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Abstract

Since the *Maritime Labour Convention* (MLC, 2006) came into force, cruise line companies have been required to make HR organizational changes in order to comply with the corresponding rules on employees' rights. This paper offers an overview of the role and organization of HR in the Spanish cruise line company Pullmantur. This research suggests that cruise HR managers face greater challenges, compared to those of other sectors, not only because of the specific regulations affecting cruise line companies, but also because of the complexity of the processes from recruitment to incorporation. Pullmantur's case illustrates a particular way of organizing the HR planning and assignment of its personnel, reflected in their Crew Cycle Life (CCL). After having reviewed different documents as well as interviews carried out with Pullmantur's HR management, this paper describes and examines the different positions, functions, and responsibilities of HR "on ship and shore". It concludes that HR's function within a cruise ship company is more stressful and complex, but at the same time, more vibrant and challenging than in other industries.

Keywords: Cruise industry • Human Resources • Shipboard HR Manager • Organization • Work conditions.

Introduction

Despite a growing interest in aspects relating to HR management, organization and challenges in the cruise industry (Brownell, 2008; Dennet, 2018; Gibson & Perkins, 2015; Larsen, et.al., 2012; Vukonic, et.al., 2016), literature in this area, and especially case studies, are limited (Papathanassis, 2017). Accordingly, the aim of this paper is to offer an overview of the HR organization in the Spanish cruise ship company Pullmantur, by analyzing the main challenges affecting the management of its personnel; especially since the Maritime Labour Convention (MLC, 2006) came into force in 2013 (Lavelle, 2013).

This paper seeks to answer the following questions:

- How is the HR function at Pullmantur organized on ship and at shore for practical purposes and how are crew assignments organized?
- What are the duties and responsibilities of the shipboard HR team at Pullmantur?
- What are the main challenges of HRM in a cruise Company?

We conducted nine interviews, four of them with HR managers at the company's HQ in Madrid, four with shipboard HR managers and one with the recruiting manager of Royal Caribbean. The interviews carried out with professionals working on ship and shore enabled us to explore the HR function in Pullmantur.

Table 1: Profile of HR personnel interviewed

<i>Position</i>	<i>Place</i>	<i>Length in Pullmantur-Royal Caribbean</i>	<i>Nationality</i>	<i>Interviews</i>
<i>Corporate HR director</i>	Land	Almost 4 years	Spanish	1
<i>Senior fleet HR manager</i>	Land	Six years	Spanish	1
<i>Fleet HR manager</i>	Land/sea	Twelve years	Spanish	2
<i>Shipboard HR manager</i>	Sea	Three years	Czech	1
<i>Shipboard HR manager</i>	Sea	One year	British	1
<i>Shipboard HR manager</i>	Sea	Six years	Mexican	1
<i>Shipboard HR manager</i>	Sea	Six months	Nicaraguan	1
<i>Recruiting manager, bulk & hiring partners shipboard</i>	Land	One year	Italian	1

Pullmantur: Company background

Pullmantur is a Spanish cruise line founded in 1971 as a travel agency and tour operator that began operating cruises departing from Barcelona in 2001. Currently, it is the leading company in the Spanish cruise market and Latin America's most popular cruise line, with a fleet of four vessels. The company has more than 3,000 employees, the majority of them working on board. Since November 2006, it belongs to Royal Caribbean Cruises Ltd (abbr. RCL) one of the largest cruise lines, owns six distinctive companies with a fleet of 60 ships: Royal Caribbean International; Celebrity Cruises; Silversea Cruises; Amazara Club Cruises; 50% joint venture of TUI Cruises; and 49% shareholder of Pullmantur Cruceros. It employs 65,000 people from over 120 countries.

In 2016, 51% of the company was transferred to Springwater Capital. However, its vessels are still owned by RCL. It is the only company offering a Spanish lifestyle on board, which represents a niche in the current cruise market. Pullmantur has registered its vessels in La Valleta, Malta. In order to remain competitive by taking advantage of flexible and favourable labour conditions, the crew is hired by a Bahamas-based company called "Pullmantur Ship Management." Since 2013, Pullmantur has met the requirements of the different articles of the Maritime Labour Convention (abbr. MLC) on seafarers' rights, such as minimum requirements to work on the ship; employment

conditions; accommodation; recreational facilities; food and catering; health protection; welfare and social security protection.

The organization and HR function at Pullmantur

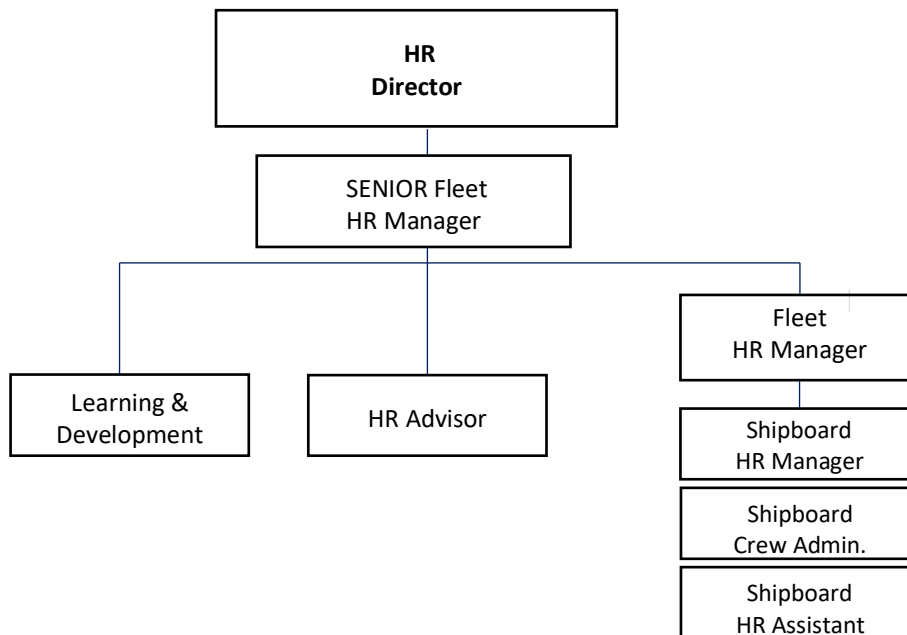
At Pullmantur there are two types of HR professionals: 1) the shore HR team and 2) the shipboard HR team. The shore staff's HR function is very similar to that of other industries and is composed of the following positions: corporate HR director; manager of training, development and recruiting; manager of employee relations and benefits; senior HR specialist; junior HR specialist and manager of internal communication.

Pullmantur's Shipboard HR team is composed of an HR manager; a crew administrator and an HR assistant (see figure a). All of them have an essential role in the integration, guidance, and support of the crew's life onboard. Additionally, and in response to a high volume of crew movements in a brief period, RCL has a team in charge of talent acquisition that is a point of contact for the hiring partner network in different regions.

Until 2015, the HR department at Pullmantur was of secondary importance, merely serving as an administrative function, whose role was to ensure smooth crewing and dealing with formal requirements such as: preparing paperwork and visas for embarkation and managing employment contracts. However, beginning 2015, HR started to be considered a function essential for achieving business results. Pullmantur created the HR corporate manager onshore and HR specialists on each of its vessels. With the arrival of the shipboard HR manager position, Pullmantur started a new era in HRM. The fleet HR manager, an itinerant position between shore and ship, is responsible for coordinating all the Pullmantur HR shipboard teams; in the company's four vessels.

It is necessary to have an HR department on a cruise ship for several reasons. First, since the approval of the MLC, cruise line companies are required to have this position for each ship, as to comply with rules on employee's rights. Furthermore, cruise employees are numerous and diverse. At Pullmantur, there is a minimum of 600 crewmembers on each vessel. This implies that there are employees with different cultures, values, and languages working on the same vessel, rendering diversity a management challenge. The second reason has to do with the place and time at which crewmembers carry out their work. There is no distinction between public and private space for employees on cruise ships (Sechkarán & Sevcikova, 2011). The cruise ship is a 'total institution' (Bolt & Lasley, 2015; Schlingemann, 2015), where employees must be 'on' nearly twenty-four hours a day, seven days a week, and where work- and leisure-time are spent with the same people and at the same place (Dennet, 2018; Wolff, et.al., 2013). Under such demanding conditions, conflicts are expected to arise. Hence, conflict resolution is one of the core functions of a Shipboard HR Manager.

Figure a: Shipboard HR organizational chart at Pullmantur group



The shipboard HR manager: Duties and responsibilities

At Pullmantur, the shipboard HR manager manages the ship's HR department, works closely with the captain and is a member of the vessel's executive committee. The shipboard HR manager also acts as the ship's compliance and ethics officer. Their work with the leadership team is crucial for developing and implementing HR strategies, policies and procedures in line with the individual business units and organizational mission and vision. The key responsibilities of the HR manager include:

- Facilitating a culture of commitment to the company's values, standards, operating philosophies and overall business strategy;
- Serving as a strategic partner to the shipboard leadership by providing HR direction and guidance on all employee-related issues;
- Promoting organizational effectiveness by implementing and monitoring issues relating to positive employee relations;
- Monitoring the company's performance management system;
- Developing strategies to enhance overall employee satisfaction;
- Overseeing activities related to sign-on and sign-off procedures, crew travel, cruise privileges and all other issues related to crew welfare;
- Providing direction and guidance to the training & development manager to ensure ongoing leadership development;
- Supporting the captain in all investigations involving crew; and
- Supporting and educating the management on the company's progressive disciplinary procedure.

Shipboard crew administrator and shipboard HR assistant: Essential duties and responsibilities

The shipboard crew administration at Pullmantur is responsible for managing all aspects of personnel administration, including ensuring the control of documents and certificates of embarking personnel. The crew administration is responsible for the entire welcoming (sign-on) and farewell (sign-off) processes, which involve all crew, direct Pullmantur employees and Concessionaires (revenue partner). Additionally, they are responsible for the well-being and comfort of the crewmembers prior, during, and after both procedures have been completed. This includes accurate documentation preparation and/or request of tickets, traveling visas, and hotel accommodation, regardless whether the process is normal/scheduled or emergency-triggered.

Moreover, crew administrators are responsible for indirect cost containment through the effective use, handling, and maintenance of records, reports, documents, and equipment. They understand the safety and quality management program and work with supervisors and subordinates to understand and comply with the company's environmental policies. Regarding security matters, they cooperate with the staff captain and chief security officer on the onboard compliance and application of the Company's Rules and Regulations.

Lastly, they work closely with the shipboard HR assistant, who is responsible for managing HR department administrative tasks and induction process support for new employees.

Learning and development consultant

This position is crucial for the improvement of organizational performance, career development and customer satisfaction. Learning and development consultants are responsible for influencing the career and professional development of the crewmembers and facilitating vessel development plans with onboard leadership to improve productivity and growth. They work with the land-based training and organizational development department, regional HR managers, ship executive committee members, divisional leaders and land-based talent acquisition.

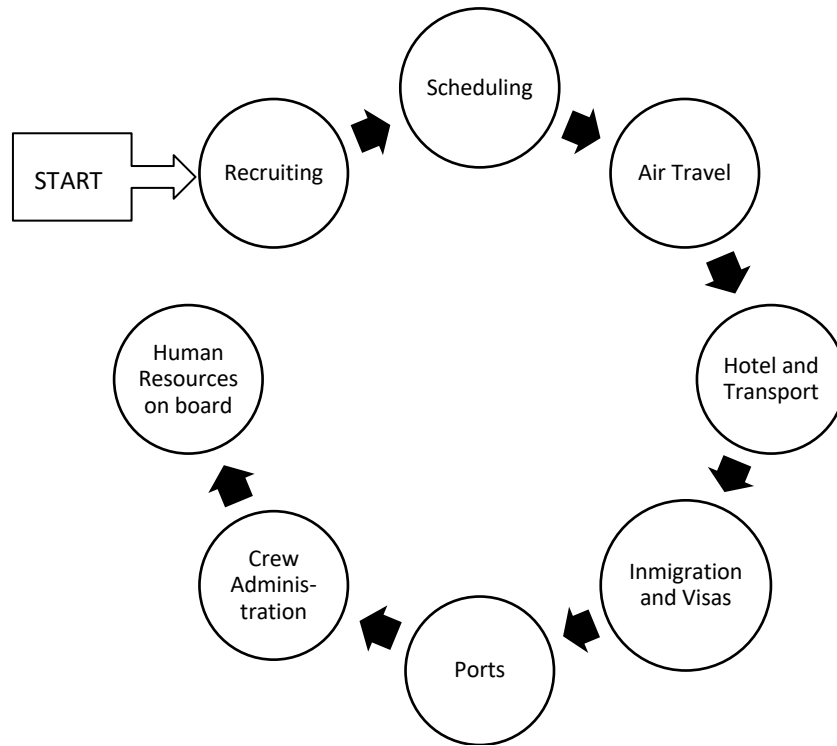
Pullmantur's 'Crew Cycle Life' (CCL)

The particular way in which the HR functions at Pullmantur are organized is called the "Crew Cycle Life" (CCL, see figure b).

The starting point of the CCL is the recruiting process, crucial for cruise ship companies (Gibson & Swift, 2011; Millar, 2010; Raub & Streit, 2006). Responsibility for recruitment falls on Royal Caribbean and its network of hiring partners. Once recruiting is completed, candidates are assigned to the cruise ships, which is called scheduling. Scheduling involves updating all crewmembers' movement in the personnel system or giving future assignments to returning crewmembers. Coordination is crucial, considering the large number of crewmembers involved. Candidates receive a Letter of Employment (LOE), provided by Pullmantur Cruises, that states the date on which they

will board the vessel and the position they have been assigned to. They must have this document available at all times whilst on board.

Figure b: Pullmantur's Crew Cycle Life (CCL)



At Pullmantur, contract lengths range from four to eight months, depending on the position. Managers typically have four-month assignments, and service personnel, six. For all other positions, the rule is eight months working onboard. Once a contract has ended, there is an unpaid two-month rest period, before the possibility of a rehire, which depends on whether the performance evaluation was good.

In terms of formal documentation, requirements for new crew members are required to have a passport; a visa; a LOE; medical documents; as well as licenses and training certificates. With regard to the latter, new employees are required to take a special course to equip them with all the tools necessary for a career at sea. There are two types of training courses: the first is the certificate of specialization in Basic Training in Maritime Protection, according to the International Convention STCW-2010 (Standards, Training, Certification, and Watchkeeping for Seafarers). Other courses for managers are "crowd management" and "crisis management". Basic training in maritime protection and the medical examination are at the employees' own expense.

Pullmantur has another department called air-travel, which oversees crewmembers' travel from their place of origin to the ports where the cruise departs. Newly-hired crewmembers pay for this expense, whereas the company is in charge in case of successive contracts. There is also a department in charge of hotel and transport, which is organizes the night before the cruise ship's departure.

The Immigration and Visa department facilitates all papers related to Passport, visas, etc. Ports are included in the crew's cycle, because they are responsible for giving information about the characteristics of the port to the crewmembers.

Crew administrators report to the HR Manager and are available for new crewmembers when they arrive to solve any doubts about incorporation.

HR challenges at Pullmantur and conclusions

The Pullmantur's case demonstrates the complexities and particularities of recruitment, selection, training and deployment in the cruise sector. This complexity is reflected in what Pullmantur calls the CCL. With regard to this organization, one of the main findings was that there has been a change in the HR function since the implementation of the MLC, which was particularly acute in the case of employee work conditions, as indicated by the HR fleet manager:

"The MLC began to be implemented in 2013 and has meant a considerable change in the industry. We must have all the certificates in order, and audits at least two times a year on each ship. The crewmembers have a direct channel of communication with MLC and with the union in which they can express any complaint. Besides, now it is mandatory to have an HR Manager onboard (...)."

The above led us to conduct more in-depth interviews about the HR managers, their functions and responsibilities, the way they coordinate with employees on shore and their impact on the organization. We found that the work of an HR professional on board is very different from that of other professionals in other sectors. As an executive pointed out:

"In any company, the HR manager has a job with very organized functions and times (...). On ship, it is completely different, as you live with the crew. 80% of cases have nothing to do with labor problems. For example, they also take care of and worry about the hours outside of work ..."

It is not just a problem of schedules; the cases on board are as complex as they are varied, which might be the biggest challenge of HR professionals. They are required to make very different and challenging decisions as reflected in the following comment from a Shipboard HR Manager:

"No day is the same; everything depends on what has been programmed, plus the unforeseen (...). In between (of regular duties), an incident of crewmember occurs, so you have to inform security and proceed with the corresponding investigation".

These circumstances have led to a high level of specialization since shipboard HR management entails broader and different responsibilities compared to traditional HR

management. The characteristics and variety of problems faced by the HR teams on board every day in relation to workplace conditions, and the difficulty in solving those problems, is what marks the difference between the management of HR of a cruise company and companies in other sectors.

"The shipboard HR manager is a key figure and very different from the HR manager of other businesses. He belongs to the steering committee, depends on the on-land direction as well as to the ship's captain, but the latter is curious. Because he depends on the captain but at the same time, "controls" the captain. The HRM reports to the ground crew of any anomaly or violation of the regulations and procedures, even if the captain has not complied with it."

However, the most critical responsibility of the shipboard HR manager is their position as *"the ship's Compliance and Ethics Officer."* Together with the captain, they determine disciplinary measures and offer psychological support to those who face professional and ethical problems, as well as facilitating harmonious coexistence between crew members. Therefore, it can be concluded that the management of HR onboard involves higher stress and complexity, than this of a regular HR position.

Nowadays, the function of HR is moving from a purely administrative function to a strategic one. Recruitment and selection, as well as training and evaluation, are all well-organized and aligned with the company's overall strategy. However, employee-retention and career-development, will represent a key challenge in the coming years, considering the growth of the cruise industry (Radic, 2017). When asked about the main challenge for the HR function in the near future, the land HR director pointed out:

"Without any doubt, my main challenge is the development of a professional career. There must be people on board prepared and certified to take over other positions. This must be achieved for the efficiency of HR and to motivate the best. If there is a possible career, there is more chance that they will continue with us".

Our study highlights that, despite literature stating the importance of the strategic function of HR since the late nineties (Ulrich, 2016), cruise lines tended to ignore this function until they were forced to apply the MLC. More research is necessary to determine if this is also the case with other cruise brands.

Although this paper focuses on the case of Pullmantur, it can be considered relevant for understanding HR within the cruise industry as a whole. As mentioned, Pullmantur is part of Royal Caribbean International, the second largest cruise company in the world, which controls a part of its HR management. Therefore, this case is embedded in a larger conglomerate, which operates worldwide.

HRM in shipping companies has seen significant changes and, in the case of Pullmantur, the adaptation to MLC has been accompanied by a profound change in the company's structure, including the general focus of its HR and business strategy. Thus, Pullmantur

has changed from a company without a clear focus, to one with a clear dedication to the Spanish-speaking world, especially within the Spanish source market. This intense change required an adaptation of HR management. Therefore, the combination of a new business strategy, together with the application of the MLC, make Pullmantur a very interesting case in the world of cruise companies. Future research, already in progress, will be dedicated to comparing and valuing this HR organization with other cruise companies.

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