

Comprehensive Review of the Steamship Authority's Operations

December 17, 2018



Introduction

Purpose – to understand the problems the SSA experienced in the spring of 2018, identify the underlying systemic causes, develop practical and effective recommendations

Scope of Study – five areas of focus

1. Vessel Operations
2. Fleet Maintenance
3. Management Structure
4. Public Communications
5. IT Systems

The Study Team



Glosten

RigorAnalytics
Advanced Marketing Solutions



HMS CONSULTING
AN HMS GLOBAL MARITIME COMPANY



Key Points About the Steamship Authority

- The SSA - unique, complex, accomplishes an extraordinary amount with the resources they have, group of hard-working and committed employees
- Public Perception – concern over incidents is understandable, but the SSA does not get credit for the things it does really well
- Current actions – have implemented or are in the process of implementing corrective actions, mostly at the intermediate cause level
- The role of the United States Coast Guard

Methodology Steps I. – III.

- I. **Project Plan** – established in order to define the scope of work, schedule and processes by which the team will conduct the work.
- II. **Data Requests** – submitted through the designated point-of-contact at the SSA, received immediate responses. Large volume of information to absorb.
- III. **Site Visit / General Observations** – team members observed operations and conducted confidential interviews.

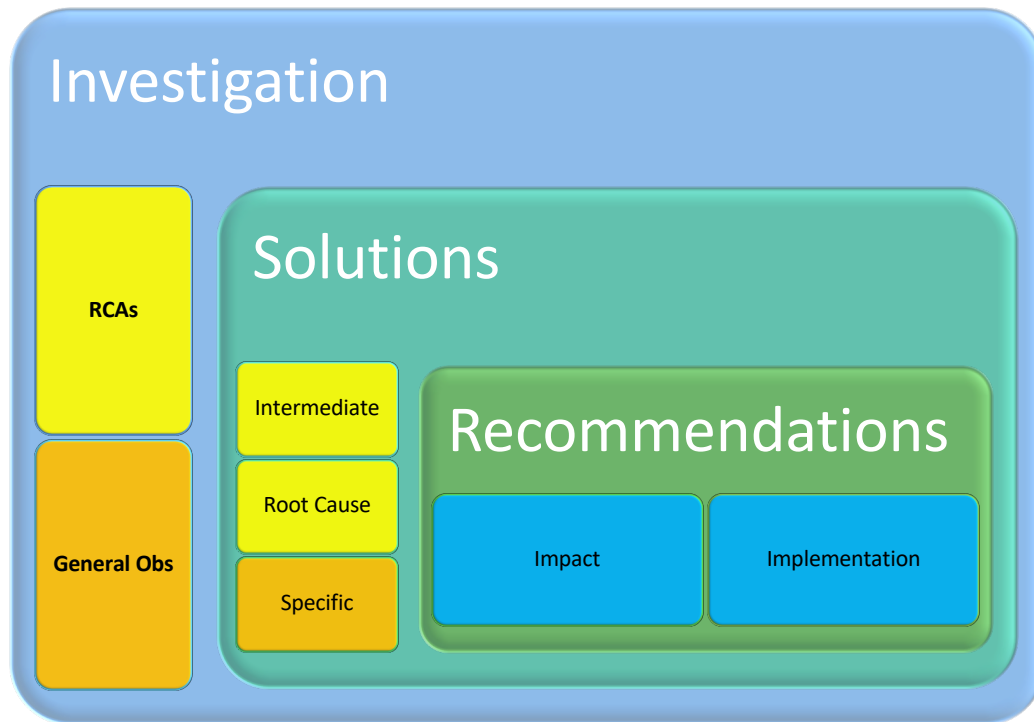
Methodology Steps IV. – VI.

IV. Root Cause Analysis – selected seven incidents to analyze

- Looks beyond the human element or mechanical failures
- Focuses on management systems
- Identifies causal factors that contributed to the incident, usually multiple causal factors
- Not always possible to determine the immediate cause of a failure, but the root cause does not necessarily require that all items be resolved

V. Review with the SSA – participated in video conferences to verify facts where possible and inform the group on the process

VI. Final Recommendations



Arriving at Final Recommendations

RCAs

- Intermediate Causes – Intermediate Solutions
- Root Causes – Solutions

General Observations

- Issues – Specific Solutions

Final Recommendations*

- Impact vs Ease of Implementation
- Apply Globally

*See Appendices for links

Key Categories

Process-based Management

- i. Safety Management System
- ii. Quality Management System
- iii. Learning Management System

Vision

- iv. Mission Statement & Objectives
- v. Strategic Plan

Final Recommendations

Organizational Structure

- vi. Engineering Resources
- vii. HSQE
- viii. Vessel Operations

Management Recruiting & Accountability

- ix. External Recruitment
- x. Performance Objectives / Accountability



i. Safety Management System (SMS)

Process-based Management

Objective – the safe operation of the fleet and protection of the environment

Requires:

- Documentation of policies and procedures (what you do and how you do it)
- Communication feedback process
- Designated Person (DP)
- Externally audited

Impact – Very High

Ease of Implementation – Low



ii. Quality Management System (QMS)

Process-based Management

Objective – meeting client service expectations more efficiently and effectively

Requires:

- Documentation of policies and procedures (what you do and how you do it)
- Communication feedback process
- Designated Person (DP)
- Externally audited

Impact – High

Ease of Implementation – Low



iii. Learning Management System (LMS)

Process-based Management

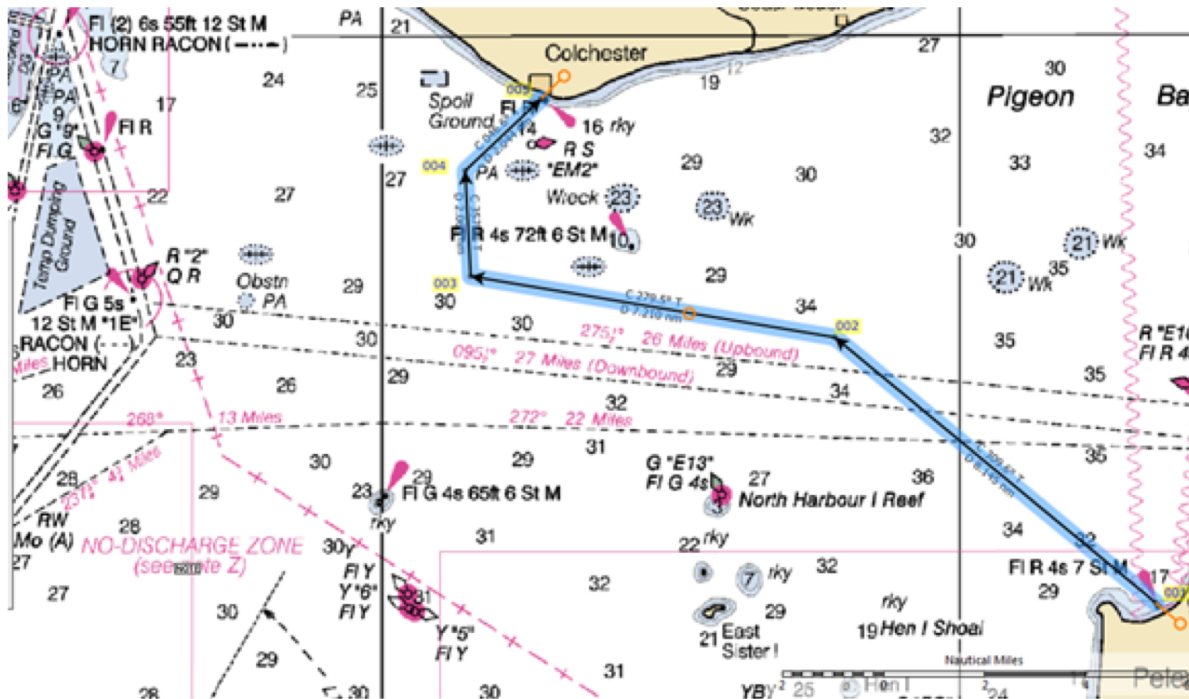
Objective – ensure proper levels of training are achieved and tracked, to further employee development

Requires:

- Development of training materials
- Vehicle for training delivery
- System for reliably tracking completed training

Impact – Very High

Ease of Implementation – Very Low



iv. Mission Statement & Performance Objectives

Vision (Destination)

Mission Statement (Course)

Objective – establish a common direction

Requires:

- Consensus from leadership
- Establish Core Values (Standing Orders)

Performance Objectives (Waypoints)

Objective – to measure progress against the Mission Statement

Requires:

- Establishing measurable goals
- Annual reviews and adjustments

Impact – High

Ease of Implementation – High



v. Strategic Plan

Vision (Destination)

Strategic Plan (Helm Commands, Engine Orders, Lookouts, Etc.)

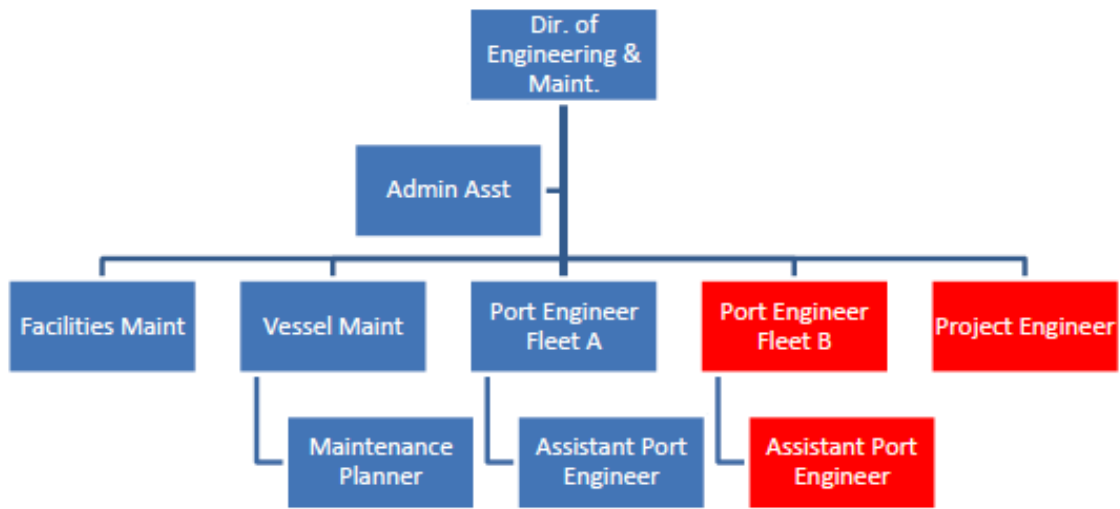
Objective – to establish how the organization is going to align its goals and ensure proper resources are available to meet the mission.

Requires:

- Broad organizational involvement
- Trickle-down planning
- Regular review and adjustments

Impact – High

Ease of Implementation – Medium



vi. Engineering Resources

Organizational Structure

Objective – to ensure adequate resources are available and realign roles and responsibilities

Requires:

- Additional resources to support the fleet
- Addition of position dedicated to planning and management of major projects
- Shift focus of Port Engineers to vessel operations support

Impact – High

Ease of Implementation – Low



v. Health, Safety, Quality & Environmental Management

Organizational Structure

Objective – to ensure proper development, implementation and ongoing management of SMS / QMS

Requires:

- Identification of qualified candidate
- Proper level of authority to enforce safety and quality concerns
- Independent of operational chain of command

Impact – High

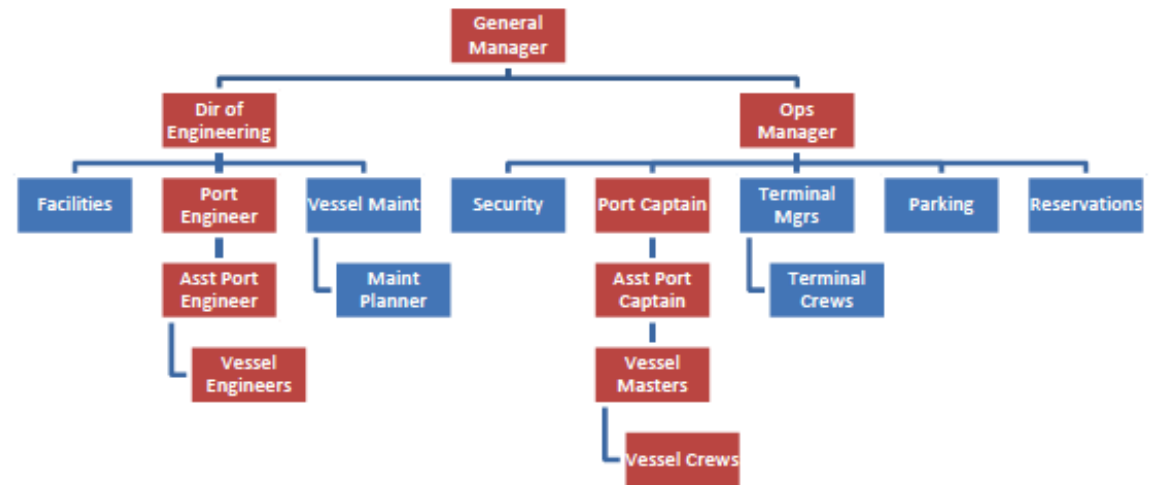
Ease of Implementation – Low

viii. Vessel Operations

Organizational Structure

Current Organizational Structure:

- Two separate lines of direct reporting coming off of the vessels
- Split chain-of-command
- Conflicting authorities in the decision-making process
- Vessel Operations is not represented at the executive / director level



viii. Vessel Operations

Organizational Structure

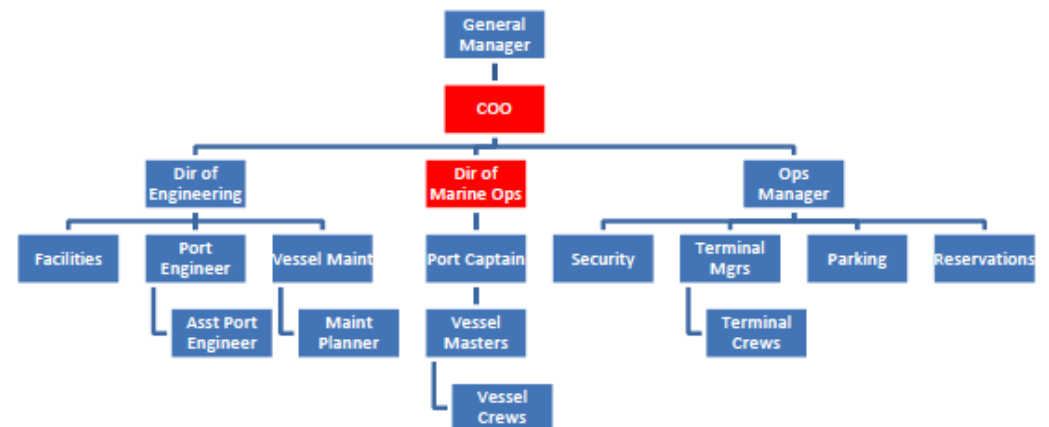
Objective – to establish an effective chain-of-command through the core discipline of the organization and ensure adequate levels of authority in decision-making

Requires:

- Addition of a Chief Operating Officer
- Addition of a Director of Marine Ops
- Realignment of roles and responsibilities, levels of authority
- Support of the operations team

Impact – High

Ease of Implementation – Low



Pros and Cons External Recruitment

Pros

- Provides new ideas / fresh perspectives
- Could initiate a turnaround
- Hiring experienced employees can reduce training needed
- Internal politics may be avoided
- Bigger talent pool / more applicants

Cons

- Less information available on applicants
- Search takes longer and costs more
- Outsider takes a longer time to become familiar with current systems and organization culture
- Destroys incentive of present employees to strive for promotion
- Can hurt employee morale and loyalty



Management Recruiting & Performance Objectives / Accountability

Objective – to add value to the recruitment of key managers by utilizing external searches.

Requires:

- Policy change

Impact – High

Ease of Implementation – Medium

ix. Recruit Externally



Specific

Can the detail in the information sufficient to pinpoint problems or opportunities? Is the objective sufficiently detailed to measure real-world problems and opportunities?



Measureable

Can a quantitative or qualitative attribute be applied to create a metric?



Actionable

Can the information be used to improve performance? If the objective doesn't change behaviour in staff to help them improve performance, there is little point in it!



Relevant

Can the information be applied to the specific problem faced by the marketer?



Time-bound

Can objectives be set for different time periods as targets to review against?

x. Management Performance Objectives / Accountability

Management Recruiting and Performance Objectives / Accountability

Objective – to establish a means to gauge management performance linked directly to achievement and support of strategic goals

Requires:

- Establishment of a mission statement and performance objectives for the organization
- Policy change
- Development of managers' performance objectives
- Annual reviews and adjustments

Impact – High

Ease of Implementation – High

Conclusions of the Study Team

2018 was not an anomaly

The SSA needs to adapt to their operating environment

Changes won't be easy:

Financial support

Adequate resources and
tools

Strong leadership

Culture of frugality has been counter-productive to the
organization's objectives

Thank You. Questions?

