

Operational Excellence in Shipping Forum

Best Industry Practices – A competitive advantage
How the commitment to Best Industry Practices
across all areas of operations is a differentiating
factor and a competitive advantage



Best Industry Practices Dry Sector

- BIMCO
- Intercargo
- International Chamber of Shipping (ICS)
- Vetting Companies - Rightship Requirements
- P&I Club recommendations
- ISO Codes
- SOX Code



Best Industry Practices Focus On

- Crew and Vessels' Safety
- Hygiene
- Cargo Protection
- 3rd Party Property Protection
- Quality Management
- Environmental Protection
- Occupational Health and Safety
- Environmental Performance
- Corporate Governance
- Transparency



Performance Monitoring through SPIs

Company's performance may be assessed by monitoring and measuring performance of various operational functions (SPIs):

- Health and Safety
- HR Management
- Environmental
- Navigational Safety
- Operational
- Security
- Technical



Performance Monitoring through KPIs

A Key Performance Indicator is a measurable value that demonstrates how effectively a company is achieving key business objectives and may be defined by each company for each operational function as per the following examples:

Health & Safety	HR Management	Environmental	Navigational	Operational	Security	Technical
Flawless PSC performance	HR deficiencies	Environmental deficiencies	Navigational deficiencies	Budget performance	Port State Control performance	Condition of class
Lost Time Injury	Officer retention rate	Contained spills	Navigational incidents	Cargo related incidents	Security deficiencies	Failure of critical equipment and systems
Health and Safety deficiencies	Officers experience rate	Ballast water management violations		Port state control detention		CO ₂ efficiency
	Training days per officer			Passenger injury ratio		



Performance Monitoring through KPIs

KPIs may be benchmarked against:

- Targets as set by the company internally
- Minimum requirements as set by the industry
- Industry Average for similar vessels or company type



Competitive Advantages Tangible

Through the improvement of KPIs

- Reduction of accidents and injuries
- Reduction of operational errors
- Improvement of fleet monitoring
- Better ships' performance
- Better fleet utilization

Thus

- Reduction of cost through more efficient fleet management
- Obtaining lower insurance premiums through transparency and lower loss records



Competitive Advantages

Non Tangible

- Improvement of relationship with Charterers
- Upgrading of mortgagee banks' confidence
- Enhancement of investors' confidence
- Easier and more effective environmental compliance
- Easier transition to future regulatory compliance

