

OPERATING IN THE WORLD'S BUSIEST CONTAINER PORT



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A visit to the biggest port of the world's biggest port was one highlight of the visit to the Kühne + Nagel subsidiary in Shanghai. Photo: VI

© Did you know that Mainland China accounts for 8 out of the 20 largest sea ports in the world? As one of the four directly-controlled municipalities of China, Shanghai is a global financial centre and transport hub, with the number one container port in the world. In 2016, global container volume grew by 1.8% and has not yet fully exploited its potential in the 24 million population metropole.

With over 20'000 employees located in 96 countries in the world, Kühne + Nagel Group is one of the world's leading logistics companies. Its strong market position lies in the sea, airfreight and contract logistics businesses, with a clear focus on providing IT-based supply chain management services. The company enjoyed 7% volume growth in 2016 and throughput of China mainland ports is still growing. Driving forces for growth are the Intra Asia and Trans Pacific trades. However, traditional transshipment hubs are losing volumes to direct services. Competition is high and the company needs to face the limited capacity of ports and berths for the Asia – EU trade. On average, there are 2500 to

3000 Twenty-foot Equivalent Units (TEU) to be handled per call. Terminal organization and optimization is limited and hinterland infrastructure needs to be improved in the future.

Sticking to what they do best, Kühne + Nagel Group focuses on keeping their large share of SME customers happy as they account for 65% of the company's volume. The company has created a project including a care toolbox, care advocates, care cards and care connections to enhance customer experience and increase employee satisfaction. Outstanding customer service organizations excel at five capabilities: Collaboration, words, reflection, social connectedness and development.

One challenge that remains for businesses, especially in the sea freight industry, is the high turnover rate, which adds up to 50 %. Blue-collar workers lack a sense of loyalty to their employers. Consequently, employees favour temporarily work and leave the working place only after several months. ● CK

VISIT TO SWISSNEX SHANGHAI

© One important stop at our onsite trip was dedicated to Swissnex in Shanghai. Our delegation was warmly welcomed by Isabel Götz, Head of Operations, General Manager Swissnex China ad interim, with a general overview on the tasks and activities of the organisation. In a nutshell, it is building bridges between Switzerland and China as well as connecting the dots between China and the rest of Asia. We were then introduced to the Swiss Business Hub in China. One important key issue that was addressed and needs to be solved in the near future was the demographic shift in China. Not only in Switzerland but also in China, the population is ageing and there are less young people being able to work and

support the elderly population. Finding a reasonable solution for this demographic issue is a high priority in this Asian country. In a final step, our delegation had the opportunity to learn more about social enterprises and entrepreneurship in Mainland China. Meaning, that the Chinese government fosters organisations aiming at creating value for the society rather than only seeking financial rewards. Chinese entrepreneurs prefer to combine western business practices with traditional thinking adapting the ideas and concepts to their needs rather than simply imitating. ● CK