11 Ways to Improve Your Inbound Shipping Operations

Traditionally inbound shipping costs and operations have been a challenge to control.

Most companies have not developed a comprehensive strategy to manage their inbound freight.

Shipments arrive from their suppliers without a plan to drive the lowest shipping and unloading costs or to consolidate shipments to maximize efficiency at the distribution center.

Additionally, many companies have failed to introduce compliance standards to improve the behavior of their suppliers and efficiently plan the arrivals of shipments to their warehouse facilities.

This results in three endemic problems.

>A lack of consolidated inbound shipments fosters inefficiencies from an excessive number of inbound deliveries and carriers driving unnecessarily high unloading costs.

>Little visibility to the arrival time and frequent changes to inbound deliveries wreaks havoc at the dock and warehouse.

>No standard routing guide and set of compliance procedures opens the door for inefficiencies, driving up the cost of goods and introducing additional problems throughout the supply chain.

The solution is a comprehensive program to take control of your inbound operation through a collaborative system with your suppliers and carriers.

11 Ways to Improve Your Inbound Shipping Operations:

1. Work in partnership with your suppliers to determine the most cost-effective method to handle each shipment - customer pick-up (CPU) or vendor controlled (VDS).
2. Implement a standard routing guide for supplier compliance.
3. Get buy-in from the sourcing department on your strategy for supplier compliance.
4. Consolidate your LTL carriers to a smaller select group, simplifying yard management and maximizing consolidation opportunities.
5. Consolidate inbound shipments to full truckload wherever possible to reduce freight and unloading costs.
6. Implement a dynamic rate allowance program for freight costs and unloading expenses with your suppliers.
7. Implement a set of automated Vendor Inbound Compliance Standards (VICS) to change supplier behavior.
8. Establish penalties for violations to enforce supplier compliance and improve supplier behavior.
9. Implement Deduct From Invoice (DFI) capability with your ERP system.
10. Implement a supplier portal system that provides immediate visibility and controls for inbound scheduling.
11. Capture the analytics for the program to measure savings and find additional areas for improvement.