

Transportation Audit of 3PL Operations

Case Study

CHALLENGE

Identify strengths & weaknesses of the transportation function & provide a solution path to execute a best-in-class operation.

SOLUTION

Create a shared vision & solid business plan. Increase departmental knowledge and logistics expertise. Upgrade systems to increase efficiency and solidify foundation for growth.

RESULTS

- ⇒ Bottom-line savings
- ⇒ State-of-the-Art Systems
- ⇒ Upgrade talent in depart.
- ⇒ Efficient back office
- ⇒ Upgraded billing & receivables

For more Information please visit

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Transportation audit improves efficiency and quality of 3PL freight management

The Client

With 5 million square feet of distribution space and its own truck fleet, this third-party logistics provider can offer customers a single-source solution for transportation, distribution, packaging, cross-docking, load consolidation, inventory management, and real estate development.

The Challenge

Faced with double digit growth and a competitive transportation environment, the company needed to know if its logistics operations

were ready to expand and manage all modes of transportation. Considerable manpower went into the process of booking and tracking loads, billing customers, generating and paying invoices, status and regulatory reporting and managing customer expectations. In this highly manual operation, the work gets done, but with long learning curves. It is difficult to keep up with growth by simply adding manpower. The ratio of administrative staff to operators was high enough to suggest some efficiencies would come through upgrading systems and skills. The basics were covered but heavy volume days and new types of work were challenging. If transportation were to expand to a multi-modal solution, this 3PL had much to do to keep up with the new volumes and process different types of freight and provide real time status and reporting to customers.

The gaps were identified and level of execution elevated.

The Solution

Although much of the operation was running well, there were opportunities to enhance other parts of the function. The efficiencies in the back and front office were cobbled by manual efforts that required re-work, double work, and extra manpower. New software technologies provided great efficiencies to the operation and enhanced the reporting capabilities to customers. Certain expertise needed to be brought into the department to enable growth into new modes of transportation. Profitability models were developed to better determine opportunities to increase margin on service offerings.