

Factors affecting Employee Retention to the Services of an International Cruise Ship

Ryan Joseph Calinao¹, Frances G. Tabla, Lorenzo G. Carlo
Faculty, CITHM^{1,2}, Lyceum of the Philippines University-Laguna
ryanjoseph.calinao@lpulaguna.edu.ph¹

**Asia Pacific Journal of
Academic Research in
Social Sciences**
Vol. 5, No. 2, 1-7
ISSN 2545-904X (Print)
ISSN 2704-4157 (Online)
www.apjarss.org

Date Received: August 13, 2020; Date Revised: November 3, 2020

Abstract –Cruise ships offer a wide variety of employment openings. The Philippines is one of the biggest sources of seafarers around the world. It is estimated that one out of five seafarers is a Filipino. Filipino seafarers are in demand when it comes to the worldwide transportation industry. Filipinos are popular to man ships adrift – from luxury cruise ships to giant tankers and container ships. The Filipino cruise ship employees brought them a work ethic unparalleled with their experience. Filipinos helped them to build a very tactile close-knit community with the guest because Filipinos are very empathetic and attuned with how the guests feel. They focus on making the vacation experience more special. This study focused on the factors affecting employee retention of Filipino seafarers in an International Cruise Line Company. This study serves as a guide for Filipino seafarers and future graduates in determining the benefits and effects of the services mentioned by retained employ

The researchers used the descriptive study to provide a naturally occurring health status, attitudes, behaviour, or other characteristics of a group. Data were obtained from 150 Filipino seafarers using a researcher-made instrument. Researchers found that majority of the respondents are males, aged 31 to 40 years old, with a bachelor's degree, married, works in Food and Beverage Department, with more than thrice of frequency assignment and have a salary of USD1,200.00. There is a very high level of factors affecting the employee retention in terms of salary, rewards and recognition, work environment, training and development, and job security. Moreover, the researchers recommend to current seafarers to be more eager to learn new things and to stay positive to every situation that can happen in the work environment. There are many challenging parts of being a seafarer that could affect the service.

Keywords –Cruise Ships, Filipino Seafarer, Employee retention onboard

INTRODUCTION

Cruise ships offer a wide variety of employment openings. Some of the available positions are bartenders, shore excursion directors, youth coordinators, musicians and entertainers, restaurant staff, engineers, kitchen staff, casino staff, cruise staff, and many more to mention. Cruise ship employees would oversee working with the shore excursions group to ensure everybody jumped on the correct journey and it well out on time.

Cruising has been instrumental in the advancement of progress, in managing mankind more prominent portability than movement inland, regardless of whether for exchange, transport or fighting. Inside the business, voyage ships are gigantically affecting the movement of the business[1]. With an extensive number of explorers consistently and about countless regions, venture conveys voyaging has seen phenomenal advancement. It has been named one of the snappiest creating movement sections on earth, a manifestation of the

improvement that these associations have experienced over the last couple of years.[2].cruise ships will, in general, have a low draft since they do not convey cargo; they are more volume than weight. This presents the benefit of having the capacity to get to countless increasing schedule alternatives since the setting of an unadulterated journey port inclines toward criteria that are unique about business ports.[3].

In 2012 [4]Philippines is the greatest wellspring of seafarers around the globe. It is assessed that one out of five seafarers are a Filipino. Indeed, they are truly in demand in the worldwide transportation industry. Filipinos are popular to man ships adrift – from luxury cruise ships to giant tankers and container ships.

Cruise ship tourist arrivals in the Philippines insanely soar high from 1,953% to 9,156 passengers in January 2018 from only 446 in In 2018 [1]. The hotel director of the Royal Caribbean cruise ship, Michael Landry, mentioned that the Filipino cruise ship employees brought them a work ethic that is almost

without parallel with their experience. Filipinos helped them to build a very tactile close-knit community with the guest because Filipinos are very empathetic, very attuned with how the guests feel and make the vacation experience more special.

Employees' performance in the workplace has an impact on the different dimensions of the practices of human resource to the employees. The hospitality industry is known for giving unique, different kinds of service to people. An employee in this industry receives their salary equivalent to what are their duties and responsibilities. The service that they provide may be affected depending on these several factors.[7]. These factors could affect the employment of the employees in the hotel industry. These are training and development, recruitment selection, employee retention, and employee's productivity.[8]

This topic was chosen by the researchers because aside from it is timely, this study would serve as a guide and would be beneficial to seafarers and future graduates, especially for those interested to work onboard. This study focuses on the effects of the services that will be given by the retained employees and the benefits that they receive from the cruise ship owners.

OBJECTIVES OF THE STUDY

This study aims to determine the factors affecting employee retention to the services of International Cruise Ship. More specifically:

Present the demographic profile in terms of age, sex, job department, civil status, educational attainment, frequency assignment and monthly income; To assess various factors that affect the retention of the employees in terms of salary, rewards and recognition, work environment, training development and job security; To know if there are significant differences in the factors that affect the services of the retained employees when respondents are grouped according to their demographic profile.

METHODS

The researcher used descriptive type of research to determine the factors that can be used to investigate the factors affecting employee retention to the services of World Cruise Ship by using survey questionnaire and an open-ended with follow-up questions.

The participants of the study were Filipino Seafarers in an International Cruise Line. The profile of the respondents was found by the researchers using their survey questionnaire instrument. The researcher used a

self-made survey questionnaire as a major tool in this study, which helped the researcher to gather information about factors that affects employee retention to their services in World Dream Cruise Ship.

The questionnaire was divided into two parts. Part one focused on the demographic profile of the respondents: age, sex, job department, civil status, educational attainment, frequency of assignment and monthly income. Part two is about determining the factors which were answered using a four-point Likert Scale. For the pilot test result, the Cronbach's alpha had a result of 0.890 which means good.

For supporting the details of the study, the researchers accumulated supporting data, which were the related literary works and articles utilized for references. The literary works and articles assembled from the web were utilized as instruments to gather more data that will support and fortify the research.

The researchers conducted their survey research in the World Dream Cruise Ship in order to seek for the seafarers, especially the Filipino Seafarers. The researchers used the random sampling technique for the survey. The researcher also ensured that the information about the respondents of this study will be protected and privately secured. The researchers tallied and tabulated the data response accordingly. The gathered data were used for the basis of the analysis and interpretation.

The researchers provided consent to the respondents. The consent explained the purpose of the research and the guidelines in conducting the study in order to guarantee that their expressed opinions would be kept confidential and would not be harmful to them. For the public to support and believe in the research, researchers also adhered to ethical standards.

To decide the first objective of the study, the researchers utilized frequency and percentage formula. Frequency and the cumulative percentage were utilized to give a simpler method to think about the various sets of data such as demographic profile and common factors that affect employee retention.

The researcher used weighted mean to delineate the common factors of employee retention which was the second objective of the research study. Weighted mean was calculated when data is given differently than in arithmetic mean of the sample. As for the third objective of the study, the researchers utilized the analysis of variance or ANOVA to determine the significant

difference of the impact factors when grouped according to the profile of respondents.

RESULTS AND DISCUSSION

Table 1. Difference between the factors affecting employee retention to the services of World Dream Cruise Ship when grouped according to their age

Factors	f-value	P-value	Interpretation
Salary	4.889	0.003	Significant
Rewards & Recognition	0.819	0.485	Not Significant
Work Environment	4.101	0.008	Significant
Training & Development	4.086	0.008	Significant
Job Security	4.326	0.006	Significant

Using the ANOVA or Analysis of Variance, the researchers were able to compare the mean difference for more than two independent groups. The researchers compared the mean difference of the age of the respondents using the below-mentioned variables for factors affecting employee retention to the services of World Dream Cruise Ship. Table 7 shows that rewards and recognition (0.485) have no significant difference between the respondent’s age. However, there is a significant difference between the ages of the respondents and salary (0.003), work environment (0.008), training and development (0.008), and job security (0.006).

This indicates that there was an effect between the age and the factors affecting employee retention of World Dream cruise ship. Age did not have a direct connection to the rewards and recognition of the employees. Age has a significant relationship to salary and training and development because when people get older, they aspire to have higher salary. They believe that the more you age, the more work experience you will gain, same as when it comes to salary. With that, they need to train and develop their skills to be more competitive.

It will not be an exaggeration to state that employees’ recognition or acknowledgment is coming of age with more enterprise and people endorsing their experience rewards. [9]. Owing to the personalized touch and a solid human component, experiences help build an emotional connection between the provider and beneficiary. In the age where instant gratification is more expected, recognition in real-time is critical.[10].

Table 1.1. Post Hoc test on the factors affecting employee retention to the services of World Dream Cruise Ship when Group according to their age

Factors	Age	N	Duncan	Scheffe
Salary	51 to 60	5	3.84	3.84
Work Environment	51 to 60	5	3.8	3.8
Job Security	51 to 60	5	3.84	3.84

Table 1.1 shows that the post hoc in the Duncan and Scheffe test, ages 51 to 60 is very sensitive to salary because that age is near to retirement. That is why they want to earn money for themselves. As man gets older, he becomes conscious of the environment that he is in. Moreover, there was age diversity in a specific workplace. Also, exposed in the post hoc, ages 51 to 60 is very perceptive to their work environment. Age is significant to job security because when a man gets older and he does not have a stable job, it will be hard for him to find one. The company always look for younger applicants, but it still depends on the competitive skill of the employee.

[11]. The retirement of seafarers are 63 to 68 years old depending on their choice, as employees age and work involvement increases, they anticipate that their pay should proceed with the rise or stay stable until retirement. The physical workplace can influence the health of employees. However, the psychological environment makes venomous condition.[12].

Table 2. The difference between the factors affecting employee retention to the services of World Dream when Grouped according to their sex

Factors	T	Sig. (2-tailed)	Verbal Interpretation
Salary	-0.394	0.694	Not significant
Rewards and Recognition	-0.209	0.835	Not significant
Work Environment	-1.449	0.15	Not significant
Training and Development	-1.782	0.077	Not significant
Job Security	-1.521	0.13	Not significant

Table 2 shows the one-way ANOVA test to determine the difference in the factors affecting employee retention to the services of World Dream Cruise Ship when grouped according to job department. The tabulated results show that the p-value for salary (0.111), rewards & recognition (0.062), work environment (0.59), training and development (0.449), job security (0.573) factors that affect the services of

the retained employees are greater than the significance level of 0.05.

Therefore, it suggests that there is no significant difference in terms of the job department for all factors that affect the services of the retained employees. This could indicate that there was no effect between the job department of the employees and the factors affecting employee retention to the service of the World Dream cruise ship.

Table 3. The difference on the factors affecting employee retention to the services of World Dream when grouped according to their civil status

Factors	f-value	p-value	Interpretation
Salary	3.426	0.01	Significant
Rewards & Recognition	1.074	0.372	Not Significant
Work Environment	1.15	0.335	Not Significant
Training & Development	1.663	0.162	Not Significant
Job Security	1.372	0.247	Not Significant

Table 3 displays the results of the ANOVA test. Only one factor is significant in terms of civil status and salary with the p-value of (0.01). It shows that the p-value for the factor salary is less than the significance level 0.05. Therefore, the researchers reject the null hypothesis and conclude the alternative hypothesis--there is a significant difference between civil status in terms of the factor salary. For the rewards & recognition (0.372), work environment (0.335), training & development (0.162), and job security (0.247) factors that affects the services of the retained employees, their p-values are greater than the significance level 0.05, which means there is no significant difference between factors that affect the services of the retained employees when grouped according to civil status.

It clearly says that salary is significant to civil status because when an employee is married, divorced, and widowed, they aim to earn more money They have more responsibilities compared to those who are single. It is also exposed in the post hoc by Duncan and Scheffe test that widowed, divorced, and married employees are the ones to be more watchful to their salaries.

The post hoc result indicates that civil status matters to the salary of the employees, especially when an employee is a married person [13]. Marriage transformative affects adult behaviour, emotional health, and money related prosperity – especially for

men. Married men work more diligently and more deliberately, for they need to acquire more money than their single companions from comparable foundations. The correlation between salary and marital status may be getting interpreted in reverse. This means that men are putting off marriage until they start earning more money [14].

Table 4. Difference on the factors affecting employee retention to the services of World Dream when grouped according to their educational attainment

Factors	f-value	p-value	Interpretation
Salary	2.335	0.076	Not Significant
Rewards & Recognition	2.988	0.033	Significant
Work Environment	5.98	0.001	Significant
Training & Development	5.516	0.001	Significant
Job Security	3.306	0.022	Significant

Using Analysis of Variance, table 4 shows that for the factor salary, the p-value is 0.076 which is greater than significance level 0.05. This means that the researchers failed to reject the null hypothesis-- there is no significant difference between salary and educational attainment of the respondents. Also, for rewards & recognition (0.033), work environment (0.001), training & development (0.001) and job security (0.022), the given p-values are all less than the significance level of 0.05, which means that for these four factors, the researchers conclude that there is a significant difference according to the respondent’s educational attainment.

This means that educational attainment does not affect the salary of the employee. Even if you are a high school graduate, you can have a good take-home pay in cruise. In contrary [15] which states that the higher the education level, the higher the income [16]. Moreover, saying that higher education qualifications lead to higher income. More highly educated employee wastes more time. Those who have an Associate's and Bachelor's degree waste less than an hour. However, those who have a Master's degree wastes more than 3 hours each day [17].

Table 5 shows that for the factor salary (0.086), rewards and recognition (0.437), and work environment (0.128), the given p-value are all greater than the significance level of 0.05. This means that the researchers failed to reject the null hypothesis; they failed to reject that frequency of assignment is not significant for these three factors.

Table 5. The difference between the factors affecting employee's retention to the services of World Dream when grouped according to their frequency of assignment

Factors	f-value	p-value	Interpretation
Salary	2.238	0.086	Not Significant
Rewards & Recognition	0.911	0.437	Not Significant
Work Environment	1.923	0.128	Not Significant
Training & Development	2.986	0.033	Significant
Job Security	3.681	0.014	Significant

For the factors training and development (0.033) and job security (0.014), their p-value is less than the significance level of 0.05, which means the researchers reject the null hypothesis and conclude the alternative hypothesis. It says that training and development and job security are connected to the frequency assignment of the employee because training and development enhances the skills and learning of the employee, which can help them to do their work. Every time they board on a ship, there are different learnings and experiences that they will get. Moreover, every time that they will board, there is an assurance for their job security. They can become more comfortable at work knowing that their job is secured.

The researchers conclude that there is a significant difference between the factors training and development and job security and the frequency of assignment. The researchers also conclude that the frequency of assignment of the employees can really affect their skills by training and development and the assurance of the security of job [18].

Table 6. The difference between the factors affecting employee Retention to the services of World Dream when grouped according to their Income

Factors	f-value	p-value	Interpretation
Salary	5.376	<0.01	Significant
Rewards & Recognition	2.482	0.046	Significant
Work Environment	2.55	0.042	Significant
Training & Development	2.42	0.051	Not Significant
Job Security	2.785	0.029	Significant

Using ANOVA, Table 6 shows that p-value for the factors salary (0), rewards and recognition (0.046), work environment (0.042), and job security (0.029) are all less than 0.05 significance level. Therefore, the

grouped income of respondents is significant for these factors. Moreover, it also shows that there is no significant difference between respondents' income and training and development because based from the results, the p-value for training and development is 0.051, greater than 0.05 significance level. Therefore, the researchers failed to reject the null hypothesis for this factor; the researchers failed to reject that there is no significant difference for training and development in terms of respondent's income. if you learn that you must pay for the training, it will likely give you concerns. Moreover, the average training cost per employee is \$1,252. Moreover, money is not the only thing you will spend on training your employees, you also need to put time. An average training hours per employee is 33.5 hours.

Table 6.1. Post Hoc test on the factors affecting employee retention to the Services of World Dream Cruise Ship when group according to their income

Factors	f-value	p-value	Interpretation
Salary	5.376	<0.01	Significant
Rewards& Recognition	2.482	0.046	Significant
Work Environment	2.55	0.042	Significant
Training & Development	2.42	0.051	Not Significant
Job Security	2.785	0.029	Significant

In table 6.1 the post hoc result of Duncan and Scheffe test declares that employees who have a monthly income of P71,000 to P80,000 are satisfied with their salary, rewards and recognition, work environment, and job security. Salary is significant to the monthly income of employees because the monthly income of the employees comes from their salary. If there is no salary, there is also no income for the employees. Rewards and recognition is also connected to monthly income because rewards and recognition can be an additional benefit for the employee. This factor can also help them gain more credibility as an employee. The work environment has a relationship with monthly income because if you are satisfied at your income, you will become a positive employee. It can also affect others making the work easier, enjoyable, and less stress. Job security is significant to the monthly salary of an employee because if employees are contented and they know that their job is secured, it can help them to effort more for the company.

There are some reasons for employee retention; one of these reasons is that they are motivated by higher pay. Frith (2016) mentioned that The Global Employee Benefits Watch 16/17 revealed that 70% of employees like that benefits options communicated to them for around life changes, for example, is marriage. Only 40% said that they feel that their benefits are very relevant to their situations.[17].

CONCLUSION

Most of the respondents are males, with a bachelor's degree, ages 31 to 40 years old, married, worked in Food and Beverage Department, with more than thrice of frequency assignment in World Dream Cruise Ship, and have a salary of USD1,200.00. Respondents strongly agreed that the factors affecting employee retention to the services of World Dream Cruise Ship are salary, rewards and recognition, work environment, training and development, and job security.

Respondent's age is not significant to rewards and recognition, their income is not significant to training and development, their educational attainment is not significant to the salary, and respondent's job department is not significant to all the factors affecting employee retention to the services of World Dream Cruise Ship.

The researchers also determined that respondent's frequency of assignment is significant to the training and development and job security of the company and the respondent's civil status is significant to the salary received by the World Dream Cruise Ship employees.

The study in World Dream Cruise Ship is to help enhance the knowledge and skills about employee retention on-board of individuals involved in this kind of industry such as future graduates, graduates, and aspiring seafarers who are thinking about joining the maritime or cruise line industry, as well as the seafarers themselves.

RECOMMENDATION

The researchers recommend World Dream Cruise Ship company to reach the desired wage of their employees. They also must continue giving rewards and recognition to their employees to stay motivated and devoted on achieving their objectives. Also, the positive work environment that the company possesses must be sustained to maintain the productivity of their employees.

Continue to give training and development for their employee to keep them competitive and to

enhance every skill and learning of every employee. But they also need to refresh the learning of employees' trainer about the policies and procedures of the company.

The company may retain to give job security to their employees to motivate them to work harder. With that, World Dream Cruise Ship company will not only have good employee relation, but also good employee retention.

Current seafarers to be more eager to learn new things and to stay positive to every situation that can happen to maintain the positive work environment. There are many challenging parts of being a seafarer that could affect the service. No need to ask for more if the company gives a satisfying salary. They also need to train more to develop their skill to stay competitive. Use the rewards and recognition as a motivation to work harder and devoted.

Future researchers should widen the scope by conducting the study in a larger cruise ships company that also offers good employee's satisfaction that the cruise ship company can. They could also use the same factors or search for better factors that will fit for the chosen cruise ship company. Retention of an employee is a good topic and there are many learnings in this study.

REFERENCES

- [1] Manalo, A. R. G., Mercado, N. R., Paragas, D. F., Tenorio, J. C. C., & Jonna, C. D. (2015). The challenges of Filipino Seafarers Onboard: Basis for Work life Balance. *LPU-Laguna Journal of International Tourism and Hospitality Management*, 3(1), 157-184.
- [2] Cruise Ship Jobs Network (2019) About the cruise ship industry Florida Caribbean Cruise Association. (2018) *Cruise Industry Review* <https://bit.ly/2MlqXMq>
- [3] Rodrigue, J.P.&Notteboom, T. (2013) *The CruiseIndustry*. retrieved from <https://porteeconomicsmanagement.org>
- [4] Macabenta, G. B. (2018) *Filipinos on cruise ships by Business World*. <https://bit.ly/2sFcbqB>
- [5] Van De Voorde, K., &Beijer, S. (2015). The role of employee HR attributions in the relationship between high-performance work systems and employee outcomes. *Human Resource Management Journal*, 25(1), 62-78.
- [6] Raunek (2017). 10 Reasons You Must Thank Seafarers. <https://www.marineinsight.com/life-at-sea/10-reasons-you-must-thank-seafarers/>
- [7] NASSCOM Insights.(2017). *Employee Recognition Coming of Age with Experience Rewards*. Community Website <https://bit.ly/2Cwrt6D>

- [8] McClellan, J. (2018). 5 Big Employee Recognition Myths. HR Daily Advisor. retrieved from <https://bit.ly/2TvjbBd>
- [9] Seafarers' Pension Fund (2019). General or earned retirement age? <https://bit.ly/2ugzyYp>
- [10] Jain, R., & Kaur, S. (2014). Impact of work environment on job satisfaction. *International Journal of Scientific and Research Publications*, 4(1), 1-8.
- [11] Wilcox, W. B. (2015). Don't be a bachelor: Why married men work harder, smarter and make more money. *Washington Post*.
- [12] Bukszpan, D. (2012). Why do married men earn more? *CBNC.com* retrieved from <https://cnb.cx/2Wf97yq>
- [13] Strauss, J. R. (2015). *Challenging corporate social responsibility: Lessons for public relations from the casino industry*. Routledge.
- [14] Wolla, S. A., & Sullivan, J. (2017). *Education, Income, and Wealth*. retrieved from research.stlouisfed.org
- [15] Paychex (2017). How level of education affects employee productivity <https://bit.ly/2TPxm4E>
- [16] Jehanzeb, K & Bashir, N. A. (2013). Training and Development Program and its Benefits to Employee and Organization: A Conceptual Study. <https://bit.ly/2H7Szp9>
- [17] Mamun, Chowdhury & Hasan, Md. (2017). Factors affecting employee turnover and sound retention strategies in business organization: A conceptual view. *Problems and Perspectives in Management*. 15. 63-71. 10.21511/ppm.15(1).2017.06.