# **Factors of Human Resources Competitiveness** in Maritime Transport

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ABSTRACT: Studying competitiveness of human resources in maritime transport is a complex issue as it depends on several factors like organizational structure of shipping companies, social climate on board ship, multinational work environment, organizational culture, technology, safety and others. This paper tries to point out the importance of most significant factors that can be considered when discussing competitiveness in this domain and the approaches that must be taken into account for attaining a higher level of competitiveness.

### 1 INTRODUCTION

There have been made increasing efforts to gain an awareness of human element issues. The traditional view that human error is the major cause of all accidents is being challenged by some who consider human error to be a symptom of deeper problems with the system. Errors can be induced through bad design, poor training or poor/inadequate management systems. Indeed, some argue that modern technology has reached a point where improved safety can only be achieved on the basis of a better understanding of human element within the system.

A competitive maritime company is the one that clearly states a mission reflecting a serious commitment to international transport activities and has the ability to identify and adjust rapidly to client's needs and opportunities providing high-quality, competitive navigation services. The following elements are determinants for a firm's international competitiveness: specific assets and core competences that can be exploited to their competitive advantage, reputation, continuous innovation in ship building, ship design or ship services, shown in particular in passenger cruises, a firm's architecture which describes the culture of the company.

When considering the overall picture of maritime business, personnel recruiting and training are high on the list of matters that influence competitiveness, safety and excellence in operating cargo and vessel,

beside organizational structure of shipping companies, social climate on board ship, multinational work environment, organizational culture, technology, safety and others.

## 2 HIGHER LEVEL OF COMPETITIVENESS THROUGH RECRUITMENT AND TRAINING

## 2.1 Human Resources Competitiveness through Recruitment of Seafarers

Business environment changes quickly and there appear new needs of personnel qualifications and new ways of increasing the productivity. The growth and diversification of maritime activities has lead to an increase and an evolution of threats: this new situation requires the consideration of individual threats (navigation, accidents, terrorism, immigration, illicit traffic and pollution) and environmental threats (natural resources and disasters). In such environment, competitive seafarers are the ones who are well trained, accept a low level of risk and are responsible with their work and with the marine environment.

The traditional way of studying human performance in the maritime work domain is through the analysis of accident reports or more accurate through the analysis of accidents. 80% of maritime accidents are caused by human factors or human error. Experts who make accident reports evaluate in the first stage the human performance in the particular case against the performance standard you could expect from the crew in the given situation (Barsan et. al, 2007). According to international regulations, after any incident needing the involvement of authorities, the first thing an inspector of Marine Investigation Branch does on boarding the vessel is to check the competence and training of the seafarers on board.

A maritime company can keep a competitive advantage for medium and long term, by focusing on human resources strategies that can reach the following specific actions: the human resources orientation over client, maintaining the transparency of information needed all over the human resource department, opening and keeping new communication channels, improving communicational climate, both formal and informal, developing professional abilities and interpersonal communication skills (cooperation, improving motivation and dealing with emotions in organizational behavior, team work, etc) of the human resource. A personnel strategy in maritime transport may include a large perspective and a dynamic vision over human resources, influenced by the fact that in most cases crews are multinationals. An important element is the definition of the general objectives for medium and long term concerning human resources strategies. For establishing its own personnel strategy, a maritime company might consider increasing the efficiency of the transport services on the national and international markets to get a higher profitability, cooperation with educational institutions, crewing companies and HR companies specialized in providing professional training services. In the context of the complexity of the global labor market, recruitment of the best needed seafarers and cadets represent one of the most essential strategies for a maritime company to acquire and develop competitiveness. The recruitment process in maritime transport is the main process to bring new seafarers to the company. In today context, when a large number of sea accidents happen due to human error, a highly importance must be paid to recruitment in order to maintain quality and safety of maritime operations. Apparently, the process of recruitment and seafarers' selection seem easy, but in reality there are no easy recipes for the success of this process, as it depends on the knowledge and skills of the ones involved.

Recruitment of seafarers can be made from an existing pool of internationally trained seafarers due to expansion of the company, promotions, study leave, retirement or sickness. Historically, international shipping companies with tradition have their own "cadet" programmers to ensure a progression through ranks of seafarers who had grown up with the company's culture. This method of replacement has diminished over the last decades and nowadays companies use to outsource and collaborate with

crewing companies. The benefit to the owner is a reduction in office overhead but the negative affect might be the lack of loyalty from the trainee.

Training will help improve the skills of any seafarer, but no manner of training helps if is selected the wrong person. Therefore, it is essential to carefully choose the qualities expected from the suitable candidate for the task. In every successfully maritime company there is a sense of belonging for seafarers. Instead, in poor rated companies, crews are only motivated by money.

In order to acquire competitiveness and business excellence in this business, the management of the maritime company should state a clear vision so that the crew members can understand the expectations of management. A solution for establishing derived strategies, in specific areas of the personnel activities, in consonance with the concrete conditions of the international environment is to develop partnerships for elaboration and implementation the strategies in continuous professional training.

A maritime company striving for excellence must take intro consideration that multinational teamwork, collaboration, communication and rewards for excellence contributes to developing commercial and risk management skills and provide a competitive advantage for the human resources.

## 2.2 Maritime Human Resource Competitiveness through Training

Traditionally, the purpose of training and development has been to ensure that seafarers can accomplish their jobs efficiently. Today, during the financial world crisis, the business environment has changed, with intense pressure on organizations to stay ahead of the competition through innovation and reinvention. Strategic positioning of training and development directly promotes organizational business goals and objectives.

Current trends emphasize the importance of training and intellectual capital, a critical factor for competitive advantage. The development of partnerships for knowledge sharing (e.g., consultants and/or academic partners as subject matter experts) has increased. To develop specialized training programs in corporate university settings, training departments often work closely with academic partners to prepare high-potential seafarers for leadership roles. When strategically applied, continuous learning fosters knowledge and skills acquisition to help the maritime company achieves its goals. Human resources department role is to establish and implement a high-level roadmap for strategic training and development. The starting point is an in-depth understanding of the business environment, knowledge of the organization's goals and insight regarding training and development options. HR must then develop strategic learning imperatives (high-level, learning-related actions that an organization takes to be competitive) that align with business goals. Differences in industry, business goals, human capital skills and resources influence the selection of learning imperatives (Tannenbaum, 2006).

Competitiveness can be achieved at the early stage of selecting personnel. For selection of crew members, maritime companies make a psychometric profiling, interviews, aptitude tests and portfolio determination. Entry level solutions are pre-sea courses for cadets, counseling, distance learning, STCW courses and system training. Professional competence is acquired after passing competency courses, simulation training. For professional competence, an important tools are assessment and on board mentoring. Enhancement is provided by using advanced simulation training, leadership and teambuilding programs, customized training based on the needs of the team. A constant analysis of productivity is also recommended for up to date results. The training system that a competitive company must take in consideration is not only limited to shipboard training. Shore based training implies external courses like STCW 95 mandatory course, competence and soft skills enhancement courses. In house shore based courses are related to company's system and policies, safety, productivity and loss control. The objectives of structured shipboard training are acquiring theoretical knowledge, familiarization and drills, mentoring and next rank training.

Good quality training is a prerequisite to ensuring a vessel maintains a high standard of operation. Training in all its forms adds to the value and safety culture on a vessel. From the legally imposed training certificates of competence to the cadet programs of practice at the board of the ship, it is essential to understand the strategic importance of operating a vessel to the highest levels. For crew members aspiring to higher ranks, statutory training is carried out as they seek for promotion, but a good ship operator will have their own in-house training program that will help reinforce the company's culture and safety. Undertaking responsibility ashore means learning many new skills. Skilled officers make excellent managers but the knowledge prescribed to prove competence at sea leaves gaps in a number of disciplines required in an effective competitive ship management company.

A great number of companies today have human resource sections instead of "personnel department" that were used in the past. This is the part of the company that is responsible to the CEO, the board of directors and shareholders for ensuring that the op-

erational matters of crew deployment are carried out successfully.

A maritime company should believe in supporting employee development by using a Performance Management Plan. This is a strategic performance tool which support strategic plan and goal attainment of the organisation. The objectives of this tool is to compensate related decisions, promote the crew's potential, establish efficient rewards and recognition systems, helping objective or equitable decision making. By using a Performance Management Plan, the management can identify proper training needs (Surugiu et al., 2010).

A well-trained seafarer is the most valuable asset an owner has on board. Companies must meet the requirements for which they are directly responsible. Having well-trained seafarers is essential to any maritime company who wishes to demonstrate that responsibility, while at the same time be seen by the community as having quality and competitive operation.

### 3 CONCLUSIONS

Competitiveness is acquired when seafarers act as professionals in every action they make at the board of the ship or o land. Employment conditions for seafarers should be at least comparable with those found in other industries – particularly in view of the obvious impact that the quality of the shipping industry's workforce has on safety at sea and protection of the marine environment. Applying a professional way of thinking, not only in their job, but in life in general, brings satisfaction.

To maintain success in today crisis period, investment and innovation in recruitment and training programs must continue in order to achieve a competitive status. Used on a large scale, seafarers' recruitment training programs can give a competitive edge. Their aim is to select and equip new entrants to the maritime industry with the skills and knowledge to pursue a career at sea and to perform their jobs better. The training programs are also essential to gain new set of skills and knowledge for seafarers career transition.

In our opinion, competitiveness means professionalism and high productivity. At the level of maritime company, it means cost efficiency and cost effectiveness. But competitive companies do not cut costs with training systems for seafarers and invest in sending employees to international conferences and seminars on safety issues and safety management.

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