

PLS LOGISTICS SERVICES

How we improved cost structures and enhanced productivity



OVERVIEW

This case study highlights how PLS Logistics, a leading provider of third-party logistics (3PL) services, offshored select U.S.-based positions to drive enhanced ROI through improved cost efficiency and productivity. By strategically relocating roles, PLS Logistics has achieved notable productivity gains while simultaneously reducing overall costs. Specifically, productivity increased by 31.5%, with costs reduced by 39.0%, resulting in an implied ROI of 70%+. This showcases the significant value of offshoring in improving operational performance and delivering measurable financial benefits for PLS Logistics.

Subject Profile:

A logistics brokerage seeking improved cost efficiency and enhanced productivity.

Initial Conditions and Challenges:

PLS Logistics was facing an **inefficient cost structure**, particularly in relation to productivity. The existing setup struggled to balance labor costs with performance outputs, creating pressure to find a solution that improved efficiency and reduced expenses. This challenge drove the decision to explore Peak Altitude as a strategy to optimize costs and enhance overall productivity.



Challenge:

PLS Logistics needed to reduce costs while simultaneously improving productivity to address an inefficient cost structure and remain competitive in the freight brokerage market.

Objectives:

- 1. Achieve measurable **cost reductions** through strategic offshoring
- 2. Drive **productivity improvements** to enhance loads per head per day
- 3. Deliver a clear and measurable ROI to justify the initiative

Strategy + Implementation:

The decision to pursue offshoring was driven by competitive research and benchmarking against top industry players. This analysis highlighted offshoring as a proven strategy for improving cost efficiency and productivity. While the organization had already been implementing offshoring in some capacity, it became clear that a significant expansion of this approach was necessary to unlock its full potential. PLS Logistics collaborated with Peak Altitude to pinpoint outsourcing opportunities and build a tailored onboarding and training approach. By integrating daily oversight and performance tracking, Peak Altitude ensured alignment with PLS Logistics' standards while fostering seamless communication and operational efficiency



SOLUTION

The primary focus of the offshoring initiative was the relocation of specific operational roles to offshore teams. These roles were carefully selected based on their reliance on standardized processes and ability to be efficiently transitioned without disruption to core operations. The solution was supported by comprehensive training materials designed to guide offshore teams on how to execute their roles effectively. These materials focused on the proper day-to-day use of their internal Transportation Management Systems (TMS) to support the brokers operational needs, ensuring offshore teams could seamlessly integrate into existing workflows and deliver consistent results.

RESULTS

- **31.5% increase** in productivity per person
- 2
- **48.3% reduction** in labor salary per head
- 3
- An implied ROI of 70%+



