

THE WORK STATION BONUS

OBJECTIVES

- To consider the relationship of performance appraisal, feedback, and reward to motivation
- To consider the interdependency of team members
- To explore the difference between bonus rewards and salary

Background

You are the manager of the high-technology department in an industrial design firm. Several months ago, your company decided to bid on a project to design the housing for a new generation of computer work stations to be based on the latest RISC technology. Realizing that this could ultimately turn into a million-dollar contract, you carefully selected two three-member teams and set them to work to design the prototype, giving each team the customer's specifications and the following clear instructions: the housing had to be designed quickly; it had to be high in quality and durability; it had to be aesthetically distinctive; and it had to be modular, cost-effective, easy to assemble and service, and easy to ship.

Yesterday, you were excited to learn that your company got the job. Your very happy CEO has authorized \$35,000 in bonus money for you to divide among your employees in any way you deem fair. You know that the way you give out the bonuses can have a serious impact on the morale and motivation of your employees and can affect their participation on future projects.

Knowing something about equity, expectancy, and other theories of motivation, and understanding the basic tenets of performance appraisal and feedback, you know that you have to have a clear basis for apportioning the bonuses. In addition, you know that this project would never have gotten done well and on time without a team approach.

The way you give out the bonuses may affect how well your employees work together in the future.

Instructions

Read the background information and the profiles of each of the team members as they appear below and answer the questions at the end of the case.

TEAM A

You had assigned the following people to Team A:

Jennifer

Jennifer had worked off and on for you on a part-time basis for five years. A divorced mother with two young children, it had been impossible for her to come on full-time until both of her children were in school. Jennifer began full-time this past September. You were pleased to hire her, because she is an unparalleled designer with a sense of the practical. Indeed, you weren't let

down by her abilities on this project. Her initial sketches served as an excellent starting point and as the basis upon which the housing was ultimately designed. What did cause some problems, however, was that her children both came down with the chicken pox in the middle of the project, causing her to miss almost a full week at work. During that time, she came in nights, weekends, and whenever else she could find child care.

Abdul

Abdul is a true workaholic. Whenever you have assigned him to a project, he has worked virtually seven days a week, twenty-four hours a day, until completion. This project was no different. Abdul is pretty much of a loner, and you're aware that he frequently made his teammates angry when he made changes to their design plans without consulting them. When confronted, Abdul always acted disgusted as he pointed out just why the changes were necessary; more often than not, his teammates grudgingly went along with him. Unfortunately, you ended up spending a lot of time putting out the emotional fires that Abdul regularly seemed to start. Abdul is a job hopper; he has been looking for another job since he started with your company just eight months ago.

Hank

Quiet, competent, and self-assured, Hank goes about his business as business. You wanted Hank on this team because he is stable and reliable. He isn't, however, particularly creative and innovative. What he does best is to take other people's ideas, refine them, and execute them. He is also an excellent model builder, and the models he produced for this project are meticulous. Hank rarely stays late or works overtime, unless absolutely pushed. Instead, he prefers to spend nights and weekends with his family and in community activities. He is very active in his church and occasionally gets calls during working hours from church members who have pressing questions. In the past, you have asked Hank to limit his nonbusiness telephone time. Over the course of this project, you have noticed that he has had few calls, and those he has had have been brief. Hank has been very understanding about Jennifer's problems and has done everything he can to help her out and cover for her.

TEAM B

You had assigned the following people to Team B:

David

When David first came to the company, you were concerned that he wouldn't work out. He had been fired from his previous job. You were told by a friend that it was for frequent absences; however, David tells you it was because his boss didn't like him. While he hasn't been absent very often since joining your department, he has come to work late on a regular basis. David never did very much actual work on this project, and he couldn't be counted on to meet deadlines; but he is the only person other than Jennifer who has the design expertise and an understanding of aesthetics necessary to do this job. He is a brilliant innovator, and he came up with some terrific ideas, a couple of which were incorporated into the final design. They may have been the reason that your company got the contract.

Mei-Ling

Mei-Ling is your most reliable materials expert, but she knows little about design. She selected the materials for the project's prototype, and Hank tells you that her ideas were brilliant. Thanks to Mei-Ling, the work station is durable, lightweight, and can be broken down into modules for easy assembling, servicing, and shipping. You're not sure whether it is out of modesty or loyalty to her team that she tells you that she selected the materials based on David's suggestions and that she couldn't have chosen the correct materials without him. Mei-Ling has been excited about her project and about her team. She has asked that the three members be allowed to work together again on any upcoming projects.

Maida

Maida is one of those people who organizes things, gets after people to do their jobs, and picks up the pieces for others when they don't follow through. She generally does this without complaining, and she constantly praises those around her as knowing more and being more able than she is. On this latter point, she may be right—she isn't particularly brilliant or creative, but she is a plodder. So long as Maida is around, things get done and generally on time. When projects bog down or team members become upset with one another, Maida is there with support, homemade brownies, and occasionally a joke—she's a real team player. You put Maida on this team because you thought she would be able to offset some of David's irregularities, and that is exactly what she did. Maida, Mei-Ling, and David generally eat lunch together, and you have overheard them making weekend plans with one another on a number of occasions.

THE RESULTS

Team A finished their project in seven weeks. It was largely their design, combined with a few of Team B's innovations, that resulted in the company's winning bid. Team B had actually finished ten days earlier than Team A, but there were a number of small flaws in their design that resulted in its being rejected. The \$35,000 in bonus money is ready to be distributed.

Questions for Discussion

1. What criteria would you use to determine how to award this money?
2. How would you divide up the \$35,000? Provide explanation to support your answer.
3. Based on your allocation, what would be the potential positive and negative effects on their behavior and productivity, as individuals and as team members? How might it impact their future performance and cooperation with one another?
4. Would it be advisable to bring the team members into your decision-making process? Why/why not? If so, how would you do this?
5. How would you distribute the money (e.g. in their paycheck? to each person or group?) and why?