

OPTIMISATION OF SHIPS' MANAGEMENT

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CHALLENGES

1. Managing Cost / Optimization of Technical Management
2. Managing Income

PREPARED FOR EUROSEAS

BDI VS. MBCI



MANAGING COST / OPTIMISATION OF TECHNICAL MANAGEMENT



- Distinguish operating categories and Management Indices and measure accurately
- Prepare strict annual budgets and compare opex regularly
- Use IT and experienced employees, and specialists to monitor costs and ship's performance
- Employ technology to improve maintenance, monitoring, utilisation etc.
- Re-negotiate contracts and extend payment terms
- Evaluate crew employment contracts and try to eliminate hidden costs and unnecessary bonuses
- Reduce Overtime on board
- Reduce crew complement without risking safety/security onboard
- Manage inventories efficiently (lubricants, bunkers, etc.) consider hedging rosbunkers' value
- Introduce competition between suppliers
- Use technology to manage Big Data

MANAGING INCOME



- Review ship's charter party description, trying to make your asset as attractive as possible
- Consider fleet renewal with younger tonnage having eco features
- Reduce idle time (technical and commercial off-hires)
- Protect the company's valuable cash reserves

GENERAL CONSIDERATIONS

- **Don't hesitate to take tough decisions, e.g. disposal of assets. Breaking bonds with suppliers, etc.**
 - **Cooperate with the mortgage bank**
 - **Improve communications and review decision making**
 - **Assign dedicated individuals within the organization to work the different projects**
 - **Ensure top management dedication for all the above**
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