

A dedicated job is fleeting

As the role of dedicated fleet manager is left to slide, **Matthew Stibbe** looks at the new breed who will be left to run the nation's company cars

Since November 2003 the number of company cars has fallen by 250,000 according to the Inland Revenue, while research by HSBC Vehicle Finance suggests that nearly three-quarters of companies with company cars do not employ a dedicated fleet manager. This may not be the end of the road for the company car or the fleet manager, but there is no doubt that the landscape is changing.

According to HSBC, fleet managers are disappearing rapidly from smaller fleets but there are even examples of fleets of over 1,000 cars being completely outsourced with no in-house fleet manager at all. However, such 'virtual fleet managers' cannot do away with the need for employers to manage the contract and oversee duty of care implications.

In companies without fleet managers, these duties tend to fall to the finance department (as is the case in 28% of companies), to senior management figures such as partners and directors (13%) or the company secretary (10%).

However, HSBC's report shows a difference between firms with small and large fleets. The larger the fleet becomes the greater the role for the HR department.

Even where firms retain fleet managers, their roles are taking on new dimensions. Finance is increasingly involved, while HR has added health and safety to its traditional interests of selling benefits to staff and administering reward policies. In many cases, even the job title itself is evolving.

Expect to see more 'personal mobility manager' and 'head of transportation' on business cards in future.

Smith & Nephew, the healthcare equipment manufacturer, has a fleet of around 300 cars on a contract hire arrangement and another 100 or so employees who have opted for cash in lieu of a company car. "People these days are taking much more notice and working out what is the best option for them personally," says Len Pendle, HR director. Smith & Nephew has an employee who spends some of his time managing car issues. "He'll pick up any problems and provides a day to day contact with [our

Cameron Law

If you read nothing else, read this ...

- The number of full- and part-time fleet managers has fallen steeply in recent years.
- Those without a fleet manager are most likely to pass responsibility for the fleet on to the finance department. Large firms are more likely to use HR departments.
- The job is becoming more diverse with broader employee transport and travel issues.

supplier] and the staff," says Pendle. He adds that outsourcing a lot of the management "makes sense as long as we keep control and understand what's going on".

Even if the number of full- and part-time fleet managers is declining (HSBC figures show that 71% of respondents do not have a fleet manager, up from 33% in 2000), the work involved in getting employees on the road is actually growing and becoming more diverse.

Cash alternatives

With 75% of firms now offering cash alternatives to the traditional company car and contract purchase schemes continuing to rise, the shift of ownership from company to employee has had health and safety concerns. A worryingly large majority of firms, however, continue to take a laissez-faire approach.

Duty of care isn't the only pressure on those responsible for company cars. There's a drive towards value for money, an evolving legislative and tax regime, environmental concerns, slowly increasing use of daily rental and other forms of transportation alongside traditional car provision, and a rapid growth in the use of the internet for fleet administration, especially in larger firms.

Outsourcing offers one solution. For example, mmO2 runs a 1,400-strong fleet, has 500 employees taking a cash alternative and has subcontracted the work to ALD Automotive, which uses an online system to liaise directly with staff. Rajan Chauhan, mmO2 procurement manager, says: "The objective was for the vehicle fleet to be financed and managed efficiently and cost-effectively." ●

