



Building
the fleet
dream team



Together,
we are
Sourcewell

As a fleet professional, you have a lot of demands: leading your teams, maintaining equipment, and managing a large budget. You don't have time for selling your needs to procurement and leadership teams. Should you make time? Should you intentionally build a knowledge bridge from your fleet team to the procurement staff? This guide is designed to help you build that bridge to improve communication and increase success.

Many times, goals are different. Not better or worse, just different. You are standardizing, monitoring equipment lifecycles, and checking availability of parts and services. Folks from different areas of the organization are more concerned about budgets and proper process. By understanding different perspectives, you are not just building a bridge – you are reducing the knowledge gap and the size of the bridge needed to work together.

Know your procurement team's priorities

At times, you might view the procurement team as the “no” department; however, understanding their goals and priorities could help turn a no into a yes. Your procurement staff members face many pressures from leadership and the community. They are often pulled in many directions and are making purchases for many groups across the organization at the same time. Procurement professionals value three top priorities:

<p>PRIORITY #1</p>  <p>Compliance</p> <p>Procurement professionals must conduct a competitive process that meets local and federal requirements.</p>	<p>PRIORITY #2</p>  <p>Fiscal responsibility</p> <p>Procurement professionals must validate an awarded contract is price competitive.</p>	<p>PRIORITY #3</p>  <p>Deadlines</p> <p>Procurement professionals must deliver client solutions and meet year-end budgets.</p>
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As fleet professionals, you should explain your department needs in a way that aligns with procurement purchasing requirements. Meet with your procurement team to share individual and organizational goals and continue building relationships. In the end, you will gain more trust and understanding from each other.

Create a culture of communication

Don't keep them guessing. Tell your procurement team members what they need to know. Share information about your fleet to create greater understanding. Some shareable resources for effective learning, include:

- Fleet-related webinars and journals
- Fleet-related organizations (e.g., Public Fleet Advisors, NAFA)

Use data as a great tool to explain your needs in a digestible way to help procurement staff understand bottom-dollar impact. For example, showing total cost of ownership versus purchase price can explain the importance of standardization and the dollars saved over time. A less expensive machine is always more appealing

to a purchasing team; however, as a fleet expert, seize the opportunity to explain the cheaper option over time might actually cost more up front.

According to Lloyd Brierley, city manager for City of Lethbridge, Alberta, and former fleet professional for Toronto, it's important to not only accurately capture the data, but also share an accurate interpretation of it.

“The issue is that fleet organizations sometimes fail in being able to quantitatively support their specific choice of decisions through meaningful data. Providing procurement departments with quantifiable data may allow them to have more flexibility in their budget,” says Brierley.



Utilize tools to help you communicate

Data

Harness data to communicate with your procurement teams. Use reliable fleet management software to capture the valuable information needed for smart fleet decisions.

Consulting firm

Unless you're a fleet expert, you should hire one. Scott Rust of Sioux Falls, South Dakota, and Darrel Reynolds of Prince William County, Virginia, share major success in hiring an outside consulting firm to evaluate their fleets. Rust says, "You don't know your problems unless you have someone else help identify them."

Experts can examine strengths and weaknesses across facilities, provide KPI recommendations, and perform a cost analysis of all equipment. Additionally, consultants can bring fleet and procurement teams together to build effective collaboration.

Rust says the city of Sioux Falls has reduced fleet expenditures significantly by implementing the consultants' recommendations and building relationships with all city departments. The investment the city of Sioux Falls made in a fleet consultant has been highly impactful.

Cooperative purchasing

Fleet and procurement teams can often find common ground with cooperative contracts. Sam Lamerato from Public Fleet Advisors says, "Using a cooperative allows for the best of both worlds. Cooperatives allow fleet managers to purchase from their first-choice supplier at a great price while remaining compliant, which also satisfies procurement's needs."

Experienced fleet managers are leaving big shoes to fill as many reach retirement age. Their replacements struggle without the years of experience needed to master the craft. Without this experience, unseasoned fleet people don't write successful RFPs – forcing them to award less-than-desirable contracts. If an organization is unable to attract specific suppliers, they discover standardization is nearly impossible.

By using cooperative contracts, fleet professionals can alleviate some of these issues. The RFP has been written; a competitive solicitation process has been performed; and high-quality suppliers have been awarded. Fleet leaders can acquire the products they need without the stress of managing the entire solicitation process. "Using a cooperative is forward thinking," Brierley says.

You don't know your problems unless you have someone else help identify them.

– Scott Rust, Sioux Falls Purchasing Manager

Make fleet priorities organization priorities

Fleet leaders juggle many priorities at once. For a successful shop, most of them concentrate on the three main categories below. When they can better understand and explain these priorities, fleet and procurement teams can work together to prioritize for organizational success.

Standardization

Uncover major cost savings over time by standardizing your fleet. With standardization, you'll reduce the cost of repairs, decrease the parts inventory, and improve safety. Mechanics can learn every aspect of a fleet comprised of the same make of vehicles, and they fix faster and cheaper in their own shop.

“Time is money in the shop,” Rust says. A mechanic can reduce their repair time significantly when fleet equipment is standard.

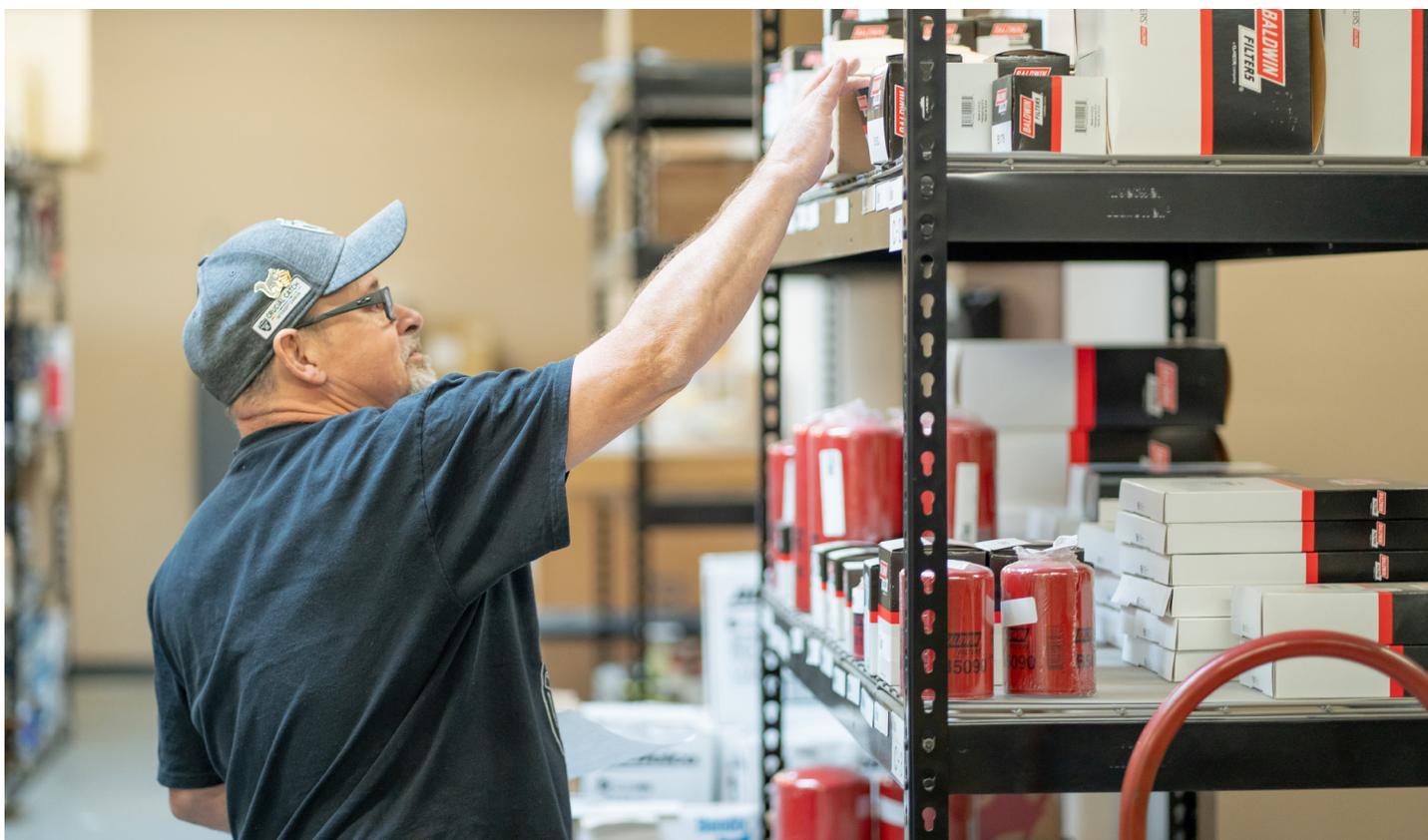
The initial price for standardization is large; however, fleet managers witness increased efficiency and reduced costs over time.

Vehicle life cycle

Fleet managers need to factor a vehicle's life cycle when planning a budget. If they run a vehicle past its recommended life span, repair expenses increase as the vehicle quickly depreciates. By estimating the life cycle of the piece of equipment, a fleet manager can sell the machine when it still has maximum value and avoid the costliest repairs.

Supply chain and service availability

With tight deadlines for vehicle maintenance, fleet staff members want to manage inventory appropriately for supply chain timelines and service availability. To keep machines moving, they need the right parts at the right time. If mechanics are waiting for vehicle parts, the downtime can trigger additional costs for rent and project delays.



Case studies

Learning from industry leaders.



Toronto, Ontario

Lloyd Brierley, former fleet professional for Toronto and current city manager at the city of Lethbridge, Alberta, says the time and energy it took for his fleet team to improve communication with their procurement department is a valuable investment.

“Prior to having a relationship with procurement, it took six to eight months to complete purchases. We spent time increasing our communication and clarifying our needs to improve the relationship between our teams. Over time, trust has increased, and we have a much better understanding of one other,” says Brierley.

“Today, most of our purchases are made utilizing a cooperative, which takes half the time of performing our own competitive solicitation process. We have built a partnership, educated each other on our fields of expertise, and utilized data to show the return on investment.”



Sioux Falls, South Dakota

Scott Rust, purchasing manager for Sioux Falls, South Dakota, asks his procurement team to immerse themselves with the departments they support. They strive to learn about their fleet operations from those who work with the equipment every day.

Rust once received a quote for a track replacement on a dozer and was surprised by the cost until he learned the amount of labor needed for replacement. By leaning on his fleet team to learn the equipment, Rust could justify the expense and sign off on the replacement.

“By learning how our fleet equipment works from those who use it, we better understand everyday functions, needs, and priorities,” says Rust.

Take the next steps

Are you a fleet manager interested in learning how to purchase your preferred vehicle or machine through a Sourcewell cooperative contract? Here is a checklist of items you can share with your procurement team to get started:

- **Competitive process:** Sourcewell conducts a competitive solicitation process to award four-year contracts to the most responsive and responsible responding suppliers.
- **Register:** Participation is free and requires online registration. After registering, you will receive a Sourcewell account ID number electronically.
- **Browse contracts:** Conveniently search for awarded suppliers at sourcewell-mn.gov/contract-search to obtain RFP documentation and pricing.
- **Make a purchase:** Work directly with your supplier contact to obtain quotes and loop in your procurement team to ensure they have everything they need before completing the purchase. Be sure to include your Sourcewell account ID number and the Sourcewell contract number on your purchase order to document use of a cooperative contract.

More fleet resources at your fingertips:



sourcewell.co/fleet

Help when you need it.

Sourcewell is government empowering government since 1978 — partnering with education and government leaders to impact student and community success. Sourcewell staff measure their achievements by the success of the people they serve — you.

We value our relationship with you and are committed to understanding your needs and providing comprehensive solutions to make you successful today and long into the future.

Contact us today:

877-585-9706

service@sourcewell-mn.gov

Purchasing agencies must complete due diligence and ensure compliance with all relevant laws and funding requirements.

