

**THE ADVANTAGES OF A TRANSPORTATION  
MANAGEMENT SYSTEM**

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A transportation management system (TMS) is specialized software for planning, executing and optimizing the shipment of goods. Users perform three main tasks on a TMS: find and compare the rates (prices) and services of carriers available to ship a customer's order, book the shipment, then track its movement to delivery. The broader goals of using a TMS are to improve shipping efficiency, reduce costs, gain real-time supply chain visibility and ensure customer satisfaction.

TMSes are one of the core technologies used in supply chain management (SCM), a discipline sometimes divided into supply chain execution (SCE) and supply chain planning (SCP). Typically, a TMS serves both shippers, carriers and other logistics providers.

While some TMSes focus on a single mode of transportation, most support multimodal (where at least two of the various modes of transportation are used in a single contract) and intermodal (in which a cargo container is carried by at least two modes of transportation).

A TMS and modern transportation management in general provide many benefits to businesses. Some of the top benefits are:

- reduced costs for the business and the end customer;
- simplification of supply chain processes;
- faster and more accurate billing and documentation;
- improvement in visibility and security, especially in transit;
- time savings—fewer manual steps and fewer delays;
- the ability to track freight, both locally and globally;
- better import and export compliance;
- improvements in customer service and customer satisfaction.