

Getting IT right

Information technology – IT – can make a big difference to your bottom line

by **Anselm Waterfield**



Getting IT right can transform a business, making substantial improvements to competitiveness and profitability.

Use the opportunity when you are introducing a new system – to not only identify process improvements – but also look at the bigger picture.

Here is a simple 11-point plan to help you make sure you get the transport management software system that is best for your business.

1. Get your senior managers together and decide where the business needs to go and what role IT can play in getting there. Often IT is bought in to solve a specific problem, but the opportunity is missed to obtain a long term solution. Think strategically don't just do a quick fix.
2. Look at each process and identify each information and activities flow. For example it is commonly accepted that around 3% of transport activity does not get billed to the customer, because of situations like this:
 - Order is taken by operations that's allocated to a driver in a paper-based diary.
 - Driver does the work, but the work does not get billed because the consignment note never gets back to the office.
3. A very helpful way to conduct a process review is to draw up a flow chart.

Identify information gaps or duplications. Sometimes a piece of information may be handled 3 or 4 times resulting in lost productivity and expense. Combine the flow chart analysis with the gaps and duplications to establish a list of criteria that the software must solve.

4. Make the analysis as comprehensive as possible. Establish priorities for your criteria. Differentiate between what is essential and what is preferable. Review with all concerned in the company and reach agreement.
5. Now you are ready to look for proposals from selected suppliers. Make a shortlist of companies that have a track record and strong reputation for providing solutions to the transport industry. Check that they have specific experience working with a company of similar size to your own. Ask for references. Look for the supplier's ability to provide training, support and further development.
6. Invite a shortlist of suppliers to discuss your needs with you and establish what they are able to offer. Discuss your criteria with them and ask them to present how they will address each specific need that you have identified and what costs are involved.
7. Ask for a demonstration of their solution using sample data that you have provided to all competing suppliers.

8. Involve the same senior managers who helped to establish the criteria to evaluate the presentations and submissions. Have a scorecard with a 1-7 scale and ensure that everybody assesses the submission against their ability to meet your specified needs and the business to business fit with your organisation.
9. Think of this as a long-term investment. Include in your evaluation whether you can work with the supplier over the long term and consider the match between the supplier's capabilities and the future growth plans you have for the business.
10. Be realistic about your organisation's capabilities to achieve the objectives you have set, make the steps manageable. Is the solution complex and does it require sophisticated technology applications or is it user friendly and familiar?
11. What are the ongoing management costs of the system? If further development is required to meet your needs make sure you get a fixed cost for the extra work to be carried out.

Defining the detailed criteria for your business can be a daunting task. More experienced transport management software suppliers should be happy to assist you draw up this list at no obligation. ■

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