



The Future of Fleet Management

How can fleet managers prepare for the road ahead?



Public fleets are aging, with vehicles in need of replacement and repairs. Supply chain challenges have made getting parts harder and maintenance more costly. That's on top of increased pressure for public agencies to meet electrification deadlines and sustainability goals.

How are public fleet managers tackling these demands and strengthening their fleets for the future?

To help answer these questions, Sourcewell surveyed government fleet management, transportation, and procurement professionals about their primary obstacles, top priorities, and how they are leveraging cooperative purchasing and other solutions to strengthen their long-term fleet investments.

Our Future of Fleet Management survey offers insight into next steps for supplying and modernizing fleet operations.

INSIGHT 1

To repair or replace? Both present challenges

Three in four public fleet managers (**74%**) rank vehicle uptime and reliability as one of their top three measures of success in managing their fleets. More than half (**53%**) say the same about cost savings. However, nearly all fleet managers (**97%**) are running into challenges in achieving those goals. In fact, when we asked fleet managers about their top maintenance challenges, aging vehicles, rising maintenance costs, and budget constraints all tied for the top spot.

Top challenges in maintaining fleets

Aging vehicles	
Rising maintenance costs	
Budget constraints	3 WAY TIE 47%
Parts availability and supply chain issues	35%
EV adoption and integration	33%
Telematics data management	32%
Driver shortage	26%
Regulatory compliance	23%

Many fleet managers are counting on vehicles to last longer — and the longer vehicles are on the road, the more costly maintenance and repairs become.



45% of fleet managers only replace vehicles every 6 years or more.

32% of fleet managers do not leverage preventative maintenance as an important part of their strategy.



The good news is that most fleet managers say leveraging preventative maintenance (**68%**) and telematics (**61%**) is an important or central part of their fleet maintenance strategies. By using real-time data to track vehicle health and performing regular, scheduled maintenance, fleet managers can prevent more severe, costly breakdowns and keep vehicles on the road longer.

However, that still leaves around one-third who can better apply these tactics to enhance maintenance and reduce costs.

INSIGHT 2

The EV transition encounters bumps in the road

With looming electrification deadlines and federal dollars tied to sustainability metrics, fleet managers have made investing in EVs a top priority.



66% of fleet managers are actively planning to invest in EVs within the next year, while most others are researching EVs to some extent.







More than half (**52%**) of fleet managers say EVs are an important or central part of their agencies' fleet management strategies. However, despite increased focus on EVs, many fleet managers find themselves running into common roadblocks and in need of additional support to make their modernization goals a reality.



96% of fleet managers are running into challenges with EV adoption.

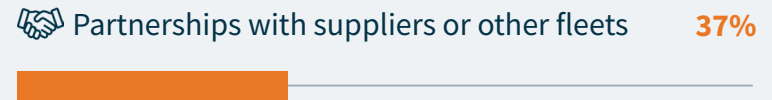
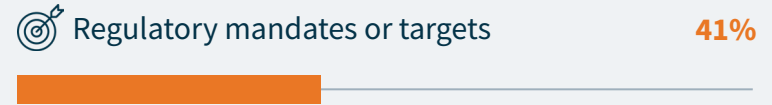
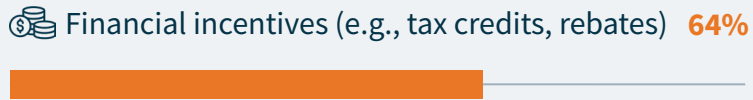
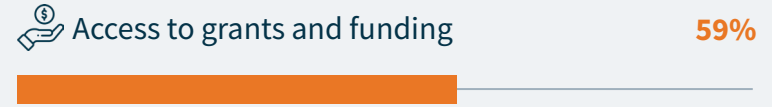
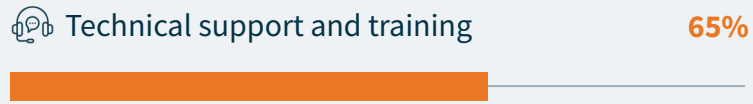
For the majority of fleet managers (**56%**), the high costs of buying EVs are a top issue. Many also have concerns about the lack of charging infrastructure (**50%**) and EVs' range on the road (**41%**).

Challenges with EV adoption

 High initial cost of EVs	56%
 Lack of charging infrastructure	50%
 Range anxiety	41%
 Limited vehicle availability	41%
 Training for staff and drivers	35%
 Resistance to change	28%
 Maintenance and repair issues	23%

Three in four public fleet managers (**74%**) rank vehicle uptime and reliability as one of their top three measures of success in managing their fleets. More than half (**53%**) say the same about cost savings. However, nearly all fleet managers (**97%**) are running into challenges in achieving those goals. In fact, when we asked fleet managers about their top maintenance challenges, aging vehicles, rising maintenance costs, and budget constraints all tied for the top spot.

What resources would help the transition to EVs?



INSIGHT 3

Cooperative purchasing is fueling fleet modernization

Cooperative purchasing enables fleet managers to pool their buying power with other public agencies by accessing contracts to buy the parts and vehicles they need. This provides access to better pricing, more favorable contract terms, and a wider selection of goods and services.

Whether they're looking to accelerate the transition to EVs, extend vehicle lifespan, or invest in telematics, preventative maintenance, and other technologies, more fleet managers are recognizing the advantages of cooperative purchasing and increasingly turning to these contracts for their fleet upgrades.

Our findings underscore key benefits of cooperative purchasing for fleet managers:



90% of fleet managers are considering using a cooperative contract for their next fleet purchase.



Streamlined procurement

It's challenging for any agency to navigate the complexities of fleet management and public purchasing. Cooperative purchasing helps streamline and simplify this process. In fact, **56%** of fleet managers cite a simplified procurement process as one of their top reasons for using a cooperative contract.

What's more, **48%** say cooperative purchasing helps with compliance, ensuring their procurement practices are in line with regulatory requirements.



Greater choices for vehicles, parts, and services

High costs are often the biggest barrier holding fleet managers back from investing in EVs or even just maintaining their current fleets. With cooperative purchasing, fleet managers gain access to pre-established contracts to purchase vehicles, parts, and services — offering more choices and greater efficiency in the purchasing process.

75% of fleet managers cited cost savings as a top reason for using cooperative contracts, while **69%** also highlighted quality assurance.

Fleet solutions, ready when you are

Power your fleet with competitively solicited contracts from top suppliers for vehicles, parts, telematics, tires, fuel, fleet management and more, all in one place. With the flexibility to choose what fits your fleet strategy, you get the right solutions – when and where you need them.

Learn more about Sourcewell's fleet suppliers and contracts [here](#).



Methodology

In September and October 2024, Sourcewell surveyed 102 public fleet management, transportation, and procurement professionals in city, county, and state governments about their top needs and challenges in optimizing their fleet operations. All respondents worked in municipalities and counties with at least 100,000 residents.

