



Issue Date: February 2009 e-news, Posted On: 2/24/2009

## Taken a Good Look at Your Routing Guide Lately?

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Is it time to take another look at your company's routing guide? Find out by asking yourself the following three questions:

1. Is your company's routing guide in alignment with its current shipping practices?
2. Do you know if the everyday functions being performed by your vendors, carriers, and in-house personnel are in adherence with your company's logistics guidelines?
3. Does your staff need to be reminded of your company's logistics guidelines, or does your routing guide need to be adjusted so that it better reflects that actual goings on in each department?

As logistics and supply chain professionals perform the daily activities that allow their departments to function, the three questions listed above are often put on the shelf in favor of matters that seem to be more pressing. The irony is that if we took the time to answer the questions above, our day to day activities would likely become more focused, more streamlined, and more about putting out fires as they occur than with dealing with the fallout that results after they occur.

If you are uncertain as to whether or not your company's routing guide is in alignment with your current shipping practices, the way to find out is by taking a look at the real-time data you should be receiving on a regular basis. If your company's real-time data-the shipping data that you should be receiving electronically from each of your company's carriers-reflects that the status of each shipment within your supply chain is, in actuality, different than what your routing guide suggests it should be, you probably have an issue with either the routing guide itself, or, just as likely, with routing guide compliance from department to department. (In truth, rarely do logistics professionals find that there an issue with one and not the other.)

By now, you've probably heard enough about active or dynamic routing guides to be able to acknowledge that they are preferable to paper routing guides because they save on the time it takes to wade through paper data, and therefore, on the man hours and money associated with taking that time. What you may not be clear about are the various other ways that they can actually save you money on your annual parcel expense, and how an active routing guide can monitor the everyday functions being performed by your vendors, carriers, partners, and in-house personnel may contributing to that expense.

Besides allowing you to cut down on the man hours that would be required to wade through paper data, an active routing guide can potentially reduce your overall parcel expense by decreasing non-compliant shipments. How does it do this? While not all active routing guides are alike, a good system will do more than simply house your real-time data; it will store, clean and present the service, price, weight, dimensions and other characteristics of each of your shipments. Then, it should be able to benchmark that information against standard shipping practices. If shipments are found to be non-compliant based on these analyses, you should be notified immediately so that you can rectify the situation before it becomes a significant expense. Note: there are some active routing guide systems that will claim to do perform high level benchmarking tasks, but that in reality, don't actually contain or have access to the appropriate information required to relay accurate benchmarking reports. Be sure to do your homework before implementing any active routing guide system.

In addition to performing high level benchmarking tasks, a good active routing guide will also

allow you to make sure that your vendors are using your preferred carriers, which will save your company money when it comes to non-compliance costs that may be charged back to you by other corporations, in addition to those other "hidden" fees that many companies add on right at shipping docks when they are forced to deal with a carrier with whom they had not anticipated working.

When it comes to your preferred carriers and obtaining the leverage required to achieve better rates, the right active routing guide should provide you with the data you need to convince a carrier that you are, indeed, aware of the actual costs associated with each shipment within your supply chain. The major carriers dedicate a great deal of time and resources to determining the benefits they can potentially receive according to your shipping data; convince them that you have done the same, and provide them with the actual data to back up your claims, and you will undoubtedly find yourself and your company empowered when it comes to achieving better overall rates.

Finally, an active routing guide that is doing its job should also notify you when any in-house department is outside of compliance. Regular reports and immediate electronic alerts can have a major impact on the ways in which your routing guide is implemented by your personnel. The bottom line is that when people know better, they are able to do better, and to be held accountable for not just their spending, but the savings that the appropriate active routing guide will enable them to achieve.