



Memorandum

To: Samson Strong, President
From: Rebekah McKamie, Human Resources Director
Date: June 16, 2024
Subject: On-Site Employee Break Area Proposal

Jawbone Fitness asks that employees maintain good health and fitness because our members expect immense physical stamina and enthusiasm from their trainers, instructors, and customer service team. For this reason, we have always been faithful to comply with labor laws that require a lunch break to allow our employees to refuel with both rest and nutrition. However, there is currently no adequate space to accommodate an on-site lunch break. Some employees choose to eat “on-the-go” and do not take a full break, despite regulations. Many others spend their lunch break at area restaurants to purchase food that often lacks the nutritional value they require. In addition to an extra 20–30 minutes employees must be absent from their posts at lunchtime, there has also been a notable decrease in stamina in the afternoon, and a sense of burn-out that has led to an increasing turnover rate. This shows that the break they do receive is of low quality and does not provide adequate refreshment. We value our employees and cannot afford to keep losing these talented individuals.

A high-quality break would have many benefits for the employee and consequently benefit our gym by allowing for the enthusiasm our patrons have come to expect. I propose that to facilitate relaxation during lunch breaks, Jawbone Fitness should provide an on-site break area for employees. A designated break area would meet the needs of employees by providing a convenient location for high-quality breaks that will allow for recovery without the stress of spending money on restaurant food or the fear of being late to the second half of their shift. This could, in turn, increase employee morale and camaraderie, and decrease our turnover rate.

Break Area Problem

Lunch breaks are essential for employee effectiveness and morale. Among other reasons, employees take breaks to avoid fatigue, meet physiological needs, and to maintain good job performance (Phan et al., 2022, 263). Despite these benefits, data has shown that employees will avoid taking a break for various reasons (Phan et al., 2022, 264). We strive to comply with labor laws and to allow employees to avoid fatigue, so when an employee chooses not to take a lunch break for *any* reason, this concerns us greatly.

For sufficient recovery that leads to maximum employee performance in the afternoon, breaks must be high-quality. Data has shown that high-quality breaks offer employee control over how their breaks are spent and an environment that facilitates relaxation and socialization (Bosch et

al., 2017). This shows that while employees may not mind getting away from work, they also prefer to socialize with coworkers, thereby creating more camaraderie among the team. Currently, we cannot offer this asset to our team at Jawbone.

In addition to the above concerns, note that this is a health and fitness facility, and we want our employees to be able to perform at their best during each shift. The area restaurants have benefitted from our employees, but very few of them offer nutritious calories and healthy alternatives for employees with dietary concerns. The lack of an on-site break area may be contributing to the loss of employees who would simply prefer the option of bringing a lunch to work.

Our turnover rate is increasing, and we continue to lose money on sign-on bonuses for valuable talent as well as training costs. These costs combined amount to just under \$460,000 over the past three years for employees who ultimately left the company. We must do what we can to retain current employees and cut costs in that area.

Proposed Solution for Jawbone Fitness

Because employee break time may contribute to employee retainment, comfort, and camaraderie, I propose that an on-site break area be created within the facility. Currently, we have two large massage rooms, but only one massage therapist on site at any given time. With just a few modifications, one of these massage rooms could be converted into an employee break room.

This break room would facilitate employee relaxation, relatedness, and control during lunch breaks (Bosch et al., 2018). It would need to be equipped with several options for how an employee may want to use their break time.

While area restaurants may lose some business, we also want to facilitate healthy nutrition that is either supplemented by Jawbone Fitness or encouraged by adequate food storage for meals brought from home. This would require a kitchenette with a full-size refrigerator and microwave, a coffee maker, some cabinets, and disposable plates and eating utensils. Tables with comfortable chairs would facilitate both socialization and employee control over how their break time is spent. Employees can still store belongings in the locker room, but ideally there would be an area in this break room to charge any devices they bring to help *them* recharge.

Cost Breakdown

The costs of an on-site break room would be as follows. Some items would be a one-time expense. Other items would need to be replenished monthly. Purchasing would be completed by the administrative assistant, with input from other staff. Other work would be completed by staff during their normal shift, with voluntary overtime as needed.

Monthly Costs

Healthy snacks, drinks, and coffee	*\$400
Cleaning supplies	*\$65
Disposable plates, cups, and utensils	*\$85

Total Estimated Monthly Cost: *\$550

One Time Costs

8 Quality ergonomic dining chairs *(\$259 for set of 2)	*\$1,040
2 4-person dining tables *(\$300 each)	\$600
2 Conference table power outlets *(\$47 each)	*\$ 94
1 Frigidaire 25.6-cu ft refrigerator with protection plan, delivery, and installation service	\$1,612
1 GE 2-cu ft countertop microwave with protection plan and delivery	\$ 310
1 set of premium cabinets with enhanced storage and solid surface countertops, installed	*\$5,518
1 Hamilton Beach 1-cup drip coffee maker	\$40
Various on-brand room décor	\$200
Any employee overtime required to keep the project on schedule	*\$1600

Total Estimated One-Time Cost: *\$ 11,014

*Estimated cost, may vary

Completion Schedule

Employee turnover is reaching a critical point, so this project needs to be completed as soon as possible. Thankfully, the job is not too extensive, and can be completed mainly in-house. It could be done by the end of the summer under ideal conditions.

June 2024: Project approval by management and announcement to team

July 2024, Week 1: Clear out current room (Massage Room #2)

July 2024, Week 2: Cost comparisons of products from vendors and retailers

July 2024, Weeks 3–4: Approve purchases, order products, and schedule installations

August 2024, Weeks 1–2: Cabinet and appliance installation

August 2024, Week 3: Install décor, snacks, and any other items.

August 2024, Week 4: Open room for employee use

Conclusion and Recommendation

I recommend that Jawbone Fitness remodel the current extra massage room and invest in a break room for employees. This will allow employees to take their lunch break on site, which will promote relaxation and a greater sense of connection to the rest of the Jawbone team. The cost for such a remodel will be around \$11,000. Since the cost of hiring and training new employees has continued to rise to nearly half a million dollars since we opened, this \$11,000 investment could save money in the long run.

We value our employees, and we want them to value their time at work without experiencing excess fatigue in a sometimes physically demanding job environment. It is well worth it to show our appreciation and invite them to relax and maintain healthy nutrition while at work. The Jawbone team is strong, and we can make them stronger by investing in a break room that will offer them a chance to thrive as they train others to do the same.

References

- Bosch, C., Sonnentag, S., & Pinck, A. What makes for a good break? A diary study on recovery experiences during lunch break. (2018, March). *The British Psychological Society*, 91 (1), 134–157. <https://doi.org/10.1111/joop.12195>
- Phan, V. & Beck, J. (2022, December 29). Why do people (not) take breaks? An investigation of individuals' reasons for taking and for not taking breaks at work. *Journal of Business and Psychology* 38, 259–282. <https://doi.org/10.1007/s10869-022-09866-4>