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A photograph of two men in dark suits and ties standing side-by-side against a light blue background. The man on the left is wearing a light blue tie, and the man on the right is wearing a striped tie. Both have their hands in their pockets.

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Earning Back the Trust: One Mariner at a Time

By Joseph Keefe

U.S. Coast Guard's National Maritime Center Centralizes and Relocates to West Virginia

On October 10, I traveled to Kearneysville, West Virginia to see, first-hand, the physical manifestation of the biggest overhaul of mariner-documentation procedures in many decades. The U.S. Coast Guard has at long last embarked upon an ambitious but long overdue quest to change the way it interfaces with America's commercial mariners. The move to scale back operations at the 17 Regional Exam Centers (RECs) and centralize all credential-production operations – among other things – at Martinsburg, West Virginia has many in the maritime community concerned. And because the Coast Guard's recent performance in many things related to marine safety has been lacking, there could be real merit to those who would question whether the nation's fifth uniformed military branch is up to the task.

As I exited I-81 in West Virginia after a six-hour drive from Charlotte, my Global Positioning System announced blandly that I had entered a “non-digitized” area. Left to find my motel in the dark without an atlas, I eventually arrived and checked in. The following morning I started my day with the buffet provided by the motel in Martinsburg, West Virginia. My fellow road warriors and I munched our breakfast and slurped coffee in the “Robert C. Byrd” room. And so it was that the first burning

question (“Why in heaven’s name is the Coast Guard in West Virginia?”) had been answered. Of course, I got lost on the short, ten-minute drive to the Coast Guard’s temporary offices in Kearneysville, but alert Coast Guard personnel (after determining which large cornfield I was pulled over next to) eventually guided me safely to the National Maritime Center. What I found when I got there just might surprise you, and beyond this, give hope to American mariners everywhere.

Missions and Visions: Still Worlds Apart

Captain David C. Stalfort is the Commanding Officer of the Coast Guard’s National Maritime Center. He began by telling me, “We haven’t, up until now, done a real good job of giving people the big picture of where we are going with this effort.” With that, he launched into a 20-minute, well-rehearsed and professionally assembled PowerPoint presentation to do just that. Later that day, he would give the same presentation to a large contingent of Ingram Barge Company executives and operations personnel. His delivery answered many of my questions before I had a chance to ask them, but also provided the basis for many more. From the outset, however, it was clear that the weight of this entire overhaul was squarely on Stalfort’s shoulders, and he did not intend to drop the ball.

Simply stated, the National Maritime Center (NMC) is managing a project to restructure and centralize the Coast Guard’s Mariner Licensing and Documentation Program. The project will consolidate the functions of 17 independently operating RECs into one credential-processing center located in Martinsburg, West Virginia. The goal of this effort is to improve customer service, decrease credential-processing time and improve the consistency of Coast Guard products and services.

In October 2006, the NMC began to centralize by moving some of its operations in Arlington, Virginia to temporary facilities in Kearneysville. On October 1, 2007, the remaining operations were temporarily relocated to Kearneysville and the Arlington facility was shut down. The current plan calls for the NMC to operate at the Kearneysville location until December 2007, at which time

the entire operation will be moved to a permanent location in Martinsburg.

Like its Coast Guard parent, the NMC has taken on many roles over the years in addition to dealing with mariner credentialing. Policy development, regulatory issues and International Maritime Organization (IMO)-interface all, at one time or another, came under the purview of the NMC. As the Coast Guard embarks on its plan to centralize NMC operations in one location, all functions not related to the production of mariner credentials have been shifted elsewhere. For this reason alone, the Coast Guard may finally be on its way to reversing a trend of deteriorating service to mariners by personnel who had either lost, or perhaps never had, the necessary skill sets. Coast Guard and civilian contractors in the West Virginia-based NMC now have one focus. And that's a pretty good start.

Stalfort says that the new effort to ramp up service to America's 210,000+ mariners is based on the following three metrics:

1. **Respecting mariners' experience and considering their suggestions for improvement;**
2. **Valuing the mariner's time – getting it right the first time; and**
3. **Respecting the mariner's privacy, especially where it concerns personal data.**

Within all of that, Stalfort says that a renewed effort within the NMC to find a way to say "yes" is underway. "So often, we simply reach for the 'no' button. We want to find a way to say yes, yet at the same time maintain a safe, secure and environmentally sound marine transportation system," he added. It will be a delicate balancing game and Stalfort himself cautioned, "We don't want to be just handing out credentials to anyone – and we won't. We will find a way to issue credentials to qualified mariners in a timely manner." Unspoken in all of this was the fact that the reality of the new medical requirements, draconian background investigations and other impediments to those who want to go to sea have not gone away, but rather have increased exponentially. Achieving a more efficient system and demonstrating to the maritime community that this has occurred will not be an easy task.

Life After the Fall of Full-Service RECs: The New "Normal" for U.S. Mariners

In the past, a mariner looking to upgrade, renew or perhaps get a new document would fill out the paper application and submit it to the local REC, where the background investigation,

medical evaluation and all the rest of it would take place. A medical waiver would require interface back and forth with Washington headquarters, often involving people who had no business making medical determinations that might affect a mariner's ability to make a living. Eventually, the document(s) would be created and issued directly to the mariner. Before that could happen, though, the lack of standardization on the local level might necessitate three rounds of paperwork, and it was not unusual for errors to occur in the production of licenses and / or merchant mariner documents (MMD).

Dave Stalfort himself freely admits that in the port of Memphis, where he had previously worked, at least 50 percent of all document paperwork involved errors necessitating changes and, of course, delays. Stalfort holds a

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Coast Guard license himself, so he's also a customer. "It is a complicated process. I've gone through four renewals myself and it's never been the same procedure twice. My hope is that we will, along with everything else, simplify the process." The 210,000+ individuals who now make up the credentialed American mariner pool probably feel the same way.

In essence and in a pre-NMC world, there were 17 different ways of doing business. Beyond this, the practice of "venue" shopping was rampant among mariners who, when turned down for one reason or another at one location, would travel to another REC to try again. The game was popular because, more often than not, it worked. The result was a system which was unfair to mariners trying to get credentials in an aboveboard manner and also encouraged cheating. It is for this reason that mariners may now get to experience something closer to the old adage, "Be careful what you wish for; you just might get it." The new standardized system of evaluation at NMC will involve fewer persons handling the information, a more standard – and stringent – set of criteria and less wiggle room. And as much as Stalfort wants to say "yes," the likelihood of a marginal application being denied may have gotten a little higher.

The new way of thinking within the Coast Guard involves trying to achieve an economy of scale for the credentialing process. Notwithstanding the painful and very public whipping taken by the Coast Guard at various subcommittee hearings in recent months, David Stalfort himself was not afraid to be painfully honest about what was at the heart of the Coast Guard's woes, at least as they related to the mariner-credentialing process. "As new tasks were thrust upon the local RECs, the process began to slow down. The new task of issuing MDs was a factor, as was the advent of STCW requirements, and as the number of mariners began to increase the workload began to hurt customer service. At some RECs they actually cut back on service hours in order to catch up on back office documentation and to speed up production of

documents as the backlog continued." Stalfort calls it the "death spiral." Nobody actually died, of course, but after listening to recent congressional testimony from industry officials, there were clearly some who wish they had.

Today, all medical reviews are being processed through the National Maritime Center by a fully qualified and dedicated – licensed physicians, in most cases – staff who have no other function. According to Stalfort, the process of issuing medical waivers, if they are needed, has become far more standardized and, more importantly, more fair. Security background investigations have also been centralized at NMC for all RECs. Hence, two of the more onerous tasks have now been removed from the backs of local evaluators, who are now free to do what Stalfort envisions them doing in a much more efficient way down the road: personally helping mariners and expediting the process from the local level. Eventually, all RECs will be what Stalfort calls "storefronts." No evaluations will be conducted on a local level. Instead, he calls the future REC representatives "advocates for the mariner," giving examinations and evaluating local courses for Coast Guard compliance. But if today's twenty-five year veteran mariner is skeptical of this lofty goal, then he or she

can be pardoned for doubting that something they've waited an entire career for might actually come about.

Transition: Implementing the Plan

So far, just four of seventeen RECs have been fully transitioned to NMC, but these four ports – New Orleans, Baltimore, Juneau and Anchorage – account for approximately 40 percent of all mariner documentation in the United States today. So the wheels are clearly turning at NMC, but there is a long way to go. In actuality, New Orleans had been scheduled to be one of the last RECs to be transitioned, but Katrina changed all of that. And what a wake-up call that event was! Stalfort says, "We knew right then and there that we had to get out of the 'paper' business." In keeping

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with that, he asserts that the ultimate goal is to make all mariner files – once a REC has transitioned to the NMC – totally electronic, and ultimately return the paper documents to each mariner when the next scheduled renewal has been completed. More than one NMC individual smiled and rolled their eyes when I mentioned this ambitious plan during the course of my visit, but Stalfort is determined to make it happen, and happen soon.

The futility of the paper chase was made fully evident during the period when thousands of mariner files had to be shipped north, dried out and then stored somewhere in the wake of Katrina. Initially, the New Orleans documentation process was moved to the port of Memphis. And in keeping with Stalfort's new policy of saying "yes" whenever possible, extensions of licenses that had expired during this tumultuous time were given through the implementation of a regulation change.

The transitioning of all the local RECs is set to be done in a rapid process. One of the larger RECs still operating under the old system is Houston. Now slated to be one of the last three to be moved, the date has been set for the latter stages of 2008. Moving at a pace of transitioning two RECs per month going forward, Stalfort vows that they will be done with

the process by the end of December 2008. This means that mariners nationwide will very soon be feeling the effects of the long-awaited restructuring. How efficiently David Stalfort and his staff accomplish these goals will no doubt define the success of the program for years to come, and it goes without saying that this most visible manifestation of Coast Guard operations could very soon influence congressional decisions on whether to break out functions the Coast Guard has held onto for decades and place them somewhere else.

Ambitious Goals: Set the Bar High

It all sounds pretty good, but the proof will be in the pudding when all the RECs have finally been transitioned to NMC, leaving the so-called "storefront kiosks" in place to handle

– well, let's call it what it will be: local handholding. In the meantime, Captain Stalfort has laid out quantifiable goals which, if achieved, will validate this effort as a success for both the Coast Guard and the mariners it serves. These goals include:

■ Producing more documents than they take in - reducing the backlog:

Right now, says Stalfort, it takes anywhere from 10 to 28 days to produce a credential. He wants to reduce that to a maximum of 10 days by April 2008. Depending on how that goes, he envisions a turnaround time for an electronic renewal of less than two days – a standard achieved in the old days, and one which he would like to return to.

■ Produce documents faster than the RECs during the transition period:

The Coast Guard needs to achieve this metric without fail. Right now, Stalfort says that they are about three weeks faster than the RECs, but if that gap closed mariners might be tempted to go to one of the still-open RECs, an event which will only delay the final transition.

■ Reduce the cost of producing a document:

Stalfort freely admits that they haven't yet gotten their arms fully around this issue, but it is one that is near and dear to his heart.

■ Simplify the application process:

Today, a document application may have to be signed by the mariner as many as five times. David Stalfort sees no reason why this, and many other aspects of the application process, cannot be streamlined and further simplified.

At the NMC, early analysis of performance has yielded some encouraging data. For example, says Stalfort, simple process changes implemented in July have resulted in a net reduction in backlogged documents by a whopping 60 percent. And he claimed that the documentation error rate has been reduced from a dismal 40 percent of all document transactions to less than 10 percent in the early stages of their efforts to improve efficiencies. "Reducing errors means faster processing; it's as simple as that," he added.

Economies of Scale: Compelling Reasons to Consolidate

Regardless of where the Coast Guard finally decided to relocate its primary mariner documentation function, there were easily identifiable reasons to do it. Some of them had nothing to do with mariner satisfaction. The eventual elimination of the massive cost involving storage of paper documents could eventually save the government considerable money, as will the filing of documents by using e-files instead of standard mail or overnight packages.

The Coast Guard will also eventually begin to encourage bulk / pre-packaged applications from the maritime academies and / or other industry schools as a means to reduce workloads. By the use of what he characterizes as "trusted agents," the Coast Guard would certify certain locations to produce standard applications for their students, thereby streamlining an otherwise unwieldy process involving hundreds of applicants. The program would have its best utility through companies like Kirby Marine and the six state maritime academies – in other words, for entry-level documents and MMDs.

Mariners are already enjoying the convenience of being able to phone the central call desk in West Virginia, where six civilians are fielding upwards of 6,000 calls per month, answering licensing and documentation questions. And Stalfort says about 70 percent of these calls involve a simple "where is my document" question. Could the help desk, already manned by knowledgeable associates, eventually eliminate the same function at the RECs (the "handholding")? Stalfort wouldn't say, but no doubt someone with a sharp pencil at the

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GAO will someday eye this particular metric with a hungry gleam in his or her eye.

Last, but certainly not least, all of the (very complicated) MMD production machines will eventually end up at NMC. The real advantage to centralizing these devices goes beyond the consistent use and operation of the machines to produce a more standardized document and includes reducing the delays associated with the failure of a particular unit in an individual REC. Now, backup machines will be at the ready when a failure occurs – and the Coast Guard assured me that it does happen.

The best reason to have the document-producing machines in one place and under lock and key, however, may well be the painful memory of the document scam that came out of Puerto Rico not too long ago. Poor control of a machine there resulted in scores of phony documents being issued, and the black eye received by the Coast Guard in the wake of that debacle was a major embarrassment. In a post-9/11 world, these kinds of lapses no longer represent just an opportunity to issue a reprimand to someone: They also constitute a major homeland security breach. The sooner these machines arrive in West Virginia, the better.

Why Today's Maritime Executive Should Care

As the commercial maritime industry here and abroad grinds along at a record clip, the need to get, upgrade and keep mariners is paramount. The Coast Guard IS listening. According to Captain David Stalfort, outreach to the maritime community has resulted in an internal document production priority queue at NMC. As it attempts to further reduce the backlog of work, the NMC will give priority to (a) document renewals, then (b) license upgrades, (c) original documents and finally (d) continuity renewals (those not actively sailing). The message from industry is clear: Keep the mariners already working at sea and bring along those who want to improve their positions as quickly as possible.

Mariner documentation is an executive issue and an executive problem that needs to be solved. Some companies are taking an active interest in the NMC process. Not content to sit on the sidelines and wait for results, Ingram Barge Company dispatched ten employees to Kearneysville in October. Their visit coincided with the *MarEx* interviews for this article. After the tour and Coast Guard presentation, Ingram's Dave M. Brown, Vice President in charge of Human Resources,

told *MarEx*, "I was very impressed with what I saw. I also sensed a level of commitment that had not been there in the past." Ingram's interest in the Coast Guard's new vision for NMC is not a casual one. With more than 1,700 mariners and nearly half of those holding some sort of license, the day-to-day heartbeat of Ingram Barge depends on keeping the mariners on the boats.

Ingram's visit had more than one purpose. Its "focused wellness" program is beginning to yield good results for its mariners, but it remains keenly interested in making sure the lines of communication remain open between the Coast Guard's new NMC medical unit and the company's own physicians. Teaming with Vanderbilt University, Ingram hopes to smooth out the wrinkles in the "medical waiver" process and keep those mariners who deserve to be employed on the water. While others fret about the new medical regulations coming down the pike, Dave Brown's group was comprised, in large part, of medical personnel seeking to establish good lines of communication and a better understanding of the new rules.

NMC in West Virginia: Why It's Here and Why It Will Yield Dividends in the Long Run

This isn't the first the Coast Guard has tried to fix the mariner-documentation process. This time, however, the funding is finally here: \$12 million in reoccurring funds and up to \$20 million in total – more than double the funding it had before. Of course, the funding came at a price. And Senator Byrd's (D-WV) regentrification of West Virginia is continuing at a brisk pace, thank you very much. As this issue of *MarEx* went to press, there were no concrete plans in the works to dredge a channel up to Martinsburg for Coast Guard cutters. The NMC is close enough to the beltway and still provides a relatively bucolic way of life and a reasonable cost of living.

All kidding aside, the move is, in retrospect, a good one. The infrastructure from which the NMC can tap into existing cables and local Coast Guard expertise is already here. At least two other Coast Guard IT-critical units are in close proximity. Along with a cheaper cost of living goes the advantage of (at least in theory) a reduced cost of doing business. And Stalfort claims that the "brain drain" feared by many as they moved hundreds of positions from multiple locations to just one did not occur. Only two of the many personnel slated to make the move from Arlington opted out.

Dave Stalfort has been in the licensing game for twenty years, having worked at the New Orleans REC as well as at Juneau, and he was the Commanding Officer at Memphis for a time. He's clearly the right guy to lead this effort, and what he might lack in knowledge he certainly makes up for in enthusiasm and, perhaps more importantly, vision. Stalfort understands that mariners are NOT ships and that the future shape of mariner documentation cannot in any way mimic the National Vessel Data System.

Some day, mariners will be able to perform a fair bit of their documentation requirements on-line, in a secure e-environment. Gone will be the redundant, embarrassing disclosures (for example, of the time they were cited as a 16-year-old kid for having an open container on a date) to a Coast Guard clerk at a beat-up office on a back street in an obscure port. There's little need to embarrass a distinguished 55-year-old mariner by rehashing old news – that data is out there and the Coast Guard is going to find it whether the mariner reports it or not. At least, that's the goal.

The scaling down of the 17 individual RECs will in certain cases involve personnel transfers to NMC. Stalfort says that more than a few have been taken from the New Orleans operation already. Recognizing that licensing and documentation has never been a good career track within the Coast Guard, the service is overtly moving toward a workforce that is heavily civilian in its orientation. These are billets that can pay as high as a GS-15 grade, and it is hoped that more expertise from the commercial sector will be achieved along the way. Today, the NMC workforce consists of 16 military billets, 63 civilians and 160 contractors. Another 100 workers are still in the field at the various RECs. Their combined efforts produce more than 60,000 credentials per year.

The National Maritime Center isn't coming. It is here. The vision for this newly reorganized unit has not yet been fully realized, but if this does occur, then mariners and domestic maritime operators will be the real winners. The good news is that the reshaping of at least one aspect of the Coast Guard's flawed marine safety mission is well underway. Two hours from Martinsburg, at Coast Guard headquarters, ADM Thad Allen, the Coast Guard Commandant, can watch with a measure of satisfaction. Unlike Katrina, however, I have a feeling that he won't need to micromanage this one. If he does, we're all in a world of trouble.

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