GAIN GREATER VISIBILITY, MANAGE COSTS, AND EMPOWER YOUR STAFF

Kelle's Transport Service and Sharp Transportation Use LoadMaster to Drive Efficiency and Improve Their Operating Ratio

Do members of your staff know how well they're performing?

Do you know if you're making money on each load?

Can you track and manage your deadhead easily?



McLeod LoadMaster[®] users can answer these questions and many more. The data is there. McLeod customers gain visibility into their business that allows them and everyone on their staff to make decisions and take actions that boost efficiency and increase profit. Kelle's Transport Service and Sharp Transportation are two carriers who have used LoadMaster's visibility to track costs, build scorecards, and make informed decisions, and they are getting results that show up on the bottom line.



Kelle's Transport Service

elle's Transport Service (KTS) has over 320 trucks and runs 100% refrigerated trailers. The majority of their freight is food-related commodities and the average LOH is 900 miles. "With McLeod Software we have a lot of great information at our fingertips," said Dave Robbins, EVP for Strategy & Business Development at KTS. "The database is very clean and therefore it allows us to get at accurate information quicker."

McLeod has clean data

"When I worked at another carrier that used the system from McLeod's competitor, one of the problems I had was dirty data. The definitions were all over the place. McLeod's data is really pure.

Since using the McLeod system, I have not entered into a customer meeting yet where our data didn't match the customer's data, and I struggled with that at my previous company. At that company we ran an AS400 system. You can have a revenue field in thirty different applications and it might mean thirty different things over time."

• The McLeod system can grow with us

"The system has been very expandable, which has enabled us to grow rapidly and maintain our levels of efficiency and service."

We start with basic goals and then create goals for every department

"We have three basic goals. We want to be safe, we want to provide our customers with good service, and we want a high-performing fleet. From that starting point, we cascade measurements to fit each department. What does it mean to be safe? What does it mean to give good service? What does it mean to have high performance? We might have a different definition for production in every department. In operations, we look at many things, such as unseated trucks, revenue production, and finding the right loads in the right markets. In the finance area, we focus on things such as making sure that we're accurate and on time with our billing, making sure drivers are paid correctly, and that drivers understand their settlements. Safety enters in, because handling driver pay effectively means you don't have an upset driver on the road, which lends itself to a safer environment. So every department has some form of accountability back to these three values that we have."

We let everyone know the score

"We build scorecards, so everyone can track performance. This helps to drive different behaviors that bring about improvement. Each department gets its own metrics. For example, billing has days it takes to bill, amount billed, and amount unbilled. Twice a day we get a report from the billing group that tells us how much unbilled is sitting out there. This allows us to track billing productivity and cash flow."

We're establishing consistent and repeatable reviews

"Our job is not a sprint, it's a marathon. Oftentimes what happens is that people will examine something and they won't review it again for six months. As they go forward they quit focusing on the matter and move away from it, and then they have to come back to it all over again. We don't want to do that. We want to be focusing on the right things all of the time, and that makes this a marathon."

We provide incentives

"We want to identify people who are high performers and reward them, both financially and with recognition that they're doing a good job. Not everything has to be financial. When you go home at night, we want you to know you did a good job, because we feel that people are more motivated and happier if they feel productive. If you come here and you don't know what the score is or how you're doing, how can you feel good about yourself?"

Examples of our improvement efforts

 Managing freight from beginning to end—
 "What we want to do is look at the ways we manage customer freight from beginning to end. If our CSR is setting appointments inaccurately, then we want to know that. If the customer is doing things that create longer periods of time on loads than we think is necessary, then we want to see that."

- Choosing the most profitable freight—"We're getting more and more involved in the focus on freight profitability and market balance.
 If you have a tractor at
- Minimizing split loads—"How many loads a day are we splitting? Are we dropping these loads because they have too much time on them or we're late and we've caused ourselves to lose velocity? It costs us money to do this."

We're getting results

"Our daily scorecard has driven a surge of improved productivity. For example, the scorecard for our driver managers shows

point A, is it better to send it to point B, C, or D, based on the way B, C, and D operate?"

 Reducing late afternoon deliveries—"How many loads are delivering at 3:00 p.m. or later every day and why are we doing that? This can cost us, because we layover if that's the case." drivers under 9,000 miles a month, average miles per day, unseated truck count, turnover-month to date, ontime service, and trucks that have been sitting idle for more than three days, among other metrics. We track these on a graph and share it with everyone."

Sharp Transportation

harp Transportation has both dry van and refrigerated trailers and their average LOH is 600 miles. "We went with McLeod because we outgrew our previous dispatch system and there were too many unknowns out there" said Zan Sharp, owner of Sharp Transportation. "I just wasn't confident about which runs I was making money on. I didn't have any information to back it up. I'd sit there trying to run scenarios and pulling off expenses per lane, trying to do it more or less on paper, and scratching it out with a calculator. With the McLeod system, you can change things and get information with a few clicks. It didn't take me long to see where we could make our money back."

McLeod gives us a clear idea of costs

"Many of our runs are multistop. We're delivering to Mom-and-Pop shops and storage units. McLeod allows us to look at how much it costs to operate a piece of equipment each day and work off of that."

• We've used cost data to renegotiate rates

"Before we had McLeod, we were doing runs that we were convinced we were making money on, because it was drop and hook on both ends so drivers didn't have to wait. But once we started looking at expenses, we found out that our rates didn't cover our costs. Visibility into our costs has helped us go back to these accounts and say, 'This is the rate we need to make this work for us. This is what we need to make daily on a truck and a driver."

• We're decreasing deadhead and increasing capacity

"We've reduced our deadhead by around 6%. We started by looking at the days of the week. It turned out that deadhead was highest on Wednesdays. We also looked at deadhead by states and discovered one run that had an open leg, so worked to find something to fill it or to move those trucks in a little closer to that account. Dispatchers are generally so busy every day making sure the operations are moving and the trucks are moving. They're just trying to get freight covered and keep a driver on the road, so they can't always catch these problems, but once we could see where the deadhead was occurring, the dispatchers could work on finding a solution."

Our bidding has improved

"We're more confident when we bid, because we know we've got more accurate data on costs. This can mean not bidding too low, but it can also mean not bidding too high. In some cases the information we got from McLeod has helped us bid competitively enough to get the freight, but not so low that we lost money on it. In the past, we probably wouldn't have bid it higher and lost the bid, just because we didn't know what our true costs were."

• We're tracking accessorial charges, detention, and extra drops more accurately

"In our previous system, accessorial charges were all just lumped in with the rate charge, but McLeod allows us to set accounts for any different ways we want to bill for accessorials. This ensures that it doesn't get forgotten. Detention time and extra drop charges are also much easier to get now that we've got electronic records."

• We're billing more quickly

"We use reports to keep track of unbilled orders and this helps us stay on top of that. We're working with drivers to get documents in so that we can bill more quickly. We're also using the imaging in DocumentPower™ to become paperless, and with Rendition Billing, we mail very few invoices."

We're tracking credit limits

"Our previous system couldn't set credit limits for customers or balances, so it was a constant battle. If a customer wasn't paying, dispatch didn't always know that. McLeod automatically puts accounts on hold so you don't have to worry about it. We know that if we set a low credit limit and the customer wants to exceed it, it will require special permission."

Preplanning makes dispatching more efficient

"Dispatchers can go in and preplan loads. After dropping a load, rather than sitting around trying to get the dispatcher on the phone, the driver has all of the information for the next load sent to the cab. Drivers can manage their time much more efficiently."

7756

McLeod Is the Company that Will Help You Succeed and Grow

ore efficient dispatch, scorecards for your staff, reduced DSO, more accurate bids, better leverage for negotiating rates—the list of benefits from LoadMaster goes on and on. Today more trucking companies are choosing McLeod than any other system. It is the best recipe if you want to succeed and grow in a highly competitive industry. We're ready when you are.



877.362.5363 McLeodSoftware.com

©2017 McLeod Software 20170109