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## Loyalty of Seafarers in the Shipping Industry in Jakarta Province, Indonesia

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### ABSTRACT

One of the main industries in transportation in Indonesia is maritime transportation, especially in Jakarta Province. However, there are still constrained by various problems faced, especially the Seafarers who work on the ship.

The purpose of this study is to analyze and develop the influence of HRM, Motivation, and Trust on Work Stress and Employee Satisfaction and these impact on Employee Loyalty in a Shipping Industry in Jakarta Province. Thus, this research is expected to contribute to human resource management efforts to manage their attitudes in their daily work.

The research design used in this study is causal design. The objects of this study are 9 (nine) sea transportation companies in Jakarta Province, listed in BEI. Seafarers are the unit of analysis. The sample-set at 225 respondents, each company selected a number of proportional samples. The sampling technique used is Judgment Sampling.

After the data was analyzed statistically, research results of the study stated that HRM, Work Motivation, Employee Trust, and Employee Loyalty were rated as good, while Job Satisfaction and Job Stress was still considered poor. Based on the results of causality research, state that proven research hypotheses are HRM effects on Work Stress; Work Motivation effects on Work Stress; Trust effects on Work Satisfaction; Trust effects on Work Loyalty; Trust effects on Work Loyalty; Work Stress effects on Work Loyalty; Work Satisfaction affects Work Loyalty. Unproven research hypotheses are: HRM is not effects on Work Satisfaction; HRM is not effects on Work Loyalty; Work Motivation is not effects on Work Stress; Work Motivation is not effects on Work Loyalty; Trust is not effects on Work Stress; Work Stress is not effects on Work Satisfaction.

This research result comes with a discussion of the strategic solution from the results of descriptive statistical analysis.

## **1. Introduction**

Sea transportation is a type of transportation that is full of regulations. From the ship was built until the ship was operational, it was always monitored by strict regulations. This is done as an effort to fulfill safety and security. Likewise, companies must anticipate the market, where goods and services are used by the main consumers, namely companies that use ships as the main means of transportation to carry goods for distribution both domestically and abroad.

The performance of companies in the marine transportation industry, including in Indonesia, is very dependent on the company's ability to manage human resources, especially the seafarers who work on board. In fact, the need for seafarers in Indonesia is difficult to fulfill both in number and qualification. This research was conducted in the Province of Jakarta, which has the largest and most shipping companies.

## **2. Objectives**

The study aims to analyze and develop :

1. To determine the influence of HRM Practice, Work Motivation, Trust, Work Stress on Seafarers' Satisfaction in the Shipping Industry, in Jakarta Province.
2. To determine the influence of HRM Practice, Work Motivation, Trust, Work Stress on Satisfaction, and their impact on Seafarers' Loyalty in the Shipping Industry, in Jakarta Province.

## **3. Literature Review**

### ***1. Employee Satisfaction***

The main function of HR management is to support the main objective of the company, namely increased profit. This goal is very dependent on the performance of all employees. Employee performance expected by the company is highly dependent on job satisfaction. High job satisfaction also has a positive impact on employee performance. If job satisfaction is not met, in the long run, it will negatively affect employee absenteeism, turnover, and others.

There are various definitions of the concept of job satisfaction, as proposed by Robbins and Judge (2013), Jerald and Robert (2009), Mathis and Jackson (2012), and McKenna (2010). Other statements were also put forward by various previous research results. As adjusted for this study, the synthesis of the concept of job satisfaction is defined as an attitude towards a Seafarer's job, indicating the difference between the number of awards received and the amount he believes they should receive.

Likewise, regarding the synthesis of dimensions of employee satisfaction based on the concepts, and results of previous studies. Adjusted to this research, the dimensions of Employee Satisfaction used are as follows:

- a. The work itself. Job intrinsic will determine job satisfaction as indicated by the variety, difficulty, number of jobs, and work methods.
- b. Supervision. Consistent leadership is indicated by consideration and supervision.
- c. Wages and Rewards. It is indicated by the extent to which wages meet the expectations of the workforce, and how they are given.
- d. Colleagues. Indicated by the relationship between workers in the group at work, and outside work time.
- e. Workplace conditions. Indicated by the atmosphere of the workplace and the state of the rest area.

## ***2. Employee Loyalty***

An employee hopes to feel satisfied at work because there is a match between his expectations and the reality he feels. Based on this satisfaction, he tries to be loyal, including trying to stay in the company and do his best job. Employees who are satisfied at work at the next stage will lead to a high level of loyalty. Synthesis regarding the concept of employee loyalty as seafarers in the shipping industry needs to be established. Based on McCusker and Wolfman (1998), Mullins (2008), Seema et al. (2010) and Walker (2011) as well as from several appropriate previous research results, employee loyalty is a sense of belonging which is manifested in the desire to remain in the organization, as a result of the internal evaluation process.

Likewise, regarding the synthesis of dimensions of employee loyalty based on the concepts, and results of previous studies. Adjusted to this research, the dimensions of Employee Loyalty used are as follows:

- a. Rational, namely the dimensions related to something that can be explained logically, indicated through wages and workloads.
- b. Emotional, namely the dimension related to the feelings of expression, which is indicated through challenging work and a feeling of security with the company where you work.
- c. Spiritual, which is a relationship based on trust, which is indicated through worship facilities and time for spiritual activities.
- d. Recommendations, indicated by the willingness to recommend to others working in this company.

## ***3. Work Stress***

The mental pressures of an employee who has passed the normal limit will have an impact on work results. Likewise, if an employee only gets low mental pressures, it will also have an impact on work results. Thus, mental pressures on an employee must be able to be controlled in a certain position that has an impact on maximum work result.

There are several definitions of Job Stress according to several experts, such as Kreitner and Kinicki (2008), Robbins and Judge (2013), Luthan and Farlin (2012), Akif (2013), Diane et al. (2004) and Asuquo et al. (2016). Likewise, the redefinition has been determined based on the results of previous research. The synthesis of job stress definitions for this research is defined as a situation in which a worker experiences stress at work that causes emotional and physical exhaustion that work behavior does not run normally.

Likewise, regarding the synthesis of dimensions of work stress based on the concepts, and results of previous studies. Adjusted to this research, the dimensions of Work Stress used are as follows:

- a. Feeling depressed, indicated by feeling drained of energy and thoughts that increase emotions and irritability when on a ship.
- b. Workload, indicated by feeling tired throughout the day and lack of enthusiasm for work.
- c. Inability, indicated by being tired of doing the assigned work and not understanding the new tasks that are assigned.
- d. Factors outside the organization, such as family economic demands and the existence of other job offers but unable to accept them.

#### **4. HRM Practice**

The organization is deliberately created by persons, so that, the vision and mission expected for the interests of stakeholders that can be realized in the future through its strategy. Part of the company's strategy will be derived into a corporate functions, one of which is the HRM strategy and its short-term programs.

The determination of HRM functions which are used as dimensions of the HRM variable concept for this study has been synthesized based on several statements from Wilson and Bangun (2012), Mathis and Jackson (2012), Mc.Kenna (2010), Mc.Clelland (1985), Mullins (2008) and Dessler (2012). Likewise, statements from previous research. The dimensions are :

- a. The process of entering the organization, consisting of Recruitment and Orientation
- b. Process within the organization, consisting of Training, Job Performance, and Compensation.
- c. Occupational Security, consisting of Occupational Safety and Health.
- d. The process of leaving the organization, consisting of layoffs and pension funds.

#### **5. Work Motivation**

The performance of an employee is highly dependent on several factors, both from self-attitude (internal) and from the environment (external). The main factors of attitude are work motivation and work skills. A person who has high work motivation will have a positive impact on their performance.

The definition of work motivation has been stated by experts, including according to Gibson, et al. (2012) and Robbins and Judge (2013) as well as several previous research results. After these definitions have been synthesized for this study, work motivation is defined as the work motivation of the employees to do their best by making creative and productive contributions.

The determination of dimensions as a part of the concept of the Ape Motivation variable has been synthesized for this research based on several opinions such as Alderfer (1989), Mc Clelland (1985), Murray, Herzberg in Alderfer (1989), and several previous studies. These dimensions are:

- a. Existence, namely the needs of employees who are satisfied by various factors, such as basic needs, health, wages, and working conditions.
- b. Relationship, namely needs that are satisfied by social relationships, such as colleagues and society.
- c. Growth, namely motivation to achieve satisfaction, such as certification, responsibilities, and career opportunities.

## **6. *Employee Trust***

Employee trust in subordinates, co-workers, superiors, big-name companies, and owners is important in motivating employee work, job satisfaction, and employee loyalty. The belief of an individual or group as a whole is the individual or organization will make its best efforts, either express or implied, in good faith to act in accordance with its commitments. So, the main factor in creating trust depends on the commitment between those who are trusted and those who believe.

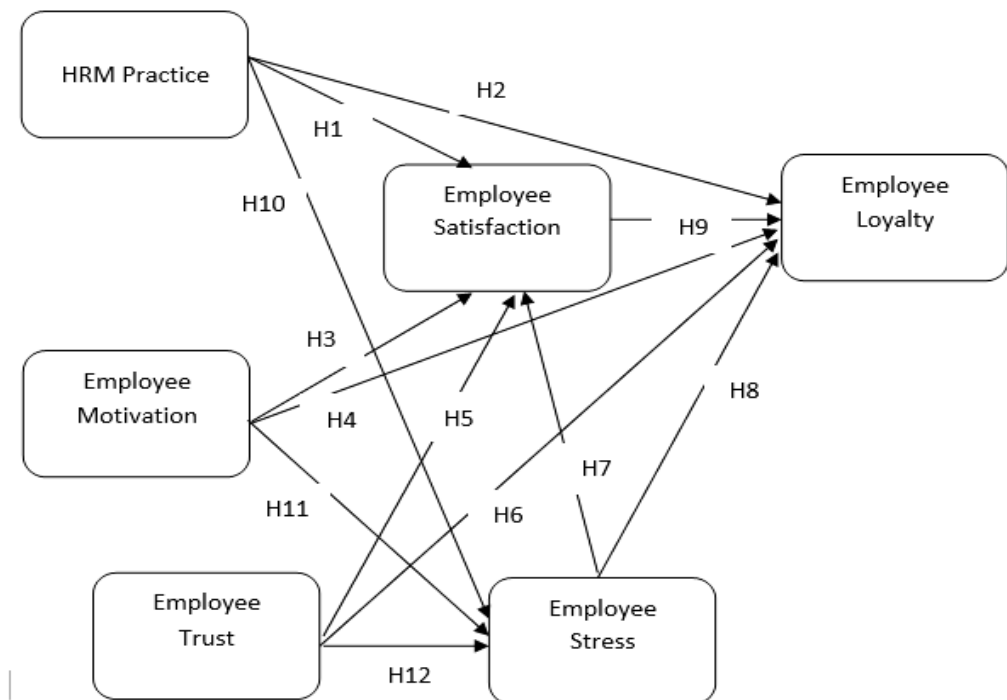
Various definitions of employee trust have been stated by several experts such as Evans (2013), Robbins and Judge (2013), Isabelle et al. (2018), Stefan (2008), and several previous research results. After being synthesized according to this research, employee trust is trust in the organization where the organization will make every effort in good faith to act according to its commitment to provide the best.

The dimensions of the employee trust variable have been synthesized for this study based on several statements from Evans (2013), Robbins and Judge (2013), and McKenna (2010), as well as some relevant research results. Adjusted to this research, the dimensions of employee trust in are:

- a. Ability, which is an employee's confidence in the competence or ability and willingness of a colleague, this is important to achieve effective task performance.
- b. Consistency, related to the reliability of individuals and management in handling situations at work.
- c. Loyalty is the willingness of employees to protect colleagues and management from disturbances due to external and internal aspects.

## 4. Conceptual Framework

Figure 1, is the design of the conceptual model of this study based on the formulation of the problems that have been previously determined.



**Figure 1, Conceptual model**

### 1. Influence of HRM Practice on Seafarers Satisfaction

Human resource management seeks to increase the job satisfaction of seafarers in various ways because increased job satisfaction will increase work productivity. Improved work skills, quality of supervision, good relations among seafarers, and wages. This statement is also consistent with empirical evidence from many previous studies, especially the shipping industry.

Several studies that support this claim are from Morten et al. (2013) on 2 shipping companies in Norway; Caroline and Julie (2016) at J-Phil Marine Incorporated, Philippines; Patchiappane and Rengamani (2018) at various maritime companies in India; Vinh (2015) in Singapore Shipping Association, and Singapore Logistics Association; and Kyriaki and Notteboom (2015).

## 2. Influence of HRM Practice on Seafarers Loyalty

HR practices by the companies that are more pro-employees, in addition to having a positive impact on job satisfaction, also on seafarers' loyalty, either directly or indirectly. Job satisfaction is more volatile depending on the level of importance, while the attitude of loyalty is more stable. Therefore, HR practices can have a direct effect on employee loyalty.

Several studies that support this claim are from Uzair, et al. (2017) at Gwadar port in Pakistan, Turker and Er (2007) at J-Phil Marine Incorporated, Philippines; Brenda, et al. (2014) in Dutch Health Care, and Sami (2014) in the city of Dammam, Saudi Arabia.

### ***3. Influence of Work Motivation on Seafarers Satisfaction***

Work motivation as a concept that describes the strengths in employees that can direct the person's behavior differs from one person to another. The motivation process takes the form of a cycle that continues to move in a circle. The rate at which this power will decrease as it approaches the goal or as it approaches the incentive acceptance stage. Employee work motivation will have an impact on job satisfaction if it is driven by good work skills and produces work in accordance with employee expectations.

Several studies that support this claim are from Morten, et al. (2013) from 2 shipping companies in Vagen, Norway, Yogendra (2015) from maritime industry in India, Caroline, and Macalalad (2016) at J-Phil Marine Incorporated, Philippines.

### ***4. Influence of Work Motivation on Seafarers Loyalty***

Employee work motivation has a positive effect on Job Satisfaction, but the effect can also be direct on loyalty. Thus, employee loyalty can increase as a result of increased work motivation, even though job satisfaction does not increase.

Several studies that support this claim are from Bhattacharya (2015) in the maritime industry in India, Caroline, and Macalalad (2016) at J-Phil Marine Incorporated, Philippines. Maznah et al. (2010) in the manufacturing industry in Malaysia, and Roos et al. (2017) in the banking industry in Malang, at East Java.

### ***5. Influence of Trust on Seafarers Satisfaction***

The implementation of healthy employee work programs, high company performance, adequate employee welfare will foster employee trust in the company. Employee trust has a positive impact on job satisfaction. Employees who believe that management is able to control the company will be able to adjust their expectations and reality. Expectations can increase or decrease, but if they can be met, job satisfaction will be found.

Several studies that support this claim are from Morten, et al. (2013) in Norway, Ming-Chuan Yu, et al. (2018) in Hangzhou, Kumar and Shilpi (2017) on the public sector in India, Parastoo and Fariba (2015) in Iran, Yudragul et al. (2016) on the banking industry in Belgium.

### ***6. Influence of Trust on Seafarers Loyalty***

Employee trust in the company is caused by a number of factors, including the right management promises, healthy company performance, and improved employee welfare. Employees will believe in management if they are able to control the company so that it can progress and develop in addition to increasing

job satisfaction as well. Job satisfaction will have a direct or indirect impact on employee loyalty to the company.

Several studies that support this claim are from Matzler and Renzl (2006) in the maritime sector in Porirua, New Zealand, Ming-Chuan et al. (2018) on the clothing industry in the areas of Ningbo, Hangzhou, and Shanghai in China; and Pavan and Saha (2017) on large companies in India that produce bauxite, petroleum, and other heavy industries, Otuonye and Anyanwu (2017) in the manufacturing industry food and beverage in Nigeria, and Deepak et al. (2002) in the Midwest, India.

### ***7. Influence of Work Stress on Seafarers Satisfaction***

High stress at work is a condition that creates physical and psychological imbalances, which affect the emotions, thought processes, and conditions of an employee. High stress can threaten a person's ability to face the environment. As a result, employees develop various kinds of attitudes that can interfere with the implementation of their work. Likewise with light stress. Therefore, a sufficient level of stress must be maintained so that employee performance is maximized.

Several studies that support this claim are from Morten et al. (2013) in 2 shipping companies in Norway, Patchiappane and Rengamani (2018) in various maritime companies in India, Riaz, et al. (2016) in Okara, Pakistan, and Jacky and Benyana (2010) at South Rand.

### ***8. Influence of Work Stress on Seafarers Loyalty***

Work stress experienced by employees is expected to be in a sufficient position so that productivity is high and has a positive impact on employee loyalty. Therefore, it is appropriate that the role of company managers be able to understand the conditions of their employees. If employees are given the burden of problems that can hinder company performance, the leadership can reduce and even solve the employee's burden. In addition, the role of employees to control stress outside working hours is also important.

Several studies that support this claim are from Kyriaki and Notteboom (2015), Patchiappane and Rengamani (2018) in various maritime companies in India, Nasrin, et al. (2013) in the Iranian National Drilling Company (INDC), Azar et al. (2014), Ahmad, et al. (2014) in Bahawalpur and Lodhran, Pakistan.

### ***9. Influence of Work Satisfaction on Seafarers Loyalty***

Job satisfaction is defined as an attitude towards a worker's job, indicating the difference between the number of awards received, and the amount he believes they should receive. Job satisfaction is characterized among others based on a sufficient salary, a pleasant work environment, good supervision, clear career planning, jobs that are in accordance with competencies, and co-workers who support each other.

If the employee's job satisfaction is not satisfactory, it will have an impact on several aspects, one of which is desire and resignation from the company with



disappointment. Conversely, if job satisfaction is high it will have an impact on loyalty. Therefore, companies need to pay attention and carry out efforts, so that, employee job satisfaction can be increased, not vice versa.

Several studies that support this claim are from Yuen et al. (2018) in the maritime sector in Singapore; Slišković, and Penezić (2015) for cargo workers in Croatia; Parul and Havisha (2015) in the retail sector in the city of Karachi, Pakistan.

### ***10. Influence of HRM Practice on Seafarers Work Stress***

Employee work stress will have an effect on several consequences, as described in the previous hypothesis determination. Employee stress conditions can be the result of various reasons, including HR Management policies controlling HR, including superior leadership styles.

Several studies that support this claim are from Blake et al. (2016) in 2 major groups of educational organizations in the UK, Balaji (2014) from the CIP annual document; and Bayram, and Bayramoglu (2014), in Kayseri, Turkey.

### ***11. Influence of Trust on Seafarers Work Stress***

Managers who have promised everything to employees must strive to be implemented consistently. Likewise, ways of controlling employee work processes must be well controlled, and they can accept it well because it will have an impact on job satisfaction. If the manager's promises are far below the expectations of employees and especially if the type of work and workload exceeds their ability, then work stress will become excessive.

Several studies that support this claim are from Kyung (2010) on shipping companies in Osaka, Japan, Guinot, et al. (2013) in Spain, and Tianan et al. (2016) in the United States.

### ***12. Influence of Work Motivation on Seafarers Work Stress***

A person's motivation to work because he tries to meet his needs. In daily work, he will measure the suitability of the rewards of work with the sacrifices that have been made. If appropriate, the employee's work motivation will increase, but if it is not, then the disappointment will increase, and this situation will increase work stress. Decreased work motivation will have an impact on employee work stress levels.

Several studies that support this claim are from Sebastian et al. (2015) to seafarers in Hamburg, Ryani et al. (2018) from foreign workers in Indonesia, Geurts (2008) to two large groups of organizations in the UK, and Isabelle et al. (2018) workers in China.

## **5. Methodology**

The objects of this study are nine major shipping companies in Indonesia that have listed shares on the Indonesia Stock Exchange (IDX) and are domiciled in Jakarta Province, Indonesia.

This study used primary data collected through questionnaires filled in by seafarers from Indonesian citizens. Items questions on the questionnaire have been prepared based on the dimensions of each variable, namely: Loyalty consists of 4 dimensions and 8 indicators; Satisfaction consists of 5 dimensions and 10 indicators; Stress consists of 4 dimensions and 8 indicators; HRM consists of 4 dimensions and 10 indicators; Motivation consists of 3 dimensions and 6 indicators; and Trust consists of 3 dimensions and 6 indicators. Each item comes with alternative answers using a Likert scale, where 1 = strongly disagree to 5 = strongly agree. The questionnaire as a research instrument has been tested for validity and reliability and has been answered by 225 respondents selected by the judgment sampling technique in July-August 2019.

Descriptive analysis for all indicators in the form of mean, percentage and chi-square using SPSS software ver. 21, while the analysis to test the research model using SEM (Structural Equation Modeling) assisted by Lisrel software ver. 8.8. The structural model, see Figure 2.

Based on the research, it was determined a structural model and measurement models. The Structural model is several equations that state the relationship among latent variables. The measurement model is an equation that states the relationship between manifest variables and latent variable. The structural equation models are:

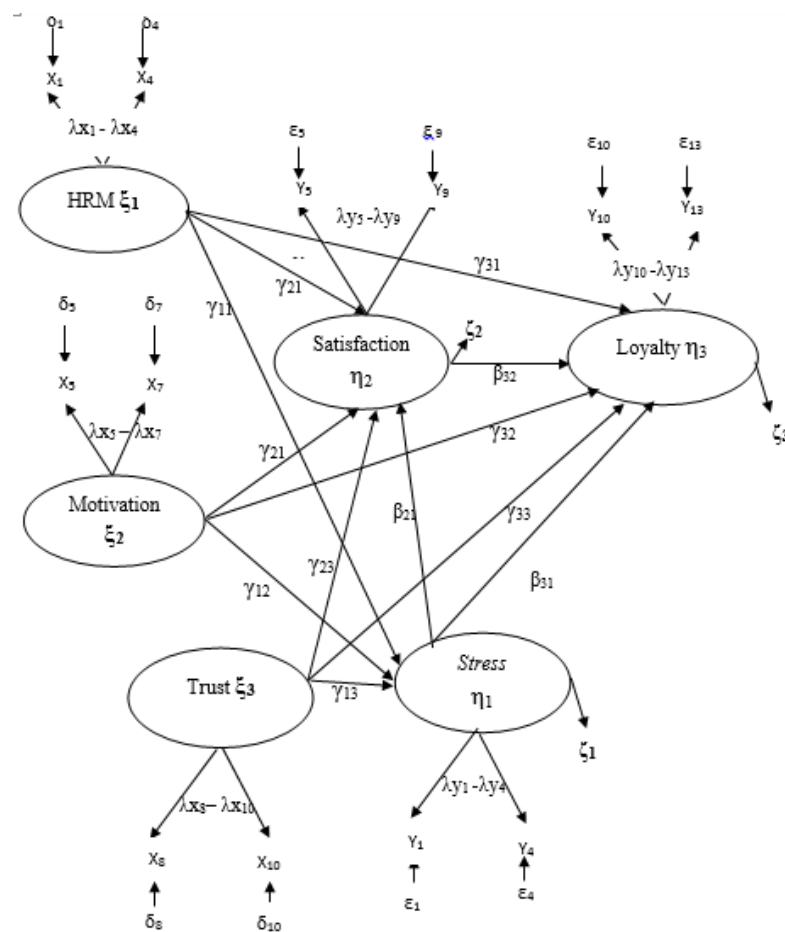


Figure 2. Research Model, Lisrel version

The linear regression equations based on this research model are as follows:

$$\eta_1 = \gamma_{11} \xi_1 + \gamma_{12} \xi_2 + \gamma_{13} \xi_3 + \zeta_1 \quad (1)$$

$$\eta_2 = \gamma_{21} \xi_1 + \gamma_{22} \xi_2 + \gamma_{23} \xi_3 + \beta_{21} \eta_1 + \zeta_2 \quad (2)$$

$$\eta_3 = \gamma_{31} \xi_1 + \beta_{32} \eta_2 + \gamma_{32} \xi_2 + \gamma_{33} \xi_3 + \beta_{31} \eta_1 + \zeta_3 \quad (3)$$

This test is used to demonstrate how an observed variable represents latent variable through confirmatory factor analysis.

### 1. Construct Validity

The validity of a manifest variable is the evaluation of the factor loading of these variables on the latent variable. A variable has good validity to variable constructs or latent variables, if :

- a) The value of the t statistic of factor loading is greater than the critical value for alpha 5% = 1,96.
- b) The value of standardized factor loading is greater than or equal to 0.70.

### 2. Reliability Construct

To measure the reliability can be done using the following steps:

- a) Composite/Construct Reliability Measure, and
- b) Variance Extracted Measure (extract size variants).

### 3. Test of Goodness of Fit.

The Goodness of fit criteria, are: 1) Absolute fit indices, consists of Chi-Square, Root Mean Square Error of Approximation (RMSEA), and Goodness of Fit Index (GFI); 2) Incremental fit indices, consist of Adjusted Goodness of Fit Index (AGFI), normed Fit Index (NFI), Comparative Fit Index (CFI), Incremental Fit Index (IFI), and Relative Fit Index (RFI), 3) Parsimonious fit Indices consists of Expected Cross-Validation Index (ECVI), Akaike Information Criterion (AIC), Consistent Akaike Information Criterion (CAIC), Parsimonious Goodness of Fit Index (PGFI), Root Mean Residual (RMR), and Critical N (CN).

Using of 4-5 criterion of the goodness of fit is adequate as long as each of the goodness of fit criteria that are already represented.

### 4. Hypotheses Testing

Step the hypotheses testing: The first step is to state the null and alternative hypothesis clearly. The null and alternative hypothesis in hypothesis testing can be a one tailed or two tailed test. The second step is to determine the test size. The third step is to compute the test statistic and the probability value.

## 6. Results

### 1. Respondents

Table 1 is the names of the shipping companies are researched and the number of sample for each company.

**Table 1. Names of Big Shipping Company**

Name	Sample
PT. Samudera Indonesia	34
PT. Buana Lystia Tama	10
PT. Humpuss Intermoda	73
PT. Capitol Nusantara Indonesia	14
PT. Pelayaran Nelly Dwi Putri	8
PT. Wintermar Offshore Marine	34
PT. Tempuran Emas	31
PT. Bina Benua Raya	10
PT. Arpeni Pratama Ocean Line	11
Total	225

Table 2 is the length of work (in year) of the seafarers in percentage (%).

**Table 2. Names of Shipping Company**

Length of Work (year)	Sample	Percentage (%)
< 2	13	5,8
2 - 4	34	15,1
> 4-6	65	28,9
> 6-8	41	18,2
> 8-10	35	15,6
> 10	37	16,4
Total	225	100,0

### 2. Descriptive Analysis

The result for the Employee Loyalty assessment of the eight indicators is known that the three indicators assessed are still low, while the rest are high. The indicators that are considered low have been discussed for solutions to overcome them. The indicators that are considered low are: work on the boat while sailing is boring, homesickness to family, and the threat of waves in the middle of the sea.

The result for the Employee Satisfaction assessment of the ten indicators is known that the three indicators assessed are still low, while the rest are high. The indicators that are considered low have been discussed for solutions to overcome them. The indicators that are considered low are: Financial wages are in accordance with short-term needs and part of the wages saved have not been fulfilled; facilities during sailing have not been fulfilled, and communication with superiors has not been fulfilled as expected.

The result for the Employee Work-Stress assessment of the eight indicators is known that the four indicators assessed are high-stress, while the rest are low-stress. The indicators that are considered high-stress have been discussed for

solutions to overcome them. The indicators that are considered high-stress are: Feeling tired and lazy to work during sailing trips, bored with heavy routine work, decreasing ability to meet personal or family economic needs that must be overcome, and starting to think about looking for work at other companies or outside the shipping industry.

The result for the HRM Practice assessment of the ten indicators is known that the four indicators assessed are still low, while the rest are high. The indicators that are considered low have been discussed for solutions to overcome them. The indicators that are considered low are: the wage system has not produced adequate financial and non-financial wages, the training system has not been on target, career planning has not been transparent, and the employee recruitment system has not been effective.

The result for the Employee Work-Motivation assessment of the eight indicators is known that the three indicators assessed are still low, while the rest are high. The indicators that are considered low have been discussed for solutions to overcome them. The indicators that are considered low are: Seafarers are still low in motivation to increase, collaboration with coworkers, maintain or improve performance, and seek advanced seafarer certification.

The result for the Employee Trust of the six indicators is known that all indicators assessed are high.

### 3. Causality Analysis

#### a. Measurement Model

All tests on the loading factor ( $\lambda$ ) value of six latent variables used in the model for each observed variable partially to determine the level of validity and reliability have been carried out. The final results of these tests have proven that all loading factors are valid and reliable.

#### b. Goodness of Fit Test

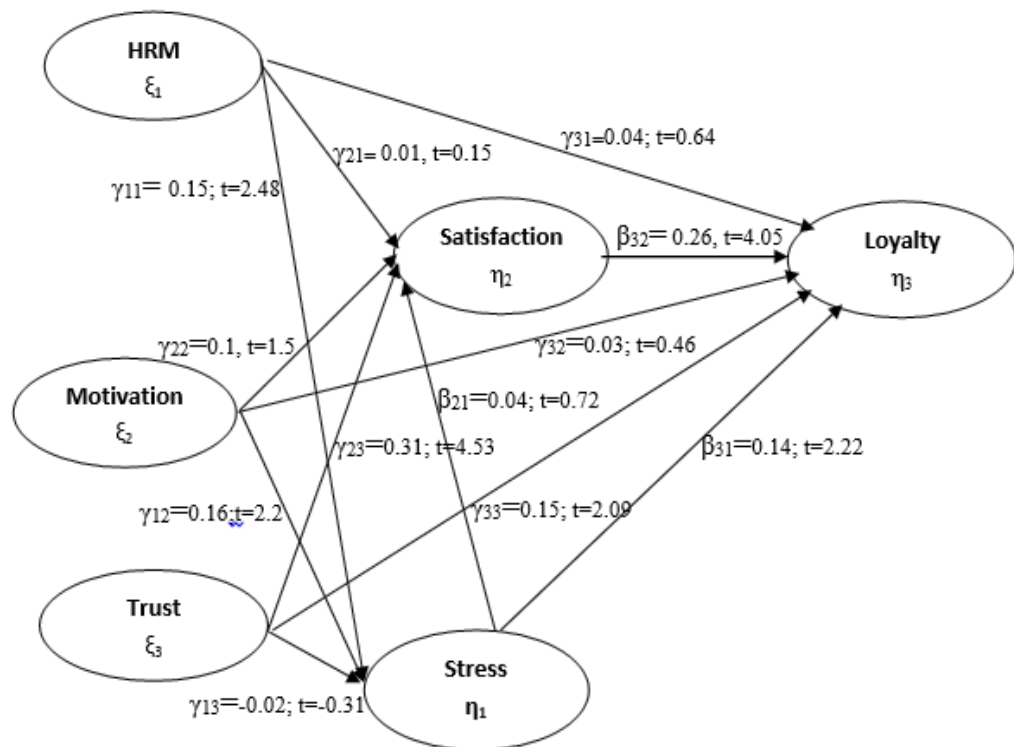
The following table is the value and result of the model fit test indicators based on the SEM method.

**Table 1. Result of Goodness of Fit Test**

Criteria	Indicaator	Result
Absolute Fit Indices	<i>Chi-Square probability</i>	<i>Chi-Square</i> prob. = 0,00 < 5%, model fit.
	RMSEA	RMSEA = 0,042 < 5%, model fit.
	GFI	GFI = 0,73 < 0,9; model non-fit.
Incremental fit indices	AGFI	AGFI = 0,66 < 0,9; model non-fit.
	NFI	NFI = 0,89 > 0,9; model non- fit.
	CFI	CFI = 0,91 > 0,9; model fit.
	IFI	IFI = 0,91 > 0,9; model fit.
	RFI	RFI = 0,87 < 0,9; model fit.
Persimonious	ECFI	ECVI = 4,71 < <i>independence</i> ECVI = 34,97;

fit indices		model fit.
	AIC	AIC = 1173,3 < <i>independence</i> AIC = 8811,03; model fit.
	CAIC	CAIC = 1449 < <i>saturated</i> CAIC = 1799 and <i>independence</i> CAIC = 8811, model fit.
	PGFI	PGFI 0,57 < 0,60; model non-fit.

c. *Structural Model*



**Figure 3. Hypotheses Testing Result**

Based on Figure 3, the hypotheses testing result stated that :

- 1) HRM Practice effects on Work-Stress;
- 2) Work Motivation effects on Work Stress;
- 3) Trust effects on Work Satisfaction;
- 4) Trust effects on Work Loyalty;
- 5) Trust effects on Work Loyalty;
- 6) Work Stress effects on Work Loyalty;
- 7) Work Satisfaction affects Work Loyalty.
- 8) HRM is not effects on Work Satisfaction;
- 9) HRM is not effects on Work Loyalty;
- 10) Work Motivation is not effects on Work Stress;
- 11) Work Motivation is not effects on Work Loyalty;
- 12) Trust is not effects on Work Stress; and
- 13) Work Stress is not effects on Work Satisfaction.

#### d. Equations

The three regression equations produced in this study and their determinant values are as follows:

$$\text{SATISFY} = 0.044 * \text{STRES} + 0.0090 * \text{HRM} + 0.10 * \text{MOTIV} + 0.31 * \text{TRUST}, R^2 = 0.13$$

$$\text{STRES} = 0.16 * \text{HRM} + 0.16 * \text{MOTIV} - 0.021 * \text{TRUST}, R^2 = 0.051$$

$$\text{LOYALTY} = 0.26 * \text{SATISFY} + 0.14 * \text{STRES} + 0.039 * \text{HRM} + 0.031 * \text{MOTIV} + 0.15 * \text{TRUST}, R^2 = 0.16$$

### 7. Implication and Recommendations

The implications of this study to HR Management are Improving the quality of HRM strategy so that programs related to HR planning and HR development can be improved in accordance with the company strategy and the ability of employees as sailors. With HRM that is better and in accordance with the abilities and expectations of sailors, it will be able to improve their behavior, including work motivation, trust, job satisfaction, and loyalty. Likewise, with job stress, HR management is more concerned with getting the work stress of seafarers in an appropriate position to help improve performance. The implication of the results of testing insignificant hypotheses becomes the input for further research in the shipping industry in the future why this can happen even though logically, the concepts and results of previous studies can be proven.

The implementation of HRM at shipping companies in Indonesia needs to be evaluated periodically so that the gap between reality and HR management is not wide. So that the influence between HRM variables can be positive and significant on Job Satisfaction and Employee Loyalty. The HRM review is not only at the strategic level, but at a lower level because it will be felt directly by the seafarers.

Human resource management is also not exaggerating in giving promises, so that, Seafarers' expectations are more realistic because if the reality is lower than expectations, the level of satisfaction will be even wider. If so, it will have an impact on their lower level of work loyalty.

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