

# TMS: UPGRADE, UPDATE, INTEGRATE

Whether you rip out your old system or upgrade your current one, keeping pace with technology is key to success.

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**D**o you ever think about your trucking management software? Or did you put it in the back of your mind once the installation and training were completed? Of course, the whole point of a TMS is so you don't have to "think" about things — the system is supposed to automate processes and tasks.

But you don't want to have the mindset that many people have managing their company, says Tom McLeod, president and CEO of McLeod Software: "They treat their computer system like the AC or other appliance they buy and have work for several years before needing replaced." But that's not the right way to think about your TMS, which is "inseparably linked" to your overall business, its efficiencies and capabilities, he says. Instead, your business system should be viewed with a more "continuous improvement mindset."

Bob Verret, chief information officer of Dupré Logistics, a privately held, asset-based provider of transportation and logistics services based in Lafayette, Louisiana, says monitoring his company's computer systems is an ongoing process. "As I say, you are never done with IT, like you are never done with finance — you close out one month and start on the next." As he sees it, that's the price of admission to keeping up with rapidly changing technology.

Changing a system can be hard. "It's not an easy decision," says Ben Wiesen, vice president, products and services, for software provider Carrier Logistics. On top of

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the price, there's the training to consider, the installation — all of which means a lot of work. "Being able to step back and think analytically about the business process is not easy to get to," he says. "One thing we try to explain to folks is that we know you have investments in your system." But, as he notes, that money is already spent — it should have no bearing on your current decision-making. "You have to look ahead."

That does not mean that looking ahead and thinking about your system will lead to changing your system. If you continually evaluate your system in terms of business processes, if it is getting the job done now and likely will in the future, then there is no need to make a change. And making that change just to keep up with the latest tech wiz-bang may not be a good idea.

"I think that's the wrong approach," says Ray West, senior vice president and general manager of TMS for TMW Systems. "If the TMS you have does the job you



PHOTO: TMW SYSTEMS

need,” and given that making that kind of change “is so hard, I don’t see a reason to change. If your software handles everything you do, you are in the right spot. If that tool works, stick with it.”

Even so, things change. Regulations and the demands they make on your system change. Your business may change with new market segments. Or your customers may want certain capabilities your TMS needs to deliver. Then maybe it’s time to take the plunge.

### Reasons to replace your TMS

How do you know your current system isn’t cutting it? There are several factors you can consider.

### Can your system support your growth plans?

**1** At Dupré Logistics, Verret’s first task when he came on board in 2016 was to “see if the existing software

they had could support the growth plan.” He found the system was probably scalable to meet the first benchmark, but that it would probably not be adequate for much beyond that. So he instituted a three-step approach to the problem: upgrading the TMS first, ancillary systems second, and finally, the back-office part.

### Is your system sustainable?

**2** If you’re running old “legacy” software that has not been regularly updated or upgraded, it could be at the end of its useful life. Supporting old versions of software is expensive. Any integrations will have to be retrofitted to the old software, which is time-consuming and costly. All of which can add up as you consider ever-changing regulations, such as hours of service, or fuel taxes.

“It’s an obsolescence issue,” Wiesen

says. “Some systems are no longer sustainable.”

### Does it cost a lot to maintain your system?

**3** Related to the sustainability issue, adding new applications and integrations to an old system can be very expensive, as each one will have to be retrofitted. So much so, it may no longer be “financially prudent” to stay the course, Wiesen says. If a company needs major hardware or infrastructure investments to keep a system going, it’s not worth it. Especially since many current systems don’t require expensive hardware investments.

“If you are spending any money on hardware to run your TMS, you shouldn’t be,” says Tim Higham, CEO of InMotion Global, maker of AscendTMS. The same goes for a dedicated IT staff to keep it all running. Many TMS providers offer

PHOTO: CARRIER LOGISTICS



A trucking company's TMS represents the core of the business. That's why making sure yours is up to the task is important.

hosted, software-as-a-service applications that do not require hardware such as servers on premise.

### Can your system support customer demands?

**4** Waiting for a customer to ask for something you can't deliver before upgrading your system is the "old, reactive mindset," McLeod says. "I'm really advocating that companies get into a proactive mode," where fleets can take advantage of opportunities that come along when customers ask

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for new capabilities. "You don't want them to say, 'If you can't give us that, you can't haul for us.'"

### Has your business changed, and can your current IT system keep pace?

**5** "As your business changes, are you having to do a lot of work-arounds? Then it's probably time to think about" upgrading the system, says Jerry Roberson of software provider Bolt System.

### Does your system give you a "fine-grained" view of your operation?

**6** Often, a serious review of a company's TMS software comes about "because they get in trouble," says Bill Griffiths, vice president, global consulting

## INTEGRATIONS ARE KEY

No single piece of software can do everything. That is why your TMS must be able to integrate with third-party applications such as mobile communications, navigation, mileage programs, ELDs, productivity apps, maintenance software, data analytics applications, safety devices such as on-board cameras and lane departure, and much more.

Those integrations represent a change of thinking among software providers, according to Ben Wiesen, vice president, products and services, for software provider Carrier Logistics. "Many IT providers spent the 1980s and 1990s making sure nothing could get into their system. Now they find they are unable to integrate with third-party applications." Modern technology platforms allow for safe integration.

Bill Griffiths, vice president global consulting and client services, Chevlin Fleet Solutions, says much of the work he does with clients is integrating applications such as telematics and asset tracking.

Integrations run the gamut from mobile comm to fuel cards, mileage and others, says Ray West, senior vice president and general manager of TMS for TMW Systems. "At TMW we have a network of partners of over 200 companies. Integrating is essential."

Tom McLeod, president and CEO of McLeod Software, says they try to have interfaces with "any product or service that is succeeding in the trucking marketplace. ...companies need a platform that allows them to integrate with things that come down the pike," he says. That includes applications such as load tracking and new ELD providers that have come into the marketplace since the mandate. TMS providers need to offer as many integrations as they can so their customers have more choices.

At the other end of the spectrum, though, are companies that have built third-party integrations as a "life-support system for their legacy system," McLeod adds. "But then [fleets] may have to jump through hoops" to make meaningful use of the data they receive from these integrations.

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and client services, Chevin Fleet Solutions. “Maybe they are having budget challenges where they are being asked to validate costs — do they know what their current cost of ownership is? Do they know an asset’s life cycle cost?” If your current TMS can’t come up with those answers, it’s not helping.

For Mark “Dutch” Guest IV, vice president of LAD Trucking, Watkinsville, Georgia, the ability to “drill down” on the operation and identify things such as deadhead percentage, for instance, was “one of the biggest differences for us” when they upgraded to a new TMS about eight years ago.

### Managing the change

If you are installing new updates for your current system, the process and training on any new capabilities should be relatively easy. A complete replacement will take longer — from a few weeks to several months, depending on the size of your operation, number of locations and number of users.

“A small project could be a couple of months, a large company could be a couple of years,” West says. “The biggest part is managing the change within the organization,” he adds. That’s because people are naturally resistant to change, especially when change means going from something they know to something new. “There has to be an internal champion — someone who is helping manage the change and clearing any roadblocks,” he adds.

McLeod agrees, noting that most TMS vendors “provide a framework” for installing a new system, but that “the leadership

has to come from within the fleet.”

Even if you are a relatively small operation, the process can take weeks, and may involve doing extra work over the short term. “Even with a small system, we recommend that instead of putting the entire fleet on it, put a few trucks and run it parallel with the old system, so you can make sure everything works OK,” Robertson says. During that period, you are increasing the workload, but you’ll feel comfortable that the data you put in is coming out right.


That’s the approach that LAD Trucking took, Guest says. “For two months, we ran both systems. Everything we put in the old system, we put it in the new system.” One benefit was it allowed employees to see first-hand the improvements in the new system. “It may have been a little extra work, but it worked out.”

Whether it’s a couple of months or a couple of years, taking that extra time is essential, CLI’s Wiesen says. “We’ve all heard of horror stories about migrating software. To take this big step forward, we have to take small steps — instead of running a marathon, walk a mile first.”

The key is having a detailed plan. “You have to understand your requirements before you begin,” Verret says. Dupré uses a storyboard and process map for upgrading its system.

And don’t forget to allow plenty of time for training. “When you put a new computer system in, you are asking the staff to continue doing their job and to also learn how to use the new computer system,” Wiesen says. “If you don’t take the time, you risk having disgruntled workers and customers.”

Another way to ease the transition is to get input from your employees beforehand, which can result in more buy-in from staff.

Your TMS is the heart of your operation — from dispatch to accounting, asset management to load tracking. It can either help propel you forward or hold you back. “If you let a competitor get ahead of you,” in terms of technology, “you can end up behind the eight ball,” Verret says. You can’t afford to forget about it. 

## UPDATE REGULARLY

Keeping your current TMS updated to the most recent version can extend its capabilities. Even a 10-year-old system that receives upgrades regularly might continue getting the job done, says Craig Lis, marketing director for Carrier Logistics Inc.

“The problem with not getting updates is multiple,” says Ray West, senior vice president and general manager of TMS for TMW Systems. For one thing, “the core technology will go out of support if your version gets too old.” At that point, you’re in trouble. “If you want to continue getting support, you need to do updates.”

Does that mean you should install every update your TMS vendor offers? Not necessarily. Tom McLeod, president and CEO of McLeod Software, says he sees the better managed companies scheduling upgrades on an 18 to 24-month basis. “They know new technology is coming out, they know that customers will want new things.”

Along with regular updates, another key part of getting the most for your IT buck is to fully utilize the software you have. That goes back to training — make sure those employees who use the system the most understand what it can do. McLeod says even with a fully functional TMS installed, he still sees companies “that aren’t getting as much out of their system as they can. Some people still use spreadsheets or keep things on legal pads.”

With hosted or cloud-based systems, most updates are automatically done by the vendor. Users don’t have to worry about those — you always have the latest version. That’s a boon for smaller operations that don’t have large IT staffs. Instead of dealing with installing updates, the staff you have can focus on other, more important areas of the operation. And even for most systems you may run from an in-house server, many updates are done “over the air” via a broadband connection, which makes staying current even easier.