



HALTON REGION

SAP BUSINESS TRANSFORMATION STUDY

AT A GLANCE

Industry	Public sector
Revenue	CAN\$573+ million (US\$495 million)
Employees	1,765 (excluding police)
Location	Oakville, Ontario, Canada
Web Site	www.halton.ca
SAP® Solution & Services	Fleet management with SAP® Product Lifecycle Management application
Implementation Partners	SAP Consulting and Vision Shift

Covering over 960 square kilometers (370 square miles), including frontage on Lake Ontario, Canada’s dynamic Halton Region is comprised of Burlington, Halton Hills, Milton, and Oakville. Halton Region’s top industry sectors are manufacturing, trade, and service, accounting for 74% of its labor force. The municipality supports its communities through a strong commitment to its strategic goals of managed growth, economic prosperity, services to people, and effective administration.

Key Challenges

- Replace manual paper processes with automated processes
- Eliminate delays in acquiring information from current processes and provide information in a timely manner
- Increase efficiencies and volume of work capacities
- Provide data analysis to forecast resources based on requirements of fleet size and maintenance activities

Why SAP Was Selected

- Covered specific fleet-maintenance functional requirements
- Provided integration into real-time costing, inventory and asset status, and HR processes
- Eliminated delays in accessing up-to-date vehicle information and the need for costly interfaces
- Met Halton’s future integration needs for bar code and data collection, mobile devices, and enterprise portal access over the Internet

Implementation Best Practices

- Specific and broad buy-in and sponsorship
- Process-focused, site-specific implementation
- Clearly defined goals and objectives
- Dedicated, full-time operations and business users
- Smooth go-live due, in part, to internal, leader-based end-user training

Low Total Cost of Ownership

- Limited need for expertise from external resources
- Only one in-house SAP business analyst required
- Ongoing IT support reduced to 15% of analyst time
- Trouble-free performance due to application scalability and reliability

Financial and Strategic Benefits

- Improved ability to provide safe vehicles to the municipality with better fleet operations and maintenance processes
- Efficiently supported Halton’s increase in work order volume from 5,400 to 9,000
- Increased fleet size from 350 to 704 vehicles while improving fleet composition of police, ambulance, and other vehicles

Operational Benefits

Key Performance Indicator	Impact
“Wrench time” of mechanics	+5% to +10%
Work order volume	+100%
Fleet size	+100%
Reporting delays	-100%
Delayed access to fleet information	-100%





“Where the rubber meets the road is in our ability to provide safe and properly working vehicles to the municipalities we serve. And we are. The SAP functionality for fleet management is helping us meet that mission every day.”

Geoff Rae, Director of Asset Management, Halton Region

“The fleet management functionality from SAP has enabled us to increase mechanic wrench time by 5% to 10%, minimizing nonproductive activities such as searching for vehicle and part information.”

Jim McDowell, Manager of Equipment Services, Halton Region

Doing More with Halton Region Taxpayers' Dollars

Every day, employees of the Halton Region deliver a diverse portfolio of regional programs and services – from public works to public health. To ensure fiscal accountability and transparency to taxpayers, these employees must continually find efficiencies in operations and processes. This requires accurate and timely reporting of performance from the region's many service branches.

In 1998, Halton Region had the responsibility of providing and maintaining a large, growing fleet of police, ambulance, field trucks, and other vehicles. With this growth came an increasing demand for reporting on assets to improve efficiency and to comply with escalating regulatory requirements.

However, accurate data for fleet performance reporting was difficult to obtain from existing processes. At the same time the fleet size was growing, legacy applications were outdated and fostered manual and paper-intensive processes that resulted in increased staff and additional labor by mechanics to conduct administrative tasks. In addition, the lack of consolidated asset and maintenance data prevented management from having current and reliable information. Outdated information was common, as was duplicate data, and historical data for decision making was difficult to access and collate.

Halton Region Gets Its Wheels Rolling with SAP® Software

Halton Region needed comprehensive fleet management with automated processes to enable real-time availability of data to all employees – and to put an end to manual processes. After evaluating fleet-specific point solutions, Halton Region chose to implement fleet management functionality from SAP. It

met Halton Region's specific fleet maintenance and reporting requirements and provided real-time vehicle information, as well as integrating with existing finance, supply chain, and HR processes – avoiding the need for costly point-solution interfaces.

With broad management support, the implementation began in August 1998, with go-live in January 1999 at the fleet's two garages. Following clearly defined objectives, the rapid, six-month implementation focused on processes and leader-based end-user training, with the implementation team moving out to the garages.

Halton Region Rolls Out a Fleet of Benefits to Its Citizens

These benefits begin with fleet operations and maintenance process improvements that have saved taxpayer dollars by requiring only three additional employees to manage a fleet that has doubled in size since 1998. Automated work orders have replaced manual processes and helped to efficiently support Halton's increase in work order volume from 5,400 to 9,000. Now, users requesting vehicle information have it at their fingertips in an instant. Operationally, mechanic “wrench time” has increased up to 10%.

Halton Region intends to ride on the success of its fleet management with plans to meet mandated Public Sector Accounting Board (PSAB, Canada) Section PS 3150 asset-reporting requirements. Bar coding for inventory and work orders and computer-aided time sheets are coming soon, as are enterprise portal and business warehouse capabilities. There is no doubt Halton Region will be rolling out the benefits to its taxpayers far into the future.