



NEXT-GEN TRANSPORTATION



A DIGITAL COMPANY WITH TRUCKS

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WHY THIS LOGISTICS COMPANY SEES ITSELF AS A TECHNOLOGY COMPANY FIRST



When Polaris Transportation Group, a Canadian-based logistics company, made a strategic shift to not just embrace technology but become industry leaders in it, the move was driven by the company's unique place in the marketplace. As a company best known for its LTL service between Canada and the United States, most of its clients, competitors and partners are based in the U.S. The decision to become more ambitious in the way technology was deployed stemmed in part from a search for scalability. Technology could help Polaris develop smarter processes and free team members to shift responsibilities and unlock their intellect and expertise in more productive ways. In that way, Polaris could operate as a company much larger than its headcount.

Or at least that was the hope. Upending much of the way the company operated seemed risky, but Dave Cox, President of Polaris, said the bigger risk was standing pat.

"We felt like we needed to embrace technology or risk falling behind in an uncertain future," Cox said.

The company adopted intelligent process automation, a type of robotic process automation, to manage the flow of administrative documents. Polaris focused on integrating automation into its customs clearance and order management processes, which were especially demanding and time consuming for employees. Then, in 2019, Polaris launched Northstar Digital Solutions, a company designed to automate and consolidate systems technology through robotic process automation, machine learning and artificial intelligence to allow the skilled

transportation workforce to focus on human-to-human connection. The company and Polaris' in-house Digital Laboratory headline a push to lead the digital transformation charge in transportation.

Looking back, Cox said the company's moves have exceeded their robust expectations. The transformation is so complete today that he now views Polaris as "A DIGITAL COMPANY WITH TRUCKS."

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Sophisticated tech tools and an in-house digital lab have helped transform Polaris Transportation Group, freeing its workforce to better serve its customers.

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"We're using the creative sides of our brains now," Cox said. "Before, that was almost impossible. It was all manual heavy lifting, and we were always stuck in the moment. You couldn't see to the end of the day, let alone the week, the month, or the year. That's over now."

FREING TEAM MEMBERS 'TO LIFT THEIR HEADS'

When Polaris introduced its plans for investing in technology, it made sure to communicate transparently with its team members about the reasons for it and its importance to the future growth of the company. Dave Brajkovich, Chief Technology Officer, said Polaris is blessed with naturally inquisitive staff who bought into the company's digitization efforts from the outset.

"People understood that the digitization was there to support them and allow Polaris to grow as an organization," Brajkovich said. "They also are being exposed to a high level of technology that is a great opportunity for them to grow and learn. They recognize how this can strengthen their skill sets and help build their careers."

Polaris now automates approximately 80% of its customs clearance document workflow. Previously, 22 employees contributed to the customs document process – there are now only two-and-half to three staff members dedicated to it. The rest shifted from document processing to more consequential customer service work.

Robotics and AI now build out the scheduled departures for Polaris on a nightly basis, freeing up capacity for the company's engineers to focus on new improvements for its customers. Internet of Things enhancements, including enhanced IOT sensors on trucks, bolstered customer freight tracking.

The shift to digital tools at Polaris has been focused on straight-through processing, reserving responsibilities that require complex

thinking for the human workforce.

“Once we started rolling out some of our robotic processing applications and people could actually see it with their own eyes and truly feel it because they were doing less work and they were freeing up their own capacity, the light bulbs really started going off,” Brajkovich said. “Fortunately, our workforce is dynamic with respect to understanding technology and wanting to try new things.”

Cox said team members previously never got to “lift their heads” because they were so focused on the tasks at hand, but now they have the freedom to constantly seek improvements to the company’s operations and to the customer experience.

“AI, robotic processing and blockchain have allowed us to create a more nimble, agile, engaged workforce,” Cox said. “Technology will never replace humans, but it can take on some of the heavy lifting for them. It’s allowed us to do more with less. And that’s very powerful.”

IN-HOUSE INNOVATION

The Digital Laboratory is at the heart of the company’s ongoing tech-based innovation. Everyone in Polaris is encouraged to bring ideas to the lab – to walk into its offices, write on the white board and start discussions. All ideas are welcome.

Cox said the Digital Laboratory represents “a lot of horsepower” for the company’s operations, and it is driving the company to think bigger every day.

“Having our own digital lab, they’re really our enablers,” Cox said. “They’re always pushing us and asking us, ‘You do it this way. Why don’t you do it this other way instead?’ We’re getting constant encouragement to dream the impossible. That’s a great feeling.”

Among the improvements that Northstar has sparked is a mobile app that enables drivers to provide real-time data about the status of their cargo that Polaris can share with clients, providing invaluable insight.

“Through digital experiences, we’re capable now of giving a new level of visibility, not only for us internally to understand what’s happening, but also as an outward experience for our client experience,” Brajkovich said. “The clients have our trust that we’re not only providing a great physical service through great people, but we have great systems to make sure that their freight is being taken care of and delivered at the right time.”

Brajkovich said the future of the Digital Lab and its progress is filled with compelling possibilities. Northstar will not just develop transportation-related digital solutions.

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“We see this as something where we can move beyond the scope of the supply chain and be a software development house that helps other industries with some of the same types of solutions that we’ve developed for transportation and the supply chain,” Brajkovich said. “We’d like our Digital Lab to become a development house where we’re really out there driving cool tech in the market spaces of other areas.”

DEEPER, MORE IMPACTFUL CONVERSATIONS

Recognition within the industry for its tech-forward approach is placing Polaris in the middle of vital discussions about the future of the supply chain. Polaris can share fresh insights with its partners and others in the industry because of its own experiences and

the aggressive way the company pursues tech-based improvements.

Cox said Polaris is holding different, more meaningful conversations with clients. The company can share the wealth of data produced by its intelligent engines to help clients proactively manage activities that were managed reactively in the past and to spark new ideas that have a large impact.

“It’s about ease of use, it’s about visibility, it’s about trust,” Cox said. “There are so many great things that come out of those conversations with clients. It’s still about trucks, rates, and service, but it’s about more than that, too. It leads to different, deeper relationships.”

Brajkovich said Polaris is naturally being drawn to relationships with partners and clients with a like-minded approach to technology.

“We’re sharing ideas, driving opportunities to connect business lines and partnerships and to build further connections through digital capabilities,” Brajkovich said.

A key next step for Polaris and Northstar is the development of a massive analytics project aided by blockchain called One Polaris. The project is designed to take advantage of the data it has captured for its clients through multiple components of the company’s operations and to work to help those clients better predict their supply chain patterns.

“We have a lot of information and analyzing and understanding our data will help us make better proactive decisions with our clients and ensure we remain valuable partners to them,” Cox said. It represents another step in the company’s determination to identify and develop next-generation transportation solutions that will benefit their clients now and in the future.

“We’re creating an environment that is aligning with the next generation and making sure that we’re going to be ready for it – and helping to lead it,” Cox said. “By enhancing the digital capabilities that we have, we’re driving the next wave of our business.”