

MARKING SCHEME

A “Day Off” Request

Doreen Maya was employed for nine years as a room attendant for the Tamarind Hotel. Her work and attendance during that period were considered excellent. The hotel was moderately busy during the week, and then typically filled with tourists on the weekends. In accordance with a hotel policy requiring two weeks’ notification, Doreen submitted a “day off” request on May 1,2003 for time off on Saturday, May 15,2003 to attend a university graduation ceremony of her only daughter at 10am. The hotel was expected to be extremely short of staff on the weekend of May 15 due to some staff resignations and terminations, as well as a forecasted sell-out of guest rooms. Doreen’s supervisor, Maureen, denied Doreen’s request for the day off, stating the housekeeping department needed her to work that entire weekend. Doreen was visibly upset when the schedule was posted and she learned that her request had been denied. She confronted Maureen and stated, “I will be attending my daughter’s function. I’ve been a single parent to my daughter for 17 years, and there’s no way I am going to miss that day!” Maureen replied that she was very sorry, but all employee requests for that weekend off had been denied, and Doreen was to report to work as scheduled. On the Saturday of the function, Doreen, in accordance with written hotel policy, called in “sick” four hours before her shift was to begin. The hotel was extremely busy and, due in part to Doreen’s absence, each room attendant who did show up at work was assigned a heavier than average workload, causing a great deal of departmental tension. Maureen, who was angry at what she saw as willful disregard for supervisory authority, and recalling the earlier conversation with Doreen, recorded the employee’s call-in as an “unacceptable excuse” and completed a form stating that Doreen had, in fact, quit her job voluntarily by refusing to work her assigned shift. Maureen referred to the portion of the employee manual that Doreen signed when joining the hotel. The manual read, in part: “Employees shall be considered to have voluntarily quit or abandoned their employment upon any of the following occurrences: 1. Absence from work for one (1) or more consecutive days without excuse acceptable to the company 2. Habitual tardiness 3. Failure to report to work within 24 hours of a request to report. Doreen returned to work the next day to find that she had been removed from the schedule. She was also informed that she was no longer an employee of the hotel. Doreen filed for unemployment compensation. In her state, workers who voluntarily quit their jobs were not typically eligible for unemployment compensation. Those who are terminated do typically receive the benefit (which is ultimately paid for by the hotel).

- 1. ‘The hotel was expected to be extremely short of staff on the weekend of May 15 due to some staff resignations and terminations, as well as a forecasted sell-out of guest rooms’**
 - a. Advise this hotel how they can use non-financial rewards to reduce resignations of employees. (10mks)**

A non-financial reward consists of several material objects, such as automobiles, jewelry, precious metals. Companies offer non-financial reward in the form of providing several services like free car repairing and family vacations. Moreover, free pension entitlement or private medical care can also be considered as the non-financial rewards. The hotel can decide what non-financial methods they can use to motivate the staff because they have many advantages

Praise-Praise is, of course, a form of recognition. It can be given privately during the course of work or in a performance review meeting. Public praise can be even more rewarding. But the praise must be genuine and saved for real achievements. It should not be fulsome.

Feedback -Feedback is another form of recognition. If done properly it can increase self-belief and provide the basis for self-directed learning.

Vouchers-Vouchers give employees a certain element of choice, A voucher can be a double reward because employee receives the voucher and then also spends it.

Nomination-based schemes-Organizations that do not wish to offer something that has a monetary value can offer a memento, trophy or certificate to denote the employees contribution.

More so,the hotel can use the below:

- Non-financial rewards can be classified as follows:
- The manager saying ‘thank you’
- The manager writing formally to record ‘thanks’
- Public appreciation of the effort in a team meeting or organization newsletter or special dinner
- Declaring the individual ‘employee of the month or year’
- Retail or travel vouchers
- Meals for the individual and partner
- Theater or cinema tickets
- Reserved parking space
- Use of recreational facilities

Non-financial rewards enhances motivation because money is not a motivator every time.

b. Discuss how the hotel management can use reward strategy to retain employees(10mks)

- Being transparent-The reasons for pay decisions are made at the time they are made. In transparency, the employees are also provided with the rights to participate in the decision-making processes regarding development of reward policies and practices
 - Equity- giving equal pay for the same job duties performed
 - Consistency-Being consistent in rewarding
 - Fairness- The pay and reimbursements have to be in accordance to the job duties
 - Use Procedural Justice-making decisions and putting policies to govern the reward
 - Distributive Justice-the rewards should be given to the employee fairly
2. **‘The hotel was extremely busy and due in part to Doreen’s absence, each room attendant who did show up at work was assigned a heavier than average workload, causing a great deal of departmental tension’ Explain how the hotel can motivate these staff for over working through recognition schemes(10mks)**

Recognition schemes enable appreciation to be shown to individuals for their achievements either informally on a day-to day basis or through formal recognition arrangements

- should be given for valued behaviours and exceptional effort as well as for special achievements;
- is about valuing people; it should be personalized so that people appreciate that it applies to them
- should be personal and face to face but can be supported by a handwritten thankyou note
- needs to be applied equitably, fairly and consistently throughout the organization
- should take place frequently
- should be provided in a way that makes everyone feel they have the opportunity to be recognized
- can be provided simply through being nominated for an award, but be careful about the use of panels to sift nominations – to be rejected by a panel after being nominated can be very demotivating
- must be genuine, not used as a mechanistic motivating device
- should not be given formally as part of a scheme if the achievement has been rewarded under another arrangement, for example a bonus scheme;
- needs to be given as soon as possible after the achievement

3. Imagine you were invited by the hotel management to help the improve their compensation strategy and plan. Discuss key aspects of compensation that they need to consider (10mks)

Compensation is the remuneration an employee receives for his or her contribution to the organization. It occupies an important place in the life of employee. His or her standard of living, status in the society, motivation, loyalty and productivity depend upon the remuneration he or she receives.

1. Basic Salary

Basic salary is the amount received by the employee in lieu of the work done by him/her for a certain period say a day, a week, a month, etc. It is the money an employee receives from his/her employer by rendering his/her services.

2. House Rent

Allowance Organizations either provide accommodations to its employees who are from different state or country or they provide house rent allowances to its employees.

3. Conveyance

Organizations provide for cab facilities to their employees. Few organizations also provide vehicles and petrol allowances to their employees to motivate them.

4. Medical Reimbursement

Organizations also look after the health conditions of their employees. The employees are provided with medi-claims for them and their family members.

5. Bonus

Bonus is paid to the employees during festive seasons to motivate them and provide them the social security. The bonus amount usually amounts to one month's salary of the employee. Businesses offer bonuses in many different ways. Some bonuses are based on profitable operations of the business and are paid at year-end. A common type of bonus may be offered to salespeople for selling a specific item. Another type of bonus plan, one that may be part of an employment agreement, pays managers if the yearly sales or profits reach a certain level.

6. Special Allowance

Special allowance such as overtime, mobile allowances, meals, commissions, travel expenses, reduced interest loans; insurance, club memberships, etc are provided to employees to provide them social security and motivate them which improve the organizational productivity.

7. Dearness allowance

The payment of dearness allowance facilitates employees and workers to face the price increase or inflation of prices of goods and services consumed by him.

8. City Compensation Allowance

City compensation allowance is paid to the employees in certain cities to compensate the cost of living. It varies from city to city & it is highest in metropolitan cities.

9. Incentives

Incentives and variable compensation can be among the most important drivers of individual performance. An incentive is something that motivates an individual for good perform.

4. Advise the hotel how they can use financial and non-financial rewards effectively to achieve the hotels goals and objectives.(10mks)

Value of the scheme-The way the non-financial recognition scheme is set up has a significant effect on its future success. This means that all employees in whatever their role would have the opportunity to be nominated for an award. This reward should be fair because it appeals to the emotional, affective side of people.

Credible assessment process- It is important to ensure that whichever method of recognition is used, the process by which receivers of vouchers, certificates or awards are chosen should be credible, transparent and robust.

Cultural fit-It is better for employees to use non-financial recognition approaches to align with the culture of the organization

Tax and small print-This reward can be damaged by not thinking through the implications

Fraudulent nominations-Check on this because some employees may conspire to fraudulently win awards. It is important to have a due process for nominations.

Maintaining momentum-There is need for organizations to review the non-financial recognition schemes regularly and update them where appropriate to ensure that they are still effective.

Financial rewards comprise all rewards that have a monetary value and add up to total remuneration – base pay, pay contingent on performance, contribution, competency or skill, pay related to service, financial recognition schemes, and benefits such as pensions, sick pay and health

insurance. Financial reward can act as a goal that people generally strive for, although to different degrees, as an instrument that provides valued outcomes, a symbol that indicates the recipient's value to the organization and a general reinforcer because it is associated with valued rewards and therefore takes on reward value itself.

The hotel should balance the financial and non-financial rewards to have effectiveness.