Review Of The Final Report

The Doctoral Thesis and the first draft manuscript for the book that would provide feedback on the research were completed by November 2002. Whilst the thesis and the draft manuscript were adequate to satisfy the requirements of the University with regard to demonstrating an ability to undertake advanced level research and to push forward the boundaries of existing knowledge – I was not satisfied with my conclusions. A very significant percentage of the industry appeared to be experiencing problems, to varying degrees, with their ISM implementation – which, on the face of it, was not particularly good news for the industry or the Code. However, there was a relatively small percentage of respondents who seemed to be experiencing good results from their systems. I therefore decided to spend another six months or so looking more deeply into those Companies before publishing.

That decision was fully vindicated – it took a little while for the penny to drop but the fantastic news about ISM was staring me in the face all along and I hadn't seem it. Let me use a little analogy to explain: A hundred years or so ago a few individuals with vision believed that machines could fly. The vast majority though thought them crazy – machines could not fly and no doubt the majority would come up with a whole catalogue of reasons why it was impossible for machines to fly. However, it came to pass that one or two machines did get airborne, stayed up there a while and returned safely back to earth. It only took one or two such flights to prove beyond any doubt that machines could fly. What I had in front of me was evidence of a few Companies who had developed safety management systems that not only made their ships safer but also more efficient and, as a consequence operate more profitably. The ISM can work, it does work and the proof was now available!

On this page I provide some additional background and information about the final findings and conclusions.

Executive Summary

If I was to try and identify one overriding conclusion of the whole research it could possibly be summarised by saying that a very significant section of our industry still appears to be struggling to implement the ISM Code because of inadequately functioning safety management systems. Having said that it has also been established that there are examples of SMS's which can and do work. More than that when the SMS does work it results not only in safer ships but also more efficient ships and, of great importance, a more profitable operation all together. That is language which should make any ship operator, and his accountant, sit up and take notice.

The fact that almost every ship operator in the world has to comply with the requirements of the ISM Code is incontrovertible. They must obtain the DOC's for their office ashore and the SMC's for their ships. Inevitably resources must be made available both in terms of funding as well as labour to achieve this end. Such resources being poured in to an inefficient and ineffective SMS are, it is suggested, equivalent to pouring money down the drain. There maybe pieces of paper, nicely framed, up on he wall and auditors may have been sufficiently satisfied to verify the paper system but it produces little benefit to the ship operator, the seafarers or anyone else. Such systems are potential major problems for ship operators – time bombs just waiting to be picked up by a PSC inspector who has acquired a proper grasp of what a working SMS should look like or a court or insurer who is interrogating the system in detail following an incident.

The fact is that the difference in levels of resources required to do what is sufficient to merely maintain a system that will just satisfy the external auditors to obtain DOC's and SMC's and those required to implement an SMS which is working well and returning profits for the Company is relatively small. Indeed it is suggested that in the short to medium term the Company which applies the additional resources and commitment will recover that extra outlay many fold over.

The important point to understand is that the ISM Code is identical, word for word, for every ship operator and every ship in the world. The reason why there is such a diverse range of experiences of ISM implementation is directly attributable to the way in which the individual SMS was designed and put into practice. Some of the common factors identified with SMS's which did not appear to be working satisfactorily, or at least where considerable negativity was expressed by individuals involved in its implementation, are set out below:

- Too much paperwork
- Voluminous procedures manuals
- Irrelevant procedures
- Bought - off-the-shelf systems
- No feeling of involvement in the system
- Ticking boxes in checklists (without actually carrying out the required task)
- Not enough people to undertake all the extra work involved

- Not enough time to undertake all the extra work involved
- Inadequately trained people
- Inadequately motivated people
- No support from the Company
- No perceived benefit compared with the input required
- ISM is just a paperwork exercise
- No respect for external auditors
- No respect for classification societies
- No respect for port State control inspectors
- No respect for the shore management by the seafarers
- No respect for the seafarers by the shore management

What must be understood is that it is not the fault of those people who expressed these negative attitudes that they feel the way that they do. They are the unfortunate recipients of a concept which has been basically dumped on them with little or no preparation, training or involvement. It is little wonder that so many systems produce little, if anything, of any real value. The SMS can only work if those who are involved in its implementation actually want it to work. This is at the heart of the very nature of management systems and is what differentiates them from prescriptive rules and regulations.

The motivation required to link the individual to the system can only arise within the concept of a 'culture'. At its advanced stage it manifests itself as a Safety Culture but at the earlier stages it appears as a Company Culture. These are not just flowery words of modern management speak – it is the reality which must be understood if progress is to be made with ISM implementation. To highlight this point it is perhaps worth comparing some of the common factors which appear in those Companies who appear to be operating very successful SMS's with the above rather negative list.

When an analysis was undertaken on those Companies who claimed to be experiencing very positive results from their ISM implementation there were indeed a number of factors which were common to all and which stood out as being of special relevance. Some of these are set out below:

- Leadership and commitment from the very top of the organisation – i.e. from the Shipowner, Chief Executive, Managing Director etc. and from that commitment and leadership throughout the management structure.
- Paperwork reduced to manageable levels – including procedures manuals, checklists, reports etc.
- A sense of ownership / empowerment by those actually involved in the implementation process of the SMS – i.e. the personnel on board the ship.
- Continuity of employment of personnel both ashore and on board ship.
- Two way communication between ship and office – with mutual respect.
- Awareness of the importance to the individual and to the Company of managing safety

It was out these various attributes that the Company Culture, and in turn the Safety Culture, flowed as a natural consequence. The whole process of managing safety is not something which stands in some sort of isolation it is just part of the way in which things are done in that particular Company. When these various components are combined they seem to be sufficient to produce a working environment in which people take responsibility for their own safety and contribute towards the safety of others and the Company as a whole. As a natural consequence of that shift in attitudes and values accidents, incidents and, consequently, insurance claims all start reducing. Once that starts happening there is a much more efficient use of time which allows genuine efficiencies to be made with the consequence that less money is draining out of the Company.

Whilst I could see this, from my capacity as a researcher, I questioned my ability to be able to adequately communicate the full significance of the message to third parties – particularly the hundreds of individuals who had reported such terrible personal experiences of ISM implementation. I have not personally sailed with a SMS which had been set up pursuant to the requirements of the ISM Code. I have not been directly involved in constructing and running an SMS. I have had the opportunity of looking at numerous individual safety management systems, of considering hundreds of individual experiences and analysing factors which seem to affect how an SMS actually functions in practice. However, that does not, in my view, qualify me to argue a strong case for what needs to be done to actually implement a good, working and efficient SMS. Such a position could only be viably argued from individuals with first hand, direct experience. Individuals who could stand up as living testimony that it can be done.
Accordingly I looked at the list of organisations and individuals who had been in contact with me and who claimed to have had positive experiences of ISM implementation and to try and persuade a diverse selection

to share their experiences in some detail. For practical reasons the number of such individuals had to be kept relatively small – I therefore identified one Designated Person, representing the shore-based part of the implementation process, one ship master able to consider the onboard issues and a training provider who was able to provide a more general overview. The three individuals agreed to share their experiences by writing an additional chapter each to form an integral part of this book. In this way they would provide some possible answers, from first hand experience, to some of the problems I had identified.

The three were complete strangers to each other but it quickly became apparent that they were all singing from an identical Hymn sheet. Through their individual experiences they had each quite independently reach very similar conclusions and solutions to the requirements of what is needed to develop a successful safety management system.

The final part of this book therefore comprises those three additional chapters. It is not intended that anyone should try and slavishly copy exactly the experiences of these individuals – it is a very important feature of ISM that each Company must develop its own SMS to reflect the way they manage safety in their Company. However, there are general principles which should be understood and lessons which can be learnt. Armed with those general principles it should be possible to understand what needs to be done to change the attitudes, beliefs and values such that there is a sufficient culture change to see the SMS start working efficiently, effectively and profitably.

It would be appropriate to say a few words about each of the individuals before handing over to them:

Captain Sean Noonan was a D.P.A in a relatively small shipping company who had set up one of the most imaginative and successful SMS I had encountered throughout my research. As a direct consequence of their ISM implementation the company saved enormous amounts of money. They devised an SMS which plugging the many holes which existed in their organisation through which losses were pouring out.

Captain Stuart Nicholl had been in command at sea with a first class liner operator, where he had helped introduce their SMS and believed that (like many seafarers) they managed safety perfectly well before ISM and it really added little benefit to their operation. However. he then underwent a career change and went working as OIM onboard an offshore mobile drilling unit. He there encountered a level of safety management far beyond anything he had ever imagined – where safety really was raised to the very highest priority beyond everything else. He does not advocate that the way safety is managed in the offshore industry should be imposed lock-stock-and-barrel on the merchant marine but he does suggest that here are many lessons we can learn from that industry.

Captain John Wright has vast experience of shipping as well as offshore and other industries and provides management skills training to senior officers in the merchant marine – in particular Crew Resource Management (CRM) as well as Risk Management. He has almost daily encounters will a wide range of seagoing Masters and officers with whom he explores management techniques which might currently exist on board many ships and he teaches the type of management technique which is anticipated by management systems such as the ISM Code.
Since each of these three individuals had their own fascinating story to tell, from first hand direct experience, I felt that they should be given the opportunity to tell their own story in their own words rather than for me to provide a second hand account. I am most grateful to each of them that they very kindly agreed to contribute their own story by way of additional chapters to follow my own findings and conclusions in the book ‘Cracking the Code’