

Myths vs Facts of a Modern Day Transportation Management System

There's been a lot of change in the TMS industry in last five years. A modern system is nothing like the technology of 15-20 years ago. And yet, most TMSs on the market today are built upon that obsolete technology and feed into the many myths about what a TMS can accomplish and deliver.

If you still think a TMS can only address a few areas of your organization, or can't adapt to your needs, or is only a tool for engineers, think again.

How a Modern TMS Powers your Organization

A transportation management system is generally defined as software that addresses the planning and execution for moving goods across the supply chain. Below, compare the myths versus the facts of a robust, multi-mode, Tier 1 TMS that manages the full order-to-cash process in real time and within a single system.

Feature	Myth	Fact
Implementation Speeds	It will take months, quarters, or sometimes years to implement and integrate.	Today's TMS can integrate systems and customers/partners within a few weeks or a few months, leading to faster ROI and a competitive advantage.
Flexibility	A TMS has a few flexible options, but mostly I have to adapt my processes to fit the solution, which sacrifices some of my competitive advantage.	Responds to the highly customized approach required for today's transportation realities, allowing you to maintain unique or differentiated processes for your business.
Configuration	Only the vendor can configure the TMS. It's costly and it takes forever to make a change.	You have the freedom to make your own changes and configure it to the way you operate and serve customers.
Visibility	Very limited visibility within the four walls of a business; loose connections with customers and carriers.	Today's TMSs feature a so-called "transportation control tower" that gathers, translates, and shares data from systems internal and external.
Platform	Different platforms segmented by types of services provided, even though shippers are performing both internal services and are adding fleets, and the lines between managed trans 3PLs and brokers are blurring.	A modern, single-platform TMS can comprehensively address the needs of shippers, managed trans 3PLs and brokers.
Routing	Unable to dynamically calculate savings and gross margins during the routing process; can't automatically adjust savings calculations.	Can factor in all real-world constraints from the beginning to the end of an order, saving significant time and money.
Optimization & Planning	A TMS will come up with a bunch of load options, but only a fraction of them are realistic and can actually be executed.	Factors in all real-world constraints to build loads you can actually execute. As conditions change, an embedded optimization engine shows you the effects on the routes and whether there are new options to consider.
Integrations	Separate integration tools that require an extra investment; complex on-boarding that takes many months – and sometimes fails completely.	Integration built into the TMS; integrations take a few weeks; built-in connections get you and customers up and running – and saving money – faster.
Cost	Large license fees and yearly maintenance fees suck up budgets quickly.	With SaaS TMS, vendors can develop and implement TMSs very quickly, resulting in a much lower total cost of ownership.



Understand the Total Cost of Ownership

A TMS can sound perfect until you learn that you'll have to pay more for every module and "extra" feature you need just to run your business. Make sure you understand what is included in the base price, how upgrades work, and which modules cost extra.

In addition, be aware of a vendor's support offering; that's where a lot of them make their money. You may see a TMS price that seems too good to be true, but you'll make up that cost by paying the vendor in support and development. Beyond licensing fees, know how much of the system you can configure yourself, the average turnaround time for a support call, and the vendor's fee schedule (and timeline) for change requests.

Customer satisfaction is part of the total cost of ownership as well. If a vendor's marketing materials claim high customer satisfaction rates, ask for customer attrition statistics and satisfaction rates. Call customers that may be named on the vendor's website but aren't offered as a reference. In short, compare the customers' realities with the vendors' claims to determine the true cost of taking them on as a TMS partner.

What could be your cost savings?

[Click here to get the TMS Cost Savings Calculator](#)

We are a Different Kind of TMS

Transportation execution is the glue that holds your supply chain together. Created for shippers and logistics service providers, our uniquely designed TMS manages all activity from planning and optimization through rate management, integration, execution and payment.

Fundamentally Different

An architecture and design distinct from anything else on the market.

Most Flexible

The power to self-configure; unique routing concepts; proprietary algorithms.

Highest Satisfaction Rate

The happiest customers and highest retention rate in the industry.

Ready to compare providers?

[Click here to get our TMS RFP Template!](#)