

# fleetco<sup>W</sup>petence insight

The international mobility approach to unlock a world of possibilities



How  
to set up  
international  
fleet  
management

**No.1**  
**2024**



# International fleet management is no longer an option



## INTRODUCTION



9min

READING  
TIME

### Deep dive for useful tips around



STRATEGY



MONITORING



SAVING

In today's rapidly globalising world, **the ability to scale up internationally is no longer a luxury**, but a necessity for businesses to thrive and survive. International fleet management plays a pivotal role of in this context. Company car & van fleets are a significant expenditure, but they are also a key factor in employee satisfaction and productivity.

**Fleet management is emerging as a critical tool for businesses seeking to streamline operations, reduce costs, improve efficiency and enhance sustainability.** It involves many tasks, from vehicle procurement and process optimisation to driver management and regulatory compliance, all within an international context. The ultimate goal is to ensure optimal resource utilization, cost effectiveness and alignment with the company's strategic objectives.

Moreover, **a growing number of companies around the world are required to report on CO<sub>2</sub> emissions, including from company cars.** The implementation of strategic mobility plans can then significantly help to reduce the carbon footprint.

However, the journey towards internationalization is fraught with challenges. **Success hinges on effective communication, robust processes and a flexible approach that allows for adjustments based on local needs.**

Potential pitfalls may include understanding and adapting to local market conditions, regulatory hurdles, cultural differences, employee engagement and reporting requirements. Therefore, a well-planned strategy is crucial for successful internationalisation.

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# The advantages of international fleet management programmes

International fleet management programmes have proven their worth through consistent performance enhancements and cost savings for global companies. Originating in the 1990s, this centralised approach to managing vehicle fleets has been adopted both by large multinationals and by emerging international businesses.

These programmes include three core objectives.

# 1<sup>st</sup>



## Cost efficiency

Significant cost reductions are realised by consolidating suppliers and enhancing outsourcing strategies, leading to optimised operational processes and reduced internal resource requirements.

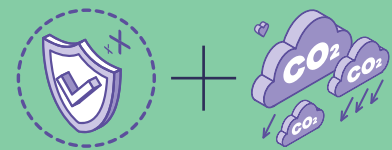
# 2<sup>nd</sup>



## Standardised policy

A unified company car policy not only yields financial benefits, but also ensures that the fleet's performance is in line with industry standards. Another notable advantage is the harmonisation of company car offerings and driver guidelines.

# 3<sup>rd</sup>

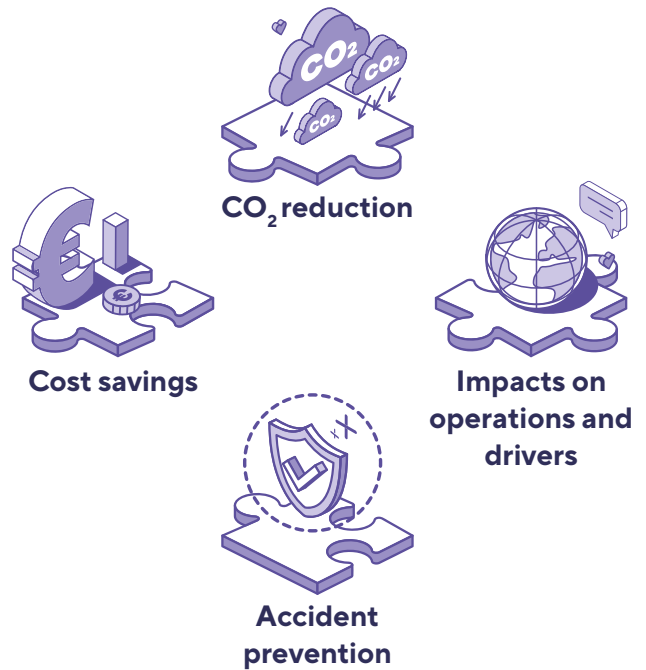


## Minimum standards of mobility, safety and sustainability

Establishing clear, universal rules across all operational regions guarantees a consistent standard of mobility, safety and environmental consideration. This strategic alignment allows organisations to concentrate on their primary business functions while alleviating the complexities associated with fleet management.

# “ The imperative of a robust business case ”

## KEY POINT



While the objectives of an international fleet programme are evident, it often lacks the specificity to secure unequivocal support from C-level stakeholders. These executives seek detailed insights into anticipated cost-savings timelines and the projected impacts on business operations, drivers and existing fleet management personnel.

**Questions surrounding CO<sub>2</sub> reduction and accident prevention metric are paramount.**

Crafting a compelling business case is indispensable to securing endorsement from international decision-makers and local stakeholders.

This process is not just a prerequisite, but a comprehensive project that demands meticulous attention.

**The complexity of developing of a business case is often underestimated.**

Depending on the desired degree of centralisation and the number of participating countries, an exhaustive and precise analysis of cost/benefit ratios coupled with feasibility and complexity assessments can take up to three months.

This rigorous approach is essential to provide a realistic estimate of the throughput time and to ensure the successful implementation.



# “ The optimal time to centralise your fleet management ”

## KEY TIME

Companies with expanding international fleets often ponder the ideal timing to initiate a centralised programme.

Typically, **companies start to centralise when they have 500 vehicles across various countries.**

However, fleet size is not the only factor nor indeed the most important one. The complexity of managing a large fleet often necessitates moving away from an in-house solution and looking into effective solutions for the growing fleet.

**Organisational readiness for change and a central mandate are crucial.**

These conditions can often be sparked by events such as a merger or acquisition. The post-merger fleet setup may be disjointed and no longer fit for purpose, making it a logical time to consider a centralised approach to fleet management.

Significant cost savings can be achieved by reducing the number of suppliers for both fleet management and vehicle choice.

Additionally, centralisation simplifies the fleet structure and facilitates the development of a harmonised solution.



**Fit for 55** refers to the EU's target of reducing net greenhouse gas emissions by at least 55% by 2030.

The proposed package aims to bring EU legislation in line with the 2030 goal.

External factors such as **safety and sustainability can also drive the decision for a more centralised approach to fleet management.**

For instance, in preparing for the 'Fit for 55', numerous companies committed to collaborative efforts to mitigate climate change.

Such cross-border initiatives necessitate international cooperation and sharing of best practices.

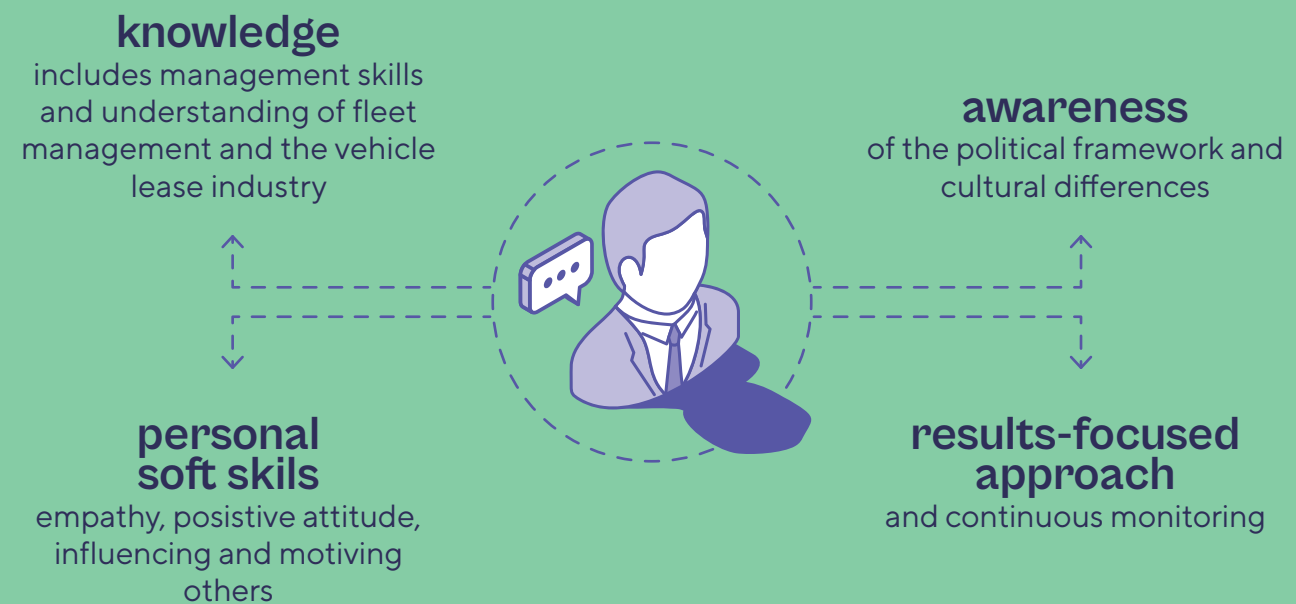
# “ Key challenges and success factors ”

Implementing an international fleet programme is a complex task impacting various business areas and making the project manager's role crucial.

**Often a procurement specialist, the project manager juggles his regular duties with project demands.** Despite having no formal authority, he is responsible for the project's success and manages diverse stakeholder interactions.

**Choosing the right project manager** ensures minimised project failures and maximised benefits including cost reduction, optimisation, and standardisation.

A successful fleet management programme requires 4 key factors: awareness, knowledge, personal skills and a result-focused approach.





Common communication breakdowns include politics, culture and employee engagement.



Most project managers employ a communication plan grounded in the 5W1H method: who, what, where, when, why and how.

However, research indicates that communication **breakdowns are common in international projects**, primarily due to three obstacles – politics, culture, and employee engagement – and fleet projects are unfortunately no exception.

**Political barriers** often arise from vested interests or power struggles that hinder open dialogue. For instance, excluding senior management from discussions on specific CO<sub>2</sub> thresholds can create such barriers. Building confidence and securing buy-in with all stakeholders, such as HR, Procurement, Finance,

Health & Safety, CSR and Legal as well as with business operations is crucial to overcoming these political obstacles.

**Cultural differences** pose another challenge. The perception of the value and benefit of a company car and the related policy guidelines varies between people in different European countries or other geographic regions. This highlights the need for cultural awareness.

The third hurdle stems from **employee engagement**. Engaged employees are invested in the business's success and actively work to meet strategic goals. They are essential to drive the implementation of initiatives such as fleet electrification, safety programmes and alternative mobility initiatives.

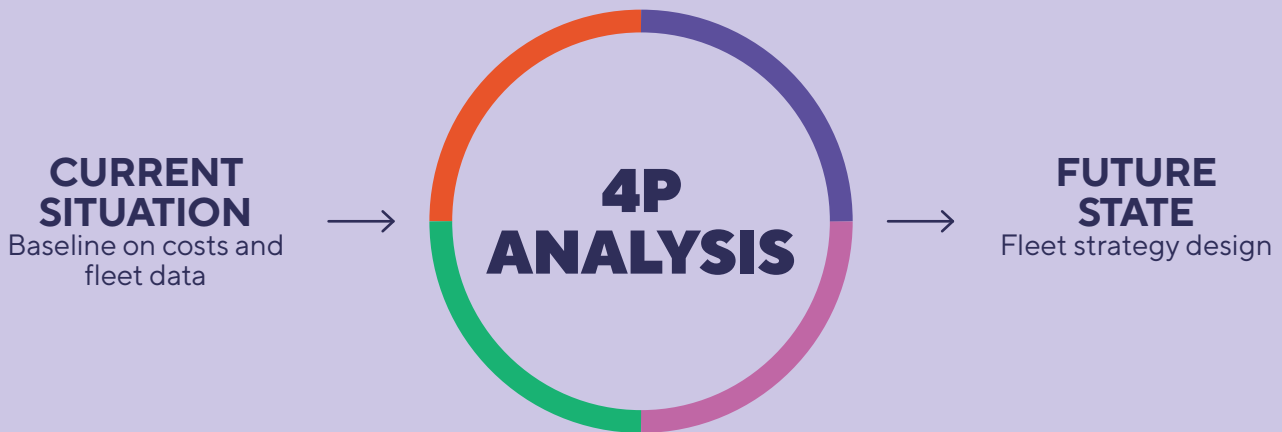


# The 4 stages of a holistic fleet optimisation approach

## FOUNDATIONS FOR FLEET OPTIMISATION

In the 2010s **fleetcompetence Group** developed the **'4P approach'**. Since then, it has become **an industry standard** providing a robust framework for enhancing international fleet management and implementing scale.

The '4P approach' is a **comprehensive methodology for fleet audit and opportunity assessment**, based on a holistic view of four pillars of improvement.



### Procurement

#### Fleet sourcing approach:

Terms and conditions of leasing companies, OEM framework agreements and evaluation of other third-party providers.

#### Assessment of opportunities

from an international vendor strategy.

### Policy

#### Review of the current international and local policy frameworks:

- Roles and responsibilities
- Eligibility
- Vehicle allocation
- Brand and model
- Sustainability
- Safety
- Driver responsibilities.

### Process

#### Interviewing national and international fleet managers and relevant stakeholders

to evaluate current fleet management processes: efficiency, quality and process costs.

#### Digital tool assessment.

### Performance

#### Measure CO<sub>2</sub> fleet performance.

#### Green readiness assessment.





# How can we help you

NEXT MOBILITY  
NEXT TO YOU

## THE CHALLENGE

Globalisation and technological progress continue to expand the scope of mobility within companies, making **fleet & mobility processes increasingly complex**.

More and more companies are discovering the considerable **potential of a consistent international fleet management strategy and centralisation**. However, resources such as time and money are scarce nowadays.

## THE SOLUTION

fleetcompetence Group can **design a cost-effective and sustainable business mobility solution**, locally and internationally.

This includes the development of an **international strategy**, the harmonisation and consolidation of suppliers through an **efficient tendering process**, support in the negotiation of **international framework agreements**, and the **implementation of the selected suppliers per market**.

## OUR APPROACH



**proven project management concept**



**professional expertise**



**innovative tools**



**to steer your fleet towards rapid success**

Our **local fleet experts** are the key to our success in creating market transparency and ensuring successful implementation.

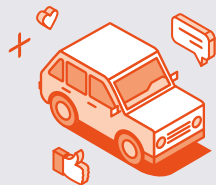
Our **global reporting dashboard Fleet Monitor** controls improvement and saving progress over time suggesting targeted steps to further optimisation.

## YOUR BENEFITS

Your fleet cost will experience a **10-20% reduction**, depending on the initial situation.

# fleet Next Mobility Next to You co<sup>o</sup>mpetence

**Not just specialists,  
we are mobility experts.**



**1**  
core business  
= mobility  
advisory



**12+**  
years of  
achievements



**60+**  
senior  
experts



**77+**  
euro million  
savings



**92+**  
thousand  
vehicles  
analyzed



**100+**  
mobility  
projects

“  
**Are you ready  
to start the journey?**  
”

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Did you enjoy our Insight?



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