



# Finnair's view on SMS assessments

SM ICG industry day

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# Finnair in brief

- Established in 1923
- Flag carrier of Finland
- Fleet of ~80 aircraft (incl. Norra)
- A team of ~5 200 employees
- Listed on the Helsinki Stock Exchange
- Best airline in Northern Europe according to Skytrax, for the 11<sup>th</sup> year in a row





**One of the oldest  
airlines in the world**





AIRBUS A350-900 XWB



AIRBUS A330-300



AIRBUS A321 (ER)



AIRBUS A320



AIRBUS A319



EMBRAER 190 Operated by Norra



# Recent changes in operations

From accelerated growth to unknown.

From unknown to survival mode.

From survival mode to profitability.

- Renewed strategy
- Resized fleet
- Modest recovery





# Finnair SMS

- First SMS manual published in October 2013
- IOSA certificate since 2007
  
- CAA SMS audits currently in two years cycle
- IOSA audits in two years cycle
  - First risk-based IOSA in 2023
- Occasional informal assessments between operators (wetlease & code-share operations)





# Experiences from SMS assessments

- EASA-based audits (by the CAA)
- IOSA audits
- Other external SMS assessments

## Internal interviews:

*How useful?*

*What works well?*

*What could be improved?*

*What would be the optimal setup?*





# Experiences from CAA (EASA)



*How useful?*

“Good to have an outsider’s view”



“Audits force me to think”

“All in all, quite good audits”

“Close and good collaboration with the CAA”

“Auditors aim to improve our SMS and not to look for findings”

“Regulations well scrutinized”

“Tastes like pure compliance”



“Findings themselves haven’t been that useful but additional value comes from discussions and preparations”

“Same auditors every time”

“No benchmarking to other airlines or industry in the audit”





# Experiences from CAA (EASA) audits



- Push organizations to develop SMS
- Regulative scope well covered
- The CAA's understanding of Finnair operations
- Continuous collaboration with the CAA



- No comparison to industry standards
- Focus on compliance – no best practices
- Same auditors – new perspectives limited
- Lack of transparency in the audit process (e.g. checklists or how performance affects the audit)

## What has changed?

- MoC process descriptions, compliance monitoring processes etc.
- Confirmed progress in SMS boosting further improvements



# Experiences from IOSA



*How useful?*



“The ISM structure forces an assessment at the organizational and unit levels”

“Enables some sort of comparison between operators”

“Auditors are good with diverse backgrounds”

“Auditors have seen a lot of different operators”



“Questionable benefits because we have done it so many times already”

“Extensive checklists but only limited time”

“Checklists not tailored for different operators”

“Too standardized and routine process”

“No continuous dialogue, just one spot check every second year”



# Experiences from IOSA audits



- Clear and transparent process
- Extensive and unambiguous checklists
- Experienced auditors with wide perspective
- Audit results enable a high-level comparison with other airlines



- No operator-specific tailoring
- Strict focus on compliance (“tick the box”)
- No collaboration with the auditors between the audits
- Rather limited benefits after several rounds

## What has changed?

- Minor details, but good results supporting the strong belief that we are on the right track



# Experiences from others



*How useful?*

“Useful to discuss with colleagues from other airlines”



“Feels like sharing experiences among colleagues”

“Useful benchmarking”

“New perspectives always beneficial”

“Focus not on details – going beyond compliance”

“Very limited feedback after the assessment”



“One-off spot checks”

“Questionnaires not useful at all”

“No idea what the requirements were”



# Experiences from other SMS assessments



- At its best, focus on operational risks rather than compliance and regulations
- Informal discussions with colleagues
- Valuable perspectives and best practices from other airlines



- Informal and random focus only on certain matters
- No information how we perform against “industry standards”
- Typically, no feedback
- Questionnaires most often rather trivial

## What has changed?

- Minor details, but positive feedback supports the strong belief that we are on the right track



# Optimal SMS assessment

1. **Daily development** of SMS (smooth collaboration)
2. **Wide and heterogenous auditor experience**
3. **Good visibility** to the scope and requirements
4. **Benchmarking** to other airlines
5. **Sharing of experiences and best practices**
6. **Risk-based** audit scope and tailored checklists





# Conclusions

1. CAA SMS audits experienced as most useful ones
2. Different assessments support each other
3. Versatile auditors experience emphasized
4. New methods and perspectives bring added value
5. Benchmarking and sharing of best practices would be useful

**No single way to assess the SMS – different perspectives add value!**



***FINNAIR***

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SINCE 1923