

Starbucks Rewards and Compensation

"Starbucks is the world's number one specialty coffee retailer and operates and licenses more than 7,500 coffee shops in more than 30 countries." (Melcrum Publishing, Ltd., 2004, p. 12) They hire around 200 people per day and have one of the lowest turnover rates in the industry. "Our firm belief has been that if you take care of people, people will take care of customers and be engaged in their work." (Melcrum Publishing, Ltd., 2004, p. 12). They offer a comprehensive benefits package including healthcare coverage, stock options and discounted stock purchase programs. Their benefits package is branded "Your Special Blend" and is available to employees in its full capacity after only ninety days of employment. To go a step further, Starbucks implemented a plan called Partner Connection to help the workforce with health and fitness and to link employees with shared interests and hobbies. This program is funded by sales of logo merchandise to partners. They also have a program called the CUP Fund that helps employees with financial assistance during times of crisis or hardship and a Total Pay package that offers discretionary bonuses. Finally, Starbucks offers its employees a program called Mission Review which allows the employees to communicate thoughts and feelings to management and receive answers to their questions.

Companies can learn from Starbucks. All of the strategies mentioned keeps Starbucks a step ahead of its competitors and ensure a low turnover rate and high employee satisfaction rate.

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