

Current Economic Turbulences Can Be Improved Through Companywide IT Platform

Economic Performance Can Be Enhanced With Robust IT Effort



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When the global freight forwarding business environment is in a state of volatility, there are practical ways to maximize your company's economic performance.

The logistics and freight forwarding industry today faces unique challenges due to global economic instability. However, the industry has many dynamic execution technologies and IT initiatives available that can help alleviate a company's business jeopardy. Not all shippers and freight forwarders, however, are taking advantage of the stabilizing benefits provided by sales and operational technologies that can provide IT optimization platforms across extended supply chains. Establishing a single, robust cross-departmental IT solution across all business functions within a company can play a significant role in minimizing the degree of economic risk a company absorbs in unstable economic times – and it can be done at a reasonable cost with long-term results.

Due to the number of available IT options, it's not unusual for company management to be uncertain about which IT platform best fits its unique supply chain requirements. Often finding the right IT solution includes just making the decision whether to build an IT platform in-house or outsource the functions to an expert software solution provider. Making these decisions requires proficient leadership skills with the capacity to identify, implement, communicate and manage the objectives necessary to optimize the comprehensive IT operating platform that is put into place to maximize an organization's operating efficiency.

A company's cultural configuration, especially as it relates to its business model and cross-departmental communications, can play a significant role in ensuring a positive impact on a company's expenditures and ROI in uncertain economic conditions. If a company's corporate traditions support a commitment and budget that maximizes optimal supply chain solutions for its customers, the successful management of operations as it relates to sales and operations can steer clear of being mired in cross-departmental inefficiencies and confusion. Successful company operations are driven by a dynamic leadership that understands that optimizing supply chain management and visibility through IT solutions plays a critical role in creating short-term and long-term sales and ROI results. And, implementing the right enterprise software platform is especially important during times of economic uncertainty.

Companies are more likely to ensure a successful IT-driven sales and management operation by methodically examining the status of their existing IT capabilities. If a company does not have adequate in-house IT capabilities to enable supply chain maximization on a global basis, it is less likely to offer an operating platform that meets customers' supply chain requirements consistently. If this is the case, the company should outsource its cross-departmental business functions to an appropriate enterprise provider that can provide a single, robust IT solution in order to alleviate the risks of market uncertainties and gain the necessary logistics solutions that drive the business through good times and bad.

A strong commitment to providing robust IT solutions consistently through all types of market dynamics provides the best buffer against economic uncertainties and continuing freight forwarding problems.

An outsourced global IT operation is generally less expensive and more effective than incurring the ongoing costs and complexity of trying to revise an outdated legacy system in-house.

Due to the fluid nature of today's global economy, outsourcing execution software technology to a qualified enterprise solution provider can often not only produce better internal sales and management results, but it can greatly expedite the supply chain process and produce better results for customers through the careful monitoring of metrics.

Understanding your company's global supply chain requirements, which can change with the global business environment, requires a thorough understanding of the metrics involved in the administration of a strong IT system that operates across business functions. In a dynamic global economy it is easy to underestimate the cost and commitment required to provide vibrant IT execution solutions while minimizing risk and maximizing ROI. It is important that companies carefully analyze the true total cost of ownership of a cross-departmental IT operation. Many companies make the mistake of trying to develop IT systems in-house, thinking they can do so inexpensively and enhance them later. Not so. Whatever freight forwarders' IT-related start-up costs are, they will increase dramatically over time as its often disparate technology systems cobbled together cannot provide the economic return that a single, cohesive software system can. The real business focus for most freight forwarders is on the core competency of logistics; and too often companies can produce ineffective internal operating platforms with insufficient integration between software systems, which results in a loss of focus, customer dissatisfaction and reduced ROI.

Overall, a strong commitment to providing robust IT solutions consistently through all types of market dynamics provides the best buffer against economic uncertainties and continuing freight forwarding problems. If companies carefully assess how much capital – both human and financial – they can afford to expend in order to implement a single IT platform to maximize the company's results, it will be able to provide critical management visibility of the entire freight forwarding process and lessen economic risk throughout market volatilities. The result will optimize company performance in times of economic uncertainty and have long-term results on the company's bottom line.

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