**New Recording 19**

Wed, 8/11 · 2:19 PM40:09

**SUMMARY KEYWORDS**

employeesrewardstrainingstaffvouchersquestionhotelmoneynormal circumstancessalarycontractestablishmentstudysystemofferbasedmentionedmotivatecertificatepreferred

Rematching speakers...

**SPEAKERS**

Interviewee, Interviewer

I

Interviewer

0:02

Good morning, ma'am. How are you today?

I

Interviewee

0:05

Very well, thank you.

I

Interviewer

0:06

Im good and your day so far?

I

Interviewee

0:09

It's been good, just busy as always.

I

Interviewer

0:13

Okay, my name is Mzukisi, I'm a student is Cape Peninsula University of Technology I’m doing M-Tech in Tourism and Hospitality management. The purpose of this study is to explore management perceptions on effective rewards systems at selected 5 star Hotels in Cape Town CBD. So as part of this study, I would like to invite you to participate in a depth interview. However, you must note that you don't mention the name of the establishment, you don't mention your name. All I want is just your opinion, your understandings based on what I'm asking, there's no wrong or right answers. It has to be anonymous interviews.

I

Interviewee

0:55

Okay.

I

Interviewer

1:00

Okay, however, the information that is collected will be used only for the purpose of this study, not somewhere else and I'm the only one who has access to it. And is this device that I'm going to use is encrypt this only for me to go through what you said, so that I can remember when I'm writing, otherwise, it's all safe, and you'll be kept safe. And it's only for the purpose of this study and will be treated confidentially as well, in accordance to the ethical standards of CPUT.

I

Interviewee

1:38

Ok.

I

Interviewer

1:39

The first question in section A if you ca turn to page 1, it’s just a demographic information is just a tick box. However, the second question I'm going to ask is, what is the highest level of education that you have obtained?

I

Interviewee

2:00

So it would be a bachelor degree?

I

Interviewer

2:03

Okay, ma'am, and what did you study?

I

Interviewer

2:06

Human Resources management.

I

Interviewer

2:15

Mam, is there any qualification that you have obtained through industry? Let’s say educational institutions except the one outside the hotel industry but the actually one that have obtained through an industry, it could be a certificate or like kind of informal or any qualification that you have obtained through the hotel industry?

I

Interviewer

2:32

With regards to qualification? I wouldn't call it that. Like we did have internal training. So for specific brands, that would make sure that they roll sort of internal training. So if I can refer to that as internal training, I've done revenue management training. Then I've done Judiary disciplinary inquiries, and then initiating disciplinary inquiries, poor work performance training on the Yes, that would be the hotel training.

I

Interviewer

3:29

Moving to the next f page. Could you please tell me about your role in this hotel? Your responsibility, your position, like everything in this hotel.

I

Interviewee

3:48

So with regards to the role, yeah. There are few portfolios that I have to look after. So it would start probably with the General Administration of the HR duties, the entire life-cycle of employees. So that would be on boarding, contracts, payroll, drafting of job descriptions, managing the performance review process, managing the disciplinary process, internal training. And then, of course, all the statutory requirements. So those would be like for instance, your employment equity, making sure that we comply with that, just in general also, then making sure that we as a company comply with the basic conditions act and Relations Act. Then it will also be in general well-being of the staff and then like I mentioned, you know, the administration. So I've been doing payroll, there role leave administration, benefits administration. Let me just think and then again, all the relevant submissions. So like I mentioned employment equity, in the workplace skills plans, the SETA grant applications. We still busy with employment equity argh not the employment equity that is still the process. What’s recently also become part of the H.R. function is the implementation of the poppy act, Ok what else is there? Yeah, and then, of course, recruitments is a function administration of the workman's compensation fund or you know, the process of submitting all the injury on duty claims. Yhea

I

Interviewer

6:09

Yes, could you please explain to them more about what is B.E.E?

I

Interviewee

6:20

Ok so B.E.E. is a system that they use not a system is based on the act of course, and that is to promote, obviously, you know in affirmative action, so to speak. So, based on how you score in terms of the criteria that is set out there for you, you would get a rating. And then based on that rating will also probably help you in terms of being a preferred supplier, as your goal is, obviously, to score in the base level you've gained in terms of your B.E.E. certificate. So how that works in the hospitality industrial the hotel industry is that, for instance, we've got different legs of business. So we've got a leisure market, we've got corporate market, and then we've got the government market. Now, what you would obviously find is the government trying to support their own initiatives within or worse you know, tender for various options. And then as hotel it would be very beneficial if you could provide your B.E.E certificate to get that tender. In that same stance on the B.E.E certificate supports us.

I

Interviewer

7:44

How long have you worked in this?

I

Interviewee

7:46

I've been here between one and five months.

I

Interviewer

7:52

And how long have you been in this HR position?

I

Interviewee

7:56

In general, in my career, I would say seven years.

I

Interviewer

8:04

And then in this establishment?

I

Interviewee

8:06

In this establishment a year and half.

I

Interviewer

8:12

I'm going to just quickly go through to the background of the reward system. I know you understand your role as an HR but just background to the study what it is, before we move to section B, which is more interesting part of the study, I just want to go on the background to the study and what this is all about just a little of a background. So, the study is about the reward system. Rewards are benefits or incentives that are given to employees based on individual, team or an organizational system. Rewards can be financial or non-financial. Mostly financial rewards include salary, bonus, commission, provident fund, maybe holiday or Sunday allowance those are that are highly structured and then non-financial include training, coaching mentoring, praising including some employees in participation , positive feedback close like to say thank you. Career growth, delegations work environment and then we have those that are formal like and are normally in the contract like your salary, bonus, sick leave, provident fund. and those that are informal include like a birthday gift or staff meal or make something like a cake or a coffee or employees birthday whatsoever or even a discount on birthday you can sleep here and get a discount or you can go wherever you want those are informal rewards. So in this establishment, could you please explain the employee reward systems that are currently used?

I

Interviewee

10:05

So before I started, which was last year, March, during my interview, they wanted to stop introducing employee benefits. So monetary rewards system such as provident fund and medical aid, unfortunately, a week after COVID came in. And obviously, it wasn't financially viable for the company now to incur extra expenses. So that has been placed on hold. What I can comment on is the more sort of informal non-monetary rewards. So, we have recently signed up with a company to provide all variety of training to the employees. And this is an accredited body you attend the training then you get the certificate. We are embarking on a mentoring process now, so to grow leaders, and that's also a form of how we are going to embark on staff retention, by just providing them with that training and mentoring and having a dedicated coach, so to speak. Then look throughout this whole COVID and they make, it was a very, very difficult time in the sense that as a company, you have to really cut your costs. And apart from that, obviously the employees were not earning any income. And as much as a company, you would like to help that if you just keep giving money, then you know, ultimately the business is going to close. So then there's no future for the business. What we what we did do? Then with keeping costs in mind is we gave out grocery shopping vouchers to just you know, and we did that for a few consecutive months. So it was a small cash amount. So we handed out the vouchers we under normal circumstances, we would do team buildings. But obviously due to financial restraints now we couldn't continue with that. But yes, team buildings are a big thing generally. Then for birthdays, we give them another voucher from our in house coffee shop, which is cappuccino and the muffin. Non-monetary we have employee of the Month system. But obviously that also the stages been altered because for a very, very long time we didn't have any staff. So as the business is starting to get busier, we all sort of opening up those projects again. So, those are the non-monetary initiatives that are there now.

I

Interviewer

13:32

You also mentioned something about when you spoke about your role, but something that has to do with the well-being and leaves. I think this is the kind of incentives although is non-financial leave. It could be paid leave or unpaid leave or it depends. i understand that is COVID-19 time but do still offer leaves for the companies.

I

Interviewee

14:15

Yes, so if they do have a leave balance. I'm sorry I just going to ask her to put the music on soft volume (interruption by music).

I

Interviewee

14:22

Ok that's fine.

I

Interviewee

14:51

Sorry, can you just repeat the question?

I

Interviewer

14:53

So when you like to mention your role in this hotel, you mentioned everything from Management disciplinary, contracts, payrolls training, well being, recruitment and something that has to do with leaves. Leave could also on contract, it depends and leave is part of incentive as well. I was wondering, because you mentioned this thing like most of the things have changed to COVID. Do you still offer leaves to employees at the moment?

I

Interviewee

15:30

Yes. So in terms of the contract that, obviously are entitled to the 21 consecutive days, during, during COVID, when there was no income, we did offer them to take paid annual leave to supplement the income of that. So we that's definitely something we offer them Yes. And like an option to earn income because they weren't insured.

I

Interviewer

16:10

I understand that you as my HR manager, however, how are the reward system communicate to the employees? Like, who's responsible for that? How is it communicated? Is it communicated based on contract or email or face to face? Maybe? How are these rewards communicated to employees?

I

Interviewer

16:30

So of course, the statutory incentives, if you want to call it that, technically, actually, entitlements is found in the contract. But when they start with the on boarding process, that's where we'll take them through the induction training and teaching them about how this property works. The programs we have in place, you know, the non-monetary benefits, and then, you know, as they go through the employee life cycle, they get introduced to our policies and procedures, exactly what it is that we do an offer them. So that's Yeah, I would say predominantly through induction is how we communicate.

I

Interviewer

17:13

And who's responsible for that? Is it HR manager, or the general manager or any?

I

Interviewee

17:19

So it’s the combination. So induction, you'll find that there's quite a few managers involved in the induction. So to feel their training. I train them on the HR related issues like for contract, disciplinary procedures, etc., then we also have a training and development manager, who also speaks for quite some time, then also have often the safety manager who takes them through the health and safety procedures. And then of course, the general manager also just welcomes them and discusses the values and principles of the business. So it's very much a joint of it.

I

Interviewer

18:06

Does the hotel offer the same range of the rewards to all employees? Or does it differ from department to department? Or does it have some certain category or criteria?

I

Interviewee

18:19

I would say that the only difference we have, Now we offer the same thing to everyone? Really? It's across the board? Especially since we haven't had the funds to implement the provident fund as of yet, not sure if they would be a criteria that applies to who qualifies, and does not but like I said, we're not there yet.

I

Interviewer

18:48

So how often does the hotel recognise good job performance? Is it something that is done daily, quarterly, or annually?

I

Interviewee

18:58

So we depend quite largely on guest feedback. So we are on quite a few platforms. The one is having guest review that one, the other one is just advisors. So as soon as we get positive feedback from these platforms, we send it out to all the email users in the property. So we send a general email out to everyone and recognizing the employees that were mentioned in the guest feedback. And then we also print them out and put it out on staff notice board so that everybody can see the names and who was complimented or so to speak. And for the emails, we send them out as they come in. So if it's on the day, we send them up on the day, and I would say by weekly, we change the staff, notice board with uploaded the positive feedback and comments

I

Interviewer

20:05

So if someone is mentioned on guest review, is there any kind of rewards that are received by that person.

I

Interviewee

20:14

So what we've done lately is we've also handed out little vouchers. Because times are tough, you know, it's not that you want to give them a chocolate, you'd rather give them a certain amount of money for them to buy groceries or whatever it is that they need. So I would say under normal circumstances, you know, its part of your job to do a good job, but because times are tough, and we want to recognize, you know, our employees, yeah, we give them something definitely. But what we give is obviously changed because of Covid, so we give something that they would actually be able to use.

I

Interviewer

21:02

Moving to another question, what role has reward system played in motivating employees?

I

Interviewee

21:13

Such a difficult question, because, once again, you know its different times, to motivate your staff can barely have any income is extremely difficult. And the voucher can only help so much, because it's one bag of groceries. So I would say that the reward system we use was quite thoughtful and considerate in the sense that we couldn't necessarily give you a blank check and say, go on your way, tried to just support the basic needs, which we did through those vouchers. And ideally, you would want to say that that would motivate the staff member. But I think everybody has just been so stressed and taken aback by this whole COVID thing. Even by doing that, I wouldn't say that the staff are motivated at this stage, it's literally just about scraping by and making ends meet. So currently, yes, they there's a lot of work that needs to be done by motivating, you know, the staff, because everybody has been through a very difficult time. And I'm of the opinion that it's not always money that's going to fix that. It's sometimes yes, money does play a role. But sometimes it's also about, you know, how sensitive you are to this personal circumstances, by understanding you are obviously also the positive reinforcement if they did a good job. So slowly, but surely, we're all trying to combine all those aspects to ultimately get to our stopping again. But like I said, I'm in my different, my answer would have been very different a year ago, is, so this is sort of changed. Everything we do.

I

Interviewer

23:18

Ok what would have been your answer a year ago? Yeah, we understand COVID.

I

Interviewer

23:27

So, under normal circumstances, or you're asking the current rewards, I would say that they would be quite motivated to look at the end of the day money isn't everything. But if I can turn the question around, would you rather have 100 grand in your pocket? Or a free coffee at the hotel? I thought, so money is always the big, big motivator. But I think for me, it's important to find a good balance between monetary and non-monetary. And so for me, I've always believed that. Yeah, the balance the balance is very important. So, like performance based increases or bonuses, that sort of thing is a motivator

I

Interviewer

24:30

So does the current reward system have an impact on employee behavior? Trust, loyalty or attitude?

I

Interviewee

24:38

I would say yes, under normal circumstances. And it's one of those things where we live in a country where jobs are scarce, but at the same time, we in hospitality industry, mainly governed by minimum wage. So what you will find is that your, your staff retention in hospitality is extremely difficult. Because, you know, if you don't really have the biggest salary, you know, you'll move around quite a bit just for an extra few rounds. So that makes staff retention quite odd. But that is where, you know, you have to think of non-monetary systems as well, to keep your staff.

I

Interviewer

25:40

I think this is the last page. What do you think are kinds or type of rewards that are preferred by most employees? What do you think are the types or kinds of rewards that are preferred most by employees?

I

Interviewee

26:03

hahaha Money.

I

Interviewer

26:03

Why always money?

I

Interviewee

26:04

Like I said, you know, it's, it's all good and well, to get a cake for your birthday, end of the day, you want to do something with that money if you had the option of eating a cake instead of actually buying something that you need. And it's the things again, but I think money is the biggest thing. Because if, if I took it down on a personal level, if I was offered, and, again, it differs which category of employee, but if I had to say to an employee, you can stay in the property for a night or I can give you R1000, you know, it always be the money, because then you can decide for yourself what to do or what you want to do. So, but again, you need to do that balance. Because if you give money, it doesn't mean that you don't have to do anything else, you still have to do your non-monetary rewards for them to feel valued and appreciated that sort of thing. But my biggest reward has always been money. It's a sad fact, but we live in a country where, you know, salaries are on tie. So if you have to choose between, you know, putting a meal on the table for your kids tonight, or having a free coffee and a muffin, If I'm with a parent, I would go for the option where I can provide for my family. So I think money in South Africa, particularly as a big rewards system,

I

Interviewee

27:43

Then which rewards would you say is the least or not preferred mostly by employees?

I

Interviewee

28:01

I would imagine like giveaways, because sometimes, and it depends on what is your in your criteria. But least preferred, I think would be one product specific, so you only have that one thing you can do with this one, for instance, giving away condemned linen or whatever, in terms of monetary value. I think they would always prefer the monetary side. So the least preferred for me would be something that they it's not tangible. You can't use it as you can with money, vouchers and that sort of thing.

I

Interviewer

28:49

So based on what we have mentioned, in terms of non-financial and financial which kind or type of rewards do you consider to be more effective to motivate employees.

I

Interviewee

29:05

hahahahah more effective would be performance based bonuses. Because obviously, if you as an employer need to get the job done, but also to a certain standard, just by asking politely isn't necessarily going to be the same effect. As you know, you've got your performance review I need you to work on. So I would definitely say performance based reviews along with the performance based bonus. And then yes, definitely incentives that you can put there for employees, once again like performance based incentives, like commission.

I

Interviewer

29:54

Is the commission applies to all employees, or it's only for those working in some certain department?

I

Interviewee

30:09

Ja, so its department thing so mission is the up-selling of items, etc. So that could be front office, reservations that qualify for commission. And then tips would then obviously also be like food and beverage, restaurant waiters, that sort of thing.

I

Interviewer

30:34

Does the current rewards system you are offering to improve job performance or employee behavior? Or career growth

I

Interviewee

30:46

I would say yes. I think you know, there. And I can't, it's been a difficult interview for me, because I haven't been here long enough to know what the normal circumstances are. But you know, from what I can tell is, our property does invest a lot in the staff. And through everything that has been happening in the past, which I've only heard of, they did seem to be very motivated. And I'm more than looking because, you know, we all work with people, and it's all good, and well, that you get your salary at the end of the month, but you still need to want to come to work. And if you're not treated fairly, if you if there's no recognition of your, your, your work and your personality, and you as a person, surely you won't be motivated. So it's just again, finding that balance. But from what I've been told it definitely works, the employee of the month is a big motivator. Just, you know, the normal recognition on daily basis, departmental meetings, saying thank you, that sort of thing.

I

Interviewer

31:58

Okay, okay, I understand that you are new, that employee of the month was the good motivator? Because I've done some quite a few interviews with this establishment. Is this employee of month is the one you call you rock that falls under the employee of the month?

I

Interviewer

32:21

Yes, that's you rock.

I

Interviewer

32:27

Okay, in terms of attracting while keeping your employees as well? Which type of rewards would you consider to be more effective if you want to attract new employees while also keeping the one that you have in the establishment?

I

Interviewee

32:47

I would definitely look at the provident fund, that’s always I think, in a very good....

I

Interviewee

33:06

What is it?

I

Interviewee

33:06

A provident fund especially one with, like funeral cover, that seems to be a very popular one, because I know that that's a very expensive cost that an employee would have to take out if they didn't have the means to do. So that's always a big thing. Medical aid would also be a very good one for me.

I

Interviewer

33:36

So what do you think would be the impact of the absence of the rewards? If like the establishment didn't have any kind of incentives? What do you think would be the impact of that?

I

Interviewee

33:49

It would be just a massive staff turnover because I mean, then, if you get paid minimum wage here, and maximum wage across the road, you will ultimately go when are you get more benefits, and you're, then I think, you will just have no loyalty from employees. Understandably, so, because we all need to move after ourselves. Yes, I don't think that you will be able to maintain your staff.

I

Interviewer

34:26

So do you have any recommendation on how to hotel can recognize hard working employees more effectively?

I

Interviewer

34:36

Yes. I think well, in my personal opinion, whatever you do, needs to be from the heart. It mustn't be Oh, we've got this nice program every month. We put a post on it as employee of the month just to tick a box because, you know, we've been doing for years so we just keep going. I think if you really, genuinely invest in your people it needs to, it needs to come from the heart. And the business was really mean it when they say, you have done such a great job. And that's for me, for instance, even by sending an email to me, isn't good enough. Because in my mind, if you speak to the person and you look them in the eye, and you say, well done a great job, it means more than just sitting behind your computer and sending an email saying thank you. And I said, Just whatever we do needs to be genuine and true. And then when obviously, you can sort of implement monetary rewards. But apart from that, I think it's just also rating a culture that's inclusive. Because like I mentioned, we all stuck to minimum wage, and we lose a lot of employees moving around this R50 more and R50 more. So it's also about creating a workplace that is safe and inclusive. Because if you spend eight, nine hours a day, in a building where you are unhappy, you know, that's, that's also very bad. So just creating that safe space for the employees where they feel welcome, where they can feel like we're a family. So I would say that is very important.

I

Interviewer

36:35

Okay, under normal circumstances what adjustment? This is the Okay, almost second last question. What adjustment would you make in the current reward practice Or policy?

I

Interviewee

36:49

What?

I

Interviewee

36:50

What adjustments would you make in the current rewards policy or practice?

I

Interviewee

36:54

I think what I would do is to hold more staff meetings relating to the program, the reward program, make it more inclusive. Sometimes, maybe let them choose the employee of the month rather than the management just to make them also feel part of the process and not just at the receiving end of getting, you know, feed information that's coming from, you know, the top. So just making it more inclusive. I wasn't here to experience that you rock. Program Oh,

I

Interviewer

37:46

Okay. The last question of the COVID pandemic is a reported to have severely affected the organization globally, not only in South Africa, and not only in hotel industry However, what is the impact that COVID-19 had on the current rewards policy or practice, like were there any retrenchments or layoffs or salary cut or ......

I

Interviewee

38:19

All of the above so we retrenched 30% of our staff compliment. For the ones that stayed they are not on full salaries, they're on rotational shift. So reduced hours. There was a across the board cut in salaries. So from top to bottom everybody's salary cut. And with that cut, not everybody is back at work full time. So they work based on occupancy, our visitor will tell us will give them shift if it's not busy.

I

Interviewer

39:04

And then how impression of the employees after like, how did they feel?

I

Interviewee

39:13

Very despondent and demotivated. But I think what does help in this case, is to know that every other hotel is going through the same, so it's not because we did something wrong or they did something wrong. It's just reality. And that's how we basically can manage that situation.

I

Interviewer

39:39

Before I leave, or is there any question or anything suggestion that you would like to say, maybe.

I

Interviewee

39:52

Not at this I just hope I helped you today.

I

Interviewer

39:54

You actually did help me. So thank you very much for time and participation.

I

Interviewer

40:01

It's a pleasure.