

# Ship Managers' Survey 2019

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Planned organisational changes, KPIs and suggested marketing taglines to sum up the value proposition of third-party managers completed the round-up of this year's Seatrade Survey questions compiled by **Dr Malcolm Willingale**.

**Q: Do you envisage making any organisational changes in the short to medium term in an effort to enhance service delivery and/or capture new market growth opportunities?**

InterManager secretary general Capt. Kuba Szymanski detects two organisational trends in the ship management market: 'mergers and outsourcing – and we believe this will continue. Some companies will close some of their departments and will outsource to third party providers (travel, purchasing, IT, for example) and other companies are actually buying third party organisations in order to include them in their service offer.

'Basically it is a case of 'horses for courses'. Both models are doing very well indeed,' he adds.

'We have been in acquisitive mode in recent times and have added several new companies to enrich the service offerings to customers' of management arm Bernhard Schulte Shipmanagement (BSM), relates Ian Beveridge, ceo of Schulte Group. In 2018 these included dedicated cruise and offshore divisions, as well as Hanseatic Capital Management, a specialised fund manager for shipping investments, and GenPro, a procurement company together with Columbia Shipmanagement. Schulte also acquired the specialised LNG ship manager PRONAV and YPI Crew, a yacht crew recruitment agency.

'Our stated aim is to be a "360-degrees" solutions provider to the shipping sector,' says Beveridge, 'with the provision of high-quality ship management solutions for any vessel type.'

Thome Group president & cco Claes Eek Thorstensen reels off a list of organisational changes that his company is in the process of introducing. These include 'centralisation of certain processes, operational and transactional, to give better control and cost savings; further digitalisation, to reduce transactional/repetitive tasks; and developing added-value auxiliary services, all the while 'maintaining strict focus' on the vessels under its care.

Intership Navigation offers both technical/full ship management as well as commercial management through its own dedicated offices, explains ceo Dieter Rohdenburg. 'The combined offering has been very successful, and we intend to increase our promotion in this respect. Our various commercial pools – bulk, tanker, multi-purpose, container – offer optimal market access for ship owners who do not wish to simply time-charter out their ships.'

Executive Ship Management (ESM) believes in remaining 'strategically relevant' to the industry. The company has evolved with the times, having made 'extraordinary and consistent investments' in HR, training and technology, relates director Sikha Singh, but maintains its 'premium management of a focused area of expertise for a discerning

group of industry leaders with whom we share our values and professionalism.'

'We upgrade and optimise our organisational structures constantly,' says Capt. Rajesh Unni, founder & ceo of Singapore-based Synergy Group. 'It helps to sharpen our customer focus, step up innovation and simplify our ways of working so that our size and scale – Synergy now has more than 200 ships – are competitive advantages.'

As Synergy has grown, it has enhanced its service offering by diversifying into ancillary businesses, such as Repair & Maintenance. 'The idea is to converge our services so our ship management activities are seamlessly integrated,' explains Unni. The company also offers project management 'for various technical challenges such as conversions and compliance.'

V.Group cco Martin Gaard Christiansen refers to the group's Project Embark, which uses digital technology to transform the crewing experience for both seafarers and customers. 'We're reinventing our more than 30 crewing offices around the world to deliver a consistently high-level service through our innovative operation model,' he says, 'supported by centres of excellence, which will ensure that best practice is



Capt. Kuba Szymanski



Claes Eek Thornstensen



Dieter Rohdenburg



Capt. Rajesh Unni



Martin Gaard  
Christiansen



Carl Schou



Kishore Rajvanshy



Bjorn Hojgaard



Ian Beveridge

disseminated throughout the organisation.' V.Group also recently opened a new crew management centre in Mumbai.

'As always, we are looking if we have the right organisation for the upcoming challenges,' replies Wilhelmsen Ship Management president and ceo Carl Schou. 'As of now we have recently gone through some changes and thus we do not foresee any major changes ahead in the short term.'

'With the advent of high-end technology onboard the vessels, we will need to enhance our shore-based support with regards to having more advanced training and specialised engineers ashore,' answers Fleet Management's founding md Kishore Rajvanshy succinctly.

Equally pithy is Anglo-Eastern Univan Group ceo Bjorn Hojgaard's reply that 'We have this year augmented our organisation with a chief information officer, for a stronger focus on leveraging technology and data to provide an even stronger value proposition.'

### Q: Which KPIs does your company focus on to promote performance management?

Thome's Thorstensen offers the most detailed answer. He mentions the software application 'NAU', which is used for vessel speed and consumption performance monitoring, with data collected from vessels on a daily basis. Speed and consumption data is then compared against Charter Party warranted figures and alerts are generated when the vessels' performance falls below the levels set. The system also enables a comparison of performance between similar vessels.

Separately, an engine performance module 'captures and analyses main engine and auxiliary engine performance reports, and compares these against shop trial data, as a tool for chief engineers and vessel managers to identify abnormalities early.'

There is also a waste management module to track disposal of waste water, sludge and garbage.

'Our main KPIs are safety, environment and navigational compliance, says Fleet's Rajvanshy. 'In addition, we respect the third-party audits on our vessels and look at PSC results and Oil Major inspections as effective tools to measure our performance.'

Synergy's Capt. Unni says that although his company uses diverse KPIs its key focus is on two: injury and unplanned vessel service time. The ship management business 'doesn't carry much meaning if we cannot ensure each and every person working with a need for Synergy has a safe day,' he reasons, while by contrast ships are machines and will inevitably have breakdowns and shutdowns, which must be anticipated as much as possible.

Gaard Christiansen says V.Ships' 'Customer Temperature Dashboard measures important and relevant Safety and Compliance, Commercial, Technical, Financial and Crew related KPIs and uses these to drive improvement and measure the effectiveness at vessel, fleet, office and global level.'

'With better access to quality data—and more importantly, the right data,' he adds. 'we are focused on turning that quality data into effective right first-time actions. We have also measuring our performance through NPS (Net Promoter Score) where we ensure that the voice of the customer is fed into our decision-making at every touchpoint, so that we can really deliver with an owner's mindset.'

Schulte's Beveridge says that for BSM's managed fleet, 'safety will always be our number one priority and we strive for a zero-incident culture. We have a number of key indicators we monitor constantly to ensure we come as close to this as possible. For BSM, this is the most important aspect of performance management, which is the

reason we recently established a Fleet Performance Centre (FPC) in Athens, to provide an extensive analysis of a vessel's overall performance, including its machinery.'

Beyond that BSM uses a number of diverse parameters, he adds, including constant monitoring of the engine capability and other equipment, plus 'a number of operational, technical, managerial, and financial KPIs' that the company has developed over the years.

'We have been using shipping-kpi.com's KPIs for some time,' informs Intership's Rohdenburg, 'and are actively involved in the BIMCO working group which is improving and expanding the web-based platform. We see this as a very good benchmarking tool for ourselves, as well as our clients.'

'Clients' satisfaction is a priority KPI for our performance management,' notes ESM's Sikha. 'However, in a highly regulated industry like shipping, it's a slippery road for the ship manager to achieve. It's a continuous endeavour to keep focused on being innovative and relevant with the change of time. What makes it happen is our huge investment in human resources and technology all along.'

Wilhelmsen's Schou plays his cards close to his chest, disclosing merely that 'in order to promote performance management we focus on operational KPIs along with financial ones.'

'Safety KPIs always speak volumes but also finance ones – such as budget performance,' agrees InterManager's Capt. Szymanski. More and more of the association's members are also starting to focus on HR Management performance, especially crew planning and retention rates, he adds.

Anglo-Eastern's Hojgaard likewise prefers not to enter into details, saying 'We have a host of KPIs and 'gauges' by which we measure progress. At the core it's all about keeping ships safe and clean, and ensuring they are on hire at agreed budgets.'