

# **Tapping into Towing**

# An Analysis of Gaining Efficiency from Unlikely Sources

"People are the most important resources in law enforcement. Once the community officer, who is familiar with local trends, problems and solution reviews and judges information in a timely manner, it produces knowledge and wisdom." — Jim Chu, Vancouver P.D.

Law Enforcement has its share of programs, CAD, RMS, AVL and many other technologies and tools that their operation uses to streamline business processes. By virtue of their pervasive use in the Law Enforcement community, this technology has standardized the way agencies share, communicate and ensure interoperability of data for solving crime and protecting the community.

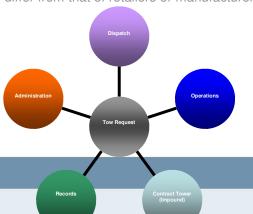
Local service driven initiatives such as community policing and public safety coupled with broad national issues like the War on Terror, has put increasing demand on many Law Enforcement Agencies. Faced with growing demands constrained with fixed budgets, agencies are forced to look at creative ways to streamline business processes and facilitate better decision-making by existing sworn and non-sworn personnel.

## The Challenge

With a majority of agencies resources highly invested in CAD, AVL and RMS systems, most agencies have already realized the benefits of automating their business with mature off the shelf systems. The present challenge is how to gain even more improvements in efficiency once the organization has become invested in these conventional technologies.

One solution involves pinpointing manual or non-automated tasks to "weed out" inefficiencies that are not currently remedied by traditional technology. Large retail and manufacturing companies like Dell, IBM and Wal-Mart have already accrued millions of dollars in operating efficiency by transforming their business by using the Internet as gateway to electronically share information with their suppliers and customers. According to Forrester Research Group electronic interchange of information between suppliers to private business and government agencies makes up 1/3 of the U.S. Gross Domestic Product.

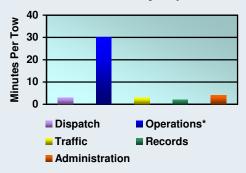
Business to Business (B2B) e-Commerce and Electronic Data Interchange (EDI) for businesses has become a mainstay for highly competitive, efficiency driven companies. Although Law Enforcement's challenges of serving the community differ from that of retailers or manufacturers in the private sector, agencies still



rely heavily on their suppliers to provide vital business services for their department and , as a result, can benefit from the same techniques implemented by thousands of companies world-wide.

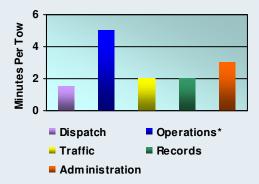
Towing and impounding vehicles impacts a number of departments. Field Officers, who normally require 30 minute response times have the most exposure in dealing with tow related incidents.

## **Time Investment by Department**



Streamlining tow related tasks through the use of technology could benefit all departments

## **Time Saved By Automating**



#### Annualized Cost Savings (10,000 Tows)

(10,000 Tows)



## **Automating What is Vital**

EDI and B2B initiatives benefit specific operational and supplier scenarios better than others. Economies of scale work in favor of automating vital business processes where volume and vendor reliance require close scrutiny. Vehicle towing and impoundment is a perfect example of where this type of strategy applies for the following reasons:

- Transaction level is high
- There's Broad departmental impact
- Transactions are homogenous
- Information gathering can be shifted to the supplier
- Customers (community) can benefit

#### Transaction Level

Connecting suppliers that sell small volume and closed loop services are not good candidates for B2B initiatives. Benefits accrue based on volume. The higher the number of transactions, the bigger the benefits achieved.

Agencies that patrol cities with populations ranging from 300,000 people can expect to tow approximately 10,000 vehicles per year for arrests, abatements, accidents and unlicensed drivers. Although volumes may vary based on region and demographic makeup, towing is a necessary service for police work that is consistently required daily in, and day out.

#### **Broad Impact**

Tow services have a broad impact on departmental resources at many levels. A single auto impound affects:

- Patrol officers that requests and wait for the service
- Dispatchers that communicate the request to the tow contractor
- Traffic Bureau farming requests for vehicle status and releases
- Records updating regional and national vehicle databases
- Administration tracking towing and impound related fee

## **Transaction Consistency**

Supplier services need to be consistent to realize the benefits of data sharing. Although tow services may change based on the type of equipment required: flat bed, heavy duty, light duty, etc; the service required is essentially the same. The element of consistency is crucial to streamlining the process.

## **Information Gathering**

Efficiency benefits should go beyond simply ordering and receiving services. Post transaction follow up is critical as well. Simply linking suppliers up to share orders over the Internet does not warrant the time invested in building solid B2B initiatives.

Information gathering after the tow service has been initiated by the tow contractor is required to collect vehicle, make, model, license and registered owner information. Since this information is needed for both the contractor as well as the agency, electronic data sharing further increases efficiency by shifting data collection responsibilities, reducing input redundancy and eliminating data errors.

#### **Customer Benefits**

If the efficiencies realized cannot be passed on to the customer or the community in the case of Law Enforcement, then why would there be any need to automate? Benefits need to transcend the organizations participating in the initiative and provide tangible, measurable results to the end user.

For Wal-Mart, these benefits are delivered in lower prices to the consumer. For Dell Computer, it's allowing electronics enthusiast to customize their computers to meet their own specific needs. For Law Enforcement, automating tow program services provides the community with real time access to their vehicle location, disposition and tighter controls over fees charged by tow contractors.



## The Real Value

The impact of service automation has both direct and indirect consequences. Based on several time studies, reports show that up to 10 minutes can be saved per tow by providing electronic data sharing among tow suppliers. Direct costs for each department savings puts the potential monetized benefit at about \$60,000 per year for Agencies doing about 10,000 tows per year. Although the savings are compelling, there's more than money at stake when you consider the opportunity of saving staff time.

## **Knowledge Work**

Community policing initiatives require a coordinated effort of resources and a decentralized approach to facilitate patrol officers actions in the field. Although the theory of community policing with local knowledge of beats and proactively working with citizens is a proven strategy, the reality is that for officers to work directly with the community and establish these types of relationships, it requires time.

Time spent searching for information or waiting for unrelated services impact key personnel and their ability to uphold these initiatives. In their article "Knowledge Work Productivity" Davis and Nauman were able to point out that putting an undue burden on personnel can impact their ability to do their jobs effectively. Burying people in paperwork and menial tasks hinders creative thought processes and critical thinking. Their study showed that freeing people up from these tasks provides them more mental energy for performing knowledge work. <sup>1</sup>

Aside from monetized value, consider the value of freeing up 800 hours patrol officer time to spend at community events and public gatherings instead of waiting for a tow truck. Think how much more effective 911 dispatchers are with six weeks of additional time on their hands to make more informed decisions on crime area assignments of patrol officers.

## **Oversight Makes Right**

With the advent of Sarbanes-Oxley in the wake of the Enron scandal, the spirit of commercial and corporate governance has changed significantly in the last two years. Although these rulings have primarily focused on the private sector, citizens have become more aware of the need for transparency, accountability and full disclosure in the workplace and for any type of governing board or government agency for that matter. These agencies are finding that the days of the principled "community service ethic" that have cultivated and galvanized the citizen's faith in local government agencies isn't good enough anymore. Stronger controls need to be put in place in order to ensure the integrity of local government and ensure that transactions are handled "above board."2

Providing centralized accountability through shared systems ensures proper compliance by both agencies and their contractors. Adherence and violations of performance clauses, such as response times as well as well as impound fees can be regulated without any dispute over their veracity.

## The Solution

Dispatch & Tracking Solutions is the only provider of end-to-end Law Enforcement Tow Management Systems. We combine over forty years in Law Enforcement experience coupled with years in e-Business and applied IT solutions to provide Agencies with turn key business to business strategies. Please contact us for more information on how we can streamline your towing program.



<sup>1</sup> Davis, Gordon and Nauman, J. David, Knowledge Work Productivity

<sup>2</sup> Mcgladley & Pullen CPA's, The Sarbanes Oxley Act May Impact State and Local Governments

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