



Senior Maritime Executive Report 2023

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Senior Maritime Executive Report

A report by Faststream Recruitment

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Senior Maritime Executive Report

A report by Faststream Recruitment

Welcome from the author

Mark Charman

CEO & Founder of Faststream Recruitment



Mark is the CEO and Founder of Faststream Recruitment and founded the company in 1999.

He has a wealth of knowledge and experience in recruiting for the maritime sector globally. As a Fellow of the Recruitment and Employment Confederation, he is a renowned thought leader in specialist recruitment.

Mark's involvement as a speaker, panellist and writer provides a head hunters perspective into human factors in the workplace.

Welcome from Faststream Recruitment



The Faststream Recruitment Group was established in 1999, employs over 100 people, and is a global people specialist in maritime, shipping, and energy recruitment. Faststream Recruitment operates across maritime locations in Europe, the Middle East, Africa, Asia-Pacific, and the Americas, servicing our customers, both candidates and clients, across the world.

Faststream Executive Search specialises in the search, recruitment, and selection of senior executives for the global maritime, shipping, and energy sectors. We source hard-to-find talent, recruiting for the full c-suite, senior executives and difficult-to-source specialist skill sets. We are proud of our experience, our rich history, and our position of being able to leverage our detailed understanding of our specialist sectors, the businesses, and most importantly the people.

We are committed to recruiting the best talent in a discrete and personal manner.

For more details, visit www.faststream.com

The survey and report were conducted and produced by Faststream Recruitment.

All quotes are supplied by Mark Charman, CEO and Founder of Faststream Recruitment.

Executive summary

Senior Maritime Executive Report

In the vast expanse of the maritime industry, the horizon is ever-shifting. As we stand at the helm, our role as senior executives is not merely to maintain course but to chart a journey toward the future. This report delves into the heart of the maritime landscape, examining the currents of change and the emerging trends that will shape our future.

Our industry, known for its resilience, adaptability, and global reach has always been driven by innovation and a commitment to operational excellence. Yet, the last few years have brought an array of challenges and opportunities, from the integration of cutting-edge technologies to the pressing need for sustainability. Senior maritime executives find themselves at the nexus of transformation and in this report, we explore not only the challenges but also the boundless potential that lies on the horizon. We endeavour to uncover the changes that we have seen since our previous surveys and explore career, reward, leadership, working styles, AI, and the future of talent in maritime.

29% of senior executives shared they had been concerned about their job security in the last two years, a decrease from 52% in 2017. COVID-19, age, budget restrictions, market volatility, and changes in business ownership and strategy were all noted as factors.

There has been movement at the top with over a quarter of respondents saying they had changed jobs in the last two years, but 15% regretted doing so. The commonality of their job change regret was that the role had been overpromised and then undelivered.

42% had plans to change jobs over the next two years, the top reason for senior executives to either job seek or stay loyal was the same. They either needed a new challenge in a new job, or their role still challenged them enough to make them stay.

The top skills and knowledge senior executives wanted to improve over the next 12 months included industry trends, AI, understanding new generations, change management, and empathetic leadership.

Hybrid and remote working have become the new norm, 75% of senior executives said they offered this style of working to their employees. 70% said it had improved their access to more talent, 60% agreed it had improved diversity in their business and 60% shared it had made a positive impact on productivity and performance. However, over half of senior executives felt it harmed their company culture.

There was a range of stress levels revealed by senior executives. Just under a quarter rated their stress as low, 36% rated it as very high, with the remainder citing at mid-level. Executives in the majority were happy in their roles though, with 65% sharing they felt very happy or happy, just 10% said they were unhappy.

Company culture was what mattered most to executives at work, and retaining talented staff and creating new leaders for the future were also important priorities. For employees, they felt that career progression, company culture, and reward were the top factors they could improve to make a positive impact on their business.

When it came to reward, senior executives felt that hybrid and remote working had increased it for employees. However, when it came to their own reward packages, 87% felt that the inflation rates and the cost of living would have a short or long-term impact on it. The future looked brighter and 42% foresaw reward rising in real terms for executives in the next two years.

26% of senior executives said their business was already using AI, and 75% thought that AI would improve maritime jobs in the future. However, 39% were still discussing what its impact would be on their current and future hiring plans and only 10% shared it was already impacting both their current and future hiring plans.

92% of senior executives would recommend their careers in maritime to new generations, an uplift from 82% in 2019. 79% agreed that new generations have what it takes to be successful in maritime, noting digitalisation and decarbonisation as opportunities for them.

Executive summary – continued

Senior Maritime Executive Report

The top maritime hotspots where talent would be located in the next five years included Singapore, Athens, Dubai, Copenhagen and Hamburg.

There is a growing assurance in tomorrow's senior executives in maritime with 62% believing that there was potential talent already in their workforces to become future leaders, a considerable jump from 43% in 2017. What skills did senior executives believe they needed more of in their teams over the next two years? AI, knowledge of industry trends, adaptability, change management, communication, and creativity were all highlighted.

Over half of senior executives agreed they would need to make changes to their leadership over the next 12 months, highlighting the sentiment of senior executives to want to continually improve and evolve with the workplace and market around them.



Senior maritime executive careers

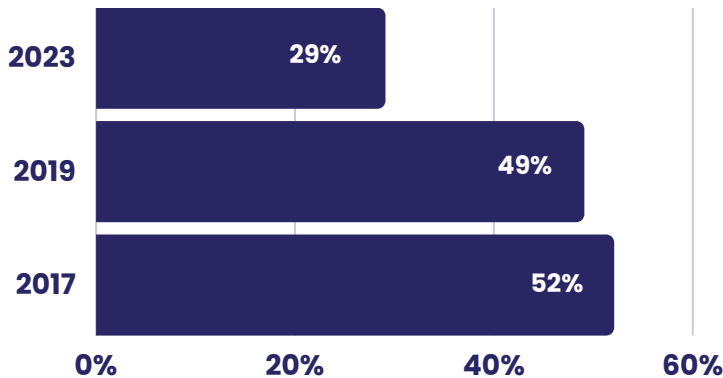
Senior Maritime Executive Report

We have shared in our employee surveys a focus at the board level to retain more talent in maritime, but how do senior maritime executives view their careers? Do they feel secure in their jobs? Are they looking to change jobs? What do they view as most important in their careers? And what skills do they want to develop in the future to become better leaders?

A growing sense of job security

Since the inception of this survey, we have been monitoring the confidence of senior executives in their job security. The good news is that the sentiments of job security are on an upward trajectory. In 2017, over one in two senior executives said they had been concerned about their job security in the last two years, this slightly decreased to 49% in 2019 and has significantly dropped to 29% in 2023.

Percentage of senior executives concerned about their job security



"I can understand why we still have a group of senior executives concerned about their job security, albeit has decreased significantly. As a senior leader, there are so many factors today that can influence our jobs and businesses. From economic conditions, political conflict, business stability, market demand, technological changes, and mergers and acquisitions to name but a few."

Businesses thrive when leaders feel secure in their roles, enabling a strategic vision with long-term decisions and plans that benefit the business's stability and continuity. Investment confidence soars, business culture can thrive, and it can even impact the morale of employees, leading to increased retention and setting the business up as an attractive place to work.

"The knock-on effect of concerns over job security is that there is the potential for senior executives to act differently and this is significant when it is those who are responsible for leading the business."

When we asked those who were concerned about their job security what had made them feel that way, we still found many who acknowledged the impact of COVID-19 on their jobs. In 2021, we shared in our survey that 16% of senior executives felt their careers had been negatively impacted by the pandemic and that is still being felt today.

Other factors cited included age, budget restrictions, market volatility, and changes in business strategy and ownership.



Senior maritime executive careers – continued

Senior Maritime Executive Report

Executive rotation

Movement at the top can create considerable pressure on businesses, especially if adequate succession planning has not been put into place. Over a quarter of senior executives said they had changed jobs in the last two years, nearly matching the 29% who said in our 2021 survey that they would be very confident to change jobs in the next two years.

27% in 2021 said the pandemic had impacted their career for the better, potentially meaning that as the markets recovered, they would be more confident and more attractive as a leader to other businesses.

The great regret

15% of those who had changed jobs said they regretted it, and the commonality was that the role itself had been overpromised and then had underdelivered.

“Businesses can pile on the flattery and compliments, pledge the world, and hotly pursue a candidate (usually with good intentions). However, what we can see from these results is that the reality is not always living up to the expectations. For a group of senior executives, they are feeling regret in their job move. Senior executives are far from alone in this feeling, and a lesson for us all is that whilst we are motivated to convince the best candidate to take the job offer, promises must meet the reality.”

People in maritime are planning to change jobs, even you

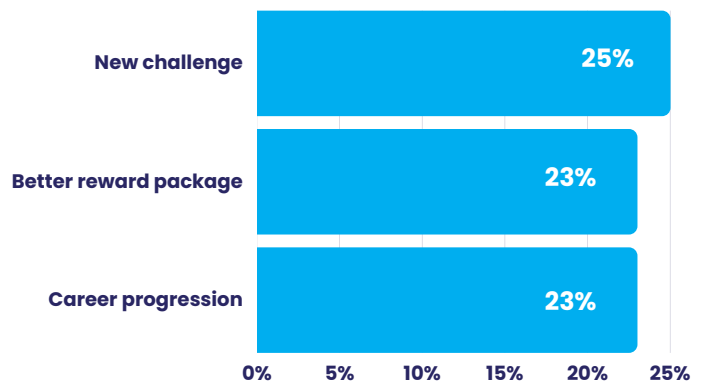
It is well documented in our surveys in other maritime disciplines this year that people are feeling confident changing jobs. More movement at the top is also predicted based on the survey results. 42% of senior executives agreed that a job move was on the cards over the next two years, and this has increased from 33% in 2017.

“With my recruitment hat on, my immediate reaction is movement at the top is a positive move for us, with more businesses needing to source the best senior talent in maritime. For the businesses themselves, it will create considerable pressure to hire experienced and reliable senior talent. This could create a turbulent talent marketplace, with much unrest at the top, and the potential to affect the maritime industry moving forward. We can all take some change, but could the industry deal with huge movement at the top?”

Seeking growth: why challenges matter for senior executives

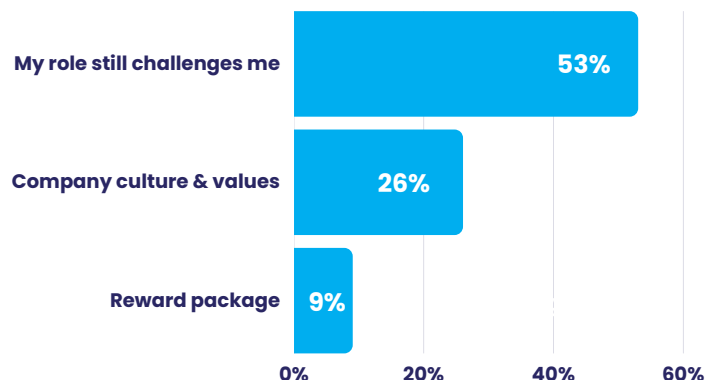
The top reason for senior executives to either job seek or stay loyal was the same. They either needed a new challenge in a new job, or their role still challenged them enough to make them stay.

Top three reasons senior executives are seeking a new job over the next two years



“We are in a time where many of us are looking for our job to provide continuous learning opportunities. If your job no longer challenges you, your intrinsic motivations (why you get up in the morning) might be depleting. Extrinsic motivations such as reward, title, and power can only hold up for so long.”

Top three reasons senior executives are staying in their current role



42% of senior executives plan to change jobs over the next two years

Senior maritime executive careers – continued

Senior Maritime Executive Report

Challenges in our jobs often present opportunities for senior executives to learn, adapt, and grow in their roles. Overcoming challenges often requires the acquisition of new skills, knowledge, and experiences.

“Creativity and innovation can be boosted too. We must explore new ways of doing things and come up with solutions that will benefit business success. We can become more motivated with a better sense of purpose and drive as we continue to learn from mistakes, stay resilient, and achieve success.”

Skills for tomorrow: meeting the challenges of industry trends, AI and new generations

Wanting challenges often means aspiring to learn more and develop new skills. We asked senior executives over the next 12 months what the top three skills and knowledge they wanted to improve the most. The top five included improved knowledge of industry trends (E.G. Decarbonisation, Green Technology, ESG, Alternative fuels), knowledge of AI, understanding new generations, change management, and empathetic leadership.

“I’ve attended many maritime events this year and there have been key themes addressed at all. Decarbonisation, green technology, alternative fuels, and digitalisation have led the conversations.”

Senior executives are aware that they need to lead on the changes that their business makes regarding industry trends. Of course, experts will be needed at other levels, but ultimately leaders must create the vision and make it a reality.

“As we head closer toward the industry’s goal of net zero emissions by 2050, the pressure is on leaders to develop their understanding and plan out how they will make it happen. I find it encouraging that so many senior executives are determined to advance their knowledge in these fields, and it feels optimistic that maritime is heading in the right direction.”

Understanding new generations was the third most popular answer to this question. Generation Z is creating many debates in people conversations.



“In terms of recruitment, I like to talk about this group as Generation Choice. They have so many opportunities available to them and it is creating concern over how maritime will attract them. With new technology comes new careers and there is also a sense of more options to become entrepreneurs, particularly social entrepreneurs.”

Different generations are often viewed as vastly dissimilar from one another, but we must also acknowledge some of the similarities and experiences that all generations in our workforce have faced. Rapid changes in technology, political conflict, economic peaks and troughs, global warming, health crises, and social injustice in varying forms have impacted us all.

“We must get to grips with what motivates people, what they care about, how they want to be communicated with, how they view reward and loyalty, and what they look for in their leaders across all generations, not just the new.”

Using some of these shared experiences instead of purely focusing on what makes us different, may create improved retention strategies with tweaks for any nuances in different groups. Decreasing or eliminating assumptions that the things that motivate people, the way want to be communicated with, keep them loyal, or make them leave have stayed the same.

The impact of changing working styles on employment and leadership

Senior Maritime Executive Report

Since the beginning of the COVID-19 pandemic, the future of working styles has continued to be debated. We considered whether we would return to the times before the working landscape drastically transformed or would the world of work change forever.

In our senior maritime executive report in 2021, we shared that 91% of respondents said they viewed the future of working styles to be hybrid (a mix between office and home working). These answers did not come without consideration as over a third said this working style would impact their future leadership style.

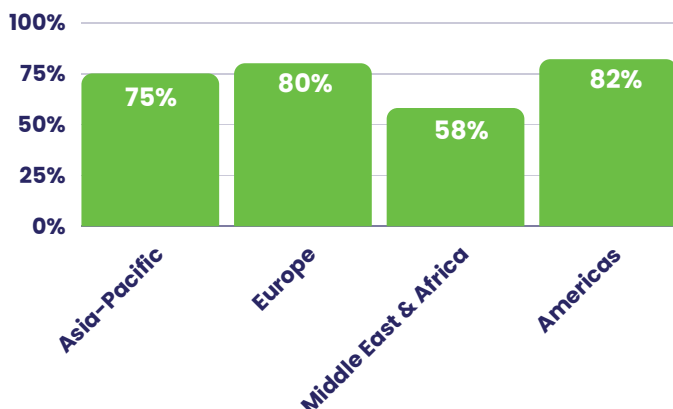
Remote and hybrid working has not escaped the people conversations we are still having today. Whilst maritime's historical reputation of being slow on the uptake of new ways of working, the reality today has somewhat transformed.

The new norm: leading with hybrid and remote work

"I predicted at the beginning of 2021, before our survey that year that maritime businesses would favour a hybrid model of working with potentially smaller headquarters and co-working hubs in satellite locations. I believed that employers would enable their employees to have more flexibility in their work aiding collaboration, learning, development, and productivity but needed to be mindful of morale and well-being."

75% of senior executives agreed that their business offered remote or hybrid working to their employees. Executives in the Americas region were most likely to offer this at 82%, whilst those in the Middle East and Africa region were the least likely at 58%.

Senior maritime executives who offer remote or hybrid working to their employees, by location



Unlocking a global workforce

For any business leader changing the way their people work is going to require planning on why it will not only benefit their people but also the business itself. 70% of respondents agreed it had improved their accessibility to more talent.

"If you look at the benefits of remote and hybrid working in silos to accessing talent, it appears as a no-brainer. Tapping into talent pools that were previously inaccessible means we can hire people from different cities, countries, or even continents, expanding the potential talent pool exponentially. By removing the requirement for employees to relocate, we can attract people with diverse skill sets that might not have been available locally. Increasing the diversity in skill sets means we can benefit from enhanced creativity, innovation, and problem-solving. I must mention the increasing difficulties we have seen in recent times to obtain work visas in some locations too, with remote working helping to alleviate these obstacles."



The impact of changing working styles on employment and leadership

Senior Maritime Executive Report

Maritime diversity redefined

Diversity is not a new topic for maritime and the sector continues to recognise the value of inclusivity and representation. Efforts to enhance diversity in maritime are ongoing and some gradual changes are evolving, but have changing working styles helped too? 60% of respondents agreed that it had improved diversity in their business, an encouraging sign for the future.

"An inclusive workplace promoting diversity and celebrating individuality often means you can get the best out of people. I'm a firm believer that diversity creates better teams and more business success, through creativity and innovation, varied skillsets, understanding economic and consumer markets, plus increasing employee engagement and retention."

Optimising productivity and performance: a closer look at changing workstyles

Seeing a positive impact in productivity from employees and in turn, an uptick in business performance has been one of the most talked about topics when it comes to hybrid and remote working. 60% of senior executives agreed it had made a positive impact.

We heard from the 40% of senior executives who were unconvinced:

- It makes employees happier for sure, but I'm more uncertain if it's improving business performance, except for in the case of hiring. **Senior Maritime Executive, Europe**
- It needs to be governed and managed within a framework to ensure business performance is uplifted. **Senior Maritime Executive, Europe**
- Remote working is a disaster for new employees. **Senior Maritime Executive, Asia-Pacific**
- I find it takes people longer to complete work and finish projects remotely. Trying to get hold of someone who you could normally go and see is slowing down processes. **Senior Maritime Executive, Asia-Pacific**
- I would advise implementing it with caution. **Senior Maritime Executive, Middle East & Africa**

- It harms trainees not progressing quickly enough. They lose out on so much learning when others are at home. **Senior Maritime Executive, Europe**
- It can't be one rule for one and another rule for others. Having said that, I see some overachieving in their work whilst remote working whilst others seem to use it as an excuse to have longer weekends. **Senior Maritime Executive, North America**
- It is the first question we get asked at interviews now. **Senior Maritime Executive, Europe**
- Our business relies on ideas exchange to perform better, and it is more difficult when working from home. **Senior Maritime Executive, Europe**
- A 'work hard' ethic isn't a natural phenomenon through working from home. **Senior Maritime Executive, Asia-Pacific**

The culture conundrum

Whilst some businesses are seeing better productivity and business performance, another group is seeing remote and hybrid working as a detriment to their company culture. 52% felt it had a negative impact.

"We are in an epidemic of loneliness, and this has been amplified for many who are spending a lot of their work time on their own. If people feel lonely at work, then they often don't feel the sense of purpose of the business, nor do they feel part of the culture. I am concerned about the future ramifications of this. Can culture prosper when our relationships with colleagues have gone from face-to-face to phone, to email, to instant message? Does it convey the same emotions, sentiments, or recognition that we as humans need to feel part of something? I'm not so sure."



52% of senior executives felt remote and hybrid working had a negative impact on company culture

Stress, happiness and priorities

Senior Maritime Executive Report

Happiness, stress, and the priorities of people are regularly covered in the media, predominantly based on low to mid-level employees and not the executives themselves.

The emotional and motivational states of senior executives are critical because they have a ripple effect throughout a business. Negative emotions and high stress levels can hinder leadership effectiveness, whereas happy and less stressed leaders are more likely to create a positive workplace culture.

Balancing stress and success

It would be reasonable to assume that the stress levels of senior executives in any industry would be high, due to the nature of their roles and responsibilities. While senior executives often enjoy significant rewards and opportunities, their positions also come with unique pressures and demands that could elevate stress levels higher than their employees.

Just under a quarter of maritime senior executives rated their stress level as low, 36% rated it as very high, with the remainder citing it at mid-level.

"I think these answers sum up what we see. There are people who simply never feel stress, they have developed techniques to manage and mitigate what might seemingly contribute to it. You have others who might feel the stress through the sheer complexity of their role, market and financial pressures, and expectations. Something that we might forget is the isolation that can be felt in the top jobs. Not being able to share your challenges and concerns makes it difficult to work through stress, and I've seen some executives who look for outside coaching and development to help them operate through it."



The happy executive

Although we can see that many senior executives are feeling stressed, many more are feeling happy in their roles. Just 10% said they were very unhappy or unhappy. 65% said they were very happy or happy and the remainder felt content.

"We all want our employees to be happy at work, and I'm pleased to see these sentiments are reflective for the majority of senior executives too. Being happy at work has a significant impact not only on the way we lead our businesses but also on our personal lives. It is more natural to inspire and engage with your teams, make better decisions, and handle challenges with resilience and creativity when you feel happy. We shouldn't forget how we behave as leaders can set the tone of workplace culture too."

Culture first

When we asked senior executives what mattered most to them at work, developing or maintaining their company culture was rated at the top, an underlying factor to the future success of their business. Often described as the personality of a company and how it defines the environment in which employees work, it can also include other elements such as mission, values, purpose, ethics, expectations, and goals.

"Top executives are recognising the fundamental impact of company culture on the success of their business. It is vital because it directly influences leadership effectiveness, employee engagement, talent attraction and retention, business performance, and the overall reputation and sustainability of a business. Senior maritime executives are making a statement here, it means they want to lead by example and contribute to a positive and thriving work environment."

“

65% of senior executives feel very happy or happy in their roles

Stress, happiness and priorities – continued

Senior Maritime Executive Report

Shifting focus: the evolving priorities of senior executives

In 2019, company culture was named the top priority for senior executives, but we have seen some changes four years on.

Retaining talented staff is now the second highest priority for senior executives and we understand why. Long-term employees often play an important role in upholding a company's culture and values (senior executive's top priority). Their presence can help maintain a positive workplace culture and reinforce a business's mission and purpose.

"Retaining talent nowadays is crucial for business success, and it is tough. We all know that stability in our teams can lead to cost savings, innovation, employee morale, and long-term competitiveness. We play an important role in creating an environment that fosters talent retention and development, and ensuring that our people feel valued, rewarded, and motivated."

Creating new leaders for the future also moved up the priority list for senior executives. It can feel uncomfortable to think about who might take your job if you retire or your circumstances change in the future, but it is the reality of life in the boardroom.

"We talk internally about our rising stars, 'Who has the potential to be a leader in the future?' But creating future leaders is not without effort. Recruiting, training, developing, and retaining individuals with a range of competencies who have the potential to implement your current and future goals in your business is growing in importance."

In an increasingly unpredictable environment, we are all going to need people who can adapt quickly, with the mindset and ability to embrace challenges and come up with creative solutions, rather than relying on what has already been done."

Enhancing employee experiences at work

It is not just the priorities of senior executives that we have seen change. We asked senior executives to share with us what areas they could improve at work for employees that would have the most positive impact on their business.

Everything bar company culture has shifted in the ranking, and this could be very important when we look at how workplaces might change in the future. A renewed focus on career progression could be an active stance on providing more learning and development opportunities, with a vision to promote within and give greater reasons for employees to remain in the business for the long term.

"I was surprised that reward wasn't ranked first but I think that senior executives may only be looking at this in isolation of pay as a hygiene factor. I believe we are moving into a time where we will see more micro-raises and recognition being put into play as part of reward. Employees' expectations for regular rewards and recognition are growing, not necessarily because they are entitled but because it is what they are used to. Raised in a world of likes and comments (and none of us are immune to this), we all want and expect continuous feedback. Rewarding and recognising great work needs to be done and done often."

What matters the most to you at work?

Ranking	2019	2023
1.	Company culture	Company culture
2.	Reward	Retaining talented staff
3.	Retaining talented staff	Reward
4.	Career progression	Creating new leaders
5.	Work-life balance	Work-life balance
6.	Creating new leaders	Career progression

What could you improve for employees that would have the most post impact on your business?

Ranking	2019	2023
1.	Work-life balance	Career progression
2.	Company culture	Company culture
3.	Career progression	Reward
4.	Training	Work-life balance
5.	Reward	Training

Reward

Senior Maritime Executive Report

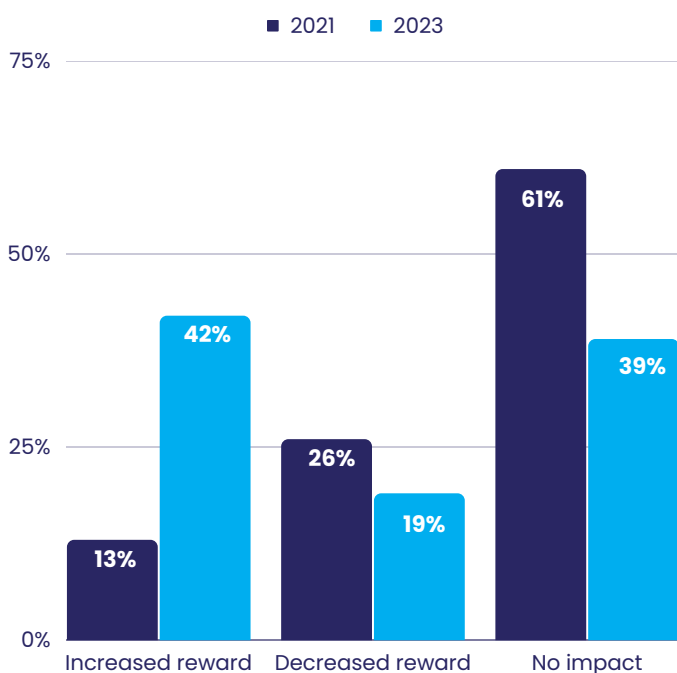
If you are having conversations internally about reward, you are not alone. Particularly for human resources leaders, it can feel like you are stuck between a rock and a hard place when it comes to getting it right.

Reward and workstyle dynamics

Back in 2021, with senior executives foreseeing the future of work to be hybrid we asked them at the time whether they thought it would impact reward. 61% believed it would have no impact, 13% thought it would increase reward and 26% said it would decrease reward.

We brought the question back two years later, with slightly different results. 39% said it has had no impact, 42% said it had increased reward and 19% said it had decreased reward.

How has hybrid working impacted reward?



"I found these results slightly surprising, I believed there would be no impact at all, based on the sentiments from employee surveys. What we can see is that more senior executives believe it has increased reward than they predicted in 2021. I do wonder if this is a combination of the increased accessibility to talent and being able to hire the very best people without as many geographical restrictions. We all know the confidence of people has gone up along with pay rises for new jobs, so perhaps these results aren't as surprising as I originally thought."

Compensation in a changing economy

We cannot escape the rising cost of living or inflation rates. We've shared our thoughts on its impact in our employee surveys, but we wanted to focus on its impact on senior executives.

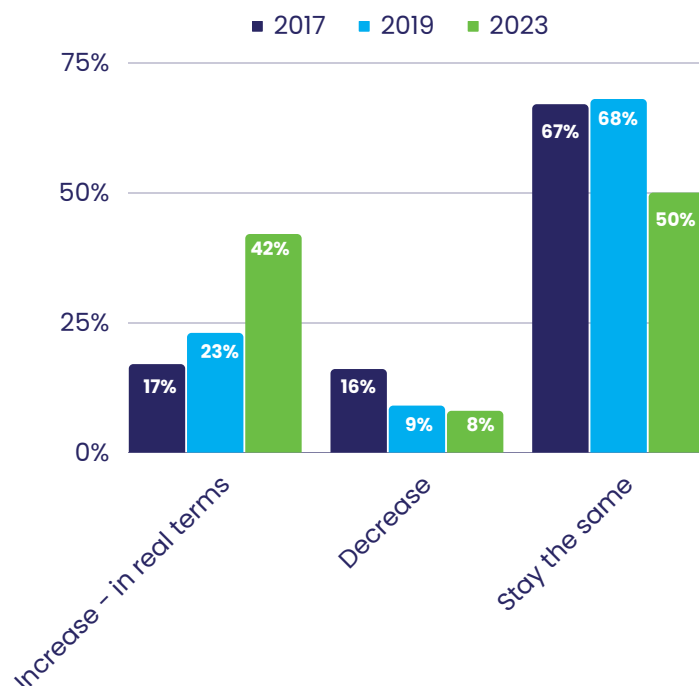
47% of senior executives said they thought it would create a long-term impact on their reward, whilst 40% felt it would have a short-term impact with the remaining 13% sharing it would not have any impact at all.

"These opinions might mean that senior executives feel more uncomfortable requesting an increase or having an increase considered when their reward package is compared to some of their employees. Others might want to prioritise increasing their team's reward before their own. The reality though is that as the cost of living and inflation rates go up, the value of reward can feel like it is decreasing even when it has stayed the same or even increased slightly."

But the future looks brighter for senior executive reward

Even though senior executives foresaw short- and long-term impacts on their reward packages, the future did look brighter than years before. Only 8% saw it decreasing over the next two years, with 42% believing it would increase in real terms and 50% saying it would stay the same.

How has hybrid working impacted reward?



Reward

Senior Maritime Executive Report

"Given the unrelenting pressures and complexities of leading a maritime business, you might consider that it is only fair that reward continues to increase (in real terms) in line with it. Maritime executive reward still feels disjointed and dependent on the type of business you work for, and I wouldn't say there are any clear 'norms'. Some executives may already be getting paid more than their counterparts in other sectors, others less. Many of us sacrificed salaries and benefits for the good of our businesses during the pandemic, some of you may also be allowing your pay to stagnate to get through the worst of inflation rates and increased cost of living crisis. But this goodwill cannot last forever and senior executives, just like any other employee will want to see their reward package grow, to ultimately improve their lives and advance their opportunities to better things."

Senior executives shared their thoughts on the future of reward:

- We need to get more key functions/staff onboarded with reward programs that drive business strategy execution as well as retain talent in critical functions. **Senior Maritime Executive, Europe**
- The reward aspect needs to be carefully addressed as the rewards are currently expected to be stalled. The deteriorating conditions across different tonnage segments create retention risk for highly engaged employees. **Senior Maritime Executive, Asia-Pacific**
- With rising costs, hard competition from other businesses, and a general lack of experienced maritime executives, the compensation can only move in one direction, and that is up. **Senior Maritime Executive, Asia-Pacific**
- Senior executives are getting scarcer and more than monetary rewards the company culture is very important. As you progress in life you come across highly educated but less experienced juniors (age-wise) but the younger generation lacks empathy which comes with experience, not school books. **Senior Maritime Executive, North America**
- I believe reward should be aligned with the company's long-term goals. Maritime senior executives must have an upside in the same way that this happens in other industries. **Senior Maritime Executive, Europe**
- Reward must increase as the business requirements have increased substantially. **Senior Maritime Executive, Europe**
- The maritime industry needs to be rewarded akin to banking, i.e., much, much higher. We are responsible for practical facilitation of global trade and should be compensated accordingly and our skills should be valued at least ten-fold of what they are valued today. **Senior Maritime Executive, Asia-Pacific**
- I think public company gender pay gaps will be exposed and with ESG as a language requiring more and more transparency, executives will likely be more exposed to public scrutiny than before. **Senior Maritime Executive, Asia-Pacific**
- There will be a greater focus on sustainable reward structures for senior executives – balancing retention of talent to equitable pay/rewards. **Senior Maritime Executive, Europe**
- Experienced management is rare. Inflation is high. Competition within the shipping industry is fierce to get talent. This will impact packages. **Senior Maritime Executive, Middle East & Africa**
- My chief concern is the lack of true understanding of how adaptive working environments can be a benefit in kind i.e., not having to pay for transport due to working from home. I also think that not enough effort is being made to consider benefits for staff which would have a real impact on their pockets. Examples are subsidising travel, providing parking or medical insurance and even helping with home loans e.g., preferable interest rates provided they stay with the company for x years. The latter is a good way to lock people into contracts thus allowing them to stay with the company longer. **Senior Maritime Executive, Europe**
- New talent is harder to find and therefore reward will need to increase to retain the top talent. **Senior Maritime Executive, South America**

The impact of AI on people, work, and recruitment in maritime

Senior Maritime Executive Report

Artificial Intelligence (AI) is set to significantly transform the way work is conducted and it might be sooner than you think. There is the potential that if implemented correctly, maritime businesses may become more efficient, but it also holds the prospect of not only replacing jobs but also improving them and creating new ones.

"The creators of OpenAI conducted a research study that estimates 80% of today's workers could see their jobs impacted by AI. I cannot see maritime not being a part of this."

Four years ago, 62% of senior executives said they didn't think maritime was ready for AI. There was some trepidation around this important technological change, but a lot of this appeared to be based on the lack of understanding of it, how it could be used as well as general uncertainties.

Maritime has had a reputation for falling into the laggard camp, often being one of the last to adopt technologies. Significant advancements in a short period have seen the usage of this technology increase exponentially in a general sense across the world, particularly generative AI (producing various types of content, including text, imagery, audio, and synthetic data). Could the increased focus in maritime on digitalisation mean that more senior executives have become early adopters of this technology? And could the use of generative AI in their personal lives have created more confidence in transferring its use into their businesses?

AI initiatives gain traction in maritime

26% of senior executives said their business was already using AI, whilst 71% said they were not and 3% did not know.

"AI was the second top skill or knowledge that senior executives wanted to improve upon in our survey this year, and we can see why. With the majority still not using it in their businesses, there is a huge opportunity to get in on the action and see how it can benefit their business. This may be through business performance and efficiency, cost reductions, or even how people do their jobs."

AI's potential to elevate maritime employment

We asked senior executives what impact they believed AI would have on jobs in maritime, allowing them to pick as many of the options as they wanted to.



75% said AI would improve maritime jobs, 35% believed it would replace some maritime jobs, 34% thought it would create new maritime jobs, and just 8% agreed it would have no impact whatsoever.

"What we are seeing from these answers is a real sense of opportunity in maritime. More jobs and better jobs in maritime whilst replacing others. I believe what won't change with AI is the need for strong and clear leadership with a heightened focus on the human element. We must remember the things that AI cannot do or excel at. Judgment, rationality, empathy, and creativity are what make us human, and no computer, technology, or robot can replicate this (well at least not yet)."

AI anxiety

For anyone reading this part of the report, it may create some feelings for you or your team of 'AI Anxiety', a phenomenon of people worrying and questioning whether AI will replace their jobs.

"It is natural that if you implement AI in your business there will be fears that some of your employees will become obsolete. This threat can feel personal and create concerns about a person's workplace value and what their professional identity is and will be. Questions like, 'What will I do?' 'Who will I be?' could be coming to you and other leaders in your business by implementing AI without the right communication to your people."

AI's role in shaping future hiring decisions

If we are looking at a future in maritime of new jobs and improved jobs, a question worth considering is whether it will impact hiring plans? Will new people be needed for these newly created or improved jobs?

The impact of AI on people, work, and recruitment in maritime – *continued*

Senior Maritime Executive Report

Senior executives shared what impact AI had on their current and future hiring plans. 39% of senior executives were still discussing its impact. 38% believed it would have no impact on their current or future hiring plans. 10% shared it was already impacting their current and future hiring plans. 8% said it would impact their future hiring plans and just 5% said it was impacting their current hiring plans.

"If we want to embed AI, we either need people in our teams eager to learn how to use it and make it benefit the business or find people who already can. Whilst we might see we are improving jobs; we must acknowledge that not all employees will see it that way. If they have newly shaped roles, they may have to develop extra skills themselves, and we must accept that some people simply won't want to. Humans can have a natural aversion to change, especially if they can't see the immediate benefits of it. We must admit to ourselves we may lose people, through our choice or their own, as well as understand we may need to hire a new breed of workers that we haven't experienced or seen before."

Senior executives shared their thoughts on AI through commentary:

- There are many different facets to this to consider onboard and ashore for example. Every week I have vendors wanting to connect with me to show me their AI-related product(s) to the extent it is becoming irritating – significant claims are being made but we cannot run more trials than we already are. **Senior Maritime Executive, Asia-Pacific**
- AI is here to stay. It is better if Maritime embraces it early rather than late like other technologies. **Senior Maritime Executive, Middle East & Africa**
- Data quality and completeness in maritime will retard the speed of impact of AI on the maritime industry. **Senior Maritime Executive, Europe**
- AI is already making inroads and we need to be adaptive, rather than resistive. **Senior Maritime Executive, Asia-Pacific**
- AI will make the team more efficient for basic tasks. Hopefully, it will enhance overall output and foster human creativity. **Senior Maritime Executive, Europe**
- AI will enable the industry to make decisions that are much more supported by facts. **Senior Maritime Executive, Middle East & Africa**
- Technology is advancing in leaps and bounds. AI has the potential to change the way we do things and when used positively can bring out efficiency in the industry. **Senior Maritime Executive, North America**
- Autonomous vessels will reduce significantly maritime jobs at sea. **Senior Maritime Executive, Europe**
- AI is overrated and over-hyped. **Senior Maritime Executive, Asia-Pacific**
- Whilst there are opposing views around it being a friend or foe, cyber security has never been as hyped up as it currently is, so whilst AI will play a role, you must consider external criminal minds at play. Nevertheless, it will change life and roles onboard and ashore albeit in different contexts. **Senior Maritime Executive, Asia-Pacific**
- The impact of AI is mostly on back-office roles and perhaps navigation and maintenance. **Senior Maritime Executive, China**
- AI will have a significant impact, maybe even a game changer. However, the maritime industry is, in general, still at an early stage of digitalisation which is a prerequisite for the embracement of AI advantages. **Senior Maritime Executive, Europe**
- Many potential benefits both operationally and commercially. However, an increase in AI will also increase cyber security risks. **Senior Maritime Executive, Europe**
- It remains to be seen how AI integrates the ecosystem and its relevance. It could assist the decision-making process for low-impact decisions at first. **Senior Maritime Executive, Middle East & Africa**
- AI is only as smart as the people who create and design the programs. They are not people who are in the maritime sector nor is enough feedback provided by those who use such programs. Consequently, it is a very 'blunt' instrument with little scope for dealing with the constant exceptions which come up in our day-to-day. **Senior Maritime Executive, Europe**

Future maritime talent and leadership

Senior Maritime Executive Report

A goal for maritime is to continue to create advocates for working in the industry. Senior executives mustn't control the conversation of advocacy but enable, inspire, and influence it with their positive sentiments for the industry. 92% of senior executives agreed they would recommend a career in maritime to new generations and this is important.

"Generation Z and Generation Alpha (or Generation Choice) are in the throes of choosing their career, the industries that they are aware of, and what is deemed attractive. They don't care what you say as a business, they care about what their friends, colleagues, and families think. Maritime must join the conversation, use its advocates, and become more open to different types of people joining the workforce."

The new wave of maritime employees

79% of senior executives believed that new generations had what it takes to be successful in maritime, leaving one in five not so sure.

"Maritime is at an important time where it must embrace new generations for its future success. Can maritime continue to be successful if we just hire based on the 'like me' effect? Having people who fit with your culture and align with your values is always going to be positive but what we don't want to do is stall change and limit diversity. This may mean that we have to hire differently in maritime moving forward."

Senior executives shared their thoughts on new generations in maritime:

- I think decarbonisation and AI present two real opportunities for the next generation as meaningful careers in maritime. Gender shifts will also happen, it is not easy, but it will in itself signify additional opportunity. **Senior Maritime Executive, Asia-Pacific**
- With demanding work hours, regular travel, and round-the-clock tasks, many youngsters find this challenging compared to other more flexible options available to them. **Senior Maritime Executive, Europe**
- I think that the younger generation has different home/work values which may well be better for home, not so good for work. But I'm sure my father also said that about my generation. **Senior Maritime Executive, Middle East & Africa**

- Once the new generations are made aware of the world of career opportunities in maritime, I find they are impressed and keen to pursue a global career. **Senior Maritime Executive, Europe**
- The maritime industry is an extremely dynamic workspace, and this can involve a great deal of personal sacrifice. I don't believe that this lifestyle is compatible with the younger generation's career or life expectations. **Senior Maritime Executive, Europe**
- The maritime sector is an extremely niche field. Maritime can also be regarded as laggards as far as accepting change and technology that is. An out-of-the-box thinking person has little value in this sector due to the industry dynamics. Albeit slowly, but fortunately, this is changing. **Senior Maritime Executive, Middle East & Africa**
- A lack of understanding that maritime is 24/7 and strict delineation between home and work is impossible. Too many candidates have entitlement complex and want salary increases and responsibility before they are ready or not prepared to put the time in. **Senior Maritime Executive, Asia-Pacific**
- New generations have everything required to be successful in a maritime business if they embrace learning as a lifelong process and accept that there is no alternative to hands-on experience. **Senior Maritime Executive, Europe**
- I think the next generation is smarter and equipped with technology. If the intent is right, the next generation can do wonders. **Senior Maritime Executive, Europe**
- The next generation will be successful, just in a different manner than the 'old boys' club' as this system no longer works. **Senior Maritime Executive, Europe**



92% of senior executives would recommend a career in maritime to new generations

Future maritime talent and leadership - continued

Senior Maritime Executive Report

Mapping out maritime talent hotspots

Where in the world maritime executives believe maritime hotspots will be is interesting in isolation, factoring in where maritime employees want to work, creates more validity. In general, senior executives understand that where employees want to work is going to breed a hotspot of talent which is reflected in the data.

Senior executives believed the top maritime hotspots in the next five years would be Singapore (26%), Athens (13%), Dubai (10%), Copenhagen (9%) and Hamburg (6%).

In comparison, when we looked at all of our maritime employee surveys this year, they voted the following as the most attractive maritime hubs Singapore, London, Dubai, Copenhagen, and Hamburg.

You can immediately see that Singapore continues to hold the top spot. Talent attracts talent and this is certainly the case when it comes to Singapore. The only survey in recent times where Singapore has not come out on top is in Naval Architecture.

Dubai is nipping at the heels of Singapore's popularity and executives are seeing this too. This important maritime hub has the potential to attract even more investment and we question if or when it can take the crown from Singapore. Only time will tell.

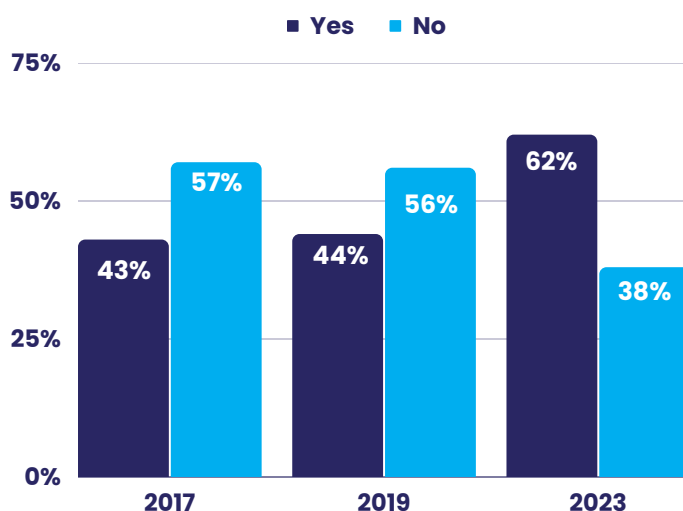
"We have made an important strategic move to expand our operations into Denmark, locating our office in central Copenhagen. We have seen the increase in demand from clients in the region for both contingent recruitment and executive search."

Rising assurance in tomorrow's senior maritime executive

Not only do we need new generations of talent coming into maritime, but we also need to be succession planning for our future leaders. Since the inception of this survey, we have been monitoring the confidence of senior executives in the potential of talent currently in our workforce becoming future senior executives.

Confidence has grown from 43% in 2017 to 62% in 2023. This is quite a jump in assurance and shows great positivity for the future.

Is there sufficient talent currently in the sector who have the potential to become future senior maritime executives?



Top five maritime hotspots - senior executives versus employees

Ranking	Senior executives	Employees
1.	Singapore	Singapore
2.	Athens	London
3.	Dubai	Dubai
4.	Copenhagen	Copenhagen
5.	Hamburg	Hamburg

Future maritime talent and leadership - continued

Senior Maritime Executive Report

"This is a crucial change in confidence. Effective leadership transitions are essential and a natural part of business. Recognising and promoting internal talent sends a positive message to employees about the business's commitment to their growth and development. If employees can see a clear path for career development it can boost retention, along with motivation and engagement."

Future ready skills: a blueprint for employee competencies

With the world of work changing at an exponential rate, in line with the competitiveness of the market, new skills in our workforce will be needed. Senior executives shared the skills they believed they would need more of in their teams over the next two years. The top six included: knowledge of AI, knowledge of industry trends (E.G. Decarbonisation, Green Technology, ESG, Alternative fuels), adaptability, change management, communication, and creativity.

The results were interesting and the top two matched with what senior executives wanted to develop themselves. If we look at communication, change management, and adaptability, these were among the top skills that executives shared in 2021 that they had to improve the most during the pandemic.

"If we factor in the emergence of AI, communication skills, particularly human-to-human communication is what many of us still crave, having a real person who will talk to us, listen to us, learn from us, and act."

Adaptability feels like a skill every human needs in today's world. Past, present, and future changes mean we have to learn to adapt. We need to feel empowered to navigate challenges, seize opportunities, and lead more fulfilling lives, whether at work or home.

"I think what executives are identifying in adaptability is the speed and openness to it, rather than the complete lack of it. People will generally adapt eventually but senior executives need people to do it quickly, especially if they are trying to implement a new strategic direction for the business or dealing with a crisis."

Creativity is becoming increasingly desirable, and much like adaptability, executives want people who can move on from the norms and create new, innovative, and creative ways of doing things to propel the business into future success.

"Creativity has to be embraced. Too many people try to squash creativity because it might go against the norms of 'how we do things'. Others do it unintentionally, often because they aren't used to a new way of thinking. We can miss out on innovation and growth if we don't welcome it. Encouraging a culture of creativity and providing support for creative thinking can help mitigate barriers and allow creativity to flourish. If we all think the same and have the same ideas, what a boring world we would be in."

Defining our leadership style for tomorrow

We shared in 2021 that 76% of senior executives had changed their leadership through the pandemic. Two years on we wanted to see if senior executives felt more changes were needed. 55% agreed that they would need to make changes to their leadership style in the next 12 months. They shared their thoughts on their answers:

- I think all good leaders evolve – and also know when it is time to exit stage left. I do believe in constant improvement, but never to the point of not being an authentic leader. I think you can read too many books on the topic and as a result, somewhat lose who you are in the process. By all means, become a better person then become a better leader, focusing on the whole person is more my mantra. **Senior Maritime Executive, Asia-Pacific**
- More empowerment to employees is to be given. AI advances to be adopted after taking employees in confidence. **Senior Maritime Executive, Middle East & Africa**
- The need to understand the working mind of the younger generation is important. That is the future and then blend/align company culture. **Senior Maritime Executive, Asia-Pacific**
- I would like to develop a more humanistic approach by understanding the person more than the job. **Senior Maritime Executive, North America**
- I will have to let my team make their own decisions and become more of an observer they can come to, to discuss their decision-making, always first asking "What would you do or what is your suggestion?". **Senior Maritime Executive, Europe**
- You always need to adapt to your employees when you work for a small organisation. People matter more than systems. **Senior Maritime Executive, Asia-Pacific**

Final thoughts and recommendations

The Senior Maritime Executive Report

Maritime is no stranger to change, having already weathered many storms and embraced change. Today, we stand at the precipice of a new era – a transformative age defined by digitalisation, environmental consciousness, the demand for great efficiency and creating our maritime workforce and leaders of the future.

In the spirit of pioneering visionaries, let us not just acknowledge the trends we have explored but seize them as further opportunities to redefine the future of maritime. The challenges we face are formidable, yet they are matched by maritime's unwavering commitment to excellence and sustainability. It is with optimism, determination, and a shared sense of purpose that we conclude this report, setting sail toward a maritime future that is brighter, more resilient and built upon the foundation of innovation and leadership.

Together, we shall continue to steer the course, and in doing so, shape the maritime legacy of tomorrow.

It has been my privilege to share the thoughts and feelings of senior executives in maritime and I would like to say a personal thank you to everyone who took part. My executive team and I are pleased to have been able to create and share this with the maritime community and we hope the insights have been interesting and thought-provoking.

Mark



Executive search team

The Senior Maritime Executive Report



Mark Charman
CEO & Founder



Martin Bennell
Chief Operating Officer



Lorenzo Agatiello
Director - Asia-Pacific



Kelsey Purse
Director - Shipping
EMEA & Americas



Adam Graves
Director - Marine & Energy
EMEA & Americas



Jonathan Pearse
Executive Recruiter
Shipping - EMEA





faststream
recruitment group