



IS-BAO NEWSLETTER

APRIL 2005



This Newsletter includes a new initiative - a piece that was contributed by John Sheehan, one of the IS-BAO Auditors. We encourage contributions from operators, auditors or other interested parties for future Newsletters. Of special interest would be contributions from operators that discuss their IS-BAO implementation experiences and lessons that they would like to share. We are committed to doing at least two Newsletters per year but will do more if there is enough news or interesting articles. Please send your contributions to rayrohr@telusplanet.net.

IS-BAO Survey

In the recent survey of IS-BAO holders, responses indicated that 50% of the operators who had not yet achieved IS-BAO Registration were working towards registration in 2005, while 19% indicated that they have implemented or are implementing IS-BAO but were not planning to have an audit to become registered. Of the same group, 10% indicated that they were undecided on implementation and/or registration.

The benefits of IS-BAO implementation that were identified by those who had already achieved IS-BAO Registration were:

§ Enhanced operating safety	72%
§ Team building and pride of achievement	72%
§ Efficiencies improvements in operations achievement and/or maintenance	50%
§ Increases employee satisfaction	40%
§ Improved senior management understanding of the operation	40%
§ Reduced insurance rates	28%
§ Improved regulator understanding and confidence	20%

Recent IS-BAO Registrations

Within the past few months the first operators in Brazil and the Republic of South Africa received IS-BAO Registration. As well as conducting private operations, both operators hold Air Operator Certificates. Also, we now have an Accredited IS-BAO Auditor in Brazil. Well done everyone.

IS-BAO Implementation

Operators who have completed their IS-BAO implementation stress the importance of establishing milestones and working to achieve them in order to maintain momentum and complete IS-BAO implementation within a reasonable time frame. If milestones are not established and kept, it is easy to let it slide and at worst never complete implementation. As indicated in the responses to the IS-BAO survey, the potential benefits to your operation and your company of an effective system to manage safety, security, efficiency and effectiveness that can be achieved through the IS-BAO are so great that failure to complete implementation should be strenuously avoided.

IS-BAO Workshops

The next IS-BAO Workshops are scheduled for Geneva on May 17 and Minneapolis/St. Paul, MN on June 2, 2005. The Workshop schedule is posted on the IBAC web site at <http://www.ibac.org/is-bao/Audit%20Workshop.htm>. Workshop registration forms can also be downloaded there. Responses in the IS-BAO survey from operators who have attended Workshops indicated that they found the Workshops very helpful and they assisted with the implementation process.

At the same time we had responses from some operators that indicated there may be some misunderstanding of IS-BAO Workshops. Some who attended a one hour IS-BAO information session indicated on their IS-BAO Survey return that they had attended an IS-BAO Workshop. IS-BAO Workshops are a full day in duration. They open with a presentation of the background and general information on the IS-BAO. That session is followed by a detailed discussion of the IS-BAO standards



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and how an operator can go about implementing them. Subsequently, time is spent discussing the risk assessment process and development of an operator's safety management system. The Workshop concludes with a discussion of audit considerations.

Also to assist operators, the NBAA holds Operations Manual and Maintenance Manual Workshops.

NBAA Ops Manual and Maintenance Workshops

One of the important elements of the IS-BAO implementation process is development of the company operations manual. While a generic ops manual comes with the IS-BAO, a number of operators have found the NBAA Flight Operations Manual Workshops to be very beneficial. The next one will be held in June 20 & 21, 2005 in San Francisco, CA.

For those operators who are conducting in-house aircraft maintenance, a maintenance manual is a must. NBAA also conducts Maintenance Manual Workshops that will help develop your maintenance manual. The next Maintenance Manual Workshop is scheduled for New Orleans on Nov. 16, 2005. For a list of the Workshops and further information check <http://web.nbaa.org/public/cs>.

Single Pilot Generic Operations Manual

Work is underway on a joint project with the NBAA Safety Committee to develop a generic operations manual for single pilot operation of very light jets (VLJs) and other high performance aircraft. This general manual and supplement to the IS-BAO that addresses single pilot operations, should be available by July 1, 2005. An IS-BAO Bulletin will be issued as soon as they are available.

Presentation to the Aviation Insurance Association

As part of the process to keep the aviation insurance industry briefed on the IS-BAO and ensure that insurers recognize the positive benefits of the IS-BAO when they are establishing insurance rates, we will be making a presentation to the Aviation Insurance Association annual convention in New Orleans on May 2, 2005.

Meeting With European Aviation Safety Agency

On April 19, 2005 we met with senior management of the European Aviation Safety Agency (EASA) to brief them on the IS-BAO and receive an update on the status of JAR OPS 2. We were advised that EASA forwarded their Opinion on Essential Requirements for Operations and Licensing to the European Commission in December 2004. That opinion is currently under review and it is anticipated that it may be forwarded to the European Parliament in June of this year. This proposed schedule will permit work to commence on the Implementing Rules in September 2005. EASA plan to use the latest draft of JAR OPS 2 as the basis for development of the rules that will apply to corporate aviation.

The response of the EASA officials to the IS-BAO presentation was very positive. They advised that they plan to make use of industry standards in their rulemaking process and it would appear that IS-BAO registration may be an appropriate way for corporate operators to demonstrate conformance with the Implementing Rules that will apply to them.

IS-BAO Annual Update

In August we will be issuing our regular call for input into the annual IS-BAO update. However, if anyone has any suggested revisions to the IS-BAO or any IS-BAO document, there is no need to wait for that call. We are most interested in receiving suggested revisions to the IS-BAO documents or new sources of guidance material at any time. Please send your comments or suggestion to rayrohr@telusplanet.net.

IS-BAO Registration of US Part 135 Operators

One IS-BAO auditor took exception to the comment in the December 2004 IS-BAO Newsletter that read:

There are now a number of Part 135 operators who have completed IS-BAO registration. By doing this they are demonstrating their compliance with the industry code of practice as well as



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the relevant regulatory requirements. Business aircraft operators who now are conducting audits of Part 135 operators, whom they charter, may wish to take IS-BAO Registration into account and consider reducing or eliminating audits of such operators.

His comments to us expressed the concern that if business aircraft operators were to take that advice it would take the bread off the tables of almost all the IS-BAO auditors. In order to ensure that he understood the context and our position we responded:

Please be assured that there is no way that we want to "take the bread of the tables" of the auditors who are an essential component of the IS-BAO program. We very much recognize that the success of the IS-BAO is dependant on the support of the auditor community. In fact, the auditors have proven to be stanch supporters of the IS-BAO. We frequently receive calls from operators who have undergone a routine safety audit advising that the auditor recommended that they consider IS-BAO implementation.

The issue which we were referring to in the December Newsletter was one that is regularly brought up by Part 135 operators. Many of them comment that they are "audited to death". The nature of their comments is that as well as being audited by the major auditing firms (which they usually comment provide value to them) they are also audited by Part 91 flight department personnel. They often cite being able to avoid some of these audits as part of their motivation for IS-BAO implementation. That was the reason that we included in the Newsletter the comment:

"Business aircraft operators who now are conducting audits of Part 135 operators, whom they charter, may wish to take IS-BAO Registration into account and consider reducing or eliminating audits of such operators."

I am sure you will agree that both the aviation auditing firms and IBAC and its member National and Regional business aviation associations are vitally interested in enhancing the safety of business aviation. I am also sure that you will agree that auditing the same operator numerous times per year may not be the most effective way of achieving that objective. In fact, that is the basic concept behind a number of the programs offered by professional audit firms. In developing and maintaining the IS-BAO the Standards Board has been very careful to focus on safety management systems and safety standards in a manner in which there was not conflict with the broader focus and added value of programs such as those. That was because it was agreed that it is essential to maintain an environment where all can work together to enhance the safety of business aviation and the charter operators that provide supplemental lift. As part of that initiative, very early in the life of the IS-BAO program a Workshop was held in Atlanta, GA with the auditor community to ensure that there was an appropriate fit and symbiotic relationship developed.

From the feedback that we received from operators and other auditors we are satisfied that we have achieved that symbiotic relationship whereby together we are more effective than we could ever be independently, but at the same time we realize that we must continually work to strengthen our relationships and joint efforts.

Another issue regarding the applicability of IS-BAO to US Part 135 operations was raised in a recent trade journal article. The writer obviously did not have a comprehensive understanding of the requirements of the IS-BAO, questioned the appropriateness of the IS-BAO for Part 135 operators.

One of the objectives in developing the IS-BAO was to make it applicable to a broad range of operations. The element of the IS-BAO that achieves this objective is the operator's safety management system (SMS). Not only does the IS-BAO require Part 135 operators to have a SMS (Part 135 does not require a SMS or even a flight safety program) para 3.2.1 of the IS-BAO requires that the operator develop and maintain systems and procedures to demonstrate compliance with Part 135. That particular standard states:



3.2.1 *Every aircraft operator must establish and maintain a safety management system, procedures and documentation that are appropriate to the size and complexity of the operation and that contain the following:*

...

- d. *systems for identifying applicable regulations, standards, exemptions and guidelines and demonstrating compliance with them;*

Thereby the linkage is achieved avoiding the necessity of duplication of the specific requirements.

Bringing SMS Down to Earth

By John Sheehan, Professional Aviation Inc.

Safety is paramount; Safety is everyone's job, Safety before all else ... sound pretty good, don't they? I often see pledges to safety in the Safety Management System chapter of an aviation operations manual, but wonder how the flight department will actually implement these glittering generalities.

Too often we get caught up in safety strategy and neglect to ensure that the big picture becomes sufficiently digestible and action-oriented to make a difference to *each* member of the flight department. Risk profiling, assessment and mitigation are good examples of this phenomenon. These are obviously interesting exercises for flight department safety manager but how are the troops expected to use these tools on a daily basis?

The goal of any safety program should be to provide each member of the organization with tangible tools and techniques that enable them to perform their daily tasks as safely as possible. Or, in SMS terms, to manage safety risks as effectively as possible. To do so requires that specific procedures be implemented that will both remind and enable individuals to "do the right thing."

Beginnings:

Flight crews

- Perform a trip risk assessment during pre-flight planning.
- Address risk factors during crew brief.
- Perform abbreviated risk assessments during pre-takeoff and pre-approach briefings.
- Assess risk when unanticipated events occur – runway change, holding, system malfunction, etc.

Maintenance personnel

- Explore risks involved with *all* significant maintenance procedures; explore risk associated with maintenance error, hazards to maintenance personnel, environmental hazards.

Scheduler

- Evaluate risk associated with every trip – operational, personnel, environmental aspects.

Management

- What's different about what we are about to do? How are our risk profiles affected?
- What future changes bring added risk?

While good pilots, mechanics, schedulers and managers have traditionally looked after the above items on an intuitive basis, they have rarely had the quantitative risk assessment tools available to them that will permit concrete evaluation of risk and the ability to *communicate* risk to others. The dual ingredients of probability and severity of occurrences contained in the risk equation better arm us to assess, mitigate and communicate about the bad stuff.

The end game for safety in flight departments is to get everyone both to think and communicate in terms of risk on a daily basis. When you hear the troops actively discussing risk factors and ways to reduce them, you'll know the system is working.