

The background of the slide is composed of several overlapping geometric shapes. In the top left, there is a large yellow circle with a textured, pebbled surface. The rest of the slide is filled with various shades of blue and yellow. A large, dark blue triangle points from the top right towards the center. Below it, a lighter blue triangle points from the bottom right towards the center. To the left of these, there are more yellow and blue geometric shapes, including a yellow triangle pointing towards the bottom left. The overall effect is a modern, abstract design.

HR Report for Amazon

Group 24

BEMM464

University of Exeter

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1 AMAZON THE COMPANY OF DREAMS

Even a little child in the 21st century is familiar with the word "Amazon." They may not be aware of how vast their empire is or how difficult it would be to run such a firm, but the "Millennials" would be the perfect discussion group to know about their roots.

Amazon.com, Inc. is a multinational technology business based in the United States that specialises in e-commerce, cloud computing, digital streaming, and artificial intelligence. It serves four key client groups: consumers, sellers, businesses, and content creators. By total sales and market capitalization, it is the world's largest Internet-based retailer.

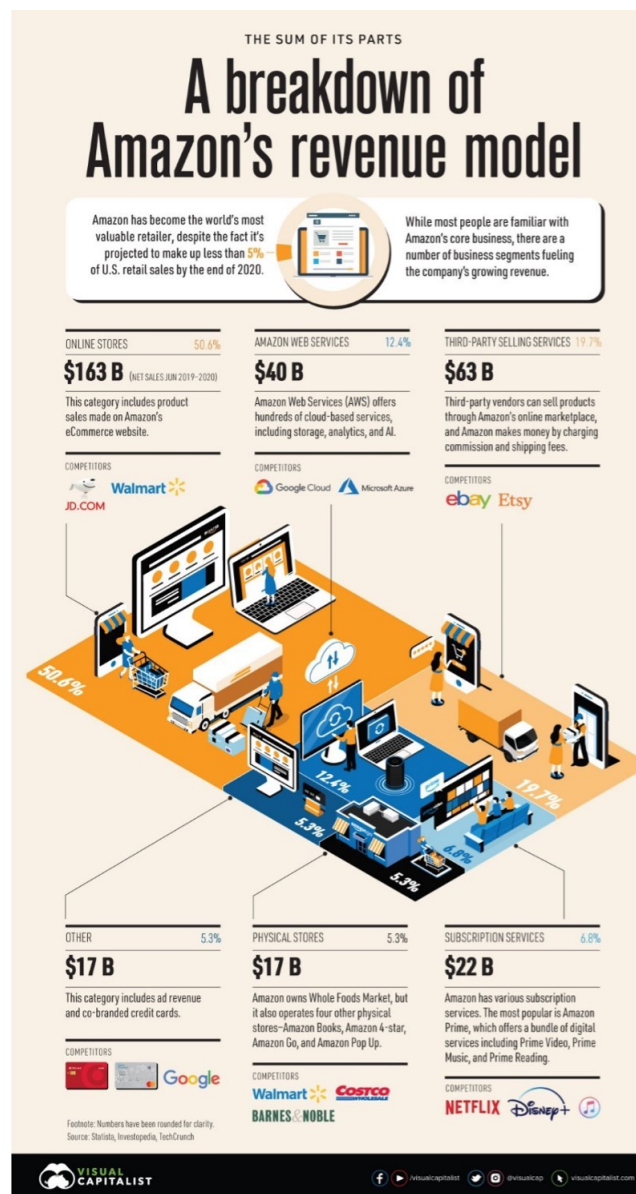


FIGURE 1: AMAZON REVENUE MODEL

Amazon's principal source of revenue, including its online and brick-and-mortar locations, is retail, which includes subscriptions and web services. Amazon Web Services (AWS) is the clear winner when it comes to operating profit.

2 KEY STRATEGIC AND HR POLICIES

2.1 STRATEGIC MANAGEMENT

Amazon's online business strategy is unique since it connects customers and sellers. Amazon sells everything. Amazon must be swift and efficient to match consumer expectations. "There is no work-family balance, but there is harmony," Jeff Bezos said in 2018. According to Jeff, high-quality work is important, but so is workers' capacity to manage with stress and create "Harmony" at work.

2.2 RECRUITMENT STRATEGY

Amazon's organizational structure is flat, the operation center calculates wages according to the hour. Promotions in Amazon are tough as well. The company also offers medical insurance combined with other types of insurance and different packages or bonuses. The job situation which Amazon published to the public is positive, but there is much more vulnerability in the management process. According to Cadwalladr, workers in Swansea warehouse have to work up to 50 hours in a week and there are four shifts in a day. (Cadwalladr, 2013)

2.3 PERFORMANCE AND REWARD MANAGEMENT

Amazon's structure is flat, and the operation centre determines compensation by the hour. The company offers medical insurance, other insurance, and bonus packages. Amazon's employment status is strong, but management may make mistakes

3 KEY STRATEGIC AND HR ISSUES

3.1 LOW WAGES FOR WAREHOUSE STAFF

Amazon is known for offering low wages relative to employees' time and effort. Amazon workers suffer repetitive work, facial recognition software, and high injury rates. Before 2018, these jobs' minimum wage was 7-8 USD before being increased to 15 USD. While these pay are competitive with similar warehouses, they come with heightened accident risks and a time-pressed environment where employees must be productive or risk being dismissed.

3.2 HOLIDAY AND LEAVE SYSTEM CREATING ISSUES

Internal attendance software tagged workers as no-shows, medical data was lost, and systems were backed up to accommodate returning staff, causing money loss. The software system

reportedly underpays employees and reports erroneous salaries.

3.3 DIVERSITY AND INCLUSIVITY

Amazon has always backed the "Black Lives Matter" campaign, but has never helped black workers or communities show their support. Employee interviews show they don't favour ethnic minorities for top to middle-level jobs. Amazon wasn't encouraging diversity and inclusion best practises, according to most employees. Diversity and inclusion must be part of the company's culture to encourage varied perspectives. Appendix 1 contains the current amazon employee portfolio.

3.4 LOW RETENTION RATE

Amazon has a low retention rate, especially among warehouse employees. It has been uncovered that Amazon's warehouses have a turnover rate of 150 percent, which is supported by the company to minimise the possibility of a stagnant staff. This is much higher than the attrition rate of 46 percent in the US transportation and warehousing business as a whole. This poor retention rate is due to the company's culture and the rapid burnout caused by Amazon's high production needs.

3.5 EMPLOYEE BREAK SYSTEM

Every day, employees receive only a one hour of breaks, including two 15-minute breaks and one 30-minute lunch break. This strategy has been a subject of discontent among Amazon employees since it takes too long to get to the cafeteria and restrooms. The time is strictly restricted, and restroom breaks are not permitted after the company regulation-mandated intervals.

3.6 CUSTOMER ORIENTED OVERVIEW CREATES HARSH WORKING ENVIRONMENT AND CORPORATE CULTURE

Employees at Amazon are regarded as disposable when it comes to building customer loyalty; even little errors at work that contribute to consumer displeasure, can result in an employee's dismissal. With a top-down management style and a strict corporate culture, as well as strong staff competition, Amazon is an incredibly unpleasant place to work.

3.7 LOYALTY IS UNAPPRECIATED

Amazon has no large employee loyalty programmes; the most it does is offer incremental salaries; loyalty is not a key indicator of corporate success; and workers are replaceable. Amazon's ap-

proach to cost is very streamlined; they seek to save expenditures wherever possible, therefore most bottom-line workers are not expected to remain more than 2 or 3 years, creating a culture where most individuals depart quickly.

3.8 AUTOMATED EMPLOYEE FIRING SYSTEM

Employees are treated as disposable, and the company has no strong employee loyalty programs. Amazon pays its employees incrementally over time and does not view loyalty as a key sign of the company's success. Most employees at bottom levels are not expected to stay more than 2 or 3 years, which creates an environment of higher employee attrition. Amazon's approach to cost is also very streamlined; they seek to cut expenses wherever possible.

4 RECOMMENDATIONS

4.1 LOW WAGES FOR WAREHOUSE STAFF

Increased salaries may help retain competent and productive workers given present incentives to work in higher-paying places.

1. Amazon could create a performance-based promotion strategy based on the present HR paradigm to inspire staff.
2. Amazon could implement performance-based pay, like pick rate-based pay, to incentivize strong achievers.
3. Amazon's current firing procedure uses a point system, which warns low performance but adds to employee stress. Amazon could utilise the point system to help employees measure their own performance.

4.2 HOLIDAY AND LEAVE SYSTEM CREATING ISSUES

According to the Forum of Private Businesses, frequent vacationers are more devoted to their employment and more productive and they have fewer workplace accidents.

1. Amazon should streamline taking leave, particularly emergency leaves and paid time off, and the HR system should immediately compute hours upon return.
2. Amazon should regularly review its payroll system to ensure the automatic wage calculation system is working in line with company's payment policy
3. Amazon should regularly back up medical records and leave reports to ensure there is no data loss.

4.3 DIVERSITY

Workplace diversity is crucial. Corporate inventiveness is boosted. Innovation is key to a company's success and survival. McKinsey Company found that companies in the top quartile for racial and ethnic diversity had 35 percent higher financial returns. Top-quartile gender-diverse enterprises earn 15 percent more than average. There should be genuine effort from amazon to include everyone, promote diversity via cultural events and support and promote minorities into mainstream society.

4.4 EMPLOYEE TURNOVER RATE / EMPLOYEE RETENTION RATE

High staff turnover hurts businesses, it depletes resources, wastes money, and may lower morale. Its important to understand the crux of why employees are readily leaving the organisation. Employee retention is improved by:

1. Improve on the Employee engagement to make them feel valued.
2. Optimize on the employee experiences from start to end, especially the exit.
3. Create a culture of open feedback and get genuine insights from exit interviews.
4. Introduce a culture of recognition for their contributions, including internal hiring and promotions.

4.5 EMPLOYEE BREAK SYSTEM

Taking pauses improves health, productivity, pain and reduces a risk of injury.

1. Amazon has to improve their break system and ensure that workers have adequate breaks which can reduce workplace incidents.
2. Lunch breaks should be extended to one hour in line with corporate best practices.
3. Supervisors need to be provided the authority to advice workers to take time off if there is any high stress induced issues which can lead to accidents.

4.6 AUTOMATED FIRING SYSTEM

The current system has reliability issues and amazon needs to take steps to:

1. Audit the automated system on a quarterly basis to verify that employees are not terminated without due procedure.

2. Implement an online channel for employees to enquire about details on their termination and to ensure KPI data indicates accurate reason for the discharge. There should also be a process to file an appeal which can be verified by HR personnel in case the employee is able to substantiate the error or prove that his work was optimal.

4.7 HARSH WORKING ENVIRONMENT

Amazons corporate culture is harsh in comparison to industry leaders, few changes are recommended:

1. Change the culture from the top-down so that staff are treated similarly to customers.
2. Staff health is vital to the success of the business; thus, there should be a provision of in-house physicians and medical care.
3. Make a dedicated effort to reduce workplace accidents by improving employee health standards, mental health is equally important.

4.8 LOYALTY IS NOT APPRECIATED

According to a New Zealand research, rewarding above-average performance boosts loyalty and happiness. This research highlights the importance of commitments for a company's growth and health. Amazon should apply the following:

1. A loyalty programme that rewards loyalty and performance. Through these initiatives, performing workers might be promoted and financially rewarded.
2. Amazon employees can be given free amazon prime accounts with incentives like coupons, free delivery, and preferential pricing based on employee performance to boost productivity and instill a feeling of belonging.
3. Bonuses for high-performing staff enhance morale.
4. Free lunch for staff and financial support for low-income workers.

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6 APPENDIX

The EEO-1 report is a compliance survey required by federal statute and regulations. The survey requires private sector employers in the US to submit demographic workforce data, including data by race/ethnicity and job categories. The 10 job categories for the report are based on the US Department of Labor Job Classification Guide. The job categories on the EEO-1 report can be wide ranging and, in many ways, are different than how we think about job categories and specialties at Amazon. Since 2015, we have shared data on the demographics of our workforce, and in 2021 we expanded the amount and specificity of that data to include representation by job type, such as front-line employees and corporate employees, including people managers and executive leadership. Our workforce data can be found on our diversity, equity, and inclusion page on About Amazon – not just for the US, but globally. Our focus on diversity, equity, and inclusion is not new, and this data highlights our progress towards creating a more global diverse, equitable, and inclusive workforce at Amazon.

CO= T036832
U= T036832

EQUAL EMPLOYMENT OPPORTUNITY 2021 EMPLOYER INFORMATION REPORT EEO-1 CONSOLIDATED REPORT

SECTION B - COMPANY IDENTIFICATION

1. Amazon.com, Inc.
410 Terry Avenue North
Seattle, WA 98109

2.a. Amazon.com, Inc.
410 Terry Avenue North
Seattle, WA 98109

c. EIN= 911646860

SECTION C - TEST FOR FILING REQUIREMENT

1- Y 2- N 3- Y DUNS=

SECTION E - ESTABLISHMENT INFORMATION

NAICS: 454110 - Electronic Shopping and Mail-Order
Houses

SECTION D - EMPLOYMENT DATA

JOB CATEGORIES	HISPANIC OR LATINO		NOT-HISPANIC OR LATINO												OVERALL TOTALS
			***** MALE *****						***** FEMALE *****						
	MALE	FEMALE	WHITE	BLACK OR AFRICAN AMERICAN	NATIVE HAWAIIAN OR PACIFIC ISLANDER	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE	TWO OR MORE RACES	WHITE	BLACK OR AFRICAN AMERICAN	NATIVE HAWAIIAN OR PACIFIC ISLANDER	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE	TWO OR MORE RACES	
EXECUTIVE/SR OFFICIALS & MGRS	106	37	1521	106	1	507	7	35	538	66	2	130	2	17	3075
FIRST/MID OFFICIALS & MGRS	5192	2581	23593	4863	141	7516	193	1198	9980	3020	86	2842	112	731	62048
PROFESSIONALS	4785	2422	34332	3222	119	37621	144	1932	15175	2578	88	17479	123	1162	121182
TECHNICIANS	1240	336	3957	1050	31	703	52	326	945	237	9	182	30	63	9161
SALES WORKERS	9819	9625	18314	6456	207	2849	333	1329	17871	7869	200	2975	346	1533	79726
ADMINISTRATIVE SUPPORT	1577	2076	4171	1192	50	626	81	378	6390	3164	66	1067	122	707	21667
CRAFT WORKERS	224	5	890	109	8	53	17	50	12	0	0	5	1	2	1376
OPERATIVES	7998	4697	13992	6923	210	2185	264	1331	7615	5199	159	1064	233	931	52801
LABORERS & HELPERS	95484	107201	116887	113307	2338	34964	4315	12923	94373	131339	2294	28717	4256	13170	761568
SERVICE WORKERS	1653	1082	1723	1081	34	397	37	136	783	724	17	226	21	84	7998
TOTAL	128078	130062	219380	138309	3139	87421	5443	19638	153682	154196	2921	54687	5246	18400	1120602
PREVIOUS REPORT TOTAL	104689	104609	179610	110133	2828	75083	3810	16119	126088	127650	2671	45770	3816	15385	918261

SECTION F - REMARKS

DATES OF PAYROLL PERIOD: 10/1/2021 THRU 10/31/2021
SECTION G - CERTIFICATION CERTIFIED DATE [EST]: 5/9/2022 11:26 AM

FIGURE 2: EMPLOYEE RECORDS