

Case Study

Pride-Building at Aramark

Aramark, a leader in professional services headquartered in Philadelphia, has approximately 270,000 employees serving clients in twenty-two countries.* Aramark wanted to better motivate its employees who clean airplanes for Delta and Southwest Airlines. Turnover of the low-paid staff of largely immigrant employees once exceeded 100 percent a year. Morale was low, and wallets and other valuable items that passengers left on planes had a tendency to disappear.

To turn things around, Aramark manager Roy Pelaez believed that he had to break some rules to get employees to feel motivated. “Managers are not supposed to get involved with the personal problems of their employees, but I take the opposite view,” he says. “Any problem that affects the employee will eventually affect your account. If you take care of the employees, they will take care of you and your customer.” Besides the typical “Employee of the Month” recognition programs, he brought in an English-language teacher to tutor employees twice a week on their own time, added Friday citizenship classes to help employees become U.S. citizens, and arranged for certified babysitters subsidized by government programs to keep single mothers showing up for work. He even created a small computer lab with three used computers so that employees could train each other in word processing and spreadsheets. “All of these things are important, because we want employees who really feel connected to the company,” says Pelaez.

Employees who had perfect attendance over a six-month period or who turned in a wallet or pocketbook filled with cash and credit cards were rewarded with a day off with pay. Workers in the “Top Crew of the Month” were rewarded with movie passes, telephone calling cards, or “burger bucks.” Turnover fell to 12 percent per year—amazing for jobs that pay only minimum wage to start. And crews started to recover large amounts of money from the airplanes, returning to passengers some 250 lost wallets with more than \$50,000 in cash.*

In five years, Pelaez's efforts helped to increase Aramark's revenue in this area from \$5 million to \$14 million.* Since 1998, programs such as these have helped Aramark consistently rank as one of the top three most admired companies in its industry in *Fortune* magazine's list of "America's Most Admired Companies."*

Questions

1. What motivation theories apply to the workers at Aramark?
2. If you were the manager of these employees, what would you do to motivate them? Be honest regarding your personal management style and beliefs rather than trying to be like Roy Pelaez.
3. What are some possible barriers to the effectiveness of your motivation ideas? What could you do to overcome them?