

Welcome to  
*The New Generation  
in Offshore & Ship Management*



The OSM Group

# TankerOperator

- Human resources
  - how to secure the crew
  - how to attract crew
- How to be in line with expectations of oil majors
  - TMSA
  - combined experience
  - competence matrix
- - The public's eye on the tanker operator and what this means
  - environment friendly image
  - public opinion
  - share holder value
- - KPIs and TMSA
  - a tool for improved recruitment and standard
  - accept it of loose!



# Maritime Crew Needed!

- **Norwegian Shipowners' Association president Trygve Seglem says the country's foreign-going fleet continued to grow during the first quarter of 2007, reaching a new all-time record of 1,795 vessels.**
- **During the same three-month period new-building orders to Norwegian account increased to 378, up 78% since the start of 2006.**
- **In addition there were 170 offshore service vessels booked at yards, many for construction work.**
- **The value of ships on order surged in the latest quarter to NOK 129bn and rigs by 36% to a record NOK 54bn.**

Extract from Tradewinds online 12.06.2007



- Crew becomes a “Commodity”
- e.g. Poland - after entry into EU:
- Shifted from being supplier of “easy vessels” to offshore sector.
- Increased earnings, 2<sup>nd</sup> mate with Dp 12.000 +
- Wages for most Senior Officers has increased more than 100% in 3 years
- Can work an all EU flags
- Wages cost close to net wages of Scandinavians (NOR and SE flag)
- Replaced by?





# VIQ as part of Personnel Systems

## Qualifications list for Officers

Printed: 13.06.2007

Vessel	Master	Chief Officer	2nd Officer	Chief Engineer	2nd Engineer	3rd Engineer
Nationality	SWEDEN	SWEDEN	FILIPINO	LATVIAN	SWEDEN	Norwegian
Certificate of Competency	Master Mariner COC - STCW Reg. II/2	Master Mariner COC - STCW Reg. II/2	Officer in Charge of a Navigational Watch COC - STCW Reg. II/1	Chief Engineer Officer COC - Motor - STCW Reg. III/2	Chief Engineer Officer COC - Motor - STCW Reg. III/2	Officer in Charge of an Engineering Watch COC - Motor - STCW Reg. III/1
Issuing Country	Sweden	Sweden	Philippines	Latvia	Sweden	Sweden
Administration Acceptance	Yes	Yes	Yes	Yes	Yes	Yes
Tanker Certification	O C	O C	O C	O C	O C	C
STCW para 1 or 2 for current cargo	2	2	2	2	2	2
Radio Qualification	GOC	GOC	GOC			
Years With Operator *	4,55	3,99	1,17	0,44	5,38	5,32
Years With Operator/Combined *	8,54			5,8		
Years In Rank **	13,04	7,75	12,66	3,99	11,04	20,83
Years In Rank/Combined **	21,69			15,03		
Years of this Type of Tanker **	2,58	0,60	6,53	1,20	1,32	1,30
Years of this Type of Tanker/Combined **	3,18			2,52		
Years on all Types of Tanker **	16,46	5,36	9,19	9,22	2,46	2,01
Years on all Types of Tanker/Combined **	21,82			11,68		
Months on Vessel this Tour of Duty	0,77	0,53	4,57	0,63	0,13	0,67
English Proficiency Good/Fair/Poor	Good	Good	Good	Good	Good	Good



# Tools to measure Combined Experience



## TOTAL Report - Experience Compliance Check

Printed Date : 13.06.2007

Printed By : Eskilt, Jan Morten

Employee	June 2007	July	August	September	October	November																				
<b>Vessel</b>																										
<b>Years in Rank</b>																										
<u>Master/Chief Officer</u>	13	11	11	11	11	9	17	9	9	9	13	13	13	13	13	11	11	11	11	11	5	5	5	5	5	5
<u>Chief Engineer/2nd Engineer</u>	5	5	5	5	5	5	5	5	5	5	5	5	5	6	6	6	10	10	10	10	10	4	4	4	4	4
<b>Years in Tanker</b>																										
<u>Master/Chief Officer</u>	13	11	11	11	11	10	8	10	10	10	13	13	13	13	13	12	12	12	12	12	5	5	5	5	5	5
<u>Chief Engineer/2nd Engineer</u>	17	17	17	17	17	17	17	17	17	17	17	17	17	17	17	17	18	18	18	18	18	5	5	5	5	5
<b>Years in Company</b>																										
<u>Master/Chief Officer</u>	10	13	13	13	13	8	10	8	8	8	10	10	10	10	11	7	7	7	7	7	8	8	8	8	8	
<u>Chief Engineer/2nd Engineer</u>	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	8	8	8	8	8	8	8	8	8	

**Legend:**

- In Compliance with TOTAL required experience
- Not In Compliance with TOTAL required experience

TOTAL Required Combined Experience:  
 3 years or more in rank  
 6 years or more in tanker



- - The public's eye on the tanker operator and what this means
  - environment friendly image
  - public opinion
  - share holder value
- Do they produce OIL?



# How to be in line with expectations of oil majors

The screenshot shows the BP.com website in a Windows Internet Explorer browser window. The address bar displays the URL <http://www.bp.com/home.do?categoryId=1>. The browser's menu bar includes File, Edit, View, Favorites, Tools, and Help. The toolbar shows various icons for navigation and utility. The website content includes:

- BP Logo:** The BP logo is prominently displayed in the top left corner.
- Navigation Links:** A horizontal menu contains links for Site Index, Contact us, Reports and publications, BP worldwide, and Home.
- Search Bar:** A search input field with a "Go" button is located in the top right.
- Main Navigation:** A secondary menu includes About BP, Environment and society, Products and services, Investors, Press, and Careers.
- Energy in our world today:** A yellow banner highlights the BP Statistical Review of World Energy 2007, with a link to "Read the review and use the interactive tools".
- Products and services:** A section with three dropdown menus: "On the road" (Fuels and stations), "For the home" (Liquefied Petroleum Gas (LPG)), and "For business" (Air BP), each with a "Go" button.
- Select a location:** A dropdown menu currently shows "Algeria" with a "Go" button below it.
- Press releases:** A list of recent news items, including "World Energy Patterns Showed Evidence of Shifting in 2006" (12 June 2007), "CEO of Anglo American to Join BP Board" (06 June 2007), and "Iain Conn Becomes Refining & Marketing Boss as John Manzoni Leaves BP" (30 May 2007). A link for "More press releases" is provided.
- Publications:** A list of documents including "BP Annual Report and Accounts", "BP Magazine", "Statistical Review of World Energy", and "BP Sustainability Report". A link for "More publications" is provided.
- Other Content:** Two featured articles: "The gentle touch" (New project requirements to help BP lower its environmental impact) and "Carbon footprint calculator" (Calculate how your lifestyle and household features affect emissions). There are also sections for "Tony Hayward's speech" and "History of BP".

The Windows taskbar at the bottom shows the Start button, several open applications (Inbox - Micro..., OSM: Welco..., BP.com - Win..., Adobe Acrob..., Microsoft Po...), and the system tray with the date and time (14:23).

# How to be in line with expectations of oil majors

The screenshot shows the Shell website's 'Environment and Society' page. The browser window title is 'Environment and Society - Environment and Society - Windows Internet Explorer'. The address bar shows 'http://www.shell.com/home/content/envirosoc-en'. The page features the Shell logo and navigation links for 'accessibility', 'help', and 'sitemap'. A search bar is present in the top right. The main content area is titled 'Environment and Society' and includes a navigation menu on the left with items like 'Home', 'The energy challenge', 'Sustainability and business strategy', 'Making it happen', 'Environment', 'Society', 'Projects and locations', 'Our Performance', 'Shell Sustainability Reports', 'Our approach to reporting', and 'Case studies'. The main content area highlights 'More Energy', 'Secure Energy', and 'Responsible Energy' with right-pointing arrows. Below this is a section for the 'Shell Sustainability Report 2006' with a note that the animation requires Macromedia Flash Player 8 or above. The page is divided into four columns: 'Meeting the energy challenge' (with an image of a car), 'The environment' (with an image of a purple flower), 'Our performance' (with a pie chart), and 'Shell in society' (with an image of people). A 'Related links' section on the left includes 'About Shell', 'Media Centre', 'Investor Centre', 'Jobs & Careers', and 'Technology & Innovation'. The Windows taskbar at the bottom shows the Start button and several open applications, including 'Inbox - Micro...', 'OSM: Welco...', 'Environment ...', 'Country - Wi...', and 'Microsoft Po...'. The system tray shows the time as 14:27.



# How to be in line with expectations of oil majors

The screenshot shows the Neste Oil website in a Windows Internet Explorer browser window. The address bar displays <http://www.nesteoil.com/>. The browser's menu bar includes File, Edit, View, Favorites, Tools, and Help. The taskbar at the bottom shows the Start button and several open applications: OSM: Welcome to the..., Nesteoil.com - Neste..., and Microsoft PowerPoint... The system tray on the right shows the time as 14:33.

The website content includes:

- Navigation:** First page | Nesteoil.fi | Other services | Feedback | Contacts | Site map | Search
- Logo and Tagline:** NESTE OIL refining the future
- Menu:** Products and services | Corporate info | Businesses | Investors | Environment | Media | Careers
- Main Image:** Aerial view of a city with a large white building (likely the Helsinki Cathedral). Text overlay: "Each liter towards refined future."
- Interim Report January-March 2007:** Comparable operating profit 33% higher at EUR 158 million. [Read more](#)
- Each liter towards refined future:** The world needs new fuels. Join us a journey into the future. [Read more](#)
- News:**
  - 05.06.2007 - Neste Oil to buy rapeseed oil from Raisio as biodiesel feedstock
  - 31.05.2007 - Neste Oil inaugurates new diesel line and biodiesel plant at Porvoo, and celebrates 40 years of operations at its Technology Center
  - 24.05.2007 - Neste Oil's renewable diesel to help clean Stockholm's air[Archive](#)
- Neste Oil Share on the Helsinki Stock Exchange:**

Last, €	27.43
Time	06/13 at 15:14
Previous close, €	27.35
- Interviews:**
  - Petri Pentti, CFO, in CNBC interview 26 April 2007:** In this interview Petri Pentti discusses Q1 performance.
  - Kimmo Rahkamo, Executive Vice President, in CNBC interview:** Kimmo Rahkamo discusses Neste Oil's biodiesel joint venture with Stora Enso.



# How to be in line with expectations of oil majors

The screenshot shows the Statoil website in a Windows Internet Explorer browser window. The browser's address bar displays "http://www.statoil.com/". The website's header features the Statoil logo and the tagline "Imaginative Hands-on Professional Truthful Caring". A navigation menu includes "Home", "News", "Featured sites", and "Investor relations". The main content area is divided into several sections:

- News:** "Statoil extends offer for NAOSC" (12.06.2007) and "McCann picked as ad agency for StatoilHydro" (11.06.2007).
- Featured sites:** "Statoil and sustainable development 2006" and "Snøhvit LNG project".
- Investor relations:** "Investor relations", "Annual report 2006", "First quarter 2007", "Press release", and "Key figures".
- Upcoming:** "30 July at 08:00 am (CET)" and "5 July at 5 pm".

The footer contains contact information for Statoil ASA and a copyright notice.



# Gap Analysis DnV CMS vs OSMQMS

OSM QUALITY SYSTEM & CMS RELATION MATRIX		
Element (CMS)	Code	OSM QMS
<b>APPLICATIONS</b>	<b>1</b>	
Objectives	1.1	<a href="#">CMP-04</a> + <a href="#">ORQM-09</a> + <a href="#">ORTCM-01</a> + <a href="#">ORTCM-02</a> + <a href="#">CRP-01</a> + <a href="#">ORQM-02</a> + <a href="#">ORQM-04</a> + <a href="#">ORQM-01</a> + <a href="#">OSM-QMS</a> + <a href="#">OSM KPI</a>
Scope	1.2	<a href="#">CMP-04</a> + <a href="#">OSM KPI</a> + <a href="#">OSM-QMS</a>
Application	1.3	<a href="#">OSM-QMS</a> + <a href="#">CMP-04</a>
Normative References	1.4	<a href="#">CMP-04</a> + <a href="#">ORQM-07</a>
Equivalence and Alternatives	1.5	<a href="#">OSM-QMS</a>
Definition	1.6	<a href="#">OSM-QMS</a>
<b>CERTIFICATION</b>	<b>2</b>	<a href="#">ORQM-01</a> + <a href="#">ORQM-04</a> + <a href="#">OSM-QMS</a>
<b>COMPETENCE MANAGEMENT SYSTEM</b>	<b>3</b>	
Continual Improvement	3.1	<a href="#">ORQM-02</a>
Responsibility and Authority	3.2	<a href="#">CMP-04</a> + <a href="#">ORQM-02</a> + <a href="#">ORQM-09</a>
System Administration	3.3	<a href="#">ORTCM-02</a> + <a href="#">OSM-QMS</a> + <a href="#">ORCPS-01</a> + <a href="#">ORQM-01</a> + <a href="#">ORMA-03</a> + <a href="#">JRCM-04</a>
Competence Management Process	3.4	<a href="#">OSM-KPI</a>
<b>SYSTEM REQUIREMENTS</b>	<b>4</b>	
Business Goals and KPI's	4.1	<a href="#">OSM-POLICY</a> + <a href="#">OSM-KPI</a> + <a href="#">OSM-QMS</a> + <a href="#">ORQM-05</a> + <a href="#">ORQM-11</a> + <a href="#">ORTCM-01</a> + <a href="#">ORTCM-02</a> + <a href="#">VBE-03</a>
Definition of Competence Needs	4.2	<a href="#">CMP-04</a> + <a href="#">ORTCM-02</a>
Assessment of current Competence Needs	4.3	<a href="#">ORTCM-02</a> + <a href="#">ORQM-09</a> + <a href="#">ORP-16</a> + <a href="#">ORTCM-01</a>
Gap Competence Gaps	4.4	<a href="#">ORTCM-02</a> + <a href="#">ORQM-09</a> + <a href="#">ORP-16</a> + <a href="#">ORTCM-01</a>
Competence Needs Analysis	4.5	<a href="#">ORQM-01</a> + <a href="#">ORTCM-02</a>



# Gap Analys TMSA vs OSMQMS

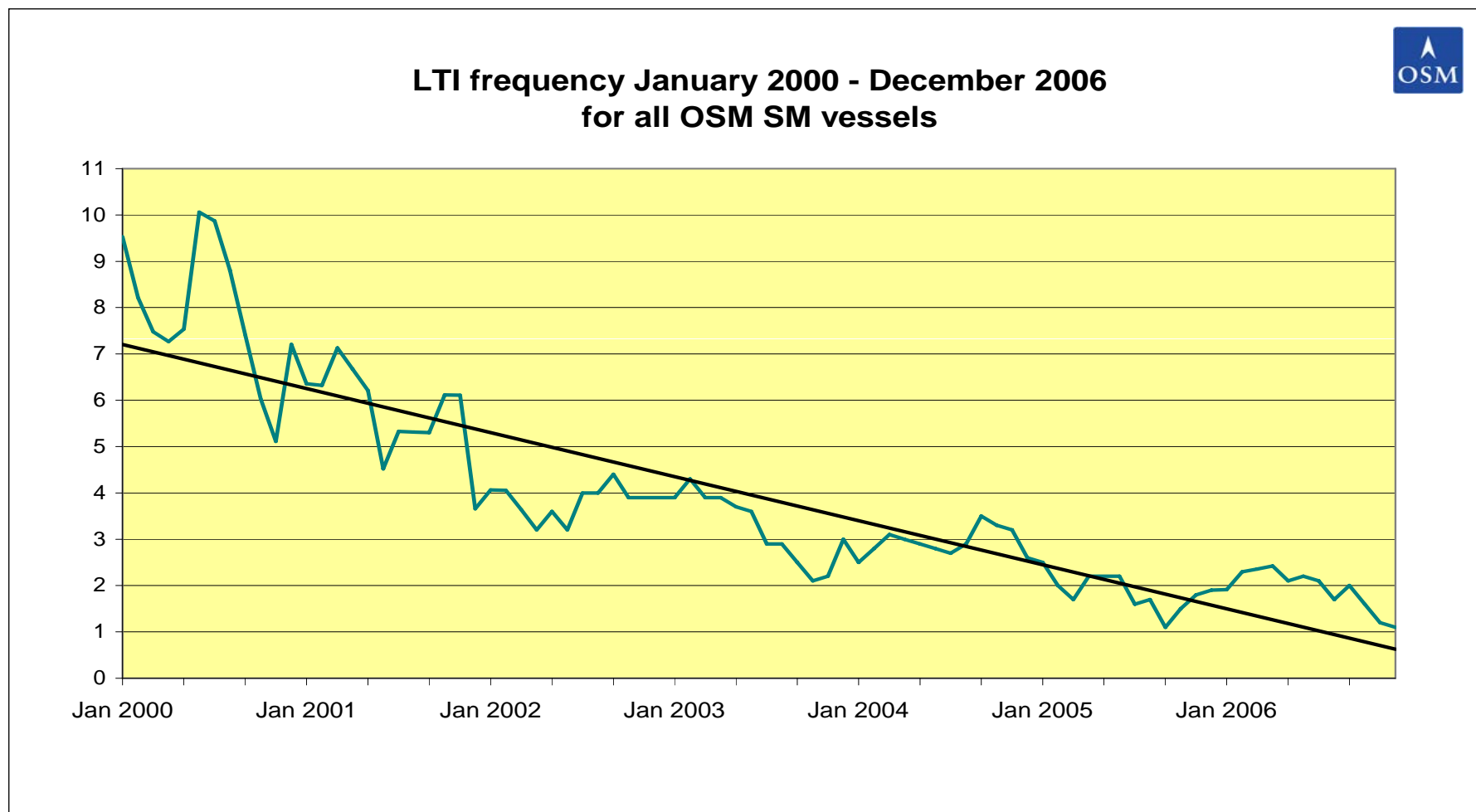
OSM QUALITY SYSTEM & TMSA RELATION MATRIX		
3A RECRUITMENT AND MANAGEMENT OF SHIP'S PERSONNEL		
Element (TMSA 3A)	Code	OSM QMS
A process is in place to screen new crew members for job competence.	Stage 1	<a href="#">CMP-01</a> + <a href="#">OSM</a> + <a href="#">CMP-03</a> + <a href="#">ORMA-03</a>
Medical checks are conducted as a part of the selection and recruitment process.	Stage 1	<a href="#">JRCM-05</a> + <a href="#">OSM POLICY</a>
A formal drug and alcohol policy is implemented and a system is in place to monitor it on a regular basis.	Stage 1	<a href="#">CMP-08</a> + <a href="#">OSM POLICY</a> + <a href="#">ORF-14</a>
Management has a defined system for selection, recruitment and promotional procedures	Stage 1	<a href="#">CMP-01</a> + <a href="#">CMP-02</a> + <a href="#">ORTCM-01</a> + <a href="#">ORTCM-02</a> + <a href="#">OROM-09</a> + <a href="#">ORCPS-01</a>
An appraisal process in place for all staff.	Stage 2	<a href="#">CMP-01</a> + <a href="#">CMP-02</a> + <a href="#">CMP-04</a> + <a href="#">ORTCM-02</a> + <a href="#">JRCM-07</a> + <a href="#">VRF-03</a> + <a href="#">VRF-20</a>

1) The company undertakes vessel health risk assessments on a rolling basis.	Stage 4	<a href="#">VRCM-01</a> + <a href="#">OSM-POLICY</a>
2) Seafarer appraisal processes are linked to future training and promotion requirements.	Stage 4	<a href="#">VRF-03</a> + <a href="#">VRF-20</a> + <a href="#">ORTCM-01</a> + <a href="#">ORTCM-02</a>

3B RECRUITMENT AND MANAGEMENT OF SHIP'S PERSONNEL		
Element (TMSA 3B)	Code	OSM QMS
1) Shore management provides adequate resources to ensure well-being of crews.	Stage 1	<a href="#">VRCM-01</a> + <a href="#">OSM-POLICY</a> + <a href="#">JRCM-02</a>
2) There are procedures to ensure that the working hours of all personnel are in line with STCW guidelines and are being accurately recorded.	Stage 1	<a href="#">VRCM-05</a> + <a href="#">VRF-02</a>
3) There are procedures ensure that crew training is undertaken within a specific time.	Stage 1	<a href="#">ORTCM-01</a> + <a href="#">ORTCM-02</a>



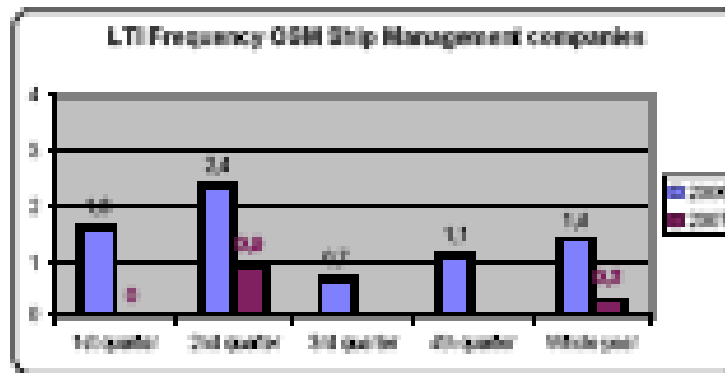
# LTI frequency – Continues focus Helps!



# LTI frequency

## 2. Lost Time Injury (LTI)

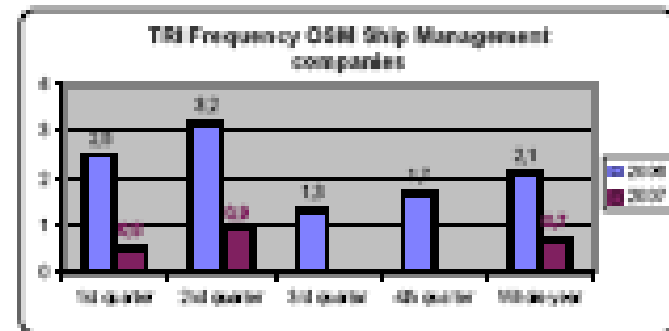
One LTI in May. Total year to date is one.



## 3. Medical Treatment Injury (MTI) / Restricted Work Case (RWC) / Total Recordable Injury (TRI) Frequency

None MTI reported year to date.

None RWC was reported in May. Total year to date is one.





*It's all about people*

The OSM Group

