



Results+

No Stone Left Unturned in the Drive for Cost Reduction and Increased Productivity

The drive for efficiency never stops

This American multinational healthcare company depends on its fleet of SUVs to keep its professionals moving forward. They identified the need to maintain the productivity gains those fleet vehicles enabled while dramatically driving down their cost.

Investigating every avenue

Together, the company's fleet office and multiple Wheels departments <u>scrutinized</u> every imaginable source of cost. They considered adding higher-MPG vehicles to the selector, adjusting the Personal Use Charge (PUC) to more accurately reflect how drivers were using their vehicles, shortening the vehicle replacement cycle, linking the PUC to vehicle upgrades, changing the mix of leased vs. mileage reimbursed vehicles, and more.

They developed a menu of 10 strategies that reflected various combinations of these factors, gamed out the likely results, and came to a consensus on how to proceed.

Quick, stunning progress

Initially the team determined that the MPG and PUC changes presented the best opportunities. But once underway, the impact of the microchip shortage on used-vehicle prices prompted them to nearly double the number of vehicles replaced, from 52 to 100. This astute move greatly accelerated the pace of savings for the multi-year program. With all factors combined, the client's drive for efficiency saved a remarkable \$1,200,000 during Year One alone.

PROJECT SERVICES: Reimbursement, Driver Tax Compliance

FLEET SIZE: 761

VEHICLE TYPE: SUV **INDUSTRY:** Healthcare

Savings/Improvements:

\$1,200,000

in savings