

## GUIDANCE

# How Telematics Improves Your Field Service Fleet Operation

Service and delivery fleets need to implement telematics in a way that optimizes their operations and meets their specific needs.



**Telematics offerings have evolved in recent years far beyond the early days of the “dots on a map” approach to managing fleet vehicles. And because of the numerous features now available, you can customize your technology to better meet your needs.**

Once implemented by a business, telematics systems provide tremendous cost savings benefits to a business with more efficient routing (more accurate ETAs), less time theft by employees, more efficient fuel use (less idling), and higher productivity.

It's always important to remember that there's no “one size fits all” telematics solution, because each business has different needs and objectives depending on its location, purpose, and size. That's why it's important to continuously evaluate telematics service providers.

Companies that fall into the category of field service, which is sometimes known as workforce management, have special requirements for their GPS tracking technology. These service providers – lawn care and landscaping, plumbing, electrical, HVAC, tree services, pest control and light construction among others – send technicians to job sites.

## FACT

The pandemic created historic job losses — narrowing the margin of error for businesses. Hiring another driver, purchasing more vehicles, or expanding back-office operations may be delayed indefinitely. To this end, field service businesses are looking to automate vehicle management and improve driver performance. The resulting increased efficiencies allow for lower operating costs and greater margins.

They use telematics technology to achieve operational cost savings through:

- Increased productivity
- Optimized routing
- Reduced time theft and waste
- Monitored vehicle location and health
- Normalized preventive maintenance schedules
- Less risky driving behavior
- Integrated data with back-office solutions

Implementing telematics requires some planning and goal-setting that usually starts with asking, "What problem are we trying to solve?" Once you clarify the goal, it becomes easier to know when you've achieved a "win" and increased the return on the investment.

## Optimizing Productivity

Many field service businesses, especially during the Covid-19 pandemic, operate streamlined, efficiency-driven operations that often require their owners, fleet managers, and technicians to "do more with less."

**Fleet customers who used GPS Trackit reported a more than 40% increase in productivity.**

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Examples of telematics-enabled productivity improvements and impact:

- Telematics tools help dispatchers **optimize the routes** technicians take.
- Having real-time awareness about vehicles allows dispatchers to **change a technician's schedule and route on the fly** if customer calls are canceled or need to be consolidated. This cuts down on **"windshield time"** – the unproductive time spent driving between jobs.
- GPS tracking also provides accurate arrival times and verification at the job site, which can **improve billing** that's based on time. Plumbers, for instance, often increase their rate based on how much time they've spent at a job site.
- The technology helps **reduce time theft**, when drivers park by the road to make personal calls or run personal errands while on the clock.
- When a business owner accurately knows the amount time a technician spent at each job site, it **improves payroll**, which reduces waste and fraud.

Telematics systems can also help businesses with reputation management on Yelp, Google and other review sites in an indirect way. By using routing tools to improve arrival times, customers have a better experience and seem more likely to post a positive review.

## Proactive Preventive Maintenance

Vehicles need to be regularly maintained or they will bring rising maintenance costs later in their lifespan. Fleet management associations such as NAFA recommend that vehicles be replaced about every three years to optimize utilization and residual value



Properly inflated tires, regular oil drains, and changes of filters and spark plugs can **improve your fuel economy** by 4% to 10%.

at auction. Telematics systems provide the data that helps those who are managing company vehicles ensure regular maintenance with limited downtime.

A typical customer who implements GPS Trackit's solution would see a 34% improvement in timely fleet maintenance and average vehicle lifespan.

Telematics help with:

- Scheduled maintenance based on miles or time
- Remote diagnostics of fault codes
- Maintenance alerts for repairs (to avoid catastrophe)

Resource-constrained field service businesses usually don't have the luxury to take a vehicle out of service after three years, and often run vehicles for much longer than fleet managers at large corporations. As a result, the business may experience more unscheduled repairs from vehicles that are no longer covered by manufacturer warranties.

This practice makes regular maintenance even more crucial, so the business can prevent a more serious problem that results in downtime and lost driver productivity. Vehicles that remain in the shop aren't earning revenue for the business. With fewer available vehicles, technicians may need to use personal vehicles, which don't follow the company's maintenance schedule. This may also trigger a new expense, when employees ask for reimbursement for mileage traveled. Vehicle "lifecycling" has been a long-debated topic in fleet management, but most experts agree that keeping vehicles longer is risky.

About 35% of an asset's total lifecycle cost occurs in the last 15% of its life, according to Automotive Fleet. Many mid-size fleets with constraints on new-vehicle purchasing are replacing vehicles around the 80,000-mile mark, according to the publication.

## Coaching Drivers to Lower Risk

When risky driver behavior results in a collision or worse, field service fleets often experience a catastrophic event. If a technician causes an at-fault, fatal accident, it could result in loss of the business. These organizations need to focus on safety to protect their businesses. The owners of field service businesses place their trust in drivers. They often find themselves involved in a technician's personal life that could range from an ornery spouse or substance abuse situation to a financial burden that is impacting the driver's performance or well-being.

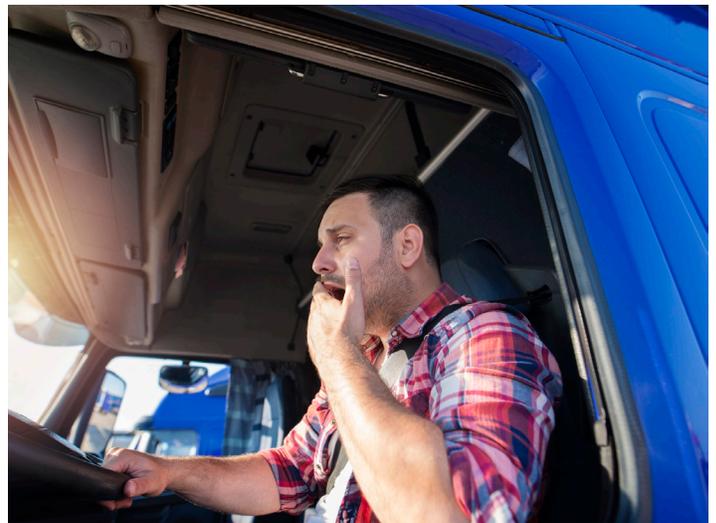
These companies often rely on configurable driver scorecards and behavior trend reports as well as driver-facing mobile apps provided by telematics service providers to help monitor drivers and improve safety. Driver scoring helps bring greater awareness across the organization about safer driving.

Oftentimes, the drivers with the riskiest behaviors aren't fully aware of the risk they're posing to the organization.

Companies that want even better results from their driver management program should work more closely with their telematics providers to assess the risk levels within their driver pool. Telematics companies can help fleets categorize drivers into low-, medium-, or high-risk categories based on driver scoring. The telematics company should be able to explain how they rate drivers and provide some form of driver scorecards.

The more evolved telematics companies also provide gamification features in their driver apps that engage drivers with features that motivate them to improve their own habits.

Once drivers have been categorized into risk baskets, fleet managers can focus on the highest-risk drivers that have the ability to most negatively impact the business. Time spent coaching these drivers on a daily or weekly basis will usually bring positive improvement over time. A carrot- rather than stick-based approach usually works best, but a high-risk driver that fails to improve should be taken off the road.



Unsafe or improper  
driving behavior  
raises risk and  
increases waste



## Back Office Data Integration

Allowing telematics data to flow through an organization carries many benefits and increases productivity. Smaller to mid-size service providers often don't have a dedicated fleet manager, so the owner or another manager in the organization takes on these duties. As a result, fleet management is often viewed as just another workflow that needs to be integrated with operations. This means the company will rely on its telematics service provider to help integrate vehicle and asset data with other software solutions already in use that could include computer-aided dispatch (CAD), customer relationship management (CRM) or, in the case of utility and government users, mapping software (such as Esri or ArcGIS).

In larger organizations with a dedicated fleet, logistics or operations manager, integrations or connections to back office systems are often seen as an up-front requirement.

Either way, this can be accomplished one of two ways – through the provider's partnerships or via API (application programming interfaces) integrations.

Telematics companies partner with other fleet service providers to share data about fuel use, maintenance, and logistics among other things.

- A partnership with ServiceTitan, for example, allows a field service operation to send its vehicle operational data to that company's dispatch and logistics software, allowing the field service company to view GPS location alongside service, dispatch, and work order information.

- Telematics companies also partner with fuel card and data providers such as Wex and FleetCor. These partnerships allow the fleet manager to view telematics data on the fuel dashboard.
- A maintenance partner, such as Fleetio, enables engine hours, odometer data, and fault codes to be viewed in the maintenance software's dashboard. Telematics service providers can also supply APIs that allow the vehicle data to be viewed on a dashboard with other back-office workflows.

The TSP's cloud software essentially performs a "handshake" with the business software on the receiving end, enabling visibility for the vehicle data. Although this approach is available, it's often more widely used in government agencies who prefer to host data on their own servers or larger, commercial fleets with more IT support infrastructure.

## Conclusion

Telematics systems have followed Moore's Law in recent years – they've added exponential capabilities and features, while becoming more accessible for businesses of all sizes.

Technology that was once only available to large corporations now presents tremendous opportunities for field service businesses to improve productivity and lower risk. All at a time when they need it most. As the pandemic continues to hold the economy's recovery in a tight grip, field service businesses can leverage their limited assets so they bring the highest return and remove obstacles along the path toward growth.