

Terminal Health Check Program

THE CONTEXT

- The industry has been going through a significant structural change since 2008-2009, and the formation of the new operational alliances will be taking this to a new phase. Similar to previous years, the formation of these alliances are reshaping and consolidating the container market, with one of the primary objectives being cost management.
- The dramatic increase in maximum- and average-sized ships on all trade routes perpetuates the challenge of oversupply in the container shipping industry. This remains a concern and continues to pressure rates and affect carrier financials. There is no avoiding the competitive pressure from global automation and productivity.
- Companies need to continually demonstrate their commitment to providing a competitive advantage for their customers and stakeholders through such measures as improved efficiency, increased land and equipment capacity as well as awareness of own strengths and weaknesses. Providing a safe work environment remains paramount to any operation.



Solutions to bottlenecks, increased equipment capacity and efficient land usage are vital.

This is where we feel that we can add value to your organisation!

THE THREE CRUCIAL AREAS

As experts in the field of port and terminal operation we have identified the crucial areas of container terminal operations to gain efficiency.

- **Information Technology**
- **Operations**
- **Technical management**

Efficiency is paramount and the lacking of industry standards and global best practice can create tremendous disadvantage to terminal operators in competitiveness, efficiency, performance and cost. Live support is required in assessing and identifying the terminal's deviation from best practice. In particular small and medium throughput facilities often lack internal transparency and awareness of their own idling efficiency potential.

THE THREE STEP APPROACH

Our "*THREE STEP APPROACH*" allows identifying the terminals scale of efficiency through applying a systematic and swift assessment for the Three Crucial Areas of terminal operation "*Information Technology, Operations and Technical management*".

1. Assessment and benchmark of the organisation, safety and communication processes.

- ✓ Identification of shortcomings and deviation from best practice. Various forms of organisation structures are applied in terminal operation, often neglecting the importance of well-defined responsibilities, safety rules and communication. Each individual facility requires its own form of organisational structure to allow resource development achieving optimal results.
Our approach based on strong project and management experience allows identifying improvement potential assisting the terminal operator to plan the required steps for improving his organisation.
- ✓ Identification of shortcomings and deviations from best practice.
We have experienced that transparency and interdepartmental communication as well as communication with third parties is often in a desolate state and management control is only apparently exercised and employees lack of understanding of the company's mission, targets and commitments. This condition can lead to inefficiencies, unnecessary costs, lack of competitiveness and unnecessary safety risks.
We believe that a company -independently to its size - shall have clearly structured communication. Based on our international experience we will provide the terminal operator with an assessment report which depicts state of communication. The report will propose alternatives for remedy.



2. Assessment of KPIs and benchmark with global best practice.

- ✓ Assessment of current KPIs on helpfulness and benchmarking.
A standard set of KPIs is mandatory for controlling and managing terminal economics and safety standards. Lack of suitable, insufficient or too many KPIs can lead to loss of control, impossibility of corrective actions and in consequence higher costs.
KPIs provide a constant feedback of operational and technical efficiency and a dashboard can be made available to the management of the terminal.
Our assessments will highlight operational technical performances allowing monitoring the efficiency of operation, equipment, yard and berth utilisation.
Taken into account your specific operational needs we will provide you with an overview of your current data and data availability. We then assist you to optimise your data dashboard according to best practice providing a set of KPIs we deem mandatory.

3. Assessment of the TOS (Terminal Operating System) and its application.

- ✓ The TOS is the owner of operational processes and a good use and understanding is a turnkey point for efficiency and change management.
Very often TOS is used at 50% of its capability. Common practice, self-training, low maintenance (upgrades, configuration, tuning) may lead to a poor use of TOS, including the non-use of expensive licenced modules which are often focusing on optimisation and automation.
- ✓ Port Community Systems and EDI may affect the quality and the efficiency of terminal services.
Quality, reliability and timing of data and information is a pre-requisite for an optimal yard segregation, for housekeeping preparation and for a fluent gate process.
- ✓ Billing System configuration, contractual tariff schema and operational procedure shall be perfectly tuned with each other to ensure that all due services are invoiced, documented and traced.
Business Intelligence, reporting and live dashboard can easily increase the control on operations and support optimal decision in resource usage and priority assignments.
Through rapid checks underlying deficits in either use of system or system structure will be identified and efficiency and cost saving potential pinpointed.
The outcome will allow for further focused detailed investigation and action.

METHODOLOGY

A team of consultants - experts in the fields of technology, operations, TOS and process management with hands on experience in ports and terminal operation, will be dedicated to the study. Their background and expertise includes international project and port management experience including a wide range of terminal operation and handling systems as well as up-to-date know how of the state of the art port operation technology. We firmly believe that workshops are the best way to involve the terminal management team into the assessment process and obtain their contribution to achieve the project target.

DELIVERABLES

Based on above background, we will deliver the following in 5 days on site:

- **Initial three days management workshop** at the terminal.
- After the initial presentation of the project scope to the terminal management we will familiarise with the terminal's technical and operational areas during an intensive visit together with the management.
- Once having received the introduction and explanation of activities we will continue with interviews in the areas "*Information Technology, Operations and Technical management*".
- The workshops will be managed by 3 senior experts.
- During the interactive workshop we will illustrate and explain where and how the terminal lacks of efficiency and transparency. We will make a proposal of how we believe significant gains can be obtained.
- Targeted group: department managers, supervisory staff.

Typical agenda

- One Week Prior to Visit – Complete detailed technical questionnaire
- Day 1: Familiarisation with the facility. Interviews with department managers (3 stream sessions).
- Day 2: Interview with department supervisors (3 stream sessions).
 - Technology/Engineering
 - Operational Process
 - IT Review
- Day 3: Interview with department supervisors (3 stream sessions).
 - Technology/Engineering
 - Operational Process
 - IT Review
- Day 4 Preparation of Report and recommendations
Our team will gather all information, tune the contents with direct Q&A with terminal representative.
Elaborate a report with our findings and a list of recommended actions, issue e deliverable of result.
- Day 5 Report of findings and recommended actions
The findings and the recommended actions of which we believe that safety and efficiency gains can be obtained will be presented and discussed on a roundtable with the terminal.
The report shall represent the guideline for the terminal to implement the identified and agreed improvements.
The format will be MS Power Point.



We hope that our idea has triggered your curiosity and we are very much looking forward to discuss our product in detail with you.

Data and System Planning

DSP provides worldwide IT solutions and business operation and TOS consultancy taking advantage of its specialised and proven know-how in informatics technologies applied to the shipping industry, port, terminal management and intermodal transportation. DSP is a NAVIS implementation and support partner, and operates worldwide with a team of 20 people.

Founded in 1986, DSP celebrates its 30 years in business.

Vector Port and Transport Solutions

Vector Ports is a UK based company offering the full range of consulting services for the Container, RoRo Port, Automotive, Bulk Handling and intermodal transport sector. Vector Ports has participated in a wide range of international projects in Europe, Middle East, Africa and India embracing all aspects of port and transport work. Vector Ports has a wide range of experience of assisting terminals to redesign and streamline their management and terminal organisation to provide cost effective and safe operations and management systems.

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