

VOLUME 3 GENERAL TECHNICAL ADMINISTRATION**CHAPTER 28 AIR CARRIER MANAGEMENT EFFECTIVENESS****Section 1 Air Carrier Management Effectiveness**

3-2261. SCOPE AND CONCEPTS—GENERAL. The Department of Transportation (DOT) is dedicated to, and the flying public expects, the highest degree of safety in air transportation and air commerce. Section 44702(b) of Title 49, United States Code (U.S.C.) (formerly § 601(b) of the Federal Aviation Act (FA Act) of 1958) requires the Administrator to emphasize the role of safety in all air carrier operations. Accordingly, air carriers shall have as their highest priority the assignment and maintenance of safety. The issue of safety permeates both managerial competence and compliance disposition. This section describes the responsibilities of air carrier management and the required methods of program implementation.

A. Air Carrier Management Responsibilities. Air carrier management has the responsibility for recognizing procedures that fail to attain the goal of safety. However, it is not enough for an experienced and capable air carrier management to be prepared to step in only when problems arise, nor is it enough for air carrier management to correct problems only as they are brought to its attention by outside agencies such as the Federal Aviation Administration (FAA). Management expertise entails taking an active role, not simply reacting to events. It requires taking the initiative to ensure a safe operation. It is not sufficient for management personnel to establish policies and procedures; they must also ensure that the policies and procedures are effective and that employees implement and follow them. Management may be held accountable for compliance problems even if they do not have actual knowledge of the problems, if they should have known of the carrier's safety and compliance deficiencies.

B. Role of the Department of Transportation. Under the provisions of §§ 41711 and 44709 respectively of Title 49, U.S.C. (formerly §§ 415 and 609(a) of the FA Act), the DOT, when necessary, may inquire at any time into the management of the business of any air carrier. Further, the DOT and/or FAA may reinspect any air operator and, if necessary, may amend, modify, suspend, or revoke an air carrier operating certificate or DOT Economic Authority.

3-2262. MANAGEMENT OVERVIEW.

A. A. Safe Operations. Air carrier management has the responsibility to conduct safe operations and to ensure regulatory compliance. To achieve this purpose, air carrier management must accomplish the following:

- Ensure that it possesses and maintains both the intent and ability to comply with the laws governing the airlines' operations, particularly the FAA's safety regulations
- Establish a high level management position to direct continuing analysis and surveillance program functions (This position shall have the authority to investigate, report, change inspection/ maintenance programs, require training, or change procedures as necessary to provide the high degree of safety mandated by Title 49, U.S.C.)

- Ensure that personnel in positions such as check airman, designated maintenance examiner (DME), instructor, and those with required inspection item (RII) authority possess the higher level of responsibility necessary to perform to the standards incumbent on their positions
- Strive to exceed minimum Code of Federal Regulation (CFR) requirements in all areas of air carrier responsibility
- Acquire and utilize all of the elements needed for safe operation, including a competent and willing workforce
- Demonstrate the ability and willingness to work with the FAA to ensure continued safe operations

B. Internal Evaluation Program. Air carriers are encouraged to develop internal evaluation programs that continually monitor company policies and procedures and ensure that the highest level of safety compliance is maintained. This auditing effort must also encompass those companies from which parts and services are procured.

C. Voluntary Self-Disclosure Program. Air carriers may voluntarily self-disclose apparent violations of the CFR even if an internal evaluation program is not established. FAA Advisory Circular (AC) 120-6, "Air Carrier Voluntary Disclosure Reporting Procedures," sets forth the procedures for the voluntary reporting process. The FAA believes that the open sharing of apparent violations and a cooperative, advisory approach to solving problems will enhance and promote aviation safety.

3-2263. AIR CARRIER COMPLIANCE ALERT INDICATORS. The FAA has identified certain air carrier compliance alert indicators that are areas of concern in certificate holder operations that may accompany potential safety deficiencies. Some of these indicators are as follows:

- Failure to prevent and correct operational problems that compromise safety
- Operational policies and programs that inhibit the ability to resolve safety-related problems
- Repeated violation of regulations designed to ensure compliance with safety standards
- When the FAA, through increased surveillance, must assume an ongoing quality control role at the air carrier
- Increases in accidents, incidents, violations, and emergencies
- Slow or incomplete implementation of new regulations and programs
- A major change in operating scope, such as significant route expansion, fleet expansion, and introduction of new aircraft or personnel
- Corporate and management problems, such as poor or non-existent internal audit procedures and limited experience levels of management personnel
- Significant increases in employee turnover
- Financial or labor/management problems, such as bankruptcies or strikes
- Major increases in wet or dry lease activity
- Corporate mergers

3-2264. EMPHASIS AREAS. A safe and compliant airworthiness operation includes a trained and experienced work force, adequate technical guidance, adequate time for maintenance, and an effective quality assurance program. Trends that negatively affect airworthiness and safety have been identified through inspections conducted by the FAA and DOD. Some standard areas of inspection are as follows:

- Training programs
- Manuals and procedures
- Recordkeeping systems
- Flight and rest times
- Operational control
- Use of minimum equipment lists (MEL) and configuration deviation lists (CDL)

3-2265. TRAINING PROGRAMS. Training programs are systems of instruction that include curriculums, facilities, instructors, instructional delivery methods, and testing and checking procedures. A program must satisfy the training requirements of Title 14 of the Code of Federal Regulations (14 CFR) parts 121 and 135 and ensure that each employee remains adequately trained for each aircraft operation in which that person serves. Management personnel with oversight responsibilities for training must be actively involved with the respective program(s).

A. Effectiveness. Effective training of all personnel is critical in order for an operator to gain and maintain the highest level of proficiency and safety.

NOTE: Title 14 CFR part 135 Commuter airlines are encouraged to use approved flight simulators for pilot training and for qualification, competency, and instruments check purposes to the maximum extent feasible.

B. Need for Flexibility. All air carrier operations are directly influenced by changes within the company or in industry in general. These changes will normally result in a need to revise training curriculums. Changes that may dictate revision of training include the following:

- Management personnel
- Regulatory requirements
- Equipment
- Financial status
- Scope of operation
- Public demands

C. Evaluation. When any one or more of these changes occur, the air carrier should re-evaluate its training program.

D. Instilling Respect for Compliance and Safety. The respect that management personnel have for compliance and safety can directly affect the attitudes their employees have

toward compliance and safety. Some indicators of effectiveness in developing positive attitudes toward compliance and safety through a training program are the following:

- Credible, qualified, and motivated instructors
- Positive student attitude toward training
- Achievement of satisfactory results after testing
- Professional behavior traceable to effective training
- Training presented in a timely manner (for example, training in cold weather operation before the winter months)
- Company-instilled atmosphere of reward for self improvement and professionalism

Volume 3, chapter 19 contains detailed information on training programs.

3-2266. MANUALS AND PROCEDURES. Title 14 CFR requires certificate holders, except for single-pilot operators, to have and maintain general operations manual (GOM). The GOM is the one document that best describes the operator's methods of conducting business and assigning responsibilities to its employees. The content of the manual may vary, depending upon the operator's size and scope. The manual, when required, must have complete and detailed information for all employees to perform their duties. Title 14 CFR parts 121 and 135 contain the minimum content requirements.

NOTE: See volume 3, chapter 32, "Manuals, Procedures, and Checklists," for detailed information.

3-2267. RECORDKEEPING SYSTEMS. Situations involving the presence of one or more of the compliance alert indicators outlined in paragraph 3-2263 of this section usually change the capability and character of the affected certificate holder. A transition period often follows when the original capabilities of the certificate holder are in a state of change until new capabilities have been established and stabilized. Air carriers must be on the alert for changes in operating philosophy that could cause negative changes in attitude on the part of their employees toward professionalism, compliance, and safety. Air carrier management's increased surveillance of its recordkeeping may be necessary to more carefully monitor the system. In other cases, particularly if a change is made to the recordkeeping system, FAA acceptance or approval will be required, along with a more aggressive approach to the surveillance itself.

NOTE: Familiarity with recordkeeping requirements is important for inspectors and air carrier management. See the following: Title 14 CFR §§ 121.681 through 121.715, or 14 CFR §§ 135.63 and 135.65, as appropriate; and volume 3, chapter 31; and volume 6, chapter 2.

A. Definition. A record is an account of an occurrence or event and includes proof of the event's occurrence through certification by signature or other means.

B. Errors and Omissions. Minor errors and omissions may not constitute a lack of compliance on the part of the operator may not require enforcement action.

C. Regulatory Requirements. Title 14 CFR Parts 121 and 135 require that operators maintain records on crewmembers and dispatchers participating in flight operations, as well as on aspects of aircraft flight operation and aircraft maintenance deficiency reporting.

3-2268. FLIGHTCREW SCHEDULING. The physical and mental condition of employees is directly related to the sleep, rest, and relaxation they receive. Management personnel should employ fatigue countermeasure strategies to ensure that employees are adequately rested before they accept a flight time assignment. Some employees, such as flight crewmembers, must receive a minimum amount of rest before flight. The required rest times are varied, and depend upon the particular 14 CFR part under which the crewmember operates.

A. Required Records. Certificate holders must maintain records showing flight and rest period times for each flight crewmember. There is no single method approved by the FAA to maintain these records. The certificate holder may use any method, including computer records that clearly show the rest periods and flight times of each flight crewmember.

1) Title 14 CFR part 121 has a number of different requirements based upon the type of certificate held. There are flight time limitations and rest requirements for domestic operators, flag operators, supplemental air carriers, and commercial operators. Part 121 also places restrictions on duty times for dispatchers under domestic and flag operations.

2) Title 14 CFR part 135, like part 121, has a number of different operating conditions and types of flying (scheduled versus non-scheduled, one or more pilots) that determine the number of flight hours a pilot may accrue during a given period. There are also circumstances in which a pilot may exceed the flight time limitations. Should that occur, the pilot must get additional rest before accepting a flight time assignment.

NOTE: The Office of the Chief Counsel has responded to numerous questions concerning flight and rest time. The questions and responses are in the Flight Standards Aviation Safety Analysis System (ASAS), Policy and Reference Subsystem. Air carriers that encounter a situation requiring an interpretation may find that it has already been addressed and entered in the Policy and Reference Subsystem.

B. Flightcrew Fatigue and Stress Indicators. There are a number of factors that affect crew functions and should be addressed by air carrier management. These factors directly affect a pilot's physical, mental, and overall well-being. It may be appropriate to reduce flight times and/or increase rest periods based upon the effects of the following causes of fatigue and stress:

- A large volume of passengers and baggage
- Climatic conditions, such as extreme heat and humidity, cold, frost, ice, and snow
- Long workdays
- Inadequate time allowed for meals
- Unavailability of food and drink
- Noisy working environments
- High number of instrument takeoffs, approaches, and landings

- Inordinate schedule demands and changes
- Low-experience flightcrews
- Overnight accommodations not conducive to adequate rest
- Situations that compromise safety, such as insufficient rest times, exceeding MEL limits, and other operational excesses

3-2269. OPERATIONAL CONTROL. Air carrier operators conduct operational control by making decisions and performing those actions on a daily basis that are necessary to operate flights safely and in compliance with applicable regulations. Air carrier operational control systems vary with the kind of operation the operator is authorized to conduct, the complexity of the operation, the means of communication, and the persons who are involved in preparing for and conducting flights under the operator's system. There are three general operational control systems: flight dispatch, flight-following, and flight-locating.

A. Flight Dispatch Systems. Title 14 CFR §§ 121.533 and 121.535 require that both flag and domestic operators employ certificated aircraft dispatchers to exercise control of flights. Title 14 CFR § 121.99 requires that flag and domestic operators provide radio communication facilities that are capable of quickly and reliably contacting a flight at all points while en route.

B. Flight-Following Systems. Title 14 CFR § 121.537 places the major responsibility for the operational control of supplemental air carriers and commercial operators with the director of operations (DO) and the pilot-in-command (PIC). The DO may delegate the functions for initiation, continuation, diversion and termination of a flight to other employees, but the DO retains full responsibility for those functions.

C. Flight-Locating Systems. Title 14 CFR §§ 135.23 and 135.77 require that the name and title of each individual authorized to exercise operational control be listed in the operator's GOM. A Part 135 operator may delegate the authority for a specific flight to the PIC, but the operator always retains full responsibility.

1) It is the responsibility of the air carrier to ensure that all functions required, such as crew scheduling, load planning, and aircraft routing, are accomplished before the flight is authorized to depart. The operator must establish an internal communications system and administrative procedures that will ensure the achievement of the required functions.

2) It is the responsibility of the FAA to evaluate the certificate holder's operational control system to ensure that the system complies with the applicable regulations. The system must be effective and provide for the highest level of safety in the operation being conducted. The FAA must be aware of any management problems that may lead to system breakdown. Some indicators of potential problems may be any of the following:

- Personnel not knowledgeable, competent, or proficient
- Inadequate communications systems
- Inadequate facilities
- Above-average workloads

- Poor or improper procedures
- Ineffective training
- Any of the air carrier compliance alert indicators listed in paragraph 3-2263

NOTE: Air carriers that are certificated under Parts 121 or 135 are authorized to conduct training flights under the provisions of Part 91. Therefore, there are no dispatch or flight-locating requirements for those operations. Operations conducted while on special flight permits are required to operate under Part 91. These flights should be conducted on an FAA flight plan to facilitate search and rescue operations, in case the aircraft become overdue or lost. Also, company personnel should be available and in a position to communicate with the aircraft if necessary.

NOTE: For detailed information on operational control, see volume 3, chapter 25, section 1.

3-2270. USE OF MEL AND CDL. Another area in which air carrier management must be especially observant, when involved in situations created by any of the indicators set forth in paragraph 3-2263, is that of MEL and CDL requirements and procedures. The presence of one or more of the indicators will usually change the capability and character of the affected certificate holder. Any breakdown or degradation of MEL and CDL procedures due to management ineffectiveness, or from any other cause, could have an immediate and significant impact on flight safety.

RESERVED. Paragraphs 2271. through 3-2285.