



What to Look For When Choosing an IT System

By Ken Weinberg for Transport Topics, July 2001

Delivering the freight is an important part of the trucking business. That's a given. But delivering information to your customers and staff is just as critical, especially if you're looking to grow and compete with non-traditional freight-hauling companies that are providing the extra services of information and control to their accounts.

Today's new technologies are making it easier and cheaper for regional less-than-truckload carriers to collect and manage their data, improve the flow of information internally and to their customer base and to enhance their productivity and profit picture. But to put in a leading-edge information technology system with the latest bells and whistles that doesn't address your operation's specific problems or need - in other words, to use technology for technology's sake instead of improving your bottom line - is like throwing money out the proverbial window.

A Total computerized operations and administrative management system can help you compete more aggressively and create new business opportunities by slashing expenses, bolstering customer service and strengthening operation efficiency. Also, by giving your customers an open door to your informational data so they know automatically and in real time what's happening with their shipments, you are ensuring their loyalty and continued patronage for years to come.

Before contemplating such a major capital investment, however, it is essential to do your homework and find the best solution for your needs. Here are four guidelines to consider before making your final vendor/product decision:

■ **Problems and Goals Checklist.** Put together a comprehensive checklist of all the problems you want the IT system that you purchase to solve and goals that should be met.

Make sure you've gotten input from each of the departments and personnel that will be using the system, so their needs are taken into account. That may run the gamut from telephone operators who schedule pickups and deliveries, to fleet supervisors who dispatch the trucks, to the owner or general manager who will use the data for strategic decisions and who will have the ultimate responsibility for the final IT Selection.

Keep in mind that the functionality and options afforded by a sophisticated, complete enterprise system are limitless, so you'll want to map out different scenarios that occur, or may occur, in your organization that the software package can help address, including unusual situations such as multiple

trailers or split payments.

In addition to reliability, speed, performance and user friendliness, your system should be open and flexible enough so it can be modified to match the individual systems of your various customers and to accommodate future enhancements. For example, with just the click of a mouse, your IT system should provide quick and easy entry to such functions as automatic rating, accounting, financial management, performance analysis, dispatch, customized reports, equipment maintenance, integration between programs, automatic trip optimization, shipment control, tracing, imaging, bar coding, wireless communication and Internet access.

Good providers will be able to explain in simple terms what impact their software packages have on these areas and how they will affect your bottom line.

- **References, Track Record and Trucking Experience.** The commitment you make with software and IT is important to your business, so perform due diligence and check the track record of your prospective providers. You have to feel comfortable that they'll still be around in five years.

Also, obtain and follow up on references of other users of similar systems. A reputable company will be more than happy to supply them.

In addition, seek software developers who have worked within the industry – LTL or truckload transportation or distribution, whatever relates to your needs. Trucking is such a specialized environment that you can't just hire some programmer who will attempt to piece together bits of software that bear no relation to a distribution operation.

- **Implementation and Training.** Once you've narrowed your choice down to a couple of providers that can effectively deal with your operation, it is time to figure out how much it will cost to buy, implement and train on the new system.

The best way to learn a new IT system is to first get on-site introductory training, involving everyone at your company who will use it, followed by sessions at the vendor's location with the most computer-literate people from your organization.

Typically, it takes three to nine months for a company to convert to a new system, which includes installation of software and hardware, conversion of the database, training and orientation.

- **Responsiveness and Support.** As your organization expands and your requirements and those of your customers change, your vendor should be constantly working on upgrades and enhancements to your system as well as providing day-to-day assistance.

Think about your own particular operation and find out early on if your supplier will be there when you need it. For instance, if your operation runs

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all day can your get 24-hour phone support? How about online software assistance? Is refresher training offered? Ongoing maintenance and support could be a significant part of the final cost of the system.

By following these four principles, you should have enough knowledge and information to choose an IT management system that will be the right fit for your company. Your survival and future success could well depend on it.

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