TOP TECH TRENDS IN LOGISTICS

A 2016 AppointmentPlus Report
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To say that the world is currently in the throes of a digital transformation is something of an understatement. Technological trends aren't just revolutionizing our personal lives; they also have significant implications for business across all industries. Thanks to the power of cloud computing and concepts like “software as a service,” it’s now possible for employees to be as productive from any location on the planet as they are in the office—provided an active Internet connection is present.

A prime example of an industry that relies upon new technology to stay ahead of the game? Logistics, where cutting-edge workforce management, operational efficiency, and supply-sourcing techniques are becoming an essential component for business success.

Flexibility, visibility and ingenuity are at the forefront of each one of the top trends in logistics today. Read on to learn about five factors disrupting the marketplace—and how you can keep up.
Hiring/Contracting: The Key to Productivity Rests in Visibility

One of the biggest trends making waves across the logistics industry is the use of contract management software. This type of application allows for the digital management and storage of a variety of legal agreements, including contracts with vendors, leases, and licensing documents. Businesses are fully integrating this software into their existing enterprise resource planning systems to address a number of different pain points in one fell swoop.

In addition to the fact that an integrated contract management solution can fully automate a number of processes that formerly required a great deal of manpower, it also gives businesses complete visibility and insight into which contracts are in place and where. The top software providers offer a singular point of entry into terms throughout the lifecycle of a contract, including key provisions, deliverables, and SLAs.

Integrating a dedicated contract management solution into existing enterprise resource planning (ERP) software helps shorten contracting flow times by making available “in house” standard templates that have been preapproved by an organization's legal department. Features like the capability for electronic signatures have been shown to shorten approval cycles from weeks to days and reduce paperwork error by 90 percent.
Supply Sourcing: Improved Collaboration Creates Savings

Today's leading logistics enterprises are also embracing e-sourcing tools with open arms, as they allow businesses of all sizes to obtain supplier bids via a single online portal. Among e-sourcing's many benefits are the ability to reduce prices by increasing supplier competition, building more records of past sourcing activities, and otherwise streamlining the sourcing process. The result? Data that acts as a foundation for strategic decisions made throughout the next sourcing cycle and beyond.

The best e-sourcing solutions improve a sourcing team's ability to collaborate at the local, regional and even global levels, all without introducing required meetings and artificially extending the flow cycle. Instead of trying to schedule discussions between people who are spread out across the country, e-sourcing makes mission-critical information available at any time to all relevant parties, and from a single point of access.

A case study of SABMiller, the world's second-largest brewing company, showed that the organization realized an “eight percent savings in the road freight category, while retaining 80 percent of its incumbent suppliers” and also made “major efficiency gains in employee time previously spent on bid proofing and analysis” by using an e-sourcing tool.

E-sourcing allows logistics providers to meet the ultimate needs of their end users in a more cost-effective, organic, and complete way—without requiring a plethora of additional resources or staff members to do it.
Workforce Management: Work Smarter, Not Harder

The use of technology to automate workforce management activities is yet another trend geared toward driving productivity in the logistics industry. Workforce management software is a collaborative tool that enables visibility into an organization's business metrics via a rules-based scheduling program, the core functions of which include staff scheduling, task and activity management, and leave management.

But simplifying an organization's staffing requirements is not the only benefit of using a workforce management solution. The best of these tools help managers track and apply historical data and advanced analytics to predict future demand of human resources. They're equal parts proactive and reactive in that they can be used keep a watchful eye over historical attendance, and also act as real-time HR management systems.

Workforce management software can also play an important role in the logistics industry's current talent crisis. An aging workforce, coupled with technological disruptors, makes it increasingly difficult to find qualified candidates in the logistics field. Workforce management applications allow an organization to identify gaps in its current recruitment process and better align staffing supply and demand.

An important note for those that worry workforce management software will eliminate jobs: the point of this type of tool is not to decrease staff. Rather, it's to properly identify the strengths of existing employees and move them into the right positions within the enterprise. The outcome is improved operational efficiency and increased customer service.
Yard Management and the Internet of Things

A fascinating trend emerging in today's logistics arena has nothing to do with how people use devices to collaborate with each other, but rather how today's technology allows for a collaborative data exchange across devices.

The Internet of Things (commonly referred to as the IoT) is the idea that network connected, physical devices can feed off each other by exchanging data in real time. What does this mean? Everyday objects embedded with the right electronics, software, and sensors can communicate with one another all day long. Something as simple as a piece of equipment in a warehouse is no longer just a tool, it's part of a much larger system.

According to a study conducted by Intel, there were over 2 billion objects that made up the Internet of Things in 2006, and that number is expected to balloon to an incredible 200 billion objects by 2020 alone. The vast majority of these devices will be used in factories and in businesses across the world, giving companies the ability to maintain better visibility over their inventory and machine maintenance, increase efficiency, cut costs and can even create safer working environments. With that in mind, it's no surprise that the McKinsey Global Institute estimates that the manufacturing and logistics industry's portion of the Internet of Things will be worth a staggering $2.3 trillion in the coming years.
Use Cases for the Internet of Things and Logistics

- With sensors embedded on items in transport, logistics managers can know precisely where something is while it is in transit—along with exactly when it is projected to reach its destination.

- With monitors integrated into machines, warehouse managers won’t have to wonder when a mission-critical piece of equipment will break down, causing work stoppages and productivity declines.

- The IoT can help logistics providers keep a more watchful eye over items that need to be temperature controlled during storage and transportation, alerting them to a problem immediately so that losses are not incurred.

- Even items like beacons in warehouses can help make organization easier. If a dock manager wants to know exactly where one small item is in a 600,000 square foot warehouse, an app on his smartphone can tell him within a range of about a meter.
Scheduling Software: A Giant Leap for Logistics Efficiency

If you forced 100 logistics providers to make a list of all the reasons why interruptions occur throughout their day, "time" would undoubtedly be right at the top. Whether it's a dock supervisor not having enough hours in the day for his team to execute tasks, or management making decisions that lead to an ineffective use of resources, time (and by association, scheduling) is a leading pain point for those with any tenure in the industry.

So it’s no shock that scheduling software is at the forefront of logistics tech trends. With the right scheduling application in his toolkit, a dock manager can set the stage for maximizing nearly every aspect of dock operations. From workforce management, to equipment resourcing, to carrier delivery appointments, a good online scheduler addresses a multitude of important use cases within the industry.

Consider the following scheduling scenario that many a dock manager has undoubtedly faced:

Regardless of how hard you try to minimize them; you just can’t eliminate driver wait times at your yard. It doesn’t escape you that detention fees and driver satisfaction rates have an inverse relationship, and that as one goes up, the other invariably goes down. On the other side of the dock, poor insight into dock congestion is consistently either swamping your employees (resulting in overtime), or leaving them idle while they wait for another load.

It's a snowball effect: soon, carriers start refusing to drop off or pick up because of your dock’s bad reputation for long wait times. Your suppliers are mad. Your staffing costs are way over budget.
The Benefits of Logistics Scheduling Software

However, with the help of an online scheduler, a dock manager’s insight into warehouse operations does a **180-degree turn**. He can:

- **Take back control of the dock** by establishing carrier arrival and departure times, as well as the maximum arrival slots allowed in any given day.
- **Enforce an appointment scheduling policy** for carriers arriving at the dock. Scheduling software puts power into the hands of the carriers by allowing them to self-schedule their arrival times.
- **Maximize workforce efficiency by establishing dock predictability**. Automating dock scheduling provides visibility into upcoming staffing needs, and cuts down on unplanned overtime.
- **Use automated reminders** to make sure carriers stick to scheduled times. Scheduling software allows an operation to send carriers automated email reminders that include key appointment identifiers, and gives carriers the option to cancel or reschedule if needed.
- **Track insights** on dock arrivals, loads and departure times. A good scheduling software application will include robust reporting features that allow for insights on dock efficiency, carrier performance, and the historic impact of specific load activities.
- **Keep the team apprised of what's coming down the pipeline**. A well-placed monitor on the dock helps the entire team understand the day’s agenda, including last-minute updates.
Case in Point: Crescent Crown Distributing

One example of a company that has already made excellent use of scheduling software is Crescent Crown Distributing, based out of Phoenix, Arizona. Like so many other logistics organizations, Crescent Crown didn't have a firm, universal system in place to schedule specific delivery times, which caused frequent dock congestion. These delays lead to operational inefficiencies like overtime charges, lost productivity, and detention fees.

In search of a solution, Crescent Crown found it in scheduling software. With the use of an online scheduler, the operation gained the visibility they needed to operate more efficiently and quickly increase profitability. The distributor now requires scheduled delivery times from all of its trucking companies, only allowing five deliveries at any given time. The structured scheduling also improved onsite operations, decreasing staff overtime hours by $500 to $1000 a week.

In Summary: Today’s Tech Trends Are Only Logical

Today’s top logistics trends go a long way toward proving that technological “disruption” doesn’t have to be a bad thing. For example, while an application like workforce management software represents a significant shift in “the way things have always been done,” with a little change management training it’s easy to show that the way things have always been done wasn’t necessarily the smartest way.

A dock manager using an automated solution like workforce management systems, a contract management application, or scheduling software isn't merely replacing holistic industry dynamics with a technology-based skeleton. He’s using technology to make the logistics industry better than ever.
Ready to take the next step and learn how AppointmentPlus software can help take your logistics team to the forefront of scheduling?

In a 15-minute phone call, one of our Scheduling Software Experts will walk you through options to find the AppointmentPlus plan that’s right for your scheduling needs.

Call 800.988.0061

About Kendall E. Matthews

As Vice President of Global Marketing and Communication at AppointmentPlus, I understand the challenges of logistics and warehouse management. After serving the scheduling needs of thousands of docks around the world, I’ve found that what managers want most is to deal with experts and technology leaders.

About AppointmentPlus

AppointmentPlus scheduling software is a configurable, rules-based, pure SaaS product. Our software — combined with our deep product integration knowledge, customer experience focus, and amazing ability to both analyze synergies and synergize analogies — has made us the vendor of choice for many Fortune 500 companies.

Just want to talk directly to a Logistics Scheduling Software Expert?

In 15 minutes, we can help you find the plan that’s right for your team.

Call 800.988.0061 or Schedule a demo