

HARNESSING THE POWER OF **A TRANSPORTATION MANAGEMENT SYSTEM** FOR BETTER VISIBILITY

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Combine ever-changing customer networks with evolving customer demands and you get a transportation market where frustrations are running as high as freight rates. The situation doesn't get any more manageable when you

add a robust domestic economy to the mix. And, with many shippers and 3PLs still using older transportation management systems (TMS) and at least

partially-manual freight management approaches, the situation isn't going to ease anytime soon.

"Historically, firms looked at driving costs out of their networks, but that's become secondary to customer delivery requirements, electronic collaboration, and overall fulfilment," says JP Wiggins, vice president of logistics at 3Gtms. "That's largely being driven by changing customer

demands and the need to compete in the e-commerce era."

Using quality, accessible data that provides high levels of visibility, for example, both shippers and 3PLs are delivering high levels of customer service while also using analytics to improve their operations.

In a world where about 50% of transportation data is inaccurate and unreliable, having good, quality data on transportation moves, customer deliveries, as well as both good and bad carriers helps companies overcome key challenges like tight capacity, increasing freight rates, and driver shortages (The U.S. will be short 175,000 truck drivers by 2026, according to the American Trucking Associations).

That's where a modern, transportation system with the right framework and data model comes into the picture. By providing good quality data—including accurate timelines for loading, unloading, and delivering freight—companies can

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ensure that carriers turn quickly and minimize downtime out in the yard waiting around for a dock door to become available. “In turn, carriers are going to respond better to your company on the next freight bid,” says Wiggins, “versus the company that makes a carrier wait around for four hours, thus cutting into the truck operator’s drive time.”

“This isn’t just about ‘Where’s my freight?’ anymore,” says Wiggins. “It’s about in-depth intelligence and analytics on customer service data. We are in a digital e-commerce era—and, at its heart, e-commerce means collaboration.”

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Customers also want to know how they can improve their processes and understand which locations are good (or bad) at unloading and loading. “We’re seeing a lot of major companies—the Walmarts, BestBuys and Home Depots of the world—requiring very high levels of customer service and information on all of the freight that’s being shipped to them,” says Wiggins.

And if they don’t get those answers, customers move along to other providers. “Customers are asking for more information related to customer service. This isn’t just about ‘Where’s my freight?’ anymore,” says Wiggins. “It’s about in-depth intelligence and analytics on customer service data. We are in a digital e-commerce era—and, at its heart, e-commerce means collaboration.”

That means both 3PLs and shippers alike must be able to provide those big box stores and large manufacturers with real-time freight visibility via a modern platform that can be accessed 24/7. “They want more than just simple delivery messages and ETAs,” says Wiggins. “And if they don’t get it, they’ll just go somewhere else.”

The market dynamics and realities

Customers are becoming more demanding and expect organizations that they partner with to be able to quickly adjust to their needs. Concurrently, issues like tight capacity and driver shortages are pushing transportation costs up and forcing shippers and 3PLs to gain greater insights into their transportation network. This helps them make faster decisions on carriers and optimization—two key functions that are supported by a TMS with broad visibility. Companies are also grappling with:

- **Changing regulations:** Right now, regulations—not the least of which is the new electronic logging device (ELD) rule that went into effect several months ago—are creating dramatic changes in the transportation industry. These increased regulations are driving up overall costs and impacting the logistics environment in many different ways. Failure to meet compliance requirements can have major impacts on the supply chain and on a company's overall business.
- **Faster innovation timelines:** Companies are innovating daily. In fact, innovation has become imperative to success in a world where creating 5-year innovation timelines cuts it. The TMS that worked for your organization in the past may still be adequate in some regard, but it probably lacks the capabilities being driven by innovation and the shift to digital business.
- **Increased competition:** It's no secret that running a profitable organization is getting harder every year. With increasing pressures from more competition fighting over a perpetually shrinking pie, companies can't afford to let customer service lag. A robust TMS can help organizations support complex and changing customer requirements.
- **A "carrier choice" environment:** Carriers have the luxury of picking and choosing which companies they want to work with. "Carriers are going to choose the customers they're serving, so if you want to avoid long delays and the impact these have on your customer service," says Wiggins, "then you need to stay off the 'naughty list.'"

5 TMS “must haves” for better visibility

Combined, the challenges outlined above make it extremely difficult for shippers and 3PLs to stay profitable and viable without the help of a modern TMS to orchestrate and support their logistics operations. The question is: Which TMS will help you meet (and exceed) customer demands while helping your company shore up its own bottom line in the competitive environment? Here are five key elements that you should look for:

- 1 A self-configured platform that can be customized to your needs.** Look for a platform that’s adaptable and configurable to the needs of your business and that allows your internal teams to make quick and timely adjustments—without having to shell out money or time for vendor support. “In our customer-centric business environment, you want software that provides visibility-driven transportation execution/data-driven intelligence,” says Wiggins, “and that helps improve your processes.
- 2 Visibility-driven workflows that helps optimize transportation.** The platform must be able to translate and share the information that flows in from shippers, carriers, mobile applications, financial systems, e-mails, portals, etc., and then use that data to deliver continuous visibility.
- 3 Advanced analytics that enable superior customer service.** Your customers want better quality, cost savings, and uninterrupted customer service. To meet these demands, replace manual (human intervention) processes with system-driven decisions enabled by TMS. The platform should also be able to manage data and extract insights to support decisions.
- 4 Process automation and optimization.** The TMS is flexible and can relate and communicate many-to-many relationships (i.e., orders to shipments). It also allows you to meet your customers wherever they are with their data and avoid having to “rip-and-replace.” Through process automation and optimization, the TMS will also:
 - Translate, relate, and communicate data.
 - Use all visibility data and workflows to drive in-line process and exception management.
 - Use business intelligence to manage re-drive, multi-leg ETAs, data cleansing, shipping windows, etc.
 - Create a visibility “data store” that provides hard savings in process improvements and superior managerial and customer data for reporting.
- 5 Ease of integration with your technology, vendor and tool ecosystem.** The power to integrate with so many systems and translate their output allows the TMS to act like a transportation control tower or an intelligent “rally point” that combines different data sources, translates that data, and then automates (or presents actions). A TMS with continuous visibility can read and translate vastly different data types and put them into the same format from which you can take action, including SOAP and REST transactions; electronic data interchange (EDI); and application programming interfaces (APIs), among others.

Wanted: A TMS that addresses complex customer demands

When Crowley Logistics, Inc., was bidding on the U.S. Department of Defense's (DoD) largest surface transportation contract to date, the third-party logistics (3PL) provider had to establish a new department to support the work and partner with a TMS provider that could address the complexity and demands of the contract. Specifically, the execution of the less-than-truckload (LTL) and freight optimization requirements.

Even more challenging was the addition of new DoD expectations regarding the frequency and type of communications from Crowley, along with new requirements for freight tendering.

When considering TMS providers, Crowley was focused on: "How do we accomplish the unknown?" This contract was full of "firsts" for both the DoD and for Crowley, and the new demands and new business approaches made it imperative to find a fundamentally different kind of TMS that could be responsive to these unknowns.

Crowley found what it needed in 3Gtms. "Because of where they were in the lifecycle of their TMS, 3Gtms was willing and able to update the product, revise the roadmap, and be open to suggest how to make the TMS fit our LTL and automated dispatch needs," says Shiju Zacharia, senior director.

Today, Crowley's TMS manages all shipments of MRO (maintenance, repair, and operating) supplies to 64 military locations throughout the U.S. and Canada. The TMS was configured to be able to meet over 200 pages of DoD requirements and conducted eight workshops to test and verify that the system would deliver what Crowley needed, including delivery

dates, tracking and tracing, the ability to accept different EDIs, and manage different equipment types to load and configure.

Other TMS capabilities that Crowley uses to service its customer include:

- Security measures to meet the DoD's stringent standards, including two-factor authentication, forced password expiration, password character use control and terms of use.
- A carrier portal that enhances traceability and allows carriers to send incident communications and reports with less manual work.
- Improved AR/AP capabilities to meet unique requirements, such as AR based customer order attributes (versus load).

Currently handling 70,000 transactions per day, Crowley hasn't missed a single deadline or government requirement—despite new and changing demands throughout the project. Every key milestone has been met, including all contract requirements and each go-live date.

"3Gtms has gone above and beyond on the business process side and on the technical infrastructure side to satisfy key government requirements," Zacharia says. "I don't think we would've been able to put this together if not for the flexibility of 3Gtms' solution framework."

TMS: The centerpiece for your supply chain ecosystem

With e-commerce in full force, and with customers demanding higher and higher levels of personalized service, organizations can't afford to be stuck in the dark ages of transportation management. That's because e-commerce equals collaboration, and most companies were caught flat-footed once they had to start interacting across their ecosystems—a TMS is a way to interact.

Managing e-commerce impacts successfully also requires a high level of collaboration. That is, system collaboration/integration whereby:

- Suppliers, carriers and their customers share information to facilitate dynamically planning and executing of logistics operations collaboratively.
- A single-platform TMS can be used as a dynamic record of truth for the changes that need to occur across the supply chain to keep the delivery of goods moving efficiently.
- Suppliers and carriers working together on a common technology platform to not only create efficiencies for the customer, but also increase their ability to deliver superior customer service.

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In a world where 24/7 accessibility to data and information has become the norm, a TMS supports higher customer service standards while also helping your company thrive despite challenges like capacity crunches and driver shortages.

“Transportation is the tip of the spear when it comes to customer service,” adds Wiggins. “It's where you physically 'touch' the customer, so it should be your number one data collection point. In the absence of a modern TMS that supports that supply chain ecosystem, getting to that quality, reliable data becomes a guessing game that companies just can't afford to play.”

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About 3Gtms

3Gtms is the fastest growing, Tier-1 transportation management system (TMS) provider. It is dedicated to helping mid to large shippers and logistics service providers gain a competitive advantage through technology. Whether you move \$5 million or \$5 billion in freight, its 3G-TM solution seamlessly manages the full transportation

lifecycle, including transportation planning and optimization, execution and settlement, empowering customers to make better shipping decisions while meeting their service goals. 3Gtms is dedicated to delighting its customers and as a result, holds a 100 percent customer satisfaction rate that is unmatched in the industry.

For more information, visit: www.3gtms.com.

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