

Employee Engagement as a Predictor of Seafarer Retention : A Study among Indian Officers



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Abstract

This paper is part of a study of employee engagement and its relationship with seafarer safety, performance and retention. This section focuses on the impact of seafarer turnover, identifies and understands drivers of retention and their relevance in shipping, and explores the relationship of engagement with retention. It determines the correlation between retention and engagement and analyses drivers of retention from the seafarer's perspective. It also identifies aspects of shipboard life that can contribute towards higher retention. The study confirms that engagement was significantly and positively related with retention levels, while factor analysis isolated six contributory factors. The study also reveals that retention levels of officers employed directly by ship owners and by managers did not differ significantly, nor did they significantly differ between senior and junior officers.

Key Words : Retention, Engagement, Seafarer, Shipping, Turnover

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I. Introduction

The last decade has seen unprecedented changes in the way industries operate worldwide with existing social, political and geographical boundaries virtually disappearing. This dramatic globalization of economic activity has exacerbated the need to attract and keep high-performing employees, as people may be the only remaining source of competitive advantage. The only thing nearly impossible to replicate is the quality of an organization's talent, its passion and commitment (Bernthal and Wellins, 2010). Strategically it is important to have the right talent in pivotal positions as they can make differences to revenues, provide innovation, creativity and organizational effectiveness (Ashton & Morton, 2005). This need to retain talent has forced a rethink from the traditional human resource view that considered employees a cost; instead organizations are exploring human resource management as a means of providing organizational success.

The shipping industry too has not been left untouched by these changes in global operating environments (Gekara, 2009). Already global in nature with commercial operations, technical management, crewing, registration, and ownership being spread all over the world, globalization has brought in additional challenges in manpower management. The global shipping industry is experiencing a shortage of ship officers; which is set to escalate in the future as the world economy moves out of recession, the shortage also attributable to the high rate of attrition among officers (Caesar, 2013; Nguyen et al., 2014).

It is in this context of manpower management that the concept of 'employee engagement' holds special relevance. Engaged employees voluntarily put in effort to meet organizational needs, take initiative, support and reinforce cultures and values, stay vigilant and focused, and believe that they can make a difference to the outcomes (Kahn, 1990).

This paper aims to study the relationship of 'engagement' with retention of seafarers and also identify the drivers and barriers of retention.

II. Literature Review

1. The Importance of Retention

Retention and employee turnover can be considered as two sides of a coin. Retention is the continuance of employees with their current organization, and refers to the “systematic effort by employers to create and foster an environment that encourages current employees to remain employed by having policies and practices in place that address their needs” (Mckeown, 2002). Turnover is “the movement of individuals between jobs, firms, and occupations” (Abassi and Hollman, 2000).

There are two kinds of turnover - voluntary turnover which occur through resignations or retirement and the involuntary turnover seen through layoff or discharge. Not all turnover is considered bad; a certain amount of turnover can be considered normal depending on the industry. Whether turnover is good or bad depends primarily on the business impact caused by the departure of the employees. Too little turnover can be as big a problem as too much as, if organizations do not have a reasonable flow through of new personnel, they risk ossification. New employees also bring in fresh ideas and help correct the tunnel vision of existing employees. However, the situation warrants attention if the turnover is high to the extent that it impacts firm performance.

A direct consequence of global competition is that employees are always looking for better opportunities, leading to decreased retention. Also impacting retention is the disappearing psychological contract between employer and employee, wherein the job was for life. The search for satisfaction of personal needs results in a continuous churn, much to the detriment of the organization and its operations. Recent findings show that almost one-third of all employees expect to leave for another job within the subsequent year, and while more employees are looking for new opportunities outside their organization, only 61% worldwide plan to remain with their organization through the next year (Blessing White, 2011). Society of Human Resource Management (SHRM, 2014) found that the average voluntary turnover rate was 13%, a 44% increase from the previous year.

Organizations with high turnover rates face problems on many fronts.

Foremost are financial costs, with the average replacement cost for all workers in the workplace in the range of \$3,000 to \$4,500 (Dube et al., 2010). Other reports suggest that turnover costs the average organization more than \$27 million per year (Bernthal and Wellins, 2000), while SHRM (2014) found that the cost of replacing one \$8 per hour employee can exceed \$3,500, the average cost-per-hire being \$2,819. Pharmaceutical giant Merck reported turnover costs to be between 150% –250% of the employee's annual salary (Mello, 2010). US businesses alone lose \$11 billion annually as a result of employee turnover and experts predict that the current turnover rate may rise to 65% (Dale Carnegie, 2012).

Apart from costs, high turnover rates impact the workplace affecting productivity, the time for workers to reach full productivity ranging from less than a month to a year or more (Dube et al., 2010). Critical employees take away crucial and accumulated knowledge with each departure – something that may hurt the organization the most (Mitchell and Lee, 2001). High rates of turnover also have the potential to undermine safety standards as an unstable workforce adds to the challenges involved in maintaining a safe workplace (Brereton et al., 2003).

Even though Human Resource (HR) professionals consider turnover as problematic, it is not always addressed effectively. Studies reported that more than a third of HR professionals they surveyed saw retention as a pressing issue, but most did not have any plans to address the same (Bernthal and Wellins, 2000). Even though retention has become a strategic priority, only 17% organizations know the direct cost of attrition, while only 9% know the direct costs of attrition (Talentkeepers, 2013).

Organizations need to ascertain their turnover costs – direct and indirect – in order to better understand the magnitude of this challenge and its impact on organizational effectiveness. Since the long-term retention of a highly productive workforce is coveted, and one of the goals of HR is to attract and maintain highly productive employees, it is imperative for HR managers to better understand how to maximize retention of productive employees. Today, it is not only the retention of talented employees that is important, they must be fully 'engaged' by involving them emotionally and rationally in their work roles.

2. Employee Engagement and Retention

Engagement research over the last two decades has consistently shown conclusive and compelling relationships between employee engagement and metrics such as employee performance and efficiency, safety, productivity, attendance and retention, profitability, and customer service and satisfaction (Harter et al., 2002).

Engagement has been shown as positively linked to organizational commitment (Bakker and Demerouti, 2007), negatively correlated with turnover, and has clear links with retention (Schaufeli and Bakker, 2004). Gallup (2008) reported that engaged employees have 51% lower turnover, while Vance (2006) found decreased attrition, overtime and absenteeism resulting in savings of \$8.8 million annually at equipment maker Caterpillar. In 2014, the KFFS call centre employed engagement programmes to reduce its high staff turnover of 52% down to 34% (Work Foundation, 2014).

The construct of employee engagement has a relatively short time line but has caught the imagination of academics and practitioners alike over the last two decades. Conceptualized by Kahn (1990), he defined engagement as “harnessing of organization members’ selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances.” Engaged workers are likely to be energetic about their work, enjoy it, and are effectively connected with their work (Kahn, 1990; Macey and Schneider, 2008).

Engagement levels worldwide are not very high. Gallup's 142-country study (2013) *found* only 13% employees worldwide engaged at work, the majority (63%) was ‘not engaged’, and 24% were ‘actively disengaged’. Blessing White (2013) find only one in three employees engaged, while Dale Carnegie (2012) found only 29% to be fully engaged, 26% disengaged and almost half (45%) being partially engaged. Similarly, in their surveys, Towers Watson (2012) found 35% were highly engaged, while Chartered Institute of Personnel and Development (CIPD, 2013) found 36% of employees engaged, 4% disengaged and 60% neutral.

Active disengagement is an immense drain on economies throughout the world. Gallup (2013) estimates that disengagement costs American businesses US\$450-\$550 billion, Germany from US\$151-\$186 billion, and the United Kingdom between US\$83-\$112 billion per year.

It has now been widely understood and accepted that engaged

employees bring discretionary effort to the job, connect well with their leader and role, and are a major asset in achieving business goals. To capitalize on the potential savings associated with lowering turnover through investment in employee engagement, many organizations are using extensive range of human resources management factors that influence employee retention and commitment (Talentkeepers, 2014). They report that 65% of companies now budget for engagement initiatives, and another 18% are considering formal budgets for it. In 2014 over 83% of US firms have budgeted funds for engagement and retention or are considering doing so.

Although engagement impacts retention, the relationship is not straightforward and engagement in itself cannot guarantee retention (Miller, 2007; Towers Perrin, 2008). Although the highly engaged are less prone to leave, nearly 40% of them are always open to external offers, even if they do not actively solicit them. Blessing White (2011) also find that even though there is an increase in engagement, less than two-thirds plan to continue with their present employers through the coming year. Bates (2004) suggests that elevating engagement levels could impact retention unfavorably. He claims that paradoxically increasing engagement levels by providing additional training and development opportunities, assists in the development of employees, and this increase in capabilities may cause them to look for better opportunities outside the parent firm.

3. Turnover Implications in Shipping

The shipping industry has been suffering from a shortage of qualified and experienced officers for the last two decades (Lewarn, 2009), as well as facing a difficult problem of retention of officers (Gekara, 2009; Haka et al., 2011). The search for economics in crewing has resulted in the majority of ships being manned by third world nationalities. Flagging out of entire national fleets and development of new financial markets have ended the genuine link between ship owners and their crew. As a result, commitment for both the organization and personnel no longer exists (Fei et al., 2009).

In the shipping industry the mobility of seafarers between different shipping companies is rather high (Fei et al., 2009), with a high level of movement among seafarers easily switching from one employer to the

other (Caesar et al., 2013). Compounding the problem is the high cross-sectoral movement of personnel with early movement of ship officers to shore based jobs, termed as ‘wastage’. This movement is in a one-way direction and thus a loss for the industry in general and for the organization in particular (Fei et al., 2009; Caesar et al., 2013). Another issue is the perceived negative image of shipping which makes it difficult to attract and recruit new talent that can be trained into qualified and quality seafarers to man ships safely (ICONS, 2000).

The financial costs associated with turnover in the shipping industry can be high as every departing seafarer costs the organization time and money. Crew replacement costs can be high, especially with senior ranks. Apart from the mandatory STCW (Standards of Training Certification and Watchkeeping) courses, companies have to expend considerable amounts on imparting additional training, required by the industry. Costs are also incurred on account of flag state documents, visas, medical examinations etc. All these initiatives are lost once the seafarer leaves the company.

High rates of turnover have an effect on workplace safety too. Lapses in communication with new workers create more opportunities for error, and it is inherently more difficult to build and communicate a positive safety culture if the composition of the workforce is constantly changing. In addition, the regular rotation of shipboard crew creates an element of instability, and there is little doubt that an unstable workforce adds to the challenge of maintaining a safe workplace (Brereton et al., 2003).

Turnover causes the greatest loss in the form of loss of ‘Company Knowledge’. Shipping companies follow a strict safety management system dictated by the International Safety Management (ISM) Code that control shipboard operations. These systems and procedures take time to learn, and once learned are lost once a seafarer leaves the company (Oltedal, 2011). High turnover rates have considerable implications on the implementation of the ISM Code and the safety of the vessel, something that certain sectors like the cruise ship industry with average annual turnover rates between 25% and 35%, are grappling with (ITF, 2006).

Familiarity with shipboard procedures is a major concern for shipowners operating tankers, be they oil, chemical or gas who are already grappling with the serious issue of complying with the ‘Officers Matrix’ requirements of the Oil Majors (Intertanko, 2007). All oil majors impose strict requirements regarding the experience senior officers have with the

company as well as in rank, one of the most difficult conditions to fulfill (Exxonmobil, 2010). The lack of senior, quality officers with continued service with the shipping company is already putting severe strains on the crewing policies of tanker operators. Complying with oil majors' matrix requirements is always a major focus, and non-compliance can have serious commercial ramifications, especially in depressed market conditions, and many companies have crewing strategies based on these matrix requirements (SMI, 2010).

An offshoot of these requirements is the emergence of "poaching" of senior officers by offering various incentives. Many managers state that poaching of personnel remains an issue, and due to the shortage, poaching is rife with huge carrots dangled in front of certificated officers. Ship owners are under constant pressure of losing their experienced staff to poaching, which is something many managers practice in order to lure officers (Magramo, 2010).

Retention of officers, especially senior officers, thus remains a concern for ship owners. The maritime industry needs to recognize, analyze, and address the reasons seafarers leave their employment as well as the industry. The most often used method of finding reasons for leaving – the Exit Interview – does not exist in the maritime industry. Usually no effort is made to understand why a seafarer leaves his employer. They also need to determine the eventual costs of turnover. It is only then can they have strategies in place to increase the retention of seafarers in the company as well as in the industry, leading to reduced costs, continuity of operations and enhanced safety.

4. Barriers to Retention

From Saratoga Institute data, Branham (2005) analyzed 19,700 exit interviews and found 67 reasons for employees leaving. The ten most frequently mentioned issues identified were poor management, lack of career growth and advancement opportunities, poor communications, pay, poor senior leadership, lack of training, excessive workload, lack of tools and resources, and lack of teamwork. Branham & Hirschfield (2010) found lack of confidence and trust in senior management, insufficient training, feedback, recognition and self-worth, work related stress, and work-life balance, to be 'retention risk factors'. Other factors which

influence employee retention are work environment, supervisor support, organization image, confidence in the organization and leadership, and employee value match. Additionally, remuneration, rewards, challenging work, supportive work environment, good co-worker relations, and effective communications have also been considered as factors impacting retention (Solomon, 1992; Branham, 2005).

In the maritime domain, a reasonable amount of work has been done on the subject of seafarer attrition and retention, as well as the reasons for shortage of officers (Caesar et al, 2013; Haka, 2011; Nguyen et al, 2014; Caesar et al., 2014; Gekara, 2009, Shiptalk, 2008). A significant number of these studies used qualitative data techniques while some were conceptual papers. Very little quantitative data is available and there is a dearth of research on the factors that act as barriers to retention as well as to a long career at sea (Caesar et al., 2013).

From the above mentioned studies undertaken in the maritime domain, the following were the most commonly reported barriers to retention: poor HR practices, work-life balance, contractual employment, poor shipboard working conditions, high workload and stress levels, insufficient shore leave, lack of shore support, career progression, and isolation from friends and families.

There is general similarity regarding factors that impact retention both in the maritime domain and shore based industries. A composite summary of these factors is provided in Table 1.

<Table 1> Consolidated drivers of retention

Workload	Valued by company	Pay and benefits
Fair processes	Employment security	Training
Teamwork	Caring organization	Career advancement
Autonomy	No blame culture	Recognition of work
Work/life balance	Adequate work resources	Involvement in decision making

The most common drivers of engagement from a review of literature are considered to be recognition of work, voice heard, feeling valued, financial rewards, and pride in company. It also included company advocacy, nature of work, best friend at work, senior managers, intrinsic motivation, job demands, autonomy, career growth, work resources,

performance management, and co-workers (Robinson et al., 2004; Blessing White, 2011; Gallup, 2008); Towers Watson, 2012). These drivers have many similarities with those for retention and enhancing employee engagement may be a more comprehensive way of reducing employee turnover and at the same time benefit the organization from, among others, improved productivity, safety, absenteeism, profits etc.

5. Objectives of the Study

The objectives of this study were to understand how satisfied officers were with their employers and employment conditions in order to get a measure of their intention to stay by calculating their retention scores. The engagement scores of seafarers was calculated in the same study (Bhattacharya, 2014) and it was to be determined if there was any significant relationship with the retention score obtained. Exploratory factor analysis was used to identify and explain the underlying factors, to determine the drivers of retention in the maritime industry, and to assess if these were in line with those found in literature. Since many seafarers are directly employed by ship owners as opposed to ship managers, it was also determined if the retention levels were different for officers working for ship managers vis-à-vis ship owners as the latter are larger stakeholders.

III. Material and Methods

1. Questionnaire

This study is part of a wider study on the relationship between engagement and seafarer performance, safety and retention. A composite questionnaire in four parts was developed to measure engagement, performance, safety and retention (Bhattacharya, 2014). The engagement section of the questionnaire was developed using the Gallup Q12 (Gallup 2008) as the basis, supported by other drivers identified through literature (Gibbons, 2006). The questionnaire items pertaining to retention was developed using the drivers identified through literature. The complete questionnaire was reviewed by a panel of five experts spread across academia, shipping, and industry, who commented on the clarity and

relevance of the items, and the comprehensiveness of the questionnaire in covering all aspects of the variables being investigated. Based on their recommendations, the final questionnaire had 18 items for the measurement of retention, 15 items for the measurement of engagement, along with eight items to collect demographic data. The Cronbach Alpha for engagement items was 0.787 and 0.870 for retention indicating good reliability and internal consistency.

2. Design and Procedure

The study is based on a survey was carried out at two maritime training colleges in New Delhi and the NCR region where officers attend short term STCW courses. The complete questionnaire (with all four parts) was personally administered over a period of 3 months to respondents during regular class room sessions and the responses collected at the same time, giving a total of 448 completed questionnaires. The gap in administering questionnaires enabled turnover of students allowing new candidates to be surveyed. Care was taken not to include earlier participants. After rejecting 15 on the basis of incomplete data, 433 responses were found usable. Since Factor Analysis was to be used for data analysis, requiring 5 – 10 respondents per variable (Munro, 2005), this sample size was considered acceptable.

3. Participants

For the purposes of this study, Indian officers were selected, India being the third largest supplier of manpower to the maritime industry, with more than 42,000 officers (Drewry, 2012). The population consisted of all licensed Indian Merchant Naval Officers, who are actively sailing on seagoing ships. The sample of 433 respondents were all male and consisted of 337 deck officers (77.8%), 94 engine officers (21.7%) and two with missing data. Out of these 102 were senior officers, and 329 junior officers. 191 officers (44.5%) were employed directly by ship owners while 238 officers (55.5%) were employed by ship management companies. The average age of officers was 27.8 years, with an average sea service of 4.9 years. Participants were also asked to indicate how long they expected to serve at sea, and the average was 10.4 years for both deck and engine officers.

4. Scoring Methodology

The Retention scale was developed using 17 items (one variable ‘benefits’ did not significantly load and was removed) and this scale assisted in categorizing the retention score of seafarers into *High*, *Medium* and *Low*. Each question was weighted from 5 (Strongly Agree) to 1 (Strongly Disagree). Respondents scoring ‘5’ on all items would have a total score of 85 on retention. Similarly, if the score on all items is ‘1’, the scores would be 17. Respondents are classified into the “High” if they agree with each of the 17 items. Thus the “High” category would have a minimum score of 68. The “Medium” is the segment scoring between 68 and pure neutrality, or 51. The “Low” category consists of those who score less than 51 overall.

5. Data Analysis

SPSS 20 was used for all analysis related to the study. For factor analysis, Varimax orthogonal rotation with Kaiser normalization was used for extraction, which uses a default eigenvalue of 1 as the cutoff. However, 0.9 was taken as the eigenvalue cutoff for extraction as Jolliffe (1972) considers Kaiser’s criterion too strict, suggesting retaining all factors with an eigenvalue greater than 0.7. Hair et al (2009) also state that the eigenvalue criterion when the number of variables is less than 20 is not reliable as too few factors are extracted; they suggest considering solutions that explain 60% of the total variance in social sciences. Thus in order to explain at least 60% of the variance, and retain a suitable number of factors, an eigenvalue of 0.9 and more was considered as the best criterion. Additionally, in order to ensure higher loadings, coefficients smaller than 0.5 were excluded. This resulted in isolating reasonably more factors explaining a larger percentage of variance.

IV. Analysis and Findings

1. Identifying Drivers of Retention

Retention score was calculated using 17 variables, and the sampling adequacy using KMO and Bartlett's Test gave a test statistic of 0.908, representing excellent values (Field, 2009). The communalities were higher than 0.5, the average being 0.631. Factor analysis isolated six factors accounting for 63.125 % of the variability, and can be described as:

- Factor 1: Quality of Shipboard Life - Quality of Life, Recreational Facilities, On-board Living Conditions, Communication Facilities, Shore Leave
- Factor 2: Feeling Valued - Timely Relief, Treatment at Office, Valued by Company, Fair treatment, Grievance Redressal
- Factor 3: Recognition & Career - Merit Based Promotion, Recognition of Work, Involvement in decision making, Career Opportunities
- Factor 4: Remuneration - Salary
- Factor 5: No Blame Culture - No Blame Culture
- Factor 6: Job Security - Permanent Employment

The retention scores calculated ranged from a low of 30, to a high of 80. The mean was 55.45 with an SD of 9.278. The frequency distribution was found to be normally distributed. Respondents were categorized into High, Medium, and Low and on this basis, 9.2 % (n=40) officers can be considered high on retention, 30.5 % (n=132) low, and the remaining 60.3 % (n=261) to have medium retention levels.

Engagement levels of the same sample were obtained in an earlier study (Bhattacharya, 2014) which found 10.6% (n=46) Engaged, 77.6% (n=336) Partially Engaged and 11.8% (n=51) Disengaged. The correlation analysis for a two-tailed prediction gave the result: $r = 0.811$, $N = 433$, $p < 0.01$. The correlation coefficient value of 0.811 indicates a large effect. The variance, R^2 , is calculated as 0.658 indicating that 65.8% of variation in retention scores is caused by engagement.

To determine if retention was related to the type of employer and if the two groups of officers – owner employed vis-à-vis manager employed -

were statistically different from each other, the independent *t* test was used. The summary of the retention levels of both groups is shown in Table 3. Owner employed officers (N=191) had a mean retention level of 56.5, while manager employed officers (N=238) had a mean level of 54.7. The scores indicate that owner employed officers had higher retention level than manager employed officers. To ascertain if the difference was significant, the independent sample test was used.

Levene's test was insignificant as $p=0.959$, indicating the variances are approximately equal. The independent *t* test result gave the *t* statistic as 1.982, and the two-tailed value of *p* as 0.048 (<0.05). The *p* value being less than alpha, it can be concluded that there is a significant difference between the means of the two samples - owner employed officers have higher retention levels. The correlation coefficient is calculated as 0.096, and indicates a small-sized effect, explaining about 1 % of the variance.

<Table 2> Summary of retention levels by type of employer

<i>Category</i>	<i>Owner employed</i>	<i>% age</i>	<i>Manager employed</i>	<i>% age</i>
High	18	9.4	22	9.2
Medium	124	64.9	135	56.7
Low	49	25.7	81	34.1
Total	191	100	238	100

An analysis was also undertaken to determine if there were differences in retention levels of senior officers and junior officers. Senior officers (N=102) had a mean retention level of 58.0, against 54.7 for junior officers (N=329), indicating that senior officers had higher levels as compared to juniors. The Levene's test was insignificant as $p=0.171$ with the *t* statistic as 3.201 and a significance value of p 0.001 (<0.05). This shows that the difference between the means of the two samples is significant and senior officers have higher retention levels. The correlation coefficient is 0.153 indicating a small-sized effect explaining about 2.5 % of the variance.

V. Discussion

1. Drivers of Retention

Factor analysis identified six factors accounting for 63.125% of the variance in retention scores. The strongest driver predictive of retention was the Quality of Shipboard Life (QoSL). QoSL plays a very important role as for a seafarer the ship is both his work place and home for extended periods of time. QoSL includes the quality of life on board, recreational and communication facilities, on-board living conditions, and shore leave.

It has been famously said that shipboard life is like a prison, with the added risk of drowning. Flagging out of ships, multinational crews, reduced crewing levels have all changed the quality of shipboard life for the worse. However, in today's cost saving world, crew accommodations are becoming smaller and 'institutional' in look and feel, with no difference between the work place and 'home'. Recreation facilities are limited to watching films, that too if the welfare budget allows. Many companies have no or minimal welfare budgets, many debit seafarers' salaries for welfare and entertainment services, all without permission. Even on luxury liners, the crew had to pay rent to watch DVD's and read books! Most tanker companies have gone 'dry' and do not even allow the occasional can of beer to allow the crew to let their hair down once in a while. The fact that such blanket bans force crews to hide liquor is another issue, fraught with dangers. Aided by the presence of up to six to eight nationalities on board, this completely eliminates any social interaction. As a result, each seafarer stays on board in more or less total isolation, with no outlet for personal issues. The only outlet is telephone calls to families which may not always be available, or at a considerable cost to the crew. ITF's survey (2011) found that 52% of seafarers, and 68% of ratings, had no access to email on board.

The implementation of the ISM Code brought such a distorted focus on safety that the traditional 'walk on deck' by the crew or even sitting and chatting on deck after work has stopped, as it is expected that anytime crew go on deck it must be in full safety gear. The Maritime Labour Convention requires Shipowners to provide gymnasium's etc., which they have dutifully done. Unfortunately with ships accommodations not having enough space, these are usually dumped in any space that can hold the

equipment, whether they can be used not being the concern.

The last decade has seen denial of shore leave to seafarers on the grounds of 'security' although this is one of the most longstanding customary practices in shipping, as well as one of the main attractions of a seafaring career. Today this right is being trampled upon and seafarer welfare subjugated to port state security, indicating that customary rights of the seafarer are not integral to international trade. Lack of liberty has adverse impacts on the safety and wellbeing of seafarers. This denial of shore leave is one of the major deterrents to a sea career (ICONS, 2000). SIRC found that 64 % of seafarers did not get shore-leave for a considerable length of time, 36% had had shore leave lasting around two hours, and the majority of these were not able to go further than the nearest phone box. Most of the shipping companies are not willing to spend money to arrange liberty for ships crews from anchorages or distant berths. The survey found 48.5% officers happy with the quality of life on board. About a third (36.7%) found the recreational facilities satisfactory, 38.6% were happy with communication facilities, while only 19.9% agreed that their companies made any efforts to secure shore leave for them.

Feeling valued is the feeling of being considered an important part of the organization. This factor manifests itself through fair treatment, timely relief, treatment at shore office, grievance redressal, and providing more than the bare minimum stipulated by regulations. Unfortunately, once the seafarer leaves the office to join a ship, all personal contact is lost till he finishes his tenure and rejoins. This minimal contact is not enough to 'engage' the seafarer, value his work or make him feel part of the company.

Timely reliefs and addressing any grievances make the seafarer feel that he is more than a casual labourer or just a pawn in the game (Knudsen, 2005). The prevalent view held by seafarers is that their work, life and contributions are neither understood, nor appreciated, and even undervalued by 'landlubbers', thereby devaluing their very seamanship. The recent tendency to remotely micromanage shipboard operations also does not help much, creating a 'them' against 'us' scenario which does not benefit the organization.

In the context of being valued, only 42.3% felt that they were considered an important part of the organization. About one third (35.6%) felt that all seafarers were treated equally, 37.1% found their grievances redressed, while 43.2% were happy that they were relieved on time.

Recognition of good work and career planning is revealed as the third factor and includes as recognition of efforts, involvement in decision making, career opportunities, and merit based advancement. On this factor, just about half (50.5%) officers agreed that good work was recognized by their employers. However, 72.3% found they could advance based on merit and performance, 61.7% saw good career opportunities while 75.3% considered themselves involved in decision making at the workplace.

Surprisingly pay did not rate very high on the list of drivers, coming fourth on the list. Pay is frequently cited as one of the main causes of employee turnover; however it is more about the fairness of the pay system rather than the pay itself. Unless pay differences are significant, most seafarers are unwilling to switch employers as they have to again familiarize themselves with the operations of the new employer. There is however dissatisfaction if pay is different for different nationalities, the work being same and is seen as an unfair system. On salaries, 44.1% expressed satisfaction with their wages while benefits did not figure as a factor as this variable did not load.

The fifth factor isolated is the presence of a 'No Blame' culture, an antecedent of engagement and an important cause of employee turnover. The survey report found that only 18% agreed that a no blame culture existed within their organizations. Even though all companies strongly espouse a no blame culture, ground realities appear entirely different, to the extent that this has practically eliminated all creativity, innovation and initiative in a profession which had these as its very basis.

Job security is the last factor and refers to the instability in employment conditions. The majority of employment on ships is contractual in nature and creates feelings of insecurity amongst seafarers. Job security is not only an important driver of employee engagement, but also a factor of motivation that drives retention. A lack of employment security can lead to demotivation. Job security appeared to be important to officers as 66% indicated their preference for regular employment. It would appear ironical that ship-owners expect retention when the basis of the employment is contractual.

2. Retention and Engagement Relationship

The retention scores calculated show that only 9.2% officers can be considered high on retention. About one third (30.5%) had scores indicating low retention levels while the remaining 60.3% had medium

levels. The study on seafarer engagement had found 10.6% officers engaged, 11.8% disengaged, with the balance 77.6% partially engaged (Bhattacharya, 2014). Engagement was found to have a positive and high correlation with retention with nearly 66% of the variance in retention scores due to engagement making it relevant.

The number of engaged officers corresponds with those scoring high on retention, while the other segments show marked differences. This is in line with the literature review, where it has been noted that even though engagement has an impact on retention, the linkage is not straightforward; engagement in itself cannot assure retention (Miller, 2007; Towers Perrin, 2008). Within the shipping industry the movement of officers between companies is very high on account of the nature of work being nearly the same everywhere. Officers who are not engaged, will therefore be more liable to switch companies at the slightest dissatisfaction which makes better treatment and valuing them imperative.

An analysis of the scores of officers employed by ship owners and ship managers show that owner employed officers had slightly higher retention levels than those employed by managers. The correlation however was low and not very significant. This goes against the normal perception of officers that ship owners are better employers than ship managers. This can be a source of worry for ship owners as they should be able to capitalize on their goodwill to have more engaged officers.

The analysis also found senior officers to have higher retention levels than juniors. Here also the correlation was weak and insignificant. Senior officers have to be more familiar with the SMS and are usually unwilling to shift employer without good reason. However, this should not be the reason for their continuance; it should be their engagement benefitting all.

VI. Practical Implications and Conclusions

Employee engagement, and its association with increased retention, has been conclusively shown to be vital for any organization in search of competitive advantage. The study finds that retention levels of officers are low with the majority not finding employment conditions conducive to long time service with their current organizations. There are many areas

where ship owners and managers can improve which can increase seafarer engagement as well as their retention levels. Areas which can be improved without expending resources would include creating a working environment where blame is not apportioned, providing job security by changing over to a continuous employment system, and by augmenting pay packages by adding benefits which can give better results.

On the organizational front, employers should recognize the role seafarers play in the larger picture by appreciating their work, respecting them as valued members, and treat them fairly giving them their due. To increase employee satisfaction and retention, companies make more gains by working to improve whether people feel a sense of achievement, recognition, competence and growth, whether there are choices about how work gets done and whether employees feel respected by management. These can be easily achieved by better treatment while in shore offices, continued interaction while on leave, arranging timely relief etc. The quality of life on board ships should be improved by providing comfortable living quarters, economical facilities for communicating with their family and friends, suitable recreational facilities that actually enhance quality of life, and putting efforts in securing adequate shore leave wherever practicable.

Most of the above can be achieved just by modifying HR practices and changing organizational culture; additional monetary resources are not required. These practices will also enhance engagement levels of seafarers and provide additional dividends in the form of improved safety, performance, and profits. It must be remembered that due to unsatisfactory work experiences, quality officers not only leave the shipping company, but also the industry which loses out on the years of accumulated knowledge to the detriment of the company as well as the industry. Shipping companies, like seafarers, should take the larger view and ensure that their actions for short term benefits do not damage the long term interests of the industry as a whole.*

* Date of Contribution; February 10, 2015

Date of Acceptance; May 1, 2015

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