

Don't Let Inefficiency Eat Your Bottom Line: 8 Areas to Improve Your Freight Brokerage *Workbook*

As freight brokers wait for the Fed's promise of an economic upturn, the experts at Tai Software recommend taking this time to focus on your company's bottom line (and long-term sustainability) by looking inward. When you use downtime to address process inefficiencies and enhance workflows, you set your company up for future success.

We've recently published an ebook discussing eight (8) common areas of improvement in the freight broker process. These areas are tasks or processes that, when not optimized, cause headaches for your team and customers. To learn more about each area of improvement, ***please download the ebook.***

This workbook will help you evaluate these eight areas of improvement for your company. You'll uncover hidden labor or resource costs that are eating into your bottom line. You may also discover unnecessary internal steps that, at best, slow down your booking process or, at worst, annoy your customers. These insights enable you to access and analyze the data you need to quote loads more accurately and with less time and resources wasted.

Studying the eight areas of improvement has been a game-changer for about 300 Tai clients. They've managed to reduce workloads by 50%, which is a significant boost to their bottom line. With this workbook, you can follow in their footsteps and maximize your margins by setting up systems to work smarter, not harder, starting today. Even better, you'll be ready to scale your processes immediately when business ramps back up again.

The Eight Areas *of Improvement*

Here are the eight individual touchpoints in the transportation process where bottlenecks and increased costs often occur.

Receiving Orders
from Clients



Quoting
Shipments



Searching for
Load Coverage



Track and
Trace



Updating
Clients



Gathering
Paperwork



Carrier Bill
Audit



Invoicing



To thoroughly study each area, gather your team and use this workbook to answer questions about the people performing each task, the process and tools used, and the resources needed.

We've provided sample questions and worksheets for each area of improvement. The questions help identify and research the cause of everyday issues. In addition, the answers to those questions can offer clues to improving performance. The worksheets help you document your findings and the data needed to make informed decisions.

To be clear, not every company will experience bottlenecks or inefficiencies at all eight touchpoints. Your process is unique. Focus on the areas that are critical to your team's workflow. This workbook is designed to help you do just that.

Universal Optimization Questions

There are several crucial questions to ask in every area of improvement. These universal questions will uncover areas for process improvement, expense savings, and gaps in necessary tools.

- 1 Is this process standardized, or does every rep have their own process?

- 2 If the process is standardized, are we all following it?

- 3 Are the results or outputs from each task, such as order numbers, spot rates, or tracking information, visible to everyone on the team?

- 4 On average, how much time does this task take each team member?

- 5 What tools or software platforms are we using during each task?

- 6 Are these tools or platforms integrated?

- 7 Are these tools helpful, or are they slowing down the process?

- 8 What is our labor cost during each area of improvement step?

- 9 What is the cost of other resources like tools?

- 10 Are there automations or optimization efforts we can take at this area of improvement to save time and money?

- 11 How can we ensure this area of improvement will scale as the business grows?

Your goal in asking these questions is to uncover wasted resources, including extra labor hours, inefficient tools and software, and other expenses.

However, keep in mind that speed is often more important to shippers than cost. Delays cause lost opportunities and customer service issues. Document any bottlenecks causing process delays. Optimization benefits your cost management efforts and strengthens your business relationships.

Are orders coming through an EDI?

- On average, how often do we experience transmission failures with our EDI?
- How much time do we spend troubleshooting issues instead of processing orders?
- How long does setting up a new client through the TMS and EDI connection take?
- Have we ever lost a new customer or load because we weren't fast enough or couldn't get the connection made?
- How often do we "workaround" the EDI to get a load scheduled?
- Can our EDI scale with increased orders in the future?

Area of Improvement 2 Quoting a Shipment

Who sets your buy and sell rates?

- On average, how long does it take for our pricing specialist to turn around a quote?
- What is the process our specialist uses to determine quotes?
- Is this process documented and visible to everyone on the team?
- Does each team member feel they could replicate the specialist's process if needed?
- Would one pricing strategist keep up with increased business?
- If not, do we have a process for training new pricing specialists?

Pricing Specialist Quoting Process	Average Turnaround Time	Average Cost of Turnaround Time	Documentation and Training Available?	Capacity/ Scalability

What is your quote process?

- Does every rep on our team use the same pricing model and tools, or does each have their own?

- Are we comparing load prices from other recent shipments or making educated guesses?

- How often do we win a spot quote or contracted rate?

- Did our turnaround time factor into our win rate?

- Are we tracking win rates and quoted yet lost loads?

- Do we know the margin on every quote?

- Would other team members be able to see quoted rates for a carrier if they needed to find it for a customer?

- Do our existing processes have the capacity to scale?

What tools are you using to set rates?

- Are these rates available and/or recorded in our TMS?
- Are we visiting multiple websites and platforms to find rates?
- Are these tools and platforms pulled into one dashboard?
- Can these tools compare and contrast our lane averages to the market rate?
- How much visibility do we have into our lane averages and the rates that have won loads?
- Do these tools have the capacity to scale this area of improvement?

Tool	Cost of Subscription and Equipment	Average Time Spent Using the Tool	Average Cost of Labor	Integrated into a single, accessible dashboard for comparison?	Recorded in TMS?	Capacity/ Scalability
TOTAL COST						

Ideas for optimization

- Make sure your team understands all the expenses that can affect margin so you aren't inadvertently losing money on loads.
- In addition to tools, establishing a documented quoting process visible to everyone on the team will eliminate bottlenecks and help your company scale operations.
- If you employ pricing specialists, create a training process to onboard new pricing specialists successfully. In addition, make it a priority to track and store quotes and other load data for future analysis.

Solution	Time Saved	Cost of Time Saved	Subscription, Implementation, and Maintenance Costs	Capacity/ Scalability
TOTAL TIME SAVED VS. COST				

Area of Improvement 3 Searching for Load Coverage

How does your team find available trucks for a pending load?

- Document each rep's specific process, including the communication channels used.
- On average, how long does it take to find available trucks for a load?
- Do we track win rates and lost loads?
- What tools are we using?
- What is their cost, and do they integrate with TMS?
- If the tools are not integrated, what extra steps are you taking to compare availability?
- Do we have the capacity to scale this area of improvement?

Visibility of Carrier List	Carrier Rating System	Process for Finding Preferred Carriers	Average Time for Process	Documentation of Carrier Conversations	Average Cost

What percentage of your business comes from load boards?

- Which load boards are we using?
- Which load boards are the most successful?
- How do we gather quotes from load boards?
- Do we keep a history of quotes through load boards?

How do you track carrier compliance?

- Do we regularly track carrier compliance?
- Is this data visible to the entire team?
- Have we ever dispatched a carrier out of compliance or caught in a double brokering scheme? How much did that cost the company in lost time and revenue?
- What is our onboarding process?
- On average, how long does it take to onboard a new carrier?
- Does the team have the capacity to onboard and track new carriers?

Tracking Compliance Process	Visibility	Instances of Non-compliance	Average Time of Non-compliance	Average Cost of Non-compliance	Onboarding Process	Average time for Onboarding	Average Cost of Onboarding	Capacity/ Scalability
TOTAL COST								

Ideas for optimization

- If your preferred carrier list lives in a spreadsheet or on individual broker’s notebooks, explore digital options that track changes and updates accurately and are accessible.
- If your team relies on emails, put tracking in place so that no emails get lost or caught in spam filters.
- Research if automating posting and reposting through your TMS would save your team time and enhance accuracy.
- Explore process changes or automations that may catch carrier compliance issues before they become problems.

Solution	Time Saved	Cost of Time Saved	Subscription, Implementation, and Maintenance Costs	Capacity/ Scalability
TOTAL TIME SAVED VS. COST				

Area of Improvement 6 Gathering Paperwork

How do you gather, store, and process load paperwork?

- Are documents delivered in batches or individually?
- Who can access load paperwork?
- Track the average time to collect all the paperwork and process each invoice.
- Does this area of improvement delay invoicing and payment?
- Do we have the capacity to scale this area of improvement?

Broker	Process	Accessibility / Visibility of Load Paperwork	Instances of Delay in Payment	Average Time to Complete Processing per Load	Average Cost in Time and Delay	Capacity/ Scalability
TOTAL COST						

Ideas for optimization

Some TMS platforms can pull paperwork from emails and sort it under a load record. This can reduce extra tasks from your daily workload and time spent on the paperwork process.

Solution	Time Saved	Cost of Time Saved	Subscription, Implementation, and Maintenance Costs	Capacity/ Scalability
TOTAL TIME SAVED VS. COST				

Area of Improvement 7 Carrier Bill Audit

What is your auditing process?

- How do we audit each carrier bill?
- How much time does this area of improvement take?
- Does the entire team have visibility to audited bills?
- On average, how many bills need further review?
- What is the process for addressing discrepancies and communicating with clients?
- What is the average delay in payment time?
- Do we have the capacity to scale this area of improvement?

Putting the Data *Together*

Now that you've documented each area of improvement, it's time to combine all the answers to your questions and put the whole process together.

Create a flowchart outlining your current process using a whiteboard, sticky notes, or a software application—layer in ideas and opportunities for streamlining each area of improvement.

Review the total labor and resource costs for the entire process and take these critical next steps.

- Calculate how much money and time your team would save by implementing some streamlining ideas you uncovered.
- Prioritize the ideas that will help your team optimize multiple areas of improvement since they will save you the most resources.
- If there are areas in your workflow where you have yet to find an optimization solution, consult your team and your existing software partners to see if they have ideas.

As you implement these new ideas, recalculate your labor and resource costs and update your pricing models so they are always accurate. Also, measure and track your expenses and results in every area of improvement to ensure you are successfully reducing costs, increasing margins, and scaling. Use this data to negotiate more loads with your customers and win new customers.

Area of Improvement	Solution	Time Saved	Cost of Time Saved	Subscription, Implementation, and Maintenance Costs	Capacity/ Scalability
Receiving Orders from Clients					
Quoting Shipments					
Searching for Load Coverage					
Trace and Trace Loads					
Updating Clients					
Gathering Paperwork					
Carrier Bill Auditing					
Invoicing					
TOTAL COST					

Wrapping Up

Here's the bottom line. The Fed may be in a "wait and see" holding pattern, but that doesn't mean you should be. Smart brokers use this downtime to ruthlessly evaluate every operational system, process, and tool in their arsenal for efficiency and productivity.

By taking the time to document your team's process at each area of improvement, you will reduce your team's workload, which will reduce your overall labor cost and increase your margins. Streamlining processes will also improve your win rates and customer retention through improved customer service. Best of all, you'll set your business up to hit the ground running when the market opens up.

It's simple.
Efficiency + Productivity = Profitability + Scalability



Contact Us

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