

The AMC Deep Dive Initiative



Aligning People with Corporate Strategy and Goals in Shipping Companies

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Shipping Business: Full of Challenges

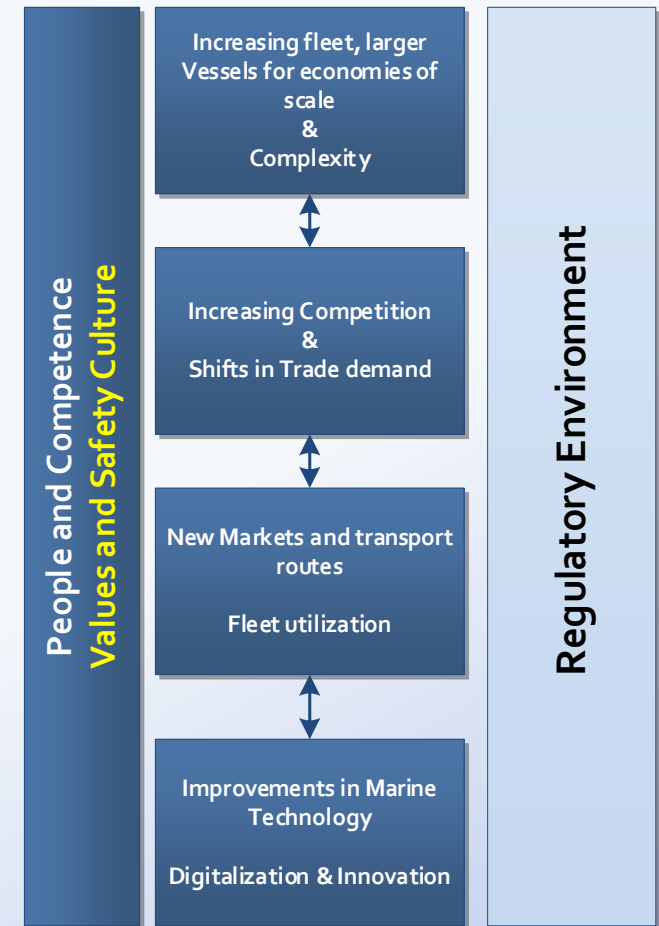
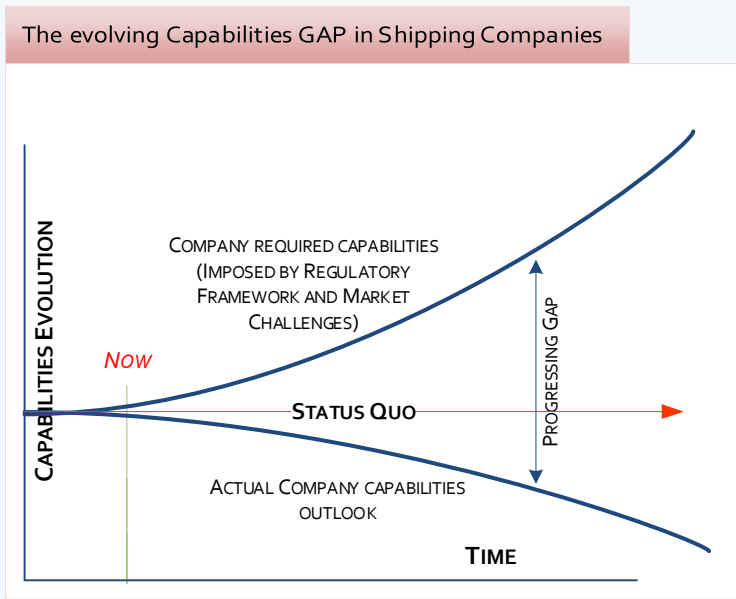
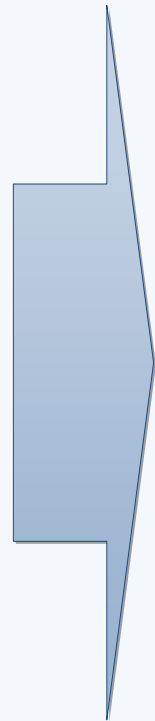
Manage the Ships & develop a Strategy of Cost vs. Compliance vs. Revenue Production

Market growth Considerations
Economic Growth VS. Fuel Prices & Mix VS. Costs of CO₂ emissions

Environmental Regulations for greener Shipping

Fuel trends (Price, mix Oil/LNG)

World Economy and demand for transport
(Far East demand, Port facilities -modernization/ privatizations)



Strategy and Culture: Primary in Organizational Effectiveness

- Shipping Company's Strategy and its Culture are among the primary levers in the never-ending quest for Organizational viability and effectiveness.
 - **Strategy** offers a formal logic for the Company's goals and orients people around them.
 - **Culture** expresses goals through values and beliefs and guides activities through shared assumptions and group norms.
- Only companies with aligned Strategy goals and People's culture-its most important asset, the **Human Element**, could effectively navigate this tumultuous scenery.



Business Performance is Always the End Objective



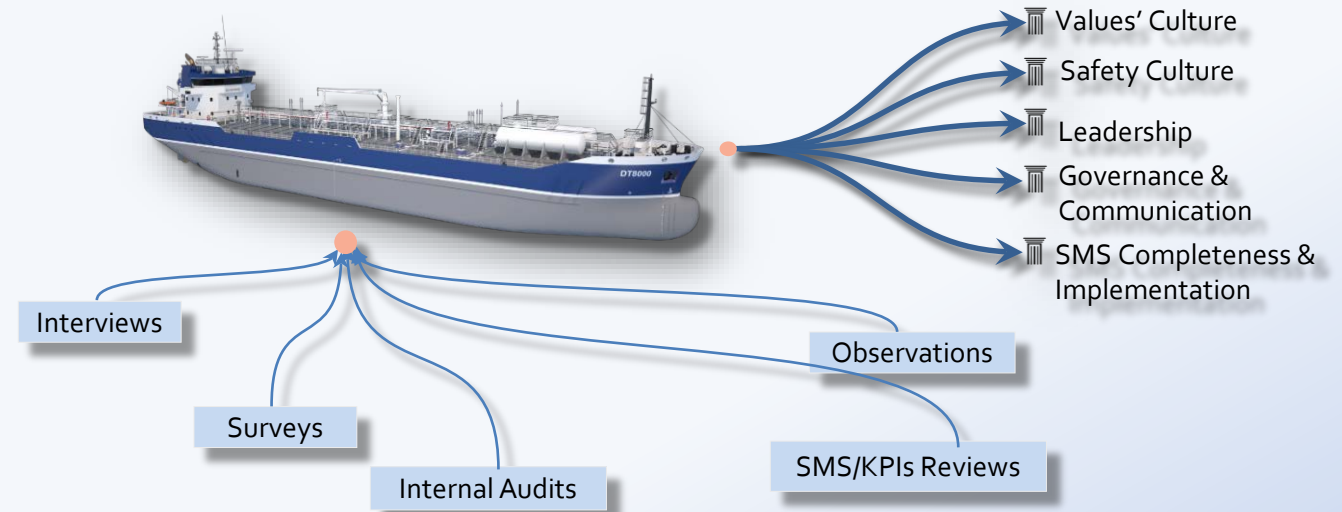
Align people and goals → Grow and sustain results

Company Strategy, Leadership functions and Team dynamics evolve in order **to align people and goals** and consequently grow the Company and build sustainable business results

An “aligned” and sustainable Corporate culture with the Corporate goals will be able to facilitate the required continuous change and the efficient business development

A Deep Dive into Culture in Shipping Companies

- A look deep down into Company's structures and systems
- Assessment of Culture prevalence
- Assessment of the interaction between the **"Human Element (HE)"** and the **Maritime/Shipping Organizational Characteristics (MarOC)**.



A “Deep Dive” Initiative is a Holistic Diagnostic Assessment

- Create a new, improved Culture starting with an analysis of the current one
- Use a framework freely and openly discussed throughout the Organization
- Analysis of Organization’s current Culture and people’s mindsets will lead to interesting outcomes and help better formulate the Company’s Strategic and Operational principles
- Company Leaders must understand outcomes and how these align with current and anticipated market and business conditions



1. Provide clarity as to whether the Leadership team is effectively aligning the full organization with clear Corporate priorities and principles
2. Assess if roles and functions of Company’s operational “stakeholders” are clear and everyday operation runs smoothly
3. Check whether communication is efficient and processes and disciplines (like management, operations, support or crews), beyond Company’s SMS, are effective
4. The right people, in terms of will and skill, constitute the driving force of Company’s growth
5. How Company’s performance is linked with clarity to their objectives and incentives and,
6. Provide understanding on how the Company’s structures, like the organization’s departments and key operations, fit the cost optimization objectives and its key sources of value

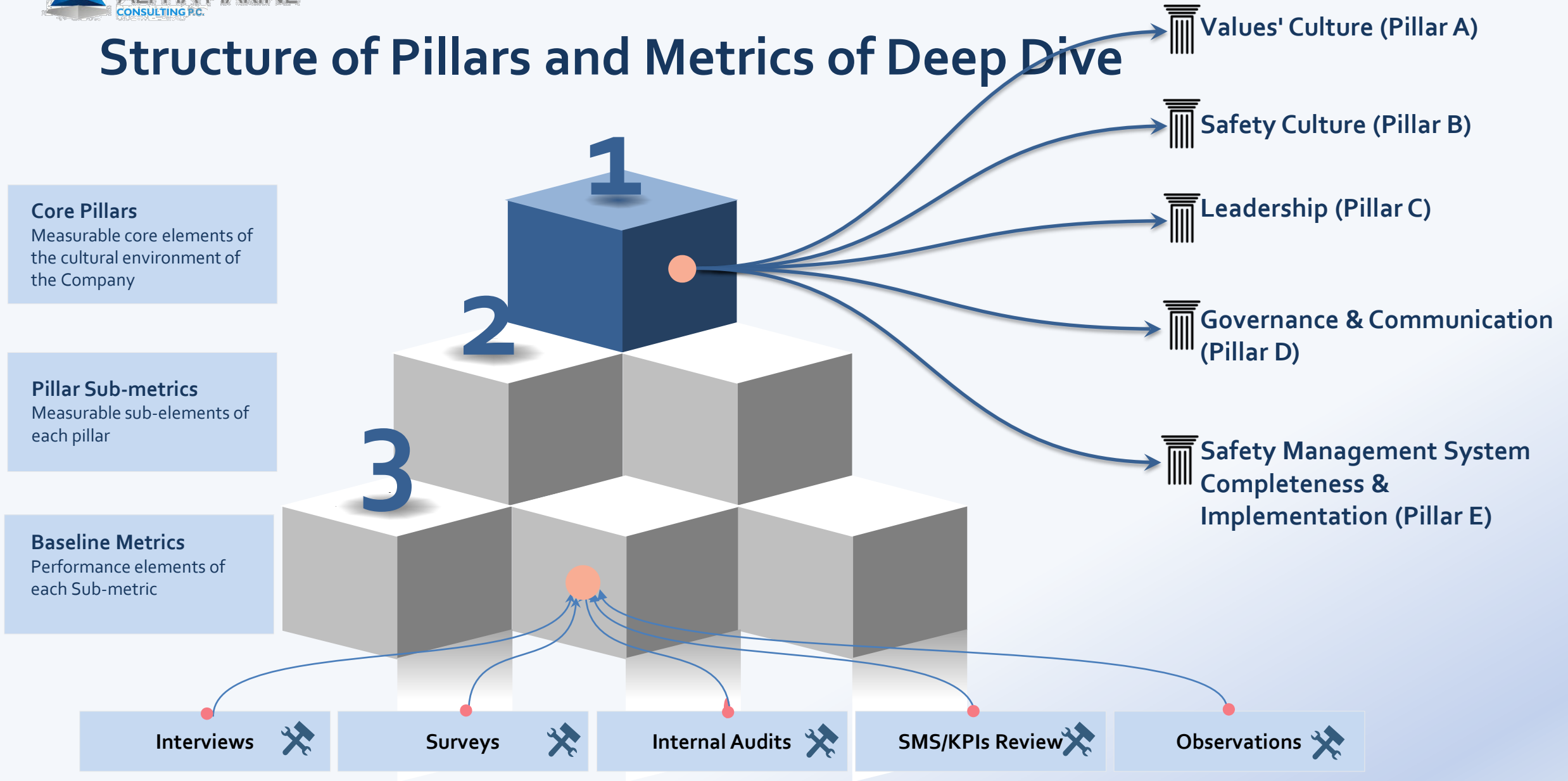
The Deep Dive into Corporate Culture: Its Implementation

- MarOC and HE encompass a wide array of sub-characteristics that are interrelated and ultimately form a Maritime Organization's Profile
- These sub-characteristics need to be identified, evaluated and studied in depth before forming a complete Maritime Organization's Profile, identify gaps, lurking malpractices and misconceptions and finally design corrective actions for improvement
- These sub-characteristics can primarily be categorized into **five (5) central Pillars**



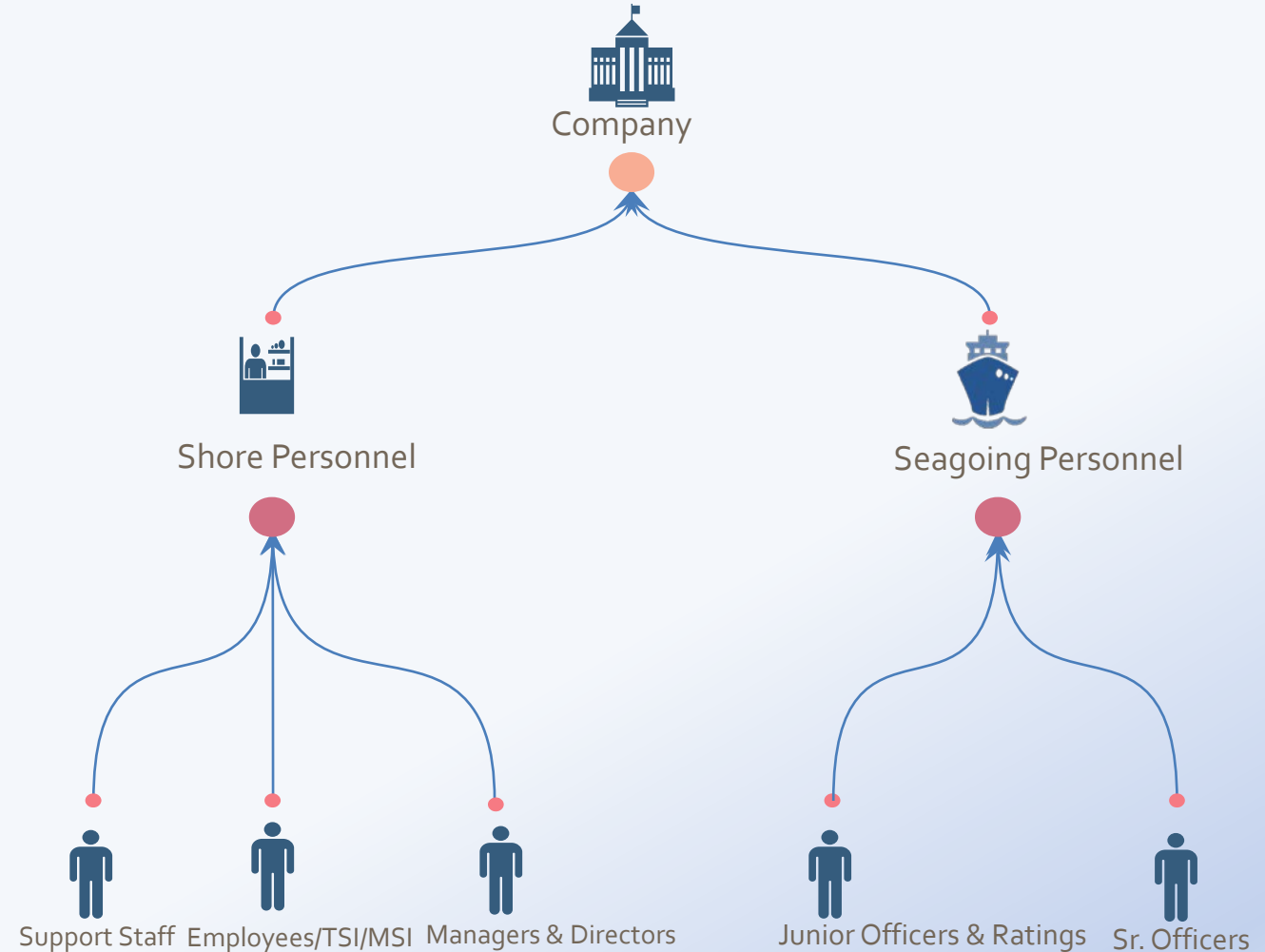
1. **Values' Culture within the Organization**
2. **Safety Culture within the Organization**
3. **Leadership**
4. **Governance & Communication**
5. **Safety Management System (SMS) completeness and implementation**

Structure of Pillars and Metrics of Deep Dive



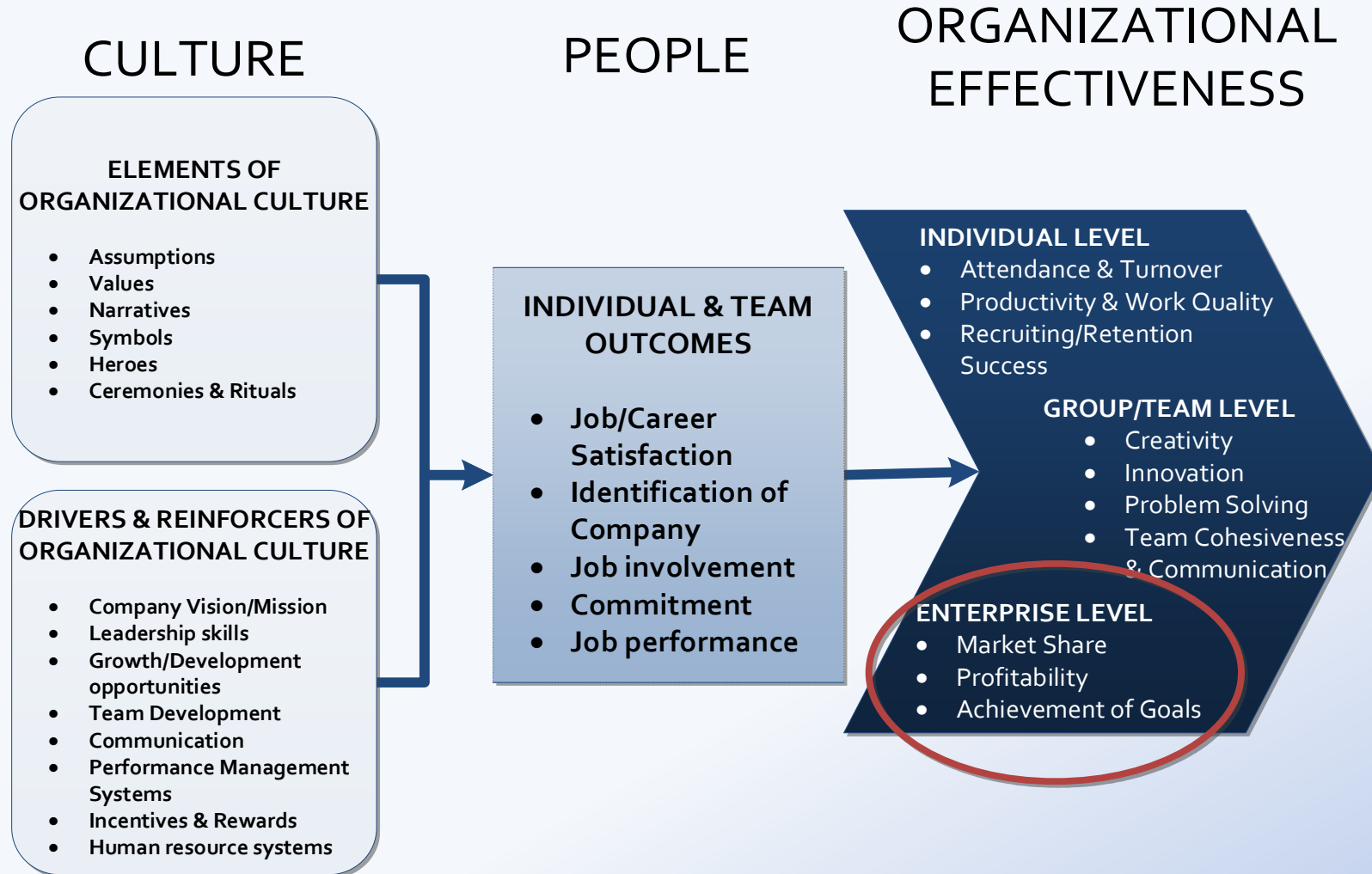
Deep Dive Assessment Structure

Structure of the data collection from all methods is **hierarchical** with all data collected from the field comprising the input to the higher level and lead eventually to the Company's overall assessment



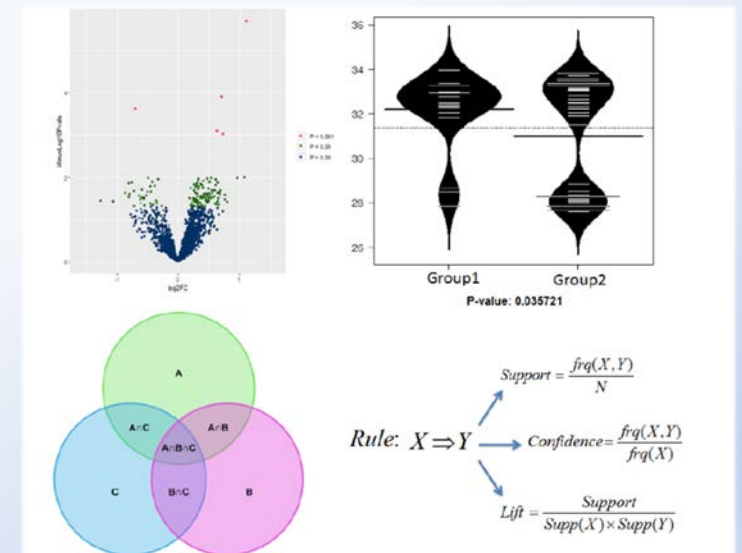
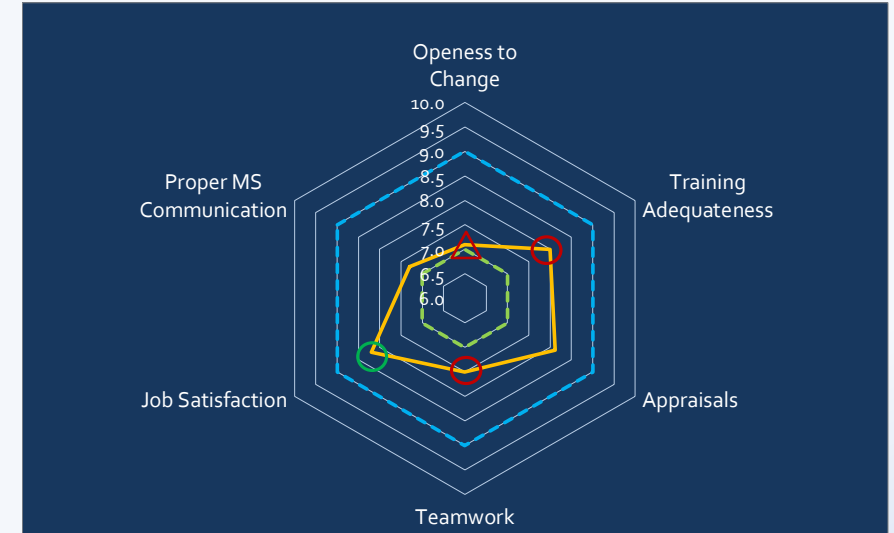
Scope of Deep Dive on Culture and Performance

All is Connected



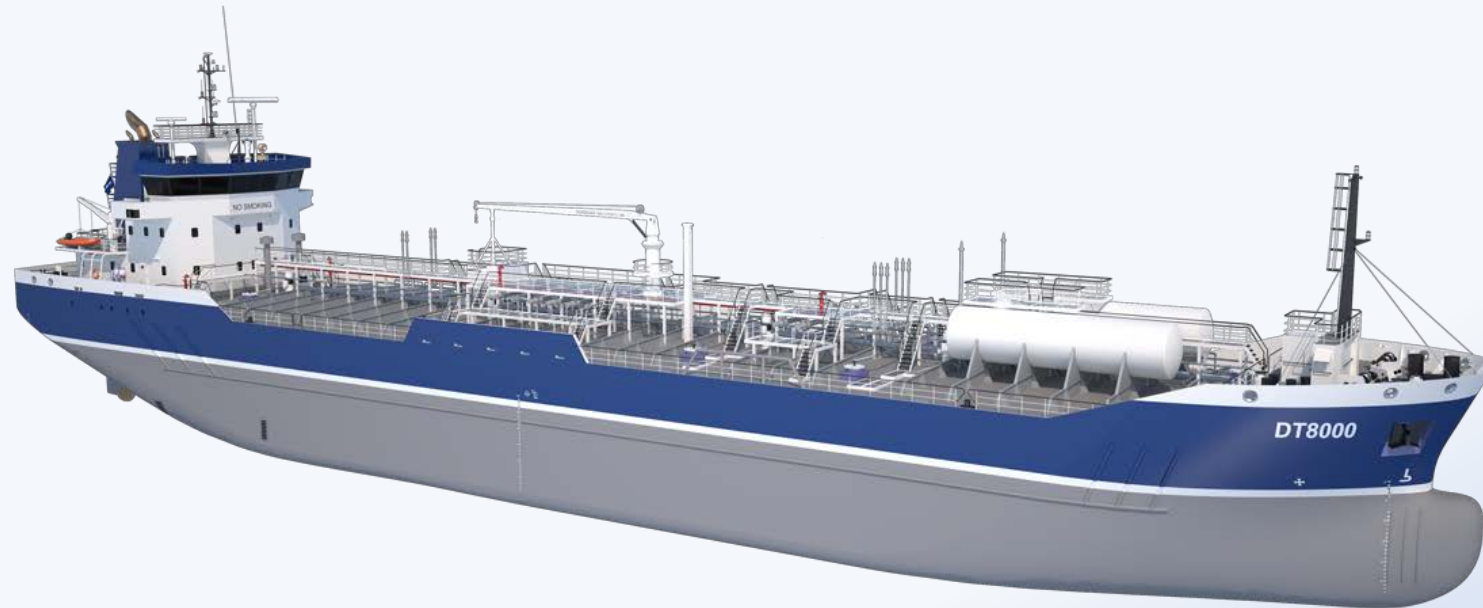
Deep Dive Analysis Phase

- Specialized analysis of the collected datasets is carried out using advanced **Big Data** computational tools and analysis protocols, artificial intelligence, machine learning algorithms, optimization and classification techniques.
- This analysis leads to the formulation of the Company's current **cultural and organizational profiling**. Specifically:
 - Reveals its values system
 - Uncovers hidden associations between various organizational aspects which relate to maladaptive organizational practices
 - Identifies its Management and Leadership style
 - Evaluates the degree of misalignments within the company
- The company's strong and weak points are identified and as a result, an **Improvement Strategic Plan** is formulated. This comprises sets of suggested points for improvement, corrective actions such as new policies, procedures, initiatives, easy wins & individual actions.



Deep Dive Initiative: Success is at the End

The final objective of the Deep Dive initiative should be to gradually implement all these diagnostic, monitoring and management tools to identify the issues and obstacles inhibiting Company's operational efficiency and guide the required change in the Shipping Company to align Strategy, Leadership and Culture to Goals and succeed.



IT'S A LONG ROAD BUT SUCCESS IS AT THE END

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A Primer to Aligning People with Corporate Strategy and Goals in Shipping Companies

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