

# The advantages of Transportation Management Systems

## Expected Benefits of a Transportation Management System

“Through the implementation of TMS, companies on average can expect to *lower freight budgets by 5 percent to as high as 25 percent in first year* depending on mode mix and existing adherence to best practices.” - *Global Logistics & Supply Chain Strategies*

### Efficiency and productivity in daily operations

- TMS systems enable companies to centralize the logistics function, providing support across their entire organization. This aggregation can **increase purchasing power** and contract negotiations with carriers.
- Adhering to and enforcing business rules and processes to **ensure proper execution**.
- Order processing is automated through the point of load costing, **carrier selection**, tendering, carrier acceptance and **shipment visibility**.
- TMS systems **improve carrier communications** through EDI, Internet portals, and the use of email.
- Access to data through standard reports and additional report writers for **customized reporting and tracking** of data such as Freight accruals, fuel surcharge, and accessorial charges.
- Automated electronic reconciliation improves the speed and accuracy of freight bill audit and payment.

### Reduced costs through carrier selection compliance and optimization

- **Automated carrier rating and selection of lowest cost carrier** and tracking of service levels.
- **Monitoring carrier performance**, contracts, and balancing load distribution.
- **Visibility** to loads for load planning and consolidations increases savings potential YIELDS of 5 to 15%.

### Improved customer service levels through consistent and expected delivery.

- **Improve customer service levels** by monitoring on time performance
- **Tracking of shipments and identifying service failures, thus improving overall supplychain visibility.**

## Our Partners (The Short List)

