

More than words

in International Shipping News © 02/04/2019



At Softship, as provider of IT software solutions designed specifically for the international liner shipping and port agency markets, we see first-hand the gap between perception and reality when it comes to digital adoption by shipping companies. The truth is that many shipping companies often talk a good talk when it comes to their increased use of digital technologies, but if dig a little bit deeper, beyond the rhetoric, you are often likely to find something very different.

In many respects, this is due to a disconnect between using IT jargon in general terms, and appreciating the practical applications and what these tools, systems or processes mean for end users. TechSpeak – the language of IT people – is regularly co-opted into the language of the everyday. This is an inevitable consequence of our increasingly networked, IT-driven world; but often there is a disconnect between the way we discuss technologies and the benefits they can bring; how they are designed to be used; and how we actually use these technologies.

In other words, IT is often talked about only in abstract terms, in hyperbolic and often negative language ('digital disruption!') in the shipping industry, rather than as tangible resources for aiding business efficiency and performance. It is for this reason that we are increasingly seeing shipping companies failing to adopt (often very simple technologies) that can help their end users – their employees, customers or suppliers – to remain competitive.

Getting lost in the conversation

Shipping does not operate in isolation and serves a world that is digitising, automating and networking at speed. Thankfully, there is now a much stronger appetite for adopting more digital and networked technologies, in what has traditionally been an industry cautious of change. Yet, many shipping companies still operate using a wide range of disparate and diverse IT software solutions and tools, most of which were not designed to meet the practical needs of the shipping supply chain.

While there is no doubt that, just 30 years since the advent of the World Wide Web, the shipping industry has of course 'digitised', there is still a long way to go before the shipping supply chain becomes truly 'digitalised'. In some respects, we have let the conversation run away from us, with talk of 'the future of Maritime 4.0' and an 'age of autonomous shipping', without addressing the fact that a significant number of shipping companies and service providers' simply aren't adequately equipped to adapt to such significant changes and will get left behind.

Getting the fundamentals right

We say this because so many maritime companies do not have the IT fundamentals in place or are not investing in IT solutions required to make the next big leap possible. In other words, we have failed to address the fundamental fact that much of the back-end administration of shipping is still performed offline.

Across the shipping supply chain, many shipowners and operators still remain reliant upon physical paper trails, or software that can only be used on a desktop, at a fixed location. These tools do not communicate across business functions, provide little to no automated functionality, and most often are not properly integrated with other communications tools.

Ditching legacy systems

One reason that so many ship operators and managers remain tied to legacy systems is because the focus has been on investing in new digital technologies or equipment onboard – which is a good thing – but these investments have not been matched by investing in improved back-end systems. This means that ever 'smarter' ships are being held back by out-of-date systems onshore which are responsible for making sure that procedures in port are handled swiftly, coordinated efficiently and accurately accounted for. The other reason is that the language used around IT solutions over-complicates the often very simple (for the end user) steps required to implement and use these tools.

But this shouldn't be the case. Twenty or so years ago incorporating integrated technology into business was only the prerogative of the very large shipping companies with deep pockets. Today, however, simple online platforms can now offer the same level of support, the same functionality and processes as an intranet-based software package which can only be used on networked computers within an office. These new systems allow their users – taking a port agent as an example – to perform all of their administrative requirements from a phone, tablet, laptop or desktop. There shouldn't be anymore "I'll fill in the forms and send them to you when I get back to the office"; it can and should now be done immediately, and communicated in real time.

Democratising access

Importantly, these software solutions can be tailored to the user, and have been designed specifically for the maritime industry. Software such as Softship's ALFA, LIMA and Softship.SAPAS packages which cater to the business processes of liner and port agents, offer full integration in a modular 'off the shelf' packages, which level the playing field regardless of the size of the business. These solutions are designed to ensure that every administrative back-end function of a container line or port agent's operations is controlled within one system, to ensure consistency and best practice across the business.

Only the relevant modules needed are bought on a 'per use' basis, and are easily integrated with existing systems, datasets and ways of working. This means that every liner shipping company or agent using such a system can operate with the same degree of control over their administration as the major players.

This is a particularly important point for smaller or independent shipowners, operators and agents, because, the ability to deliver efficiency savings as a service provider and to ensure transparency of operations is increasingly important. The liner shipping segment is continuing to see consolidation as weak freight rates, continued market uncertainty and increasing operating costs are bearing down and reducing margins. No shipping company can afford to waste time and money as a result of the inefficient administration of the business.

Adapting to change

Utilising built-for-purpose, cloud-based solutions designed for the shipping industry means that companies of any size can compete. They have the same administrative tools at their disposal to perform as effectively as the major players and can demonstrate the tangible efficiency savings that they can provide as a service provider. Importantly, in doing away with out-dated and out-moded administrative systems and practices in favour of software solutions that enhance the capabilities of their people and their operations means that they will be readily able to adapt in future.

Source: Article written on behalf of Hellenic Shipping News Worldwide (www.hellenicshippingnews.com) by Mr. Lars Fischer, Managing Director, Softship Data Processing Ltd, Singapore



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