

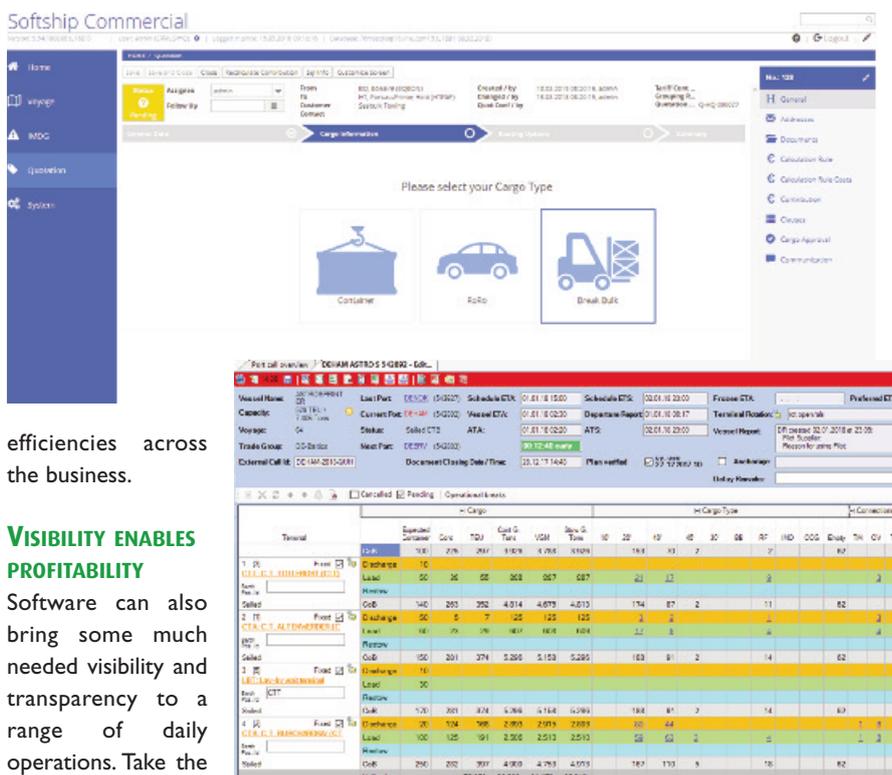
Seeking efficiencies from software solutions

Although the macro-economic picture is healthier than it has been for many a year, shipping markets continue to struggle with the burden of overcapacity coupled with a dip in demand growth, writes *Lars Fischer, Managing Director of Softship Data Processing Ltd, Singapore*. Margins are thin and the search for cost savings and efficiency gains remain the name-of-the-game for all break-bulk operators. Aside from physical innovations applicable to the vessels themselves and their loading/unloading activities, some operators are achieving efficiency gains and cost savings from streamlining a range of back-office processes. This is in addition to achieving much-needed visibility across their business itself. Modern IT systems and software applications, if used intelligently, can help deliver these much-needed benefits but care must be taken to select applications that are specifically tailored to the break-bulk sector. Many operators mistakenly choose container-orientated software which is often simply not up to the job.

HIDDEN GAINS

Whilst some operators believe their activities are already cut to the bone, others are looking more forensically at their resource heavy administrative processes and leveraging recent advances in software technology to inject an additional level of efficiency. Modern shipping software is modular meaning that an operator need only select the applications they need to automate certain processes within their business. They do this in the knowledge that each module seamlessly integrates with the others to facilitate a flow of information across the company. Data need only be input once thus reducing duplication, errors and confusion. It also frees up staff to focus on more customer-orientated tasks.

A good software suite will connect and integrate all activities from sales to customer service through to documentation and invoicing. Many companies still duplicate their work in these areas which is both inefficient and error prone. Implementing intelligent solutions will streamline these processes and introduce a level of accuracy not previously experienced. Working on the “one input only” principle, data is input only once and then shared across the company and with relevant business partners. This significantly reduces the administrative burden and introduces



efficiencies across the business.

VISIBILITY ENABLES PROFITABILITY

Software can also bring some much needed visibility and transparency to a range of daily operations. Take the common problem of calculating the profitability of a breakbulk cargo booking. A well thought out software application will retrieve variable costs per shipment from a cost database and apply these as estimated costs to the booking. Information on volumes taken from the customer at the time of booking are automatically married with this data to provide analysis and profitability assessments for each consignment. And, as the voyage progresses and actual costs become known, real-time up-dates can be delivered allowing profitability to be monitored throughout the voyage.

By automating these processes a huge amount of data is captured, shared and re-used throughout the company. It can also be analysed and presented in the form of management reports. Introducing such transparency across the business allows busy executives to understand which areas of their business are profitable and which require more focus. Good software will also manage and monitor voyage progress and port call activities. Schedules can be monitored and updated from arrival, departure and noon-reports automatically received from the vessel. Changes caused by unforeseen events can be simulated to provide visibility on the impact on the overall schedule and bunker consumption allowing the operator to simulate the most appropriate counter measures. Statistics provide transparency in terms of port performance and will help to analyse important voyage KPIs.

In a world where the customer is king, clients expect real-time, up-to-date information delivered directly to a platform of their choice. Modern internal software applications will link seamlessly with browser-based and cloud solutions to deliver this easily and without fuss. Online bookings, bills of lading, cargo documentation and cargo tracking can all be delivered to a customer through a branded web-portal giving the operator a much needed edge over its competitors.

Software can provide the solution to many daily headaches. And, with poor markets and increasing competition, installing intelligent software could deliver a much needed advantage to a break-bulk operator.



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