

Case Study Arizona Department of Transportation

The Drive to Compete

How the Arizona Department of Transportation Became One of the Most Competitively Managed Fleets in the U.S.

A Challenging Landscape

Rugged, vast and wild, Arizona boasts natural beauty of epic proportions. Beyond the stunning twelve hundred-foot-high walls of the Grand Canyon and the dramatic scope of the Hoover Dam, one can venture down Arizona's desert highways and explore thriving cities, vacation hot spots and historical landmarks. Comprised of 15 counties spread out over 114,006 square miles, this state is the 6th largest in America.

In the late 1990s, the Arizona Department of Transportation (ADOT) maintained over 12,000 government vehicles statewide. Nearly half of these vehicles (5,500) belonged to other state agencies, while the remainder were owned and operated by ADOT. With more than 245 employees and 22 service centers statewide, the Equipment Services operation was responsible for maintaining the vehicles while acting as a for-profit agency within ADOT. Revenue sources included base rate equipment usage fees, work order billing for maintenance and modifications, vehicle disposal through surplus fleet auctions and fuel. Tracking every detail and every dollar in real-time was an on-going challenge for their existing mainframe system and separate DOS-based PC application, which structurally required duplicate data entry and provided limited ad hoc reporting.

With Y2K compliance looming, there was mounting pressure to increase functionality while ensuring system up time. They needed on-demand reporting and an improved ability to track every cost associated with their fleet, at a unit-specific level. They also needed to migrate to a single database that was easy to access and manage by a range of departments and people. In order to continue providing meaningful value to the state and taxpayers, and to avoid the privatization of its services, the Equipment Services operation sought a more robust fleet management solution in the form a system-wide upgrade. "We had been customers of Prototype Incorporated since 1984," said John Wakefield, MIS Manager/Fleet Systems Administrator at ADOT. "Implementing the next generation, FleetFocus™, was a logical and easy migration. We trusted the product and the staff who were very knowledgeable and already understood our business."

The Drive to Innovate

ADOT's implementation of FleetFocus™ added immense functionality to the equipment service operation in areas such as comprehensive asset tracking and management, work order management, inventory control, purchasing, labor management and easy, flexible ad hoc reporting. The upgrade also eliminated paperwork and delivered increased productivity, numerous money-saving opportunities and more effective sources of revenue, as demonstrated in the following specific scenarios: With the ability to pull parts usage data for all parts purchased by location, ADOT could

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*John Wakefield
MIS Manager/Fleet Systems
Administrator
ADOT*

analyze data to determine what was over stocked or obsolete and dispose of it by either returning to a vendor for credit, transferring to a shop that uses those items or sending them to auction.

- By utilizing the warranty function in FleetFocus™, ADOT could extract data parts, labor and comment data on all work orders that met specific warranty. This information dramatically improved the ability to recover warranty for parts and labor that previously would have been missed.
- Using the parts cross-reference function helped ADOT find less expensive aftermarket parts instead of the usually more expensive OEM parts.
- ADOT collected comprehensive parts usage data to support the development of parts contracts by clearly showing greater volume, which equaled greater savings.
- Improved parts tracking enabled ADOT to research more accurately why parts were purchased, making sure they were issued to the correct equipment. This also helped ADOT locate specific items purchased for deferred maintenance and find out if the associated vehicle was still in a shop area or if it had been disposed of. This gave them the opportunity to return parts to vendors for credit.
- Using an internal process called LCBS (Low Cost Bench Stock), ADOT issued small parts to a single location on a monthly work order to track purchase spending and money recouped through billing of services. As a result, they were able to validate whether the shop fee was too high or not high enough and adjust it accordingly.
- By generating monthly cycle-count and full inventory data reports, ADOT was able to track line item and dollar variances to help identify and remedy potential problem areas.
- In utilizing a compiled daily parts activity report, ADOT was able to identify parts entered with an incorrect dollar amount, uncovering numerous entries where the decimal was put in the wrong place or the invoice number was entered into the unit cost field thus improving financial accuracy.

Changes for the Better

“The migration changed the way we viewed data, conducted business and documented historical research,” said Wakefield. “Although there was a learning curve, today all of our employees have greater access to important data and an inspiring sense of responsibility for data ownership.”

Although funding will always be an issue for ADOT, FleetFocus™ has increased efficiency thus creating a greater surplus, which leaves funding for infrastructure purchases without raising service rates. “The biggest challenge for ADOT is to prove our existence and to retain the fleet,” said Wakefield. “We are constantly measuring ourselves and assuring that we’re competitive with the private sector.” To sustain that competitive edge, ADOT has worked with AssetWorks to provide a AVL/GPS tracking system for selected fleet vehicles, gathering meter updates and diagnostics directly into FleetFocus™ via an interface. This initiative is a direct effort to proactively manage the fleet from every aspect and produce operating cost savings. This assures the taxpayer dollars are being spent wiser and the vehicles that are on the highways and by-ways are safer for the good of our employee’s and the general public.

Overview

Customer
**Arizona Department
of Transportation**

Industry
State

Fleet Size
12,000 Vehicles

Number of Service Centers
22

Product
FleetFocus™

To learn more about how
AssetWorks' applications can
help your business, contact
an AssetWorks representative
today at 610.687.9202
or visit us online at
www.assetworks.com

The logo for AssetWorks features the word "Asset" in a dark blue, sans-serif font, followed by "WORKS" in a red, sans-serif font. The letter "O" in "WORKS" is replaced by a red gear icon with a white center.

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