

Research shines light on worrying state of SA fleet management

With the release of benchmarking research, conducted by fleet consulting firm Mobilitas in collaboration with Standard Bank Fleet Management, into how well local fleets are managed, the map of the largely uncharted world of fleet management in South Africa becomes a little clearer.



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The research paints a worrying picture of the state of fleet management in South Africa. More than a third did not have a fleet management policy, let alone one that is fully implemented and reviewed regularly. On the other hand, the research provides, perhaps for the first time, a clear yardstick with which fleets can measure their management standards against their South African peers.

A lack of preparedness

One of the most striking facts to emerge from the research is just how real the dangers are of the present levels of South African fleet management. The research was conducted in a relatively small but broadly representative sample of 61 fleets, totalling just over 21,000 vehicles. Yet, among them, they reported no fewer than seven deaths over the preceding twelve months, twelve serious injuries and 469 accidents.

Against this background, the lack of preparedness in South African fleets that emerges from the research is remarkable. Half of the fleets surveyed were not aware of the international standard for road traffic safety management and more than two-thirds have never conducted road safety awareness training for their drivers.

The nature of fleet management

The research report provides fascinating insights into the nature of fleet managers in South Africa, hinting at possible underlying causes of much of the problems of the local industry.

The research strongly suggests that fleet management in South Africa is mostly a part-time activity. Only 3% of the respondents had fleet management as their only focus. Three-quarters of them devoted less than half of their time to fleet management duties. Most of these part-time fleet managers have as their main duties accounting, human resources management and office administration functions. When asked what their main preoccupations were when it came to their fleet management duties, most respondents said keeping down costs, and preventing fraud.

In contrast to this narrow focus, the report argues that internationally “there has been a shift away from purely managing vehicle operating cost, towards a more holistic approach to managing vehicle fleets in a sustainable way”. The social, environmental and economic impact, not only productivity and profitability, has become the international norm for measuring excellence in business, and no less so for the fleet activities of companies.

Excellence in fleet management

For this reason, Mobilitas has developed a multi-faceted yardstick to measure fleet management excellence that shines a light onto every dark corner of fleet management, exposing mostly dusty, outdated fleet policy documents or no policy at all.

Excellence in fleet management, the researchers propose, has at least four pillars: managing the risks facing the fleet, managing the people who operate the fleet, managing the impact of the fleet on the environment and managing the administrative systems of the fleet.

The researchers have developed a scoring system measuring all of these factors, enabling them to rate the overall excellence of a fleet's management, or to benchmark the average level of fleet management in a specific industry or country. The scale they use ranges from Innocent (for those fleets that score less than 10%), Aware (up to 30%), Developmental (up to 50%), Competent (up to 60%), Effective (up to 80%), and Excellent (up to 100%).

South African fleet in development

While they have found rare examples of local fleets that operate in the Excellent range, the researchers say the average South African fleet operates squarely in the Developmental range, no matter what specific facet of fleet management is measured. The South African industry average score for vehicle management and driver management stands at 35% and comes in only marginally higher for environmental and road traffic safety management at 38% each.

In order to arrive at a score, the model measures aspects such as the awareness of the fleet manager of international standards, the existence of policies in the company based on such standards, how often the policies are updated and communicated and the rigour with which the policies are implemented.

The "grey fleet"

The Fleet Excellence model expands the usual parameters of fleet management further by introducing the concept of “grey fleet”, those vehicles that do not belong to the company but to its staff who use them for business purposes.

According to the research, some 38% of the participating fleets have a grey component. Predictably, given the novelty of the idea that these vehicles actually have to be managed, the scores for grey fleet management came in low. Only 43% of the companies with grey fleets kept a driving licence and vehicle register, only 35% had their grey vehicles insured for

business purposes, and a paltry 17% inspected their grey vehicles.

“It is clear that South African fleet management has a long way to go before it can be described as mature, and getting there is no simple undertaking, but at least now we have a tool to measure our progress,” says Dr David Molapo, head of Fleet Management at Standard Bank.

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