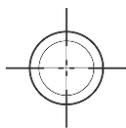


Why Fleet Management is important?

Creating awareness of a function that can meet transport needs in a cost-effective, safe and environmental-friendly manner



The purpose of this document is to explain the important role that fleet management plays in the humanitarian sector. It gives a brief overview of the typical fleet management challenges that the Red Cross and Red Crescent Movement faces, and sheds light on the key components of fleet management. More resources and tools are available on the [Fleet Management Knowledge Sharing Platform](#) in Teams; access can be requested to karlkristian.stuns@ifrc.org

Why is Fleet Management important for National Societies and the IFRC?



Worldwide, vehicles are the lynchpins that enable smooth running of National Society and Federation programmes and timely delivery of aid. Well-maintained cars, trucks, ambulances ensure **security** of staff and their ability to perform their jobs. Red Cross/Crescent (RC) vehicles are also a powerful **visibility** tool, reminding local populations about the existence and work of its National Society and IFRC on the ground responding to their needs.



Vehicles are an integral part of humanitarian operations in the field. Without them organizations cannot respond, cannot **transport staff, volunteers, and goods** to communities. Hence, an effective management and appropriate use have a direct impact on achieving humanitarian programmatic objectives and helping people in need.

Fleet Management is an enabler function to meet transport needs in a cost-effective, safe, and environmental-friendly manner. Developing fleet management is a major interest for humanitarian organizations because:



1. **It enables delivery of aid.** Without a fleet of vehicles, staff and goods do not move.
2. **It is expensive.** Transportation is the second largest overhead cost to humanitarian organizations after personnel¹. Hence, optimising fleet management saves money for other purposes.
3. **It saves lives.** Safety of staff, volunteers and communities is a moral and legal obligation for a NS. Therefore, minimising road traffic accidents -especially those where RCRC vehicles are involved- is a top priority.
4. **It is a key to sustainability.** Vehicle fleets are one of the largest sources of greenhouse gas emissions. NS and humanitarian organisations in general are taking environmental sustainability seriously; they are setting goals to reduce their emissions, waste sent to landfills and fuel consumption.



Main challenges National Societies face managing its fleet of vehicles

As frontline humanitarian service delivery organisations, National Societies face several operating constraints, including:



Working in hard-to-reach communities with poor infrastructure.

Extreme environmental conditions.



Budget limitations.



Donor financing conditions do not always encourage system efficiency for support functions such as fleet management, as savings in one project cannot be transferred to another project within the organisation.



Data entry in the fleet management system, such as fuel and mileage entries, is not always prioritized which hinders optimal management of the vehicles. Often there is a lack of personnel in the fleet management unit and the person dispatching vehicles might be a general logistician or sometimes even the administrator who might not have the know-how and understanding of data entry and how to optimize fleet management through the use of Key Performance Indicators.



Lack of data and poor data quality prevents adopting fleet management software or optimisation via data-intensive models used in commercial sectors.



High 'fleet' staff turnover and lack of proper hand-over.



Another typical challenge within humanitarian contexts is that fleet management is rarely a top priority to senior management.



"It's not the sexiest topic, and fleet managers are sometimes 'struggling' to get through to senior managers of aid agencies. The link between effective programme delivery and efficient use of cars and trucks is not always made in people's minds."
- Rob McConnell, Senior Fleet Management Consultant at Fleet Forum

Defining Fleet Management in a humanitarian context

One possible definition: *"Fleet management is the processes that fleet managers utilise to manage all fleet and asset information, from acquisition through to disposal. This enables organizations and companies to reduce costs, improve efficiency and ensure compliance across an entire fleet operation."*
- Chevin Fleet Solutions

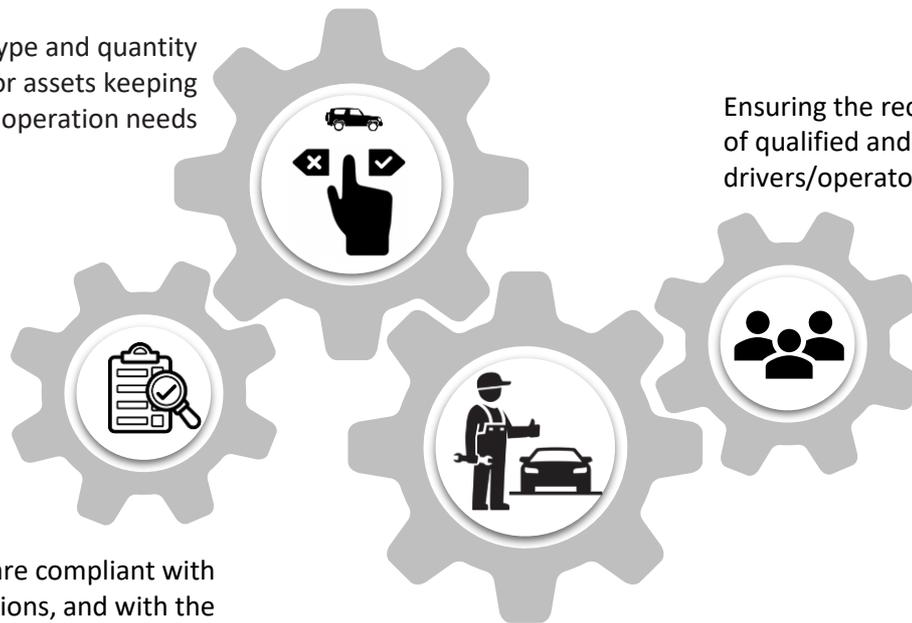
Three objectives of fleet management:



The main objective of a National Society Fleet Manager is to have an effectively and efficiently managed fleet of vehicles, ready and capable of responding to the needs of the beneficiaries at any given moment. To achieve this a Fleet Manager is responsible amongst other things for:

The selection of the right type and quantity of vehicles and other motor assets keeping in mind the operation needs

Ensuring the recruitment of qualified and skilled drivers/operators



Ensuring the vehicles are compliant with local laws and regulations, and with the operation policies and procedures

Ensuring the vehicles are well-maintained and in good operating condition

The different components of effective and efficient Fleet Management

The typical key functions of fleet management throughout a vehicle life cycle include:



Selection of vehicle criteria

Identification of fleet needs based on operational needs, size and area of operation



Acquisition / importation

Vehicle acquisition, importation and registration in compliance with local laws and regulations



Vehicle use policy

Specific guidelines for the management and use of vehicles and other motor assets in the organisation



Driver recruitment, retention and training

Test of driver abilities and evaluation to improve skills. Driver file management



Vehicle keys and documents

Key control system and vehicle file management



Vehicle movement control

Vehicle movement control by logbook, dispatch board, radio room, or tracking service



Fuel management / sustainability

Fuel consumption control and monitoring of CO2 emissions



Vehicle maintenance and repairs

Vehicle inspection, timely maintenance, repairs and spare parts



Vehicle incident / accident management

Event management
(incidents and accidents)
and reporting process



Insurance and claims

Vehicle insurance
documentation, claims
and settlement



Vehicle disposal

Method of disposal,
process and legal aspects

Some of the important fleet management components, such as fleet rightsizing, total cost of ownership (TCO), vehicle use policy, data collection & analysis (KPIs), and sustainable fleet management are further explained in a separate document ([5 essential components](#)) in more detail. For information on road safety, go to [Fleet Management Knowledge Sharing Platform](#) in Teams.

What can be done to improve Fleet Management practices within a National Society?



This NS Fleet Development initiative promoted by the wider National Society Logistics Development (NSLD) component can support a NS to find solutions to improve their fleet management practices. It is composed by a common Movement approach ([Movement Approach for NS Logistics Development](#)), a method and a toolkit that are built capitalising and reflecting on years of experiences across the globe.



If a National Society is interested, contact can be established with the respective IFRC country or country cluster office to link with the regional fleet officer, who will provide additional information on how the organisation could be assisted in its capacity self-development by other Movement partners.

FOR MORE INFO

- [NS Fleet Management - 5 essential components](#)
- [Costa Rican RC fleet case study in EN, ES, FR & AR \(direct link\)](#)
- [Costa Rican RC Best Transport Achievement Award -application video](#)
- Fleet Management Knowledge Sharing Platform ([Teams](#)) For access contact: karlkristian.stuns@ifrc.org

ⁱ Pedraza-Martinez and Van Wassenhove (2012), "Transportation and vehicle fleet management in humanitarian logistics: Challenges for future research", *EURO Journal on Transportation and Logistics*, 1:185–196.