

Human element knowledge & skills framework – Finance, Insurance, Chartering & Brokering **Alert!**

Financiers/Bankers

- Be aware of the need for safe, sustainable and dependable shipping
- Balance the return risks with those of financial risk, market risk, asset risk and operator risk
- Understand the need to gauge risks arising from not addressing the human element in ship operations
- Specify the correct level of operational knowledge and processes to protect the income generation of the ship through the covenants in the loan or lease documentation
- Understand the level of risk from inadequate integration between people, process and plant
- Understand the need to price risk highly, as an incentive for operators to pay more attention to addressing human-system issues

Financial Department

- Be aware of the need for safe, sustainable and dependable shipping
- Balance the return risks with those of financial risk, market risk, asset risk and operator risk
- Embrace the principle of the three legs of sustainability, business, environment and social conditions being in harmony
- Be aware of the need to continuously improve the social conditions of seafarers and of the social conditions of those affected by maritime activities
- Take responsibility for the impact of the organisation's activities upon its employees, as well as its customers, the community and the environment
- Ensure the right balance between the cost of, versus the investment in, people
- Understand the need for triple bottom line accounting and through-life cost-benefit analysis
- Include the human element in the business case for future operating concepts
- Include the 'soft' costs of introduction, operation and disposal, and human contributions to system effectiveness, including human error and human resilience in recovering from system failures
- Understand that usability and human element activities should be included as part of the business strategy

- Ensure that business management sets demands on usability for ship operations
- Be aware that business management is interested in how the usability of their ship operations compares to that of competitors
- Be aware of the marketplace and define and maintain a position relative to the market place
- Ensure that senior management directly control the funds to maintain/improve user-centred design skills, resources, technology, awareness and culture
- Establish through-life cost accounting in order to assess the costs and benefits of a user-centred approach regarding the operation of future systems in their expected context
- Understand the human element implications of any business opportunity
- Understand the business implications of any human element issue
- Provide human element data and advice to purchasing processes in general
- Provide and review human element aspects of investment appraisals, cost effectiveness analyses, business cases and high-level metrics or other financial performance indicators
- Use through-life and other suitable total cost models as part of financial analysis

Underwriters

- Be aware of the need for safe, sustainable and dependable shipping
- Understand the client's approach to business in particular how they address human-system issues
- Understand the need to work with clients in managing and embracing risk
- Understand that human failure is a leading cause of total and partial losses of vessels and of the valuable cargoes they carry
- Understand that the human element in shipping operations and its impact on risk is critical.
- Ensure that underwriters, loss control professionals and surveyors who assume and manage the risks associated with international trade are properly trained and have the appropriate experience to carry out their duties
- Understand the need for underwriters and surveyors to be knowledgeable about how the transportation supply chain works
- Understand the need for underwriters and surveyors to have a practical understanding of the standard operating procedures applied by the vessels/owners they insure/survey to fully appreciate and evaluate constantly evolving risks
- Understand the need to assess crew and office management to ensure that shipowners are entrusting their vessels to quality seafarers
- Understand the need to identify human-system risks and seek to avoid them
- Encourage risk reduction through ergonomic design
- Highlight human element issues when assessing and prioritising risk, when raising awareness of the threats that can lead to insurance claims, and when determining what controls should be in place to reduce such claims.

P&I

- Be aware of the need for safe, sustainable and dependable shipping
- Raise the awareness of the human element issues relating to accidents
- Provide contemporaneous advice on current claims trends
- Prioritise risk
- Encourage risk reduction through ergonomic design
- Prioritise the high risk areas from claims through analysis, and determine what the threats are that cause these claims
- Focus on the high-risk threats which cause P&I claims and the controls that have failed to contain some of the threats; and on the effectiveness of controls to mitigate the consequences
- Be aware of the skills needed to accurately assess the 'human element' aspects of claims
- Whenever there has been an accident, identify who did what, why and with what consequences
- Develop loss prevention programmes for individual shipowners, for members and for the shipping industry as a whole

Brokers

- Be aware of the need for safe, sustainable and dependable shipping
- Ensure that the ship and its crew are 'fit for purpose'
- Ensure that the ship is properly equipped and 'fit for the crew'
- Understand the importance of selecting quality and vetted ships, across the market
- Provide a vessel with a crew that meets the Charterer's minimum standards

Charterers

- Be aware of the need for safe, sustainable and dependable shipping
- Ensure that unsuitable shipping is filtered out
- Ensure that the client takes responsibility for the impact of the organisation's activities upon its employees, its customers, the community and the environment
- Ensure that best practices are applied and that the selected vessel is 'fit for purpose', properly equipped and 'fit for the crew'