



# BUYERS GUIDE TO TRANSPORTATION MANAGEMENT SYSTEM ~~SELECTION~~ DISCOVERY

*It's A Lot Harder Than You'd Think*





# BUYERS GUIDE TO TRANSPORTATION MANAGEMENT SYSTEM SELECTION DISCOVERY

*It's A Lot Harder Than You'd Think*

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# INTRODUCTION

## WHY ARE YOU HERE?

We know you are not reading this because you're looking for a little light reading. In all likelihood, you're experiencing one or more of the following issues:

- You don't have enterprise-wide, transportation management technology and are overwhelmed by all the options.
- You do have a TMS, but it fails to address the needs of the business.
- You have a wide array of different transportation technologies that spans different processes and geographies. You do not have a holistic view into the totality of your freight operations.
- Your current systems and processes do not adequately address your company's strategic initiatives.

Regardless of your “why,” we look forward to educating you about the importance of taking the time to conduct proper due diligence before jumping into the vendor selection process. Skipping this critical step is a recipe for an implementation fail—and consequences of a failed implementation can be dire for both your company and your career.

We begin by providing an overview of some of the realities and challenges involved in choosing the TMS that's right for your company and moves on to discuss our approach to this very complex process. Along the way, we present some real-world examples of the cost of failing at this important stage.



# DISCOVERY

## WHY DISCOVERY INSTEAD OF SELECTION?

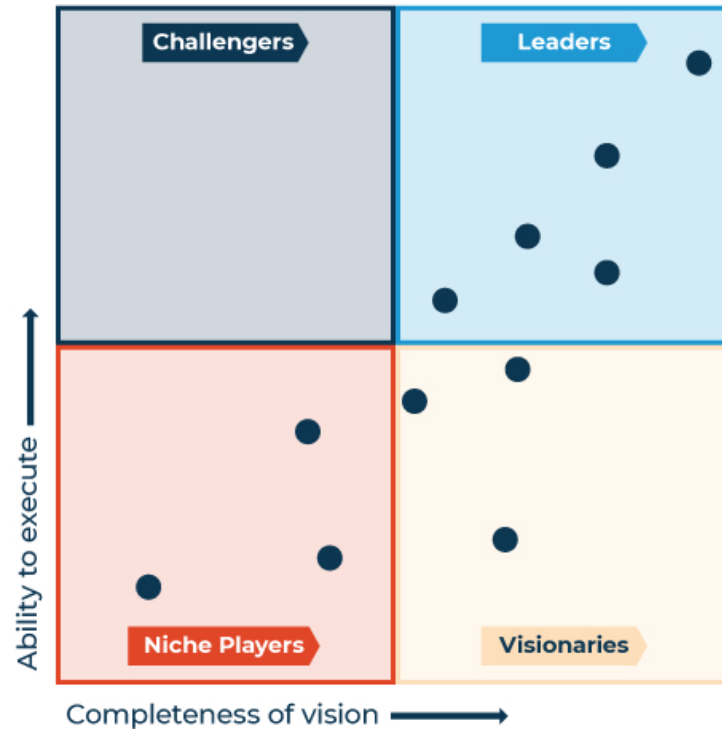
We didn't make a mistake in the headline—we want you to see that we deliberately chose to use discovery rather than selection. Why? Here are just a few reasons:

- Selecting is like picking; buyers expect the differences to be apparent—but they aren't. When you select an off-the-shelf product, it's the equivalent of choosing who to date based on just one element—and leaving everything else to chance.
- Anyone can facilitate the administration of an RFP to get to vendor selection—but there is a lot more to the process than simply drafting the RFP. Taking time to figure out where you want to go is critical to knowing the right capabilities for your system—and small details can be significant. Where are you unique? What differentiating requirements do you have? What are your pain points? What is your budget? Putting your company under a magnifying glass could totally change the content of the RFP as well as the proposed vendor list. This valuable “upfront time” pays huge dividends.
- We think the process should be more equivalent to the TMS selecting you—meaning for most buyers, focusing on strategy first should reveal which TMS is the most appropriate for your business/technology goals, objectives, and requirements.
- To enable the TMS to select you, you need to spend time defining your desired end state. What are the key capabilities that you need, not just today, but in 5 years and how important are those capabilities to your business.

Too many companies jump right into the process by thinking that step one is vendor selection—when approaching this monumental investment from a strategy-first perspective is definitely the smarter way to go.



## DUE DILIGENCE DEMANDS MORE THAN A SELECTOR TOOL



### WHY NOT SELECT A VENDOR FROM THE GARTNER MAGIC QUADRANT (MQ)?

We're not seeking to bash Gartner here; the MQ is a good tool—as long as it is used in conjunction with due diligence. We use it, too, but we're also aware of the following:

- › The MQ is best used to get started—but not to make an ultimate selection.
- › Buyer beware! The MQ is skewed; for the past 10+ years, only larger TMS software vendors that also have a Warehouse Management System (WMS) can be viewed as a leader or visionary. We find this criteria to be rather arbitrary and NOT top of mind for most buyers.
- › There are many other vendors that aren't on the list, and never will be; using only this criterion for decision-making, you'll never learn about them and be able to determine if they are right for you.
- › Gartner's approach is overly broad and does not take into account the nuances across industry verticals, let alone your company's specific needs.



And then consider this: Are the logistics challenges the same for companies moving oil, coal, food and cell phones, for example? A single, chart level view into the TMS space does not provide the granularity required to provide the solution right for your business. If it did, only the leaders in the MQ would sell their solution, but there are plenty of thriving TMS software providers that are not well depicted on the MQ, or are not depicted at all.

## VENDOR PROLIFERATION ADDED COMPLEXITY

### HOW COMPLEX HAS THIS SPACE BECOME?

Aside from the TMS decision, there are a number of supplemental, bolt-on providers that are required to support the totality of a shipper's freight management needs. These providers have a deep set of capabilities that surpass those of the TMS provider in certain functional areas. For example:

- Visibility Solution Providers such as FourKites, Project44, MacroPoint and 10-4 can help shippers answer the age old question, "Where's my truck?"
- Parcel Connectivity Providers such as Logistyx, BluJay, Precision and Skipjack enhance TMS through robust parcel rating and execution capabilities.
- Jaggaer and Coupa provide best-in-class Freight Procurement Solutions.
- Fleet routing systems by providers like Descartes, Ortec, Paragon, Omnitrac and CAMS help organizations with their fleet planning and dispatching needs.
- Electronic Logging Device providers such as Omnitrac, PeopleNet and Samsara.
- Yard Management System providers such as Pinc, FourKites and C3 streamline receiving and shipping operations once product arrives at the DC.
- Content providers such as FreightWaves SONAR, DAT, Freightos and RMIS enable us to use market content in our decision making.

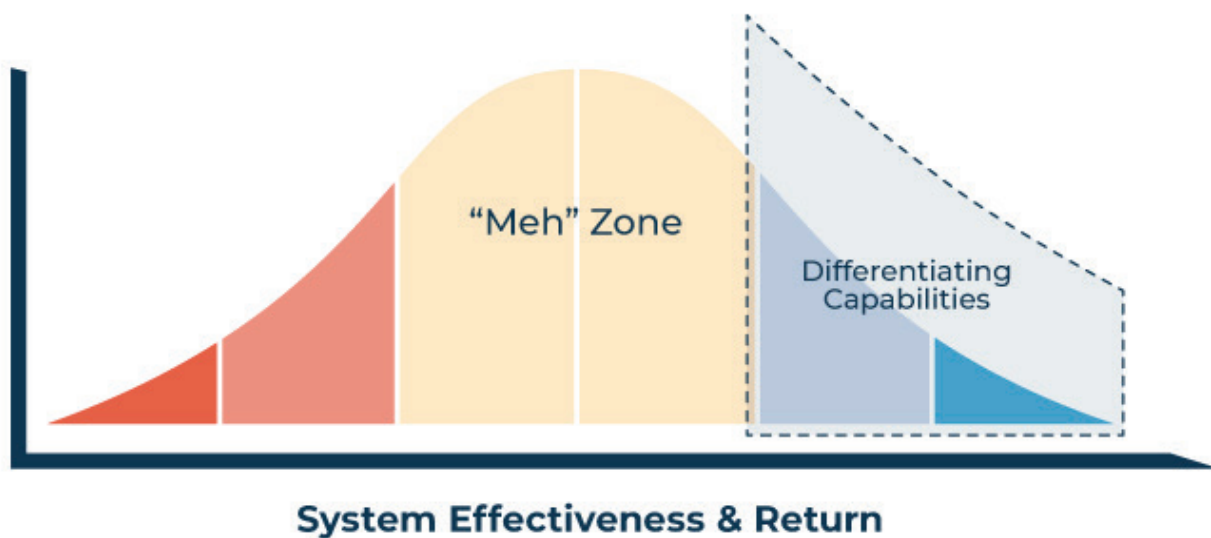


While many of the TMS providers dabble in these functional areas, their capabilities are not as deep as those that focus on specific functional areas and/or industries. This often leads to a technology landscape recommendation that utilizes a TMS backbone supplemented with best-in-class bolt-on providers that have the depth of capabilities needed to support the high impact functional areas or a business.

## COMPLEXITY + COST + RELEVANCE TO BUSINESS OUTCOMES

### A LOT RIDES ON THIS DECISION WHAT IS THE IMPACT OF GETTING THIS STAGE RIGHT?

We cannot overstate the importance of getting this phase of the journey right—since the selection of the right technology partner(s) will enable you to develop a transportation operating system that will provide competitive differentiation to your business. While freight transport has always been important to shippers, the complexity, cost and expectations of internal and external stakeholders has never been higher. Spending a year or two attempting to implement tools that are ill-suited to your business will lead to a “Meh” result, or worse.





# GETTING IT RIGHT

## THE JBF APPROACH

Now that you understand the importance of the initial decisions being made in your journey toward the TMS that's best for you, it's time to focus on our approach—one we have used to help countless clients successfully begin their TMS journey since 2003.

- › Begin with the end in mind. We use a blueprinting process to define the “Desired End State”; using a top-down approach, we consider what your key business or supply chain imperatives are for the next five to ten years, asking questions like these:
  - › What are the growth strategic and corporate objectives of the company? Will you grow organically? Through M&A? New channels? Margin enhancement?
  - › What are the strategic transportation policies being implemented to align with the corporate objectives?
- › Understand your “foundational” functional requirements and desired capabilities.
- › Plan the enterprise design. A high-level enterprise blueprint is instrumental in helping to identify solution gaps, uncover areas of differentiated requirements, and estimate process and functional complexity that may be influential in determining a vendor (or set of vendors) that comprise the ultimate solution.
- › Prioritize your requirements and capabilities.
- › Carve out/identify differentiating requirements as key input to next step: vendor identification.
- › Identify significant change management risks.
- › Quantify program goals and objectives.





## VENDOR IDENTIFICATION

Only after doing all the “pre-work” noted above do we move on to identifying the vendors we believe will be able to provide you with the solution that will best address your TMS needs. It's when the complexity of vendor proliferation comes into play, as do our differentiators:

- › We are in the unique position of often implementing what we recommend, a hugely valuable “positive feedback loop” that over time makes our recommendations increasingly more accurate and precise.
- › Being in that position also keeps us honest; we're not going to recommend a vendor we have doubts about and then sign on to deliver an implementation.
- › We know investigating “behind the scenes” (or behind the PowerPoint slides) can expose vendor flaws and weaknesses that may increase risk of failure.
- › We don't accept consideration (e.g. referral fees) from software vendors in exchange for a recommendation/selection. That is a terrible practice.

## A BLUEPRINT FOR SUCCESS

Our approach minimizes implementation risk by ensuring top-down and bottom-up due diligence is completed, which yields a more precise discovery of the right vendor fit for your business. Think of it like putting on a tight-fitting glove rather than a loose mitten.

- › Our implementation experience and DES process breaks down and simplifies the complexity barriers.
- › We break through the smoke and mirrors and PowerPoint promises because we're implementers of the technology.
- › We never lose sight of how important it is to get this piece right.





Our model is designed to yield a superior result and ensure the correct platform is selected upfront. This increases the probability of successful implementation and sustainment post-go live—which increases long-term value, reduces maintenance costs, and drives better ROI.

Are you ready to talk about your TMS needs and challenges? Let's start the conversation.



Mike Mulqueen is a leading expert in logistics solutions with over 30 years managing, designing and implementing freight transport technology. His functional expertise is in Multi-modal Transportation Management, Supply Chain Visibility, and Transportation Modeling. Mike earned his master's degree in engineering and logistics from MIT and BS in business and marketing from University of Maryland.



Founded in 2003, JBF Consulting is a supply chain execution strategy and systems integrator to logistics-intensive companies of every size and any industry. Our background and deep experience in the field of packaged logistics technology implementation positions us as industry leaders whose craftsmanship exceeds our client expectations. We expedite the transformation of supply chains through logistics & technology strategy, packaged & bespoke software implementation, and analytics & optimization. For more information, visit us at [www.jbf-consulting.com](http://www.jbf-consulting.com)

