

# The maesks lines philosophy



**ASSIGN  
BUSTER**

The Maersk Line Company is the global containerized division of the A. P. Moller. The company delivers its services across the world through ocean transportation services. They built their vision and their mission from a strong constant care, heritage of uprightness, and innovation, and this vision has made a path for their business operations since Maersk line's first vessel sailed in 1904. The focus and commitment to this vision made them able to expand the business and become largest ocean carrier of the world. And they are constantly recognized as the most reliable container shipping company. A. P. Moller - Maersk Group headquarters at the waterfront in Copenhagen, Denmark

The fleet of the maersk line is consist of more than 600 vessels and the total number of containers is more than 3, 800, 000 TEU\*. This shows a comprehensive and reliable coverage worldwide.

### **Maesks Line's Philosophy:**

We share the same values and principles of business with the maesks line group — to be a known, highly respected and world-class group.

The founder Mr. A. P. Moller wrote “ Loss should not hit us, and constant care is needed for it”. These words are highly followed and having deep meaning at the company. Word “ constant care” is highly focused on the safety and good health of the employees and others in the industry and environment around them.

### **Our Values:**

The core values of the Maersk line group are the demonstration n of constant care, regard for our employees, humbleness and uprightness and the

protection of the name of the company. The success lies in the fulfillment of these values while carrying out the business.

### **Our business principles:**

The “ maersk fundamental business principles” is comprises of how do we conduct our business, these principles are applicable on national as well as international legislation.

### **Environment:**

Our constant care also revolves around the protection of environment. We maximize the use of the resources and handle the waste. The policy regarding environmental protection is “ we focus on the protection of the environment and environmental consideration is our first priority in conducting our business”.

### **Our mission:**

We provide opportunities in global commerce.

Company facts and information:

Maersk Line is the leading container shipping company all over the world. It has more than 600 vessels and more than 3, 800, 0000 (a container is 20 feet long). It shows the comprehensive and reliable coverage all over the world.

[http://www.maerskline.com/globalimage/? path=/media\\_room/company001](http://www.maerskline.com/globalimage/?path=/media_room/company001)

## **What is container shipping?**

Containerization, it is large and worldwide system of intermodal cargo transport by using standardized containers. This can be sealed and reloaded onto container ships, trucks and planes, railroad cars. Before the containers were introduced, it was time consuming and expensive to handle the cargo for sea transportation. The containers have brought change in that and it made transport easier and affordable than ever before.

All the types of commodities and the type of goods can be carried and loaded in ' the box'; as a result the modernized container shipping has changed the ways of transportation around the world and played a vital role in globalization.

## **Sustainability:**

Since it is a biggest shipping line in the world, Maersk Line plays a vital role in facilitating efficient and reliable supply chains for many companies. It is recognized that the position of maersk line as an enabler of global trade have brought great opportunities.

Global trade of manufactured goods has increased over 100 times, from 95 billion USD to 12 trillion in the last 5 decades. Today 90% of global trade is done through ocean transport and containerization have played very important role in this development.

## **Awards and Recognition:**

Maersk Line wins ' Shipping Company of the Year' award in the Middle East (14 December 2012)

Maersk Line takes home two Global Freight Awards (26 November 2012)

Maersk Line wins Lloyds List Environment Award for the Middle East and Indian Subcontinent

(19 October 2012)

Maersk Line wins Clean Excellence Award (25 September 2012)

Maersk Line wins Social Media Campaign of the Year Award (17 September 2012)

Maersk Line wins 2012 Best Global Shipping Line Award (7 June 2012)

Maersk Line's Ágnes Hernád wins Best Young Manager of the Year (20 February 2012)

Maersk Line Wins " Shipping Line of the Year Award" (1 December 2011)

Maersk Line wins two awards at AFSCA 2011

Maersk wins European Business Award 2010

Maersk Line ' Best Global Shipping Line', ' Best Shipping Line for Asia-Europe', and ' Best Green Service Provider - Shipping Line' 2009.

Maersk Line awarded Container Shipping Line of the Year 2007

Maersk Line wins Best Global Shipping Line 2006

Maersk Sealand named " Best global shipping line" 2005

## **HR Processes:**

### **i. Recruitment and selection at Maersk Line:**

Maersk Line strictly follows the Equal employment opportunity Law while hiring candidates for a particular department. They make sure no discrimination take place throughout the procedure of hiring an employee. The advantage of strictly following such law is that Maersk Line never faces any problem pertaining to legal complexities and law suits regarding the hiring of candidates.

The recruitment process starts with the submission of online application by a candidate and a confirmation pop-up appears on the screen. A reply will be sent within few days so that the applications can be reviewed carefully. Applications are reviewed on the basis of some standard tools so that company can make it sure that a candidate is eligible for giving interviews.

### **The mediums of recruitment which they prefer are:**

#### **Employment Agencies:**

These agencies make links between the employers and employees.

#### **Internet:**

The advertisements on different job websites, which capture the a huge pool of candidates who can apply to get the job they are capable for.

Social media can be a great source for discovering passive candidates - those who are employed but ' open' to changing jobs for the right opportunity - who represent nearly half of all currently employed talent.

Because the desired opportunities rarely exist on job boards, and job seekers are participating in communities all over the web

With the advent of social media, companies have more information than ever on job candidates, and the process of evaluating those candidates can be lengthy. In the past, companies tried to determine candidate fit through their résumés. Today, employers perform web searches on candidates, learn more about them from social media, and examine their work samples..

Social media is like a goldmine of information. In the future, it will not only emerge as a strong source for hiring but also serve to enhance the employer brand,” says SY Siddiqui, chief operating officer - administration (HR, finance, IT, company law and legal, Maruti Suzuki India. Social media enables employees and employers to connect and communicate in a more cohesive manner. “ Recruiting through social networking websites is more cost-effective compared to traditional forms of hiring that include placement consultants, posting advertisements in different forms of media and participation in job fairs

## **Employee Referrals**

It's an internal recruiting method which identifies their potential candidates from the existing workforce's social networks. This scheme encourages existing employees to choose the suitable candidate for a particular job from their social networks. A referral bonus is given to referring employee as a reward. It is the most efficient and cost effective method for recruitment.

## **Announcement on the official website**

They announce the new jobs on their official website i. e. [www. maerskline. com](http://www.maerskline.com). Website has the particular portion of vacancies and the whole process of “ how to apply” is mentioned.

## **Evaluation of internal labor supply**

When evaluating an employee for a periodic review, a raise, or a promotion, we need to have a checklist to measurable performance, this applied consistently to all members of our department.

### **ATTENDANCE:**

We check the employee’s attendance, and we check either employee had a negative impact on the department’s productivity or morale? Also we check if the employee’s attendance has been exemplary?

### **ATTITUDE / COOPERATION:**

We evaluate what is the employee’s attitude towards department, towards company and towards the work in general? Is he or she feels pleasure or unpleasant to work? Is the employee reasonably flexible when asked to perform a job function outside his or her normal duties, or to work outside his or her normal hours for a special project?

### **COMMUNICATION SKILLS:**

We check does the employee have the ability to adequately communicate with managers or with customers? Have there been any issues created or solved due to the employee’s communication skills?



### **FOCUS:**

Is the employee able to maintain focus on the task assigned to him or her?

### **IMPROVEMENT FROM PREVIOUS EVALUATION:**

We see if the employee moves towards improvement from the previous performance evaluation?

### **INTEGRITY:**

We strictly monitor the employee's ethical behavior in the workplace? Does he or she respect the privacy of other employees and of customers?

### **DEADLINES:**

Is the employee able to consistently meet productivity requirements and project deadlines?

### **QUALITY OF WORK:**

We take a record of feedbacks given by the customers regarding the quality of employee's work?

### **RELIABILITY:**

We also identify employees who are reliable in especially bad situations? We check the level of competency and dependability.

### **MANAGING STRESS:-**

How does the employee deal with changes in the work environment? and how does the employee interact with other members of the department when tensions are high?

## **PERFORMANCE LEVELS**

Needs Improvement :-

In this case employee has not fully met the requirements of the job or is not able to perform in a way that the job duties required. Here employee needs additional training or practice to meet standards.

Meets Standards -

In this case employee faces no difficulty applying the technical knowledge requirements of the position.

Exceeds Standards -

Here employee often exceeds standards in some aspects of the job and consistently meets standards in all remaining aspects.

### **They prefer Internal Labor Supply over External:**

Those positions which are at higher levels and become vacant due to transfers, deaths, demotions and promotions, are filled by the internal employees who are already familiar with the required managerial roles and responsibilities of those positions. These positions are then posted on the notice boards throughout the PSO offices and are also posted on a software device that is displayed on almost every computer desktop at PSO offices.

The interested employees are screened, interviewed and positioned.

The criteria of selecting the internal employee depend on requirements of the qualification, age and experience recommended by the line manager

## **ii. Selecting and interviewing Process:**

### **Selection process:**

Advertise

Test

1st Interview

2nd Interview

HIRE

There is a predetermined criterion for hiring of candidates, which includes

### **Logical and personality Test**

It is the standardized instruments of testing individual's character of psychological makeup. It also reveals the aspects of how logical the candidate is. These tests play an important role in making the selection process easier.

### **Behavioral Interviews**

These interviews discover the behavior of an interviewee. It reveals that how an interviewee acted in particular situation faced in the past. And it will predict that how he or she will act in the future. In traditional interviews there is a series of question asked, that has the straight forward answers Like " what challenges did you face? How did u handle them? Or " what are your strengths and weaknesses?" But in the behavioral interviews questions are more pointed and more specific than questions in the traditional interview. Like " describe any example of a goal reached by you and how did

you achieved it?" or " how did you work effectively when you were under pressure?"

In order to get selected, candidates must fulfill the criteria they are tested upon.

English grammar

English Comprehension

Basic Mathematics

## **Identification of Resources required in particular Department:**

Need Analysis

Departmental Goals

Organizational Goals

## **Interviewing Process:**

Two structured interviews are generally conducted of a candidate at Maersk Line.

The first interview is conducted by Human Resources which are focused on the candidate's personal skills and capabilities. They use online or hard copy assessment tools to try to form an objective picture of candidate's personal characteristics and logical capabilities and a feedback is provided as a part of the process.

The second interview is normally conducted by the hiring manager - who makes the final hiring decisions and focuses on the specific qualities and skills which are required for the particular job.

The whole recruitment process usually takes 4 to 6 weeks; it could be vary depending on the locations.

### **iii. Orientation and Trainings:**

Training and development is a continuous process, and is designed to bring about a change in attitude of employees with respect to the job they are doing, the people around them, the new procedures, the new techniques and skills that they can use. It is also to make them more conscious of their responsibilities and how to perform them effectively. Therefore, all training is planned and coordinated in a systematic manner by the company, in term so identifying following needs and the skills required in the company. The training and skill development efforts are not confined to a formal class room course but extended in all directions, hence, helping to improve the productivity of employees by imparting useful knowledge and training in the areas, which are neglected, and to add up to the most of their strengths. The growth of the employees is not only a short term vision of enhancing inputs through skills based on training but also an effort for the long term development of employees by education and planned management development inputs.

## **Types of Training at Maersk Line:**

### **Orientation Program:**

Newly inducted employees are given a short orientation course to familiarize them with the company, organizational functions, activities, policies, procedures and programs. This type of training program may be arranged on individual basis or group class room training, depending on number of participants available.

The duration and contents of the course is determined to meet the needs of individual concerned in consultation with respective departmental heads.

Depending on the type of job, newly hired employees, as well as the promotes assigned to new field of activities, are given on the job training for a period ranging from one week to four weeks, as may be deemed necessary.

“ They make sure that people are empowered to do their job well”

### **Indoor simulators:**

Job knowledge is an essential part of everyone's responsibility in any position. Since technology, methodology, processes are changing at a fast pace, it is imperative that employees should learn new skills and techniques through specialized and technical courses organized within the company.

### **Seminars and constructive discussion groups:**

Seminars are conducted to spread the awareness regarding different programs plus it provides a platform for the employer and the employees to socialize. Group case studies play an important role in a constructive discussion between the employees.

<https://assignbuster.com/the-maesks-lines-philosophy/>

## **Practical exposure and experiences:**

As a trainee in their company an employee will be given a responsibility from day 1 and will be provided with a proper toolkit enabling him to experience a “ real” job.

The Maersk group runs a trainee program which provides opportunities to get solid and a broad shipping knowledge. The applicants will be the part of business represented in many countries

they are looking for energetic, passionate about shipping and eager to learn individuals who can apply as a Chartering or Operation Trainee in this program.

## **Chartering Trainee:**

as a chartering trainee, he or she will be responsible for fixing the vessels and cargos. You are to ensure that the vessels sail with the right cargo.

## **Operation Trainee:**

As an operation trainee employee will be responsible to make sure that the operations of vessels are efficient and safe. And will have to perform following tasks.

Issuing voyage instructions

Appointing agents

Planning bunkering

Market voyage analysis

Handling insurance and legal matters

The trainee will have a broad network of stakeholders including agents, ship managers, port captains and charters.

#### **iv. Performance Management:**

To maintain a sustainable Performance of an employee, Maersk Human resource management measures some of the main factors which has a high impact on employee's performances.

Work output

Personal Competency

Goals achieved

#### **Performance appraisal Methods at Maersk Line:**

HR managers should be very careful while selecting methodology used to measure performance of an individual. Maersk Line uses the following methods.

#### **MBO**

Each employee is assign with the specific tasks and goals, and then the progress of those goals is reviewed periodically. Goal setting is done by mainly focusing on the Organizational goals. Secondly the departmental goals are assigned to different departments working in the company, then these goals are discussed with the employees and employees get to know what is expected from them, which defines their individual goals. Finally the progress of these goals is reviewed and employees receive feedbacks.



## **Paired ranking method**

Ranking employees by making a chart of all possible pairs of the employees for each trait and indicating which one is the better employee of the pair.

## **Forced distribution method**

Similar to grading on curve; predetermined percentages of rates are placed in various performance categories.

- Example:

15% high performers

20% high-average performers

30% average performers

20% low-average performers

15% low performers

## **Goals achieved**

The process starts when HR throws performance appraisal forms to different departments. This appraisal form has two sides:

Employee Development Report-1 (EDR1)

Employee Development Report-2 (EDR2)

## **EDR-1**

In EDR1 employee he identifies the Key Performance Indicators (KPIs), the employees themselves set the objectives and targets for the following year.

## **EDR-2**

In EDR2 it is the line manager who rates the employee performance by quoting significant performance achievements and deficiencies for the past year. He indicates what development and training will employee need in the future according to the highlighted areas in the current year.

When both of them end up the negotiation then the appraisal form is sent to HR department for further follow up of the respective training or development arrangements. This way the Performance appraisal system reaches to end.

These performance appraisal methods are very useful in order to maintain competition and for employees to focus on Key performance indicators (KPIs). And the results extracted from these methods become the basis of promotion, rewards, incentives, bonuses, or layoff and punishment for an employee.

## **Compensation Benefits:**

Since the Maersk line is very careful in maintaining the equality among their employees, they never face any equity issue.

The wages and salaries are set on the basis of employees'

Education

Experience

Market conditions

Human capabilities

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The pay raise is given to an employee on the yearly basis.

Maersk line negotiate the salary with a candidate on his own terms and conditions only when the job is highly skilled, when company wants to retain its loyal employee and when an employee is an exceptional performer.

### **v. Career Development at Maersk Line:**

Maersk line is highly involved in investment in training and education. Over the years A. P. Moller - maersk group has its own training system which is implemented over the years and constantly updated. And it is directed towards meeting the global and international organization's particular requirement.

Their experience shows that the employee cannot be evaluated solely on the basis of written applications and the examination results. It is essential that the personal impression of the individual behind the papers should be evaluated.

Everybody who is formally eligible and has the qualification required for the certain position, can expect to be invited for the interview with Human Resource Department at Maersk line.

Maersk Line believes that career development is one of the most important steps in maintaining organizational performance. Maersk Line always helps its employees to build their career and achieve their personal goals by giving their best. And contribution which is made by the company is:

## **Job enlargement**

Job enlargement is a job design technique wherein there is an increase in the number of tasks associated with a certain job. In other words, it means increasing the scope of one's duties and responsibilities. The increase in scope is quantitative in nature and not qualitative and at the same level.

Task related training is not required much since the person is already aware of the same or doing it for some time.

## **Benefits of Job Enlargement**

The following are the major benefits of Job enlargement

**Increased Work Flexibility:** There is an addition to the number of tasks an individual performs. There is thus an increased scope of carrying out tasks that are versatile and yet very similar in certain aspects.

**No Skills Training Required:** Since the individual has already been performing the task in the past, there is no great requirement for imparting of new skills. However people and time management interventions may be required. The job thus gets more motivational for the one performing it.

## **Job Rotation**

Job Rotation is a management approach where employees are shifted between two or more assignments or jobs at regular intervals of time in order to expose them to all verticals of an organization. It is a pre-planned approach with an objective to test the employee skills and competencies in order to place him or her at the right place. In Maersk line we offer Job rotation which is a well-planned practice to reduce doing same type of job

everyday and explore the hidden potential of an employee. The process serves the purpose of both the management and the employees. It helps management in discovering the talent of employees and determining what he or she is best at. On the other hand, it gives an individual a chance to explore his or her own interests and gain experience in different fields or operations.

It is important to recognize when the employee is ready for promotion, because if an employee will not be promoted at the right time he might get demotivated. Maersk line recognizes such employees when there is availability of position and employee's exhibition of competencies for performance in the new role.

In case, when the employee leaves the organization when his/her promotion plan is ready, the HR gives someone else dual responsibilities for the time being.

## **PROBLEM IDENTIFIED AND SUGGESTED SOLUTIONS**

### **i. Problem:**

There are number of potential drawbacks in different stages.

One of the greatest concerns regarding relying too much on employee referrals could become the reason of limited diversity at workplace. Hiring from the same existing networks may bound a company to capture diverse pool of candidate, it is good for reducing cost expenditure but on the other hand it could become the big hurdle for the company if the company is relying on such method too heavily. This simple method could have many

risks, e. g. when there is a need to fill particular Job the simple question is asked from the existing employees i. e. “ Is there anyone in your mind who can fill this Job?” In response to this question employees may think of the potential benefits for their close ones in their network, rather than thinking constructively for the organization. It is not necessary that every time a new employee comes in through reference is beneficial for the company, it carries risks with it, it could take time to measure his/her effectiveness, and if the new employee is not productive, eventually it will increase the cost of the company and employee will become the liability on the company.

**Solution:**

There is certain planning and strategies which can save the company from these problems

Communicate the benefits to employees for the successful referrals; give them rewards, incentives and bonuses for the successful referral. This strategy can change the way employees think when they are asked to bring the best candidate for the particular job, now they will think of the best candidate in their mind, who will serve the company most efficiently and effectively. The reward amount should be sufficient enough to motivate the employees who make referrals but not too much that may lead them to make referrals of unqualified candidates. The bonuses should be given in installments because the effectiveness of the new employee cannot be measured in few days, it may take time. In order to be safe from a big loss company should make payments of bonuses in installments.

The company may limit the number of bonus qualifying referrals that is made by each employee per year. This will reduce the number of employee referrals per year.

The mandatory qualification and specifications should be clearly mentioned and delivered to the employees who make referrals. It will reduce the risk of getting unqualified employees. All the requests for employee referrals should be added to the pool of the candidates.

## **ii. Problem:**

The advertisement for the Job which is offered by the company is very much important in order to gather a better pool of candidates. Maersk Line is highly dependent on the internet as medium of advertisement for the jobs. They don't prefer NEWSPAPER for the advertisement of their Jobs; as a result they are missing a large number of candidates who prefer Newspapers to find jobs.

## **Solution:**

In order to get better employees a company must have a large pool of candidate so that it can be used for hiring employees when there is a need to fill the job in emergency. Newspaper plays an important role in spreading awareness among public. Since its an oldest and most popular medium of advertisements civilized and educated people read newspaper as a matter of habit in all over the world. Therefore it has a wide and general appeal. The message can reach a large number of audiences quickly. Choosing the best newspaper is also important, so the Maersk line can improve its pool of candidates by spreading word through Newspaper.

### **iii. Problem:**

When we asked them;

Has it ever happened that an employee might have left the Organization due to some reason; while the HR had plans for his promotion ready?

Yes No

They chose " YES",

And then we asked the next question;

With Reference to the above scenario, what did the HR do? (If the above Question is answered as a NO, then suppose a scenario with the above details & answer this question, what would the HR do?)

Promote an immediate subordinate

Bring in a Contingent Employee

Give someone dual responsibilities for the time being

Hire an individual from a pool of already collected CVs.

They chose the third option which is " Give someone dual responsibilities for the time being"

It may create a problem we identified, because in case of fulfillment of the job which has been left empty by the previous employee due to any reason, Maersk Line shifts the tasks to other employees. This creates a burden on them. Assigning dual responsibilities to an employee may become the



reason of his/her demotivation. The workload given to someone more than his/her capacity may push them towards demotivation. As a result that employee may leave the job which actually creates a problem for the company.

### **Solution:**

It is normal that when employees get better options and more secured jobs they switch their jobs. If we see the answer of first question we asked, it shows that maersk line has issues with their employees regarding their promotions. The timing of the promoting employees is not accurate, that is why it leads employees to leave the job right before the promotion.

The main problem is to put dual responsibilities on existing employee rather than promoting him/her to that post. The Maersk line lacks the succession planning; they prefer distributing the responsibilities instead of immediate fulfillment of the empty position. Because it is the best time to get benefit, by promoting the employees to fill the job and if the company doesn't find any potential candidate among the existing employees who can fill the post, then they should focus on the pool of the candidates. It ensures that the collected CVs are not useless

### **iv. Problem:**

Maersk Line doesn't have any well defined strategy to retain their employees who are really important for the company's growth. It usually happens in Maersk Line that employees leave the organization due to some reason; while the HR had plans for their promotion ready. Recruitment is an

expensive process, and when employees leave the jobs it is actually a loss in the cost incurred in the recruitment process.

### **Solution:**

Hiring employees is an important stage but to keep them in your organization is also very important to be safe from the high employee turnover costs. In order to retain the employees, maersk line should create some tactics to retain their employees. These tactics may include:

Offering competitive benefits:

Give rewards and incentives

Provide some small perks:

Conduct “ stays” interviews in addition to exit interviews

Promote whenever poss