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COVID-19

LEAPFROGGING SHIPPING'S DIGITAL EVOLUTION

Shipping has been slow to embrace new digital technologies and solutions. Given COVID-19 and the pressures on shipping businesses to rapidly adapt, digital scepticism could become a thing of the past, Lars Fischer, managing director, Softship Data Processing

Worldwide, companies are relying on telecommuting, to reducing reliance on physical processes and significantly adapt their way of working by adopting digital solutions.

For many shipping companies, this requirement to rapidly adapt laid bare the many failings in the administration of their business and highlighted how important IT infrastructure and communications capabilities are to the resiliency of their operations.

With glimmers of hope on the horizon in the handling of the pandemic, we must not forget lessons that have been learnt. The shipping industry must now adopt future-proof IT solutions and invest in building digital foundations to provide them with greater resilience in the long-term.

Parting with the patchwork approach

It has been argued for many years that container lines, liner agents and port agents ought to regard their IT infrastructure as a vital – and valuable – asset. So many shipping businesses 'make do' by working with a patchwork of software, tools and applications built for very different purposes and around which they end up having to shoehorn their operations. COVID-19, and the pressures it is placing on shipping supply chains to adjust to unprecedented changes in ways of working is proving that this approach does not work when the majority of the workforce is confined to the back-bedroom or kitchen table. It leaves businesses and operations exceptionally exposed, and incredibly inefficient.

A good software suite designed to accommodate the requirements of liner shipping or port agency operations, in comparison, will connect and integrate all activities from sales to customer service through to documentation and invoicing, and allow all personnel to work from a single and comprehensive software suite. By fully integrating – creating automated processes and syncing programmes – software solutions developed to cater to liner and port agency operations can reduce risk by providing intuitive, automated and networked processes that simplify all administrative requirements, and adapt in real-time.

Levelling the playing field for port agents

For port agents, who are crucial to every shipping supply chain, working from a software suite that enables them to work from anywhere and at any time must now become the norm. Independent ship agency businesses and smaller owners and operators unable able to invest in bespoke IT systems were left exceptionally exposed this year. Many of these companies are not digitally equipped to operate remotely and safely for a prolonged period. For these companies, an 'off-the-shelf' cloud-based software solution designed specifically for port agents, such as Softship's SAPAS solution can enable them to compete in a way they couldn't before – everyone is a remote operator now, so some earlier impediments to competing with larger providers have been blown away.

The web-based platform encompasses every administrative task, and reduces paper-based administration, meaning every team within the company has the capability to work remotely. Automatic syncing of information, automation of data flows and standardisation of processes remove a significant amount of human error and provide a greater level of foresight and control. In the cloud, the company only pays for what it uses, capacity – and therefore fees – can be adjusted to suit the highs and lows of the business, which is critical as operating margins will be pressured for some time to come.

This is an important point. We are unlikely to just go back to 'the way things were' pre-COVID, as the industry has seen the benefits new ways of working can bring. Companies not equipped with the right IT infrastructure will suffer in the long term, so, now is the time for companies to invest in flexible IT solutions that will fortify their business for the future.

Lars Fischer, managing director, Softship Data Processing