A Study on the Management of Staff Remuneration in Wuhan Wanda Realm Hotel Before and after the Epidemic

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Abstract: In modern human resources management theory, compensation management is the most important and difficult module: the design of the compensation system and its conformity to the needs of the company's development strategy are the most crucial. Its strategy to meet the needs of employees is simultaneously confronted with a complex external environment. Compensation strategies must also be adapted to maintain the effectiveness of the compensation system. This is a central issue facing hotel operators. This paper takes Wuhan Wanda Realm Hotel as the subject of this study and analyses its compensation structure, pay allocation, performance bonuses, benefits package and employee satisfaction. By comparing industry data, we can understand how Wanda Realm Hotel is operating in the face of the epidemic. To understand how to adjust the remuneration strategy, this study explores the problems in the existing remuneration system, applying theories such as two-factor and profit-sharing, through forwarding specific suggestions on salary differentiation, positions’ grading standard and salary incentive, this research intends to improve the overall salary incentive system of the Wanda Realm Hotel.

Keywords: hotel compensation management, COVID-19, two-factor theory, salary system optimization

1. Introduction

In 2020, the hotel industry is significantly impacted by the epidemic, with 59,000 hotels in China declaring bankruptcy and announcing closures in 2020. According to Wanda's public financial statements, the international high-end hotel chain Wanda Realm Hotels, which opened in 2013, generated US$1,469 million in revenue from its hotel business in 2019.1 In 2020, Wanda's hotel performance remains 20% higher than the country as a whole. As there are no studies on corporate compensation strategies before and after the outbreak, this period is critical for management, including a shift in strategy. The article needs to examine the way in which Wanda Realm Hotel's compensation system responded to the external crisis and the role that the compensation system played during the epidemic. The adjustments Wanda Realm Hotel made to its compensation system in the face of the epidemic. Problems or potential challenges with Wanda Realm Hotel's compensation system and areas for improvement. Through my research, I explored the less visible parts of Wanda Realm's compensation system. I examined the compensation system at Wanda Realm Hotel during the epidemic. I tried to identify their systemic problems, analysed their hierarchy, pointed out areas where improvements could be made and concluded with responses and recommendations.

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2. Theories and Their Development

2.1. Compensation Ideas Definitions

The word "Compensation" originates from the West, and the definition of compensation in academic circles is also different. Basically, it has experienced the development stages of the ideas: wage, salary, payments, compensation and rewards. Jack's accurate definition of the labour market and competitive salary information are essential to any effective pay plan, yet salary factors are often overlooked or misunderstood [1].

In this paper, compensation is defined as various forms of remuneration or return obtained by employees for providing services to the organization by performing duties and completing tasks, but not limited to salary, bonus, allowance, insurance, and welfare, etc.

2.1.1. Developments in Salary Management

Li Zhihong believes that the most important part of a modern enterprise's remuneration system is basic pay, which is the basis for fixed variable pay and other related elements. Basic pay reflects the value orientation of the company and is fundamental to attracting and retaining outstanding talent and realising corporate strategy [2]. Qiu believes that increasing employee wages in line with inflation to motivate employees and establishing a compensation system that guarantees the true value of employee wages is an urgent issue for companies to address [3]. Che Donglin believes that the fierce competition in the market exists and that talent competition is the core of enterprise competition. And one of the most important factors in attracting talent is the selection and implementation of a reasonable remuneration system [4].

2.1.2. Performance Evaluation Techniques

Harold believes that the real benefits of project management will be difficult to realise unless it is incorporated into salary and wage management plans. Some companies see project management as a career path position, while others see it as a part-time occupation. This section presents a case study on wage and salary management. It outlines nine basic performance appraisal techniques. These techniques are essay assessment, graphic rating scales, site review, forced choice rating, critical incident assessment, goal management, work standards approach, ranking approach and assessment centres [5]. George provides information on the process of wage and salary surveys. It defines the concept and provides information on: a) how such surveys are conducted, b) what data are collected, and c) how they are combined and interpreted [6]. Andreas provides an overview of the topics and best practices related to basic pay and why it is important to develop a company philosophy on basic pay structures and discusses how managers can use different approaches for their companies. Two common methods of creating a basic salary structure (job compensation and personnel salaries) are identified and explained. The concepts of broadbanding and pay ranges were then introduced. He also shows four perspectives on learning about the practical issues surrounding basic pay structures: people, economics, risk and operations [7].

2.1.3. Broadband Compensation Theories

Broadband compensation mainly solves the problem of compensation equity, which involves the adjustment of compensation levels and the range of variation of each level. Broadband pay refers to the formation of less pay grades and a wider range of pay changes in each grade when enterprises formulate pay grades and the range of pay changes in each grade. Compared with the traditional salary grade and variation range, the broadband salary grade is generally 4, and the variation range between
each grade is about 200%-300%. When enterprises use "broadband pay", they take care of the fairness psychological activities of employees to a certain extent and effectively improve their work skills, but a small number of grades are likely to inhibit the promotion and development of employees [7].

2.1.4. Quantitative Analyses of Management Salary Differentials

Husband provides an overview of the practical value of a number of quantitative models for managing pay structures at the corporate level. The aim is to determine the practical operational value of these models for payroll managers. The models developed by Robertsover the last two decades are reviewed and their practical weaknesses are highlighted. This paper shows how the approach of using a mixture of Pearson and Paterson models can be applied in a practical way to produce useful guidelines for payroll management. The Pearson model is based on a Pareto distribution of managerial pay within a company, while the Paterson model provides a definition of the levels of authority associated with managing work. The combined Pearson/Paterson approach provides a useful framework for administrators to compare a company's pay structure with those of companies in similar industries and to measure changes in their pay structure over a selected time period [8].

2.2. Basic Theories

2.2.1. The Two-factors Theory

The two-factor theory was developed by American psychologist Frederick. Herzberg. They found that there are two different types of relative incentives that are independent of each other and can affect people's behavior in different ways: satisfaction with health factors can make employees feel safe, similar to the effect of health care on physical health. It's not therapeutic, it's preventive. There is a baseline (acceptable level) for each health factor, and when the health factor deteriorates below the baseline, the employee will be dissatisfied at work. However, it is only a sufficient condition: good health care can only eliminate dissatisfaction, and does not lead to a positive attitude among employees, which is the intermediate state between satisfaction and dissatisfaction. Factors that bring about positive attitudes and motivation are called "motivators" [9,10].

In this sense, traditional incentive means, such as wage adjustment, improvement of working conditions, etc., cannot stimulate employees to generate greater incentive. The health factor is necessary, but it does not produce more positive effects once it has been brought to the fore and beyond.

2.2.2. Profit Sharing Compensation Theory

The profit-sharing compensation theory is about the redistribution of profits from production units (mainly companies) and so can be seen as a form of wage and bonus sharing. It concerns the incentive system of the theory; profit sharing is a prerequisite for a company to have enough profit to overflow the needs of its employees. It creates ongoing benefits for the value of the business. It carries the personal interests of the employee and the interests of the business as a whole combined in a win-win situation. Economic theory presents different arguments on how profit sharing can affect wages. Firstly, profit sharing can replace basic wages. Secondly, profit-sharing can be interpreted as an 'efficiency wage', increasing both basic wages and total compensation. The existing empirical literature does not determine which of these arguments is valid [11,12].
3. Wanda Realm Hotel Current Management Analysis

3.1. Hotel Background Information

Wanda Fuli Realm Hotel Wuhan (WANDA REALM) is a privately-owned luxury five-star hotel under Wanda Group. Wanda Group began its operation in 2013 with 408 rooms and suites. As of December 2020, WANDA REALM has 175 full-time employees in over 10 departments, including food and Beverage Department, Housekeeping, Front Office, Marketing, Human Resources, Finance, Security and Purchasing. According to Wanda Hotel Development Group's financial reports (2019-2022) and interviews, the overall occupancy rate of Wanda Realm hotels is about 54% in 2019 and 36% in 2020 respectively, and then 49% in 2021.

Wanda Realm's annual overall RevPAR (Revenue Per Available Room) is about CNY519.2. Since the outbreak of COVID-19 in 2020, Wuhan's offline consumption industry has suffered seriously as the epicenter of the storm of COVID-19 epidemic. From January 23, 2020, when Wuhan was restored from complete "closed down" due to the COVID-19 outbreak to April 8, 2020, Wanda Realm's revenue increased from CNY520,000 in one month to CNY3.96 million in June, which was a considerable increase. Owner's profit increased from a deficit of CNY 1.16 million to a growth of CNY900,000, with an increase of 177.6%. Since June 2020, WANDA REALM has begun to bring in profit.

Although the hotel was affected by external health factor, its operation has quickly recovered to normal. In addition to the government's supportive policies and effective business strategies, WANDA REALM’s stable and flexible salary system has played an important role in retaining employees.

3.2. Salaries Profiles

In July 2017, R&F group acquired the assets of Wanda Hotels. After the recapitalization and merger, WANDA REALM still retained its original salary system. Its salary structure consists of basic salary, performance bonuses, work bonuses and welfare, as follows:

(1) Basic Salary: The basic salary mainly includes monthly basic salary and longevity pay. The basic salary range is mainly determined according to the ranks of its employees.

(2) Performance Bonuses: Performance bonus including fixed bonuses, monthly performance bonuses, piecework remuneration, quarterly and year-end bonuses, fixed bonuses and monthly performance bonuses are determined by the ranking of the employees. It is mainly suitable for the back office and functional departments. Piecework or part-time compensation is applicable to reward the housekeeping department staffs. Quarterly bonus applies only to the sales department.

(3) Work Bonuses: Work bonus is mainly in the form of cash. The aspects of cash rewards cover areas in the forms of competition, innovation, internal staff training, customers’ appraisal, and superiors’ recognition.

(4) Welfare: Welfare mainly includes statutory welfare and independent welfare. Statutory welfare mainly includes five social security insurance, housing provident fund (medical insurance, endowment insurance, unemployment insurance, maternity insurance, employment injury insurance, housing provident fund) and paid vacation. Housing provident fund is purchased after employees have been working for over one year. Independent welfare includes female employees' makeup fee, heatstroke fee, fire fee, holiday bonus, employee birthday bonus, free working meal, labor protection fee, communication subsidy, free accommodation, free uniform, and cleaning fee, etc.

According to the interview, there are 14 levels of staff from interns to directors. Job level system defines the standard of monthly basic salary and monthly bonus for the employees. Each level
includes 5 sections, and the increase of each quantile will increase the basic salary range on the original basis.

3.3. Salary Structure Analysis

3.3.1. Research Methods

This paper mainly analyses the salary status of the Wanda Realm Hotels through interview and data analysis methods. In order to understand its employees' perception of salary compensation through questionnaires, it compares and analyzes the salary level of the Wanda Realm Hotels in the industry based on external industry reports. These research and application methods used in this paper are as follows:

Data Analysis: Through the analysis of Wanda Realm Hotels 2020 annual compensation ledger, the compensation setting rules, compensation structure and proportion, and then compensation levels at all levels are sorted out.

Questionnaire Survey: In this paper, the employees of Wanda Realm Hotels were investigated on salary levels, salary structure, salary perception and other issues by using the Likert Scale.

Interview Method: Basic psychological research methods to understand the psychology and behavior of interviewees through face-to-face conversation with relevant management and staff of Wanda Realm Hotels. According to the standardization of interview process, it can be divided into structured interviews and unstructured interviews. In this paper, the salary structure, salary perception and other issues will be investigated for the supervisors and above employees of the Wanda Realm Hotels.

3.3.2. Salary Structure Analysis

The analysis following is based on the salary standing record of WANDA REALM in 2020: the level and proportion of basic salary, performance bonus, cash bonus, independent welfare, the level of total compensation, and the proportion of total compensation. In 2020, the average annual salary and income level of WANDA REALM’s employees, excluding the senior management team managed by the group headquarters (general assistant or leaders above) is CNY81,000 including CNY220,500 for director level, CNY131,200 for department manager, CNY74,200 for director, CNY52,100 for employees and CNY22,500 for interns.

In terms of the proportion of the amount payable to each module in the salary structure, and the total amount payable to annual salary: basic salary accounts for 29.86%, performance bonus for 55.98%, cash reward for 7.79%, and welfare for 3.44% (excluding the cost of compulsory purchase of five insurances and one housing fund). The proportion of employees at different levels is as follows:

<table>
<thead>
<tr>
<th>Annual Total</th>
<th>Basic</th>
<th>Performance</th>
<th>Cash Bonus</th>
<th>Welfare</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>29.86%</td>
<td>55.98%</td>
<td>7.79%</td>
<td>3.44%</td>
</tr>
<tr>
<td>Director</td>
<td>25.90%</td>
<td>67.07%</td>
<td>5.86%</td>
<td>1.33%</td>
</tr>
<tr>
<td>Dept. Manager</td>
<td>31.01%</td>
<td>60.41%</td>
<td>5.65%</td>
<td>2.52%</td>
</tr>
<tr>
<td>Supervisor</td>
<td>29.93%</td>
<td>44.96%</td>
<td>9.79%</td>
<td>4.20%</td>
</tr>
<tr>
<td>Staff</td>
<td>29.74%</td>
<td>44.96%</td>
<td>9.79%</td>
<td>4.20%</td>
</tr>
<tr>
<td>Intern</td>
<td>31.42%</td>
<td>55.36%</td>
<td>4.38%</td>
<td>9.16%</td>
</tr>
</tbody>
</table>
As can be seen in table 1, Wanda Hotels' compensation is divided into four components: basic, performance, cash bonus and welfare, which vary across the different levels of employees at Wanda and are adjusted according to the position. In terms of basic and performance, all five levels of employees receive similar salaries, but the cash bonuses paid to directors and interns are below average. In the welfare section, the salary of the director is significantly lower than the average.

From the perspective of different levels, the basic salary of each level below the director level accounts for about 30% of the total income, and that of the director level is about 25%. For performance bonuses, director level accounts for the highest proportion of 67.07%, while employees account for the lowest proportion of 44.96%. In the cash reward profile, the proportion of supervisor and employee is the highest, while the proportion of department managers is the lowest. In terms of welfare, interns accounted for the highest proportion of 9.16%, while directors accounted for the lowest of 1.33%.

By the preliminary analysis of the salary structure of Wanda Realm, the basic salary is relatively fixed. The cash reward is relatively flexible, which accounts for a relatively low proportion. In order to explore how the salary system of Wanda Realm plays a role in Employees’ Health and Work Motivation; this paper needs to further analyze the performance bonus and welfare system.

3.4. Performance Bonus Analysis

In 2020, excluding the senior management team managed by the group headquarters (the company's general assistant and above leaders), the total amount of performance bonus will be about CNY7.935 million, of which fixed bonus is CNY 516,000, accounts for 6.50%; Monthly performance bonus was CNY2.676 million, accounts for 33.72%; Piecework compensation bonus is CNY683,000, accounts for 8.61%; Quarterly bonus of CNY2.18 million, accounts for 25.43%; year-end bonus was CNY2.042 million, accounts for 25.73%.

After an in-depth interviews, it discovers that fixed bonus and monthly performance bonus correspond to employees' ranks. The calculation rules of fixed bonus are mainly based on attendance. If attendance is full, the fixed bonus can be paid in full, and the fixed bonus covers all the positions of director, department manager, supervisor, staff and intern. Monthly performance bonus mainly covers department managers, supervisors, general employees, interns and other levels, and is mainly based on monthly key performance indicators (KPI) of employees. Piecework wages is mainly applicable to the basic staff of the housekeeping department, with the number of cleaning rooms as a measurement standard. Quarterly bonuses mainly cover directors, department managers, supervisors and general employees, and apply to back-end or functional positions. Generally speaking, when the rules are clear, scientific and reasonable, the income gap between employees' performance bonus is larger, indicating that the performance bonus assessment and payment rules can effectively distinguish the positive or negative performance of employees and they do play the role of performance leverage. Therefore, this paper discusses and analyzes the relative distance or discreteness of performance bonus in two ways.

3.5. Welfare Analysis

By interviewing Wanda Realm hotels and collecting the welfare situation of All Seasons Hotels and Hanting Hotels in Wuhan.

Table 2: Hotel welfare situation.

<table>
<thead>
<tr>
<th>Categories</th>
<th>Wanda Realm</th>
<th>All Seasons</th>
<th>Hanting Hotel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Canteen</td>
<td>Free work meals</td>
<td>Free work meals</td>
<td>Free work lunch</td>
</tr>
</tbody>
</table>
Table 2: (continued).

<table>
<thead>
<tr>
<th>Work Safety</th>
<th>Free uniform, shoes and laundry</th>
<th>Free uniform, shoes and laundry with return or compensation less than one working year</th>
<th>Free uniform, shoes and laundry with return or compensation less than one working year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dormitory</td>
<td>Free beds and bedding</td>
<td>Free beds</td>
<td>Free beds</td>
</tr>
<tr>
<td>Travel</td>
<td>Once in a year</td>
<td>Some Excellent Staff only</td>
<td>Some Excellent Staff only</td>
</tr>
<tr>
<td>Legal Holiday</td>
<td>8 days/month</td>
<td>6 days/month shift</td>
<td>4 days/month</td>
</tr>
<tr>
<td>Holiday Gift</td>
<td>Mid-autumn, Duanwu, new year and birthday cash gift</td>
<td>Mid-autumn, Duanwu, new year and birthday gift; Quaterly group birthday party</td>
<td>Mid-autumn, Duanwu, new year and birthday gift; Quaterly group birthday party</td>
</tr>
<tr>
<td>Communication fee</td>
<td>CNY50-200</td>
<td>Part of staff only</td>
<td>N/A</td>
</tr>
<tr>
<td>Annual Leave with pay</td>
<td>After one working year</td>
<td>After one working year</td>
<td>After one working year, basic pay only during leave</td>
</tr>
<tr>
<td>Insurance</td>
<td>5 and commercial insurance at entry and housing fund after one working year</td>
<td>5 insurance at entry and housing fund after one working year</td>
<td>5 insurance without housing fund</td>
</tr>
<tr>
<td>Other Welfare</td>
<td>Female make-up and summer allowance</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Table 2 conducted a ten-point comparison of the remuneration packages of three distinctive hotels in Wuhan, Wanda Realm Hotel, All Seasons Hotel and Hanting Hotel. The table shows that the Wuhan Wanda Realm Hotel has significantly better benefits than the two hotels, such as travel, legal holiday, communication fees and exclusive protection for female staff. However, the other two hotels have also done better in the areas of work safety and holiday gifts.

Through the analysis, it discovers that Wanda Realm has a wide range of welfare categories, including compulsory five insurances and one housing fund, and independent welfare. Compared with All seasons hotel and Hanting Hotel, The welfare of Wanda Realm Hotel has more benefits and less restrictive clauses, and the employees are generally satisfied with the welfare of the hotel.

### 3.6. Employees’ Salary Perception Survey

142 electronic questionnaires were sent to Wanda Realm’s directors and employees through Wenjuanxing to understand their perception of Wanda Realm hotels’ salary system. A total of 125 questionnaires were collected and answered effectively.

56% of Wanda Realm employees rated themselves as being paid in the middle. 27.2% of employees think their salary level is low. Another 11.2% said they were well paid. Most employees at Wanda Realm hotels are still happy with their current pay levels, while a few feel they cannot get equal pay for their labor.
In terms of the benefits provided by Wanda Realm, the top three most important benefit for employees are endowment insurance, medical insurance and work-related injury insurance, while the perception of commercial insurance is not so important.

In terms of benefits and salary competitiveness, 57.6% of employees consider Wanda Realm's salary package to be average in the industry. 31.2% of employees believe their pay packages are competitive in the sector. Another 9.6% believe their pay and benefits packages are not competitive with those in the industry.

More than half of workers believe their pay and benefits are in the middle of the industry. Most of the staff consider the conditions provided by the hotel to be average or above in the industry. However, there are still a few employees who think the hotel is not doing a good enough job.

The top three factors for employees' compensation and benefits are values of their positions, background experience and work performance. Most employees recognize the existing position ranking system, and their value is mainly reflected by the corresponding rank of different posts. Secondly, the background experience of the hotel industry and annual performance evaluation are the most important factors for promotion. For hotel employees, formal education and working environment are not the most important factors affecting their salary.

The basic salary, performance bonus and position salary are unreasonable and need to be optimized and adjusted. As for the unreasonable basic salary, it mainly concentrates on the grass-roots staff and interns. They think that the basic salary level is low and needs to be improved. 14.5% of employees think that the performance pay of the hotel is unreasonable, mainly because the performance bonus does not fully reflect their work performance and value contribution, and the performance rating of their superior is subjective. 12.6 percent of employees think they need to be paid more for their positions.

4. Wanda Realm Hotel Compensation System and Issue

4.1. Compensation Adjustment During Varus Outbreak and Influence to Employees

Wanda Realm has adjusted its payroll rules as a result of the outbreak. According to the interview, the accounting and distribution of performance bonuses and cash awards from January to March were suspended during the epidemic period. The director and all employees below will be paid according to the basic salary standard. During the epidemic period, basic living expenses, namely the minimum wage in Wuhan, were paid to those who did not go to work in February 2020. On this basis, staff will be paid CNY80/day attendance salary. According to the actual operation recovery of the hotel, the above standards were adjusted later: attendance salary + basic living expenses for rest + assessment salary + others (piece rate, commission, etc.). During the epidemic period, the hotel reduced salary by adjusting leave, such as two days off from five days to three days off from four days off, and the extra day off is unpaid leave. Part of the staff adopts the rotation vacation system, the vacation staff will be paid the basic living expenses, the working staff's salary will be paid in full. Total monthly labor costs (compensation costs) were reduced to one-third of the level of the same period through the above compensation adjustment strategy. At the same time, if the actual salary of grass-roots employees is lower than Wuhan minimum wage standard, they will be paid according to the minimum wage, avoiding legal risks. In addition, due to the relevant policies issued by the state, enterprises can reduce social security fees, so the hotel can operate at the lowest level of labor costs, avoiding the exhaustion of hotel cash flow.

As can be seen from the previous analysis, Wanda Realm hotel has a sound salary system, pays more attention to the health care function of salary, and sets up diversified and competitive welfare policies. The input of welfare cost, which accounts for 3% to 5% of labor cost, plays a significant role in improving employee perception and sense of belonging. In addition, there is not much
difference between some employees of performance bonus, and performance bonus has obvious health care characteristics. In the case that the hotel industry has no revenue due to the suspension of business due to external public health events, most employees show understanding of the salary strategy of the hotel during the epidemic, and have little intention and tendency to leave. The demission rate was at its lowest level in February, March and April during the pandemic. In addition, he showed strong team spirit during epidemic prevention and reception of medical teams from other provinces.

4.2. Wanda Realm Hotel Compensation Issue

4.2.1. Low Differentiation of Compensation Structure

The compensation structure of Wanda Realm hotel mainly includes basic salary, performance bonus, cash bonus and welfare. According to the above analysis of salary structure, the overall salary level of employees except interns in Wanda Realm hotel is higher than the average level of the industry even under the impact of the epidemic in 2020, which is at the top of the salary subrange of the industry. However, the differentiation degree of employee performance salary is not high, which indicates that performance bonus does not open the income gap of employees from the side. To some extent, because performance bonus is directly related to rank, the dispersion of performance bonus is more due to the influence of rank rather than the influence of employee performance. Therefore, the incentive of performance bonus may be insufficient. Just like the two sides of the coin, the current salary system brings stability and health care to employees, which can effectively stabilize and retain old employees in the face of epidemic events. At the same time, the existing salary system has problems in retaining interns, rewarding the good and punishing the bad within employees, widening the income gap between employees and attracting external talents.

4.2.2. Missing Criteria for Job Grading

Wanda Realm hotels has 14 levels of staff ranging from intern to director. Each level has 2-4 levels and each level has 5 levels. For most employees, rank is directly related to the level of basic salary and performance bonus, but there is no clear and transparent standard to determine the specific rank of employees, and the qualification requirements and promotion standards of each rank are missing. In addition, we learned from the interview that the decision of employee grading is submitted to the Human Resources Department by department heads based on actual experience, which is subjective to a certain extent. In terms of rank promotion, it has a certain relationship with the individual performance of employees, but the subjective evaluation of department leaders still plays an important role. Therefore, Wanda Realm hotel employees consider the basic salary and performance bonus to be the most unreasonable in the existing compensation system.

4.2.3. Limit Reasonable Personnel Flow Because of Lack of Incentives

As a whole, Wanda Realm's compensation system gives employees a stronger sense of health care, while performance bonuses lack incentive. The starting salary level for new employees or interns is relatively low, and the turnover rate for interns and junior employees is relatively high. With the increase of working years and ranks, employees' income grows faster and their satisfaction with benefits keeps improving. The turnover rate of those who have worked for more than 3 years and are over 35 years old is generally low. Therefore, there are potential challenges in the replacement of hotel staff. The average age of hotel staff is about 34.3 years old, which is older than the average age of the same industry. There is a risk that the talent echelon will break in the future.
5. **Suggestions**

There are three main problems in the compensation system of Wanda Realm hotel: low differentiation of salary and income, lack of standard for post grading and lack of incentive. Based on the above problems, the optimization direction of the salary system of Wanda Realm Hotel mainly focuses on the following three directions:

1. To improve the differentiation of salary income, to strengthen the link between salary and job performance, and to weaken the relationship between job and position, the performance can be effectively distinguished employees' job outcome.
2. Making clear the standard of post grading and carrying out work analysis is to develop clearer standards.
3. Strengthen the incentive effect of compensation. i.e., appropriately improving the treatment level of interns and new employees, strengthening the relationship between income and job performance.

5.1. **More Job Analysis and Define Criteria for Promotion**

Wanda Realm Hotel has perfect and clear job grade system, so the focus of the job analysis is the promotion of each position clear standards, reduce artificial judgement in proportion of staff promotion, improve the staff in the promotion of fairness, according to equity theory, the fairness of the compensation system to ascend, helps to motivate the staff and improve retention rates.

Based on the understanding of the job content and job requirements, summarize the requirements of skills, qualifications, certificates, attitude, and other aspects of the position. Based on these requirements, the promotion standards of each post are formed, which mainly include the following 6 items:

1. Performance. Employee's performance in similar position in the last 1-3 years.
2. Practical background. Employee's past work type and working years.
3. Working years. How long an employee works in the company.
4. Educational background. The length, level and content of the education the employee has undergone.
5. Skill mastery. The ability items mastered by the employees recognized by the enterprise are usually shown in the form of examination results and certificates.
6. Attitude and comprehensive quality. Employee's personality characteristics, overall work attitude, engagement and other factors.

5.2. **Fixed Salary Updating**

1. Improve the Salary Level of New Employees and Interns
   The high turnover rate of new employees and interns is mainly due to the low initial salary and high staff mobility, which makes it difficult for Wanda To acquire sufficient number of new employees and interns, making talent echelon construction an insoluble problem. Therefore, appropriately increasing the fixed salary level of interns and new employees to ensure the basic livelihood of employees will effectively enhance the attraction of Wanda Realm for new employees and interns, increase the supply of employees, and provide a foundation for talent echelon construction and team vitality stimulation.
2. Reduce the proportion of fixed compensation for old employees
   In the salary system of Wanda Realm hotel, the fixed salary of senior employees accounts for a large proportion, which reduces the mobility of employees. In order to improve the incentive of the salary system for senior employees, the proportion of fixed salary of senior employees should be
appropriately reduced to strengthen the performance-oriented salary. As the payment of performance pay in Wanda Realm is relatively fixed, it is necessary to strengthen the assessment and evaluation of performance pay in terms of adjustment, so that performance bonus can play a real incentive role.

5.3. Performance Income Updating

In Wanda Realm hotel compensation system, performance bonuses are linked to job, more difficult to reflect the performance gap between employees, in order to mention overall compensation incentive, improve compensation income differentiation, suggested that the appraisal of performance bonus and distributing rule was improved, improved performance bonuses linked to performance, the state of the hotel management, weakening its relationship with the position. Based on the profit-sharing theory, appropriately linking employees' salary income with enterprise performance has a significant effect on the improvement of employees' enthusiasm. Although more performance salary does not have a greater incentive effect on employees, higher performance salary does have a better incentive effect on employees. Motivate employees to work harder, and because performance pay is calculated according to how much profit they generate for the hotel. The subjective initiative of employees enhanced by the improvement of performance pay mainly focuses on trying to create more profits for the hotel so as to increase their total performance pay income. Instead of cleaning 10 rooms, the room attendants can clean 7 rooms. When there are no more guests, they can spend more time cleaning the rooms carefully, which improves customer satisfaction and occupancy rate, and finally get more work in return. Food service staff try to finish the meal preparation work in the shortest time, so as to get more time for the sales of drinks and dishes. Because fixed salary accounts for less, the income of the working mode of "one day one day" will decrease accordingly, and the commission rate of performance pay will increase, so that the improvement of working effort can bring significant salary increase.

According to the survey of many hotels in the industry, the proportion of performance salary in the total salary is usually between 35% and 45%. In the actual performance salary design of Wanda Realm hotel, the basic post salary grading system that has been implemented belongs to the category of broadband salary and accounts for a relatively small proportion of the total salary. It can be considered to appropriately increase the total proportion of performance pay to between 40% and 50%, and increase the proportion of performance pay to about 45%.

5.4. Welfare Updating

Employee welfare is an effective way for hotels to provide special incentives to employees. The hotel's original welfare system is universal welfare system, which stresses the equality of all staff, is too fair, and the way is rigid, which cannot well meet the needs of employees. In the optimization design of the compensation system, it is planned to fundamentally optimize the welfare system, and change the universal welfare into self-service welfare. That is to abolish all universal welfare except statutory welfare, and employees can get a different number of welfare points per month according to their posts, service staff levels, special rewards and so on. Welfare points by the human resources department unified statistics, can be accumulated, can not advance, leaving the shop invalid. At the same time, the human resources department issued a new welfare exchange form, and employees can exchange corresponding welfare according to their own welfare points.

Compared with the original universal single welfare system, the new welfare system is more free, more humanized, and can better reflect the hotel's attention to the personalized and diversified needs of employees, so that employees have a stronger sense of care and importance. The incentive effect of welfare can be maximized. Moreover, it fundamentally solves the problem of waste of universal welfare, reduces the waste of welfare for employees who do not need a certain welfare project, and
saves welfare expenses. Besides, it avoids the illusion caused by the long-term implementation of universal benefits to employees, and thinks that benefits are granted by the hotel, so as to regain the warm and beneficial feeling of employees when they get benefits. The goal of welfare optimization has been achieved.

6. Conclusion

In this paper, Wanda Realm Wuhan was taken as the research object. Through on-site interviews, salary data analysis, secondary data research and questionnaire survey, Wanda Realm's salary system and its role in stabilizing and retaining employees under the impact of the epidemic were discussed. This paper analyzes the salary standard and salary structure of Wanda Realm hotel in detail, and finds out the problems in salary differentiation, post grading standard and salary incentive, and puts forward corresponding countermeasures to improve the incentive of salary system and staff enthusiasm.

References