



How Automation Can Help with Peak Load Handling

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Case Study



Background

The trucking and logistics sector is witnessing a dramatic overflow of paperwork and documentation, with the back office working relentlessly to accomplish daily tasks.

Many companies use outdated technology that inhibits them from meeting growing demands.

As a result, during peak season, the errors multiply, and processes crumble.

In cases of unexpected peaks in demand, companies face numerous problems, some of which are discussed below.

- **Narrow Supply Chain Visibility**

The trucking and logistics sector requires shipments to go through various supply chain entities before reaching the final destination.

Companies do not usually have the resources to acquire visibility of the supply chain process.

- **Theft or Fraud**

The shipments must be secured, so the consignments are not lost or stolen.



- **Inefficient Documentation**

Manual data entry tasks can lead to errors in the database, causing inefficiencies in the entire process. As a result, the company has to suffer losses.

- **Inefficient Communication**

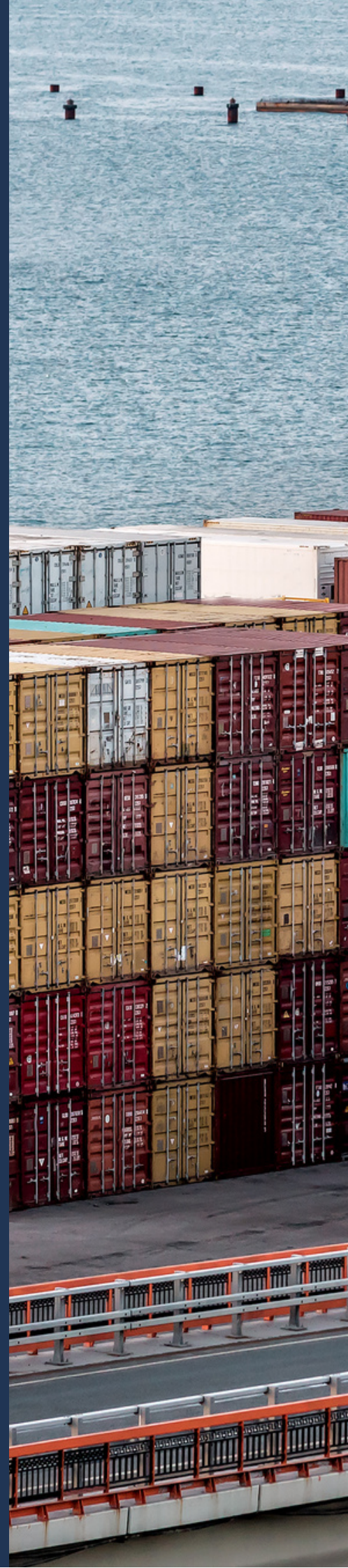
The fleet of onsite and offsite staff carrying out the trucking and logistics tasks have to stay updated regarding the status of processes.

Inaccuracy or inefficient communication can result in inefficient utilization of resources.

- **Delayed Deliveries**

Companies that run manual processes are prone to delayed deliveries caused by delayed paperwork or a yielding inspection of goods held at a terminal with missing documents.

In many cases, the shipment does not reach on time, causing a possible customer loss.



Problems Faced By The Client

A large trucking company was facing severe problems related to back-office operations.

- Employees followed manual data entry systems to record data such as fright bill, bill of lading, customer data, and proof of delivery. The historical database was largely erroneous, consisting of duplicate entries and missing invoices.

Each time a delivery was made, the employee would get the assignee to sign on the receipt, which was then produced at the back offices. The back-office employees would manually check all the signed receipts and put a stamp of approval.

The stamped and signed tickets were manually entered into the systems. During this extensive process, many receipts would get misplaced, and there would be no record. As a result, the company was losing out on collections.

There would be times when customers would face issues with the shipment, but customer grievances related to shipment issues required proof of delivery, which was missing from the system. The employees had to search for such invoices manually, and backtracking would take a lot of time.

The company was losing out on account receivables and customers because of the chaos.

- During peak season, the company would face a sudden spike in demand. Such demands would be addressed immediately. There would be instances when trucks would start the delivery process at half capacity carrying LTL (less-than-truckload) shipments.

The orders would not be aligned with delivery stations, resulting in the misappropriation of resources. When the incoming orders suddenly spiked, the company had no choice but to overutilize the trucks. In many cases, this resulted in damaged goods, giving rise to customer grievances.

- Since the data largely remained erroneous and inaccurate, business managers had no idea why they faced such losses. They would increase the company resources to meet the growing demands. By increasing the trucks, truck drivers, and back-office staff, the managers expected the process to attain stabilization. However, this only resulted in increased expenses for the company.

Their resource expenses would rise in the peak season, and accounts receivable would not attain much of a deviation. After the peak season ended, the company still had to make payments to the newly acquired resources, which would generate more losses.

- Since the entire process was manual, the accounts payable system was also jeopardized, especially in peak season. The company would end up paying fines for late or missed payments.
- Shipments were not tracked accurately. Since the process was largely manual during peak season, the already overworked employees had trouble manually updating each entry into the system. Business managers could not support truckers or track shipments accurately to update customers.

The massive mismanagement resulted in the company losing out on revenue, customers, and reputation.

How Business Process Outsourcing Helps

Business Process Outsourcing companies provide flexible logistics back-office service teams for their clients.

These services aim to maximize production efficiency and reduce costs for the company.

Here are a few processes that can be outsourced to improve efficiency

Logistic Data Entry

BPOs provide accurate logistic data entry services to maintain error-free logs relating to driver logs, Bill of Lading (BoL), receipts, and shipping documents.

The reliable data collection can help the company gain insight into the business operations.

Freight Logistics

BPOs assist companies in overcoming the enormous challenges associated with freight logistics services. Outsourcers minimize the back-office hurdles and also provide clarity to the management in the supply chain phase.



Bill of Lading

Managing individual paper-based BoL can become a sizeable cumbersome process. BPOs assist in the digitalization of the BoL process, ensuring timely recording and error-free data, leading to enhanced productivity and accessibility.

Audit Freight Payment

While recording all the data manually, employees are prone to make errors relating to shipping invoices. The mistakes arise from continuous modifications in freight rates and lengthy processing cycles.

BPOs provide accuracy in the process by ensuring a comparison with the shipment documentation. As a result, billing errors are eliminated, and the post-audit stage helps rectify those errors.



ARDEM's Support and Solutions For The Client

ARDEM provided extensive support to the client and streamlined its operations to improve the processes and make them efficient. ARDEM followed a phased approach to support its client.

Digitalization

ARDEM's highly trained and skilled staff took over the process and began with the automation of the client's data entry systems. Data entries relating to freight billing, bill of lading, and order entries were automated with high precision to produce a highly efficient and reliable database.

The dataset was automated so that entries would show up in real-time. This helped the client gain insight into current operations and design strategies to improve performance.

Artificial Intelligence (AI)

ARDEM provided its client with the best-in-class artificial intelligence platform to establish and identify future trends. The client would receive forecasts based on customer behavior and past trends.

Such predictions helped the company determine if the peak season was nearing, so they could make necessary arrangements. A prior estimate of the future trends helped the client ensure optimal resource utilization.

Repository for Documents

ARDEM established a central repository for all of the customer documentation on a real-time basis. The client was able to extract information about an order timely and efficiently.

Shipment Tracking

The client was provided a well-established real-time platform to track and trace shipments. Since the consignments were tracked in real-time, the incoming load was distributed more efficiently.

The client also notified its customers of the status of their orders. ARDEM also supported the client in streamlining its onsite trucking operations, increasing the process efficiency.



The Results

ARDEM's extensive support for the client led to excellent results. The client came out of its trajectory to report net losses. They could attain numerous advantages that increased growth, scalability, and profitability. Some of the significant benefits are highlighted below.

1. Cost Advantage

Since a significant part of the back-end process was automated, ARDEM was able to help the client with cost optimization. The client no longer required a fleet of employees. In addition, the streamlined onsite operations led to efficient utilization of resources.

2. Enhanced Visibility

Since the client had access to the real-time status of the processes, they could establish future estimates and work toward them in a structured manner.

3. Revenue Recognition

With the operations being largely automated, the client could record invoices and account receivables more systematically. This helped the company to keep track of incoming payments.

4. Accounts Payable

The client could now maintain and update its account payable logs at ease. Using ARDEM's automation technology, the client was notified in advance of the outstanding dues. The client was able to disburse payments in a well-organized and timely manner.

5. Profitability

The client witnessed a spike in profitability arising from lower costs and a better-accounted revenue structure. The streamlining of processes ensured the client's scalability of operations remained intact, and they could run a more profitable business with high visibility.

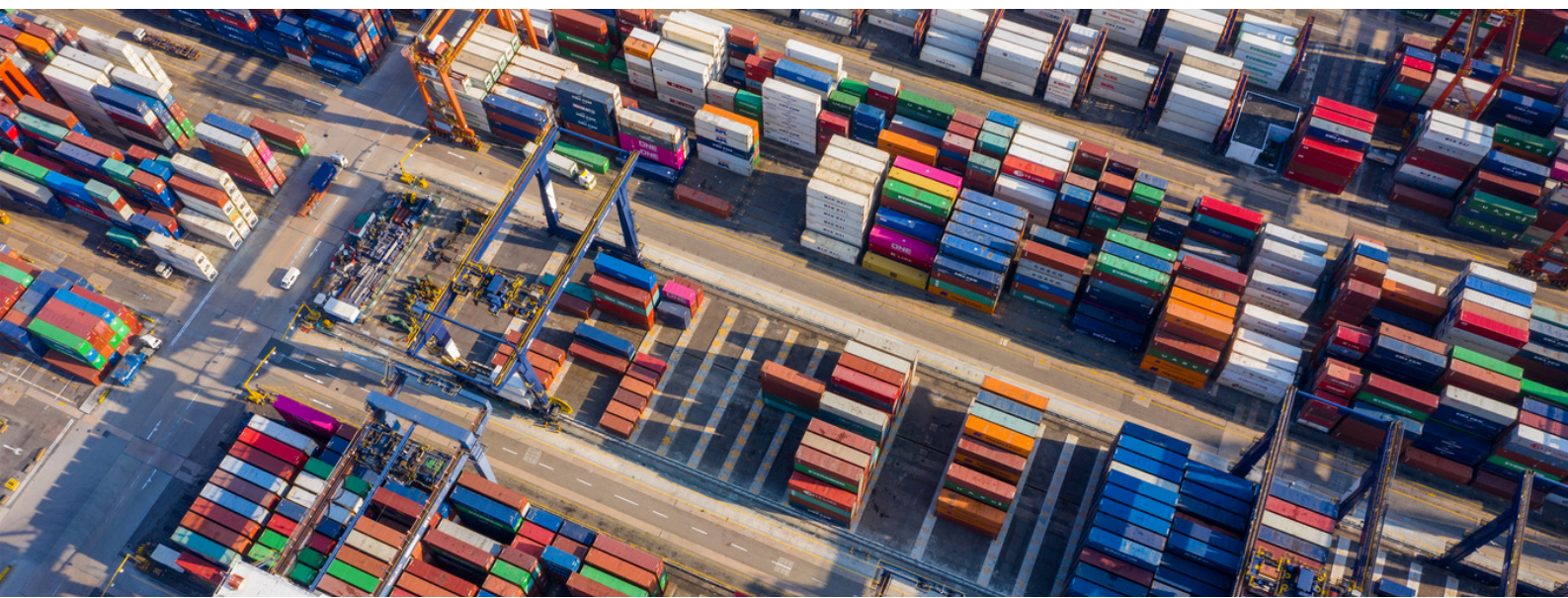
The Takeaways

Trucking and logistic companies can face severe pressures to run an efficient business. Unusually high demand can create the back-office process to tumble.

Trucking and Logistics companies require the latest tools and technology to support their back-office to ensure scalability. Automation leads to incredible results for such companies, especially during peak demand.

ARDEM provides Business Process Outsourcing for established companies to give them an edge to drive scalability in their daily operations.

ARDEM provides best-in-class fully managed logistics outsourcing services from issuing load statements to freight billing and auditing. ARDEM offers impeccable solutions for its clients, generating a higher ROI using the latest technology automation.



ARDEM Incorporated

ARDEM Incorporated delivers success for companies looking to efficiently streamline their processes and improve ROI. We implement the world's most sophisticated Technology platform combining human interaction with advance technologies to automate business processes and lower operational costs.



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