

Calculation Workbook

Edexcel A level Business Human Resources Workbook



Luxe Resort Retreats

Luxe Resort Retreats is a luxury hotel chain known for its high-quality customer service. Recently, the company has been facing high absenteeism and labour turnover, especially among seasonal workers. The HR team is worried that this is starting to impact customer service and wants to understand the underlying issues and improve workforce retention.

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Questions:

1. Luxe Resort Retreats currently employs 500 staff members, of which 60 were absent at some point during the year. Calculate the absenteeism rate and explain why absenteeism could be particularly damaging in a customer-focused business like Luxe Resort.
2. In the past year, the company has hired 100 new employees and 80 have left the business. Calculate the labour turnover rate. Discuss how high turnover could impact the company's ability to maintain high-quality service.
3. Assess two HR strategies that Luxe Resort could implement to improve staff retention.

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This image shows a single sheet of white paper with horizontal blue ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

This image shows a full page of a document template. It consists of approximately 28 horizontal blue dashed lines spaced evenly down the page, providing a guide for handwriting practice. The lines are thin and light blue, set against a plain white background. There are no margins, text, or other markings present.

Handwriting practice lines consisting of 20 sets of three horizontal dotted lines.

ANSWERS

Human Resources

Luxe Resort Retreats

1. **Absenteeism rate** = (Number of staff absent / Total staff) \times 100

$$\text{Absenteeism rate} = (60 / 500) \times 100 = 12\%$$

Absenteeism in a service-focused industry can disrupt day-to-day operations, impact customer satisfaction, and increase the pressure on existing staff, potentially leading to burnout and lower productivity.

2. **Labour turnover rate** = (Number of staff who left / Average number of staff) \times 100

$$\text{Labour turnover rate} = (80 / 500) \times 100 = 16\%$$

High turnover can result in additional costs related to recruitment and training and can negatively impact service quality, as new employees may take time to adjust and perform at a high level.

3. To address the issues of high absenteeism and labour turnover at Luxe Resort Retreats, the company must implement HR strategies that directly tackle the root causes of these problems while also improving employee satisfaction and engagement. Two effective HR strategies that Luxe Resort could consider are flexible working arrangements and a robust employee development program.

Flexible working arrangements allow employees to adjust their work schedules to fit their personal needs, whether through variable start/end times, compressed workweeks, or even remote working opportunities where applicable. This strategy can have a significant impact on reducing absenteeism and turnover, especially in industries like hospitality, where seasonal demands and long hours can lead to burnout.

By allowing employees more control over their schedules, Luxe Resort can help staff manage personal commitments, such as childcare or commuting concerns. This is particularly relevant for seasonal workers who may have additional jobs or obligations, helping them to balance their responsibilities more effectively. Offering flexible working options can also reduce the need for employees to take unplanned leave, as they can adjust their schedules to accommodate unexpected personal issues. This flexibility can increase employee satisfaction, leading to lower absenteeism rates. Engaged employees are also more likely to stay with the company longer, reducing the labour turnover rate.

However, Luxe Resort must ensure that any flexible working arrangement does not negatively impact the high-quality customer service they are known for. For example, if too many employees opt for time off during peak periods, this could lead to understaffing, impacting service levels. Therefore, careful management and scheduling tools must be in place to balance employee needs with business requirements.

Investing in employee development can help address high labour turnover by increasing employee loyalty, job satisfaction, and engagement. Luxe Resort could implement a structured training and development program that not only focuses on immediate job skills but also offers long-term career advancement opportunities.

Offering professional development opportunities shows employees that the company is invested in their future. Seasonal workers, in particular, may feel more inclined to stay with the company year after year if they see that Luxe Resort is helping them develop skills that could lead to promotions or permanent employment. Training programs can also improve job performance and confidence, leading to higher employee engagement. When employees feel competent and supported, they are less likely to leave the company, lowering turnover rates.

However, developing and maintaining a comprehensive training program can be costly, especially in the hospitality industry where margins may be tight. Luxe Resort would need to consider the return on investment, balancing the upfront costs with long-term savings on recruitment and training of new employees due to reduced turnover. There is also a risk that some seasonal workers may not fully engage with training programs, especially if they do not see themselves staying with the company long-term. Luxe Resort could address this by offering tailored development pathways, making it clear how training can benefit employees both within the company and in their future careers.

Ultimately, the most significant issue Luxe Resort faces is maintaining the quality of customer service while implementing these strategies. Both options require careful management to ensure that customer experience is not compromised. However, if properly executed, these strategies can not only improve retention and reduce absenteeism but also create a more engaged and loyal workforce, ensuring the long-term success of Luxe Resort Retreats.