

TUN

What does a leading-edge fleet look like?



What is a leading-edge fleet - and why does it matter?

Every business is different, but one thing is true across the board: if you want to be safe, sustainable and successful, you need to set goals and accept that change is not just inevitable, but desirable.

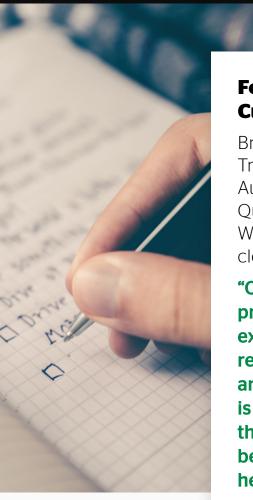
For the transport industry, the best way to compete is to select the right tech and ensure that every dollar of capital tied up in your business is delivering the best possible return. That means having your brand, values, people and technology aligned so they're all working towards the same goals.

So, before you start thinking about business-improving technologies, whether they're driving aids, safety tools, or backend systems, you should be clear on your objectives.

Every business wants to make a profit, but not every business is clear on its goals beyond that. For example:

- Do you love working with vehicles and technology?
- Do you want to help your partners make their operations successful?
- Are you trying to support Australia's regional communities?

Getting a clear picture like this makes strategic planning possible. It makes it easier to identify, understand and solve problems, and to chart a course for sustainable business growth.



Followmont Transport: Customers first

Brisbane-based Followmont Transport operates across Australia, but primarily in Queensland and New South Wales. CEO Mark Tobin is clear on its purpose:

"Our business is predominantly around express freight servicing regional New South Wales and Queensland. Our purpose is to help our customers grow their businesses. Through being strategic, we can help each other."

Create your roadmap

The transport industry often has a challenging relationship with technology. However, getting these systems right can not only improve safety in your vehicles but also streamline business processes and backend systems.

Capturing business data will help you understand how your business runs - where the costs are, where the revenue is and how you can optimise.

Capturing operational data, such as delivery times, frequency of safety incidents, loading and unloading capabilities, refuelling and driver performance, will help you understand how you can improve safety and efficiency.

Adopting new technologies to gather such data is critical to business growth, so you need to create a plan or a roadmap to address your needs and help you grow.

Coordinating new transport technologies with the backend systems to capture and analyse their performance data is impossible without them.



Followmont Transport: Destination determined

"Our diversity of revenue streams was so wide ... it was impossible to run the business off spreadsheets," says Mark.

"We realised we had to come up with a business analytics tool that could give us the real feel of what's happening in real-time.

"But the biggest thing, when you do look at what you're going to use, you've got to bring it back to you.

"Your business technologies have to be fit for purpose. They have to do what you want them to do and take away pain or manage risk."

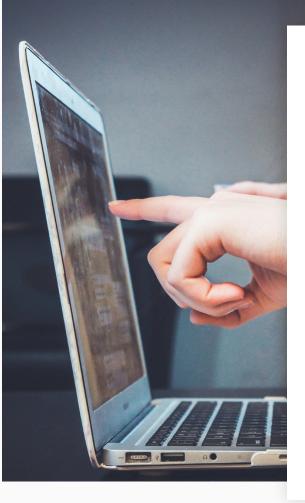
Big data is good data

Leading-edge fleets run on information. They collect operational data such as fuel usage, route information, incident statistics and driver reports. They combine this information with business data about customers, billing, revenue sources, operating costs and strategic goals to generate operational and strategic insights.

By integrating technology into your business - such as automation, connected processes, data sharing between apps, in-vehicle sensors and telematics - you can find new ways to improve safety and efficiency.

The key is getting the right data. You have to gather usable information and back it up with resources – people, technology or both – to manage and filter it so it becomes useful to your business.

You'll also be able to share insights with your staff and customers, helping them reach their strategic goals and strengthening your partnerships.



Followmont Transport: Practical data

"We drive our business on service, service, service, and customers come first," says Mark. Detailed analytics about each customer's business provide insights to improve Followmont's business – and its customers'.

"Now I can go to a screen on my computer and see all our machines. I can get a heat map. I can check our accounts, driver fatigue, payments, weight rates ... it's all at my fingertips.

"We get very close to our customers and we give them solutions for how they can build their business. It's not just picking up their freight."

Understand your challenges

It's important to note that, despite all the talk about data and backend systems, your solutions must serve practical purposes. They should be oriented towards keeping your people safe and helping them achieve their tasks.

Understanding your operations in detail is critical, especially when you're problem-solving. Look for repetitive tasks that could be automated or 'systematised' through better processes or even an app or automation.

Regardless of the task or problem, the first step is to understand the situation you're facing or the question you're asking.

For example, your data might show an increase in on-road incidents. But you need to look deeper to really understand what's going on and whether there's a common cause or causes. If you're having equipment failures, check your maintenance and fleet management data. If there's too much driver fatigue, check your routes, schedules and driver data. And so on.

It's the same if you're looking at a new technology. Many systems or innovations look great on paper, but you must consider how they could help your business – what problems they could solve – before you can start estimating costs, applications and return on investment (ROI).



Followmont Transport: Monitoring and managing

"When you look at technology, it's all about analysing the risk in the business," says Mark. "Where are your pain points and how do you use technology to take those pains away?

"Everything that we've got here, we monitor. Customer data, payroll, headcount, fuel management. Accident MVIs, LTIs, anything to do with people. It's not just about data, though – you're managing performance across the business."

With this detailed data on hand, Followmont can decide which technologies to pursue, and which might be dead ends.

Manage your projects

Creating a leading-edge fleet requires you to take projects seriously. If there's a lot going on, you could consider investing in project and management tools, along with the technical and change management skills needed to operate them.

This might mean making a new hire or upskilling existing staff (including yourself). Either way, it's a worthy investment. Projects that go off the rails can cause cost blowouts, lost productivity and worse.

Good governance helps management teams understand how a deployment is progressing and makes team communication easy. If the people affected by a new technology are kept in the loop and involved, they'll be much more receptive to using it.



Followmont Transport: Monthly milestones

"Under our project governance model, we have to hit certain milestones every month. That goes across my desk and through to the board," says Mark.

"So, every project has an update every month. While it's a pain in the bum to do so much reporting, it keeps our governance right."

Training and communication are mission-critical

It's important to keep in mind that technologies - whether we're talking about improvements to vehicle safety or new office software – all exist to help humans work better.

The best systems in the world won't help if no one understands or uses them.

By making training and communication a standard part of your rollouts and project plans, you can maximise their ROI. Keeping all staff updated about new technology projects will help ensure their smooth adoption. It'll also prevent staff from being taken by surprise when you roll out your new system or solution.

Training and ongoing coaching is equally important. Remember that we don't all learn the same way, or at the same pace, and you may need to provide one-on-one help or refreshers. Beyond ensuring that all staff understand how to use all the tools you provide, it also helps create a positive business culture.

And if your staff see that you're willing to invest in their skills and career prospects, they'll be more likely to stay and keep on delivering value to your business.



Followmont Transport: Investing in people

"The biggest lesson I've learned around technology in any system is business communications," Mark says. "You have to be able to tell the story of why you've spent this money and what it's going to do.

"Explain it and be visual with it, get it to link to your people and what it's going to do with them. That's why we put aside a percentage of profit every year for training and not just for new tech.

"We cover every aspect of being a professional operator."

CASE STUDY: Followmont and Seeing Machines

Seeing Machines is an Australian company that produces AI-based safety monitoring systems used in road, rail and aviation transport. Its devices observe drivers in real-time and intervene if needed, for example by sounding an alarm or activating safety systems.

The in-truck device is called 'Guardian'.

It's a small, dashboard-mounted module that looks like a webcam. It uses vision algorithms, optics and processing technologies to watch for and detect:

- drowsiness
- microsleeps
- incapacitation
- vigilance
- engagement

If it detects a risk, it can alerts the driver that they need to refocus on the driving task.

"I saw the product, I walked into the business and I said, 'They're going to go on the trucks,' because I saw what it could do and I knew it'd save lives," Mark recalls.



Followmont's project team sprang into action. Alongside the technical rollout, they organised communications and training. They showed the drivers what the system could do and how it could help make their jobs safer and easier. Most importantly, they explained why the systems were going in.

"You've got to tell that story about why we're doing it," Mark says. In the case of Seeing Machines, "we're doing it to make a better workplace so we're sustainable."

Mark is big believer, in fact he reckons road transport safety devices like the Guardian should be mandatory: "Once I saw the product, it was a no-brainer. If we want our people to reduce the rate of death, the Seeing Machines should be compulsory.

"You've got to keep your people safe."

Become a leading-edge fleet

Creating a leading-edge fleet takes commitment, but it's not as hard as it sounds. The key is to take your time and devote enough resources to make it a success.

For smaller operators, the key is to start small:

- prioritise your pain points
- plan, research and review the available technologies
- implement one system or improvement at a time

Our industry is always evolving. Over the next decade we'll be dealing with the change from petrol and diesel vehicles to hybrids and electrics. We're also likely to see self-driving and automated systems start to shift from test tracks to Australian highways.

Meanwhile, consumers are becoming more and more interested in supply chains, and they want them to be responsible, green and ethically run.

Businesses that don't give themselves the strategic flexibility to adapt put themselves at risk.

Businesses that invest in technology, data, training and project management are positioned to prosper.

Which will you be?



Followmont Transport: Investing in people

"Our values have turned to the point where we've become a people business," Mark says.

"As much as at the top you push your values and make them come alive, I'm very proud that every day our people – our drivers – value making our business better.

"That's because they understand its foundations and its purpose. So now we don't have to drive the service; our people drive the service."

National Transport Insurance is a joint venture of the insurers Insurance Australia Limited trading as CGU Insurance ABN 11 000 016 722 AFSL 227681 and AAI Limited trading as Vero Insurance ABN 48 005 297 807 AFSL 230859 each holding a 50% share. National Transport Insurance is administered on behalf of the insurers by its manager NTI Limited ABN 84 000 746 109 AFSL 237246.

Disclaimer: Information in this document is general only. It does not take into account an individual's personal or business circumstances. While all due care has been taken, it is not intended as legal, financial or business investment advice and should not be construed or relied upon as such. Before making a commitment you should consider seeking your own independent advice.

NTI.MBOS06.1.27042021



RU TOUGH ENOUGH

Spe Co