

# Danica Group



Boutique crewing service provider:

- Hands-on and personal service
- In the crewing business since 2009
- Headquarters in Hamburg, Germany
- Integrated network of owned manning offices in Eastern Europe
- Associated offices in the Philippines and India
- Privately owned – Independent from technical managers / shipowners
- 1400 crew / 150+ vessels (mainly senior officers)
- 23 vessels in crew management
- 40+ employees ashore
- Danish management
- Modern HR selection tools in the screening process
- In-house training centre.

[www.danica-maritime.com](http://www.danica-maritime.com)



# **A modern crewing strategy with people in the centre**

# Value propositions



If you ask a shipping CEO why his/her company is making a difference then the answers most properly will be:

- We provide better quality
- We are more reliable
- We are more cost efficient

Crew performance is an important factor in the delivery of any of above!

Only few companies have a crewing strategy clearly connecting the business goals with the way they do the crewing of their vessels.

# The four ships



What kind of seafarers will the CEO need to deliver the value proposition?





# What is crewing about?

(or what should crewing be about?)

Elements in a crewing strategy:

Recruitment

Retain

Develop

Cost  
efficiency

Recruitment

Retain

Develop

Cost  
efficiency

What is recruitment about?

- Crew sources – which nationalities and how many
- Selection criteria
- Screening.



## Recruitment Crew sources

Retain

Develop

Cost  
efficiency

### Crew sources

- We don't need passports
- We need people who can perform
- Practical issues – audits, control, training seminars
- Risk management – spread locations
- 2-3 nationalities.



## Recruitment

### Selection criteria

Retain

Develop

Cost  
efficiency

## Selection criteria

Looking for Mr perfect on the short term:

- *“ We have two Yanmar auxiliary engines to overhaul next month so the new chief engineer must have extensive experience with Yanmar engines”*
- *“Must have US-visa, 36 months as Master on chemical tanker, not older than 45 years”*

Do not apply a narrow selection criteria!





Recruitment  
Selection criteria

Retain

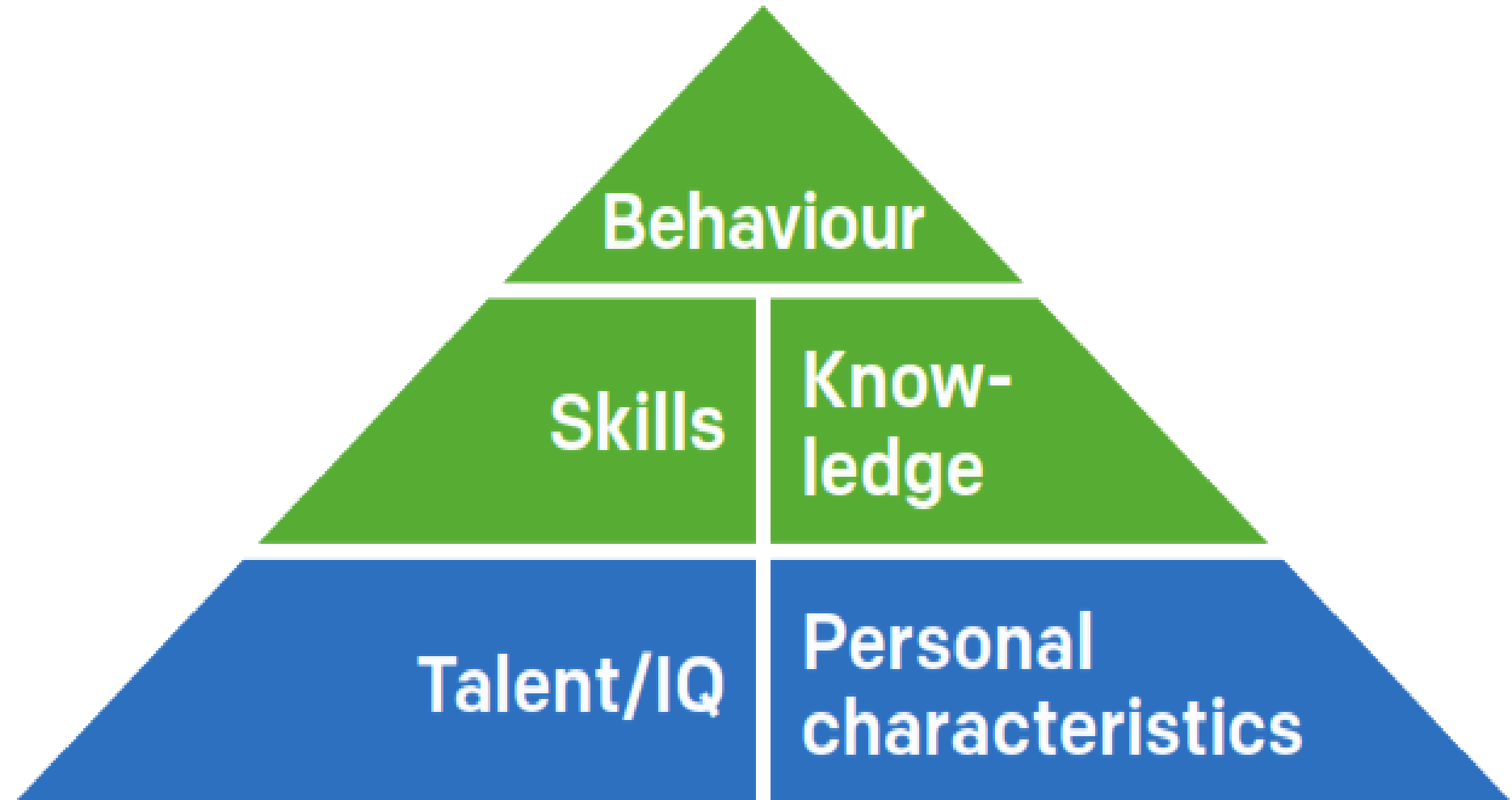
Develop

Cost  
efficiency

Selection criteria

Better to have a holistic approach.

What do we actually need onboard?





## Recruitment

Selection criteria

Retain

Develop

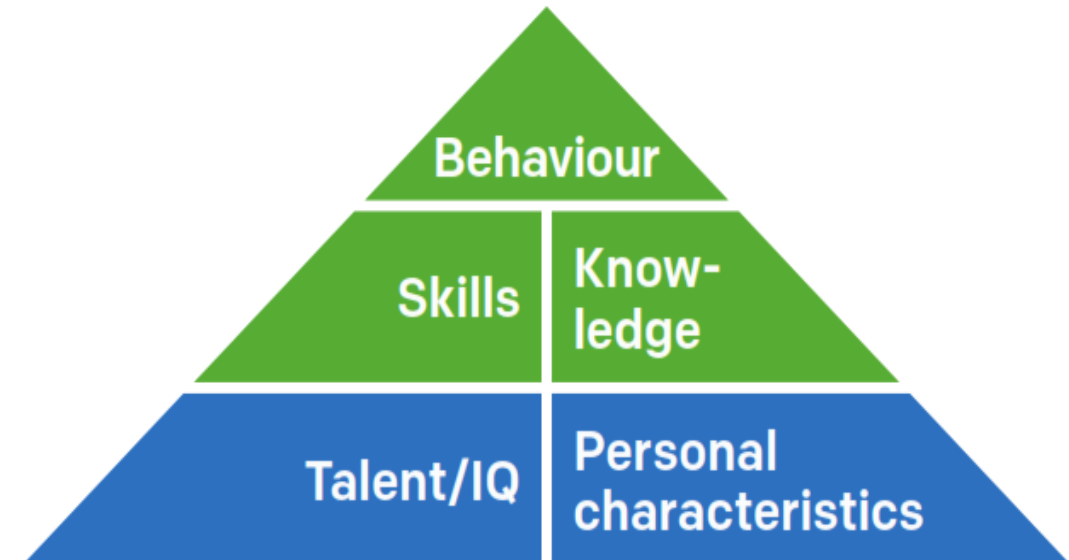
Cost  
efficiency

## Selection criteria

We don't need a chief engineer with Yanmar experience!

We need a person who has/can:

- Sufficient talent/IQ to understand new tasks/problems
- Be able combine his current skills and knowledge to solve a (new) task
- Leadership and behaviour to get the engine room team together.





Recruitment  
Screening

Retain

Develop

Cost  
efficiency

Screening

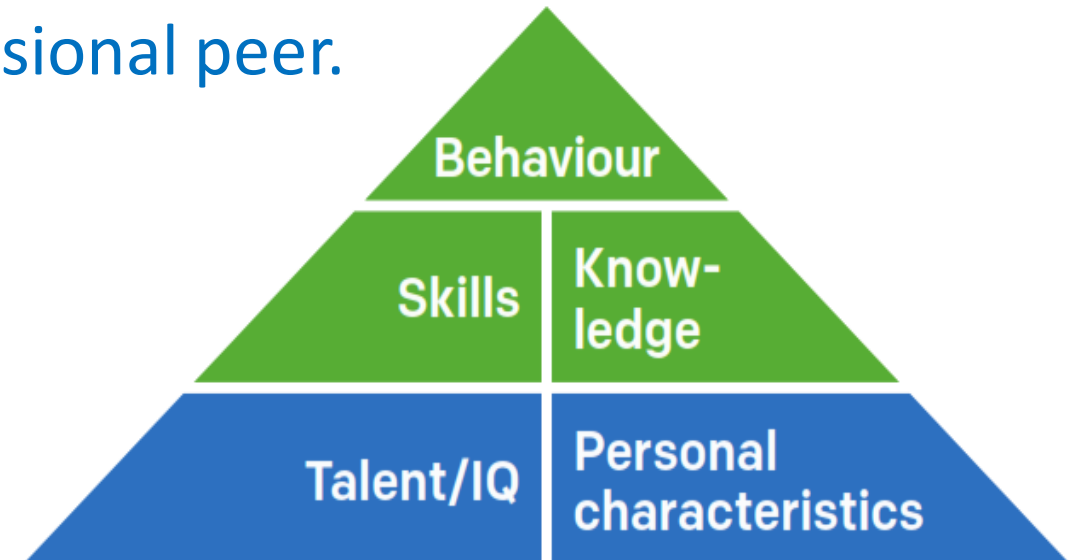
The easy ones:

Statutory requirements:

- Medical fitness
- Certificates
- Courses

Skills and knowledge:

- Interview with a professional peer.





Recruitment  
Screening

Retain

Develop

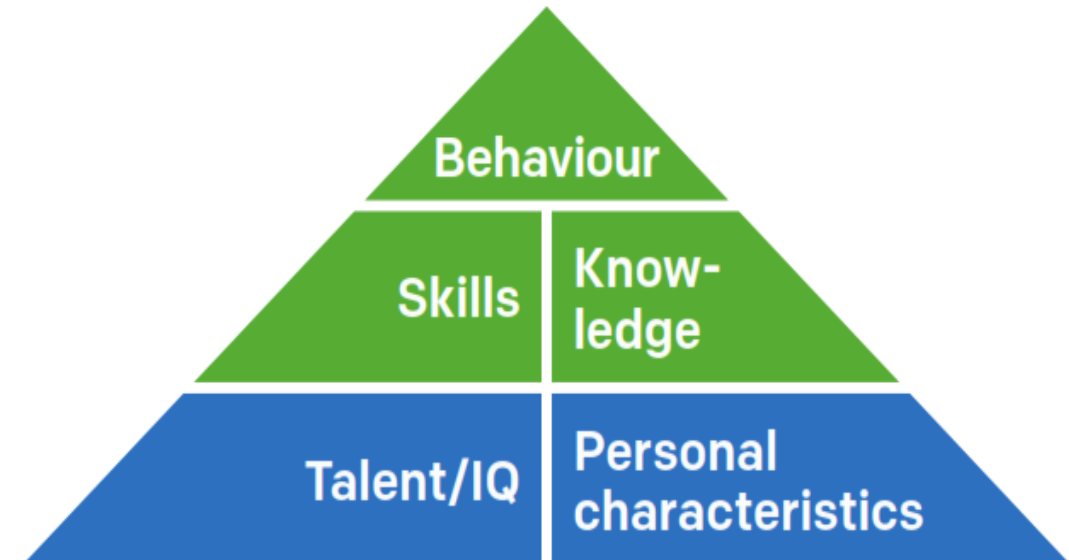
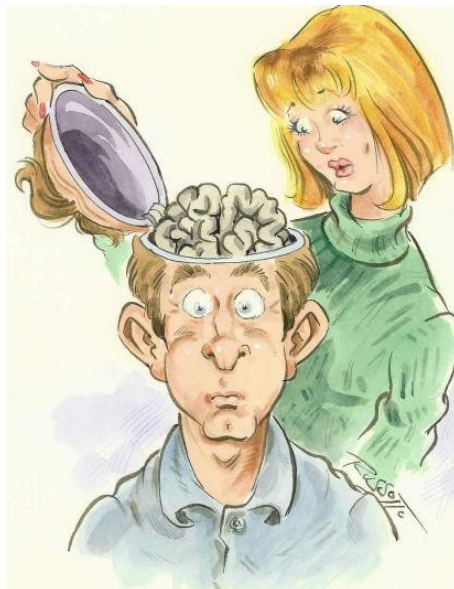
Cost  
efficiency

## Screening

The difficult ones:

Talent/IQ, Personality, Behaviour:

- References
- Experienced interviewer
- Interview techniques/observations
- IQ and psychometric tests.



Recruitment

Retain  
The basics

Develop

Cost  
efficiency

# Retention – The basics

Retention is simple:

- Employment conditions par to market
- Keep promises
- Offer a future
- Be a (little) large.



# Retention – The facts



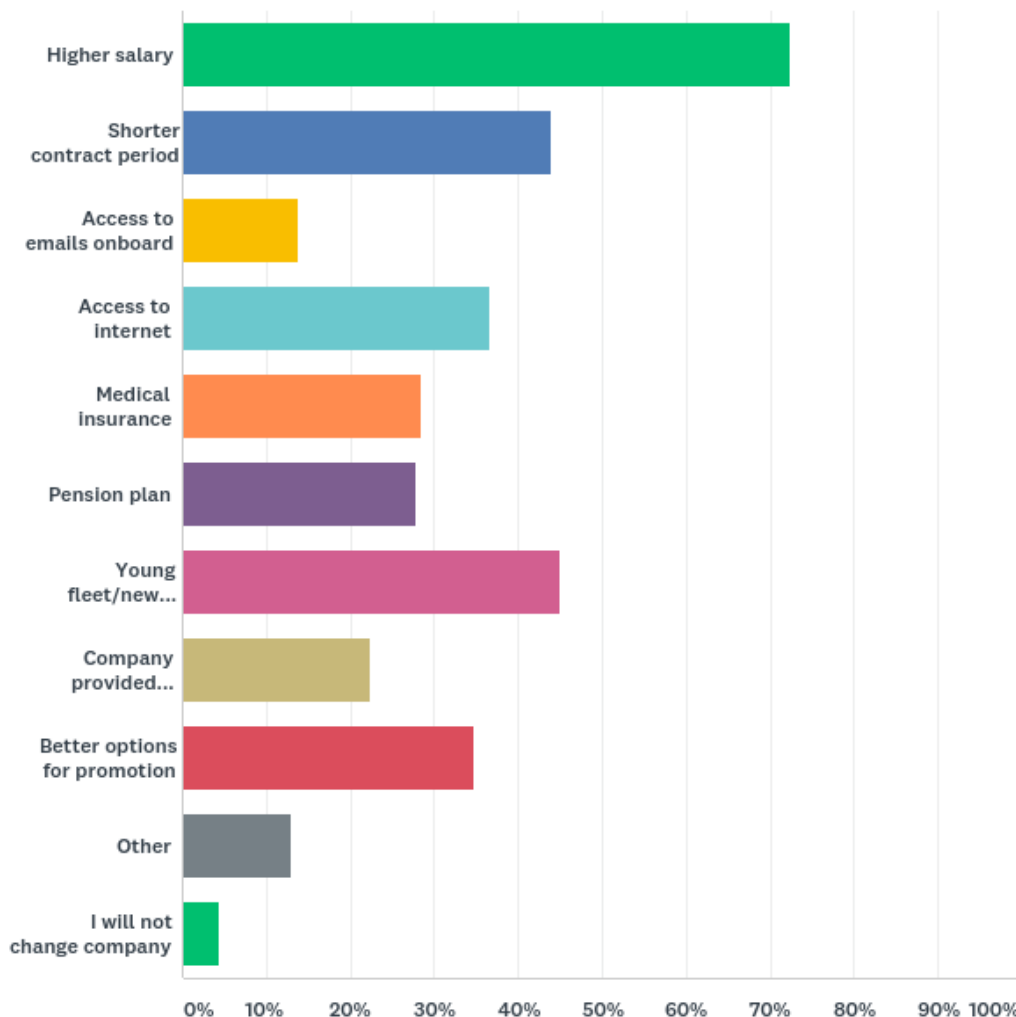
Q30 What could make you accept employment with another owner? (\*)

Recruitment

Retain  
The facts

Develop

Cost  
efficiency



\*) Danica Seafarers' Employment Comdition Survey 2019

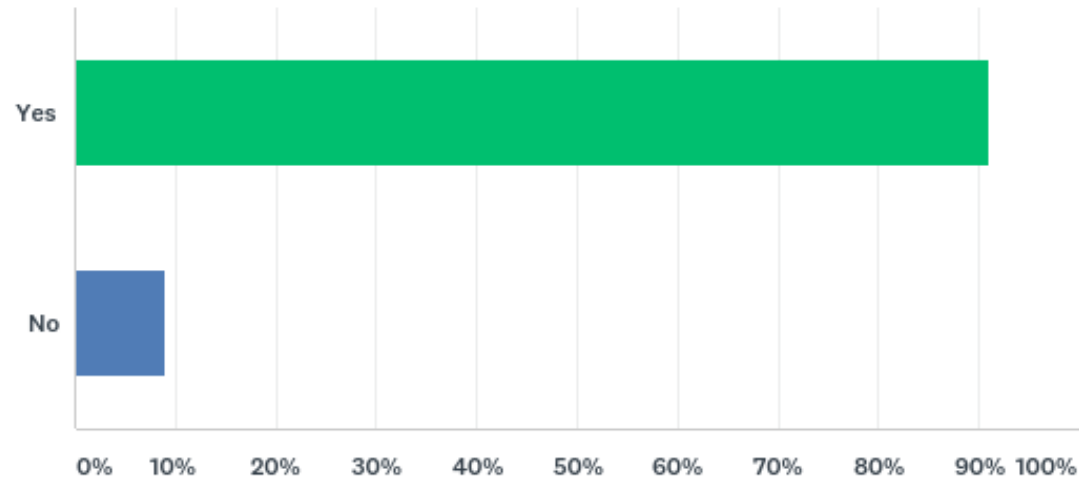
Recruitment

# Retention – The basics



Retain  
The facts

Q29 Do you check vacancies from other companies when you are home?



Develop

Cost  
efficiency

Recruitment

# Retention – The basics

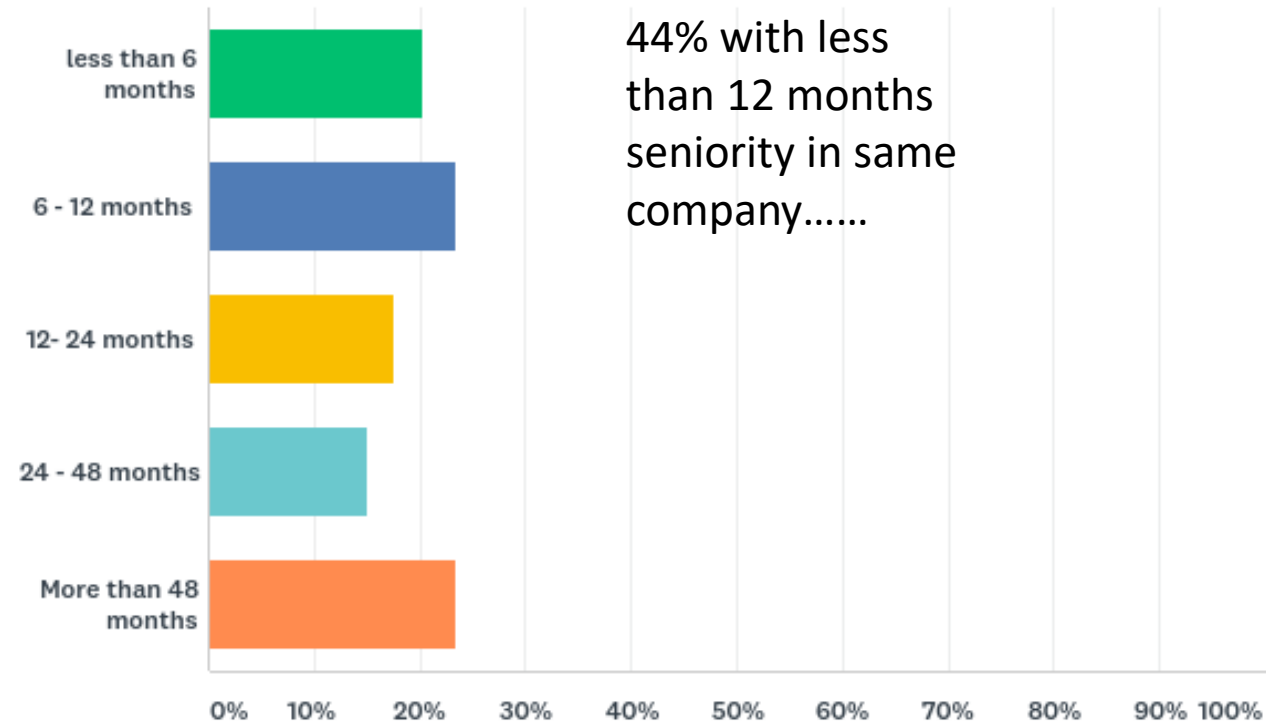


Retain  
The facts

Develop

Cost  
efficiency

Q20 How many months seniority do you have with your current company?



Recruitment

Retain  
The tools

Develop

Cost  
efficiency

# Retention – The tools



- Employment conditions on market level
  - We pay less but we are a nice company – doesn't work
- Keep promises
  - Reliever arrives on time
  - Pay on time!
- The 'extras' – position yourself on the crewing market
  - **Emails and Internet**
  - Office support/cooperation
  - Openness about problems
  - Good organised
  - Crew rotation – planning ahead
  - Training
  - Promotion
  - Medical insurance.



Recruitment

Retain

Develop  
The basics

Cost  
efficiency

## Develop – The basics

- Our industry is fast changing:
  - Complexity of regulatory regime
  - Increasing commercial requirements
  - New technology
  - Generation X,Y,Z, new leadership approach
- The crewing strategy should take your seafarers with you on the change journey and make sure that they “stay tuned”.



Recruitment

Retain

Develop  
Appraisal system

Cost  
efficiency

# Develop – Appraisal system

Identify what are the key performance areas of the crew to fulfil the company's business goal, like:

## Key Performance Areas:

- Knowledge and Skills
- Behavior
- Compliance
- Environmental Compliance
- Safety Awareness
- Team leadership and Planning
- Handling of Tools and Equipment
- Economical sense
- Productivity
- Initiative
- Personal Appearance
- English
- Potential



Recruitment

Retain

Develop  
Appraisal system

Cost  
efficiency

## Develop – Appraisal system

- Move away from a subjective “1, 2, 3, 4, 5 tick” system
- Get objectivity with clear definitions:

	5	4	3	2	1
<b>Team leadership and planning</b>	Shows very good leadership with positive influence on his subordinates. Work is properly planned well in advance. Supervision not necessary	Shows good leadership and plans work with only little supervision	Able to manage his subordinates and planning of tasks but need supervision	Not fully able to efficiently manage his team and/or requires often supervision with planning of work	Is not able to manage his subordinate and work planning is insufficient.

- Identify candidates for promotion
- Identify under-performers
- Who can fire? Superintendent, Crewing Manager, MD?



Recruitment

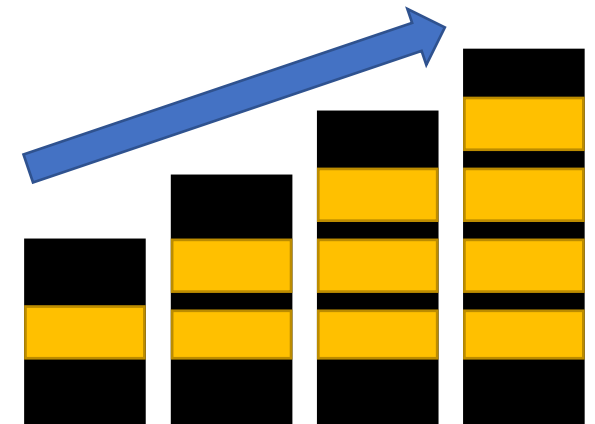
Retain

Develop  
Reduce risks

Cost  
efficiency

## Develop – Reduce risks

- High risk to employ senior officers from “the street”
- Crewing strategy should include how you develop junior officers to senior level:
  - Efficient competence management system
  - Training checklists for “next-higher-rank”
  - CBT training and check progress by tests
  - Leadership training
- A formal in-house promotion program increases motivation and retention!





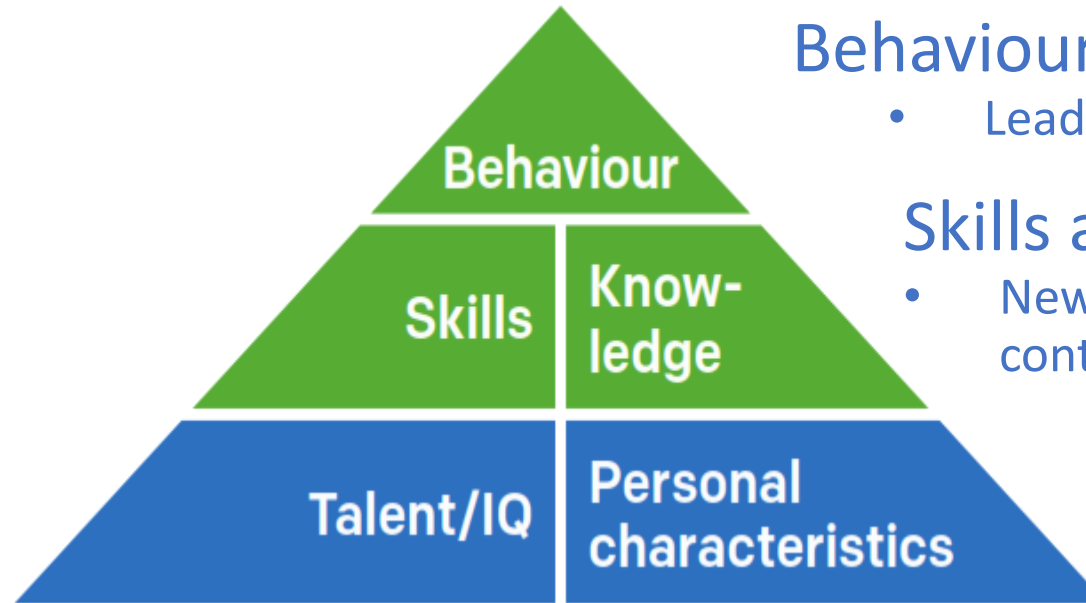
# Develop – Training

Recruitment

Retain

Develop  
Training

Cost  
efficiency



## Behaviour:

- Leadership and behavioural training

## Skills and Knowledge:

- New technologies and regulations: Formal, controlled training is a must

## Talent and IQ

- It is beyond what a company can change



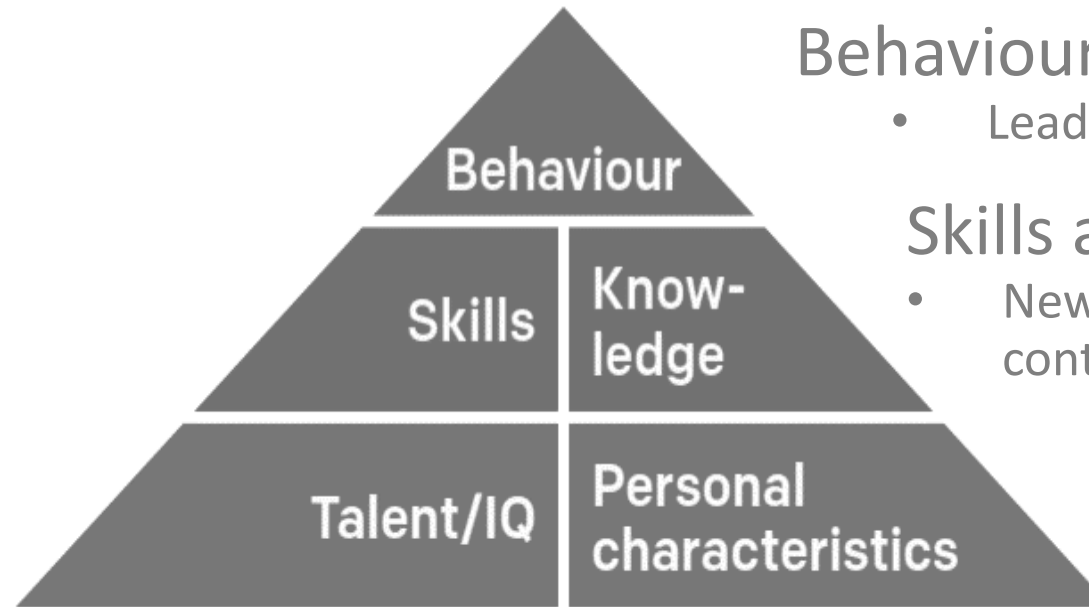
Recruitment

Retain

Develop  
Training

Cost  
efficiency

# Develop – Training



## Behaviour:

- Leadership and behavioural training

## Skills and Knowledge:

- New technologies and regulations: Formal, controlled training is a must

## Talent and IQ

- It is beyond what a company can change

Train to improve compliance -> We get people who comply  
Train to improve behaviour -> We get people who thinks.



Recruitment

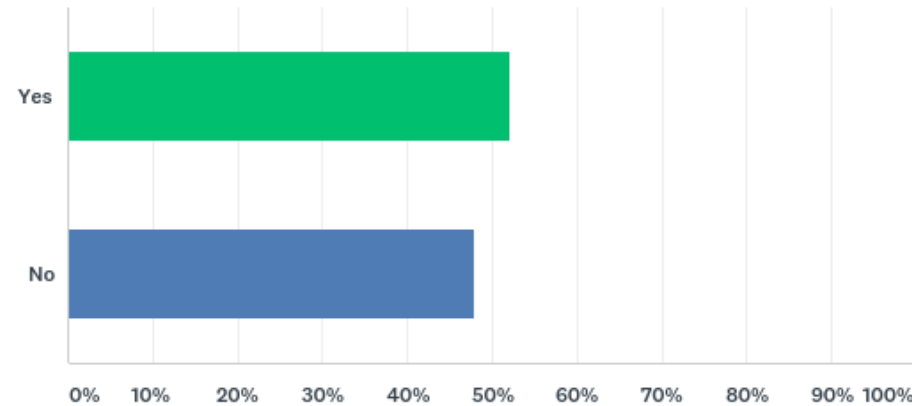
Retain

Develop  
The facts

Cost  
efficiency

# Develop – The facts

Q22 Does your company provide you with any training during your home periods?





Recruitment

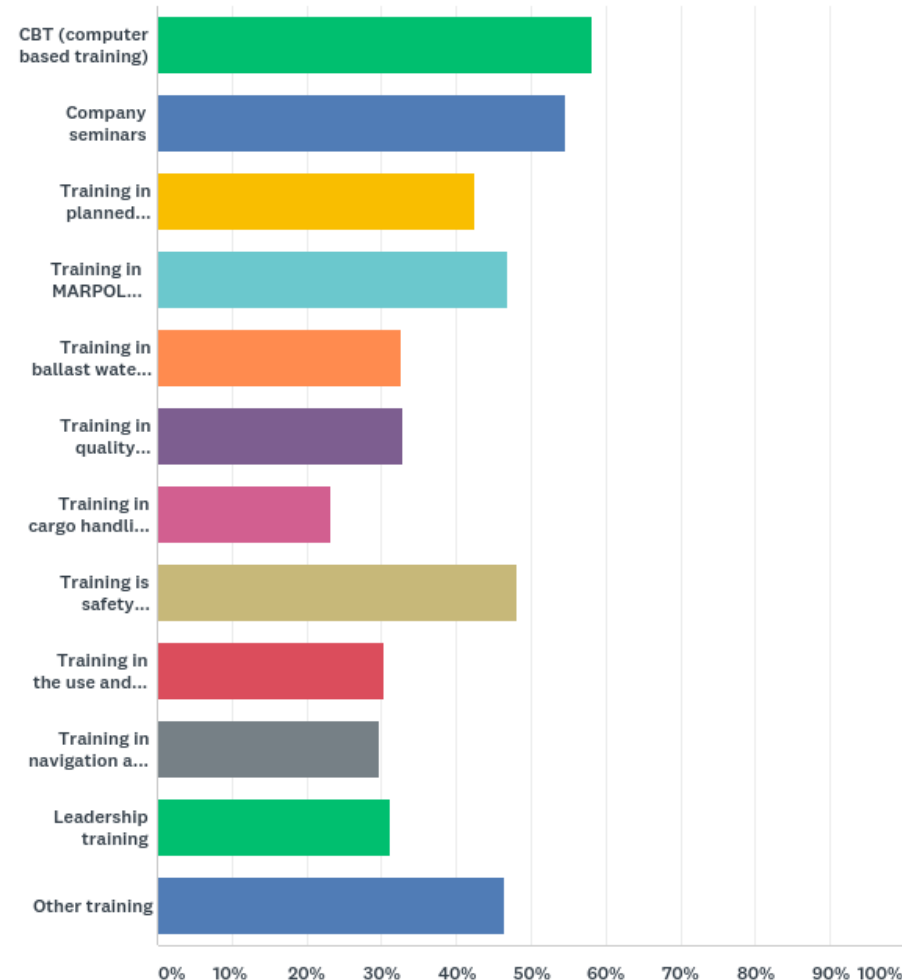
Retain

Develop  
The facts

Cost  
efficiency

# Develop – The facts

Q23 What training did you receive?





Recruitment

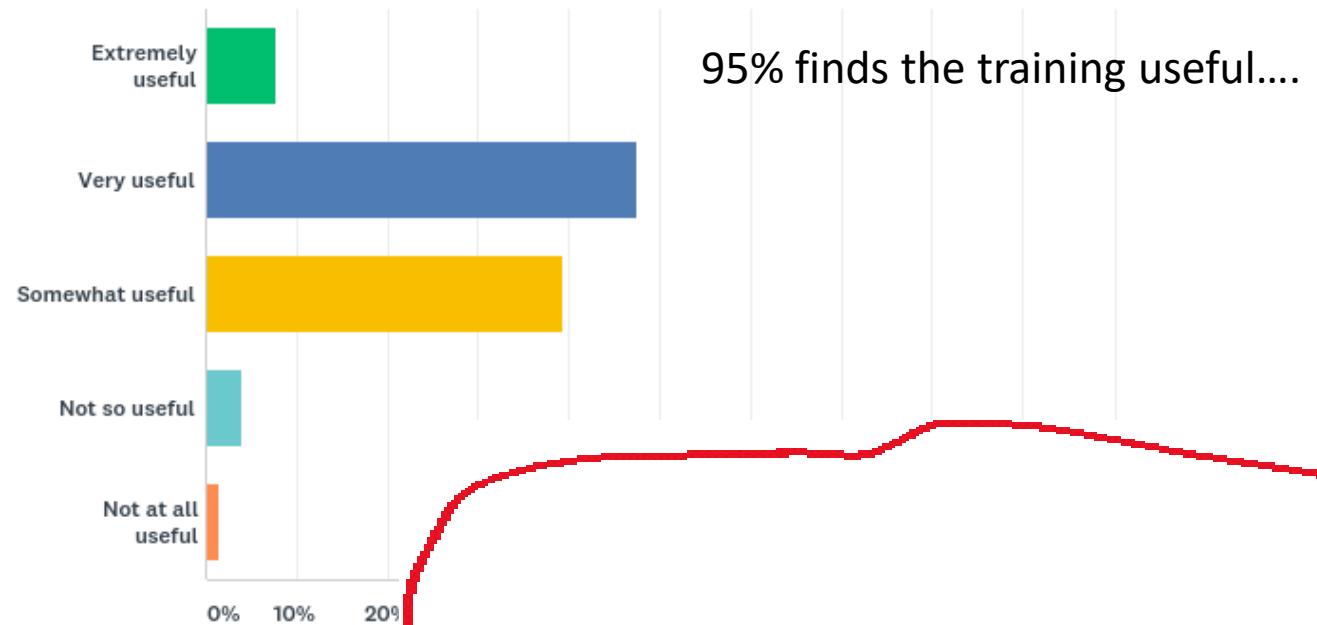
Retain

Develop  
The facts

Cost  
efficiency

# Develop – The facts

Q24 When you consider the time and efforts you spent for the training do you then think it was





# Develop – The bean counter

Recruitment

Retain

Develop

The bean counter

Cost  
efficiency



CFO to Crewing Manager: What will happen to our investment in training if the crew leave?

Crewing Manager to CFO: What will happen if we don't invest and the crew will stay?



Recruitment

Retain

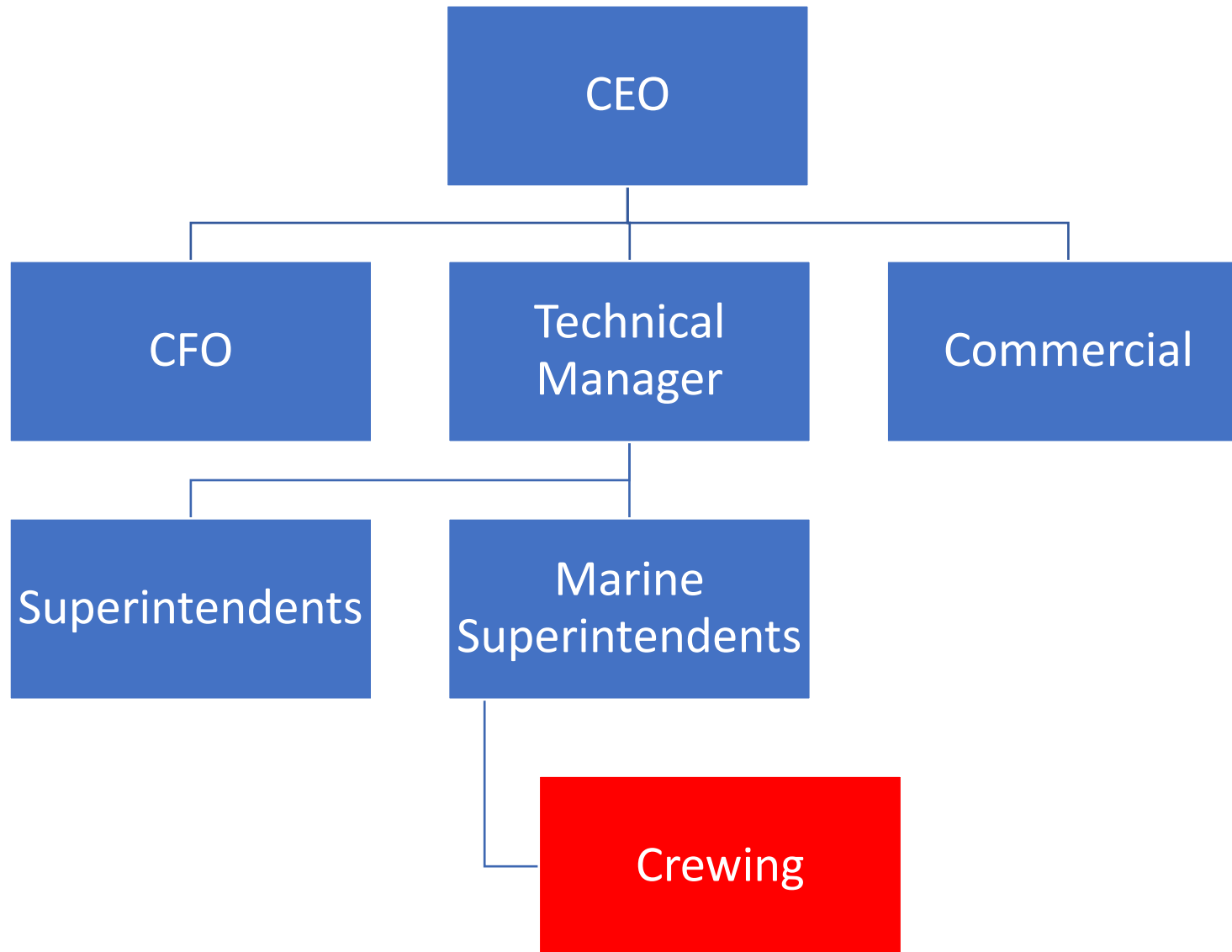
Develop

Cost  
efficiency

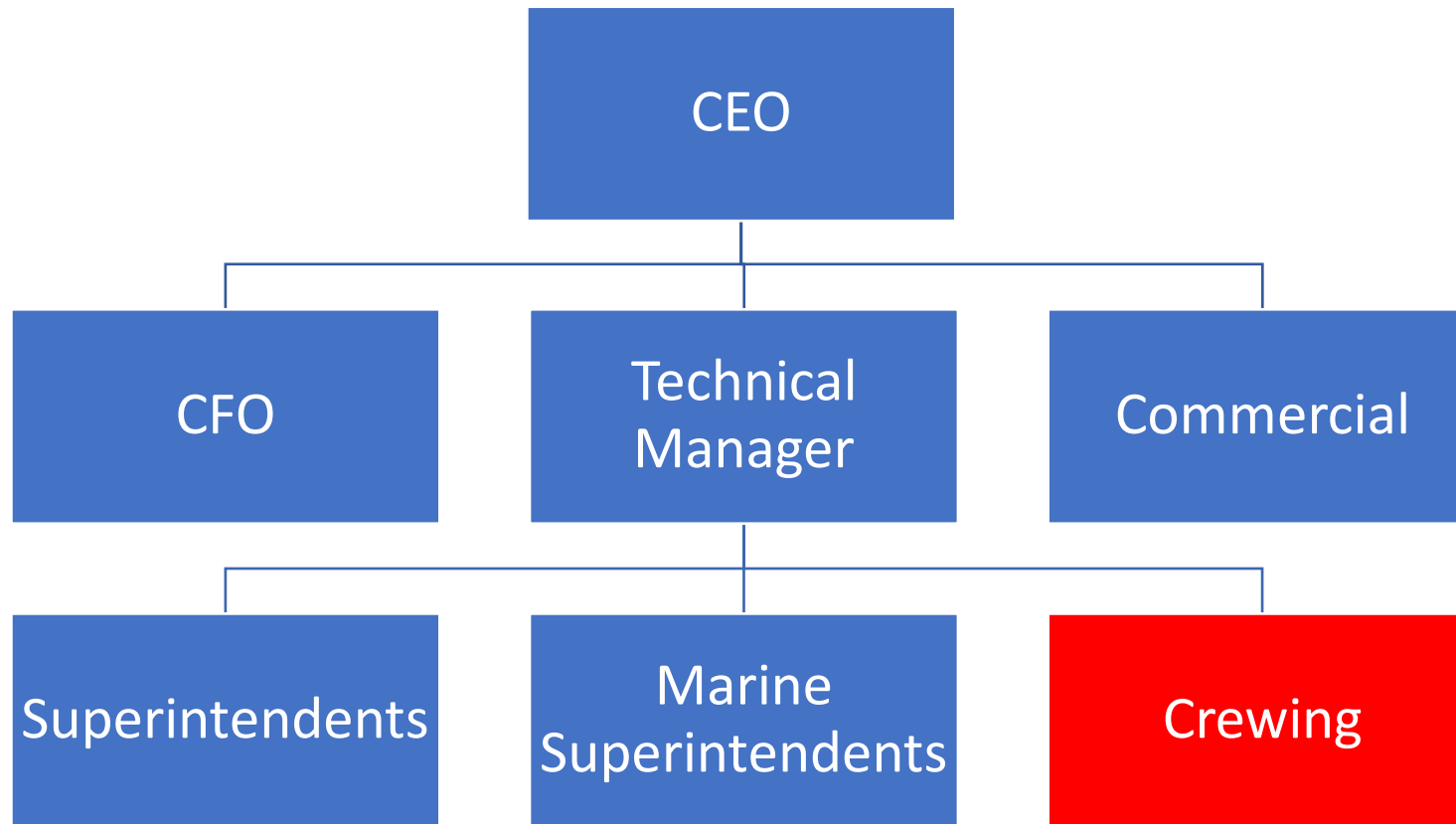
## Cost efficiency

- It is difficult to measure in \$\$\$ a crewing strategy's direct impact on the bottom line
  - What is the efficiency loss in \$\$\$ when a senior officer is new and do not understand company goals and requirements?
  - Middle level office team member takes 9 – 12 months to be fully efficient.. Why should a captain be faster?
  - How many errors are caused by lack of skills and knowledge?
  - How much time is lost for cargo hold cleaning because the crew is demotivated by poor leadership?
- ..... But all of above have an impact...

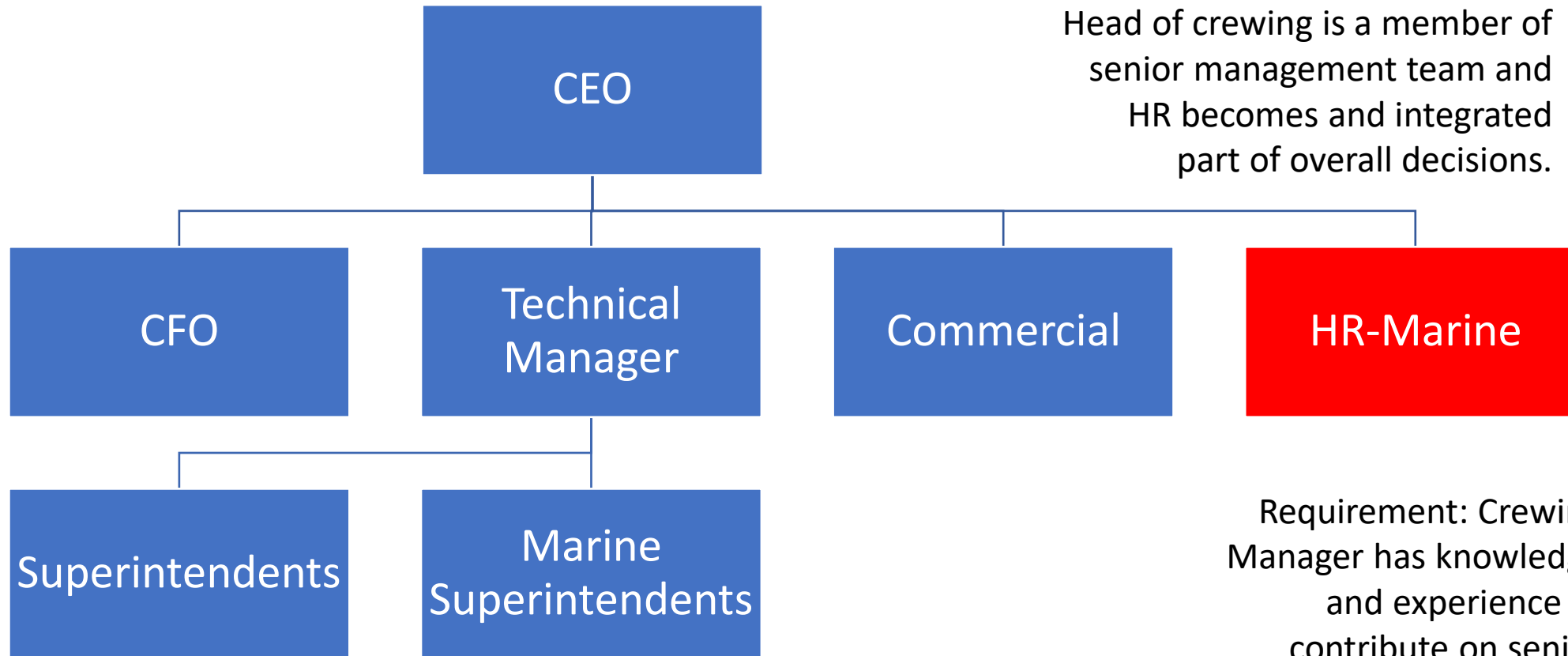
# Crewing is important ..... hmm



# Crewing is important.... hmmm



# Crewing is important...put also the crewing manager in the centre



Head of crewing is a member of senior management team and HR becomes an integrated part of overall decisions.

Requirement: Crewing Manager has knowledge and experience to contribute on senior management level and strategies



Thank you!

Danica Maritime Services GmbH

Capt Henrik Jensen

T: +49 173 62 11 998

E: [Jensen@danica-maritime.com](mailto:Jensen@danica-maritime.com)

W: [www.danica-maritime.com](http://www.danica-maritime.com)