

AN APPRAISAL OF MOTIVATION PRINCIPLES IN SHIPPING COMPANIES

by

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Abstract

Ship managers have a number of challenges to face and successfully managing their people is certainly not the least of these challenges. The present paper will engage in a critical appraisal of motivation principles that can be applied in shipping firms. Within this context a case study involving shore-based staff in a shipping firm based in Taiwan is undertaken and the results of the analysis of primary data collected are discussed. The main findings of the study show that six motivating factors were found to be particularly important for shore-based shipping personnel, namely opportunity to learn new skills, receive higher pay, friendly working atmosphere, cash bonuses, personal growth and development and chance for promotion.

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1. Introduction

As the human factor, either as a means to achieve competitiveness or as a cause of accidents, receives generally increasing attention in practice, there is also a growing recognition within the shipping industry that people are not only a key element but perhaps even the most important part of the equation for an efficient, effective and safe ship operation. Nowadays, with regard to its employees, the shipping company is expected to go a bit further than fulfilling the terms and conditions of the employment contract, by, for example, treating them fairly, providing them with safe working environment and quality of working life, giving security of employment, enhancing job satisfaction and respecting their needs. Apart from being competent and qualified to perform their jobs, shipping personnel need to be also motivated to achieve excellence, embrace corporate values and culture and exhibit company loyalty.

Against this background and with due regard to the recognised shortage of appropriately qualified senior seafarers – many of whom are also absorbed by the shipping offices ashore – the aim of the present paper is to provide a critical appraisal of motivation principles that can be applied in shipping firms. This paper will initially engage in a discussion about the importance of motivation in the shipping industry. It will then set the context of the present study by providing an examination of the most prominent motivational theories. The focus of the present research will be

to explore the relevance and applicability of this theoretical platform in the context of the shipping industry. In this way, the paper will proceed to the presentation of an exploratory case study involving shore-based staff in a shipping company based in Taiwan and the critical analysis of findings of this research with the aim to shed light to the critical analysis of the motivational principles in shipping firms.

2. Motivation Principles in a Shipping Context

2.1 The Role of Motivation in Shipping

The concept of motivation appears in many fields of psychology and has applicability in a variety of settings. The study of motivation is generally concerned with identifying the determinants of the human activity (Young 1961, p.4). The *why* rather than the *how* is the main motivational question seeking to explain behaviour and actions. Motivation has been defined as a theoretical construct used to explain the initiation, direction, intensity, persistence and quality of behaviour and especially goal-directed behaviour (Maehr and Meyer 1997). In other words, it considers behaviour gets started, is directed, for how long it is sustained, how hard the individual is working at that activity. Why is that of any interest to managers? Because employees' activities and efforts must be instigated and directed towards the accomplishment of organisational goals and their quality, intensity and continuation must be ensured. Principles of motivation applied in business organisations can direct behaviour toward particular goals, increase initiation of, and persistence in, activities, lead to increased effort and energy, determine what consequences reinforcing, and thus result in improved performance.

Motivation has been characterised as being either intrinsic or extrinsic depending on whether the rewards to be gained by an activity are internal or external to the individual. For example, people are internally motivated to do something because it either brings them pleasure, or they think it is important, or morally significant. On the other hand, extrinsic motivation comes into play when a person acts in a certain way because of factors external to him or her, in order, for instance, to gain more money. Either way, whether internally or externally, motivation is associated with some sort of reward systems. And reward systems have been found to influence a number of human resource processes and practices. They have been found to affect recruitment and retention, corporate culture and even operating costs (Lawler 2000). In addition, therefore, to enhanced employees' performance, companies can benefit from the application of some kind of motivational practices in also other ways.

How is all that relevant to shipping? Shipping companies, as any other business organisation, are interested in all areas of improvements in organisational performance and of course the attainment of the company's goals. Like other firms, however, due to their innate characteristics as service-sector organisations, and also due to the idiosyncrasies of the shipping business itself, rely even more on their people for successful and profitable ship operation. The special features of shipping with regard to its people mainly relate to the distinction between shore-based and ship-based personnel in the companies, the inherent complexity of ship operation which places capital intensive assets in the hands of very few people, and the social aspect of the staff's time on board. A shipping company is not a homogenous business entity in the sense that it is dispersed in two main functional units, the office and the main 'production' unit, the vessel. Among and between these two units employees

must go to extra lengths to communicate information, coordinate activities, and cooperate with also external associates for the effect and efficient ship operation and service delivery. On top of that, the working conditions for the ship-based personnel is very distinct from any other business, as their place of work is also their place of living and socialising for extensive periods time away from family, their social circle and everything else that life ashore has to offer. A shipping company is not a homogenous business entity also due to the fact the people working in it come not only from diverse professional backgrounds but also, most of the times nowadays and referring basically to its ships, from differing national, cultural backgrounds with a so high turnover that is rarely found in other industries and organisations. All these of course can not but complicate work at shipping companies and perplex the employees themselves. Thus, employees need to be well-motivated in order to have the desired performance and avoid the risks of accidents and any kind of losses. Perhaps most importantly, the significance of keeping a pool satisfied employees lies in their own power; this is so, because the real asset of a shipping company, in which huge capital investments have been made and from which the profits of the company are expected to derive, – the vessel – is in the hands of a very limited number of people, trading in various geographical areas, far away from the management office, in adverse weather conditions and under continuously changing formal jurisdictions. And this is a power that surely nobody wants to hand over to dissatisfied employees.

Obviously also, the point mentioned earlier about benefits arising from the establishment of reward systems can be applied in specific conditions of shipping firms. With the imminent shortage of appropriately skilled seafarers, already felt by

many in the industry, established motivation systems can play their role in enhancing the reputation of the firm and attracting and retaining the much sought after personnel of high calibre. Incentives and rewarding conduct can be conducive to creating and sustaining a corporate culture, whether this is a culture of safety and quality or simply a culture of loyalty to the firm. Lastly, investing in motivational systems, whether intrinsic or extrinsic, is an investment of well-spent resources, which might also result in reduced labour costs; as it has been observed, the cost of even paying higher wages may be more than offset by higher levels performance (Pfeffer 1998, pp.195-202).

2.2 Motivation Principles Reviewed

The focus on people in the discipline of management emerged primarily around the 1920s with the human relations movement introduced after the Hawthorne experiments. By the 1950s a number of early motivation theories had developed paying attention to either the traits or the fundamental needs of the people. Maslow's ascending hierarchy of needs approach to motivation is perhaps the most well-known such theory. The basic idea of his propositions is that there are five groups of human needs each of which when satisfied, ceases to act as an incentive for people (Maslow 1987). These needs in ascending order are: physiological, safety, social, esteem and self-actualization, or else the lower-order needs usually satisfied externally (physiological and safety) and the higher-order needs basically satisfied within the person (social, esteem and self-actualization). The theory provided no empirical justification and received little empirical support in later years, too, but has remained influential mainly due to its intuitive logic and has rise to expanded relevant

need theories. McGregor (1987) talked about two different views of humans, one negative known as Theory X, encompassing assumptions about employees being lazy and uninterested in their work, and Theory Y, assuming that employees are dominated by higher-order needs and therefore can be motivated by greater responsibility, participation in decision-making and other. Herzberg's (1959) two-factor theory of motivation was particularly popular in the 1960s and investigated those areas at work that offer satisfaction and dissatisfaction to employees. He supported that these were not necessarily related and therefore it cannot be supposed that if workers do not feel dissatisfied this implies automatic satisfaction. He concluded that intrinsic factors were connected to job satisfaction and extrinsic factors to job dissatisfaction and further contributed to the vertical expansion of jobs so as to enhance greater planning and controlling on the part of the employees.

These three basic theories have provided the platform for many of the contemporary views on motivation but have also been criticized for various weaknesses they exhibit on a number of aspects. Nowadays, for example, we tend to believe more in the effects of the interaction between individuals and circumstances rather than in specific traits that make up for motivational discrepancies. On the other hand, there is no substantial research evidence of the existence of a universal hierarchy of needs. Noteworthy is the ERG (existence, relatedness and growth) theory of motivation (Alderfer 1969) and McClelland's theory of needs (McClelland 1976). The ERG theory rejects Maslow's strict progression to higher needs suggesting that more than one group of needs may be operative at any given time and that people can regress to former levels of the hierarchy of needs when a higher one is not satisfied. Conversely, McClelland talked of three main needs, the need for achievement, for

power and for affiliation and argued that they shape people's behaviour and can help explain motivation.

Practically the impact of the implications of the aforementioned theories has been, among others, the development of job redesign propositions. In essence, researchers have turned to the job itself to identify characteristics in it which might act as motivational factors. Hackman and Oldham (1980) suggested five job elements, namely, skill variety, task identity, task significance, autonomy and feedback, which when combined, will create internal rewards to the individual because he/she will know that he/she accomplishes an important task. The notion of internal rewards and their positive effect on motivation is contained also in the cognitive evaluation theory. This theory, however, goes even further to purport that extrinsic rewards (Deci 1975) might also have a negative impact and decrease satisfaction for a job which was previously intrinsically rewarding. Although such proposition might find applicability in a number of settings, it should not be expected to be always pertinent to work environments, as shipping companies, because there axiomatically exists the condition of extrinsic reward, i.e. employment payment, without which provision of employees' services are normally withdrawn. In any case, the significance of intrinsic motivation is once more underlined and ascertained.

Adopting a similar cognitive approach pointing to individuals' targets which condition their behaviour, the goal-setting theory suggests that the identification and establishment of specific goals can act as motivation factor and can lead to increased performance (Locke and Latham 1990). The Management By Objectives principle echoes this belief, while the contemporary practice of providing financial rewards, in

the form of bonuses, for example, after the attainment of specific company objectives is also linked to the same notion.

A review of motivation theories should also include a reference to the equity theory and the expectancy theory. Equity theory has been characteristically referred to as the “felt-fair” principle (Armstrong 2002, p. 61). This basically implies that people have a sense of their inputs, outputs and the way these are assessed and rewarded in relation to others’ outcomes and they need to feel that they are fairly treated if they are to be motivated. On the other hand, the expectancy theory (Vroom 1964) relies on certain expectations employees have with regard to: the performance a certain effort can exert, the results this performance will bring, and the attractiveness of these results in the light of their own purposes. It is argued that when the relationships ‘effort-performance’ and ‘performance-rewards’ are strong and when the financial and non-financial rewards satisfy employees, then personnel will be motivated. It refers, of course, to the psychological processes that are involved in motivation and considers the employees’ perception of the likelihood to achieve the desired outcome, their assessment of the attractiveness of the returns as well as the demonstrable ability and intention of the company to recognize and reward their performance. One of the strengths of this theory is perhaps exactly this process approach it adopts to motivation rather than seeking to establish a universal principle to explain it. The diversity of needs and values of people as well as of the organizations they work in can hardly be negated. By offering a pattern of mental process rather than a specific content to describe motivation, plenty of room is left for contingency factors to also play a role.

And contingency factors can play a role. Culture, for example, has more than once been found to condition the effect of motivation factors in different countries or cultural contexts (Robbins 2005). The political and economic context can also to some extent channel, directly or indirectly, the concept and practice of motivation by shaping the strategic choices of companies (Marchington and Wilkinson 2005). Motivation can further be affected by time; tastes, needs, values, priorities and attitudes do tend to change over time and managers have to be able to perceive and recognize the impact of these changes on their employees' motivation. What should also be underlined in a discussion about motivation for improved performance is that the individuals must not only want to achieve high level of performance but they must also be able to do so (Hellriegel and Slocum 2004). In other words, the issue of accounting for personal abilities comes to the fore as another contingency aspect. It is, therefore, evident that the study of motivation requires an insight into the range of existing motivation theories coupled with an understanding of various contingency and other – subjective to employees – factors that inevitably come into play.

Having examined the most prominent motivation theories, in the next section the paper will discuss the choices made, for the purpose of the present study, in respect of the framework of issues to be investigated and of the methodological approaches used and it will present the results of the analysis of the relevant data.

3. Case study in Taiwan

3.1 Building a Framework of Study

The aim of the present research is to examine the concept and exercise of motivation of shore-based personnel in shipping companies and to explore the potential role and effect of individual factors in it. In order to achieve the aforementioned goal a number of more specific objectives have to be attained. Such objectives explicate the purpose of the study and in essence point directly to the kind of steps that need to be taken with regard to, for instance, the type of information that needs to be gathered as well as how it should be gathered. In other words, under the light of their description, most of the required methodological choices, described in section 3.2, are primarily made. In accordance with the above, the main research objectives of the present study were:

- To explore the concept and practice of motivation in shipping companies
- To attempt to provide an answer to the question what the crucial motivating factors are for employees in shipping companies in Taiwan
- To examine whether various personal details of employees may have an impact on the perceived importance of motivating factors
- To investigate the relevance of perceived motivating factors in shipping firms to general motivational theories

Bearing in mind the diverse and sometimes even conflicting ideas expressed in the main motivation theories discussed before and given the exploratory nature of the present study and the time and resources constraints, a decision had to be made about which aspects of the motivation principles reviewed would become the focus of investigation. Instead of attempting to consider the applicability of a particular theory

in the shipping industry, the effort was to widen the scope of the examination to a greater extent. Attention was, thus, drawn to discovering a common notion underlying the majority, if not the totality, of motivation theories which would serve as the overall framework of our research. The idea of ‘returns’, of ‘rewards’, of ‘compensation’ of some sort for the effort or the performance exerted appears to be present in one way or another and in one form or another in all the theories expressed. Whether extrinsic or intrinsic, whether related to personal traits, needs or contingencies, whether received for the input or the output of individuals, rewards are the tools in the mechanism of motivation provision. What is more, although “*motives can only be inferred; they cannot be seen*” (Hellriegel and Slocum 2004, p.118), rewards are much more tangible and they are the practical way in which companies respond to motivation requirements. There is, of course, perhaps an infinite number of different rewards that can be introduced, all of which would be unfeasible to include in a single study. The direction of the present research with regard to the choice of organizational factors to be explored was taken from Steers and Porter (1991), who provided a relevant application of Maslow’s need levels (Table 1). The list was followed neither strictly nor comprehensively, as a number of other factors reflecting various theoretical points were included and as respondents were given the opportunity to add to these, too, prompted by open-ended questions.

Needs levels	Organisational factors
Physiological (e.g. food, water)	Pay Pleasant working conditions
Safety (e.g. security, stability, protection)	Safe working conditions Company benefits Job security
Social (e.g. love, belongingness)	Cohesive work group Friendly supervision Professional associations
Esteem (e.g. self-respect, prestige, status)	Social recognition Job title High status job Feedback from the job itself
Self-actualisation (e.g. advancement, growth)	Challenging job Opportunities for creativity Achievement in work Advancement in the organisation

Table 1: Steers and Porter's Rewards Framework

Source: adapted from Steers and Porter, 1991, p. 35

3.2 Methodological Choices

As “*there is never a single, standard, correct method of carrying out research...There is no single perfect design*” (Simon 1969, p.4), a variety of ways can be employed to deal with a research subject. However, what must, first of all, be determined is the purpose of the study and its time dimension. With regard to their purpose, studies generally fall in three categories: exploratory, descriptive or explanatory. Exploratory research is conducted to explore a topic and provide familiarity with it, descriptive research is done for the purpose of describing situations and events, and explanatory

studies are the ones which seek to explain things, to that is, cause and effect relationships (Babbie 1998, pp.90-93).

The present study wishes to throw some light to the subject matter of motivation in shipping firms, gain insight into the pertinent reality of a specific cultural context, Taiwan, and increase familiarity with the concepts and issues concerned in the shipping industry. Under these circumstances, exploration is judged to be a perfectly legitimate objective for a research project (Churchill 1991, pp.130-132), especially in cases where there is “*little or no knowledge about the problem or situation under investigation*” (Black and Champion, 1976, p.78). As a result, although exploratory studies rarely provide satisfactory and definitive answers (Babbie, 1998, p.91), they can at least discover potentially important factors which can be better tested on another occasion (Black and Champion 1976).

In terms of the study’s time dimension, this can be said to be cross-sectional, which relates to data collected at a single point in time from a sample of elements of the population of interest (Babbie 1990, p.56). This is believed to be the most common and familiar type of research design (Churchill 1991) and produces data that is comparable and not influenced by changes over time.

Inevitably, it is the objectives of each inquiry, the of data required and the limitations of the researcher that basically determine and favour the employment of one or the other research approach. For the purpose of the present research and after giving due regard to the aforementioned factors, the strategy of case study was chosen as an appropriate one. Case study has been defined as “*a research study which*

focuses on understanding the dynamics present within single setting” (Eisenhardt 1989, p.543). It basically involves empirical examination of a particular instance of a phenomenon of interest within its real life context (Robson 2002, p.178). It is preferred especially when we want to study a situation or an organization which has rarely been studied or when we want to follow a theory which specifies a specific set of outcomes in a particular situation and we find a fit in that situation and so the case study can enlighten us about the applicability of the theory to the organization (Yin 1994). According to Eisenhardt (1989, p. 548), case studies are “*particularly well-suited to new research areas or research areas for which existing theory seems inadequate*”. On the present occasion, motivation in shipping companies is a topic barely empirically investigated in the international literature and one that does entail the examination of a phenomenon within its real life context, that is, within the actual business environment in which it takes place. On the other hand, extensive research on motivation has been done in business organizations outside the shipping industry, which can provide a suitable theoretical platform the validity of which to a shipping organization can be critically tested.

The case to which the matter under study refers to is defined the unit of analysis and it can be a company, a group of workers, a location, etc. A decision regarding the strategy of single case or a multiple case and the holistic case or the embedded case must also be made. Single case design is very well-matched with exploratory studies that serve as a first step to a later, more comprehensive study (Yin 1994, p.47-49). For the purpose of this exploratory research one shipping company located in Taiwan was chosen to constitute the units of analysis, primarily due to the fact that it represented typical case which provided the opportunity to investigate into the subject

matter on the basis of ease to access to it. We, therefore, employed the ‘convenience type of sampling’, to minimize expenses and make full use of available time. In addition, a holistic approach was adopted, that is, our research was concerned with the organization as a whole and not with the examination of sub units in it. The company was a top containership carrier, public company listed on the Taiwan Stock Exchange, with a fleet of around one hundred vessels – the overwhelming majority of which containers – and with more that 1,000 people working in it.

Given the fact that the sources of the necessary data to be collected were employees, a decision about the actual number of responses to be achieved was also reached. Assuming that the whole ‘population’ under investigation was the total number of employees in the shipping firm, we considered a variety of techniques and recommendations for the determination of the actual number of elements that had to be included. According to the rule of thumb 1/10 of the population is the most frequently recommended sampling fraction for statistical inference, and 30 cases is the bare minimum for studies in which statistical analysis is to be done (Champion 1970, p. 15 & 89). Our goal, therefore, was to examine at least 30 employees of the firm. In effect, the respondents were shore-based staff as in the course of the investigation it was not possible to have access to ship-based personnel. Therefore, the results of the study reflect that attitudes and opinions of office staff only in the shipping company.

The data collection techniques that can be used in case studies can vary and include also interviews and even questionnaires (Saunders et al 2007). The preferred data collection technique for the present study was the mailed, structured questionnaire.

One hundred questionnaires were e-mailed to the shore-based staff of the two Taiwanese shipping firms and of these 40 valid responses were received and analysed.

Before proceeding to the discussion of the results of investigation, due acknowledgement has to be given to the limitations of the case-study approach as well as the potential it offers. Undoubtedly, the greatest concerns about the employment of this strategy are with regard to the generalizability of the case study research. Indeed observations made and conclusions drawn from one case are difficult to generalize. However, a certain degree of theoretical generalizability can be achieved as the intensive examination of a single case allows for valuable theoretical reasoning and analysis. Case study strategy has been found to be not just a legitimate but also a “*worthwhile way of exploring existing theory*” whether to challenge it or to provide a source of new research questions (Saunders et al 2007). In fact, it has been argued that “*case studies can be associated with both theory generation and theory testing*” (Bryman and Bell 2003). What can also be underlined is that “*inferences of generalization are always tentative. Data might offer confirming or disconfirming evidence but never conclusive evidence*” (Kennedy 1979, p. 664). Consequently, although the results of the case study employed here may not be representative of all shipping companies and their employees worldwide, they will certainly be illustrative and sufficient to provide the basis for theoretical analysis, which is anyway the aim of the present work.

3.3 Research Results

Table 2 shows the profile of the respondents in respect of their age, gender, position in the company, education, marital status and period of service in the company. The average age of the respondents is quite low with 55% of them being under 40 and 87.5% under 50. The overwhelming majority of them are men, 97.5% have a university or master's degree, and a high percentage as well, 75%, has their own family. The respondents' period of service varies quite evenly among the different categories but it is characteristic that a big majority has been with the company for a long time period, while the range of positions that are represented in the sample exhibits a higher concentration in the position of managers and assistant managers.

Personal Information		No.	%
Age	30 or under	9	22.5%
	31-40	13	32.5%
	41-50	13	32.5%
	51 or above	5	12.5%
Gender	Male	28	70.0%
	Female	12	30.0%
Position in the company	Employee	5	12.5%
	Assistant Manager	11	27.5%
	Manager	19	47.5%
	Executive Manager or above	5	12.5%
Education	High School	1	2.5%
	University/College	24	60.0%
	Master	15	37.5%
	PhD	0	0.00%
Marital Status	Single	9	22.5%
	Married	15	37.5%

Table 2: Profile of Respondents

Source: Authors

In order to assess the relative importance of motivating factors, survey participants were asked to rate the importance of each of the listed motivating attributes using a five point scale where 1= “very unimportant” and 5= “very important”. Accordingly, a frequency analysis was conducted on the importance ratings reported by the respondents. Results of this analysis and the means for each factor are presented in Table 3.

Motivating Factors	Importance Level		
	SD	Mean	Rank
Opportunity to learn new skills	0.545	4.450	1
Receive higher pay	0.589	4.450	1
Friendly working atmosphere	0.543	4.425	3
Cash bonuses	0.583	4.400	4
Personal growth/development	0.608	4.325	5
Chance for promotion	0.685	4.325	5
Good working conditions	0.689	4.225	7
Opportunity for more responsible work	0.628	4.175	8
Opportunity for more diverse work	0.572	4.150	9
Job security (e.g. long-term contract)	0.654	4.150	9
Praise (personally or in public)	0.685	4.075	11
Participation in decision making	0.705	4.050	12
Extra insurance package (life, health)	0.821	3.975	13
Greater autonomy in job planning	0.740	3.950	14
Chance for working abroad	0.773	3.950	14
Company shares	0.781	3.700	16
Social events organised by the company	0.620	3.625	17
Extra vacation time	0.768	3.600	18
Flexible working hours	0.803	3.425	19
Other Material benefits (e.g. shopping vouchers)	0.689	2.975	20

Table 3: Relative Importance of Motivating Factors

Source: Authors

As Table 3 indicates, the respondents perceive the importance of the motivating factors to be quite high. Most of the factors scored between very important and

important (average is between 4 and 5). Only one of the factors is between unimportant and very unimportant (average is between 1 and 2). The two most important motivating factors to employees in the shipping companies are *opportunity to learn new skills* and *receive higher pay*, as both of their means are 4.45. The following factors are *friendly working atmosphere*, *cash bonuses*, *personal growth/development* and *chance for promotion*. Their means are 4.425, 4.4, and 4.325, respectively.

Table 3 also shows that at least half of the ten most important motivating factors refer to intrinsic motivations. This of course implies that the employees may be easier to motivate if they feel they could gain something such as skills, knowledge or experiences from their jobs rather than just receive material benefits. As for those factors which are considered less important, *extra vacation time*, *flexible working hours* and *material benefits* are the three least important motivating factors. Their means are 3.6, 3.425 and 2.975, respectively.

Open ended questions included in the questionnaire elicited also interesting responses. Employees were asked to indicate any additional factors, apart from the ones appearing in the questionnaire, which could act as incentives for them at work. Seven out of forty respondents pointed out team work as a crucial factor for their motivation. They suggested that through team work they share experiences, exchange ideas, learn to coordinate with people, and enjoy the friendly working atmosphere. Organisation of training courses is another factor that many respondents mentioned as contributing to their motivation. It further strengthens the argument that what employees want is

not just money or material benefits but they also want to gain benefits of intangible value such as personal competence, ability and knowledge.

Fairness is another motivating factor that respondents put emphasis on. The suggestion points directly to the equity model of motivation referred to in the previous section and provides support to it. A number of other suggestions made by the employees pointed to additional motivating factors, such as the existence of a friendly leader, a convenient company location, parking place, job rotation, no overtime, allowances for pursuing further education, and family group travelling.

Level of Importance	Motivating factors	Degree of Motivation		
		SD	Mean	Rank
Rank				
1	Opportunity to learn new skills	0.64	4.20	2
1	Receive higher pay	0.77	4.18	3
3	Friendly working atmosphere	0.63	4.18	3
4	Cash bonuses	0.61	4.33	1
5	Personal growth/development	0.73	4.15	5
5	Chance for promotion	0.85	4.03	7
7	Good working conditions	0.66	4.10	6
8	Opportunity for more responsible work	0.79	3.93	9
9	Opportunity for more diverse work	0.74	3.95	8
9	Job security (e.g. long-term contract)	0.75	3.93	9
11	Praise (personally or in public)	0.83	3.90	11
12	Participation in decision making	0.73	3.60	15
13	Extra insurance package (life, health)	0.88	3.78	12
14	Greater autonomy in job planning	0.79	3.68	14
14	Chance for working abroad	0.84	3.70	13
16	Company shares	1.00	3.50	16
17	Social events organised by the company	0.71	3.50	16
18	Extra vacation time	1.03	3.13	19
19	Flexible working hours	0.77	3.43	18
20	Other Material benefits (e.g. shopping vouchers)	0.88	2.93	20

Table 4: Comparison of the Level of Importance and Degree of Motivation by Motivating Factors

Source: Authors

The study also examined the degree of motivation employees in the shipping company experienced in relation to recognized motivating attributes. This is an interesting issue to discuss as it concerns the issue whether shipping companies actually achieve motivation of their personnel and the tools they use to accomplish

that. A five point scale where 1 = “very unmotivated” and 5 = “very motivated” was used in the survey as respondents were asked to rate the degree of motivation the various motivating attributes effected for them. Table 4 summarizes the findings and indicates that the degree of motivation from those factors which are also regarded as important by employees is high. It seems that the company is aware of what its employees want and motivate them accordingly. Moreover, the overall motivated degree is high as well. The degree of motivation of ma motivating factors is between the ‘very motivated’ and ‘motivated’ ranking categories. Only one of the motivating factors, the *material goods*, appears as not effecting any motivation to employees, and this is also perceived as the least important motivating factor by employees.

Age (years)	3 most important motivating factors and their average	2 least important motivating factors and their average
= 30	Receive higher pay (4.6) Personal growth (4.5) Chance for working abroad (4.5)	Other material benefits (3.0) Job security (3.6)
31-40	Receive higher pay (4.4) Cash bonuses (4.3) Job security (4.3)	Other material benefits (2.9) Flexible working hours (3.3)
41-50	Opportunity to learn new skills (4.5) Personal growth (4.5) Opportunity for more responsible work (4.5)	Other material benefits (3.1) Flexible working hours (3.6)
= 51	Receive higher pay (4.8) Chance for promotion (4.6) Opportunity to learn new skills (4.6)	Other material benefits (2.6) Flexible working hours (2.6)

Table 5: Motivating Factors by Age Group

Source: Authors

Furthermore, we examined whether various personal details of the respondents have any effect on the importance these motivating factors exhibit. The personal features we specifically looked into include age, gender, position in the company, and marital status. As shown in Table 5, respondents belonging to all different age groups consider *the receipt of higher pay* as an important motivating factor. It implies that money is always a strong incentive. People below the age of thirty exhibit a greater desire to work abroad, an observation which may point to their inclination greater adventure or to the absence of any family duties. Employees above the age of forty put more emphasis on enhancing their personal ability, such as *opportunity to learn new skills* or *chance for promotion*. As for the least important factors, they do not show much difference among people of different age. *Other material benefits* is the least important motivating factor for all respondents. However, it is also characteristic that employees below the age of thirty think *job security* as an unimportant factor, alluding to both their young age and also perhaps to their few years of service in the company.

From table 6 it is evident that there is no much difference between what men and women perceive as important or unimportant incentives. The *receipt of higher pay* and *opportunity to learn new skills* are in this case, too, the important factors for both genders; *other material benefits* and *flexible working hours* are the least critical factors. A note of interest, and perhaps a rather surprising one due to its contrast with social perceptions, is the fact that the dimension of *friendly working atmosphere* appears to be most important for men rather than for women. In addition, a female respondent noted that companies should have some women-specific policies, such as welfare for women during pregnancy.

Gender	3 most important motivating factors and their average	2 least important motivating factors and their average
Male	Receive higher pay (4.5) Opportunity to learn new skills (4.5) Friendly working atmosphere (4.5)	Other material benefits (2.9) Flexible working hours (3.4)
Female	Opportunity to learn new skills (4.3) Cash bonuses (4.2) Receive higher pay (4.2)	Other material benefits (3.1) Flexible working hours (3.3)

Table 6: Motivating Factors by Gender

Source: Authors

Table 7 summarizes certain variations observed between people in different positions in the shipping companies. It is interesting to note that employees without any managerial responsibilities and those entrusted with the very basic ones are more oriented towards receiving some sort of extra pay as an incentive. As we move up the hierarchical ladder, however, the managers become more concerned with enhancing their personal competence and development in the company. A gradual increase in the importance of intrinsic incentives can clearly be seen with the gradual ascendance to managerial positions. It is also worth noting that the issue of higher pay comes back to the picture as a significant motivating factor in the ‘executive managers’ category having completely escaped the exact previous category. This could be an indication of the fact that, as the post of ‘executive managers’ normally entails, both practically as well as symbolically, a sense of personal and professional accomplishment, the issue of higher pay becomes once again, and perhaps also as a differentiating factor among equals, critical. On the other hand, no job position category is particularly interested in the ‘other material benefits’ category, while again

certain other differentiations occur. For example, lower rank personnel is especially concerned with increasing their income in the most concrete form of extra pay, that is, wages and bonuses but shows little interest in acquiring company shares. Conversely, for the higher two position categories, the issue of ‘tampering’ with their working time has hardly any significance, perhaps due to the expected and unavoidable workload and responsibilities that come with these posts.

Position	3 most important motivating factors and their average	2 least important motivating factors and their average
Employee	Friendly working atmosphere (4.8) Receive higher pay (4.6) Cash bonuses (4.6)	Other Material benefits (3.2) Company shares (3.8)
Assistant manager	Receive higher pay (4.6) Cash bonuses (4.4) Opportunity to learn new skills (4.3)	Other Material benefits (3.0) Participation in social events organised by the company (3.2)
Manager	Opportunity to learn new skills (4.4) Personal growth (4.4) Opportunity for more responsible work (4.4)	Other Material benefits (3.1) Extra vacation time (3.5)
Executive manager or above	Receive higher pay (4.8) Chance for promotion (4.8) Opportunity to learn new skills (4.8)	Other Material benefits (2.0) Flexible working hours (2.8)

Table 7: Motivating Factors by Position

Source: Authors

From table 8 it becomes clear that no major differences are to be in the way personnel of diverse marital status perceive motivation. In respect of the most

important motivating factors, they all include some sort of financial remuneration but greater emphasis overall appears to be given to the opportunities for greater personal and professional development. It is worth noting that, at a closer look, people with their own family and so with inevitably with increased responsibilities, seek greater stability and continuity in their jobs, in the form of job security and promotion prospects. One thing that is also of interest, however, and emerged contrary to expectations, is that extra time off work was judged as a least significant incentive for married people and people with children. This was a surprising observation and opposing to general beliefs, but could perhaps simply reflect the realism with which people regard their job obligations, especially if these coincide with duties of the higher ranking managers.

Marital status	3 most important motivating factors and their average	2 least important motivating factors and their average
Single	Opportunity to learn new skills (4.5) Opportunity for more diverse work (4.4) Receive higher pay (4.4)	Other Material benefits (3.1) Company shares (3.4)
Married	Receive higher pay (4.5) Opportunity to learn new skills (4.5) Job security (4.4)	Other Material benefits (2.8) Extra vacation time (3.6)
Married with children	Chance for promotion (4.4) Personal growth (4.4) Cash bonuses (4.4)	Other Material benefits (3.1) Extra vacation time (3.4)

Table 8: Motivating Factors by Marital Status

Source: Authors

The analysis of the data and the discussion of the results of our research in the framework of the general motivation theories point to some interesting outcome.

Clearly, for example, Maslow's theory of the ascending hierarchy of needs, is not substantiated by the findings of the present study. In our investigation physiological needs, for example, are related to factors such as *receive higher pay and cash bonuses*, while safety needs are more reflected to factors such as *job security and extra insurance packages*; social needs are represented by factors such as *participation in social events and friendly working atmosphere*; esteem needs by factors like *praise and chance for promotion*; lastly, self-actualisation needs correspond to factors such as *opportunity to learn new skills and opportunity to engage in more responsible work*. What has come out of this case study is that employees in the shipping company are concerned more about self-actualisation and physiological needs at the same time, while safety needs appear to be the least important factors to them. Thus, neither the priority nor the hierarchical order given to these categories of needs by Maslow's theory have found here application. What has also become clear in this study is that more than one group of needs can be simultaneously operative for employees in a shipping company's environment, pointing to the principles of the ERG theory. The fundamental principles underlying the job redesign theory can also be reflected in the findings of the present research. Opportunity to learn new skills, opportunity for more responsible and diverse work, praise (i.e. feedback) are factors quite high in the importance ranking of employees and of course directly related to the values of the theory. A comparison of the perceived level of importance of motivating factors and the degree of motivation employees experience from them shows that the six motivating factors which respondents consider as most important also result in a high degree of motivation for them. It seems employees' needs are well appreciated and taken into account in the effort to motivate them.

Also, it seems that the cognitive evaluation theory does not have a bearing in this case study. What is more, the issue of fair treatment – equity theory – has also been brought to the fore, despite the fact that no such attribute was included in the closed questions of the questionnaire. The “felt-fair” notion is apparently also at the back of the heads of employees in shipping companies. Lastly, worthy of note is also the fact that contingencies have appeared to play some, as well. Although, similarities across groups of employees in respect of the importance they attach to certain factors are certainly evident, discrepancies have also been observed especially in relation to different age groups and among employees of differing hierarchical status in the company.

4. Contribution, Limitations and Recommendations

The present study examined the significance of a number of crucial motivating factors for employees in shipping companies in Taiwan in an attempt to provide a general framework for motivation development in the shipping industry. The aim of the research was to explore an area of concern for ship managers, which, although extensively treated in the general management literature, has received little empirical investigation in the context of the shipping business. In this respect, the research results offer a useful platform for further theoretical reasoning and discussion on the provision of motivating incentives for shore-based staff in shipping companies and their critical appraisal.

However, given the complexity of the real-world phenomena under investigation and the often limited resources available to researchers, field studies tend to suffer

weaknesses and our study is not an exception. Within realms, a number of limitations of the present research have been acknowledged.

The main weakness of a case study research approach, as already suggested, is that it precludes the development of any statistical theory, as it gives no basis for evaluating how closely the case studies' characteristics approximate the parameters of the population. Therefore, population inference or generalization of the theories or concepts discussed can not be made on the basis of statistical support. Having said that, recent years have seen the development of a redefined conception of generalizability. According to these developments, generalizability does not only exist in a strictly statistical sense but it can assume other forms, too, equally important. For instance, it can be thought of as a matter of 'fit' between the situation studied and others to which one might be interested in applying the concepts and conclusions of that study (Schofield 1990, pp.201-209), or it can be described by the term 'analytic generalization'. Analytic generalization does not rely on samples and populations as the investigator is striving to generalize a particular set of results to propositions, to a broader theory and not to populations or universes (Yin 1994, p.10 & p.44). Generalising to a theory (analytic generalization) is different from generalising to a population and enumerating frequencies (statistical generalization) but both are perfectly legitimate in their own right. As a result, despite the admitted limitations of the chosen research strategy, reasonable deductions and discussions can be made from the present study about motivation aspects in shipping companies.

Another restriction of this study is the fact that only shore-based personnel of shipping companies was taken into account. Arguably, relies fundamentally

on its people on board vessels and their viewpoint and perceptions of motivation should not be overlooked or underestimated. Practical hindrances basically related to time constraints and the reality of work conditions on board which leave little time for participation in research projects prevented us from including responses from ship-based staff. Given the special working conditions on board vessels, the applicability of the research results should be examined only within the context of the office environment of a shipping firm.

Additionally, only a few dimensions with regard to motivation factors have been examined. The literature, as we have seen, is rich in motivation theories and offers a wide range of different aspects and attributes to be empirically investigated. This is especially true for an industry, such as shipping, which has practically not been considerably investigated within these realms. The exploratory nature of the present paper justifies the concentration on a few of the many diverse motivation features. In the same way, the choice of focus on a single country, Taiwan, limits the examination in a specific cultural context. As the literature review has shown, however, motivation factors can differ from one culture to another and this is something that should also be taken into account. Lastly, discrepancies based on the type of ship operation are not expected to be substantial in respect of motivation principles of different shipping firms; yet, it has to be acknowledged that other organisational characteristics could play a role. For example, employees in a family-owned bulk shipping company could be expected to have developed differing relationships with their company than employees of large, public shipping firms and this may well have an effect on the way these people can be motivated at work.

From the above it becomes clear that there is plenty of room for further research on this topic. For instance, future investigation in motivation in shipping companies can concentrate on the examination of a number of other motivating factors that stem from the general management theory; it can focus on different cultural contexts and provide the basis for comparisons to be made; it can employ different research strategies, such as surveys, to increase generalisability of findings; or it can consider the perceptions of ship-based personnel in addition to the shore-based staff. What is more, potential, future studies can undertake to examine the impact of organisational features of shipping companies, such as ownership type, size, culture, etc on the motivating factors considered as important by their employees.

5. Conclusion

The paper was concerned with a critical appraisal of motivation principles in shipping companies. Due regard was given to the idiosyncrasies of the shipping business which call for a motivation strategy on behalf of the shipping companies and the most prominent motivation theories were reviewed. The paper presented the results of a case study of a shipping firm in Taiwan regarding the relative importance shore-based staff attached to a number of motivation factors. The findings of the research suggest that overall both extrinsic and intrinsic rewards motivate employees and that some discrepancies in employees' preferences should be expected based among others and on certain contingency factors.

Within twenty motivating factors in the questionnaire, the six most important factors from employees' viewpoints are *opportunity to learn new skills, receive higher pay,*

friendly working atmosphere, cash bonuses, personal growth/development and chance for promotion. The average of each of these factors is above 4.3 for all of them. The three least important motivating factors according to respondents are *extra vacation time, flexible working hours and other material benefits.* Added to the above, respondents suggested on their own also other motivating factors, like team work, organised training courses, and fairness.

The effect of various personal details on the importance level of motivating factors was examined. The results do not show great differences among the different contingencies such as age, gender, position in the company and marital status but some differentiation has been observed along specific parameters.

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