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Shipping must overcome fear of change to embrace digitalisation

Simin Ngai, principal journalist Singapore | 29 May 2017



Fear of change often impedes automation and digitalisation in shipping, says Softship's Lars Fischer. Credit: PA Images

The willingness to change is key to automating and digitalising the shipping industry, according to Lars Fischer, global sales director of Softship.

Fischer observed that managers often want to bring about change, but end-users are afraid of change and worry about being made redundant. His response to that is, "You're not done, you're just doing a better job."

"You can solve a problem either by [hiring] more staff or automating it," Fischer said. "However, it doesn't make you a better organisation in the long run. People can leave and take all the knowledge with them, so you're constantly trying to stay operational. It's not necessarily a good approach."

"You can work harder or you can work smarter. We encourage people to work smarter."

Focusing solely on the liner shipping sector, Softship provides software solutions to carriers, agents and terminal operators for automating back-office activities. This could entail managing orders, creating invoices, and managing related data, among others.

The company was founded in 1989 in Hamburg, Germany, by IT specialists who wanted to apply technology to introduce efficiencies and streamline processes inherent within liner shipping. It was listed on the Frankfurt Stock Exchange in 2001, and has offices in Hamburg, Miami, Singapore and Manila.

Oldenburg-Portugiesische Dampfschiffs-Rhederei (OPDR) is one of Softship's clients. The German shortsea operator was formerly owned by the Bernhard Schulte Group and [acquired by CMA CGM](#) in 2015. Softship was able to help OPDR streamline data flow between its network of offices and agents and doing so provided OPDR with greater visibility across business functions.

Fischer himself is based in Singapore as managing director of Softship's Asia Pacific headquarters. He finds shipping conservative compared with other industries, such as the airline business, and underinvested in automation.

"Shipping is coming in late, but it's progressing," he said.

Fischer believes there is a need to automate more in shipping, even in the area of back-office activities taking place onshore.

From his experience, Fischer sees shipping companies in two broad categories. On one hand, the large "big boys" companies tend to be heavily automated, but their legacy systems may be outdated or unwieldy, resulting in a lack of integration. Meanwhile, smaller firms are often under-automated and laden with manual work.

Softship's value proposition is to provide tested and trusted solutions, customised and configured to the needs of individual firms.

The downside of technology comes in the form of cybersecurity concerns, and Fischer believes awareness is crucial to deal with such threats. People often believe the IT department is solely responsible for cybersecurity, he said, but everyone needs to know how to behave online and keep systems up to date.

Originally "a techie guy" from the IT industry, Fischer entered the shipping world when he joined Softship more than 20 years ago. He marvels at how he is still always learning something new about shipping.

"When staff start in my organisation, I tell them almost everything you see in this room was at one point in time in a ship, and most likely a container."

Fischer also welcomed the entry of new startups in the field, because "it ensures companies keep improving and modernising and being innovative".

Despite the current downturn, Fischer believes shipping will remain relevant as cargo volumes are still growing.

"That means the need for automation is always growing and you need to have systems that help staff work more efficiently."

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