

# Kronos for Third-Party Logistics

## Optimize service and profitability with Kronos for Logistics

Third-party logistics providers (3PLs) provide a critical service to keep supply chains running, allowing manufacturers to focus their energies on production while retailers and wholesalers focus on selling. Operating in the price-sensitive cost-plus model, 3PLs face enormous pressure to satisfy and retain customers, who can easily switch suppliers if they become dissatisfied. Maintaining profitable contracts and meeting service-level agreements are both keys to long-term success. And as supply chains become more global in nature and demand increases for omnichannel support, 3PLs are being challenged to adapt and innovate in the highly competitive logistics marketplace.

While many 3PLs have invested in technologies to optimize the movement of goods and enhance supply chain visibility, many are still relying on legacy systems or disjointed processes for managing their workforces. Without the ability to optimize your workforce, you're missing perhaps your greatest opportunity to impact profit and service levels. More effective workforce management is the place to start. After all, your workforce powers your supply chain: When they deliver quality service to your customers, profitability follows. When you optimize employee productivity and control costs, you're able to gain a competitive edge.

### Drive profitability with labor visibility

With operational costs on the rise and a shortage of available, quality talent driving up salaries, your labor costs are consuming an ever-larger portion of your budget. Pressure from the Affordable Care Act just adds to the burden, as benefits enrollments go up and new regulations require attention.



## Key Benefits

- » **CONTROL LABOR COSTS** by automating manual, error-prone, disjointed timekeeping and payroll processes
- » **UNCOVER HIDDEN LABOR CAPACITY** by minimizing idle and lost time and allocating labor to demand in real time
- » **GAIN COMPLETE LABOR COST ACCOUNTING** and simplified reporting for open book contracts and enterprisewide visibility
- » **MINIMIZE LABOR COMPLIANCE RISK** by centrally managing union, safety, and regulatory policies



Without insight into your costs, staying on budget and avoiding overages can be challenging — a challenge that is only increased by operating in a cost-plus environment, where customers have complete visibility into their charges. Being able to control overtime, respond effectively to employee absences, and maximize productivity during hours worked are all ways you can increase margins and ensure customer expectations are being met in an open book environment. With Kronos® for Logistics, you gain labor visibility across the organization, allowing you to better manage labor costs as a whole, as well as by location, customer, and contract — even by order, task, and value-added service. The result? By understanding the true cost of labor, including all direct and indirect costs, you can maximize the profitability of existing contracts and make more profitable bids for new business.

## Uncover hidden labor capacity for greater productivity

If you're going to deliver perfect orders — accurate, on time, damage-free, and delivered at the right cost — you need to optimize your workforce. Kronos helps 3PLs uncover hidden labor capacity by making it easy to reallocate workers on the fly, minimize idle and nonproductive time, and more effectively align labor with demand. Finding pockets of productivity within your existing labor pool adds to the bottom line and helps ensure service levels are met, even when unexpected hurdles occur.

But employee performance and productivity can only be effectively managed when they are properly tracked. With the better labor visibility you can achieve with Kronos for Logistics, operations managers and executives can see where bottlenecks and errors are occurring — and determine whether materials, equipment, or labor is at the root of the problem. You can recognize which employees are the most productive — and understand what makes them high achievers. Plus, you can identify underperforming areas that can be mitigated with training, workflow adjustments, or disciplinary action.

## Meeting new industry challenges

As retailers adopt omnichannel fulfillment models, many are turning to their 3PLs for strategic guidance and frontline execution. This shift has required 3PLs to be more agile and responsive (especially in their last-mile operations), and ensure they are aligning the right people with the right skills at the right place and time. With Kronos for Logistics, you can better leverage your workforce as a flexible asset while optimizing costs. You'll be prepared to deal with last-minute orders, seasonal swings, and unexpected events.

Changing customer demands are also playing a role in the growth of globally integrated supply chains and a recent rise in nearshore operations. With Kronos you have a single solution for tracking and managing employees that can scale around the globe, while helping you get new sites up and running more quickly.

## Drive profitability and strategic value with workforce management

Don't miss out on a significant opportunity to control labor costs, uncover hidden capacity, enhance visibility, and deliver quality service that increases customer retention. Let Kronos help you manage your most valuable, and expensive, strategic asset — your workforce — for a competitive edge in today's challenging 3PL market. Learn more about Kronos industry-specific time and attendance, scheduling, absence management, HR and payroll, hiring, and labor analytics applications at [kronos.com/logistics](https://www.kronos.com/logistics). **Kronos: Workforce Innovation That Works™.**

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Put Kronos for Third-Party Logistics to work for you:  
**+1 800 225 1561 | [kronos.com/third-party-logistics](https://www.kronos.com/third-party-logistics)**

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