

The ship management industry is getting more interesting: Capt Rajesh Unni



Captain Rajesh Unni, Founder, Synergy Marine Group speaks on his journey and the challenges ahead in the ship management industry

Breaking into the top league of ship managers globally in a short span is no small achievement. Captain Rajesh Unni, who founded the Synergy Marine Group in 2006, is among the 100 most influential people in shipping for 2021 of Lloyd's List. Synergy is now ranked No 4 in the top ten ship managers for 2021.

BusinessLine spoke to Capt Unni on his journey from commanding tankers to an entrepreneur, the challenges in a rapidly changing industry driven by decarbonisation, new technologies, digital transformation, alternative fuels and what all this means to manpower. Excerpts:

How does it feel to be included in the list of 100 most influential people in shipping for 2021 by Lloyd's List, and to be No 4 in the top ten ship managers for 2021?

It's a huge recognition, and our whole team feels proud about it. But it's important for us to continue doing what we are good at: being the trusted maritime partner. These recognitions and numbers make the team and me feel more responsible, and we understand that the expectations are increasing day by day.

Can you tell us about your journey from sailing on board ships to becoming a successful entrepreneur? What were the circumstances that led you to start a business?

I hail from a small village in Kerala. I am fortunate to have met some wonderful people on my journey, who have influenced me in a positive way, be it my family, friends or industry partners. Honestly, given that I took up a career at sea more for immediate financial gain, I never for once thought that I would fall in love with this amazing industry and make it my home. In that sense I am extremely grateful and blessed.

We always wanted to do what's right for our customers, first, and then create a culture where people are inspired and can follow their purpose and passion. I felt that it was easier to start from scratch and give it a good shot that way, so that's what led to Synergy. It was certainly not easy, or just like any other start-up, and there were times when everyone doubted us, but the amazing team, together with our resilience and ability to adapt, all helped us to get through. Success is very relative, and this is a long journey, so we still have a long way to go, and perhaps the players (including me) will change. Nevertheless, as they say, the show must go on, and we must transform the way service is being delivered to our customers.

What are the attributes a ship manager should have to become successful? How do you describe the ship management business as an industry?

Ship management is very much a service business. And like any other service business, this requires hard work, a very good team that's aligned to its purpose, creating relationships and networks and most importantly constant focus on creating value for your customers.

The ship management industry is getting more interesting and there is huge opportunity ahead of us. With only about 20% of the world fleet with third party managers, there is a lot of potential. There are a lot of challenges too, especially in areas of sustainability, new technologies, digital transformation, alternative fuels and manpower. Overall, these are interesting and exciting times in the industry, despite the pandemic.

This perhaps calls for unconventional thinking and a different roadmap. We surely can't be doing the same things that we have been doing over the last 50 years and expect similar results.

What do you think are the 1-2 factors that helped Synergy's phenomenal growth in just a short span?

First, we have an excellent customer base. Our customers have played a key role in shaping our growth. They have also been instrumental in allowing us to explore areas that were left behind, or not prioritised, like technologies and seafarer mental health.

Second, we have been able to attract the best seafaring talent across the country. There has been plenty of interest, in the seafaring community, about joining this team, and that has helped make rapid growth possible. We have also ensured that there are over 1,000 training berths across the fleet. Seafarers love growing with the company, and this has been happening a lot, across the board.

Most importantly, though, it has been about finding ways to create value for our customers. I know I constantly go on about this, but unless you create value you will never be able to move away from the cost-based discussions that have so very much influenced how ship management has developed.

Crewing is an important aspect of ship management. How is this playing out in the backdrop of the pandemic?

Crewing is key to this business. The crew on board determine the quality of the service. They are our front line, and a critical part of what we do. The job at sea itself is very challenging and the pandemic has only made it harder. But being a resilient lot, seafarers have shown that they can continue to press on and help feed and power the world, despite all challenges.

I know well that many governments and industry associations could have done much more to support crewmembers.

I have been pretty vocal on this over the last two years, and I expect to hear more voices and see more action in support. The pandemic doesn't seem to be ending, and knee-jerk reactions by governments to shut borders are not helping. If you need food on your table or goods on your supermarket shelves, you need to work with the industry that is helping you get that.

The new generation that we want to attract will look at how the current talent is being treated, how we are moving towards a digitally engaged world and how well we are doing when it comes to reducing carbon footprint. These things are important, and rightly so, for the younger generations. There are some interesting challenges, but then it also gives all of us an amazing opportunity.

You are one of the most vocal supporters of the shipping decarbonisation efforts being talked about by the industry and the IMO. What is Synergy doing towards this goal?

The future of shipping has to be built on a firm commitment to decarbonisation. It is the right thing to do, and I think the evidence is growing that shipowners, charterers, financiers, and other players are responding to this societal demand. So, in my view, it's more a question of when, not if, we decarbonise. After all, what price can we put on cutting emissions for the benefit of our children, so their children can live longer and healthier lives?

However, how we get there is a more difficult question. As ship managers, our responsibility is to help lead this transformation in shipping. The pandemic has created a lot of interest in digitalisation and smart ship solutions, and these can play a part in streamlining ship operations and creating management efficiencies, which can generate substantial fuel savings.

We work with our owner clients to help them take these steps on the path towards sustainability. That's where our unrivalled technology and digital solutions help. The low-hanging fruit on the path to decarbonisation is cutting fuel use through smarter operations. We have the digital tools to guarantee this. Beyond digitalisation, we provide our clients with end-to-end project management, and act as a technical thought partner, as we together navigate this transition.

We are also training our crews, so they are fully able to handle all and any new fuels and new technologies in a safe and efficient way. This is a training challenge and also a recruitment challenge. Indeed, as ships become ever more driven by technology, I believe we will be competing with all other industries for the brightest candidates, and we need to make our industry as attractive as possible to recruit these people. Decarbonisation will help in this, because young people in my experience want to be part of companies with answers to climate change - companies committed to engaging in creating a better, more sustainable world.

What are the technological interventions Synergy is adopting to become a smart ship manager?

We founded Alpha Ori Technologies (AOT), along with blue chip partners, back in 2017, clearly seeing a need to transform the current business and operating models.

AOT is a B2B technology company operating in IoT (Internet of Things), ShipERP (Enterprise Resource Planning) and BigDATA science.

We needed to transform the caterpillar into a butterfly, rather than create a faster caterpillar. The reason I say this is because there is so much noise about digital transformation, but

mostly it's about digitalising manual data. We have created SMARTShip, which is going to be on around 300 ships by the first quarter of 2022, and with another 400 ships, with no hardware, also on the platform. We are clearly helping our customers in reducing their carbon footprint - which many have now started declaring in their quarterly reports - and in optimising assets and increasing reliability. This is all on the basis of data and metrics that are founded on logic, not just emotion. It's just the beginning of the journey, though, and we will see many more great benefits along whatever proves to be the way.

Where do you see Synergy in the next few years?

The voyage continues. I expect that as a company we will face more challenges and more expectations, but I know that I have a team that can respond brilliantly to all this.

Our vision of remaining a trusted partner endures. To that end, I expect that we will add more competencies to our teams and will develop more technologies that help make the business more transparent and sustainable, and help make our ships safer and more reliable.

Do you plan to make Synergy public in one of the global stock markets at some point or do you prefer to remain private?

With the recognition that we have, questions like listing and going public do come up, but we do not see a need at this point.