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Managing a mobile workforce: Stakeholder theory and retention of Fly-in/Fly-out employees

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Background

- **Fly-in/Fly-out (FIFO) work**
 - Work in relatively remote locations where food and lodging is provided for workers at the work site (Storey, 2001, p. 135)
- **FIFO is increasingly used in extractive industries** (Burns, 2013; Ritter, 2001)
- **High turnover (as high as 28%, vs. 6-10% Canadian average)** (Beach et al., 2003)

Theoretical background

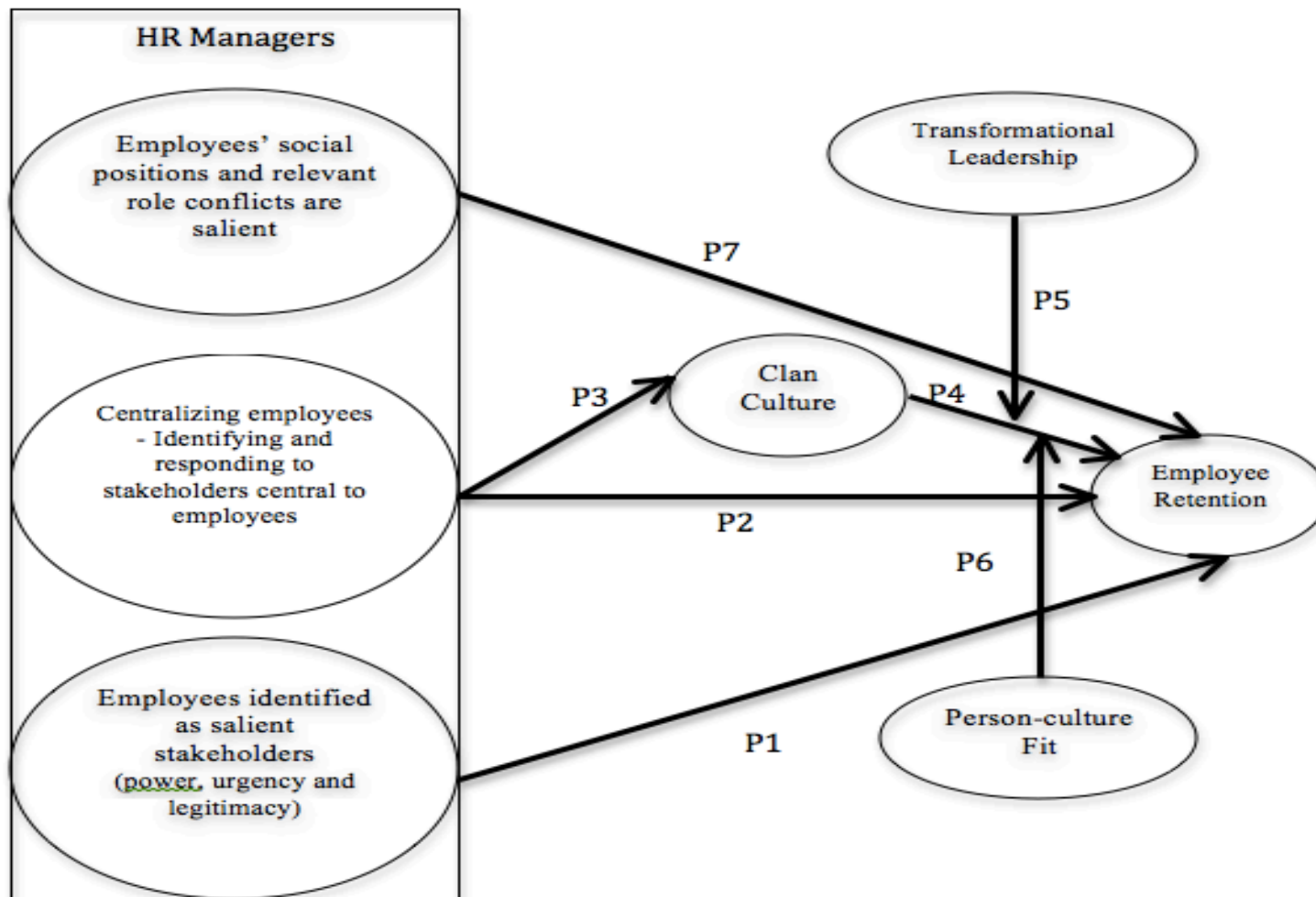
- **Stakeholder theory**

- Stakeholders are defined as “those groups without whose support the organization would cease to exist” (Freeman & Reed, 1983, p. 89)

- ❖ **Normative perspective**

- Focuses primarily on social reasons for taking stakeholder interests and needs into account
- Instrumental; complementary
- ‘Wide’ sense vs. ‘narrow’

Conceptual model



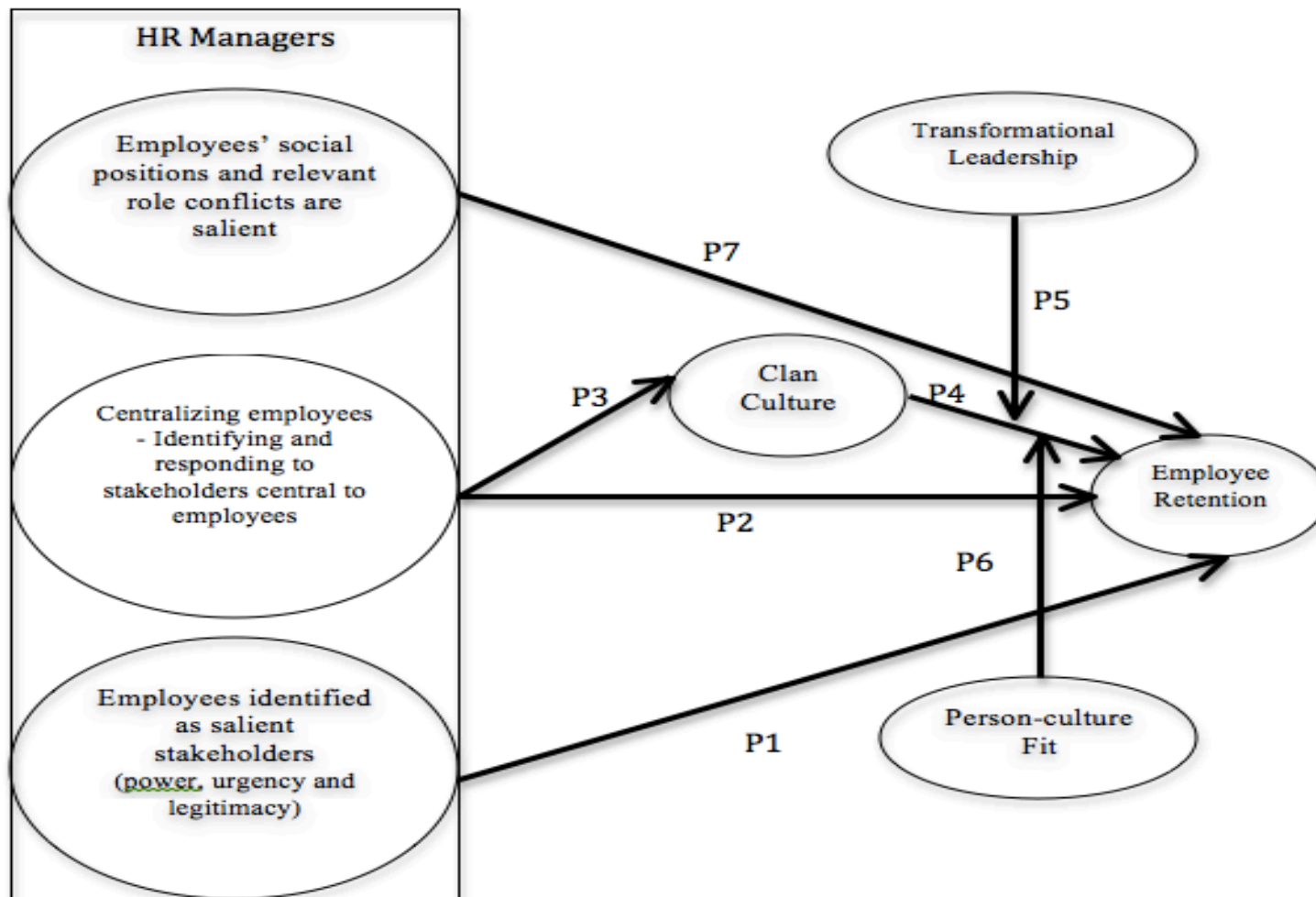
Centralizing employees

- Mitchell et al. (1997)
 - Stakeholder salience defined in terms of power, urgency, and legitimacy
 - Many HR managers surprisingly rate employees low on these three dimensions (Guerci & Shani, 2013)
 - The extent to which FIFO employees are rated high on these dimensions may reduce turnover
- Need to respond to stakeholders who are central to employees (e.g. families, communities)

- **FIFO work can have heavily authoritarian cultures** (Shrimpton and Storey, 1994)
- **Shifting to familial culture could help employees cope**
 - Developing a ‘clan’ culture (based on collectivist values and familial relationships) could reduce FIFO turnover by promoting social support

- **Transformational leadership could boost effectiveness of clan cultures in FIFO work**
 - Inspirational motivation, intellectual stimulation, individual consideration, idealized influence
- **Transformational leaders focus on building strong teams and working toward a common goal**
- **Relationship-oriented**

Conceptual model



Person-culture fit

- **Not everyone will react in the same way to organizational culture**
 - ❖ Person-culture fit is an important moderator
 - Gender
 - Personality

Social location

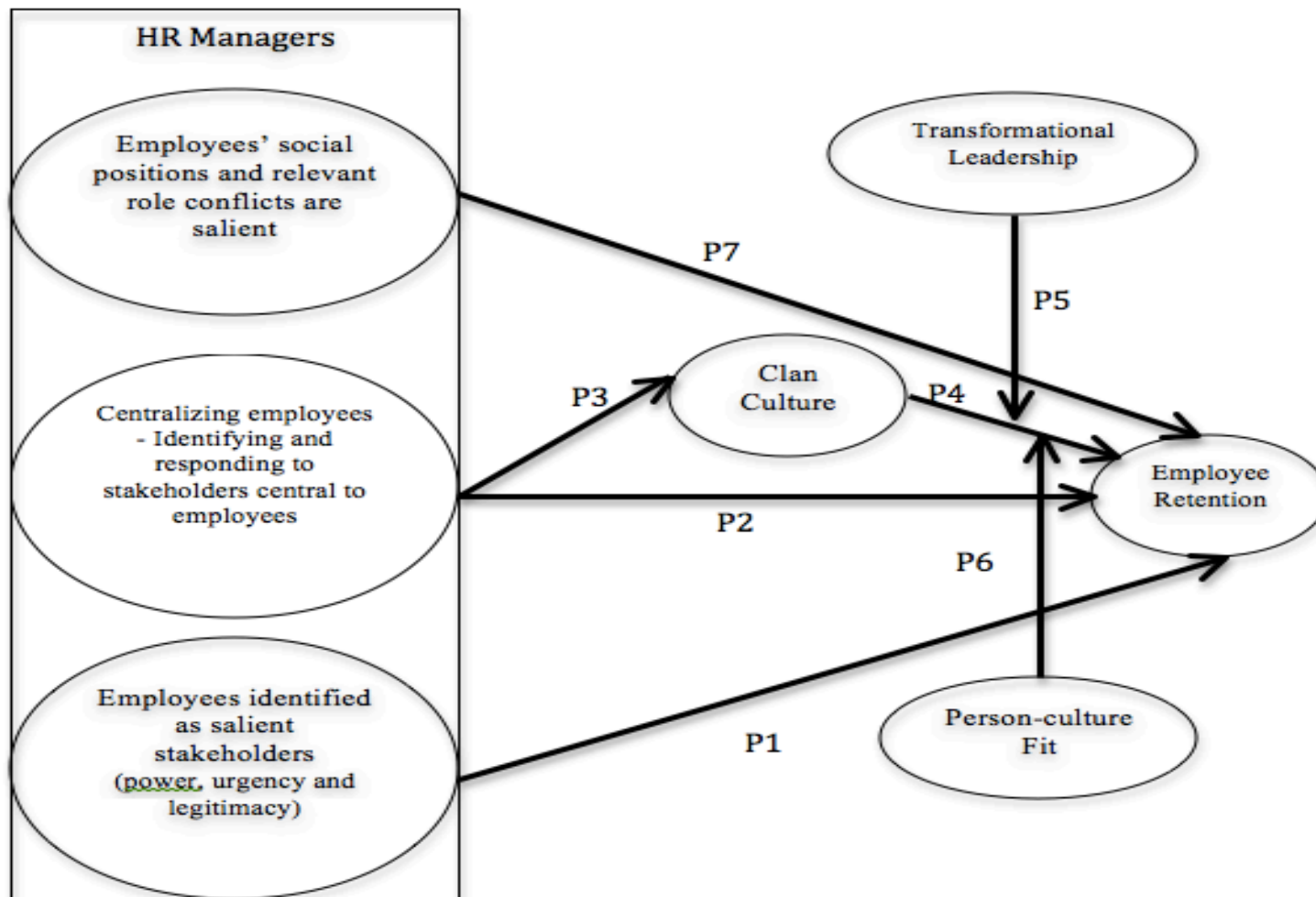
- **Social position**

- The status of an individual in society based on the enactment of multiple social roles (Dugger, 1988)
 - E.g. parent, gender, occupation
- Work-family conflict is a pressing concern in FIFO work – relates to social position

❖ Taking social position into account could help reduce FIFO turnover

- E.g. Realistic job previews, EAPs

Conceptual model



Future research

- **Methods and levels of analysis**
- **Surveys of HR managers**
 - ❖ Need more Canadian studies
- **Case studies**
- **Practical limitations**
 - ❖ Is a 'wide' stakeholder approach feasible?
- **Varying skills needed across industries**



Thank you!

Questions? Comments?