

## **Building bridges, breaking barriers**

**Captain S.Krishnamurthi  
Shipmaster**

It is 20 years, if a day since I took my first tentative steps to a career at sea. Across the turbulence, I look back to the sea with a mixture of gratitude and exasperation at this absorbing profession. Looking ahead into the future of the shipping industry and at the corner it seems to have painted itself into, one sees a cluster of 'mind-set islands' that have spawned over the last couple of decades. Considering that sea-cargo contributes to about 80% of world trade, it is gut-wrenching to see these islands grow more insulated and defensive. Lately, we have seen innovation in ship-management, business consolidation among carrier companies raising hope that bridges will be built across these islands and mental barriers broken.

Here are some of the islands and the kind of bridges that will connect them:

### **Ship - Shore**

A classic 'Them and Us' situation. It begins with allocation of responsibilities. Each side would like to take credit when the fleet is operating efficiently and blame each other when things begin to go wrong. We have progressed from the days when a ship sails out of the horizon and is out of sight and mind of its owners and underwriters for months and years until she sails in to the home port laden with exotic goods and riches from fabled lands afar. In this scenario, the Master was supreme. He took trading decisions, hired his crew, dealt directly with the shippers and usually owned a share of the ship and the cargo. When things went amiss with the adventure, he was held responsible since he was the one who took all the decisions. That scenario has practically vanished, but not the mind-set about responsibility. And given the large egos that are such a common heritage that we Master mariners have inherited, we help perpetuate this mind-set. Modern ship operations have become extremely complex and a single window responsibility counter needs to be replaced by a shared chain of responsibility across the teams that run ships directly and by remote. In such a responsibility matrix, the buck has to finally stop at the desk of the ship-owner.

Currently though, the wide chasm between shipboard managers and shore managers is reflected in an abiding mutual distrust. Apart from equitably shared responsibilities, I'd suggest an interface program where shore managers take turns in taking up shipboard responsibilities, say for 4 month tenures every 4 years and shipboard crew be deputed for short periods, by rotation to hold shore-based responsibilities.

### **Deck – Engine**

This divide came with the advent of steam and motor ships – one that often spills over to shore management. I often wonder how the Master, professing to command a ship has no formal training or experience in half the shipboard functions – namely machinery maintenance and operation. This is something that marine engineers articulate with some feeling. One loses count of the number of occasions where this friction surfaces at various levels in the ship. It would be funny but for the tragic loss of process and bad blood those goes with such a division.

**Solution:** A radically new way of looking at shipboard training systems. Well it's not all that new, come to think of it. Dual Certification – some European Administrations are operating this scheme and I have actually served on board such a ship with dually qualified officers where the system works like a charm. In this programme, cadets are trained in the Engine as well as the Deck departments and are assessed for a combined certificate of competency. Then he/she serves alternate assignments in the deck and engine departments working his/her way through to a combined Chief Engineer/Master's license. Many of us erroneously tend to auto-connect manning reduction conspiracies with dual certification. It is sad that the British school of thought scorns at such a system. Predictably, this integrated approach to Marine Training is encouraged and approved by the French Administration, amongst others!

### **Crew - Officer**

Given the present entry criteria for support level ratings, there is very little scope for them to progress in their careers. This creates needless isolation thus wasting precious human resources in ship-management. Working on the entry qualification criteria, to allow for progression to officer cadre, is an option.

### **Industry - Training**

IMO and the various interpretations of STCW Code by marine administrations reflect, as they rightly should, public concern over crew competence with regard to safety of life at sea and the marine environment. A mandatory minimum standard is prescribed. It is not part of the STCW philosophy to include the concept of shipping as a service provider. The ship-manager absolves himself of any additional training responsibility geared to meet trade requirements. The industry, to its own detriment is passive to the training needs of its managers and mariners. Academies are starved of feedback from ship operators and are content to meet statutory standards. The result is inadequate and often obsolete training and the consequent poor returns on training budgets. A strong link between the industry and the Training Establishment going beyond the minimum criteria is the need of the day. Conversely, Academies and assessment bodies need to be heard when they comment on the apparent standards of on-board training system, which is such a crucial performance driver.

### **Ships - Ports**

From the ship's point of view, the volatility that we see in the standard of port services from one region to another is part of our rich and varied experience. Given the tone in which most port control towers, not to mention the pilots, bark at ships coming in from the sea, there appears to be some confusion amongst the port personnel as to who the service providers are and who are the clients. The consequences of this confusion raise the risk levels in the crucial ship/port interface. The Oil tanker industry has addressed this issue effectively, thanks largely to the initiative of the OCIMF. It is a pleasure to see standardised cargo and mooring configurations, ship-shore safety information exchange and planned operations at most self-respecting Oil Terminals of the world. I look forward to the day when shipmasters are authorised to conduct random inspection of the safety and environmental facilities provided by the ports and file their reports with the IMO and ICS. Would these two bodies care to ratify, let's say a London MoU?

## Carriers - Shipper

It doesn't look like these two have been even properly introduced. The questions that fly across this valley would range from "Who is he? Where does he live? How does he conduct his business? What are his concerns and priorities? "

The ubiquitous mobile is the instrument through which cargo is fixed. Apart from photocopies of Class and Insurance documents, the shipbroker knows precious little about the reliability level of his carrier. An entire generation of operators and mariners has been brought up on a staple diet of shrouded secrecy from the big bad Charterer. While business cannot always be negotiated in total transparency, there are many areas of disclosure and data-access, which can raise the level of Client comfort. The following information, if linked to a carrier company web-site could well force competition to come clean with similar public access:

- Running record of voyages, inclusive of coastal, harbour navigation and port ops to show consistency levels of speed, turnaround performance and trading region experience.
- Bunker consumption averages – and break-up for every element of operation from sea passage to harbour steaming, tank cleaning, ballasting, inerting etc.
- Time delays in port on ship's account – comparable with the average figures of other carriers at the same port.
- Fleet accident record (without naming ships and personnel) and display same in terms of occurrence frequency and severity.
- Fleet records of Port State, Class, Vetting and Terminal surveys and inspections. The minor and sometimes irrelevant nature of some recommendations would either be a reflection of high fleet standard or poor inspection quality.
- Competency profile of sea-staff, 'retention level' percentages, records of statutory and additional qualifications, Company's in-house training and HR policies.
- Ship-specific statistics of comprehensive in-house hull and machinery maintenance and evaluation that exceeds the Class requirements. For example, phased, periodic performance testing of all machinery, instruments and cargo gear as a percentage of rated capacities. In-voyage hull and ballast tank maintenance and monitoring by riding teams as done by Teekays.
- Use of cutting edge technology in the fleet's navigation, cargo control and machinery operation. Flaunting such features impresses American clientele more than most.
- Lots of digi-photographs of ships in full cosmetic glory. This is the abiding gospel of 3<sup>rd</sup> party managers who present their ships to owners for inspection. The five-star look of the accommodation spaces, if provided and sustained makes an indelible impact on the minds of clients, both visiting and the browsing kind.

- Wear the flag with pride – a la Tanker Pacific whose logo smiles at you from the stem of the ship, bridge front, funnel and company house flag.

### **Owner - Ship**

This is a crucial bridge-building challenge. The problem is accentuated in public shipping companies with shareholding interests spread across the globe. The shareholder is so far removed from the manager and the mariner by both real and imaginary hiatus. Some of the real ones are time, control, communication access and trust. One of the imaginary gaps is technology-related. Ship-managers, particularly with marine backgrounds have been fairly successful in convincing the Board of the ‘technological complexity’ of ship-management and the need to ‘leave it to them’ to handle those crusty ships and the crustier sailors. The cruel irony is that shipping, as we know seriously lags behind even yesterday’s technology, relatively speaking. Some ideas in cracking this one:

- Restore traditional communication channels between ship-owners and Masters. There is greater congruence of interest between these two than between owners and managers, particularly of the 3<sup>rd</sup> party pedigree.
- Constantly raising the bar for technical qualifications and upgrades for the both existing and entry level managers ashore and afloat.
- ESOPs and performance bonus for managers and mariners never mind the Enron and WorldCom scams.

### **Public - Seafarer**

This is one of my private bugbears. The perception of the mariner both in the general public and the cocktail circuits is sadly predominated by images of Capt.’s Bligh, Haddock, Sindbad, and Popeye the sailor depending on the age group. The more informed ones make kind references to Hazelbrook and his D & D episode at Valdez just to show they are in the loop. The seafarer as a serious, highly qualified, responsible professional is a badly needed image makeover that is overdue. As brand ‘Popeye’ gets more in tune with reality, the marine job market will begin to attract talent to pick and choose from. The chain reaction that will ensue needs very little elaboration.

### **Single crew - Multinational crew**

It is very expedient to attribute good quality seamanship to a particular nation either directly or by comparison. Assuming that a company by and large encourages career growths from bottom up, the seafarer is really a citizen and the end product of the company he grows in. His performance is and should be a reflection of the work culture he is groomed in. It would be misleading to judge him on his nationality as it plays a minor part in his professional attitude. Contrary to popular armchair opinion, there is no evidence to suggest that multinational crew complements have any more inherent frictional problems compared to a single nation manned ship. Having said that, may I indulge in a sweeping generalisation that island nations and those with a maritime history seem to produce more ‘natural’ seafarers than the rest.

## **Regulators - Industry**

The trenches are well dug into and the battle rages on. Meanwhile substandard ships get away scot-free with ISM and seaworthiness certificates pulling the average industry safety standards to disrepute. This situation exists on account of, rather than despite, excessive legislation. Perhaps, the marine insurance sector has a major role to play by directly employing Class and dynamic risk assessment bodies to grade ships and fleets, thus allowing the underwriter to offer lower premium to proven low risk operators.

## **Commerce - Technocrat**

We place a complement of 25 technically-competent crew on a ship worth \$50 million with a turnover of at least \$7 million. Isn't there a screaming need here for accounting, financial, costing and commercial knowledge for on board staff? Access to operating expense break-up would open up the feedback floodgate from ships. I daresay the more popular cost-rationalising suggestions from ships would be far more effective than office-originated initiatives. Many forward thinking companies are beginning to transfer budgetary responsibilities onto shipboard management. Conversely, the purchasing, F&A and Commercial staff can do well with a systematic familiarisation tour of duty on board.

In concluding I hope you'll pardon the mathematical irreverence, if I suggest that shipping companies striving for brand differentiation may best achieve it through effective integration and management of a highly fragmented industry.