



# The GOOD



# The UGLY



# The BAD

## OF IN-HOUSE FREIGHT AUDIT

01

### ★ THE GOOD

**COST** | Low cost: people are often already available for this task or can make time available



#### NO EXTRA COST |

As there is no extra cost involved, creating the business case or selling upstairs is easy

**START** | Starting the process is quick as people know the organization and have certain needed skills already.



02

### THE BAD ✘



- ✘ Specialized systems or software are typically not in place, excel or access is the main tool and in some cases workarounds are created on top SAP or other ERP's.
- ✘ Typically there is no clear strategy in this area as the people setting up the task and the processes are often first timers in this area
- ✘ The result of this is that the level of granularity in audit is limited and pretty lenient tolerance levels still have to exist. In other words: savings are limited although you may not realize it as you do not have the tools to discover it

(Comprehensive) reporting towards Logistics and Finance is quite basic, just the bare minimum, as delivering high quality usable data is too time consuming to create and there is no system for it to support it.

People don't do this task on a dedicated basis, so timelines suffer or corners need to be cut  
There is typically little attention to process documentation

03

**KNOWLEDGE** | Personnel turnover is high, not many people want to get stuck in an understaffed department working with limited possibilities when there are so many other possibilities within the company. Management time will be needed on an ongoing basis to hire or search new candidates and to provide them with some training as well.



### ✓ THE UGLY

- ✓ Carriers are not fooled so easily and will make use of the obvious weaknesses in your own team
- ✓ Your team will get inundated and will have to skip detail or complete invoices in order to get by.

This department will do nothing to streamline data | **DATA** or work towards the carriers as they lack technology, vision, knowledge or mandate to completely change the full chain of order to invoice.



#### AUDIT VALUE |

You probably at best get only about 30% out of the audit than what professional auditors get out of it

