A Future of Mobility eBook

Preparing for Change

How Vehicle Management is Moving Towards Journey Planning

leaseplan.co.uk

LeasePlan
What's next?

Introduction

Nothing stands still in an ever-expanding world of transport management.

That's self-evident.

But there are big, landscape-shifting, job-reshaping changes on the horizon if you procure, manage or run a vehicle fleet.

(Game-changing, in fact – except, of course, this is no game.)

We're looking at many aspects of mobility – from broad, global shifts to specific new developments – to get a picture of how the coming changes will affect the way the people in your organisation want to work, meet and travel.

What's becoming clear is that mobility is going to be more about the end than the means. That is, the journey rather than the method of transport.

Your job will be to get people where they need to be as quickly, efficiently, safely, productively and cost-effectively as possible.

Sometimes that will involve a fleet car as it does today. But it's unlikely to always be the case...

Caution: Major Works Ahead

Nine changes to the mobility environment

Expanded, skilled-up fleet or mobility management teams face a much more complex environment, with greater challenges and rewards than ever before.

It's not going to be easy. And we mean that in a good way.

These challenges are broad in scope and the organisations capable of assembling the skills to master all the aspects will be charging ahead.

Actually, the best word to describe this new role is 'exciting'.

Let's take a look at some of the jobs that will soon form part of the mobility environment description. Hold on to your hats (all nine joining a team near you soon)...

Town Planner

Why?

The trend towards massive urbanisation is only going to continue.

It's predicted that by 2030 there will be over 30 megacities (with populations over 10 million) around the world. This will mean huge pressure on transport infrastructure and hubs; it's not going to be easy to get anywhere.

New skills required

Every organisation will need to be aware of urban developments where your people work. It will be harder – and more expensive – to drive and park where roads are clogged.

Staff may not even want their own vehicle when it becomes this difficult to use it. (A trend which can already be seen in Amsterdam, where only 30% of people now own cars.)

If using a vehicle feels more like a punishment than a perk, how are you going to keep your people moving – and keep them happy?

Sociologist

Why?

There's a worldwide shift in attitudes to ownership which you need to take account of: a shift towards sharing.

You can see it in accommodation; think Airbnb and Home Exchange. Likewise with office space; think ShareDesk and LaunchDesk.

And it's definitely a rising trend in transport. Perhaps you've already zipped around in a Zipcar or parked on someone's drive using ParkOnMyDrive.

This isn't down to some soft, fuzzy feeling that's going around; a recent survey by Marketing Charts showed that people are attracted to sharing stuff (from cars to white goods) for a number of solid, hard-nosed reasons:

- **Convenience – cited by 75% of respondents**
- **Price (because both buyer and seller save money) – 55%**
- **Product/service quality – 47%**

It's also noticeable that younger generations show lower interest in car ownership; those aged 18-25 are significantly less concerned about having their own vehicle than their elders and, in the face of relentlessly increasing learning and insurance costs, are reluctant to pursue a licence to sit behind a wheel. Will they find the answer in (licence-free?) autonomous car options?

New skills required

Increasingly, teams will need to understand when sharing might be the right organizational solution as transport planning takes shape

It won't be right for all of the people all of the time but it will definitely have its place for some of the people some of the time.

The goal is to educate the organisation and its people to know when it's right to introduce and encourage a sharing philosophy for journeys.

Consumer Champion

Why?

Employees increasingly want new choices and options.

They want to be able to select the best vehicle available for their budget and the newest technology available.

They want a say in whether they use their own vehicle for work or not. (The Department of Transport estimates that there are currently four million grey fleet cars in the UK.)

They want the tools to make their life easier, from route planners to fuel price information to automatic service alerts.

And they want the option to use a different form of transport if it's quicker and more convenient.

New skills required

Teams will need to be on top of their staff's growing expectations to keep them fulfilled, supported and happy.

Most people still use their car to get to work but it will be important to offer new ways to provide what they need. Two suggestions right off the bat:

- **Salary Sacrifice – a way to boost an employee's spending power on a new vehicle by 30-45%**
- **Digital Tools – offering a self-service portal that allows employees to take charge of vehicle management when it's most convenient for them**

More and more, other transport options will come into play. New patterns of mobility can be seen in cities throughout the world, with those in developed countries displaying considerably greater diversity than before.

Technology Buff

Why?

OK, so the promised individual jet packs (or hover-boards depending on your generation) still haven't arrived. But transport technology continues to evolve at a relentless pace.

The shift from petrol and diesel cars to hybrids and electric cars will continue to increase in the coming years.

An even more radical development is the advent of driverless cars. It's no longer seen as a crazy idea; it's just a question of when they will appear on our roads:

"You'll ride in robot cars within 5 years."
Sergey Brin, Google Co-Founder, in September 2012

"Totally autonomous cars will come to the mass market in 2020."
Carlos Ghosn, CEO of Renault-Nissan

Meanwhile, the Dutch Government has said that it expects to see fully self-driving vehicles on its roads by 2025. But whatever the true timescale, it's clear that this is going to happen.

New skills required

New teams will have to be on top of how each specific piece of new technology will impact their organisation and people.

Will it help your staff to travel more efficiently and effectively, or is it a flashy waste of time and money?

And if you decide to adopt a new innovation, when should you do so? As early as possible to steal a march on others, or a little later when prices have dropped and major teething problems have been resolved?

As yet, there isn't an app to help you decide.

Risk Assessor

Why?

New journey options sound great. They can bring staff morale up and admin levels down. But with them come new risks.

Every journey taken for a business reason brings responsibility and a duty of care, whether you know about it or not.

So if an employee uses a different form of transport – a vehicle from a carshare club or a hired cycle from a bikeshare scheme, for example – and something untoward happens to the employee or property in their possession, there will be some serious questions to answer.

New skills required

The rise in regulatory and compliance expertise will continue at a dramatic pace. Skills coming under increased focus might include:

- **The insurance implications of car sharing, driverless vehicles etc.**
- **Duty of care responsibilities to find the safest mode of transport for your employees**
- **The legal implications of data collection and storage**

Of all the new hats you'll have to wear, this one is likely to weigh heaviest.

Data Manager

Why?

Talking vehicles are here. Not the ones that tell you that a door is ajar, but ones that transmit data through telematics.

They can send data – about routes, traffic, performance, faults – allowing you to better understand driving patterns and drivers' needs, to monitor costs and to anticipate problems.

It's not a universal feature at the moment but it's growing fast; manufacturers such as VW, Mercedes, Toyota, Volvo and BMW are adding in-car solutions to the type of telematics options our own data gurus run at LeasePlan.

As the universe grows, people often ask who owns (and who should own) the data? They are great questions waiting on definitive answers.

New skills required

Getting data is one thing. Analysing it is another. And protecting it is yet another.

Teams will need to be able to interpret the information transmitted by the vehicles to understand how your people are travelling, gauge whether their driving habits present risks and find opportunities to increase efficiency.

Taking steps to safeguard your data is also essential. All data has value, after all – so it needs to be protected and preserved.

New Business Assessor

Why?

There are a lot of new players in the mobility market, bringing new ideas, new products and approaching the sector from a completely new angle.

Some companies have been around for a while – Google, for example, who brought us their maps, then a little yellow man to drag onto those maps to create Street View, then comparisons of travel routes and options and who now have their own driverless cars undergoing tests.

Some companies have created a stir in double-quick time – it didn't take Uber long to become über-famous.

And other companies not historically associated with mobility are also moving into the field. You'd be surprised how many automotive technology patents are now held by the likes of Samsung, Sony, LG and Apple.

New skills required

You need to be alert to what all these newcomers – and those start-ups we haven't even heard of yet – are doing.

But it's about more than just being aware. All new innovations need to be examined and evaluated before you decide whether or not to adopt them.

An organisation can't take all of them on board indiscriminately; apart from the cost, you can't expect them to integrate and work together seamlessly.

A great team needs an overall framework and then be able to assess whether new products and systems will work within it.

Eco-Activist

Why?

The movement towards more environmentally-friendly modes of transport will continue – driven not just by public concern but by government targets.

The EU has set the target of achieving a 20% reduction in CO_2 emissions by 2020, and 40% by 2030 (compared to 1990 levels).

This will require CO_2-reducing measures beyond those currently being taken, and everyone will need to play their part – particularly in transport-related fields since this sector currently accounts for around 25% of all carbon emissions.

New skills required

Every team will need to know the size and impact of its organisation's footprint, and have measures lined up to reduce it.

It won't be easy; after all, emissions from transportation actually increased by 23% between 1990 and 2010.

But a combination of new vehicles and alternative modes of transport will help.

New vehicles are being set increasingly stringent emission targets and alternative forms of energy (e.g. LPG and electric) are being encouraged – while the shift towards public and non-motorised transport currently being seen in large cities will have a further beneficial effect.

Legal Eagle

Why?

Legislation relating to transport is constantly changing as situations and problems develop.

It's essential to monitor these changes constantly. Miss something and you could be caught out. (And as you know, ignorance of the law – even a new one – is no defence.)

For example, did you know..?

- **Uber is banned in the Netherlands and Germany**
- **Munich and other cities have limits on car sharing**
- **European laws require drivers to be in control of their vehicles – which clearly works against the development of driverless cars**

New skills required

Getting on top of all the legal elements is vital.

Expect all of the laws cited above to be challenged and possibly amended. But nobody really knows what's going to happen.

New legislation may be introduced at short notice – as a recent piece of anti-diesel parking legislation in London demonstrated – to disadvantage your drivers. Or will more cities suddenly decide to follow the lead of Mexico City, which runs a 'No Drive Day' programme to improve air quality; or of Paris, where car use was restricted during periods of high pollution in 2014 and 2015?

It's vital to know the status, the risk and impact of legal changes. And what that means for your liabilities long before they become a real issue.

That's a lot of challenges

But over the next few years, they'll start to take shape into one big challenge.

Because a new team to manage mobility is going to emerge and its going to be cooler, broader and more valuable than ever before.

It will supersede the traditional role of the fleet manager and the focus on putting vehicles on the road and keeping them there.

It's time to present...

The All-in-One Journey Planner

As we said at the beginning, it's all going to be about the journey.

Managing transportation for an organisation will no longer simply be about running a fleet of vehicles; it will be about finding the best way for employees to make particular journeys.

The metrics will move from fleet size to journey success rates, timings, attendance rates, annual costs...

Sometimes that will involve using a company-owned vehicle, but it's just as likely that the journey will involve a rented, leased or shared vehicle, the employee's own vehicle or public transport.

Get used to hearing the phrase 'multi-modal solutions' if you haven't heard it already.

Good News and Bad News

Let's get the bad news out of the way first

Change can be tricky. It can be scary.

And there's no doubt that learning new skills can take time.

But here's the good news: you don't have to deal with all of this on your own.

With you throughout the journey

LeasePlan is here to support you through all the changes that lie ahead.

We've got bags of experience (we've been around for 50 years where rapid change has been the norm rather than the exception).

We have scale (we're active in 32 countries with over 6,500 employees).

But – and this is crucial – our heritage and size doesn't stop us from being quick and agile.

In the short term, we can provide a 'one-stop-shop' solution for all your mobility-related needs, whether you require a vehicle for a few hours or a number of years.

But beyond that, LeasePlan will work with you as you travel along the road that lies ahead – wherever it leads and however fast things move.

About LeasePlan

We are LeasePlan and we know that as a business you've got loads of things to figure out on your own. Your fleet doesn't have to be one of them.

We help organisations plan, run a nd maintain professional, compliant and cost-efficient fleets that get the job done and save them money.

We do it from tender to termination of contract, from paper push to petrol pump. And we know that it's all about making individual requirements and sector-specific regulations come together in a whole-life picture they're comfortable with.

Want to know more? Talk to us:

newbusiness@leaseplan.co.uk

0344 371 8032

Follow us:

Share:

Further Reading

Telematics Video

Find out what this telematics thing is all about by watching this video.

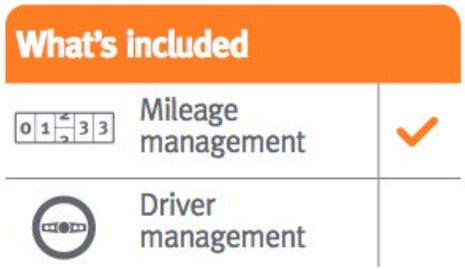
Assessing Risk

Want some useful tips on how to access risk then read this blogpost.

Taking Green Strides ISO14001

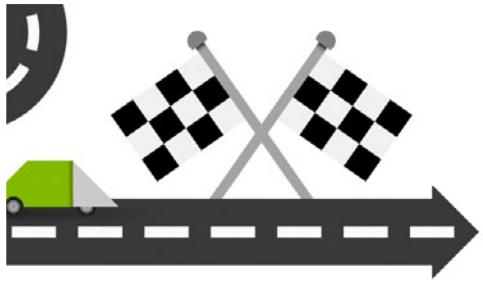
Want to ensure your fleet provider has green credentials watch our ISO14004 video.

Telematics Datasheets



For the full LeasePlan Telematics offer have a read of our datasheets.

Outright Purchase



Maybe the best way to get most out of your fleet is to sell it, to see why check out our infographic.

The Hub

For more fleet related content check out our hub.