

Communication, Documentation and HRM: The case of the non-compliant kitchen employee

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Introduction

This case study sheds light on some of the potential problems small hotels face during an economic downturn when human resource (HR) departments are eliminated and subsequently, those responsibilities fall upon departmental managers. Especially challenging is the turnover within middle management and the ensuing burdens placed on line level employees, particularly when there is a lack of communication and documentation of prior incidences. Questions arise regarding who is responsible for preparing documentation, and where files should be kept. Additional questions include: Who should have access to these files and information? Who shall arbitrate when there is a misunderstanding or confusion about company policies, especially when the departmental manager is both the HR representative and a person involved in the dispute?

Background

Rutherford Hotels was a chain of small hotels owned by the Rutherford family for over 20 years. Fifteen hotels comprised the chain, with each property ranging in size from 100 to 140 rooms. Over the course of the years, as the company grew, the Rutherfords elected to centralize many of the administrative functions within corporate headquarters. Payroll, accounting, and HR were moved to headquarters to consolidate operations and avoid redundancies within the hotels, thereby increasing efficiency and taking advantage of purchasing power. The small hotel chain was very successful and enjoyed profitability for many years, until the economic downturn. The Rutherford family was forced to make some hard choices if their hotels were to stay afloat. The decision to sell five hotels, close corporate headquarters and move payroll, accounting, and HR back to the individual hotels was not easy, yet the Rutherford family had confidence in each of the hotel general managers (GM) that they would distribute the duties fairly and monitor those functions.

It was decided in a corporate meeting that individual departmental managers within each hotel would be responsible for payroll and HR functions within their own departments and provide appropriate documentation on a regular basis to the hotel GM. The general ac-

counting functions would be handled by each hotel bookkeeper, who would also report to the GM.

The Rutherford Beach Inn

The Rutherford Beach Inn was one of the first hotels in the Rutherford chain and was well established as one of the finest small hotels on the coast. Far away from the nearest city center, the Rutherford Beach Inn was subject to seasonal occupancy and high middle management turnover. Line level employees, however, were very stable and had low turnover. This was unusual for the industry, but it was part of what made the Rutherford Beach Inn so successful. The consistent product and service of the inn was renowned and one of the major selling points for the rooms and banquet divisions.

The inn had a sizeable food and beverage department consisting of a main dining room, a lounge, four banquet rooms, pool service, and 24-hour room service. During the peak season, approximately 75 people were employed in food and beverage, with the number falling to 50 during the low season. The total food and beverage operations grossed between \$3 and \$3.5 million annually, depending on the amount of banquets booked during the year.

Immediately following the economic downturn, the Food and Beverage Director and the Executive Chef announced they would both be leaving. In an effort to maximize manpower while minimizing expenditures, the owners decided to combine the functions of the Executive Chef with those of the Food and Beverage Director. Consistent with recent hiring trends, this newly created position would have the combined responsibilities of overseeing the kitchen as well as the entire F&B operation.

A New Chef at the Inn

During the time that several of these changes were taking place, Chef Jewell was brought on board to fill the functions of both the Executive Chef and those of the Food and Beverage Director at the Rutherford Beach Inn. The kitchen was staffed with all male employees, while the front of the house was comprised of 50% male and 50% female employees. Chef Jewell was on the new job approximately two weeks before one of her cooks, Joaquin, inquired about using his vacation time. Joaquin had worked in the hotel kitchen for over eight years and felt he needed time off. Joaquin inquired about the possibility of taking some time off within the next month, which also happened

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to be the hotel's high season. Not fully knowing the landscape of the operation, the employees, and the business demand, Chef Jewell told Joaquin that she would not be granting any time off for the next month or so, until restaurant operations and the high season stabilized. Although Joaquin was disappointed, he agreed to wait. Joaquin had seen three new chefs during his time at the Rutherford Beach Inn and knew each one operated a little differently.

One week later, Joaquin approached Chef Jewell again and asked for a raise. After some investigation into Joaquin's current job description, Chef Jewell determined Joaquin was at the highest level of pay for his position and that if he wanted more money, Joaquin would have to be trained into the next level as a breakfast cook, which included more responsibilities and a pay raise of one dollar per hour. Chef Jewell offered Joaquin the breakfast cook position, and when Joaquin agreed, she put him on a training schedule immediately to prepare him for his new promotion.

In the meantime, Chef Jewell diligently documented any and all communications with employees to ensure an accurate paper trail, should the need arise. Chef Jewell had worked in many other hotels with separate HR departments. However, this hotel did not have an official HR department, as the owners decided to put the responsibility of hiring, benefits allocation, vacation, pay, etc. onto the managers within each area of the hotel.

Joaquin Takes a Wrong Turn

Two weeks into his new training schedule, Joaquin called Chef Jewell on the phone to report he would be unable to come to work. This type of communication was customary, as the late or absence policy of all early AM cooks was to contact the chef directly so a replacement could be found before breakfast customers arrived. When Chef Jewell inquired as to the reason Joaquin would not be coming to work, Joaquin mentioned a prior on-the-job injury where he spilled hot broccoli soup over his hand and had to go to the hospital for burn treatment. This injury was never documented nor mentioned until this point. Joaquin expressed that he had pain in his hand and arm and needed to stay home for two weeks.

Since company policy required a doctor's note for any absence longer than three days, Chef Jewell advised Joaquin to go to the doctor, and because he claimed it was a work related injury, the invoice would be paid by the worker's compensation insurance. Joaquin returned to work later that day with a doctor's note saying he was released to work immediately with minimal strain to the hand.

Offered Alternative Duties

Following the policies for reduced work orders, Chef Jewell was advised to place Joaquin at the hotel front desk during his regularly scheduled hours, where he could work the phones and transfer calls.

Chef Jewell notified Joaquin regarding this temporary placement and told Joaquin he would remain there for the one-week recovery estimated by his doctor.

The next day, Joaquin returned to work livid and reluctantly reported to the front desk. Joaquin worked for ten minutes and said he couldn't work any longer due to the pain in his hand and arm. Again, Chef Jewell advised Joaquin to return to the doctor to be evaluated, and perhaps released from work altogether until his hand healed. Joaquin refused to see the doctor. Upon hearing this, Chef Jewell advised Joaquin of the absence policies and the need for a doctor's release if the sickness required more than three days' time for healing. Again, Joaquin refused and demanded two weeks off. Chef Jewell was left with no other option than to remind Joaquin of the consequences for insubordination, which included termination. Joaquin still did not want to go to the doctor for a work release, and so, he quit.

Chef Jewell reminded Joaquin of the consequences of his non-compliant behavior, and yet Joaquin decided to quit. Joaquin was advised to return the following day to turn in his uniform, nametag, time card, and to collect his final paycheck. The next day, the General Manager of the property wrote the paycheck and collected Joaquin's work-related items. Chef Jewell documented the incident and all termination paperwork was filed according to the company's policies. This file was kept in the chef's office in a file cabinet.

Joaquin Returns for His Job

Six months later, Chef Jewell was moved to another Rutherford property within the company. One week after Chef Jewell left, Joaquin returned to try to get his job back. However, Joaquin was refused, based on the circumstances for how he quit. When asked to see his file for an exact explanation of his termination, no one on the staff could find the paperwork, including the General Manager. A few days later, Joaquin filed a lawsuit for wrongful termination by the hotel.

Discussion

There are several issues at hand when looking at this situation and the outcome. First, at-will employment is an implied understanding between an employer and employee when there is no explicit contract that states either party can terminate the relationship with no liability (Barth & Hayes, 2006). In this situation Joaquin quit, invoking the at-will agreement.

Second, due to the constrictions of the in-house HR representation, what other alternatives were available to Joaquin in having his voice heard? Did he even have a legitimate voice, considering that the broccoli soup spill on his hand was never documented, nor recognized? With the Rutherford's decision to cut back on HR costs by reallocating those responsibilities to the managers within the individual properties, what third party representation did Joaquin have if his

main complaint was against his own manager who was also Joaquin's HR representative?

Third, the distinction between hard and soft human resource management (HRM) practices has been discussed in the HR literature for over a decade. The hard model of HRM, also known as the Michigan model (Fombrun, Tichy, & Devanna, 1984), emphasized the importance of HR policies closely linked to the strategic objectives of an organization. The soft model of HRM, also known as the Harvard model (Beer, Spector, Lawrence, Mills, & Walton, 1985), described soft HRM as focusing on the utilization and development of employees' individual talents. The distinction between the two HR models is the delineation on whether the HR focus is placed on the human or the resource (Truss, Gratton, Hope-Hailey, McGovern, & Stiles, 1997). Using this case study as an example, were hard HRM methods employed or soft? What would be the differences between the two and which would have been the ideal method to practice in this case study example?