# Business travel efficiency guidelines

Helping businesses of all shapes and sizes to better manage their travel by reducing the amount of travel , improving the efficiency of the travel  and reducing the cost per kilometre of travel

NZ **TRANSPORT** AGENCY
WAKA KOTAHI

New Zealand Government

# Business travel efficiency guidelines

NZ **TRANSPORT** AGENCY
WAKA KOTAHI

New Zealand Government

## More information

If you have further queries, call our contact centre on 0800 699 000 or write to us:
NZ Transport Agency
Private Bag 6995
Wellington 6141

This document is available on the NZTA's website at www.nzta.govt.nz.

# Document management plan

## 1) Purpose

This management plan outlines the updating procedures and contact points for the document.

## 2) Document information

| | |
|---|---|
| Document name | *Business travel efficiency guidelines* |
| Document number (ISBN) | ISBN 978-0-478-36460-6 (online) |
| Document availability | This document is located in electronic form on the NZ Transport Agency's website at www.nzta.govt.nz. |
| Document owner | Keryn Zimmerman |
| Document sponsor | Matt Barnes |

## 3) Amendments and review strategy

All corrective action/improvement requests (CAIRs) suggesting changes will be acknowledged by the document owner.

| | Comments | Frequency |
|---|---|---|
| Amendments (minor revisions) | Updates incorporated immediately they occur. | As required. |
| Review (major revisions) | Amendments fundamentally changing the content or structure of the document will be incorporated as soon as practicable. They may require coordinating with the review team timetable. | At least annually. |
| | | |

## 4) Other information (at document owner's discretion)

There will be occasions, depending on the subject matter, when amendments will need to be worked through by the review team before the amendment is actioned. This may cause some variations to the above noted time frames.

## 5) Distribution of this management plan

Copies of this manual management plan are to be included in the NZ Transport Agency intranet at the next opportunity.

# Record of amendment

| Amendment number | Description of change | Effective date | Updated by |
|---|---|---|---|
| | | | |
| | | | |
| | | | |

# Contents

# 1.0 Background

## 1.1 Overview

**At a glance**

Improving business travel is a cost-effective way for **businesses** to:

- save money
- cut mileage claims and other travel costs
- reduce staff downtime spent travelling on business
- reduce fleet running costs
- improve your image with both customers and neighbours.

For **your staff**, improvements will be seen in:

- equal opportunities by shifting from travel perks based on seniority to incentives available to all staff
- reduced journey times to meetings and time spent out of the office
- provide a better work–life balance through flexible working and less need to travel.

Actions to improve your organisation's business travel follow a very similar structure to that of travel plans:

| Step | Main tasks |
| --- | --- |
| Set-up | Gain management support, define the scope and set overall aims, develop a project plan. |
| Data collection | Conduct a business travel audit, carry out site and policy assessments and a staff travel survey. |
| Action planning | Draft an action plan, set objectives and targets, seek feedback from management and staff, finalise the action plan and get management sign-off. |
| Implementation | Implement the action plan and the travel policy, communicate successes. |
| Monitoring and maintaining the momentum | Maintain your initiatives, monitor targets, update initiatives for continuous improvement. |

These guidelines are designed for businesses of all shapes and sizes and have been designed to be read as a pick-and-mix approach to suit your business, depending on the size, scale and resources available.

If you want to completely reorganise your travel management, there are three steps that have proven to be efficient.

1. Reduce the amount of travel.
2. Improve the efficiency of the travel.
3. Reduce the cost per kilometre of travel.

## 1.1 Overview continued

**In this chapter**

## 1.2    Context

Background

Every company manages its business travel differently. These guidelines take those differences into consideration and aim to help workplaces of different sizes and travel needs to improve the efficiency of travel by providing tips, guidance and best practice scenarios.

These guidelines will help your workplaces minimise their business travel impacts. By analysing current travel patterns, and implementing changes to how this travel occurs, businesses can save significant funds. It is suggested that 20 percent of business travel[1] could be avoided by either replacing the travel with alternative forms of communication or simply stopping unnecessary travel.

Definition of business travel

Our definition of business travel is very pragmatic. It includes all trips taken in a business context, independent of the means of transportation or the occasion.

These guidelines do not deal explicitly with commuting or freight transportation.

Detailed information for how to improve commuting practices is provided in the *Workplace travel plan guidelines* (www.nzta.govt.nz/traffic/businesses/toolkit.html).

Why tackle business travel?

Improving business travel policies not only makes good business sense, but also helps reduce the impact of travel on the environment.

Reducing excessive vehicle use and air travel is vital for any business looking to make its operations more sustainable and reduce $CO_2$ emissions. By reducing travel and promoting alternatives through improved policies, you can:

- demonstrate corporate responsibility
- cut costs
- improve staff retention.

The business case

Business travel can form a large part of an organisation's overall travel. This is particularly important for government agencies, as business travel constitutes a sensitive expenditure. These guidelines will allow government organisations to comply with standards and recommendations as set by the Office of the Auditor-General (OAG).

The OAG recommends that entities and individuals follow good practice guidelines to control sensitive expenditure, which includes business travel, particularly under part 4 of *Controlling sensitive expenditure: guidelines for public entities*[2].

---

[1] KJ Mason (2006) 'The road warrior', Association of Corporate Travel Executives: Global Conference, October.

[2] For more information on the guidelines for controlling sensitive expenditure, see www.oag.govt.nz/2007/sensitive-expenditure/.

## 1.3     What are the wider impacts of business travel and costs?

**Background**

As a society, we depend increasingly on cars. The latest household travel survey found that 80 percent of our travel time is spent in the car[3]. This dependency affects not only economic efficiencies but also social well-being and the environment.

**Congestion costs**

Congested roads degrade the quality of life in a community and impair economic growth, which affects business efficiency.

These negative effects can include:

- **economic** costs – Auckland's congestion is estimated to cost the national economy more than $1 billion per year
- **social** costs, such as increased levels of stress and fatigue and less time available for other activities as a result of sitting in congested traffic
- **environmental** effects through higher levels of air pollution, fuel use and greenhouse gas emissions
- unpredictable **journey times** – staff time spent in traffic congestion is unproductive
- additional costs in owning/leasing **carparking**
- poor **vehicle efficiency**, which can lead to organisations spending more money on vehicle upkeep and petrol consumption.

Transit New Zealand's 2007 travel survey showed Auckland's average congestion delay to be 50 seconds per kilometre during the morning peak. That's an increase of more than 16 minutes for a 20km trip (usually a 20km trip would take approximately 24 minutes) – and at times the delay may be much longer.



---

[3] Ministry of Transport (2007) *Household travel survey* v1.2 (revised May 2007),' Comparing travel modes and driver travel'.

## 1.3    What are the wider impacts of business travel and costs? continued

**Car fleet depreciation**

Depreciation of the car fleet is a major expense for many organisations. Businesses that look at the actual cost of the fleet should be able to identify cost savings of 5–15 percent[4].

Choosing suitable car models that are based on '**fit for purpose**' needs and ensuring they are **regularly maintained** are some simple ways to improve the fleet's efficiency.

**Oil price uncertainty**

The New Zealand Energy Strategy (NZES)[5] recognises that New Zealand relies on imported oil for around half the country's energy needs, most of which is used in the transport sector. While the economic recession caused a downturn in demand and price in 2008/09, this is expected to be short-lived. The NZES predicts rising prices over the next two decades. It is now widely accepted that the era of cheap oil is over and that oil supply in the future will be characterised by higher prices with significant price volatility.

This strong reliance on imported oil is expected to become a problem for organisations who undertake substantial amounts of travel.



[4] These percentages indicate typical reductions in car use from work based on research on travel plans in the United Kingdom. They do not guarantee your workplace will achieve these reductions through implement the actions listed.

[5] Ministry of Economic Development (2007) *New Zealand Energy Strategy to 2050: powering our future*, MED, Wellington.

## 1.3 What are the wider impacts of business travel and costs? continued

**Health effects**

There is strong evidence that concentrated vehicle emissions occurring in congested times, such as in peak-hour traffic, may aggravate health problems and contribute to the 'invisible' road toll.

The Ministry of Transport assessed the health effects in New Zealanders due to air pollution emissions from vehicles. It was estimated that:

- 399 people aged 30 and over die prematurely each year from exposure to vehicle emissions[6]
- in Auckland alone, vehicle pollution results in 435,000 sick days being lost due to illnesses.

Other vehicle-related studies indicated that:

- In slow traffic typical of 'rush hour', vehicle occupants can be exposed to pollutant levels two or three times higher than those experienced by pedestrians or cyclists[7].
- The single largest category of work-related deaths in New Zealand are those occurring at the wheel of company vehicles, with a reported average of three deaths annually[8] and numerous ACC claims.

*Half an hour of daily exercise, such as a walk or cycle, can halve your risk of heart disease*

Transport systems that make it easier to drive than to take alternative forms of transport, combined with the rise in desk-bound office work, contribute to obesity. Obesity makes people more susceptible to illnesses and chronic health conditions and increasing time off work related to illnesses.

Figures[9] show the annual cost of illness to New Zealand employers is likely to be more than $1500 per employee, or over $2 billion across the workforce. With employees increasingly spending more time in congested traffic conditions, the health effects can lead to health problems, culminating in days off work and in turn affecting the productivity and effectiveness of businesses.

**Waste issues**

Transport-related wastes, including **end-of-life vehicles** (ELVs), **tyres** and **oil**, are difficult to dispose of, with significant long-term effects on the environment.

Materials with potential negative environmental effects in ELVs include:

- oil (used oil is New Zealand's largest non-water liquid waste)
- coolant and other fluids
- air-conditioning gases (many older car air-conditioning systems may contain ozone-depleting chlorofluorocarbons (CFCs), while newer ones have hydrofluorocarbons (HFCs), which are greenhouse gases)
- heavy metals, including lead, hexavalent chromium, cadmium and mercury.

The volume of these ELVs is likely to increase at an escalating rate due to the continuing upward trend in the rate of vehicle ownership, the decreasing average age of old vehicles, and the declining cost effectiveness of owning older vehicles.

---

[6] World Health Organization (2005) *Health effects of transport-related air pollution*, WHO, Geneva, Switzerland.

[7] ETA (Environmental Transport Association) (1997) *Road user exposure to air pollution: a literature review*, (UK) Department of the Environment, Transport and the Regions (DETR), UK.

[8] B McNoe, J Langley and A-M Feyer (2005) 'Work-related fatal traffic crashes in New Zealand: 1985–1998', *New Zealand Medical Journal* 118(1227).

[9] TNS Conversa (January 2009) *Survey of 461 New Zealand workers*, TNS Conversa, Auckland.

## 1.3    What are the wider impacts of business travel and costs? continued

Resource use

**Vehicles** consume large quantities of raw materials during their production and even more over their lifetime. Initially, the costs of owning and running a car may not seem substantial, but over a lifetime, it can be substantial, especially if there are a number of vehicles in your fleet.

**Carparking** is another area where vehicles consume large amounts of resources – land. Large areas of land are used for carparks which could be put to use to benefit communities and businesses. Parking provision is a major expense for businesses and free parking provision is seen as a bonus to staff.

**Staff time** is another important resource that can be lost due to time spent travelling to business meetings, for example, whether it is by car and stuck in traffic congestion or by air.



Carbon footprint

An organisation's **carbon footprint** is increasingly being observed by the wider public and reductions can be a good marketing tool for businesses.

Travel that is undertaken on business trips will likely be one of the highest contributors to an organisation's footprint, and potentially an area that can be reduced the most if measures and alternatives are introduced.

To learn more about your organisation's carbon footprint, visit www.carbonzero.co.nz.

## 1.3    What are the wider impacts of business travel and costs? continued

**Climate change and environmental impacts**

Transport is the fastest growing source of greenhouse gas emissions in New Zealand, and business travel adds to this.

Road transport contributes to emissions, the depletion of natural resources and contamination of freshwater and marine ecosystems from road run-off.

The latest Greenhouse Gas Inventory[10] shows that New Zealand emissions are tracking more than 25 percent higher than 1990 levels, with much of the increase coming from the transport sector.

Vehicle carbon dioxide ($CO_2$) emissions are directly related to the amount of fuel used. As a result, improvements in fuel economy are an important component of the overall effort to reduce $CO_2$ emissions from transport.

The government sees private vehicles continuing to be the most significant mode of transport for New Zealanders, and accordingly have exempted electric cars from road user charges, as of October 2009. Combining highly efficient electric motors with New Zealand's renewable electricity generation will reduce the greenhouse gases produced by the transport sector.

See www.transport.govt.nz/ourwork/Land/RoadUserCharges for more details.



**Case study**

Around $200,000 per year has been saved.

**Bay of Plenty District Health Board[11] – fleet management**

The Bay of Plenty District Health Board amended its vehicle procurement and fleet management processes, choosing to take back management of its own fleet rather than using an external dedicated company. The DHB has a fleet of 300 vehicles, 90 percent of which are owned and 10 percent are leased.

A key focus has been to track and optimise the use of its fleet and seek to minimise overall costs associated with its vehicle fleet, so funds may be better allocated elsewhere. Since taking over the purchasing and management of its fleet, around $200,000 per year has been saved.

---

[10] Ministry for the Environment (2007) *New Zealand's Greenhouse Gas Inventory 1990–2005*, Ref ME811, Ministry for the Environment, Wellington.

[11] Ministry for the Environment (2006), www.mfe.govt.nz/publications/sus-dev/government-fleet-procurement-practice-oct06/html/page8.html (accessed April 2010)

## 1.4     Why improve business travel policies?

Reduce travel costs

**Fuel costs** are a major element of the total fleet operating costs. For most New Zealand businesses, fuel represents a substantial portion of operating costs – more than 11 percent if you have a heavy vehicle fleet.

The good news is that you could save 20 percent on your fuel bill through relatively simple measures[12].

Reducing fuel use is possible through:

- more efficient vehicles
- better driving
- reduced distances.

Similarly, air travel can be a significant travel cost and a major proportion of total business expenditure.

**Reducing domestic air travel**

| | |
|---|---|
| Average price Auckland–Wellington return: | $720 (984km) |
| Total number of trips: | 60 |
| Approximate savings: | $43,200 |

Note: This does not factor in savings on accommodation, supplementary travel, meals, lost staff time, and other incidental travel costs.

Other cost reductions may include reduced accident and insurance costs from less driving and from employees driving in safer, better-maintained cars. It is also important to look at when cars are used, particularly regular journeys at busy times.

Improve efficiency and productivity

One of the easiest ways to reduce business travel is to simply not travel at all. New communication technologies are available that can reduce travel while retaining and enhancing productivity, including:

- virtual meeting technology
- document sharing
- broadband computer connections.

Time spent stuck in traffic or travelling by air not only increases business costs, but also impacts on the productivity and safety of employees as well as pollution levels.

**Reduction in time spent travelling improves productivity**

By reducing the number of return flights between Auckland and Wellington, by 200 a year, approximately 2 hours per trip can be saved; 800 hours of staff time annually could be more efficiently used, improving employee productivity.

For an office-based organisation with around 300 staff, this can be approximately 10 percent of domestic flights.

---

[12] EECA Business www.eeca.govt.nz/node/8568. (accessed April 2010)

## 1.4　Why improve business travel policies? continued

**Outdated behaviour**

Business travel is necessary to deliver goods and services to customers, although the need for individual journeys, and the method used, is often unquestioned. The need for travel may be based on outdated assumptions, eg:

- face-to-face contact is required in most circumstances
- all internal meetings are necessary for achieving outcomes
- certain meetings must always be conducted in person at regular intervals in a certain location
- large vehicles are required for open road trips
- walking to meetings is unproductive
- carparking must always be provided for managers.

**A healthier, more motivated workforce**

Trying to incorporate levels of exercise in the workday by walking and cycling can have many benefits. It is proven that 30 minutes of moderate physical activity five times a week cuts serious illness by up to a half and reduces days lost to illness, as well as relieving stress and improving alertness. This can increase productivity as the more physically active your staff are, the fewer sick days they may take.

Staff travelling to local meetings, particularly to those that are less than 2km away, should consider these modes. This will help to reduce the costs of taxis while also improving the productivity of staff.



**Reduce demand for carparking**

Carparking can be a significant expense and reducing or removing carparking could lead to considerable savings.

Potential sources of savings for business can come from reduced carpark rental charges as well as maintenance. To lease a carpark in New Zealand's cities can cost anywhere between $26,000 and $41,600 annually, while construction of parks costs approximately $3,600 to $6,800 per parking space for surface level carparks, excluding annual maintenance.

Encouraging staff to walk for short meetings or to tele-conference means they do not have to drive, and fleet vehicles and carparks could be seen as an unnecessary expense that could be removed.

## 1.4    Why improve business travel policies? continued

**Reduce business costs associated with congestion**

Time spent in congested traffic can be costly. As mentioned earlier, traffic congestion greatly affects businesses. Reducing the need to travel and the length of journey times can lead to decreases in time spent in traffic jams or travelling away on business.

In New Zealand, particularly in Auckland, congestion can increase a 20km journey by more than 16 minutes[13]. If organisations plan trips better and reduce the time spent in congestion, they can increase the reliability of deliveries from suppliers or to customers.

Planning when to travel or when to have meetings to avoid peak-hour traffic will not only allow employees to be more productive with their time, but the business will also benefit by reducing wear and tear on fleet vehicles.

**Project an improved business image**

Consumers are becoming more environmentally aware and the 'green' dollar is a strong commodity.



Consumers are increasingly interested in how ethically aware companies are and making choices based solely on their environmental and social credentials. The same applies to employees and this may increase employee loyalty and retention.

---

[13] Transit New Zealand (2007) *Travel survey*, Transit New Zealand, Wellington.

# 2.0   Set-up phase

## 2.1   Overview

**At a glance**

Improvements to business travel behaviours are not intended to be anti-car, but are a structured approach to different methods of travel, some of which will include the car.

Improved business travel policies will also help government organisations to improve financial transparency and accountability, in accordance with the Office of the Auditor-General's *Controlling sensitive expenditure: Guidelines for public entities*.

During the set-up stage, you should define the scope. This will be specific to your organisation's needs and could be focused on existing issues such as parking. The size of your organisation, the size of the problems you have and the time and resources you can commit will determine the length of time policies will take to implement.

Typically, the majority of changes will occur over the first year, with monitoring and continuous improvement occurring over the next five years.

Just like for any other project, it is recommended that you put together a project plan specifying milestones, responsibilities and budgets.

**The set-up stage step by step**

| Step | Action |
|------|--------|
| 1 | Gain management commitment |
| 2 | Gain staff buy-in |
| 3 | Establish a steering group and appoint a project coordinator |
| 4 | Define the scope and its overall aims |
| 5 | Develop a project and communications plan for the process |

As a guide, the set-up stage usually takes 1–3 months.

**In this chapter**

## 2.2 The role of senior management

| | |
|---|---|
| **Background** | Senior management buy-in is crucial to the success of the project. A successful travel policy needs commitment from senior management as well as other staff members. |
| **The role of senior management** | Senior management can, for example:<br>• commit staff time and budgets that are needed to implement the policies<br>• make the high-level decisions<br>• lead by example to really effect change.<br><br>The success of the policy will ultimately depend on whether staff will change their behaviour. Staff may be reluctant to make an effort to change if, for example, they see that the CEO thinks it is acceptable to drive or take a taxi a few hundred metres between different company sites.<br><br>However, senior management may have reservations about implementing change and concerns regarding costs and resources required. This is where a business case is useful. The business case will be able to explain to senior management the benefits of developing travel policies that directly deal with business travel, and the money that will be saved.<br><br>Guidance on constructing the business case is provided in Resource 2 (www.nzta.govt.nz/traffic/businesses/toolkit.html). |
| **Approaching senior management** | Before going to management, do your homework.<br>• Prepare a business case clearly outlining how the business will advance by developing improved travel policies.<br>• List the individual, social and corporate advantages of business travel policies and the advantages of changing current behaviour.<br>• Present some general ideas about what the programme could include. Use the case studies throughout this document to highlight what other workplaces have done. |
| **Demonstrating senior management support** | Once management support has been secured, it is important that management support is recognised at the start of the process. This is usually done via communication to all staff, by a senior staff member stating the organisation's commitment and how senior management will themselves be trying to alter their travel wherever possible. |
| **Case study** | **Department of Conservation, National Office[14] – reducing carparking**<br><br>The Department of Conservation (DoC) has introduced a travel plan policy where, when an existing employee with a carpark leaves, the carpark is returned to DoC to be utilised for more sustainable practices like cycle or scooter parking (one carpark can accommodate up to six scooters) or carpooling. More staff are gaining the benefits of the using company carparks, improving staff relations.<br><br>These actions have increased use of alternative transport modes at their head office. In 2009, DoC National Office was given the Govt[3] award for best travel plan implementation. |

[14] Greater Wellington Regional Council (2005) www.gw.govt.nz/assets/Transport/Workplace-Travel-Plans/Department-of-Conservation-Travel-Plan.pdf (accessed 11 February 2008).

## 2.3 Staff involvement

**Motivate employees**

Change in business travel behaviour is only possible if your employees are behind you. The key to success is making it clear why you are doing this and where there is leeway.

**Information**

Explain to your employees why changes are being made. Provide information to your staff so they know where they can have a say and which conditions cannot or should not be changed.

Use your employees' ideas and proposals, for example, when reworking travel guidelines or corporate policies.

**Project coordinator**

You may find the best approach to changing your staffs travel behaviour will be with a project coordinator, who will design and implement any new policy. The project coordinator doesn't have to be full time, but can project manage and coordinate other staff.

The coordinator's responsibilities may be to:

- develop, implement and communicate the policy
- obtain and maintain commitment from management and staff
- design and conduct data collection
- set targets and implement initiatives
- coordinate a monitoring programme
- act as a point of contact
- promote the objectives and their benefits
- prepare and present the business case
- communicate the business travel policies.

For more information about project coordinators, see chapter 2 of the *Workplace travel plan guidelines* (www.nzta.govt.nz/traffic/businesses/toolkit.html).

**The role of the steering group**

The steering group is responsible for providing guidance on the overall strategic direction and will help to spread the strategic input and buy-in to a larger portion of the organisation.

The role of the steering group is to take the business travel project forward and:

- provide the management support required and make strategic decisions, eg agree revisions to company policy
- steer the policy and new behaviours in the desired direction and address issues along the way
- monitor and review progress and identify realistic objectives
- set tasks, priorities and work programmes for the project coordinator and provide/secure assistance as necessary
- keep key people informed of progress
- lead by example.

The group should not be too large and should include:

- a senior manager
- a manager from each key department
- the project coordinator.

## 2.4    Scope, goals and plan

Scope

Consulting with your management team and colleagues may have given you a sense of how wide-ranging the scope of your business travel project should be. How far you choose to change business travel behaviour will depend largely on:

- the specific transport issues and needs in your work environment
- the resources and time available to take action
- the level of participation from staff and management.

Your workplace may decide to implement changes over a period of years, rather than months.

Goals

At this stage, you should be able to establish broad goals, eg:

- increase video-conferencing
- reduce the size of the organisation's vehicle fleet.

Defining goals at this point, even if they change later, will help to establish the scope and communicate why your workplace is changing travel behaviour.

Developing a project plan

You will need a project plan for developing and implementing your business travel policies. This may be a simple spreadsheet or something more complex, depending on the complexity of what you hope to achieve, and the skills and technology available in your workplace.

A project plan will typically include:

- timelines for the whole project, as well as each phase
- key dates for milestones
- key sign-off times
- the people required for each task
- the budget.

Milestones might include:

- introducing the idea and available alternatives to staff
- undertaking the staff travel survey
- launching the policy
- introducing new travel actions.

Case study

Savings to the council of $29,000-$37,000

### Waitakere City Council[15] – carpark reduction

Waitakere City Council reduced the number of carparks constructed at their new Waitakere Central offices.

The council reduced carparking by 83 carpark spaces from what was originally required under the district plan. This was justified because the new building is close to passenger transport services and because the council committed to implement a workplace travel plan (this became a resource consent requirement). This resulted in a total saving to the council of approximately $29,000-$37,000.

Additional savings associated with the reduced parking include ongoing maintenance costs and the less tangible costs associated with lost land development potential.

## 2.5    A long-term approach A Iterm approach

**Developing a strategy**

Improving your staff travel behaviour is an ongoing process – not a one-off fix.

Although certain initial improvements can result in higher expenditure early on, the effort to move the company culture towards a reduction in travel will require long-term commitment and communication.

Change is often resisted if there is no perceived need for it and no management buy-in.

Actions to consider:

- Identify **key influencers** in your organisation. They may not be the most senior, but they will be respected for their achievements.
- Enlist the support of **union representatives** (if you have them).
- In a **large organisation**, there may be one or two departments that already have a culture that will make them more **amenable to change**. Focusing initially on them, and being able to demonstrate success, is likely to make change easier elsewhere.
- **Success is very attractive**. If staff see an initiative is successful, they will be encouraged to join in.

And remember…

- Be realistic about what can be achieved.
- Expect change to be slow.
- Expect change to be ongoing.

**Case study**

Savings of $8420 per year

**Hachette NZ Ltd**[16] **– fuel efficiency**

Hachette, a North Shore based company marketing publications to book retailers throughout New Zealand, literally runs on its ability to visit clients face to face across the country.

Hachette's fleet consists of 13 sedan vehicles to support its sales operations, with two further management vehicles. Some staff are required to travel to regional towns, necessitating extensive highway driving.

Fuel costs in 2008 were $71,215: the fleet consumed 39,629 litres of fuel, and each vehicle travelled, on average, 30,500km per year.

The six key ways the company has found savings are as follows:

- Remove unnecessary loads. An extra 50kg of weight in a vehicle can reduce fuel efficiency by 2 percent. Removing unnecessary books from the boot of each sales vehicle could save the fleet $682 (404 litres) annually.
- Transition V6 vehicles to smaller capacity engines. Switching V6 vehicles to Honda Accord Euro models to match the majority of the fleet will save:
  - 284 litres of fuel per vehicle per year
  - $451 in fuel costs per vehicle per year
  - $720 in leaser costs per vehicle per year
  - 520kg of $CO_2$ per vehicle per year

  In addition to the savings, this transition has improved the average safety rating of the fleet.
- Regularly report fuel use and economy to drivers. Getting vehicles with lower fuel economy to perform at the current average would save $1688 (999 litres) annually.
- Provide training for sustainable driving.
- Initiate regular (fortnightly) tyre pressure checks. Improving average tyre inflation to closer to recommended pressures would improve fuel economy by 1 percent, saving $669 (396 litres) annually.

[16] New Zealand Sustainable Business Network, http://sustainable.org.nz/index.php?page=greenfleet (accessed April 2010)

# 3.0   Data collection

## 3.1   Overview

**At a glance**

The goal of the data collection stage is to develop an understanding of current travel behaviour. The data collected will also provide a baseline for improvement and monitoring and evidence to identify the most effective measures.

This guidance covers four areas of investigation that will allow you to undertake a comprehensive data collection phase:

- an audit of business travel
- a site assessment
- a policy assessment
- a staff travel survey.

This chapter also provides advice on collecting data for each travel mode.

- air travel data
- fleet data
- rental car and car share use
- taxi use.

**In this chapter**

**Case study**

**Fuel usage**[17]

One company decided to tackle its fuel usage with a range of measures, including driver education, journey planning, vehicle selection and maintenance. Over three years, it reduced fuel consumption by 18 percent and halved the number of safety-related incidents. Their next target is to increase their fuel savings to over 20 percent.

[17] EECA Business www.eeca.govt.nz/node/8568. (accessed April 2010)

## 3.2    The travel audit

**Understanding current travel patterns**

To help change travel behaviour, it is useful to undertake a travel audit, before any possible initiatives can be put into place.

It is important to obtain data from a range of different sources and build on hard travel data with more qualitative information from staff.

**Setting boundaries**

From the outset, you will need to establish reporting boundaries. The reporting boundaries should include the following points:

| Action | Description |
|---|---|
| Set a baseline | <ul><li>Use a year where data is **robust** and **complete**.</li><li>Data can be collected and reported based on **calendar** or **financial years**. Whichever is chosen, it should be consistent.</li><li>If there are any unusual travel patterns in the baseline year, this should be noted (eg if a special project meant much higher travel than the norm).</li></ul> |
| Define which travel to include | <ul><li>**direct travel** (using company-owned vehicles)</li><li>**indirect travel** (air travel, taxi and rental car travel)</li><li>Both types should be collected to provide a full picture of your organisation's travel.</li></ul> |
| Define organisational boundary | <ul><li>You will need to define which travel is within the organisation's **control**, eg travel by a company providing contracting services to your organisation.</li></ul> |
| Determine timeframes for measurement | <ul><li>Travel will fluctuate from year to year, depending on requirements.</li><li>Over time a **trend** should become evident if strong travel reduction actions are put in place.</li><li>It is important to be careful when drawing conclusions of the effectiveness of travel reduction actions over a short time period.</li></ul> |

**Case study**

Resulted in fuel savings of $11,000

**Christchurch City Council[18] – improved vehicle choice**

Christchurch City Council has a large vehicle fleet and undertook a process to determine where improvements could best be gained. Christchurch also has a significant natural smog hazard, and reduced emissions (particulate matter) was a council priority.

The assessment focused on how to have the most impact through improved vehicle choice and overall fleet design. This involved ensuring that the fleet vehicles were of adequate engine size, and reviewing the environmental performance of the vehicles.

This project to improve the fleet resulted in the replacement of 108 ageing vehicles with more environmentally preferable vehicles – the new vehicles were on average 11 percent more efficient than the older vehicles replaced. This has resulted in fuel savings of $11, 000, a reduction in fleet vehicles from 380 to 325, and a reduction of 20 tonnes of $CO_2$ each year.

**Useful links**

If your organisation would like to improve its environmental performance, the Envirostep website (http://eco-verification.med.govt.nz/envirostep) has been developed specifically for small to medium-sized enterprises (SMEs) in New Zealand to help you understand the environmental issues and opportunities in your business, and the practical steps you can take to manage them.

---

[18]Ministry for the Environment www.mfe.govt.nz/publications/sus-dev/local-govt-procurement-nov04/html/case-studies/ccc-vehicles.html (accessed April 2010)

## 3.2    The travel audit continued

| | |
|---|---|
| **Good practice tips for collecting business travel data** | • Get all of your travel centralised through a travel provider or an online booking system.<br><br>• Allocate one person in your agency as the recipient/holder of data so it is in one place and all data can be analysed together.<br><br>• Audit your travel provider to ensure accurate data reporting.<br><br>• Don't just collect high-level data. Find out the reasons for and distribution of travel. This will be more helpful for identifying areas to target.<br><br>• Present your data in an easily readable form to management (such as graphs and charts).<br><br>• Monitor changes in travel regularly so that you can take prompt action if trends are tracking in the wrong direction.<br><br>• Think about how you will use your data to monitor and evaluate progress.<br><br>• Continually improve your ability to collect accurate data by reviewing systems.<br><br>• Keep in mind that you will need to demonstrate reductions in travel as accurately as possible (ie tie reductions to travel policy actions). |
| **NZTA resources** | *Business travel audit template* (a generic **template for a business travel audit**) is provided in Resource 7 (www.nzta.govt.nz/traffic/businesses/toolkit.html).<br><br>This template has been designed to assist organisations through the data collection stage as well as the monitoring and evaluation stage. For efficient data collection and monitoring it is recommended that data is collected quarterly.<br><br>The sheets have also been designed to be adjusted to fulfil specific organisations' requirements.<br><br>Please read the instruction sheet before beginning. |
| **Case study** | ### Waitakere City Council[19] – public transport<br><br>'I sometimes catch the train to meetings in town and this is great. I actually get there prepared! I took the train into town with a Councillor the other day and I don't think I have ever had so much time to brief a councillor. The result was a very productive meeting.'<br>*Staff member using the train for business travel* |



[19] Waitakere City Council (30 April 2007) *Waitakere City Council Central Travel Plan,* Waitakere City Council, Auckland.
www.waitakere.govt.nz/abtcit/ec/pdf/TravelPlanCaseStudy-Apr07.pdf

## 3.3    Air travel data

Background

A major controllable expense for many companies is air travel. Out-of-town travel is often unnecessary, and can be seen as a benefit or perk for employees.

If your organisation travels frequently by air, whether international or domestic, it is important to collect all relevant data as set out below.

| High-level data | Metric |
|---|---|
| Annual/quarterly domestic air travel | Kilometres, cost, if available fuel, and $CO_2$ emissions |
| Annual/quarterly international air travel | Kilometres, cost, if available fuel, and $CO_2$ emissions |
| Note: if calculating $CO_2$ emissions, international air travel will need to be divided into short or long haul. | |

| Detailed data | |
|---|---|
| Monthly air travel data | Kilometres and where possible fuel<br>Kilometres per FTE |
| Air travel by cost centre: office location, groups, teams | Cost per month<br>Kilometres per month |
| Frequent travellers | Kilometres and cost per month of 10/20/30 most frequent travellers |
| Breakdown of flights by fare type | Fully flexi fare, smart saver |
| Percentage of trips to particular destinations | |
| Breakdown of flights by reason (eg conference, meeting, professional development) | Kilometres per month or quarter |
| Time before booking | Broken into categories ie less than 1 week, 1 week to 1 month, more than 1 month |
| Flights booked but not taken | Percentage of total flights, number of flights not taken per month or quarter |

Patterns will emerge over time from the data that identify any opportunities and constraints that your workplace may face.

For example, the type of ticket cross-tabulated with time of booking – ie if booking is left to the last minute, it is unlikely to result in a smart saver fare and will cost more. If this is occurring regularly, it may be necessary to introduce a policy of choosing the cheapest flight on offer, or booking weeks in advance. It may also identify groups that could be targeted or flights that are occurring at a regular time that could be replaced by an alternative.

## 3.3 Air travel data continued

**Travel agents**

If you have a **travel provider**, they should be able to provide travel information in simple graph form as part of their service. If you don't have a provider it may be more efficient to get one.

Your travel provider may not be able to provide all the information on the reasons for travel; you may need to set up systems to track this. This can be done by including a question on travel booking forms.

If you have an **online travel booking system**, you should be able to obtain data from this system.

Whichever system you use, it will be unlikely to have all travel data. You will need to look through internal records, including credit card information for taxi and rental car payments, and internal management reporting systems for data on reclaimed mileage. You may be able to access data from fleet managers.

If you invest in video-conferencing equipment, make sure you set up the ability to track reductions in air travel from the use of video-conferencing (ie a form asking whether the use of the equipment replaced a flight, and if so, what the flight was).

**Case study**

### Telecom New Zealand[20] – reduction in air travel

With offices across New Zealand and multiple rooms throughout Australia, Telecom has a hugely dispersed organisation to manage and has adopted a budget-conscious approach to travel.

One major initiative launched is 'no fly' months, typically in February and November, when travel needs to be justified as 'emergency only'.



**Air Travel Distances**
Passenger Kilometres (pkm)
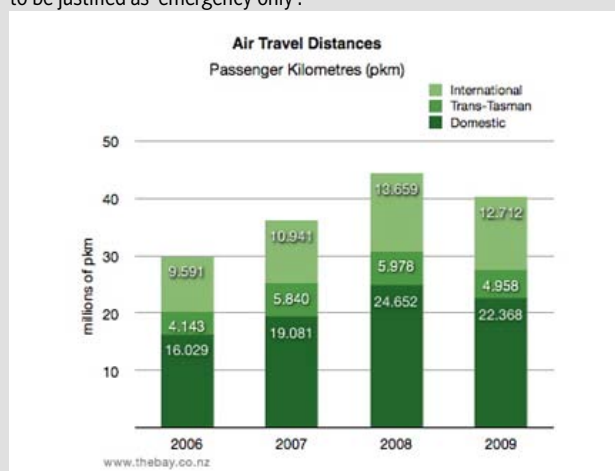
Senior staff take the lead, utilising video-conferencing wherever practicable. According to the Telecom Technology and Enterprise Capabilities Manager, **'We are a communications company and we should be communicating. We are not an airline.'**

Telecom's air travel increased between 2005/06 and 2007/08, due to business needs across New Zealand, as shown in the graph above. In 2008/09, Telecom's use of its own video-conference technology led to a noticeable reduction in air travel. They held over 550 booked and managed internal video-conferences every month, plus numerous ad hoc point-to-point calls amounting to another 100 meetings per month.

## 3.4    Fleet data

**Background**

Fleet vehicles represent a major capital expenditure and an important investment for businesses. If your organisation has a medium to large fleet, it is advisable to develop a comprehensive approach to fleet procurement and management.

Collecting accurate data on your fleet is an essential part of good fleet management. The better you understand your fleet and its limitations, the more improvements you can make.

This could range from manual collection of data through driver reporting to electronic data collection through fleet card information.

This may involve forming a fleet management review team with members from relevant parts of the organisation – eg fleet manager, finance officer etc.

Before introducing any new initiatives, set up robust data collection processes as this will help with monitoring in the future.

The following table summarises the information you should collect about your organisation's fleet.

| High-level data | Metric |
|---|---|
| Total number of vehicles in the fleet | How many are leased (long and short term), and how many owned, by vehicle type (engine size, fuel type, age, make and model, any special equipment) |
| Total kilometres travelled across the fleet annually | By vehicle type (engine size, fuel type, age, make and model, any special equipment) |
| Total fuel use across the fleet annually | Litres broken into fuel types and by vehicle type (engine size, fuel type, age, make and model, any special equipment) |
| $CO_2$ emissions of fleet vehicles | Emissions factors differ depending on fuel type. See www.mfe.govt.nz/publications/climate/guidance-greenhouse-gas-reporting-apr08/index.html |
| **Detailed data** | |
| Total fuel use across the fleet quarterly | Litres per quarter |
| Quarterly/annual cost of fuel per vehicle including kilometres | Litres and kilometres per quarter plotted on a graph |
| Other annual operating costs per vehicle – including crash record | Insurance cost, registration costs, parking infringement tickets, etc. Also include purchase cost and depreciated cost, and cost of crashes, including damage and injuries |
| Fuel economy per vehicle | Litres per 100 kilometres per car – both manufacturer's specifications and tested fuel economy (obtained by dividing kilometres by litres) |
| What each vehicle is used for and how often it is used | For each vehicle, state its role<br>How many hours per day of use of each vehicle |
| Maintenance regime for each vehicle | When last serviced, cost of servicing |
| Identification of high km drivers and high-fuel users | Top 10/20/50 drivers or top 5-10 percent of staff, per car, per user |

## 3.4　Fleet data continued

Continued from previous page

| Detailed data continued | |
|---|---|
| Vehicle use per team/group/individual | Profile of each driver including roles and responsibilities, locations |
| Details from each vehicle log | Drivers should be required to fill in details of the use of the vehicle, ideally for each trip (odometer reading, details of trip origin, destination, distance, purpose, number of passengers, goods carried, driver, etc) |
| Safety rating and emissions standards for each vehicle | ANCAP or equivalent<br>EURO or equivalent |

**Fuel card**

Requiring the use of a **fuel card** is the best way of tracking vehicle use. This can be either managed by your fleet management company or analysed internally.

A fuel card will not provide data on kilometre readings. This will need to be recorded by drivers after each trip or on each tank fill-up by looking at the odometer, or alternatively read at the end of each month or quarter. Some fuel cards require the driver to give the odometer readings when buying fuel.

Accurate readings are needed or it will be difficult to:

* determine the fuel economy of the fleet
* identify any obvious issues with particular vehicles or drivers
* determine whether the vehicle is being utilised efficiently.

**Driver audits**

As with air travel data, it can be useful to interview fleet car drivers, particularly regular users, to obtain qualitative information to back up the hard data. You may want to prepare an interview questionnaire.

**Professional audits**

Collecting information on your fleet can be quite complicated and it may be wise to have a professional fleet audit undertaken, with recommendations that may help reduce your costs, environmental impact and the extent of possible savings.

For information on fleet audits, see www.eecabusiness.govt.nz/emprove/where-is-energy-used/vehicles/fleet-check.htm.

## 3.4 Fleet data continued

Collecting this data will show how the organisation's fleet vehicles are being used and areas where improvements can be made.

You may find there are gaps in the fleet management information or it may become apparent where financial savings can be made. It is estimated that businesses that audit their fleet are able to identify cost savings of 5–15 percent[21].

Identifying fuel efficiency can determine:

- which vehicles to buy on renewal
- whether vehicles can be better tailored to the needs of the employees who use them
- if cars are not being utilised
- if cars are not fit for purpose to their users
- if vehicles are being used to travel distances across town, particularly distances of less than 2km where walking could be the better option.

**Fact**

Overseas studies show that driving efficiently does not significantly increase travel time. A recent Australian study found a 61km journey took only five minutes longer when driving smoothly rather than aggressively - with a 30 percent saving in fuel consumption.[22]

[21]FleetSmart http://fleetsmart.nrcan.gc.ca/index.cfm? (accessed April 2010)

[22] EECA Business www.eeca.govt.nz/node/8568 (accessed April 2010)

## 3.5    Rental car and car share use

**Background**

Often, your rental car or car share will be managed by your travel provider. Otherwise, the rental car company should be able to provide this information:

| High-level data | Metric |
|---|---|
| Kilometres travelled annually/quarterly in rental cars | By vehicle type (engine size, fuel type, age, make and model, any special equipment) |
| Annual/quarterly fuel use of rental cars (if available) | By vehicle type (engine size, fuel type, age, make and model, any special equipment) |
| **Detailed data** | |
| Kilometres travelled by cost centre (group/team/office location) | |
| Kilometres travelled by individual staff members | |
| Fuel economy of rental cars | Fuel economy of each vehicle or average across the rental fleet |
| Safety and emissions standards of vehicles | ANCAP or equivalent<br>Euro or equivalent |
| Size/model of car booked and size/model of car rented | This is to check compliance with upgrade or no upgrade policies |
| Location rented and where travelled | |
| Reason for travel | |
| Crashes/motoring costs/parking costs/offences and fines | |

Collecting this data will identify if there are any improvements that may be made. For example, you may find that some of the fleet vehicles are not needed and a car share is a better and cheaper alternative when an extra vehicle is required.

If the rental car or car club company is unable to help with this information, then it may be useful to interview drivers and encourage them to monitor odometer readings.

**Case study**

**Department of Conservation[23] – environmentally sustainable design considerations**

It is more than fitting that the caretakers of New Zealand's natural environment are now housed in one of the most environmentally friendly office buildings in the country.

Conservation House is placed in a central Wellington location and is connected with all the major bus routes in the city. Directly outside the main entry on Manners Street is one of the most well-serviced bus stops in the city. Being in Wellington's central business district, it is only a short walk to more of the city's major facilities and it is only a 20-minute walk to Wellington railway station. A large cycle park and shower facilities are located in the building to encourage the use of this sustainable transport option, as well as promoting staff fitness.

[23] Ministry for the Environment www.mfe.govt.nz/publications/sus-dev/case-study-conservation-house-jun07/case-study-conservation-house-jun07.pdf (accessed April 2010)

## 3.6    Taxi use

**Background**

Taxi use is an area of business travel that is often overlooked and can be abused by employees.

The following information should be collected regarding taxis.

| High-level data | Metric |
|---|---|
| Kilometres travelled annually/ quarterly in taxis | Because distance data is not readily available, taxi travel is calculated as 1km per $2.50. Details about taxi charges can be found at www.taxicharge.co.nz |
| Annual/quarterly fuel use of taxis (if available) | |
| Annual/quarterly cost of taxi use | |

| Detailed data | Metric |
|---|---|
| Kilometres travelled by cost centre (group/ team/office location/ individual) | Because distance data is not readily available, taxi travel is calculated at 1km per $2.50. Details about taxi charges can be found at www.taxicharge.co.nz |
| Locations travelled to and from | |
| Most frequent journeys | |
| Reason for travel | |
| Percentage of trips that are taken between airport and office | |

This data will show if there are any gaps in current travel policies and opportunities to reduce taxi use, particularly for short distances where walking may be the best mode of transport, eg identifying that a large number of taxi trips are for 1km costing approximately $2.00 per flagfall and $2.50 per kilometre. If these trips were replaced by walking, there would be a saving of approximately $4.50.

**Case study**

$300,000 was saved in 2003 because committee members didn't have to fly

### Parliamentary video-conferencing[24]

Parliament is using video-conferencing technology to enable people from outside Wellington to make submissions to select committees. The system has been used since 2003 and is highly successful, with uses ranging from individuals making submissions from remote locations, to a four-way link between Auckland, Wellington, Christchurch and Samoa that involved hundreds of participants.

A costing prepared after the first year of operation showed that, with limited use at the time, $300,000 had been saved because committee members didn't have to fly to different centres, factoring in travel and accommodation costs.

[24]Parliament www.parliament.nz/en-NZ/AboutParl/HowPWorks/FactSheets/ (accessed April 2010)

## 3.7    Site and policy assessment

**Site assessment**

A site assessment will consider the ease with which a site can be accessed by different modes of transport, along with the onsite facilities available, such as cycle parking, carparking, etc.

A site assessment will:

- enable you to identify the barriers to non-car use and opportunities that could encourage and improve links to the site by more environmentally friendly modes of travel
- help to formulate the types of questions that can be asked in the travel survey.

**Site checklist**

The following aspects should be considered:

| Topic | Things to consider |
|---|---|
| General | • How many people are employed at your site?<br>• What are your operating hours?<br>• Where are your entrances? |
| Pedestrian access | • How many routes to and from the site?<br>• Are they pleasant and in good repair?<br>• Are they close to common destinations and facilities such as banks, post office?<br>• Does the area feel safe at night? |
| Cycle access | • How many routes to and from the site?<br>• Are they in good repair and conducive to cycling?<br>• What are the ycle parking facilities? |
| Public transport | • What services are available?<br>• What are the operating hours and fares?<br>• Where are the stops/stations located?<br>• Are they pleasant to access and use? |
| Motorcycle access | • Is there motorcycle parking? |
| Shower facilities | • Are showers, lockers and dryers provided? |
| Vehicle access | • Is parking provided?<br>• Is public carparking available nearby?<br>• What are the parking charges? |
| Transport and parking issues | • Are there congestion problems around the site?<br>• Are there specific operational issues?<br>• Are there safety issues? |
| Tele-conferencing | • Is telephone-, video- and web-conferencing available at your site? |
| Information and communication | • What are your internal communication channels?<br>• Do you provide transport information to staff and visitors? |

By answering each of the above, you can start formulating initiatives to be put in place.

## 3.7　Site and policy assessment continued

**Policy audit**

Encouraging a policy that changes the way employees travel will require an understanding of current policies, as these can greatly influence travel behaviour. This will indicate the level of policy improvement needed for your organisation to meet best practice.

Auditing your existing policies will also be in accordance with the financial transparency and accountability guidelines from the Office of the Auditor-General.

**Policy checklist**

What to look for in a policy assessment:

| Topic | Things to consider |
|---|---|
| Vehicles and parking | • use and availability of company and fleet cars<br>• carparking allocation<br>• mileage allowances |
| Business travel | • policies for preferred modes of travel<br>• use of tele-conferencing<br>• air travel, taxi and rental car travel, airport transfers |
| Recruitment | • what staff are told when joining the organisation |
| Working arrangements | • flexitime<br>• a compressed work week<br>• working from home |
| Encouragement for active and shared modes | • subsidised public transport tickets<br>• allowances for walking and cycling equipment |

## 3.7    Site and policy assessment continued

**Review business meetings**

Most companies do not pay much attention to the cost effectiveness of **total meeting spend**. This makes it a key area for change.

Business meetings can be costly in terms of:

- time spent travelling
- venue hire
- catering
- accommodation
- non-productive staff time.

An organisational review of meetings could target particular meetings and/or people:

| Function | Description |
|---|---|
| Review if meetings: | • are cost effective<br>• are held in the best location to minimise travel<br>• need to be held as often as they are<br>• could be replaced by video-conferences |
| Determine who the most frequent travellers are in the organisation | If these staff travel for high number of internal meetings, work with them to develop a strategy for reducing these. This could be done by combining trips, or questioning the need for some of the meetings. A gentle approach will be needed in this case. |

**Tackling contradicting policies**

Some organisations may have policies that imply driving a car is seen as a perk and encourage their use. For example, kilometre reimbursement rates are sometimes set at such a level that staff can actually make a profit by driving their own cars on business trips. Alternatively, company cars may be part of a package of benefits. This can be worse if free fuel is available for private mileage and free staff parking is provided.

It can take time to move away from this type of culture, as it may be embedded in personal contracts or union agreements.

**NZTA resources**

You can download generic templates for site assessments (Resource 4) and policy assessments (Resource 5) from the NZTA's website (www.nzta.govt.nz/traffic/businesses/toolkit.html). You can use these templates to guide you through your assessments. You can modify the templates to best meet your needs.

## 3.8 Staff travel survey

| | |
|---|---|
| **Staff travel survey** | The staff travel survey is a useful tool available to supplement the data collected in the travel and site audits. It can provide numerical data as to current travel patterns of staff, explain why staff travel the way they do and show what would be needed to help them travel differently.

Information on how to carry out a staff travel survey is provided in Resource 6 *Workplace travel survey guide* (www.nzta.govt.nz/traffic/businesses/toolkit.html).

The NZTA **travel survey** will gather information that, combined with the results of the business travel audit, will allow you to estimate the potential for cost savings. |

| | |
|---|---|
| **NZTA workplace travel survey** | The NZTA has developed a workplace travel survey that will enable your organisation to formulate a travel plan. The survey allows for customisation to best suit your organisation's culture, characteristics and goals. Survey results will be provided as a simple report and as raw and cleaned data (Excel).

 Workplace travel survey questionnaire template

Guidance about the workplace travel survey is available in Resource 6 (www.nzta.govt.nz/traffic/businesses/toolkit.html). |

| | |
|---|---|
| **Case study** | **Waitakere City Council[25] – fleet vehicle review**

Waitakere City Council undertook a FleetCheck audit in 2004, which included an assessment of fleet characteristics, management process, costs and environmental impacts. Since that audit, the council has undertaken a number of measures to improve its fleet procurement and ongoing management.

The number of fleet vehicles, fuel consumption and associated costs had been steadily increasing, but the council had no idea if the size of its fleet was optimal or if its vehicles were performing well in terms of fuel consumption and pollution emissions. The fleet audit covered a total of 236 vehicles used by different departments at several office locations.

The action plan:
- **Fuel cost savings** - a potential 10 percent savings for the year reducing the amount of fuel used from about 247, 551 litres to less than 222, 796 litres, equating to a saving of about $28,000. The reduction also lessens the council's environmental footprint.
- **Fleet size reduction savings** - increasing the efficient use of vehicles and merging nine office sites within the next two years, 10 pool vehicles could potentially be phased out of the fleet as new fleet management processes are introduced. Having 10 fewer pool cars resulted in cost savings of more than $380,000 over five years. |

---

[25] Ministry for the Environment www.mfe.govt.nz/publications/sus-dev/local-govt-procurement-nov04/html/case-studies/ccc-vehicles.html (accessed April 2010)

## 3.9    The travel report

Presenting your travel data

If this is the first time travel data has been collected and consolidated into one place, it is unlikely that management realises the extent of travel going on. It is important to capitalise on this.

A **travel report** should be written at this point which details the transport issues identified in the data collection phase.

The report does not need to be a formal document. The depth of the report needs to be appropriate to the size of the workplace and the complexity of the transport issues. Summaries could also be presented to wider staff in the organisation to get them thinking about the organisation's travel profile.

We suggest the following report format as a guide:

| Topic | Contents |
|---|---|
| Introduction | Outline of the report's purpose, how the data was gathered and the response rates. |
| Modes of travel | Summary of the various modes of travel and percentage of people using them (graphs are an effective way of presenting this information). |
| Danger spots/key sites | Summary of the key sites (eg intersections and crossing points), highlighting danger spots and describing the dangers (maps and photos are particularly useful). |
| Issues | Summary of road safety concerns, onsite facilities, policy improvements, etc. |
| Potential action point | List of issues and recommend actions. |

Actions

From all of the information gathered, it may be obvious that some actions can be taken immediately that will improve the current situation. For example, it may show that taxis are used for many short distances that can easily be walked.

Some actions will take longer to achieve and will form the basis of the action plan.

# 4.0   Action planning

## 4.1   Overview

**At a glance**

Once the data has been collected (see chapter 3), you will have a clear picture of your organisation's travel patterns and behaviour.

It is now time to start developing an action plan that will tackle the issues that have been identified.

Although developing an effective travel policy requires some time and forethought, the following tips will help keep your employees' travel behaviour under control.

The goal of an effective business travel policy is twofold: it should help you control business travel costs, and it should provide your employees with clear guidelines about the types of travel allowable.

**In this chapter**

**Case study**

**Auckland Regional Council[26] – fit-for-purpose vehicles**

Electric scooters are one of Auckland Regional Council's initiatives to green its fleet, being clean and cost efficient. Two scooters are now available for staff to get around town on business.

About the scooters:

- The scooters are like any traditional moped – but the batteries are recharged instead of filling the tank with petrol. They charge up in about 90 minutes and it costs about 50c to travel 100km.
- The top speed is 50km, so the scooters cannot go on the motorways or on the harbour bridge.

In addition to the scooters, two conventional cycles are now available and there is a Cityhop rental car onsite.

Finance Committee Chairman Cr Bill Burrill said the organisational sustainability programme made financial and environmental sense.

---

[26] Auckland Regional Council (June 2008)

www.arc.govt.nz/albany/fms/main/Documents/Plans/Newsletters/The%20Big%20Clean%20Update/The%20Big%20Clean%20Update%20June%2008.pdf

## 4.2    How to develop an action plan

**Draft an action plan**

Once the data has been collected and analysed, it is now possible to:

- identify priority issues that face your organisation
- explore all possible solutions using engineering, education, promotional, enforcement and policy strategies.

**Finalise the action plan**

The action plan should identify the objectives and the targets that will contribute to achieving these goals, along with the initiatives that will be implemented, by whom, when and at what cost (ie low, medium or high).

At this point you may want to get feedback from management or other stakeholders if you feel it necessary.

From the finalised action plan you will be in a position to draft your business travel policy. The draft should be made available to staff for feedback. However, at this point there should not be sweeping changes made to the document before it is finalised.

Once you have finalised the action plan, you should seek management feedback.

The policy document can then be finalised and should be signed off by management to ensure their commitment.

**Case study**

10 percent reduction in overall transport costs

**Phoenix Organic[27] – travel demand management**

Phoenix Organic, an Auckland-based company making and distributing food and drinks, undertook an initiative to manage the travel demand of their fleet of delivery trucks.

*The actions*

Phoenix Organics undertook the following actions to manage their delivery fleet of 3 trucks

- managed the timing of their trips to avoid traffic congestion where possible
- undertook combined trips by strategically planning their routes in advance
- chose an appropriate engine size for the load to optimise delivery efficiency
- regularly service the vehicle fleet
- joined GreenFleet, a sustainable transport programme.

Through the various fleet management activities, Phoenix Organics was able to reduce the size of their delivery fleet from 4 to 3 and reduce their overall transport costs by 10 percent.

[27]New Zealand Business Council for Sustainable Development www.nzbcsd.org.nz/energyefficiency/content.asp?id=209

## 4.3 How to develop new travel policies

**Developing a policy**

How you pitch the policy is vital to its success. The policy needs to be promoted in a positive way. Emphasise that you are not banning the use of cars and that alternative travel choices are available. Focus on the personal benefits to staff of changing travel patterns, such as the opportunity to build healthy exercise into daily life and reduced stress levels (from reduced time at the office).

Individual policies may also need to be developed for specific initiatives, such as flexible working practices.

**Getting started**

Where does an organisation begin when creating an internal business travel policy?

Here are some steps to get you started:

1. **Existing corporate management or travel policies:** Because these existing documents are communication channels, start by looking at your current policies. What policies are already in place for air travel, taxi use, etc? As a starting point, build from these policies and incorporate new technologies and the findings from the travel audit, eg the use of a travel provider, etc. Also incorporate improved travel behaviours into existing guidelines.

2. **Keep it positive:** Just like a company handbook for new employees, keep policies on the positive side. Your handbook sets the tone of the culture of the company. You wouldn't want to start your first day at a company reading about your last day, so make sure your policies are positive and empower employees to make smart choices. Encourage responsible travel, like video-conferencing and walking to nearby meetings.

3. **Travel:** As you have completed the travel audit, and if appropriate the staff travel survey, you would have gained a good idea of when staff travel and which travel is ultimately compulsory. Some travel is unavoidable; just make sure the policies are fair for all employees.

These are just a few steps to get started. Questions and concerns about the new policies are bound to arise. But addressing them up front will save your company many headaches in the future.

Overall, remember that, if empowered correctly, your employees will readily make the right choices.

The NZTA's *Your safe driving policy* booklet may also help with this. For more information, see www.nzta.govt.nz/resources/your-safe-driving-policy/docs/safe-driving-policy-booklet.pdf.

**Who to involve**

It will be important to involve all relevant teams and people from your organisation in the travel policy. The policy may be owned by a different division in your organisation so you will need to work closely with them.

There are also likely to be human resources issues as the travel policy affects the rights of staff and their employment conditions. Unions should also be involved. It would be useful to involve business administrators as they know the day-to-day issues of booking travel. Your travel provider, if you have one, should be involved in the review as well.

## 4.4 Setting goals and objectives

**Setting objectives and targets**

Once the data has been collected, it is important to analyse it in order to provide the basis for setting overall goals.

| Function | Description |
|---|---|
| Goals | These are the high-level aims of the business travel project. The goals give the project direction and provide the focus. |
| | The goals will have been set at the outset of the travel project and are likely determined by the site and the motivations behind the development of the project. |
| | Depending on the results of the data collection stage, the goals may vary slightly from the original aims set down. |
| Objectives | These are the measurable goals that enable you to gauge whether the broader goals have been achieved. |
| | Objectives should include goals for the: |
| | • short term (1 year) |
| | • medium term (1–3 years) |
| | • long term (3+ years). |
| | The short-term and medium-term objectives serve as interim objectives to be hit to ensure the five-year objective is achieved. It is advisable to set short and medium objectives to incorporate small shifts in individuals' behaviour to more efficient modes. |
| Targets | These are what need to be monitored in order to determine if your objectives have been hit and the goal achieved. |

**An example of a goal, objective and targets**
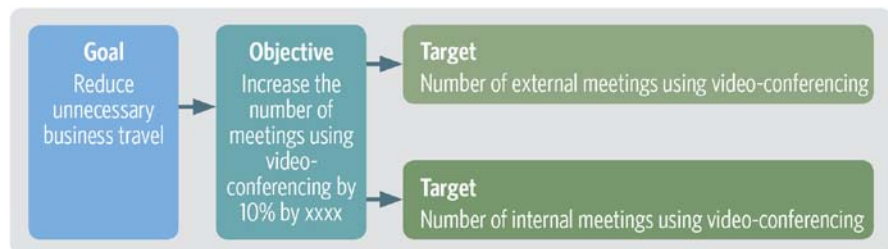


**Indentifying objectives and targets**

The objectives will need to relate back to the overall goals of why you are changing travel behaviour.

Various objectives can be set against the information gathered, particularly where there are the most opportunities for change.

All targets should be **SMART**:

**S**pecific

**M**easureable

**A**chievable

**R**ealistic

**T**ime-bound

When and by whom need to be clearly defined for each target.

## 4.4    Setting goals and objectives continued

| A continuous process | The change in travel behaviour is one of continuous action-monitoring-review, and by setting goals, objectives and targets, you are able to monitor change. If change is not being achieved, it gives you the opportunity to refine those elements that have not worked into ones that do. |
|---|---|

For more details about monitoring,, see chapter 7.

| Example | Remember that, where change is not being achieved, you may need to amend the targets. Admission that a goal was not achievable in practice allows for its replacement with one that is realistic. |
|---|---|

An example of potential objectives is included in the table below.

| Objective Business travel | Measure | Annual targets measured from 2006/07 baseline (per FTE) | | |
|---|---|---|---|---|
| | | 30/06/08 | 30/06/09 | 30/06/10 |
| Reduce taxi travel | km travelled per FTE | 8% | 12% | 12% |
| Reduce rental car use | km travelled per FTE | 4% | 7% | 7% |
| Reduce domestic air travel | km travelled per FTE | 6% | 10% | 15% |
| Reduce international air travel | km travelled per FTE | 6% | To be confirmed as new data becomes available | To be confirmed as new data becomes available |

| Case study | **Victoria University[28] – charging for carparking** |
|---|---|
| | As part of the university's travel plan, 'Vic Commute', staff carparking management was reviewed. |
| | A market-based approach for the pricing of staff carparks has been taken: |
| | • The price of staff carparking permits (both licence to hunt and reserved) increased by $100 per year over the next three years to reach 50 percent of market value by 2011. |
| | • The price will also be adjusted to the Consumer Price Index (CPI) each year. |
| | The additional revenue gathered by the increased parking prices is used to fund sustainable transport initiatives. |

[28] Victoria University Travel Plan www.victoria.ac.nz/fm/services/docs/Vic%20Commute%20Travel%20Plan%20-%20Public.pdf
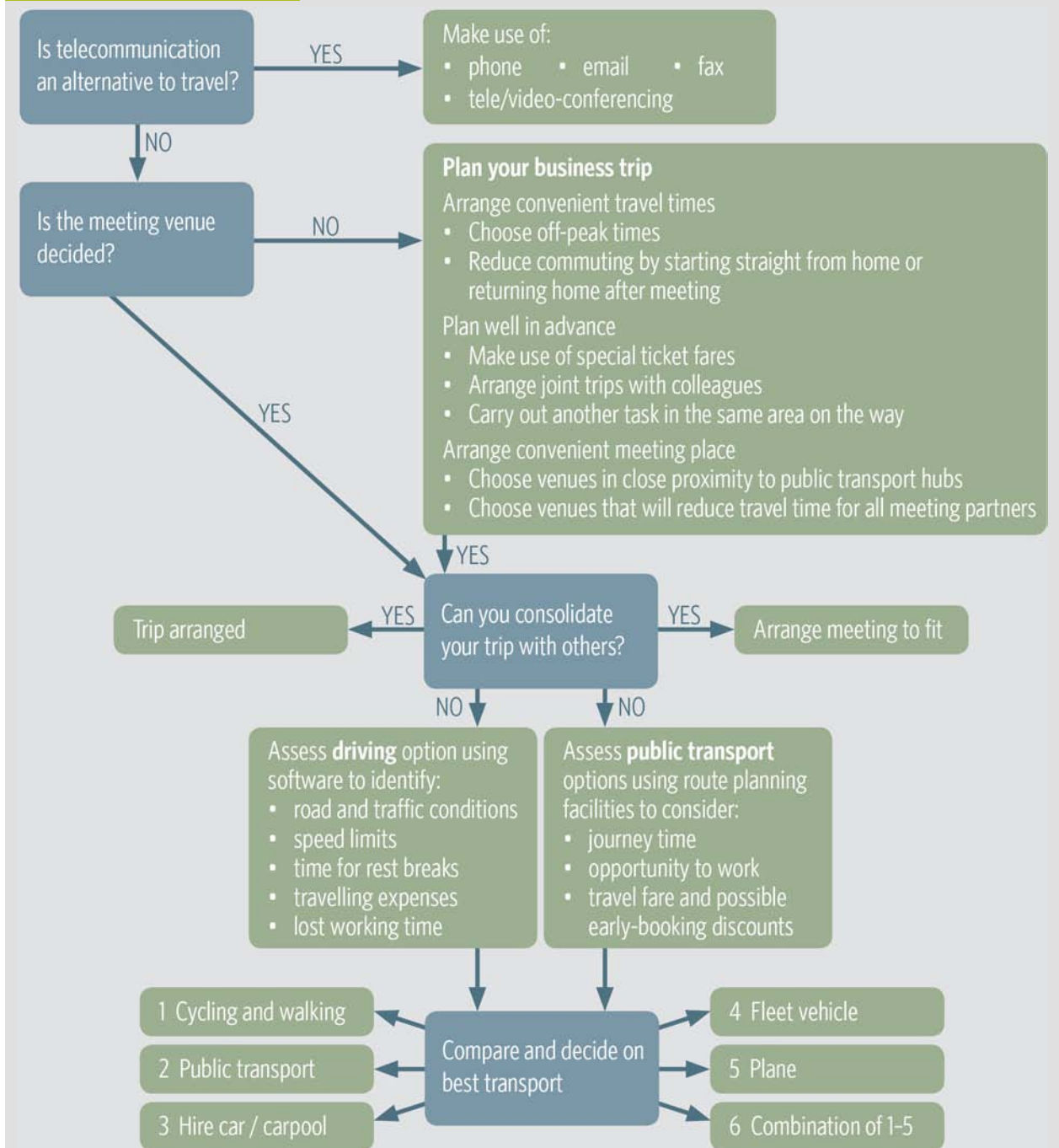
## 4.5    Business trip hierarchy

**Background**

To effectively use measures, it is worthwhile to develop a hierarchy for business travel within your organisation. This in turn should formulate your policy for business travel, with single occupancy car trips being the very last resort.

Formal guidelines should be set for staff to follow which will encourage them to use the tree to take the mode which is most efficient.

**NZTA resources**

The trip decision-making tree below is provided in Resource 11 (www.nzta.govt.nz/traffic/businesses/toolkit.html). You can use this template to help your organisation reduce the need to travel and identify other modes. It may also be useful to publish to staff, especially to those who make travel arrangements.



Is telecommunication an alternative to travel? — **YES** → Make use of:
- phone    • email    • fax
- tele/video-conferencing

**NO** ↓

Is the meeting venue decided? — **NO** →

**Plan your business trip**

Arrange convenient travel times
- Choose off-peak times
- Reduce commuting by starting straight from home or returning home after meeting

Plan well in advance
- Make use of special ticket fares
- Arrange joint trips with colleagues
- Carry out another task in the same area on the way

Arrange convenient meeting place
- Choose venues in close proximity to public transport hubs
- Choose venues that will reduce travel time for all meeting partners

**YES** ↓

Trip arranged ← **YES** — Can you consolidate your trip with others? — **YES** → Arrange meeting to fit

**NO** ↓                **NO** ↓

Assess **driving** option using software to identify:
- road and traffic conditions
- speed limits
- time for rest breaks
- travelling expenses
- lost working time

Assess **public transport** options using route planning facilities to consider:
- journey time
- opportunity to work
- travel fare and possible early-booking discounts

Compare and decide on best transport
- 1 Cycling and walking
- 2 Public transport
- 3 Hire car / carpool
- 4 Fleet vehicle
- 5 Plane
- 6 Combination of 1-5

## 4.6    Strategic approach

**A package of measures**

A successful change in how staff travel will require a package of **measures** that aim to make alternatives more attractive. These measures would then be included in any new business travel policies.

This package of measures will be derived from the **data collection/travel audit** that has taken place across the organisation.

**Use of measures**

Different people will respond to different measures. A combination of measures should therefore be introduced to encourage widespread changes in your organisation.

Measures that staff see as benefiting them are likely to be more widely and favourably received. These are termed '**carrots**'. Carrots might include incentives for using video-conferencing equipment, for example. It is often a good idea to introduce a number of these 'carrots' initially to get staff onboard.

Actions such as changes to travel policies and the setting of travel budgets fall into the category of '**sticks**' or disincentives. However, if they are implemented organisation-wide and the reasons well explained, staff generally will respond positively.

It will also be important to implement a mixture of technical, and people-based actions. For example, to improve fleet efficiency, this might include:

- *Technical* – reviewing and updating fleet policy and purchasing new vehicles (if required)
- *People-based* – a driver training programme and an incentives scheme.

This recognises that travel is undertaken by people across the organisation and much of the change needs to happen through a change in behaviour.

**Quick wins**

While looking to create long-term travel behaviour, you should also look to any measure that will provide **quick wins** which will help to demonstrate the success of the project.

Often quick wins are what is needed to build the ongoing buy-in from senior management, and get the momentum going.

The boxes below provide a summary of two approaches to a package of actions. One is focused on the short term, and includes actions that are reasonably easy to implement. The second incorporates more comprehensive actions that require greater resourcing and a longer time period.

**An example of a package of quick wins for travel reduction**

1. Make public transport information available on the internet and physically in offices
2. Make pool bikes and umbrellas available for use to get to nearby meetings
3. Make public transport tickets/cards available
4. Provide details of airport bus providers with flight itineraries
5. Participate in nationwide or regional events, eg Bike Wise, Walk to Work Day
6. Target frequent travellers and work with them to reduce their travel

## 4.6    Strategic approach continued

| An example of a comprehensive package of actions | 1. Conduct a thorough audit of current travel and present findings to the management team, including areas for improvement<br>2. Review travel policy to include questioning the need for travel<br>3. Set a travel budget and monitor it regularly through the year<br>4. Review procurement policy for rental cars, taxis and travel providers and select preferred suppliers based on service delivery and sustainability considerations.<br>5. Invest in video-conferencing equipment or other remote communication |
|---|---|
| Long-term change | The majority of measures with the new policies will be aimed at long-term changes in people's behaviour. Such changes can be quite small and will take time.<br><br>The change may be someone who travels once a week to meetings substituting this with video-conferencing.<br><br>It may take up to a year for some initiatives to reach their full potential, eg staff using the bus instead of a taxi for trips to the airport.<br><br>Whatever initiatives you do implement, it is important that you promote what you have done. |
| Tax implications | Some initiatives may be subject to fringe benefit tax (FBT). If you have concerns about tax implications, contact Inland Revenue on 0800 377 772 for initial queries. |
| Case study | **Christchurch City Council[29] – pool bikes**<br><br>Christchurch City Council promotes sustainable transport, and has three bikes in its vehicle pool.<br><br>The council's Cycling and Pedestrian Transport Planner Michael Ferigo said the council bought three bikes to offer staff a better choice of transport options. 'We bought two comfortable city bikes and a racy-looking cruiser for staff use. They are fully equipped with locks, mudguards and chain-guards. Reflective gear and helmets and provided, with optional hairnets to keep hair clean.'<br><br>Staff can book the use of a pool bike by computer, in the same way they would book a pool car. Bikes are mostly used for going to meetings and for trips within the city centre. Michael says that with increasing use of pool bikes, the council will be able to cut back on the number of cars it operates. 'Travelling by bike offers hassle-free parking and encourages staff to be physically active,' explains Michael.<br><br>In recognition of running costs, staff are paid $1/day if they use their own bike for work-related journeys. |

# 5.0   Measures and initiatives

## 5.1   Overview

**At a glance**

Many different types of measures can be implemented, and the ones chosen will depend on your organisation's site and characteristics and the results from your survey.

This chapter outlines the most important measures you can take for different travel occasions.

Some initiatives may be subject to fringe benefit tax (FBT). If you have concerns about tax implications, contact Inland Revenue on 0800 377 772.

**In this chapter**

## 5.2    Reducing the need to travel

**Background**

While many measures can influence the way your staff travel, some of the biggest gains will actually come from reducing the need to travel.

Travel is expensive, not just in the financial sense but also with staff being away from the office. The first question to consider for any business trip is whether it is necessary at all. This should be considered by every staff member before they travel. The business trip hierarchy (on page 4-6) should help employees reduce the need to travel and identify other modes that are available.

Ways to reduce the need to travel:

- video-conferencing
- working form home
- compressed working weeks.

In today's technological environment, your organisation should be looking to create a culture of phone- and video-conferencing in preference to face-to-face meetings. While initial contact may be better face to face, subsequent meetings should be via phone- or video-conferencing.

**Improvement tips**

The following steps can improve your travel processes:

| Function | Description |
|---|---|
| Consolidate the booking process | Either through an online booking tool or a travel provider. <br><br> This will enable easier collection of data, and ensure that travel is booked in a consistent manner rather than individual staff booking their own travel. Also makes monitoring easier. |
| Implement business travel hierarchy | See the trip decision-making tree (on page 4-6). |
| Review and improve | <table><tr><td>**Function**</td><td>**Description**</td></tr><tr><td>Travel booking forms</td><td>Forms should be online and should ask for the reasons for travel for data purposes, and should include a question about whether alternatives to travel have been considered.</td></tr><tr><td>Travel approval process</td><td>This should include the appropriate level of sign-off for different types of travel. Sign-off processes should consider whether the trip is necessary and which mode is most efficient.</td></tr><tr><td>Travel budgeting process</td><td>Travel budgets should ideally be set annually and regularly reviewed. This is particularly important for international air travel. Budgets could be set at a team or group level, as well as across the organisation. Budgets should also be tied to targets set through the travel review project. For example, if a reduction target is set so as to reduce travel by 5 percent during 2009, travel budgets should be amended accordingly.</td></tr></table> |

## 5.2    Reducing the need to travel continued

**Media requirements**

We are culturally committed to the idea that business needs to be conducted face to face, but at least some meetings could be conducted in other ways.

The diagram below shows how different communications methods can be used, depending on the nature of the relationship and the complexity or sensitivity. Communication with someone you have an established relationship with, about routine and non-sensitive issues, can more easily and appropriately be undertaken using email or telephone.
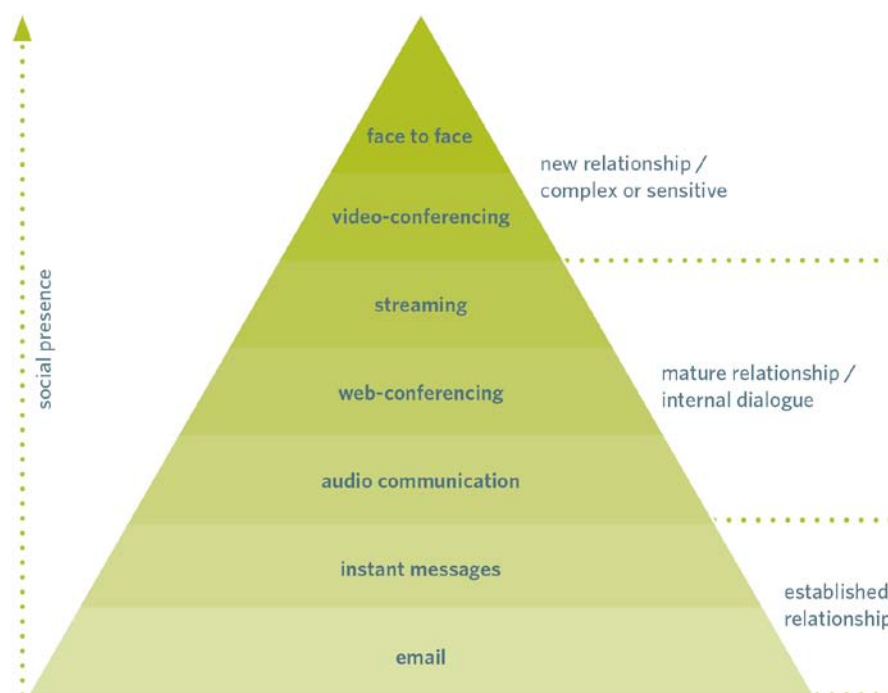


| Case study | New Zealand Business Council for Sustainable Development[30] - video-conferencing |
|---|---|
| The video-conference saved $506 | For a workshop in Auckland for the New Zealand Business Council for Sustainable Development, the guest speaker remained in Wellington and effectively presented and led discussion for 1 hour via video-conference. The cost, time and greenhouse gas savings, resulting from the speaker not flying to Auckland are summarised as follows: |

**Physical travel**

| | |
|---|---|
| Direct costs (air tickets, taxis, etc) | $680 |
| Travel time: air/airport/road | 4 hours |

**Video-conference**

| | |
|---|---|
| Direct costs | $174 (150/hour plus line charge) |
| Travel time | 30 minutes |

The video-conference saved $506 plus 172kg of greenhouse gases.

## 5.3    Tele-conferences

**Background**

Tele-conferencing is communicating with people using video and/or audio-conferencing facilities, allowing people to meet and work together without being in the same room, anywhere in the world.

**When to use video-conferencing?**

Video-conferencing cannot replace all meetings, and generally works best when individuals have already met face-to-face.

Video-conferencing can be used for:

- company meetings
- training in New Zealand and overseas
- addresses by management
- regional staff meetings
- overseas speakers
- product launches and sales rallies
- distance learning
- job interviews.

**Hardware involved**

For this type of culture to become acceptable, the technology has to be in place for them to use:

- Conference phones with good, loud speakers should be available in all meeting rooms, which are bookable.
- The system for setting up a conference call should be easy and not deter staff.
- Video-conferencing equipment should be available in meeting rooms. It should be easy to use and supported by a proficient staff member who can teach first-time users.
- Skype or similar software should be installed on each staff member's pc. These are better suited to one-to-one conference calls.

There may be a large upfront cost to install a high-tech facility; however, it will pay for itself in no time.

**Hint**

A tele-conference needs to be just as carefully planned as a meeting in the 'real world', and it must be led professionally:
- Send participants timely invitations and inform them of duration, technical needs, passwords and agendas.
- Give participants access to all documents they need.
- Begin on time.
- A good start and small talk by the moderator can help minimise participants' discomfort with the technology.

## 5.3    Tele-conferences continued

**Successful video-conferencing**

If some participants have not used video-conferencing before, it may be useful to put down some ground rules and cover technological information. Factors to consider are:

- Video-conferencing between many locations can be difficult, as screens will split to show all locations or only show the person speaking at that time. More than four locations is probably too many, although technology improvements will diminish this problem.
- The meetings will need to be chaired effectively, and even the most experienced chair will need to learn new skills for video-conferencing.
- It is beneficial if a face-to-face meeting with participants has occurred previously, as body language plays an important role in meetings.
- Effective training should be given in how to operate the system.

## 5.4     Flexible working practices

**Flexible working practices**

Flexible working practices can benefit employees, employers and the economy. It is about making changes to the **hours** people work (over a day, a week or year), the **times** and **days** they work or **where** they work. Flexible working is becoming increasingly popular, saving time and money for both the employer and employee if set up well.

In the current economic climate, organisations are also looking at ways to become more efficient and working to better match the supply of goods and services with demand for them. Negotiating with employees to change their working arrangements can help do this.

Flexible working can include:

- hot-desking
- compressed working week
- remote working
- working from home.



**Hot-desking**

Hot-deskers may not have a permanent desk at the office – they may use shared office facilities as and when required or be a home worker.

Significant advantages to providing your staff with hot-desking facilities include:

- By reducing the amount of office space required to accommodate its workforce, companies can reduce their overheads.
- If your organisation is smaller, you may be able to rent space from larger organisations with spare capacity and have your staff hot-desking.
- If your organisation is large, hot-desking can work where a lot of staff are out of the office most of the time – sales and IT people or contractors, for example. In these cases, staff have no real need for a permanent space.

**Compressed working week**

**Compressed working** allows staff to take time off as long as they have worked the required hours in advance, eg one day a week or one day a fortnight. In some instances, they can be in arrears and make up the time.

This approach improves productivity by allowing work to be accomplished during quieter times of the day/week, and can free up space for hot-desking.

# 5.4 Flexible working practices continued

**Remote working**

**Remote working** involves staff members working away from the office. This may mean working from a client's offices, completing paperwork while visiting a site, or working while travelling, such as while waiting at the airport.

Remote working can:

- reduce office space and associated costs
- provide an environment with fewer workplace distractions
- allow employees to work during their 'personal best time'.

**Working from home**

**Working from home** (or teleworking) means a staff member sets up a work space at home and works remotely. This is becoming more common, and some particular types of jobs and industries have embraced working from home. Working from home enables these companies to access a larger workforce and reduce office overheads.

**Strategy/policy development**

If these approaches are not currently used in your workplace, you will need to develop a well-planned strategy and/or policy. This may include a piloting stage.

It is useful to assess:

- what would need to be included in employment contracts – consider consultation with any unions
- legal issues, including workplace safety laws
- communication and technology requirements, including remote access to internal servers and drives
- security and confidentiality issues, such as holding confidential files offsite
- which jobs and types of people are best suited to working from home
- the content of agreements between staff and managers.

## 5.4    Flexible working practices continued

| Case study | EDS New Zealand[31] – flexible working |
|---|---|
| Improve staff retention and productivity | EDS is the largest IT outsourcing services company in New Zealand, with more than 2400 employees in five main locations. |
| | The company offers a range of flexible working options, with a particular emphasis on enabling people to work from home for all or part of their working week on an ad hoc basis, or as part of a formal arrangement. People mainly choose to work from home to help with caring responsibilities or to avoid long commutes. |
| | Flexible starting and finishing times are 'par for the course' at EDS New Zealand, except when the constraints of a position prevent it. Part-time work, a compressed working week, job-sharing and a range of flexible leave options are also available. |
| | EDS New Zealand has not measured the business benefits of its flexible working arrangements but is confident that they improve staff retention and productivity, as well as reducing absenteeism. |

The above are just some of the flexible work arrangements you can consider for your workplace. You can find out more about flexible work arrangements on the Department of Labour website: www.dol.govt.nz/worklife/index.asp.

| Case study | Unisys House teleworking[33] |
|---|---|
| Net benefits of $12,412 per teleworker per annum through its telecentre-based telework programme in Wellington[32] | Unisys New Zealand is one of many businesses that have gained benefits from teleworking. With 550 staff spread across offices from Auckland to Dunedin, every one of them has the option of teleworking. A Virtual Private Network (VPN) client is loaded onto staff laptops, and all that is required is internet access. Staff can then decide what kind of employee they wish to be: |
| | • a 'homer' – permanently office based |
| | • a 'roamer' – working at client sites, home or office |
| | • a 'zoner' – predominantly based in another location. |
| | From the outset, Unisys set objectives to make employees accountable for their output. |
| | Unisys has stated the benefits are measureable – the HR department recorded that staff engagement jumped by 6-7 percent in one year. |

---

[31] Department of Labour www.dol.govt.nz/worklife/case-studies/eds.asp (accessed April 2010)

[32] Bevis England (24 August 2009) *Telework New Zealand.* (accessed April 2010)

[33] S Putt (20 August 2008) 'Teleworking: is home the 21st century office?' *Computerworld*.

## 5.5    Carparking management

**The need for carparking**

Supplying carparking to employees and customers could be one of your workplace's largest expenses, and could bring the greatest financial benefits if managed correctly.

Consider:

- the costs of providing carparking in terms of rent and maintenance
- that carparking is often supplied to staff who commute to work but don't use their car for the rest of the day
- the space taken up by carparking – often as much as the building itself.
- restrictions that may exist on extra parking, eg by lack of available land, expense of buying or renting extra parking, or local council planning rules.

If you are determined to reduce business travel, removing carparks could be the most effective option as it limits the carparking available for fleet vehicles. However, alternatives to fleet cars need to be in place to enable a mode shift.

The wrong message is sent out if all the available parking spaces are taken up by senior management or according to rank or status. Spaces should be allocated according to operational or eligibility need.

**The hidden cost of free parking**

Companies that rent carparking spaces for their employees may be more aware of the costs involved – sometimes as much as $41,600 per space annually. But often the costs of carparking are buried somewhere in a facilities manager's budget.

Any company that is considering building new carparks will realise it faces a major construction cost of $3600–$6800 per space. Multi-storey and underground parking can be even more expensive. The land already under parked cars might also be put to more profitable use.

| Capital items to consider for surface-level parking | Ongoing costs to consider |
|---|---|
| • Land purchase <br> • Ground works, including site levelling, installation of drainage, landscaping <br> • Surfacing with asphalt plus kerbs and pavements <br> • Mitigating design measures, such as planters or build-outs for plants and trees <br> • Street furniture, such as signs, seats and litter bins <br> • Security measures, including fencing, lighting, CCTV and access barriers | • Cleaning and upkeep <br> • Security (if needed) <br> • Lighting bills (if needed) <br> • Insurance and business rates <br> • Maintenance of electrical equipmen eg barriers, lights or security camera |

**Case study**

### Size of fleet vehicles[34]

An organisation with 430 fleet vehicles decided to replace 1.5/1.6 litre vehicles with 1.0-1.3 litre vehicles. Within a year, the number of small cars went from 13 to 60, with a resulting $73,000 fuel savings per year.

[34] New Zealand Business Council for Sustainable Development www.nzbcsd.org.nz/energyefficiency/content.asp?id=209 (accessed April 2010)

## 5.6    Fleet vehicles

**Improving your fleet**

If your workplace operates vehicles as part of everyday work, it is important to ensure that it is managed effectively. A number of practical solutions can help you reduce costs.

Selecting fuel-efficient, low-emission vehicles doesn't have to compromise the '**fit for purpose**' requirements of your fleet vehicles and can save up to 40 percent in costs and $CO_2$ emissions.

Ways to improve current practices include:
- improved fleet fuel economy
- reduced fleet size and trips
- changed mode of travel
- efficient driving techniques
- anti-idling campaign
- improved maintenance
- lower depreciation rates
- better driving standards (and therefore safer drivers and fewer crashes)
- developing a vehicle drivers' handbook.

If you currently do not have fleet vehicles, these cars can:
- save an organisation money
- remove the incentive to travel by car to benefit from mileage allowances
- encourage non-car commuting by eliminating the need for staff to bring their car to work for business travel.

**What is the business need?**

It is important to consider the need your business has for travelling and how many vehicles are needed to fulfil this:
- What is the business need? Can you re-think the need?
- Have there been any technological advances/innovations that would offer you a better outcome?
- Are you buying as few as possible?

**Hint: Reducing fleet size**

If a business has a fleet of 20 medium-sized petrol-fuelled cars that each drive an average of 45,000km a year, the reduction in fuel use from choosing the most efficient model available could be as much as 47,000 litres every year. That's a saving of around $80,000 per year (not including any fleet fuel discount).

## 5.6    Fleet vehicles continued

**Green vehicles**

Why are sales of green cars rising so fast? In addition to the growing awareness of environmental issues, part of the answer is likely to be that motorists are waking up to the high costs of owning a conventional vehicle and to the financial benefits of going green.

Green vehicles may have some added selling power, as more drivers look to replace their aging petrol and diesel vehicles with more modern technology that is more economical to run and less harmful to the environment.

**Case study**

**Simplifying fleet vehicles**[35]

A diverse fleet of 120 cars made up of sedans and wagons from different manufacturers was replaced with a single model. Total operating costs, including the cost of crashes, dropped by $1200 per year per vehicle, and the upfront costs were reduced by $2000 per unit.

**New fuels**

A number of energy efficient vehicles are being introduced to the New Zealand car market, including gas/electric hybrids and fuel-efficient diesel engines.

'Hybrid' vehicles are becoming increasingly available and affordable in New Zealand. They feature a rechargeable battery that allows them to run on both electricity and conventional fuel, significantly reducing fuel use.

Modern diesels can be up to 30 percent more economical than petrol equivalents. Buy a vehicle as new as possible to capitalise on the most up-to-date fuel efficiency technology.

If you have high mileage travellers, you could investigate LPG or CNG as lower-cost substitutes for petrol, or consider an efficient diesel or hybrid vehicle when replacing your cars.

All vehicle dealers should be able to tell you the fuel economy, $CO_2$ emissions and NCAP (New Car Assessment Programme) safety rating for every car they are selling.



---

[35] New Zealand Business Council for Sustainable Development www.nzbcsd.org.nz/energyefficiency/content.asp?id=209 (accessed April 2010)

## 5.6　Fleet vehicles continued

**Fuel savings**

Fuel is often a significant component of fleet operating costs. You may currently provide fuel cards to your drivers and provide fuel for private use. If this is the case, it is an opportunity to reduce costs by removing the free fuel. Also, providing free fuel can encourage employees to drive more, leading to additional depreciation costs on fleet vehicles.

Fleet fuel costs can also be dramatically reduced by introducing other modes, eg video-conferencing for meetings between business sites. This reduces the amount of time the vehicles are on the road, cutting down on the number of journeys undertaken, with a favourable impact on fuel costs.

Reviewing your current fuel provision policy may lead to cost-saving opportunities and consequently $CO_2$ savings.

**7 habits for fuel-efficient drivers**

1.　Avoid unnecessary driving
2.　Drive with a smile – go easy on the pedal
3.　Remember your maintenance obligations
4.　Keep vehicle loads to a minimum
5.　Turn off the extras like air conditioning
6.　Switch off the engine if idling more than 30 seconds
7.　Choose the right vehicle for the job

**Whole-of-life cost**

Savings can be made by adopting a **whole-of-life cost** approach when adding new vehicles to the fleet, and not relying on their upfront price or monthly leasing price. The true cost of a vehicle is its whole-life cost, which includes manufacturer discounts, taxation, insurance, fuel economy and $CO_2$ emissions.

**Hint: Remove unnecessary equipment and fittings**

The heavier and less streamlined a vehicle is, the more energy it uses. Unnecessary weight increases fuel consumption by around 2 percent for every 50kg. So if equipment isn't needed on a particular job, leave it behind. Anything that increases drag such as roof racks should be removed when not needed.

**NZTA resources**

A generic checklist to make sure your fleet is running efficiently is provided in Resource 12 (www.nzta.govt.nz/traffic/businesses/toolkit.html).

**Who should manage the fleet?**

What is the most appropriate way to manage your vehicle fleet? Internally or outsourced?

Outsourcing elements of the fleet can save costs by providing the organisation with better purchasing power, cheaper maintenance rates and better residual value when remarketing. Some organisations manage their fleets in-house by appointing a fleet manager.

## 5.6    Fleet vehicles continued

**Fit-for-purpose assessment**

Are the vehicles '**fit for purpose**'? If they are not, they will not be used effectively and you may be left with a few costly white elephants sitting in the carpark.

| Best practice approach | Description |
|---|---|
| Work in collaboration with the managers, drivers and key personnel | Identify:<br>• the vehicle need<br>• its role/operational requirements<br>• its HR objectives (for company cars).<br>Take a stepped approach to identifying the most suitable vehicle that is fit for purpose. |
| When purchasing/leasing vehicles, consider: | • size requirements of the vehicle and engine<br>• whether it needs to handle different terrain (eg four-wheel drives)<br>• open road versus city driving<br>• qualitative aspects such as visual appearance, perception by clients, driver preferences<br>• list price of the vehicle |

Matching engine size to the required task will give the best fuel economy. If only some of the fleet is used for long-distance driving or larger loads, consider including smaller, more economical vehicles in your fleet for shorter trips or city driving.

**Barriers to reducing mileage**

There may be barriers created by the way in which an organisation operates that deter people from changing their behaviour and these must be overcome before action can be taken.

Initially you may be able to downsize the fleet by identifying more cost-effective and efficient methods of carrying out your core business activity.

You may also be able to reduce car use:

• by promoting car-sharing

• with increased use of public transport, walking and video-conferencing

• with better corporate diary planning for customer visits/meetings, etc.

**Hint: Keep to the speed limit**

Make sure your drivers understand that speeding is unacceptable. Aside from the fact that it's illegal, for every 10km/h you travel over the speed limit, you increase fuel consumption by 10 percent. Driving within the legal limit also means drivers are less likely to crash or incur fines.

## 5.6    Fleet vehicles continued

**Driver training**

The way your employees drive has the single biggest influence on how much fuel your business uses. In fact, the difference in fuel consumption between a good and a poor driver can be as much as 30 percent. No matter how efficient the vehicles you operate, they will all perform poorly with an inefficient driver behind the wheel.

Driving economically also has proven safety benefits. And investing in driver training may help present a more professional image for your business, improving your reputation and boosting staff pride.

Drivers must be made aware of efficient driving techniques, either by increasing awareness or where necessary through driver training.

Supplying drivers with basic efficient driving information could help. Further to that, driver training could be provided to all drivers – or perhaps just those identified as inefficient via the fleet fuel monitoring procedures. Training could also be targeted at senior managers who drive company car or high-mileage drivers.

Driver training can be combined with an anti-idling campaign. Many people think that it is inefficient to turn a vehicle off and then on again, and leave the vehicle idling for minutes at a time. However, it is usually more fuel efficient to turn the vehicle off if it will idle for more than 30 seconds.

**8 tips for improving fleet efficiency**

1. Start monitoring your fuel use
2. Do your homework on your engine choice
3. Limit speed – change gear before 2500rpm (petrol) and 2000rmp (diesel)
4. Cover trucks and trailers, loaded or not
5. Reduce excessive idling
6. Keep tyre pressure at optimal pressure
7. Plan trips and optimise vehicle use (GPS navigation equipment can be helpful)
8. Get your drivers on board

## 5.6     Fleet vehicles continued

**Motorcycles/scooters**

Motorcycles and scooters can be a good addition to an organisation's vehicle fleet, particulalry where public transport, walking or cycling are not possible.

Advantages of motorcycles/scooters:

- Motorcycles, mopeds and scooters can offer a more environmentally friendly alternative to travel than private cars.
- They are more space efficient from a parking and congestion point of view.
- They are cheaper to run for staff.

Like for cyclists, organisations should provide motorcyclists with:

- safe and secure parking
- changing facilities/storage for equipment
- motorcycle user groups.



**Maintain your fleet**

A regularly maintained vehicle uses significantly less fuel than a badly maintained one. Here are some commonly neglected practices that can reduce fuel use.

| Maintenance | How it works |
|---|---|
| Check tyre pressures regularly | Under-inflation increases rolling resistance – which uses more fuel. It also reduces the life of the tyre and affects the handling and braking. |
| Change engine oil regularly | Worn-out engine oil increases engine wear and fuel consumption. Also consider using low-viscosity engine oil where appropriate. |
| Keep engines tuned properly | Poorly tuned engines can use 20 percent more fuel than well-tuned ones. |
| Keep air filters clear | Clogged air filters increase fuel consumption by as much at 10 percent. |
| Ensure correct wheel alignment | As well as impacting on safety, poorly aligned wheels make the vehicle work harder, increasing fuel use and tyre wear. |

## 5.6    Fleet vehicles continued

**For more information**

For a guide to the safest and most fuel-efficient vehicles, visit www.rightcar.govt.nz.

For more on fuel-efficient driving, visit www.fuelsaver.govt.nz.

The NZTA provides a guide to selecting fuel efficient heavy vehicles at www.nzta.govt.nz/vehicle/choosing/heavy/selecting.

The Ministry of Transport provides the SAFED NZ programme for truck and bus drivers, covering safe and fuel-efficient driving. To register your interest, email safed@transport.govt.nz.

For more information on using biofuels, see www.biodiesel-nz.co.nz.

For more information on New Zealand's GreenFleet programme, see www.greenfleet.org.nz/page.asp?sec=Tools_and_Action.

For more information on fleet management, see www.energysavingtrust.org.uk/business/Business/Transport-in-business.

---

**Case study**

On track for savings of over $335,000 per year

**Winstone Aggregates[36] – improving fuel efficiency**

As New Zealand's largest aggregate company, Winstone Aggregates burns through a lot of fuel moving cargo from A to B – its fleet travels around 5.5 million kilometres each year.

With diesel representing around 83 percent of the company's energy costs and 8 percent of total company expenditure, energy efficiency is an extremely important area to focus on.

There are five key ways the company has achieved significant savings – and at a very low cost to the business:

- Reducing idling time. By encouraging drivers to turn their engines off when picking up loads and better planning journeys to avoid traffic congestion, the company has managed to reduce idling time from 12 percent to just 6 percent.
- Having covers on trucks at all times (loaded and unloaded). This could create energy savings of around 8 percent.
- Reducing vehicle speed. A reduction of around 10km/h can reduce fuel consumption by around 0.25 litres per kilometre, which prompted the company to fit all their new electronic engines with 90km/h speed limiters.
- Tyre management. Overseas research has found that operating tyres at optimal pressure can result in fuel savings of up to 3 percent.
- Travel planning and management. Using GPS route monitoring to minimise idling times and maximise backloading opportunities to reduce overall mileage. Operating two trucks at night (there is an estimated 10 percent efficiency gain from transporting aggregates between 6pm and 6am).

---

[36] New Zealand Business Council for Sustainable Development www.nzbcsd.org.nz/energyefficiency/content.asp?id=209 (accessed April 2010)

## 5.7  Air travel

**Reducing air travel**

Organisational air travel can be a significant expense. This is particularly the case for office based organisations, policy focused government agencies, or companies with customers and clients around the country or internationally.

The cost of the ticket is only the upfront cost, there are also the hidden costs incurred by organisations, from transport connections to and from the airport and lost staff productivity, as well as accommodation and miscellaneous expenses.

Other alternatives to help reduce the cost of air travel are

- Prioritising video- and phone-conferencing should become a priority
- Flights only be signed off as a last resort when all other options have been exhausted
- Public transport should be promoted too and from the airport.

The following tips provide ideas for reducing air travel:

- Make sure air travel costs and kilometres are communicated clearly and regularly to management.
- Introduce behaviour change ideas to staff like:
    - Cut one in five air trips
    - Combine meetings to reduce air travel
    - Book travel well in advance
- Target staff and teams travelling the most (trips, distance or time). Work with them to see where reductions could be made.
- Work with management to get them on board and make sure they are communicating with their staff about the importance of reducing air travel where possible
- Invest in alternatives, this might include video-conferencing equipment, and / or web cams

**Tips for reducing air flight expenses**

With a little forethought and some flexibility, you can reach your destinations with out breaking the budget. It may help to develop a **'Best Buy' Policy**, which would include the following points-

- **Book early** – travel should be booked well ahead of the actual travel so the expenditure is the most cost effective
- **Be flexible** – in scheduling your flight. Flying early, mid week or off hours is generally cheaper.
- **Use a travel agent/provider** – business travel agents and providers' goal is to obtain travel at the lowest cost, or reviewing travel itineraries before purchase, to make sure the best deal is obtained. Always specify 'lowest possible fare'.
- **State the class to be flown** – eg "All business travel will be economy class"

**Links to good resources**

www.wwf.org.uk/what_we_do/campaigning/one_planet_mobility/new_report__travelling_light/: Travelling light report by WWF on ways to reduce air travel.

## 5.8    Taxi use

| | |
|---|---|
| **Background** | Taxi use is an area that is often overlooked when thinking about business travel. However, employees can abuse it and may use taxis for trips that can easily be made on foot or on public transport. |
| **When taxi use is good** | While taxis are perceived as expensive, and in some instances they can be, it would take high levels of usage to reach the levels of expenditure that would be needed to purchase an additional fleet vehicle or enter into contract arrangements. Taxis can also fill gaps in public transport. |
| **When to encourage and discourage taxi use** | The following tips may help ensure staff do not abuse taxi use: |

### When to encourage taxi use

- Promote taxi sharing. This can be achieved through centralised taxi booking or using an online system, so that the taxi company/travel provider is able to match people taking similar trips.
- Encourage use of taxi shuttles rather than single-occupancy taxi rides. When you have a larger group of people going to the same location from the airport, you can book a private shuttle.
- Use taxis where there is a gap in the public transport network.

### When to discourage taxi use

- Taxi use should be minimised as most taxi trips are made with one person in the car.
- If the trip is less than 2km, encourage walking.
- If there are good public transport options, encourage this instead.
- Monitor taxi use and, where there are frequent short trips, target those people or teams and encourage different ways of getting to those destinations.

Other things to consider:

- Investigate the potential for establishing a preferred taxi supplier. This would require a tender specifying minimum requirements that ensure the sustainability credentials of the company (refer to the Ministry of Economic Development's travel category review under motor vehicles: www.med.govt.nz/upload/51276/category-reviews.pdf).
- Monitor taxi use – track it monthly or quarterly. TaxiCharge calculates kilometres using a formula. It is better if taxis are paid for through TaxiCharge than on credit card so use can be more easily tracked. For more details, see www.taxicharge.co.nz.

| | |
|---|---|
| **Case study** | **Reducing fleet vehicles**[37]<br><br>A company with 60 fleet vehicles didn't replace 18 of its cars when it sold them, raising utilisation from 49 percent to 81 percent. They got $135,000 from the sale, avoided $351,00 spending on new cars and reduced annual operating costs by $53,000. The taxi cost to meet the shortfalls is only $10,000 per year. |

---

[37] New Zealand Business Council for Sustainable Development www.nzbcsd.org.nz/energyefficiency/content.asp?id=209 (accessed April 2010)

## 5.9    Rental cars and car clubs

**Promoting car-sharing and car clubs**

If your organisation is small, fleet cars may not be an option. However, it may be possible to share cars with other organisations nearby or through a car-sharing club. Car clubs allow for the fact that for some journeys a car is the best way of travelling.

Car-sharing is an effective and cheap alternative to reduce your total number of fleet vehicles. It is based on the same concept as a car hire company; however, the major difference is that they have cars parked all over the central business district. Cars can be hired for short term hire, from 30 minutes up to six months. It allows members the benefit of having access to a car, when they need it, but not the associated costs

Being a member of a car club is a cost effective alternative to owning a vehicle driven less than 10,000kms per year. It makes the occasional use of a vehicle affordable, while providing an incentive to minimise driving and rely on alternative travel options as much as possible.

For more information on car-sharing in New Zealand, see www.cityhop.co.nz or www.zipcar.com/z2b/?zipfleet_id=&account_type=corporate.

**Reducing rental car use**

Rental cars are a useful way of reducing travel expenses.

It may be useful to establish a preferred supplier for rental cars.

Things that could be included in a tender:

- fuel-efficient vehicles
- low-emission vehicles (mostly Euro 4)
- safe vehicles
- a no-upgrade policy (or you can establish this through the contract)
- a good maintenance and replacement policy (again, look at MED's category review for further details).

It may also be useful to include in a travel policy:

- when it is preferable to get a rental car versus a taxi
- that staff must keep the period of hire to a minimum and ensure the fuel tank is filled up prior to the return of the vehicle whenever possible.
- that reporting requirements should be written into the contract with the preferred rental car company
- that rental car use is monitored by getting reports from your travel provider (this can include monitoring the number of upgrades, the type of vehicle rented, etc).

**Case study**

**Car clubs – cityhop[38]**

'It's an efficient way of getting to clients all around the city. It has provided us with an environmentally friendly, low-cost transport alternative to a company car' – Daniel Worker, Associate, Simply Great Lawyers

---

[38] cityhop www.cityhop.co.nz (accessed April 2010)

## 5.10    Public transport

**Background**

Staff should use public transport for business trips, whenever possible.

Public transport also offers staff the ability to work when travelling and is less tiring than driving.

Advantages of public transport:

* There is no need to find a parking space.
* The cost is often less than the real cost of the same journey by car.
* Staff are able to relax, read and work.

Providing public transport information can be a quick win.

**Public transport information**

To encourage public transport use, you will need to provide information, as many car drivers simply do not know which bus and train services are available.

You can encourage the use of public transport by:

* providing relevant information maps and timetables on your staff intranet and physically in an easy-to-read format
* preparing information in a size that staff could put in their wallets
* negotiating free trial weeks or discounted fares with the local public transport operator
* purchasing office tickets, instead of getting a taxi card.

Some public transport providers have journey planners on their websites. These give the fastest and cheapest alternatives to get to your destination, while also stating best transport mode and the expected arrival times, eg Auckland's public transport journey planner at www.maxx.co.nz or the Greater Wellington's one at www.metlink.org.nz.'

When booking travel to another city, business administrators could provide information about the public transport services in the place they're visiting, as alternatives to using taxis or rental cars. Bus providers are now offering express services from the airport to town centres, on purpose-built coach-style bus, see www.metlink.org.nz or www.maxx.co.nz for more information. This may also be provided as a link on the intranet.

Whatever public transport initiatives you do implement, it is vitally important that you promote what you have done.

## 5.10 Public transport continued

| Case study | NZ Transport Agency – Airport Flyer bus service |
|---|---|
| Saving $17+ per trip | All NZTA staff are recommended to use the Wellington Airport Flyer bus service whenever possible when flying into or out of Wellington. |

**Case study**

Saving $17+ per trip

**NZ Transport Agency – Airport Flyer bus service**

All NZTA staff are recommended to use the Wellington Airport Flyer bus service whenever possible when flying into or out of Wellington.

Using the Airport Flyer instead of a taxi is an easy way to save money – $8 for the bus versus $25+ for a taxi.

The Wellington Airport Flyer bus provides a good level of service. with bus stops conveniently located. Modern air-conditioned coaches with WiFi and onboard flight departure information run every 15 minutes.

Although, too early to comment on financial savings, staff have commented that it is an excellent service that should become company policy and have asked for a similar service to be looked into for Auckland and Christchurch.

# 5.11   Walking and cycling

**Promoting walking**

Walking is an easy form of transport that should be encouraged for all short trips, particularly distances under 2km. Walking is the best mode of transport on an individual basis, as it is free and an excellent way for employees to keep fit. Walking also gives a more reliable travel time than catching a taxi or driving.

Websites are being developed that show the fastest and most direct route to your destination. For example, Greater Wellington Regional Council has recently developed the Walking & Cycling Journey Planner, which is available on their website at www.journeyplanner.org.nz.

**Promoting cycling**

Promote cycling as a means of transport for everyday journeys, not something that requires people to be 'keen'

Around town, many destinations may be within cycling distance. If these areas suffer from congestion, a bike may be the fastest means of transport.

Bikes are an ideal and versatile form of transportation for journeys under 3km. A pool bike will pay for itself after only a few hundred kilometres cycled, with little maintenance required.

Pool bikes that staff can use for meetings will help reduce the need for staff to drive. A bike pool is an economic and healthy complement to your fleet vehicles. Bikes are a great way of getting across town to meetings because they:

- are cheap and easy to run and maintain
- can be easily parked at destinations, making trips faster
- demonstrate that your organisation cares about the local area
- give employees the opportunity to get some fresh air and exercise and arrive at their destination alert and energised.

Staff can also use these at lunchtimes for personal use and increase personal fitness. If the pool bikes are available for personal use during lunchtime, this would constitute a taxable benefit to the employee and FBT is payable.

Make sure your workplace is set up for bikes. A secure place to store bikes is essential, as well as showers and lockers for staff to store gear in.

If maintaining bikes as part of your vehicle fleet is not feasible, businesses such as Next Bike (www.nextbike.co.nz) can provide 'public bikes' to your workplace with none of the hassle or cost to your company.

## 5.11    Walking and cycling continued

**Cycling information**

Information can be particularly beneficial for novice cyclists and new staff.

What you can do:

- Provide staff with good information about the safest and easiest routes (remember that cyclists can use different routes to the main roads that motorists use).
- Use the knowledge of staff who already cycle and local cycling organisations to produce a route map in both poster form and on the intranet.

**Case study**

**NZ Transport Agency, Tauranga Regional Office – pool bikes**

The NZTA Tauranga office has invested in a pool bike as a travel plan initiative, as the office is located 1.6km from the central business district (CBD).

The pool bike is considered to be a practical and easy mode of transport, to visit consultants and clients who have offices in the CBD, as it is easy to avoid any traffic jams in the centre of town and find parking.

The bike is located in the fleet vehicle garage and is parked next to the other vehicles. The booking system works exactly the same for any of the fleet vehicles. The bike is fitted with a front carrier rack in case NZTA employees need to carry things with them on the ride.

# 5.12    Carpooling

**Promoting carpooling**

Carpooling or ridesharing is a perfect option for employees whose departure and destination locations are similar. It is a cost-effective alternative to single-occupancy driving, particularly in areas where the car is the only viable alternative.

Carpooling means two or more people sharing a car for the business journey. It is an efficient way of getting around, particularly when travelling to a remote area or an area that is not well-served by public transportation.

If your organisation has several sites, it is likely they will generate journeys between them with many employees undertaking the same trip.

The advantages of staff carpooling are:

- less stress
- direct cost savings
- an opportunity to socialise.

**Meeting Planner**

A system can be introduced where staff log their journeys in advance, so other staff members can identify possible sharing opportunities, by either car or taxi. This can also help staff to plan their business meetings for a compatible time.

The simplest method is by a visible calendar within the office or online, where everyone can see at a glance who is travelling where and when.

**Hint: Reduce unnecessary short trips.**

A cold engine uses 20 percent more fuel, so it's best to eliminate unnecessary trips and make the most of each outing. If staff commonly drive to the same place and you have a centralised vehicle booking system, encourage them to hitch a ride with someone else before booking a car.

**Taxi pooling**

Taxi pooling is a mode of transport that falls between private transport and conventional bus transport.

Taxi pooling is an ideal form of transportation for employees who are travelling to the same destination.

Here's why:

- Sharing a taxi is cheaper.
- There are no parking costs.
- For businesses, it frees up valuable carparking spaces.
- There is no depreciation on fleet vehicles.
- Shorter peak-hour travel times are possible through access to bus lanes. Bus lanes can be used by taxis but not private vehicles.
- Staff will arrive feeling relaxed.
- Shared taxis mean reduced pollution and congestion.

## 5.12    Carpooling continued

| Case study | **NZTA, Palmerston North Regional Office – carpooling** |
|---|---|
| | The NZTA Palmerston North has close to 400 staff members, with meetings occurring all over the Manawatu. |
| | To monitor the use of cars, the staff have a policy of emailing a dedicated member of staff (preferably at reception) with the dates, destination, number of people travelling, departure time and arrival time back at the office. Reception will then let you know if there is already another car travelling at the same time so they can carpool. |

## 5.13    Office location and people

**Background**

Buildings are not isolated from their surroundings; they are connected to the urban area around them. When moving offices, or setting up a new office, consider the amenities surrounding a new location, and the access to the site.

Businesses that locate their offices nearer to customers/clients who are visited on a regular basis will decrease the need to travel by car to meetings and will reduce the number of fleet cars and carparks required.

**New buildings**

When considering a new facility for your business, include the transport costs, including time wasted, in the calculation. Keep in mind your employees' and customers' access and where public transport is located.

When constructing a new building, it is also important to ensure there is good cycling and pedestrian access, access to amenities, and good onsite facilities such as lockers, showers and bike facilities. If you include these features straightaway, staff will have the opportunity to try alternative modes before they become accustomed to driving to meetings.

It is also important to assess who and what will be travelling to and from the new building. For example:

- Who are your likely visitors, and where are they coming from?
- What are the most common destinations for your staff, and how accessible are these from the new site?
- Where are your clients/customers located in relation to the new site?
- Where will goods need to be transported to and from?
- Where are your other office locations, if any, and how accessible are these from the new site?

**Green Star**

For information on Green Star ratings for buildings, see www.nzgbc.org.nz/main/greenstar. A Green Star rating assesses all parts of a building, including provision for sustainable transport.

**Induction packages**

All new staff should receive information regarding any policies for business travel. This information should be included in induction packages and with any other new staff information.

Catching staff when they start will hopefully stop any bad habits forming.

**Area networks**

If possible, investigate your local area and see if there are any opportunities to link up with other organisations to share:

- fleet vehicles
- car/taxi pooling
- carparking.

This is particularly beneficial if your organisation is small.

# 6.0   Implementation

## 6.1   Overview

**At a glance**

The objective of the implementation stage is to make the initiatives defined in your action plan happen.

This may involve implementing the company travel policy and introducing this to staff. The travel policy should then be embedded in the workplace's culture and be updated and modified to achieve continuous improvement.

**The implementation stage step by step:**

| Step | Action |
|------|--------|
| 1 | Launch policy and implement action plan |
| 2 | Communicate achievements |

**In this chapter**

**Case study**

Efficient driving can reduce fuel use by 10–30 percent

**Fulton Hogan BOP[39] – fuel efficiency improvements**

Fuel efficiency and environmental performance is a major focus at Fulton Hogan Bay of Plenty.

Nationally, Fulton Hogan uses more than 1.2 million litres of fuel per month, 15 percent of its operating costs. Rising fuel prices prompted it to set up the Smart Drive programme to reduce maintenance, save fuel and protect the environment. Posters at sites around the country emphasise key fuel facts – for example, efficient driving can reduce fuel use by 10–30 percent, and an hour of idling causes the same engine wear as 190km of highway travel. Overcoming some of the entrenched myths about idling has been one of the biggest hurdles, with many drivers wrongly believing it's better for diesel engines to let them idle.

The Bay of Plenty branch has taken the environmental focus a step further by joining GreenFleet, run by the Sustainable Business Network. It has undertaken a staff awareness programme that included a training day with an exercise involving a trip to the supermarket – revealing marked differences in time, distance and fuel consumption. This helped highlight the importance of good travel planning, as well as the impact of driver behaviour on fuel use.

[39] NZTA www.nzta.govt.nz/resources/your-safe-driving-policy/case-studies.html 18 September 2007 (accessed April 2010)

## 6.2 Launching the policy and promotion

**Introduction**

The launch is the 'go live' stage for the new policies and initiatives you have identified in the action plan. The launch event needs to be well communicated to staff to ensure they understand any new initiatives.

More information and ideas on how to launch the travel policy is provided in chapter 7 of the *Workplace travel plan guidelines* (www.nzta.govt.nz/traffic/businesses/toolkit.html).

**Implementation**

After the policy has been developed and signed off by the necessary senior management, the action plan can be implemented.

When implementing measures that some staff do not like, eg parking measures, liaise regularly with them to keep them onboard. It is important that incentives for the use of alternatives to the car are in place before the disincentives are introduced to allow staff a practical choice.

Implementation will be completed when:

* the various actions have been implemented and signed off
* they have lasted the timescales indicated within the plan.

**Promotion**

Publicity is a key element of the policy, as it will help you meet many of your objectives.

There are many ways of promoting your policy, including:

* **The home page of your intranet.** Make sure that your policy is clearly promoted on your intranet site so that all staff can easily view the information about the initiatives and benefits.
* **A launch day.** Set aside a day to promote the new policies to your staff. This could include an event where you have someone available to answer any questions about the policies.
* **Bulk email.** This is a useful and inexpensive tool that can be used to distribute information and conduct travel surveys. If your organisation has a policy of not allowing bulk email distribution, it is possible to send the email to managers and group leaders, asking them to forward to their staff.
* **Payslips.** This is a commonly used tool for disseminating information to employees and is highly effective in reaching the target audience.
* **Desk drop.** Desk drops are relatively easy to organise and are a good way of distributing promotional material.
* **Poster campaign.** Posters promoting your travel policies could be put up around the building(s), eg on noticeboards, next to coffee machines or outside restrooms and break-out areas.
* **New starter packs.** Include travel information in recruitment letters and then again with induction packs once employees have started the job.

## 6.2    Launching the policy and promotion continued

**Promotion** continued

Certain measures that you may want to implement may take a significant amount of work and promotion to get buy-in from staff and senior management. Do not let this put you off as you may find that this is where the largest gains come from. For example, video-conferencing may require a large amount of promotion to make people aware of the service as well as sessions to teach staff how to use any new system. However, the benefits of using video-conferencing will be worth it.



Employing marketing techniques can really help to engage with staff, as attitudes must change before behaviour can.

For detailed information on marketing and awareness raising, see chapter 6 of the *Workplace travel plan guidelines* (www.nzta.govt.nz/traffic/businesses/toolkit.html)

# 7.0 Maintaining the momentum and monitoring

## 7.1 Overview

**At a glance**

Implementing a business travel project is not a one-off event. It is a dynamic process that should grow and develop over time.

It is only possible to measure progress with a clearly defined monitoring programme. The impact of any new measures and policies needs to be checked systematically.

**The maintenance and monitoring stage step by step**

| Step | Action |
|------|--------|
| 1 | Maintain initiatives on an ongoing basis |
| 2 | Monitor objectives and targets |
| 3 | Update and modify your initiatives |

We recommend you monitor and review your policy at least annually, depending on your organisation's characteristics.

**In this chapter**

# 7.1 Overview continued

### The importance of monitoring

Monitoring should relate to the achievement of targets if the stated goals are to be met. It is important to include all objectives in the monitoring, regardless of their timescales.

When drawing up the initial travel policy, you need to answer the following questions:

- Which aspects need to be checked regularly?
- Who is responsible for monitoring?
- How frequently and when will the monitoring be conducted?
- How will the monitoring be done?
- How will the results be disseminated to staff?
- How will results inform a review of the travel policies?

If some initiatives have no effect, or a particular objective is not met, you need to reconsider the problems and proposed measures, and try to avoid blame and recrimination within the department. An objective may have been too ambitious for its original timescale, but could be achieved at a later date, or circumstances may have changed, making it unlikely to be met.

Monitoring should help to produce new or refined targets and an appropriate campaign to support their achievement. It is important to recognise and learn lessons from any failures and not to use any failure as a reason to cancel the project.

## 7.2　The monitoring process

| | |
|---|---|
| **The monitoring process** | If the business travel audit and the staff travel survey have been completed (see chapter 3 for more details), this will establish a good base for a monitoring programme, as it will provide the base year information before any initiative has been implemented.

The template for business travel:

- is provided in Resource 7 (www.nzta.govt.nz/traffic/businesses/toolkit.html)
- can be modified to suit your needs
- will assist you to continue to put information in
- will show if the initiatives implemented are reducing air travel or fleet vehicle use, for example.

It is important to set realistic targets and adjust them if they are not being met.

You must keep the methods you use for monitoring consistent over time, so you can compare results properly. You should also make sure they are the most appropriate methods.

Reinforce these methods through regular travel audits and staff surveys. They do not need to be full surveys. Snapshot surveys to discover how staff travelled for business on the day in question may be sufficient. |
| **Incentives** | Continue to provide incentives for staff after the initial launch. The survey and the subsequent marketing will have identified different target groups within the organisation. Make sure your incentives tap into these groups' motivations in order to keep them switched on abut the travel policies. |

## 7.3 Promotion

**Promotion**

Promotion and information is fundamental to keeping people updated, informed and motivated. Staff will soon revert back to their previous travel habits if the bus timetable posted on the intranet has been superseded, and they have missed their bus and meeting as a result, for example.

Make sure that:

- the messages adhere to the 'KIS' principle – 'keep it simple'
- the messages are clear and consistent
- successes are publicised.

## 7.4    Review

| | |
|---|---|
| **Review** | By monitoring the policies, you are identifying their progress against the objectives and goals set. It will also allow you to identify priority initiatives for the future. For example, tele-conference use may not be as high as it could be, and extra publicity could bolster this initiative. |
| | Review points for your business travel policies should be identified at an early stage in the travel policy development. |
| | If other priorities within the organisation begin to overshadow the policies or if the emphasis of the policy objectives changes over time, don't be afraid to revitalise the message. This may even mean a complete re-launch to get the message out again. |
| **Publicise your success** | To maintain the commitment and enthusiasm of your staff, you need to keep them informed of progress with the policies and involved in its development. Let them know what has been achieved and consult them about the next steps. The continual involvement of staff will be key to the policies' success. |
| **Case study** | **Waitakere City Council[40] – improved office location**<br><br>The move to the new Waitakere Central building in close proximity to good passenger transport, combined with the travel plan, has resulted in a reduction in car driving from 89 percent to 71 percent of business travel. |

[40] Waitakere City Council (30 April 2007) *Waitakere City Council Central Travel Plan,* Waitakere City Council, Auckland.
www.waitakere.govt.nz/abtcit/ec/pdf/TravelPlanCaseStudy-Apr07.pdf