

# Uber Freight

A buying guide  
to outsourcing  
transportation  
management:

What to consider when  
investing in solutions



## A buying guide to outsourcing transportation management: What to consider when investing in solutions

Whether you're overspending on transportation or need better visibility into your logistics data, there are numerous reasons to consider outsourcing your transportation management program.

More and more businesses are seeking one-stop partners who can manage and improve everything from transportation planning and procurement to final-mile performance. But if you're outsourcing for the first time—or seeking a new partner—it's vital to choose the right provider for both your immediate needs and long-term strategy, and to have a clear plan for continuous improvement.

### In this guide, you'll find:

1. When it's time to outsource or switch providers
2. How to compare traditional logistics providers and managed transportation services
3. What to look for in a strategic partner
4. How outsourcing improves service, visibility, and cost performance
5. How to build the right buying committee
6. Common outsourcing mistakes to avoid
7. How to manage change and drive ongoing improvement
8. How to get started with Uber Freight's Logistics Engineering Value Assessment (LEVA)

Use these insights to build a strong, long-lasting partnership and a smarter transportation operation.



## Is it time for me to outsource or switch providers?

The reasons to outsource your logistics program vary depending on whether you're moving from in-house operations to a provider for the first time, or switching from an existing provider to a new one. In both cases, the signals often show up in service performance, cost trends, and your ability to use data to make decisions.

### Shifting from in-house operations

Consider outsourcing if:

- Your logistics processes are inefficient and keeping you from hitting service and cost KPIs
- You lack the transportation management technology and analytics needed for agile, efficient operations
- Your freight volume and spend are scaling and you're outgrowing internal resources
- You need outside expertise to build a proactive logistics strategy that can adapt to market conditions

### Switching to a new provider

Consider a change if:

- Your current provider over-promised improvements and under-delivered on results
- Your provider takes a transactional approach—handling execution—but doesn't provide a long-term strategy for cost and service improvement
- Your provider struggles to communicate performance metrics accurately
- Your provider's technology is clunky or stagnant, and they're not investing in better tools to support your team

### Focus on service, cost, and data

Service indicators	Cost indicators	Data indicators
OTIF decline	Rising cost per mile/unit	Inability to report accurately
Missed delivery windows	Poor utilization	Data in silos
Carrier issues	High cost-to-serve	No TMS insight

If these indicators are trending in the wrong direction—and you're not getting the investments, technology, or expertise needed to course-correct—it's time to evaluate alternatives.

## A buying guide to outsourcing transportation management: What to consider when investing in solutions

Before you move forward, assess the potential ROI and outcomes a partner could provide:

- What value will a provider deliver in both service and cost, beyond what we can do ourselves?
- How can they leverage their network, analytics, and tools to create synergies for us and our customers?
- What cost savings might we achieve by shifting ownership of logistics processes?
- What changes will we need to make to our organizational structure and ways of working to collaborate effectively?

## Traditional vs. managed service models—which is best for you

As you look for a transportation management partner, you'll typically choose between two primary models: a traditional logistics provider or a managed transportation service provider.

A traditional logistics provider uses its own solutions to manage specific processes, such as shipping, warehousing, or final-mile delivery. A managed transportation provider pairs a dedicated logistics team with a transportation management platform to optimize planning, execution, and continuous improvement end-to-end.

While there is overlap, the emphasis and scope differ.

Category	Traditional logistics providers	Managed transportation providers
<b>Primary focus</b>	Defined, day-to-day logistics processes	Holistic, agile approach to strategy, planning, and execution
<b>Services provided</b>	Manage specific services you pay for (lanes, warehousing, final mile)	Provide TMS + expert team; guide strategy, planning, execution
<b>Capabilities</b>	May own fleets/warehouses or use partner networks	Use real-time data and market insights; offer broad carrier network & flexible capacity
<b>Strengths</b>	Reliable execution in a few targeted areas	Continuous improvement, network optimization, cost & service enhancements
<b>Best fit for</b>	Smaller teams with targeted needs (warehousing, inbound manufacturing support)	Growing logistics programs needing visibility, KPI performance, and strategic guidance
<b>Ideal when you need</b>	Consistent execution of defined tasks	Help expanding modes, optimizing network design, reducing cost-to-serve
<b>Scalability</b>	Limited—focused on fixed, specific processes	High—supports growth across volume, modes, geographies, technology
<b>Partnership model</b>	Transactional, service-specific	Strategic, consultative, ongoing partnership

## Checklist: How to find your strategic partner

Once you've decided on the right model, use these lenses to evaluate potential partners.

### 01 Industry experience

- ✓ Understands your industry's needs, regulations, and operational rhythms
- ✓ Experience in your vertical (chemicals, hazmat, CPG, food & beverage, retail, etc.)
- ✓ Ability to support multiple verticals and geographies if needed
- ✓ Tailors solutions to the size and diversity of your business
- ✓ Offers specialist expertise (for focused shippers) or broad capability (for enterprise shippers)

### 02 Holistic, agile operating model

- ✓ Functions as an extension of your internal team
- ✓ Connects planning, execution, and continuous improvement
- ✓ Provides dependable capacity across modes, geographies, and market cycles
- ✓ Uses technology to centralize control and standardize processes
- ✓ Surfaces real-time visibility across your network
- ✓ Offers consultative expertise to interpret data and drive ongoing improvements
- ✓ Continuously optimizes—not just executes—your transportation program

### 03 Future investments & roadmap

- ✓ Clear roadmap for TMS enhancements, analytics, and automation
- ✓ Investments aligned with your future business needs
- ✓ Demonstrated improvements in planning, procurement, execution, and sustainability
- ✓ Uses technology to help teams make better decisions (not just more data)
- ✓ Can articulate a long-term vision for the platform and services
- ✓ Supports scalable, future-proof partnership growth

### 04 Trust & transparency

- ✓ Transparent tools, processes, and outcome reporting
- ✓ Regular performance reviews backed by actionable data
- ✓ Willing to challenge the status quo for better cost and service outcomes
- ✓ Clearly explains how they'll help you achieve your specific goals
- ✓ Provides visibility into levers, processes, and collaboration workflows
- ✓ Shares case studies and real examples from similar companies

## Case study

### How outsourcing with a managed partner improves service, visibility, and cost

A multinational appliance manufacturer wanted to evolve its legacy supply chain management systems and gain better visibility into transportation performance. The company chose to partner with a managed transportation provider and adopt a cloud-based TMS as part of a broader digital logistics transformation.

Since outsourcing and modernizing its transportation program, the company achieved:

- Enhanced visibility into shipment data, enabling more accurate analysis of service levels such as delivery speed and OTIF performance, all surfaced in a single TMS environment.
- Improved service through more strategic decisions around carrier and route selection, guided by TMS-driven insights and a dedicated operations team.
- Cost-out initiatives including mode conversion and alternative routing to drive year-over-year savings and more efficient use of capacity.

This combination of expert management and modern technology helped transform a fragmented, reactive operation into a more resilient, data-driven network.



## Building the TM buying committee

Who should be part of the decision when selecting a transportation management partner?

While an executive overseeing transportation or supply chain operations often has final ownership, a strong buying committee includes stakeholders from the parts of your organization most affected by outsourcing and by the new tools your provider will use.

Gartner® research notes that companies that invest early in employee engagement during major changes see better outcomes and less change fatigue. Involving stakeholders from the outset helps ensure:

- The right questions are asked of potential providers
- Requirements are clearly understood and documented
- Onboarding and change management run more smoothly

Your buying committee should include representatives from:



Supply chain operations

to define daily requirements and constraints



Warehousing

to align on inventory flows and facility-level needs



Customer service

to reflect customer expectations and service levels



Finance

to align on budget, ROI expectations, and cost reporting needs



Information technology (IT)

to assess integration, data, and security requirements for connecting your systems to the provider's TMS

A concise, cross-functional team will be better equipped to evaluate how each provider's people and technology can improve your specific transportation program end to end.

## Key outsourcing mistakes to avoid

As you embark on a new partnership, a clear plan for success is critical. You can minimize challenges by avoiding these common pitfalls:

### 01 Failing to communicate operational requirements

Improper transfer of operational knowledge is one of the fastest ways to create friction. If you ship to a wide range of customers with different requirements, your partner must understand:

- Appointment-setting rules and dock constraints
- Retailer or customer-specific routing guide requirements
- Service-level expectations for different segments

Before you sign a contract, document and align on these requirements so both sides share a single source of truth that your partner's team can operationalize in the TMS.

### 02 Failing to align on KPIs

Define success together before integration starts. For example, with OTIF, are you measuring when a truck hits the gate, or when it's fully unloaded at the dock? Differences like this can create confusion and misaligned reporting.

- KPI definitions (on-time service, cost reduction, carrier performance, tender acceptance, cost of service, etc.)
- Baselines and targets
- Reporting cadence and formats within the TMS and in business reviews

This ensures you're measuring performance consistently and can accurately monitor improvement.

### 03 Lacking infrastructure to support integration

To gain the visibility and efficiencies you expect from a provider's TMS and tools, your own infrastructure has to be ready. To ensure this:

- Confirm with IT that your current systems can integrate with the provider's platform
- Identify any pre-integration updates or data-cleansing work required
- Develop a clear integration plan with milestones, stakeholders, and contingencies

Solid technical foundations help your partner's team act quickly on accurate data, and help you see the impact in real time.

## How to manage change and drive continuous improvement

You may see some improvements quickly when you begin a new partnership, but a full transformation of your logistics program typically happens over months, not days. During this period, your goal should be to drive continuous improvement while navigating new processes and tools.

A clear change management strategy should outline:

- The phases of onboarding and optimization
- Key process and staffing changes
- Communication plans and training for internal teams
- How milestones, risks, and feedback will be managed

Your exact plan will depend on your starting point and scope, but at a high level, apply these best practices:

Best practice	Key actions	Purpose/outcomes
<b>1. Create a shared project plan</b>	<ul style="list-style-type: none"><li>• Define roles/responsibilities (internal + provider)</li><li>• Set timelines and milestones</li><li>• Maintain a shared, central plan</li></ul>	<ul style="list-style-type: none"><li>• Transparency and alignment</li><li>• Keeps onboarding on track</li><li>• Ensures expectations stay consistent</li></ul>
<b>2. Assess operational barriers to change</b>	<ul style="list-style-type: none"><li>• Identify competing initiatives or overlapping go-lives</li><li>• Evaluate bandwidth (operational + mental)</li><li>• Identify cross-project dependencies</li><li>• Surface misaligned goals/metrics</li></ul>	<ul style="list-style-type: none"><li>• Eliminates surprises</li><li>• Removes delays/risks early</li><li>• Enables smoother adoption</li></ul>
<b>3. Align on KPIs for continuous improvement</b>	<ul style="list-style-type: none"><li>• Define KPIs pre-go-live</li><li>• Revisit and refine over time</li><li>• Track service metrics (OTP/OTD, OTIF, tender acceptance)</li><li>• Track cost metrics (cost per mile/unit, cost-to-serve)</li><li>• Track strategic metrics (network efficiency, mode mix, sustainability)</li></ul>	<ul style="list-style-type: none"><li>• Ensures visibility into performance</li><li>• Allows targeting improvements through TMS optimization</li><li>• Supports strategic decision-making</li></ul>
<b>4. Schedule regular business reviews</b>	<ul style="list-style-type: none"><li>• Hold monthly, quarterly, and annual reviews</li><li>• Compare results to KPIs/commitments</li><li>• Review TMS analytics and insights</li><li>• Identify what to adjust</li><li>• Discuss upcoming business changes</li></ul>	<ul style="list-style-type: none"><li>• Maintains alignment and momentum</li><li>• Encourages continuous improvement</li><li>• Strengthens long-term partnership</li></ul>

## Key outsourcing mistakes to avoid

As you embark on a new partnership, a clear plan for success is critical. You can minimize challenges by avoiding these common pitfalls:

### 1. Failing to communicate operational requirements

Improper transfer of operational knowledge is one of the fastest ways to create friction. If you ship to a wide range of customers with different requirements, your partner must understand:

- Appointment-setting rules and dock constraints
- Retailer or customer-specific routing guide requirements
- Service-level expectations for different segments

Before you sign a contract, document and align on these requirements so both sides share a single source of truth that your partner's team can operationalize in the TMS.

### 2. Failing to align on KPIs

Define success together before integration starts. For example, with OTIF, are you measuring when a truck hits the gate, or when it's fully unloaded at the dock? Differences like this can create confusion and misaligned reporting.

- KPI definitions (on-time service, cost reduction, carrier performance, tender acceptance, cost of service, etc.)
- Baselines and targets
- Reporting cadence and formats within the TMS and in business reviews

This ensures you're measuring performance consistently and can accurately monitor improvement.

### 3. Lacking infrastructure to support integration

To gain the visibility and efficiencies you expect from a provider's TMS and tools, your own infrastructure has to be ready. To ensure this:

- Confirm with IT that your current systems can integrate with the provider's platform
- Identify any pre-integration updates or data-cleansing work required
- Develop a clear integration plan with milestones, stakeholders, and contingencies

Solid technical foundations help your partner's team act quickly on accurate data, and help you see the impact in real time.

## A buying guide to outsourcing transportation management: What to consider when investing in solutions

Consistent, transparent communication is essential to maintaining momentum and building a genuinely strategic partnership.

At Uber Freight, we know that choosing the right outsourcing model and partner is a consequential decision. Thoughtful preparation, clear expectations, and strong change management create the foundation for long-term service and cost gains.

## How to get started: Use LEVA to evaluate your network and plan your transition

If you're considering outsourcing transportation management or changing providers, the first step is understanding where you stand today and where the biggest opportunities lie. Uber Freight's Logistics Engineering Value Assessment (LEVA) is designed to do exactly that.

LEVA is a structured, 3–4 week engagement where Uber Freight's logistics engineers evaluate your end-to-end network and quantify where a managed transportation partnership—powered by Uber Freight's TMS—can create value.

### What LEVA delivers

Each assessment provides a custom report with recommendations across key value levers, including:

- Rate benchmarking: Comparing your current rates against market and network benchmarks
- Shipment consolidation: Identifying opportunities to combine loads and improve utilization
- Mode conversion: Pinpointing where shifting modes can reduce cost without compromising service
- LTL pooling: Aggregating LTL freight across facilities or customers to reduce waste and cost
- Network collaboration: Finding opportunities to better coordinate across your network and partners

You receive a quantified business case, an ROI projection, and a practical roadmap to implement the recommended changes.



## How LEVA works: Six structured steps

The process typically spans three to four weeks and includes:

### 1. Discovery session

Discuss your current logistics processes, pain points, and business goals with Uber Freight.

### 2. Historical data submission

Share key shipment data, including volumes, modes, costs, lead times, and service metrics, for analysis.

### 3. Operational deep dives

Uber Freight meets with core teams across your business:

- Logistics operations
- IT
- Finance and accounting
- Customer care and commercial operations

### 4. Data validation

Uber Freight presents an initial analysis and baseline, and aligns with your team on data accuracy and context.

### 5. Solution development

Our engineers and operations experts build a tailored solution that blends technology, process, and managed transportation services to address your needs.

### 6. Final report and action plan

Within 3–4 weeks of kickoff, you receive:

- Detailed recommendations by value lever
- A quantified business case and ROI projection
- A proposed scope of managed transportation services and RACI
- Program economics and a step-by-step implementation plan

## Turning assessment into action

LEVA gives you more than diagnostic insight— it provides a ready-to-execute roadmap. From there, Uber Freight's managed transportation teams use our TMS as the central system of record and decision support to:

- Implement the recommended changes
- Drive continuous improvement across service and cost
- Keep your transportation program aligned with your broader business strategy

Connect with an Uber Freight logistics expert to schedule a Logistics Engineering Value Assessment and build a clear, data-backed path to better service, visibility, and cost performance.

Connect now →