2010 saw an overall increase in fleet manager salaries over 2008 numbers, with the Pacific and Western Sun Belt regions reporting the highest overall salaries.

BY LAUREN FLETCHER

A common theme heard over the past few years is “doing more with less.” Many commercial fleet managers are taking on additional responsibilities, becoming more involved in high-level analytics, finance, and forecasting. Interaction with senior-level managers is increasing and fleet managers are being given ownership of various fleet-related duties traditionally handled by finance and human resource departments. All of this is typically accomplished without additional staff.

To gauge fleet manager salaries over prior years and analyze what has changed, Automotive Fleet conducted its 2010 Biennial Salary Survey.

Many fleet managers believe their salaries are adequate for the duties of their positions. In 2010, more than 33 percent of commercial fleet manager respondents earned more than $100,000 per year (up from 17 percent in 2008), with 12 percent reporting earnings in excess of $120,000 (Chart 1).

Several fleet managers reported the expectation of a raise in 2011. One fleet manager stated, “I do expect a raise and I am bonus-eligible as well. The raise may be small, but I’m thankful for the job.” Another fleet manager did not expect a raise in 2011, “unless business picks up.” He reported that his duties have “been extended due to workforce reductions, but I have been properly compensated for my work.”

OF FLEET MANAGERS EARN MORE THAN $100K PER YEAR

2010 saw an overall increase in fleet manager salaries over 2008 numbers, with the Pacific and Western Sun Belt regions reporting the highest overall salaries.
The majority of commercial fleet manager respondents (70 percent) reported a raise in 2010 below 3 percent (Chart 2). For the 5 percent of fleet managers reporting a decrease in pay in 2010 over 2009 salaries, the majority (44 percent) received a decrease of 7 percent or more.

In terms of compensation versus the number of staff supervised (Chart 3), fleet managers who supervise more than five employees reported the highest median pay at $97,500. The annual salary dipped slightly for every reduction in the number of staff supervised, with fleet managers overseeing no staff members earning a median salary of $72,500.

Many fleet managers often have no control over the number of staff in their departments. “I have had two vacant support positions in my area that our organization will not backfill,” reported one fleet manager.

Another fleet manager noted that her duties have increased and she has “lost personnel to workforce reductions. Instead of managing their work, I have taken on their duties. I’ve also taken on the responsibilities of our vehicles abroad.”
Decreasing 16 percentage points over 2008 figures, only 24 percent of fleet managers reported a cost-of-living adjustment in 2010.

In terms of the number of vehicles managed (Chart 4), fleet managers in charge of more than 1,000 vehicles reported the highest median annual pay at $90,000.

**Education and Experience Impact Pay Grades**

In terms of education, fleet managers with a post-graduate degree reported the highest median salary at $125,000 (Chart 5). Those with some post-graduate study received the second-highest median salary at $105,000, followed by fleet managers with an MBA at $102,500.

Analyzing fleet manager compensation by years of experience shows that tenure matters in fleet (Chart 7). Fleet managers with more than 20 years experience reported the highest median annual salaries at $97,500, up from the $85,000 reported in 2008.

In regards to the department to which a fleet manager reports (Chart 6), 27 percent of the commercial fleet manager respondents report to the finance/treasury department, 18 percent report to the general administration/management department, and tied at 15 percent each were those who reported to transportation, purchasing, or “other.” Only 5 percent of fleet managers in 2010 reported to the personnel/human resources and sales departments.

Fleet managers reporting to transportation department (Chart 8) received an annual median pay of $100,000. The second-highest annual median pay is received by fleet managers who report to the personnel/human resources department ($95,000 annual median pay), and those who report to the sales and general administration/management departments reported the lowest annual median pay at $75,500.

A reduced number of fleet managers in 2010 reported a company car comes with their position (11 percent) compared to 22 percent in 2008.

**Fleet Management Responsibilities Increasing**

Fleet managers are reporting an increased number of responsibilities within fleet. While 55 percent of fleet managers in 2008 reported fleet as their only responsibility, only 50 percent noted that as true in 2010 (Chart 9). Travel services responsibilities increased from 3 percent in 2008 to 12...
percent in 2010, with planning/managing meetings holding relatively flat.

One fleet manager reported that “in addition to overall management, financial, and strategic responsibilities, I have also had to take on clerical and administrative responsibilities. This has become increasingly burdensome as I am given additional responsibilities each year. I believe that those making the compensation decisions do not see the value I provide, regardless of the savings my oversight and management provide.”

The majority of fleet managers spend 76-100 percent of their time on fleet management (Chart 10), and 92 percent report that their main fleet responsibility is to develop fleet policies and procedures (Chart 11). The development of a fleet selector increased by 7 percentage points over 2008 figures, and the management of an executive vehicle program (40 percent) increased 13 percentage points over 2008 numbers.

One fleet manager reported that her duties have not significantly changed since 2008, and that she has been “compensated well, where others in the industry have had their positions eliminated. I am thankful for a service in an industry that ‘weathered the storms’ well.”

Salaries Based on Geographic Location

Salaries are also impacted by geographic region. Fleet managers in the Pacific regions and West South Central regions reported the highest median annual salaries of $92,500 (Chart 12). Fleet managers in the East South Central region reported the lowest median annual salaries of $57,500.

“Based on industry benchmarking and salaries in my geography for fleet managers (and for managers in two other areas for which I have responsibility), I am very under-compensated,” noted one fleet manager. Only 36 percent of fleet managers reported receiving performance-based compensation benefits, down from 48 percent in 2008.

Another factor impacting salaries and raises mentioned by several fleet managers is company profitability, and those who do anticipate a raise are expecting the bare minimum.

The fleet manager profession is gaining respect by senior level managers and certification programs, such as the NAFA Fleet Management Association’s Certified Automotive Fleet Manager (CAFM), help pave the way for educated, certified fleet professionals.

“I feel for companies that understand what a fleet professional is and appreciate the value provided [by this position], particularly in these harsh economic times, salaries should be increasing,” noted one fleet manager.