

KEYS TO SUCCESS FOR LEVERAGING SUPPLY CHAIN WORKING CAPITAL

→ In our recent report, [The Importance of Working Capital in the Supply Chain](#), we examined the untapped resource of supply chain freight spend. This spend can be leveraged to create a significant working capital advantage when companies partner with a freight audit and payment service provider that offers trade finance as part of their payment solution. The following steps provide the keys to success for companies seeking to leverage their freight spend and improve their working capital.

<input type="checkbox"/>	Determine/estimate your company's total inbound and outbound freight spend.
<input type="checkbox"/>	Identify all freight bills that are being audited currently, and those that are not but should be. Separate by Parcel and Non-parcel.
<input type="checkbox"/>	Determine capabilities of your current audit and payment provider. Do they offer trade financing capabilities? To what extent? If not, bid out the spend package in order to find and select a service provider that does offer trade finance services.
<input type="checkbox"/>	Select a provider and transition existing bills under audit to the new provider. Once these bills are transitioned, add any additional bills that should be part of the process. Make sure any changes in payment terms are communicated to all interested parties.
<input type="checkbox"/>	Meet with a new provider to determine the carrier program and, after analysis and ranking, begin the onboarding process to assist the carriers with their cash flow, if they are unaware of the benefits of the change.
<input type="checkbox"/>	Leverage the onboarding process to renegotiate any contentious contracts, eliminating payment terms as an issue, and concentrate on solving any outstanding problems.
<input type="checkbox"/>	Once operations with carriers are running smoothly, extend payment terms to optimize working capital. Include all known spend.
<input type="checkbox"/>	Put reporting and analytics in place that tie costs to events. Integrate the process with internal cost accounting and automate the process of updating shipment costs by line item so they can be properly allocated by customers/channels.
<input type="checkbox"/>	Identify all other freight that is embedded as "prepaid" and consider moving it to "freight collect" in order to leverage the entire freight spend, whether direct or indirect.



→ [Read the full report: The Importance of Working Capital in the Supply Chain](#)