

There are seven key steps to a successful global fleet, says Nokia manager

Fleet Logistics partnered with Jarno Pajunen, award-winning Global Category Manager at telecommunications giant, Nokia, to present a compelling case for operating a global fleet at this year's virtual Global Fleet Conference.

This year's event was staged as a virtual rather than physical conference for the first time because of the impact of the COVID-19 pandemic, under the title: "Preparing for the New Normal".

And as one of the event sponsors, Fleet Logistics, who were represented by Thibault Alleyn, Global Fleet & Mobility Advisory, and Michelle Clark, Group Director of International Implementations & Audit, along with moderator Yves Helvin, presented a virtual workshop entitled "Help I'm going Global".

Partnering with them was global fleet manager Jarno Pajunen, from customer Nokia, who is responsible for a global fleet of 12,000 cars in 65 countries, and who explained what he felt were the critical phases to implementing and managing a global fleet.

And he said that, in his opinion, there were seven key steps to fleet globalization. These were:

1. Understanding the current status of your fleet
2. Identifying the major stakeholders
3. Going to the market for the best products and prices
4. Testing and validating your global fleet proposition
5. Implementing it at an appropriate level across the organization
6. Following up and developing the proposition
7. But ideally don't wait for perfect solution instead of getting the job done.

Jarno then tackled a series of key questions regarding the development of a global fleet, with support from the Fleet Logistics specialists.

Limits of globalization

The first of these was: 'What are the limits of globalisation?' from three perspectives, vehicle manufacturers or OEMs, leasing companies and data collection.

Turning to OEMs first, Jarno said it still made sense for OEMs to have to have global agreements in place, depending on the type of vehicles and geographical scope. The biggest benefits came from the need to have an international service or work fleet as this generated the biggest cost saving, he explained.

He was also asked whether it was possible to harmonize leasing contracts? "To some extent yes," he replied. "There will be differences between leasing companies and countries, but the requirements and parameters can be harmonized, or actually should be harmonized as far as possible, to be able to make the right decisions," he said.

With regard to consolidating fleet data and controlling data accuracy, Jarno said the larger and more complex the fleet, the greater the need for a separate fleet data platform, either an inhouse or outsourced solution. Accuracy and control could be achieved by mapping the data from different sources, and not relying solely on one set of data, he said.

Internal implementation

He also tackled the issue of implementing a global fleet internally within the organization, explaining it was necessary to find stakeholders at a global level for it to be successful.

Typically, leadership roles were from HR, Finance and Business units as they were the main users of the cars.

There was a need for alignment between fleet and the global stakeholders on the strategy and vision to drive the development and implementation of the global fleet, while company culture and strategy also needed to be reflected in the fleet strategy.

Local stakeholders also had to be brought onboard and were typically from the same business areas as the global stakeholders. "However, they may have more concrete needs and concerns. For that it is important to support the right decisions with accurate data and market information," he said.

At the same time, employees should not be ignored. Fleet strategy and choice of cars had an impact on individual drivers even in the case of a service or work cars. So, communicating the strategy, car policies and the rationale behind them was very important to ensure employees understood the approach, he said.

Data collection

Turning to the subject of data collection, Jarno was asked if there were technologies that helped global fleet managers in their efforts to harmonize and consolidate all necessary data.

His reply was unequivocal. "Yes, there are and the offering is developing year by year through intelligence brought in by Artificial Intelligence and ML (Machine Learning). And traditional telematics solutions and applications also bring a lot more valuable data for fleet management," he said.

He was also asked whether connectivity or telematics in vehicles was useful or necessary to achieve a comparable and reliable level of data accuracy.

"I would say it is not necessary, but very useful. With new sources of data, we can get more data with better accuracy, which may be difficult to obtain and time-consuming to collect from traditional reports," he said.

Policy and budgets

The final issue revolved around fleet policy and budgets: “How do you align global fleet budgets and would you give everyone the same car and budget?” he was asked.

“Fleet budgets are local, he said. “This applies particularly to benefit rather than work cars, and should take into account market practice, salary levels and taxation.

“I am expecting to see development towards more flexible solutions. I don’t want to define one single car model for our employees, as they all have different needs for cars and transportation in general. Changing situations may need quick adaptations of new transportation methods, so why to be married to a car for up to five years unless that is what you wish,” he said.

When writing policies, he was asked, how do you go from global to local policies? What would you include or exclude at each level?

Jarno replied: “We set up the framework globally, but local policies reflect local needs best. We can harmonize globally in areas such as CO2 limits, fuel types and car types, but when going local, we need a bit more flexibility on brand offering. There are not many brands which are the best choice in all markets.” he added.

Jarno Pajunen concluded with a brief description of PaaS – Procurement as a Service – a resource that Nokia had developed internally. This was now available to external customers who may wish to copy the successful Nokia model, by drawing on their expertise and experience gained from implementing it.

Thibault Alleyn thanked him for his contribution. "That was a great session and worked very well at many levels. We hoped that those watching it found it as interesting and enjoyable as we did in presenting it," he said.

Ends