



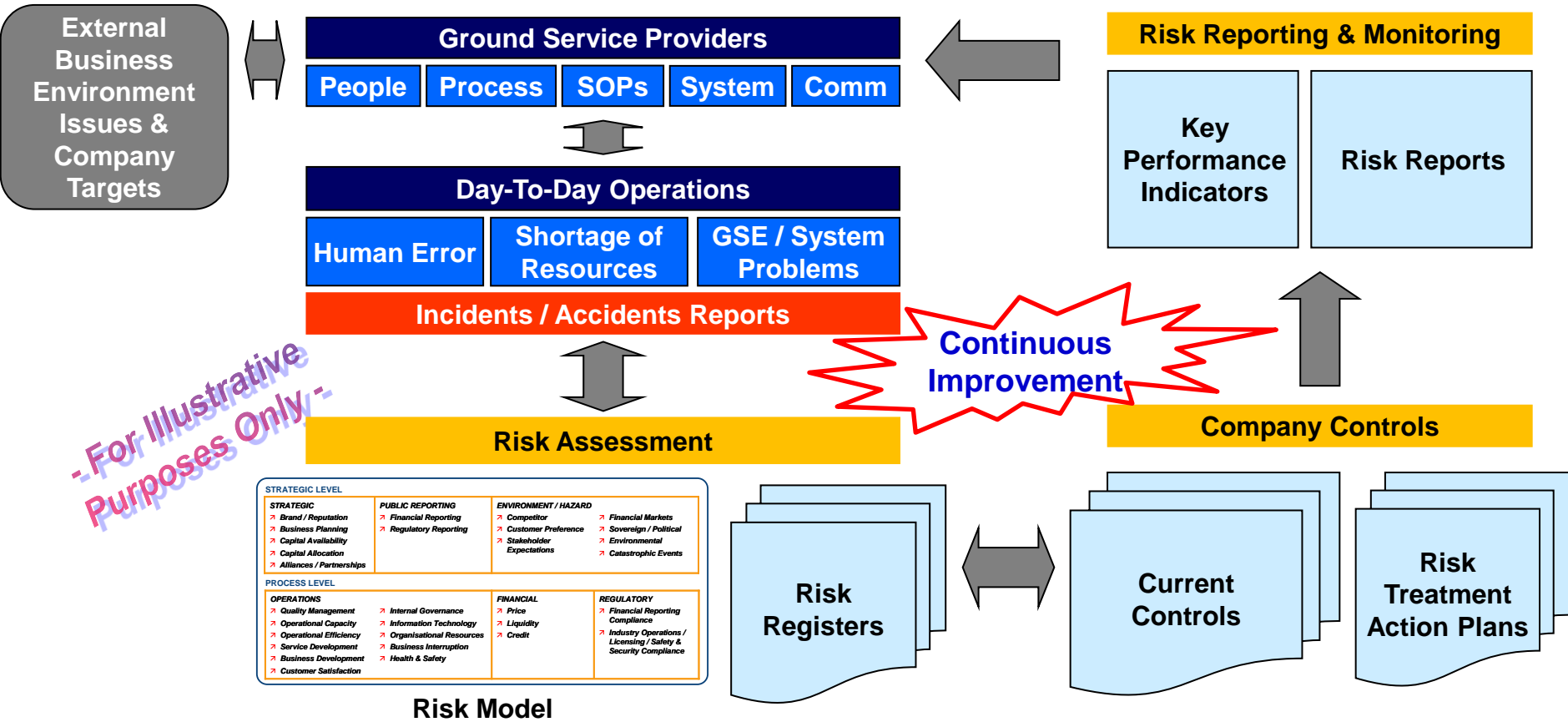
# The Big Picture of Reducing Accidents and Incidents

Elaine Liew

# What is the Big Picture for GSPs?

- Reducing damage cannot be done in a vacuum – leadership from the front (top management) is crucial, supported by engagement at all levels of the company
- Pinpointing accidents and incidents by themselves will not cut it – proper risk management processes need to be implemented
- Data sharing is crucial to identifying trends that could indicate a potential safety issue – e.g. Global Safety Information Center (GSIC) which incorporates operational and safety information (accident data, operational safety reports, IOSA and IATA Safety Audit for Ground Operations (ISAGO) audit findings, Flight Data eXchange (FDX), an aircraft ground damage database and a new cabin safety operational report database.

# What is the Big Picture for GSPs?



# How To Manage Risks Across GSPs?

## Level 1:

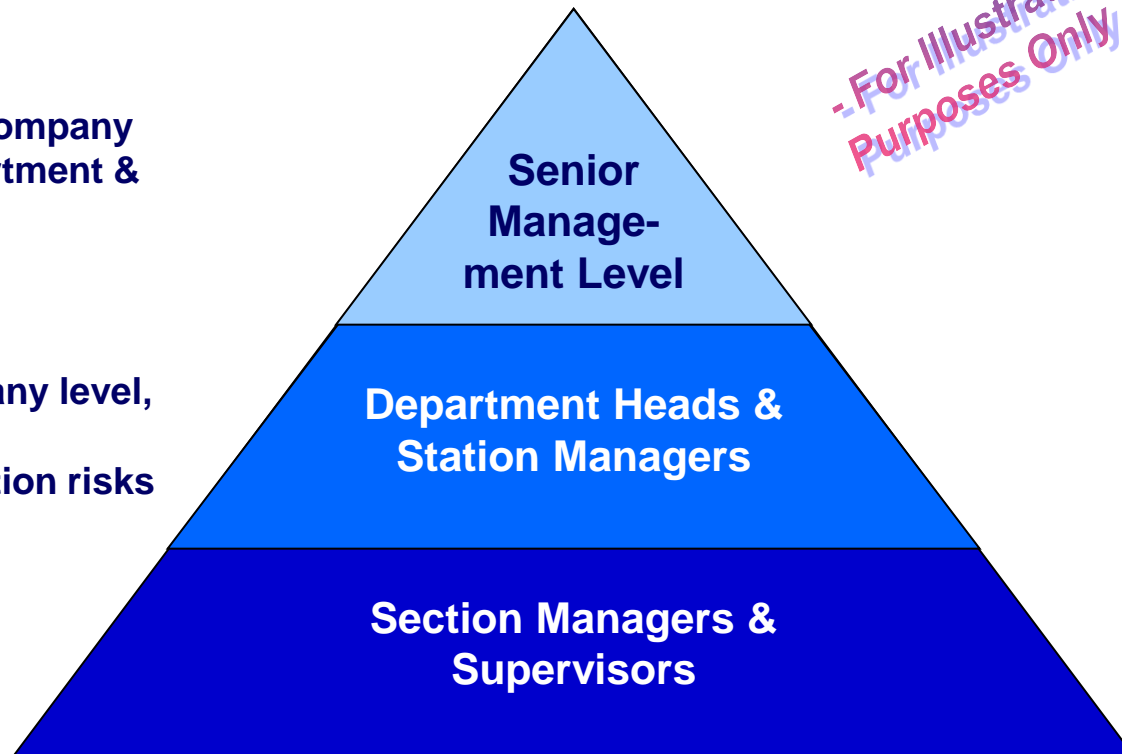
Very significant company level, cross-department & station risks

## Level 2:

Remaining company level, very significant department & station risks

## Level 3:

Remaining department & station risks



## Top 3 Things That Can Take The Company Down

- Non compliance with industry operations / licensing / safety & security requirements – non renewal of AOC, IOSA, ISAGO, etc.
- Poor brand / reputation – high number of incidents, accidents resulting in loss of customers
- Stakeholder expectations are not met – decrease of funds / investments from investors / government grants

## Questions To Answer As A Company Leader...

- What are the top risks that your company faces (80:20 rule – i.e. the top 20 risks that gives you 80% of your “headaches”)?
- What are the key strategies / action plans to prevent or manage the risks above?
- Do the parties in-charge know the strategies / action plans and are they implementing them effectively?
- Do you have a common risk language across your company (i.e. a risk model)?

# Sample Risk Model – Aviation Industry

Source: IATA Integrated Risk Management Guidance Manual, 2010 Edition

## STRATEGIC LEVEL

STRATEGIC	PUBLIC REPORTING	ENVIRONMENT / HAZARD	
<ul style="list-style-type: none"> <li>↗ Brand / Reputation</li> <li>↗ Business Planning</li> <li>↗ Capital Availability</li> <li>↗ Capital Allocation</li> <li>↗ Alliances / Partnerships</li> </ul>	<ul style="list-style-type: none"> <li>↗ Financial Reporting</li> <li>↗ Regulatory Reporting</li> </ul>	<ul style="list-style-type: none"> <li>↗ Competitor</li> <li>↗ Customer Preference</li> <li>↗ Stakeholder Expectations</li> </ul>	<ul style="list-style-type: none"> <li>↗ Financial Markets</li> <li>↗ Sovereign / Political</li> <li>↗ Environmental</li> <li>↗ Catastrophic Events</li> </ul>

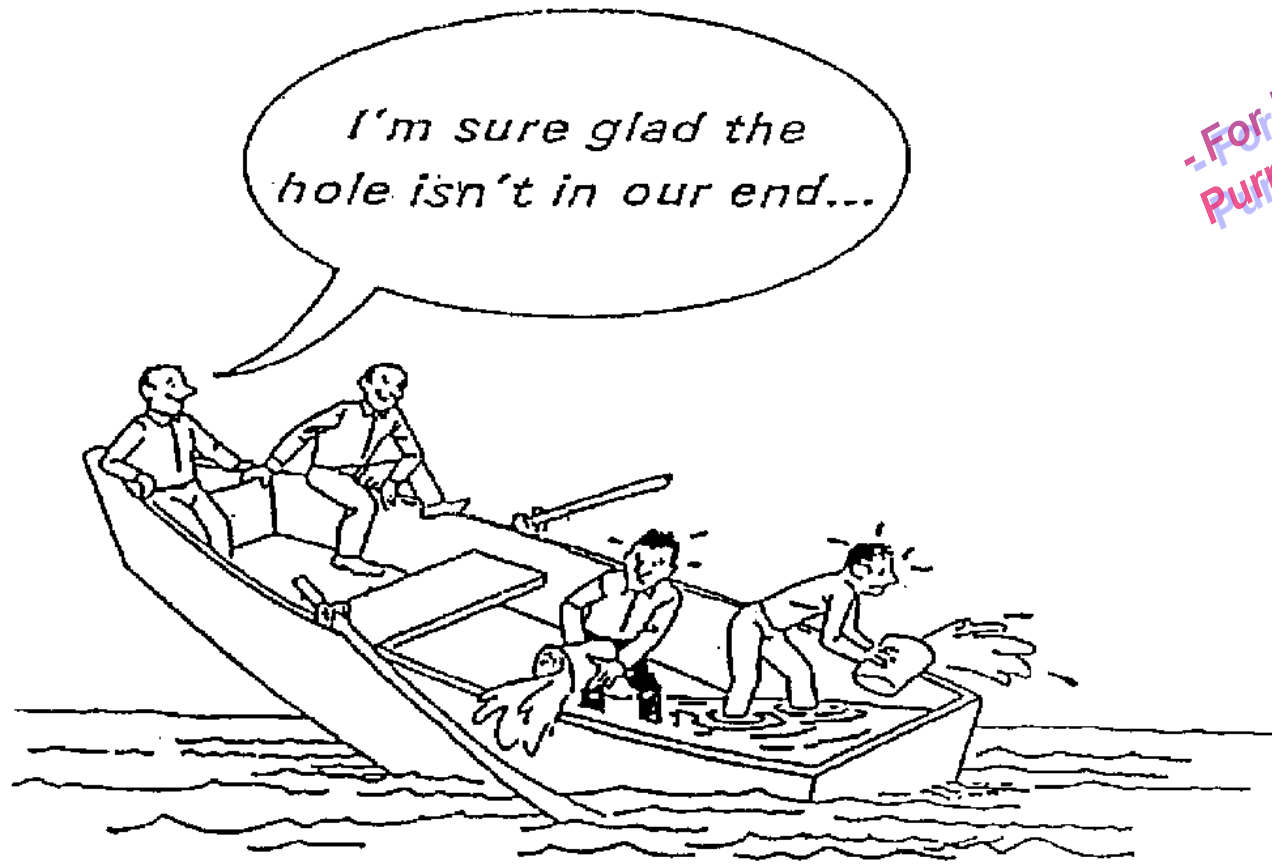
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## PROCESS LEVEL

OPERATIONS	INTERNAL GOVERNANCE	FINANCIAL	REGULATORY
<ul style="list-style-type: none"> <li>↗ Operational Capacity</li> <li>↗ Operational Efficiency</li> <li>↗ Product Development</li> <li>↗ Channel Effectiveness</li> <li>↗ Customer Satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>↗ Internal Governance</li> <li>↗ Information Technology</li> <li>↗ Organisational Resources</li> <li>↗ Business Interruption</li> <li>↗ Health &amp; Safety</li> </ul>	<ul style="list-style-type: none"> <li>↗ Price</li> <li>↗ Liquidity</li> <li>↗ Credit</li> </ul>	<ul style="list-style-type: none"> <li>↗ Financial Reporting Compliance</li> <li>↗ Industry Operations / Licensing / Safety &amp; Security Compliance</li> </ul>

Going forward – do we need a customised risk model for GSPs?

# Risk Management is Everybody's Business



- For Illustrative  
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- Thank You -