

Hospitality workers' reward and recognition

Hospitality
workers'
reward

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157

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Abstract

Purpose – The purpose of this study is to investigate hotel workers' preferences among the following pairs: intrinsic and extrinsic motivators and non-material and material factors.

Design/methodology/approach – The study used the quantitative method and a descriptive design to draw inferences about employees' preferences for items intended as reward and recognition. Convenience sampling was used in selecting the respondents using a survey questionnaire as the research instrument.

Findings – This study has shown that hospitality employees differ in their preference for some material and non-material items signifying reward and recognition (RR). Management should take these differences into account when devising such incentives. The heterogeneous workforce structure in the United Arab Emirates may complicate the design of an RR system. Practitioners in the hospitality industry may note with interest that achieving employee performance and satisfaction is a complex exercise. The satisfaction that employees derive can be strengthened by focusing on Herzberg's motivators while employee dissatisfaction could be prevented by addressing hygiene factors. Human resource personnel can achieve a measure of success while developing and administering a compensation program that stimulates effort related to work, tasks or accomplishment of goals. While motivated employees are expected to perform better, employee productivity according to certain research is related to the level of meeting ones' needs. It is, therefore, important for organizations in the hospitality industry to consider the design of a well-balanced but flexible reward-recognition system that serves motivating employees toward the achievement of organizational goals and meet their own needs.

Originality/value – The writers included demographic information and employment characteristics as part of their study. They included 10 factors, such as language, ethnicity, age, years in company and department among others.

Keywords Reward, Recognition, UAE, Hospitality, Employee

Paper type Research paper

Introduction

Although the hospitality sector is one of the fastest-growing industries in the world, most organizations continue to face difficulties in attracting and retaining staff. Various motivation theories may be used to attract and retain them.

Maslow's hierarchy of needs theory is based on the idea that people have basic needs and if these needs are not met then it becomes hard for them to advance in their occupations. Thus, meeting employees' personal needs helps them to self-actualize and it can motivate them to improve their performance (Marshall *et al.*, 2015). This theory can be applied in the hospitality industry because, like any other industry, it depends on teams of individuals who work toward achieving a common goal. The heuristic theory encourages them to provide the right environment in a bid to encourage the employees and clients to fulfill their



own potential (Marshall *et al.*, 2015). This theory is applicable in the hospitality industry because it is designed to impact guests consistently and engage employees in a way that makes them feel a deep sense of mission and appreciation.

Chiang *et al.* (2008) state that the expectancy theory explores the importance of communication as a way of understanding employees' needs. They further explain that employee satisfaction, together with the communication factor, maybe the key to understanding the complexity of motivation. This theory also explains the process whereby most people make decisions on various behavioral alternates (Chiang *et al.*, 2008). It is important to note that motivation determines certain behaviors and most individuals tend to select the option with the highest motivational factor.

Finally, Herzberg (1966) proposed a two-factor motivation theory whereby some factors cause satisfaction while others cause dissatisfaction. He stated that the opposite of job satisfaction is no job satisfaction, while the opposite of dissatisfaction is no job dissatisfaction. These factors are intrinsic and extrinsic motivational factors (Deci, 1975). Dermer (1975) concluded that Deci's (1975) recommendations of participative management scheme and job enlargement would increase intrinsic motivation.

According to the two-factor or motivation-hygiene theory, the nature of a person's job can satisfy such needs as achievement and self-realization. The achievement of all these aspects is, therefore, responsible for the retention of employees and their satisfaction with their jobs (Lee and Way, 2010). According to (Marshall *et al.*, 2015), to succeed in a global business environment one has to retain employees by investing sufficiently in human resource management (HRM). Michel *et al.* (2013) further summarize this by pointing out that supporting employees gives them the confidence to perform better and to remain working in their organizations; this is why it is important for hospitality organizations to enhance employee motivation and retention through improving and developing their working conditions. Deery (2008) further explains that the factors leading to dissatisfaction or satisfaction can be investigated only together with HRM practices and talent management.

The purpose of this study is to investigate hotel workers' preferences among the following pairs: intrinsic and extrinsic motivators; and non-material and material factors. It was carried out by asking respondents to rank their preference from a set of material and non-material items. In addition, it will check whether these preferences differ according to such factors as age, gender and years of experience.

Literature review

High levels of turnover in the service industry often indicate that employees are unhappy with some working conditions or a lack of human resource (HR) strategies to keep them motivated. Employee turnover, job satisfaction, organizational commitment and the retention of employees in the hospitality sector are frequently researched areas (Deery, 2008). Over the years, employee satisfaction as an area of study has been thoroughly investigated by a number of experienced researchers. Azic (2017) states that employee satisfaction in the hospitality industry is an important aspect and an influencing factor that contributes to the realization of essential goals such as profitability and customer loyalty. Yang (2010) indicates that job satisfaction in the hospitality industry is made up of several influencing factors, such as work autonomy, employee engagement and socialization. According to Chiang *et al.* (2008) employees who are highly satisfied are more likely to respond positively to motivational factors and also to perform well in their jobs. They support this argument by stating that communication satisfaction is especially important

for employees in the hospitality sector because it stimulates employees to improve their performance.

Most studies aimed at exploring work motivation and satisfaction in this industry analyze these two factors and link HRM with a number of theories. According to [Lundberg et al. \(2009\)](#), Herzberg's needs theory suggests that people tend to classify needs into motivators and hygiene factors. Additionally, the elements of the work environment causing job satisfaction are different from those causing dissatisfaction. The first set of needs encompasses basic personal requirements, such as salary, work relationships and status ([Poulston, 2009](#)). According to [Marshall et al. \(2015\)](#), these factors concern the conditions surrounding the performance of the job. For example, it is important to note that hygiene aspects are more prevalent and common in the hospitality field than in other industries, which means that the employees will be more concerned with factors relating to this concept. [Marshall et al. \(2015\)](#) support this by stating that the perceptions of an employee and the hygienic aspects of their jobs in the hospitality industry are very closely associated. Thus, these factors can cause dissatisfaction if they go awry and they prevent dissatisfaction when they are in good order ([Lundberg et al., 2009](#)).

The only way that employees can be motivated is to be happy with what they do. [Marshall et al. \(2015\)](#) succinctly summarize this by stating that employees have intrinsic motivation factors, such as advancement and recognition which result in job satisfaction. [Chi and Gursoy \(2009\)](#) draw attention in their study to the importance of employee satisfaction by stating that, in an industry such as the hospitality industry which is mediated by customer satisfaction, the satisfaction of the employee should be the clearest priority.

Most employees in the hospitality industry start work with little to no hope of ever meeting the high expectations of the industry. Yet [Marshall et al. \(2015\)](#) confirm that the satisfaction of employees in the hospitality industry is a highly motivating factor. This shows that there is a significant association between poorly motivated employees, job satisfaction and employees' desire to quit their job ([Maroudas et al., 2008](#); [Poulston, 2009](#)). Additionally, employees' work motivation is important in a business-oriented toward customer service, such as the hospitality industry ([Lundberg et al., 2009](#)). Thus, employee motivation, satisfaction and engagement play a central role in a labor-intensive industry of this kind, both theoretically and practically.

Research shows that the turnover rate in the hospitality industry is estimated at approximately 60% [Lam et al. \(2002\)](#). Such a high turnover rate can only mean that too many employees are unhappy and dissatisfied with their jobs. According to [Baradani and Arasli \(2014\)](#), job satisfaction has been defined by many scholars as "the differences that exist between an individual's expectations of a job and its actual attributes." The individual's general satisfaction is also a major problem when it comes to job satisfaction in the hospitality sector. [Azic \(2017\)](#) further emphasizes this by stating that the hospitality industry is characterized by managing guest experiences, which makes it essential for management to find a way of balancing relationships between guests and employees.

The satisfaction of employees depends on their ability to balance hard and soft issues efficiently and continually within an organization. [Baradani and Arasli \(2014\)](#) further demonstrate that employees are motivated by well-defined goals and feedback and that tackling challenging goals is actually encouraged. According to [Maroudas et al. \(2008\)](#), the failure to set goals and to receive feedback and evaluations results in employees becoming demotivated. This is because they are important aspects for all employees, as they encourage effective performance and the achievement of goals. They work hand in hand with the management's efforts to recognize achievement and further motivate their

employees because HRM best practices always produce superior results (Maroudas *et al.*, 2008).

HRM practices and policies also send very powerful messages to employees regarding the organization's intention. According to Ng and Sorensen (2008) when HRM recognizes the just claims of employees, motivates them and removes the obstacles that prevent effective performance, the employees are more likely to fulfill their obligations and be satisfied with their jobs. In contrast, breaking promises to employees especially regarding contracts will probably reduce the sense of mutual obligation for both the employees and employer, resulting in de-motivation and dissatisfaction (Cetin, 2013). Nohria *et al.* (2008) explain this relationship further by stating that employees attach a good deal of meaning to the way in which HRM addresses areas in engagement, satisfaction, motivation and commitment, especially in an industry where good customer-staff relationships are essential. For example, research shows that most employees in the hospitality industry want to praise, recognition and compensation from the HRM as ways of motivating them to be more productive (Nohria *et al.*, 2008).

According to Maroudas *et al.* (2008), HR policies are important when it comes to creating an environment that promotes customer-oriented behavior. Azic (2017) further states that in an environment where employees know what is expected of them they tend to be more satisfied with their jobs and motivated to fulfill their obligations. Best HRM practices in the hotel management industry are essential for motivation and empowerment (Ng and Sorensen, 2008). Maroudas *et al.* (2008) and further demonstrate that the success of this industry depends on employees and how well they are managed. Cetin (2013) states that the lack of motivation among employees in the hospitality industry may result in adverse effects, which, in turn, affect customer service. Azic (2017) underlines this by stating that management has "a very high influence on employee satisfaction and motivation."

HR managers can use reward and recognition as a tool to motivate employees, by recognizing and rewarding highly commendable employees. They can use a variety of recognition systems such as "employee of the month" and praise in meetings. In addition, they can reward such employees by a pay rise, educational support, among other things. Reward strategies concentrate on extrinsic behaviors while recognition emphasizes intrinsic motivation behaviors Hansen *et al.* (2002). The absence of such a system may increase turnover (Urichuk, 1999). To engage and retain employees a reward and recognition system should be part of HR strategy Freed (1999). Such a variety of tools may not be perceived equally among different employees (Goetsch and Stanley, 2003). Hence, it is advisable to invest in exploring a cost-effective reward and recognition system that meets the employees' expectations (Spitzer, 1996).

Different studies have yielded different significance attributed to reward and recognition elements in different settings and among groups with different characteristics. Chuang *et al.* (2009) explore intrinsic and extrinsic factors that impact the satisfaction of casino hotel chefs and the job characteristics (position, size, type, etc.) of the association of chefs with overall job satisfaction. The result shows that casino chefs require more recognition and autonomy at work. Several factors affect the turnover rate among employees, namely, cash, benefits, job enlargement, promotion and hotel brand (reputation) are the main reasons for turnover among hotel employees in Macau, Chan and Kuok (2011). Choi and Dickson (2010) studied the effects of training on turnover in the hotel industry of north-eastern USA. Their longitudinal study, taken over two years, finds that the training program has a positive effect on turnover and employee satisfaction overall. According to Bonn and Forbringer (1992), educational support, family leave and monetary incentives were suggested as incentives to reduce turnover. In addition, empowerment was the main way of making

employees feel better about their jobs and themselves (Kurja *et al.*, 2016). Von Bonsdorff (2011) studied the preference for material or non-material reward with the aim of finding the rewards that are age-related. The study finds that the preference for material reward increases with age. Non-material preferences were not always statistically linked with age but depended partly on gender. Lee and Way (2010) studied the job satisfaction factors and employment characteristics that influence satisfaction and retention. The writers included demographic information and employment characteristics as part of their study. They included 10 factors, such as language, ethnicity, age, years in company and department among others. Other researchers included organizational size and education among the factors that they studied. Franěk and Večeřa (2008) found that education and organization size have an effect on job satisfaction

We concluded from the literature that devising an effective reward and recognition strategy as a staff motivator should take into account personal characteristics, job roles and experience. We included such factors as part of the present study.

Methodology and results

The population of the United Arab Emirates (UAE) is 9 million, 88% of its population being an expatriate. Abu Dhabi is the capital city with an estimated population of 1.14 million, and the largest city of Dubai has around 2.41 million inhabitants. Abu Dhabi is aiming to diversify its economy. One of these objectives is to increase tourism; the tourism data for the Emirate of Abu Dhabi are as shown in Table 1.

The questionnaire sample was chosen by the convenience sampling of hospitality workers. It consists of two parts: in part one we asked respondents to rank certain material and non-material incentives according to their preferences. In part two, we collected nine categories of respondent profiles as shown in Table 2. The respondents' ranking of material and non-material items are shown in Tables 3 and 4, respectively, where the most important items were ranked 1 or lowest and the least important items were ranked 10 or highest.

Devising a reward and recognition system is important for management, which needs to take into account the employees' preferences for reward and recognition items. However, such items will differ between groups of employees according to the characteristics of each group, such as gender, age and marital status. We further studied whether there was a difference between different respondent categories with respect to the material and non-material items. That is we checked the following hypothesis:

- H₀*. there is no significant difference between groups' preference for material or non-material items based on group characteristics

| Indicator | Hotels | Hotel apartments | Total |
|---|---------|------------------|----------|
| Number of hotel establishments | 109 | 59 | 168 |
| Number of rooms | 23,063 | 6,697 | 29,760 |
| Number of guests (thousands) | 3,678.8 | 427.0 | 4,105.8 |
| Number of guest nights (thousands) | 9,432.2 | 2,810.9 | 12,243.0 |
| Average length of stay (nights) | 2.56 | 6.58 | 2.98 |
| Occupancy rate (%) | 73.4 | 82.2 | 75.4 |
| Average room revenues (AED) | 466.1 | 350.9 | 438.2 |
| Average revenues of available rooms (AED) | 342.3 | 288.3 | 330.3 |

Source: Abu Dhabi Tourism and Culture Authority

Table 1.
Key indicators for
Abu Dhabi

| Profile category | Count | (%) |
|---|-------|------|
| <i>Gender</i> | | |
| Male | 79 | 59.4 |
| Female | 54 | 40.6 |
| <i>Age</i> | | |
| Less than 20 | 2 | 1.5 |
| 21–25 | 34 | 25.6 |
| 26–30 | 40 | 30.1 |
| 31–35 | 39 | 29.3 |
| 36–40 | 10 | 7.5 |
| 41–50 | 8 | 6.0 |
| <i>Education level</i> | | |
| Certificate | 22 | 16.5 |
| Professional | 19 | 14.3 |
| Bachelor's degree | 74 | 55.6 |
| Master's degree | 18 | 13.5 |
| PhD | 0 | 0.0 |
| <i>Marital status</i> | | |
| Single | 73 | 54.9 |
| Married | 54 | 40.6 |
| Separated | 2 | 1.5 |
| Divorced | 4 | 3.0 |
| <i>Children</i> | | |
| 1–2 | 29 | 21.8 |
| 3–5 | 18 | 13.5 |
| 6 or more | 2 | 1.5 |
| None | 84 | 63.2 |
| <i>Organization size (in number of employees)</i> | | |
| Less than 100 | 50 | 37.6 |
| 100–200 | 38 | 28.6 |
| 200–500 | 36 | 27.1 |
| More than 500 | 9 | 6.8 |
| <i>Employment type</i> | | |
| Full time | 117 | 88.0 |
| Part time | 11 | 8.3 |
| Other | 5 | 3.8 |
| <i>Department</i> | | |
| Administration | 46 | 34.6 |
| HR | 26 | 19.5 |
| Engineering | 13 | 9.8 |
| Finance | 24 | 18.0 |
| Other | 24 | 18.0 |
| <i>Years in the company</i> | | |
| LT 3 | 78 | 58.6 |
| 3–5 | 35 | 26.3 |
| 5–10 | 15 | 11.3 |
| More than 10 | 5 | 3.8 |
| <i>Experience</i> | | |
| LT 3 | 43 | 32.3 |
| 3–5 | 33 | 24.8 |
| 5–10 | 43 | 32.3 |
| More than 10 | 14 | 10.5 |

Table 2.
Respondents' profiles

As shown in Table 2, the samples representing some groups are small; hence the analysis for the difference was limited to groups that represent 20% or more of all the respondents. Groups that had significant differences are shown.

Table 3 shows that cash was the most important item among the material incentives, with a mean rank of 1.76. While monetary rewards are considered generic motivators, cash incentives are known to impact employee efforts (Churchill *et al.*, 1985). This finding was consistent with the generalization articulated in Aguinis *et al.* (2013) that “monetary rewards are among the most powerful factors affecting employee motivation and performance” (p. 242). In another research on nurses in Ghana, remuneration was found to have an impact on job satisfaction (Asiamah *et al.*, 2019). Findings from this study, therefore make it imperative for organizations that operate in the hospitality industry to develop and implement a reward-recognition plan that ensures equitable pay for equitable work. The workforce in the UAE is dominated by expatriates who move to the UAE to earn and support their families back home. Firms in the hospitality industry must consider linking monetary incentives to performance to sustain the initial motivation generated when a new reward system is rolled out. Research shows a strong initial impact of monetary rewards on results. However, the impact of monetary rewards is temporary, and the reward system later became counterproductive as it led to excessive competitiveness. For expatriates working in the hospitality industry and earning salaries that are below industry averages for similar jobs, financial incentives and monetary rewards continue to be a significantly important motivators. This view is supported by Bruzelius and Skärvad (2004), who reiterate that

| Material rewards | Mean | SD |
|-------------------------|--------|---------|
| Cash | 1.7594 | 1.90752 |
| Benefits | 5.1353 | 2.47038 |
| Paid Vacation | 5.1955 | 2.45091 |
| Travel Allowance | 5.4211 | 2.68613 |
| Health Insurance | 5.5188 | 2.50636 |
| Bonus | 5.5940 | 2.62574 |
| Retirement | 5.8346 | 2.48383 |
| Compensation | 5.8571 | 2.87924 |
| Educational Sponsorship | 6.2481 | 3.31069 |
| Gift item | 6.7970 | 2.95101 |

Table 3.
Material ranking

| Non-material reward | Mean | SD |
|---------------------|--------|---------|
| Promotion | 2.4812 | 2.54237 |
| Job power | 4.3609 | 2.66668 |
| Flexible time | 4.8947 | 2.63790 |
| Pay performance | 5.3985 | 1.94990 |
| Workload | 5.4586 | 2.30780 |
| Praise | 5.7820 | 2.15793 |
| Title | 5.9699 | 3.26120 |
| Training | 6.3759 | 2.62448 |
| Influence | 6.4286 | 3.17492 |
| Job redesign | 6.4962 | 2.79237 |

Table 4.
Non-materialistic
ranking

employees are motivated and contribute to organizational goals when they are compensated through monetary rewards.

Meanwhile, education sponsorship and gift items ranked the lowest, with a mean rank of 6.2 and 6.7, respectively. The low ranking education sponsorship and gift items may be explained on the basis of the work of [Jeffrey and Shaffer \(2007\)](#), who explained that the noncash material rewards usually given by firms are hedonic goods or services, described as “items that are associated with pleasurable experience rather than more instrumental or functional items” (p. 46). Educational sponsorship is not normally perceived as hedonic.

Additionally, some rewards may be more effective with certain types of employees, but not for this batch of respondents. However, in the case of gift items which is a very general description of anything to which the respondents cannot attribute a monetary value, there is a requirement to elicit an affective reaction ([Jeffrey and Shaffer, 2007](#)). Thus, the ambiguity in value may have prompted a low rank. This finding also strengthens the premise that greater the reinforcement of effort at work through rewards the greater is employee effectiveness ([Njoroge and Yazdanifard, 2014](#)). It is necessary for reward and recognition (RR) systems to offer performance-based monetary benefits instead of gifts items that carry differential value for individual employees. Managers are in constant pursuit of the right strategies to motivate employees toward better performance. Findings from this study indicate that organizations in the hospitality industry must re-orient their reward-recognition systems more toward performance-based pay and not focus on random gifts to motivate their employees. Expatriates in the UAE face greater uncertainties in the face of COVID-19 pandemic and would value monetary rewards that help them cope with current challenges and stay prepared for a long-drawn recovery road from the current economic and employment crisis.

[Table 4](#) indicates promotion was the most important item in the non-material list with a ranking of 2.4. This result was expected, because promotion is generally believed to exude a strongly positive valence, referring to the attractiveness, preference or value attributed to rewards or incentives given to employees ([Parijat and Bagga, 2014](#)). There has been a switch in emphasis from extrinsic rewards to intrinsic rewards that lead to better performance and higher motivation levels among employees ([Pink, 2011](#)). Findings from this study resonate with Herzbergs’ (1974) support to personal growth as an important intrinsic motivator that improves the satisfaction and performance of employees. Individual employees have different motivational drivers making it impossible to develop an ideal reward system that fits every context. The findings of this study gain greater significance as they provide an objective analysis for practitioners to base their development of reward systems that would effectively motivate employees and improve performance.

Conversely, job influence and job redesign ranked lowest on this list, with a mean of 6.4. There is no literature that either supports or runs counter to the low ranking of job influence. However, on the matter of job redesign, there are two possible explanations. One is from [Gagne and Panaccio \(2014\)](#), claiming that motivation comprises a key mechanism that should explain the effect of job design on the respondents. If low importance is attributed to this aspect of non-material rewards, then job design does not motivate these employees. Hence, job redesign will most likely not be a motivating factor for the employees, either. Another explanation is that if job redesign is not really so important to the respondents, they should be satisfied with the status quo.

Tests show that the null hypothesis should be rejected for specific material and non-material items for certain respondent groups. These are shown in [Table 5](#). Bonus and education sponsorship showed the highest differences between the groups from the material

Table 5.
Comparison between groups

| Group | Sub-group | Items showing difference | <i>t</i> -value | <i>p</i> -value | 95% CI |
|----------------|-------------------------------|--------------------------|-----------------|-----------------|-------------|
| Gender | Male-female | 1- Benefits | 2.34 | 0.021 | 0.15,1.82 |
| | | 2-Compensation | 2.67 | 0.009 | 0.33,2.24 |
| | | 3-Education support | -2.38 | 0.019 | -2.43,-0.22 |
| Age | 21-25,26-30 | 4-Praise | -2.15 | 0.033 | -1.54,-0.06 |
| | | 1- Bonus | -4.97 | 0.00 | -3.73,-1.59 |
| | | 2- Education sponsorship | -3.88 | 0.00 | -4.03,-1.27 |
| | 21-25,31-35 | 1-Training | 2.64 | 0.01 | 0.62,0.4 |
| | | 2-Job redesign | -2.73 | 0.008 | -3.1,-0.49 |
| | | 3-Flexible time | -3.23 | 0.002 | -2.98,-0.70 |
| Marital status | 26-30,31-35 Single-Married | 1-Cash | -2.37 | 0.022 | -1.76,-0.14 |
| | | 2-Bonus | 2.087 | 0.04 | 0.05,2.11 |
| | | 3-Education support | 4.22 | 0.0 | 1.54,4.30 |
| Years in comp. | LT 3 – 3 to 5 | 1- Paid vacation | 2.7 | 0.008 | 0.29,1.9 |
| | | 2-Praise | 2.16 | 0.033 | 0.36,0.06 |
| | | 3-Flexible time | -2.09 | 0.039 | -1.92,-0.05 |
| Experience | LT3,5-10 | 1-Bonus | -3.05 | 0.003 | -2.57,-0.53 |
| | | 2-Praise | 2.25 | 0.028 | 0.11,1.28 |
| | | 3-Job redesign | -3.58 | 0.001 | -2.85,-0.81 |
| | 3-5,5-10 | 1-Paid vacation | -2.72 | 0.008 | -2.45,-0.38 |
| | | 2-Bonus | -2.72 | 0.0008 | -2.29,-0.35 |
| | | 3-Job redesign | -2.96 | 0.004 | -2.95,-0.58 |
| | | 1-Cash | -2.29 | 0.027 | -1.59,-0.10 |
| | | 2-Paid vacation | -3.44 | 0.001 | -2.88,-0.76 |
| | | 3-Education sponsorship | 2.89 | 0.005 | 0.68,3.70 |
| | | 4-Flexible time | -2.58 | 0.012 | -2.43,-0.31 |
| | | 5-Training | 2.43 | 0.018 | 0.25,2.56 |

Note: LT: Less than

items (four times), whereas cash and paid vacation came next with two occurrences. Praise and job redesign were different in three cases among the analyzed groups.

Further case summaries for the groups are illustrated in Tables 6-7. It should be noted that more women than men preferred compensation and benefits (Table 6). This result does not concur with the findings in the literature presented in Arnanía-Kepuladze (2010), where men were reported to have more emphasis on salary than women did and that women were not traditionally lured toward compensation benefits. In addition, the results tended to contradict the view that gender is the determining factor pertaining to reward or value appreciation (Arnanía-Kepuladze, 2010). Biological differences also impact mental preferences, and functions of the subconscious and employees' instinctive preferences. Men and women have different goals and needs, and therefore, are driven by different motivations (Arnanía-Kepuladze, 2010). Women strive to fulfill necessities linked to their families and those that contribute to their families (Meece *et al.*, 2006). Women, therefore, perceive social benefits, health care and other allowances as of greater value in staying motivated. Organizations that operate in the hospitality industry would do well to tailor their benefits program that factor in the needs of their women employees. This study has 40.6% of women respondents indicating that organizations must develop and administer a customized benefits program that serves the motivational needs of women employees.

This can be due to cultural settings where studies have been made. In UAE the majority of workers in the hospitality industry are expatriates who comes to work for a certain number of years with financial ties and retirement plans in their home country, also money

Table 6.
Gender/marital
status/years in
company difference
criteria

| Gender/age/yrs comparison | Mean | SD | Mean | SD |
|---------------------------|--------|---------|--------|---------|
| Gender | | Male | | Female |
| Retirement | 5.7215 | 2.43340 | 6.0000 | 2.56978 |
| Benefits | 5.5316 | 2.57620 | 4.5556 | 2.20348 |
| Compensation | 6.3797 | 3.00130 | 5.0926 | 2.52735 |
| Praise | 5.4557 | 2.16497 | 6.2593 | 2.07578 |
| Marital status | | Single | | Married |
| Paid vacation time | 5.7260 | 2.63660 | 4.6111 | 2.02267 |
| Praise | 6.1507 | 2.47583 | 5.3704 | 1.59358 |
| Flexible time | 4.4247 | 2.46598 | 5.4074 | 2.73012 |
| Years in the company | | LT 3 | | 3-5 |
| Bonus | 4.9615 | 2.43589 | 6.5143 | 2.53646 |
| Praise | 6.1410 | 2.23156 | 5.1714 | 2.06491 |
| Job redesign | 5.9103 | 2.60462 | 7.7429 | 2.46556 |

Table 7.
Experience and age
differences

| Experience/age comparisons | Mean | SD | Mean | SD | Mean | SD |
|----------------------------|--------|---------|--------|---------|--------|---------|
| Experience difference | | LT 3 | | 3-5 | | 5-10 |
| Bonus | 4.9302 | 2.19735 | 6.0000 | 3.10242 | 6.2558 | 2.32064 |
| Praise | 6.2093 | 2.69531 | 5.7273 | 2.11058 | 5.6047 | 1.64952 |
| Job redesign | 5.6512 | 2.99113 | 6.2121 | 2.88051 | 7.4186 | 2.52825 |
| Cash | 1.3256 | 0.91862 | 1.2424 | 0.50189 | 2.0930 | 2.36858 |
| Educational sponsorship | 6.2558 | 3.15544 | 7.3333 | 2.92261 | 5.1395 | 3.68770 |
| Flexible time | 4.6512 | 2.71577 | 4.0000 | 2.33184 | 5.3721 | 2.24694 |
| Training | 6.7907 | 2.78224 | 7.0606 | 2.42306 | 5.6512 | 2.60845 |
| Age difference | | 21-25 | | 26-30 | | 31-35 |
| Bonus | 4.2353 | 2.42536 | 6.9000 | 2.13397 | 5.8205 | 2.44811 |
| Educational sponsorship | 5.2941 | 3.17690 | 7.9500 | 2.70754 | 5.0256 | 3.39882 |
| Training | 7.3824 | 2.69696 | 6.6750 | 2.42199 | 5.7436 | 2.57230 |
| Job redesign | 5.7353 | 2.93680 | 6.4750 | 2.66975 | 7.5385 | 2.65415 |
| Flexible time | 4.0294 | 2.45549 | 4.4500 | 2.26399 | 5.8718 | 2.40809 |
| Cash | 1.1176 | 0.40934 | 1.2250 | 0.73336 | 2.1795 | 2.40473 |

transfers to support family members or even for retirement purposes. In addition to that, expatriates with children and family members do not have free education, healthcare and retirement benefits as UAE nationals.

Meanwhile, educational sponsorship, for one's children or oneself, was found more important for the older age group and for more experienced respondents (Table 7). This may be because of the technological and regulatory changes that the industry has gone through, suggesting that experienced people would need to catch up with these changes. According to Matherly and Hodgson (2014), the policy known as Emiratization was crafted to establish an affirmative action quota whereby UAE citizens could enjoy viable employment opportunities in the private sector. To achieve such parity, companies offered educational sponsorships for professional development. Findings from this study also indicate that the older group and more experienced respondents prefer educational sponsorship as an incentive. The notion that higher educated employees could be seen in higher-level positions dealing with more challenging work is a motivator for the older group and more experiences

respondents (Eskildsen and Nussler, 2000). Research study on US workers reported student loan assistance as the sixth most important and tuition assistance as the seventh most important (among 17 benefits) consideration while deciding between a high-paying and a lower-paying job with better perquisites (Jones, 2017). Thus, more mature employees may have been inclined toward the functional aspects of company incentives either for themselves or for their family members. However, further analysis would be needed to uncover the underlying reasons for the preference for training and education sponsorship that accompanies age and experience.

While it is mandatory to provide employees with paid vacation time, according to UAE labor laws, the group of married respondents tended to ascribe more importance to paid vacation time. Interestingly, a study of 2,000 US workers listed more vacation time as the third most (among 17 benefits) important consideration while deciding between a high-paying and a lower-paying job with better perquisites. Among these respondents, a greater number of women respondents (40%) preferred paid vacation time than their male counterparts (32%) (Jones, 2017). However, in comparison with the Malaysian employees in the study by Ismail and Ahmed (2015), UAE employees were more inclined to choose certificates/plaques or praise in meetings, among other things, than the Malaysian employees, who instead sought paid vacation time. Thus, paid vacation time, which is more in the nature of a hedonic incentive for employees, maybe [...] preferred, as it allows the recipients to enjoy their incentives while being with their families (Table 6). Practitioner HR personnel need to consider life-phase specific preferences of benefits while rolling out benefits and allowances plan for their employees.

Most managers tend to carry a notion that employees can be motivated by offering higher pay, bonuses and such other benefits (Morse, 2003). Research also indicates that bonuses motivate only to a point and bonuses demotivate if not high enough or if employees consider them as not equitable.

In terms of years of experience with the company, a bonus is preferred among those whose tenure in the company is less than three years, whereas those who have been with the company for between 3 and 5 years seek praise or more flexible hours more than vacations. The work of Ahmad *et al.* (2013) seems to support these results; they apply them to employees who have been with the company for three years or less. In more general terms, flexible working hours are welcome developments in the workplace because such arrangements facilitate the balance between work and life. Thus, flexible working time significantly impacts employee motivation. However, Wiley (1997) argues that motivations tend to vary over time. This was demonstrated in the present paper findings that those who have stayed longer with the company are more inclined to choose praise than bonuses. Practitioner HR personnel would do well to develop and administer a “cafeteria” type of benefits plan that fits the needs and preferences of employees with varying tenure in organizations in the hospitality industry.

Conclusion and limitations

This study has shown that hospitality employees differ in their preference for some material and non-material items signifying RR. Management should take these differences into account when devising such incentives. The heterogeneous workforce structure in the UAE may complicate the design of an RR system. Practitioners in the hospitality industry may note with interest that achieving employee performance and satisfaction is a complex exercise. The satisfaction that employees derive can be strengthened by focusing on Herzberg’s motivators while employee dissatisfaction could be prevented by addressing hygiene factors. HR personnel can achieve a measure of success while developing and

administering a compensation program that stimulates effort related to work, tasks or accomplishment of goals (Hitka *et al.*, 2019). While motivated employees are expected to perform better, employee productivity according to certain research is related to the level of meeting ones' needs (Cantele and Zardini, 2018). It is, therefore, important for organizations in the hospitality industry to consider the design of a well-balanced but flexible reward-recognition system that serves motivating employees toward the achievement of organizational goals and meet their own needs. Employee needs are more often intrinsic and include elements of reward system that include opportunities to grow, develop professionally and feel recognized. Nature of work, the significance of one's contribution to the team and organizational goals strengthen an employees' perceived self-worth and add to the sense of identity. Flexible benefits program that caters to the needs of employees that belong to various demographic categories is essential for reward-recognition programs to effectively motivate employees toward better performance. It is also necessary for practitioners to be cognizant of the reality that reward-recognition programs must be dynamic as motivating connotes to an employee's sustained ability to exert effort toward achieving goals. However, when planning for a system of RR, it is clearly essential to consider the diversity of the workforce. One way is to explicitly connect incentives and performance based on different characteristics of the workforce. This can be applied either to individuals or to teams. The team and individual reward strategies are discussed by Cacioppe (1999) and can be studied with reference to hospitality workers in the UAE in future research.

Due to the economic, cultural and demographic similarities between the UAE and other Gulf states, this study can be generalized to some extent to other GCC countries.

As a limitation, the study did not include other important factors such as the ethnic background of respondents. Due to fund limitation, it did not try to measure the overall satisfaction level of employees. The author recommends that further research to build on the current findings, concentrating on the top few items of Tables 3 and 4. This would allow for the inclusion of other survey items to better explore the best HR practices.

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