you should for your own peace of mind. If that isn't enough reason, with the Operator Rating System just around the corner, you can show that you have a performance monitoring process in place and that you support your staff to achieve those targets.

## MANAGING TRANSPORT COSTS

80% of your transport costs are represented by;

- cost of vehicle ownership
- fuel
- road user charges
- driver costs

So it stands to reason that you are interested in the reports which your system can provide about;

## SPEEDING

How often your vehicles are being driven over the limit affects not only your fuel spend but also customer perception of your fleet.

## RUC MONITORING

Are you buying licenses appropriate to the work of each vehicle?

Why tie up funds purchasing a year in advance when a week or month can easily be managed.

Why waste admin time managing RUCs daily when you can efficiently monitor it over a longer period?

Are all vehicles currently displaying valid RUCs? There is no point paying fines on top of the cost of the RUCs

When were your vehicles off road? Reclaim what you can in order to reduce your overall spend

## LOG BOOKS

Do your drivers' log books reflect the time their vehicle was in use? Are they picking up yard work which your depot staff could/should have done, and extending their day or reducing the time they have available for driving?

## DISPATCHED JOBS

Is all of the work the fleet has done being charged for? Whether it is a job-rate or a km or hourly based rate, check your vehicles' work against your revenue capture.

## EXCEPTION REPORTS

Over the last few years, you've tried to give each of your staff responsibility for managing each of these areas, with varying degrees of success. Ultimately, it is your standards and your reputation at stake when they are not met. Although you don't have time to go back and do all the work yourself, exception reports let you know when your operation needs you to intervene. So you can now concentrate on the bits that need you and leave the working bits alone – a much more effective way of prioritising your time.

You can ask questions such as;

Why have we paid the drivers for 20% more hours than the hours that their vehicles were driven for?

Why has the number of speeding events gone up?

Why is revenue going down, when the number of driver hours and kilometres driven is going up?

It's not all about numbers, but the numbers tell a story. And it is numbers that you find at the bottom of the financial reports that the accountant will be giving you in the next month or two. Start now to make the next numbers you see look better.

## LTNZ; 'REDUCING THE COST OF COMPLIANCE'


You may perceive LTNZ as a tyrant, but if your company is meeting your standards, LTNZ and their RUC and ORS monitoring could be your ally in exposing your competitors whose standards or ethics are lower than yours and who are undercutting your rates and unsettling your customers.

It is easy to mock a government department for talking about 'reducing the cost of compliance' but whatever they achieve in this direction can only serve to slow down future cost increases imposed by this agency.

As more information is available electronically, it becomes easier to audit. For you and for LTNZ. Exception reports become an audit tool. If you are using your exception reports on a regular basis to drive your business, you won't need to spend as much time preparing for an audit or digging out records for the auditor.

If you are familiar with what your reports are telling you, you can use them to show LTNZ how you are controlling your business and achieving your standards.

They then need to decide whether your standards are equal to theirs or not. They do not need to determine whether you are managing your business, or letting it run itself, or try to piece together what has been happening.

It's your fleet information. You've invested in it. Now is the time to use it to decide where your business needs your time most. 

Photograph by Ian Rountree

