Putting the spotlight back on the CAMO

- Why CAMO Performance Matters by Bob Simmons, Director

The CAMO (Continuing Airworthiness Management Organisation) concept, introduced by EASA’s Part M rules, has been established for over a decade now. Whether the CAMO sits within the approval and organisation of a commercial operator, or alongside a maintenance organisation fulfilling the old role of maintenance and compliance management, the value of a performing CAMO is starting to see some renewed interest (if that’s possible after just 10 years).

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We have always known that there are two camps of CAMOs. Some focus on pure compliance with relevant requirements while others understand what an effective CAMO looks like and the value it can add. One could argue that it’s obvious that a good CAMO will support a reliable operation and work in the best interests of the customers and aircraft owners.

Every commercial CAMO should hold targets to maintain or improve aircraft safety and reliability, as well as to control maintenance costs, both to help with business margins and keep the customers happy. Furthermore, since CAMOs have traditionally ‘earned’ money for operators through effectively managing manufacturer warranty schemes, mechanisms should already be in place to provide visibility of the value that an effective CAMO can add. CAMO performance and value are facets that many businesses struggle to connect – surely EC Regulation 261/2004 provides the motivation to tackle this challenge as increasingly the spotlight will be on the CAMO to help protect the bottom line. The travelling public know there is compensation to be harvested if their travel plans are significantly disrupted yet controversially, EC 261 makes no allowance for ‘normal’ defects in service, nor for human error, things we all know are inevitable.

To add further interest, the regulators have started to talk about a performance-based approach to their work, which will eventually scrutinise the effectiveness of all management systems (including continuing airworthiness).
The new business environment

Everybody knows margins are tight for airlines in particular at the moment, so it is right that a persistent, healthy pressure should be felt by the CAMO to play its part in keeping ‘customers’ and shareholders happy. Punctuality and reliability of the operation is typically a priority for most and critical in the case of freight and mail carriers. Sitting below this, maintenance costs should be another key focus area. The safe escalation or optimisation of the maintenance programme can only be achieved if leaders have shared a strategy and managers have implemented systems to assemble all of the necessarily robust justification that will be needed. This much is not new.

What has changed in the continuing airworthiness environment is the growing impact of ‘EC 261’. A quick online search for “EC 261 lawyers” returned ‘544,000 results in 0.47 seconds’ - now that’s what I call high-speed ambulance chasing! While I absolutely agree that operators should be dissuaded from inappropriate business practices, the exclusion of human error and normal, tolerable aircraft system reliability levels from ‘extraordinary circumstances’ places even greater pressure on the CAMO to perform. Be in no doubt, these cannot be managed down to zero, but an effective CAMO should be able to reduce them to tolerable (or affordable) levels.

At the recent European Regional Airlines (ERA) regional conference, one operator publicly stated that the compensation due after a minor wing-tip collision between two of their aircraft would put the operator out of business, based on short sectors and average load factors.

In my opinion, there are some serious safety implications associated with ‘EC 261’, which I will address in a future paper.

So what’s the answer for approved CAMOs?

2015 has seen global aviation safety regulators acknowledge that pure regulatory compliance will not necessarily give you a safe operation and that includes Continuing Airworthiness. EASA recently invited comment on a move to a ‘performance-based environment’. It feels like this is primarily focused on Safety Performance; however Continuing Airworthiness obviously sits under the higher level safety banner, with operational reliability and commercial drivers mixed in, so Continuing Airworthiness performance matters and should be scrutinised too.

So how will the regulators assess Continuing Airworthiness Management performance? It would seem logical to use a similar assessment model to that applied in the case of Safety Risk Management, and in Europe, the SMICG template is the default approach. In brief, this assesses the performance of elements of the management system as Present, Suitable, Operating or Effective (PSOE). Baines Simmons has added ‘X’ to indicate Excellence in its model.
One of the long-established focus areas for the CAMO is ensuring the effectiveness of the Maintenance Programme. This should be a Key Performance Indicator (KPI) for any CAMO, and obviously, system and despatch reliability are directly related. Perhaps think of it as an EC 261 risk barometer.

Will an effective Maintenance Programme guarantee perfect reliability - that’s no delays and no unscheduled component replacements? In short - no! A population of components will exhibit a bathtub failure distribution. There will be some early failures, and scheduled maintenance philosophies are not designed to prevent all failures. That would be too expensive and of course the more maintenance you do, the higher the probability of human error. The skill is to develop a Maintenance Programme that balances all of these factors and cost and to ‘set up the maintainers to get it right’.

Is it all about the Maintenance Programme though? No, a CAMO in isolation cannot achieve very much at all by developing the Maintenance Programme (AMP). Maintainers have a huge part to play and the CAMO should engage with them to extend airworthiness thinking into the hangar and onto the line. We’ve all heard about Safety Culture and Professor James Reason’s Error Iceberg, but what about their Airworthiness equivalents? Should we expect certain behaviours, reporting of Airworthiness hazards and alarm bells to ring in response to seemingly minor condition drift, or component inconsistencies? Should we expect our assurance system to look at organisation enablers and take a performance-based approach internally? Should our flying colleagues also possess a minimum knowledge of airworthiness as it applies in their world, so that they too can contribute?

Maintenance standards play a large part in delivering the CAMO’s strategies. A loss of control on the shop floor severely handicaps the CAMO’s ability to influence continuing airworthiness. It’s all too easy to upset a healthy airworthiness equilibrium with a seemingly minor deviation from a defined standard and yet there are many examples where this has been the case, some with disastrous consequences. Appropriate controls and maintainer competence can go a long way towards mitigating this risk, particularly when complete aircraft and significant components are considered.

Conclusion

A performing CAMO is becoming a necessity and the new pressures presents an opportunity to focus on securing real value from the organisation. Think of the CAMO as an EC 261 defence and a margin booster. Sometimes, low-cost and simple changes can make a big difference.

If you can demonstrably operate as a high-performing CAMO, not only can you reduce delays and costs, but you may well be able to argue that human and mechanical failures truly are ‘extraordinary circumstances’ under EC 261 and occasional failures need to be accommodated. After all, lightning strikes are normal.

So, ask yourself: is your CAMO equipped to perform and truly add value?
About Baines Simmons

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