

Comprehensive
Review of the
Steamship
Authority's
Operations
**Nantucket
Presentation**

March 4, 2018



Introduction

Purpose – to understand the problems the SSA experienced in the spring of 2018, identify the underlying systemic causes, develop practical and effective recommendations

Scope of Study – five areas of focus

1. Vessel Operations
2. Fleet Maintenance
3. Management Structure
4. Public Communications
5. IT Systems

The Study Team



Glosten

RigorAnalytics
Advanced Marketing Solutions



HMS CONSULTING
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Key Points About the Steamship Authority

- The SSA - unique, complex, accomplishes an extraordinary amount with the resources they have, group of hard-working and committed employees
- Public Perception – concern over incidents is understandable, but the SSA does not get credit for the things it does really well
- Current actions – have implemented or are in the process of implementing corrective actions, mostly at the intermediate level
- The role of the United States Coast Guard

Methodology Steps I. – III.

- I. **Project Plan** – established in order to define the scope of work, schedule and processes by which the team will conduct the work.
- II. **Data Requests** – submitted through the designated point-of-contact at the SSA, received immediate responses. Large volume of information to absorb.
- III. **Site Visit / General Observations** – team members observed operations and conducted confidential interviews.

Methodology Steps IV. – VI.

- IV. Root Cause Analysis** – selected eight incidents to analyze
 - Looks beyond the human element or mechanical failures
 - Focuses on management systems
 - Identifies causal factors that contributed to the incident, usually multiple causal factors
 - Not always possible to determine the immediate cause of a failure, but the root cause does not necessarily require that all items be resolved
- V. Review with the SSA** – participated in video conferences to verify facts where possible and inform the group on the process
- VI. Final Recommendations** – Initiatives the SSA can undertake to address the underlying issues that instigated this study.



Arriving at Final Recommendations

RCAs

- Intermediate Causes
→ Intermediate Solutions
- Root Causes
→ Solutions to root causes

General Observations

- Issues
→ Specific Solutions to issues

Final Recommendations*

- Encapsulate all solutions
- Impact vs Ease of Implementation
- Apply Globally

*See Appendices for links

Key Categories

Vision

- i. Mission Statement & Performance Objectives
- ii. Strategic Plan

Management Accountability & Recruitment

- iii. Performance Objectives / Accountability
- iv. External Recruitment

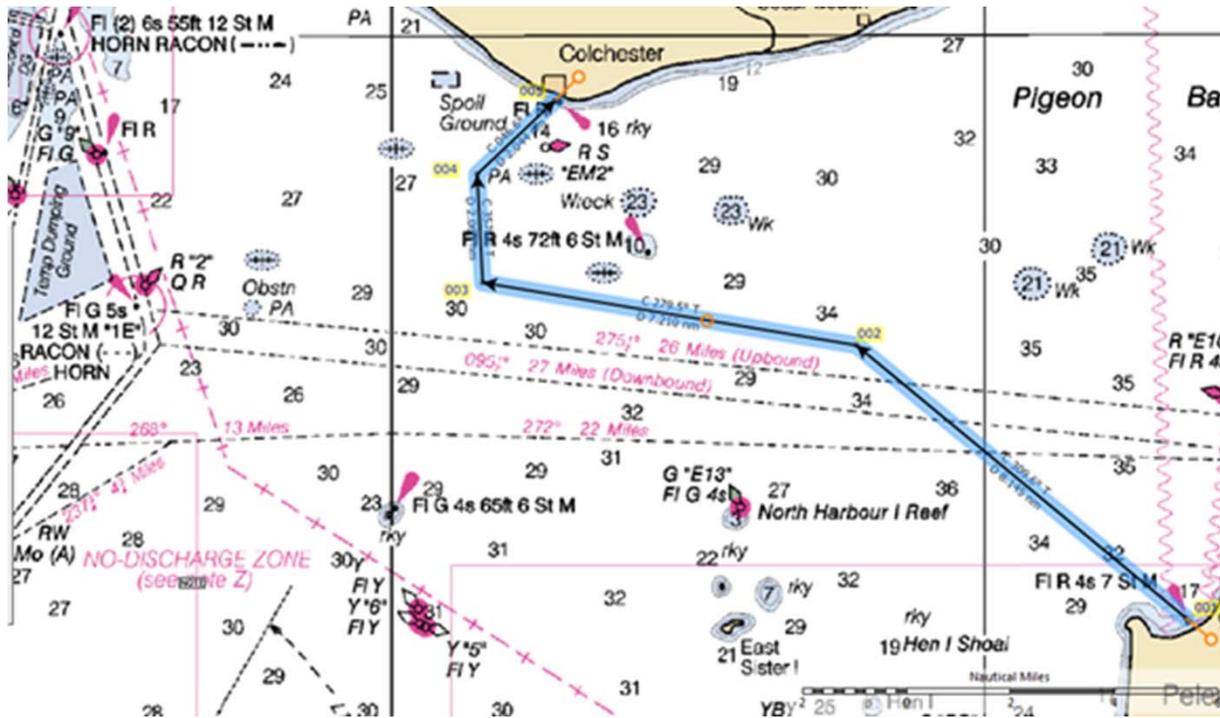
Final Recommendations

Process-Based Management

- v. Safety Management System
- vi. Quality Management System
- vii. Learning Management System

Organizational Structure

- viii. Engineering Resources
- ix. HSQE
- x. Vessel Operations



i. Mission Statement & Performance Objectives

Vision

Objective: Establish a common direction for the organization.

Requires:

- Consensus from leadership
- Establish Core Values

Objective: Establish a way to measure progress against the Mission Statement

Requires:

- Establishing measurable goals
- Annual reviews and adjustments

Impact: High

Ease of Implementation: Medium



ii. Strategic Plan

Vision

Objective: Establish how the organization will accomplish its vision.

Requires:

- Broad organizational involvement
- Trickle-down planning
- Regular review and adjustments

Impact: High

Ease of Implementation: Medium

Goals should be:



Specific



Measureable



Actionable



Relevant



Time-bound

iii. Management Performance Objectives / Accountability

Mgmt Accountability/Recruitment

Objective: Align management goals.

Objective: Establish a means to measure management performance linked directly to strategic goals.

Requires:

- Organizational mission statement and performance objectives
- Policy change
- Development of managers' performance objectives
- Annual reviews and adjustments

Impact: High

Ease of Implementation: High

Pros and Cons External Recruitment

Pros

- Provides new ideas / fresh perspectives
- Could initiate a turnaround
- Hiring experienced employees can reduce training needed
- Internal politics may be avoided
- Bigger talent pool / more applicants

Cons

- Less information available on applicants
- Search takes longer and costs more
- Outsider takes a longer time to become familiar with current systems and organization culture
- Destroys incentive of present employees to strive for promotion
- Can hurt employee morale and loyalty



Mgmt Accountability/Recruitment

Objective: To diversify the management team using external searches.

Requires:

- Policy change

Impact: High

Ease of Implementation: Medium

iv. Recruit Externally



v. Safety Management System (SMS)

Process-based Management

Objective: the safe operation of the fleet and protection of the environment

Requires:

- Documentation of policies and procedures (what you do and how you do it)
- Communication feedback process
- Designated Person (DP)
- Externally audited

Impact: Very High

Ease of Implementation: Low



vi. Quality Management System (QMS)

Process-based Management

Objective: meeting client service expectations more efficiently and effectively

Requires:

- Documentation of policies and procedures (what you do and how you do it)
- Communication feedback process
- Designated Person (DP)
- Externally audited

Impact: High

Ease of Implementation: Low



vii. Learning Management System (LMS)

Process-based Management

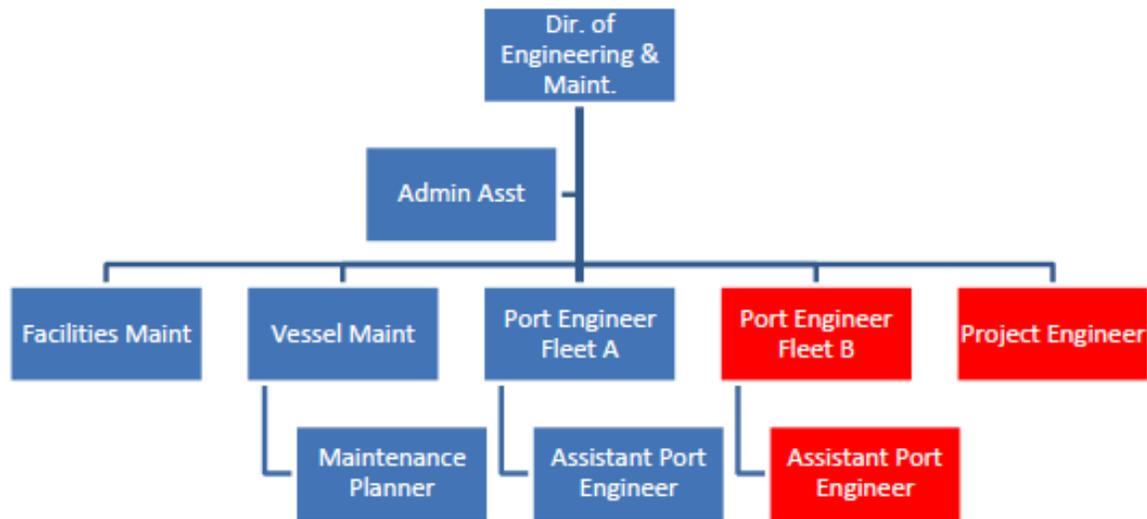
Objective: ensure proper levels of training are achieved and tracked, to further employee development

Requires:

- Development of training materials
- Vehicle for training delivery
- System for reliably tracking completed training

Impact: Very High

Ease of Implementation: Very Low



viii. Engineering Resources

Organizational Structure

Objective: to ensure adequate resources are available and realign roles and responsibilities

Requires:

- Additional resources to support the fleet
- Addition of position dedicated to planning and management of major projects
- Shift focus of Port Engineers to vessel operations support

Impact: High

Ease of Implementation: Low



ix. Health, Safety, Quality & Environmental Management

Organizational Structure

Objective: to ensure proper development, implementation and ongoing management of SMS / QMS

Requires:

- Identification of qualified candidate
- Proper level of authority to enforce safety and quality concerns
- Independent of operational chain of command

Impact: High

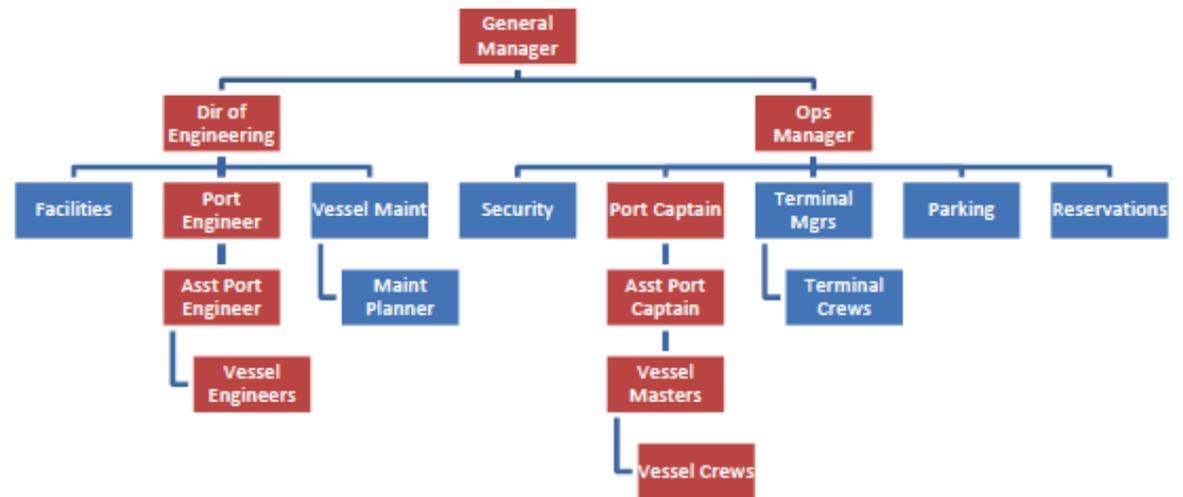
Ease of Implementation: Low

x. Vessel Operations

Organizational Structure

Current Organizational Structure:

- Two separate lines of direct reporting coming off of the vessels
- Split chain-of-command
- Conflicting authorities in the decision-making process
- Vessel Operations is not represented at the executive / director level



x. Vessel Operations

Organizational Structure

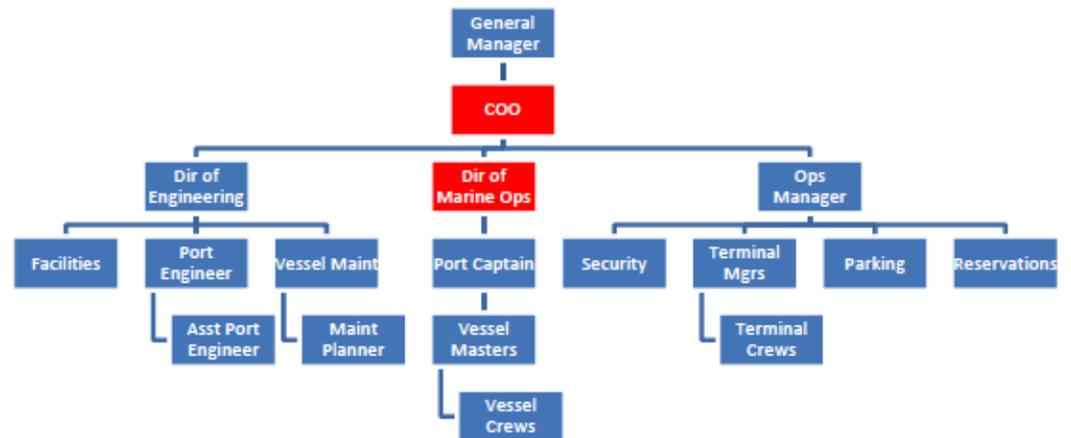
Objective: to establish an effective chain-of-command through the core discipline of the organization and ensure adequate levels of authority in decision-making

Requires:

- Addition of a Chief Operating Officer
- Addition of a Director of Marine Ops
- Realignment of roles and responsibilities, levels of authority
- Support of the operations team

Impact: High

Ease of Implementation: Low



Conclusions of the Study Team

2018 was not an anomaly



The SSA needs to adapt to their operating environment



Changes won't be easy:

Financial support

Adequate resources and
tools

Strong leadership



A good foundation exists for implementing key initiatives

Thank You. Questions?

