



OUT OF THE BOX:





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With the unpredictability of the restaurant business, it's no wonder that many restaurant owners still work in crisis mode. With supply chain disruptions, staffing shortages, and sudden imperative new technology requirements, restaurant leaders continually pivot to meet business needs and move forward. But doing business by constantly putting out fires has a cost. That short-term view makes it difficult to plan long-term and execute that plan.

Take hiring employees, for instance. Unless you're expanding or opening a new restaurant, it can be difficult to predict just when you'll need to hire. But when that day comes, you urgently need to fill that role. Restaurant managers put out the call for applicants, and once one is hired, the crisis is over. Until the next person resigns, and the process repeats.

Filling restaurant roles is more complex than it used to be.

Many frontline restaurant employees have gone to other, more predictable industries. According to the National Restaurant Association, 62% of restaurants say they are understaffed.¹ It's even more challenging to hire employees for specialized jobs, like manager, line cook, and bartender.²

Restaurants cannot afford to operate while chronically understaffed. However, they compete with other restaurants for people in a smaller candidate pool.

Restaurants need fresh ways to cultivate a new generation of employees. They must think out of the box to identify and nurture people who want to develop careers in the restaurant industry. These strategies can help restaurants find, attract, and keep employees.

STEP 1:

USE SHORT AND LONG-TERM STRATEGIES TO IDENTIFY AND ATTRACT POTENTIAL WORKERS

- 1. Recruit workers from “like” industries.** During COVID-19, many restaurant workers used their transferable skills to find jobs in other sectors. Look for reverse opportunities– what skills can candidates in different positions use in the restaurant industry?

Customer service, communication, sales, and the ability to multitask are essential skills for restaurant teams. But these skills are also needed for other frontline positions, such as customer service and retail. Opening the lens to recruit workers from other industries with similar skills can help fill jobs faster.

- 2. Hire gig workers.** As many people turn to the gig economy, consider embracing it too. Beyond providing delivery services, many gig workers can work front and back of the house. They can increase flexibility and staffing for high-volume periods and decrease overstaffing during low-volume times.³

With millions of people in the gig economy, opening up to this type of worker creates more opportunities. Some gig workers may want to become regular employees–and if so, their work as a freelancer gives restaurant managers a preview of their abilities. However, others may wish to continue to freelance, and managers must adjust to this new employment dynamic.

- 3. Create a pipeline.** You can't always anticipate hiring needs, but you can prepare so that when the time comes, you're not just putting out fires. By creating a pipeline, you have resources to pull from when needed. Even though you've probably spent significant time recruiting, it may be time to look into some new recruiting pools.

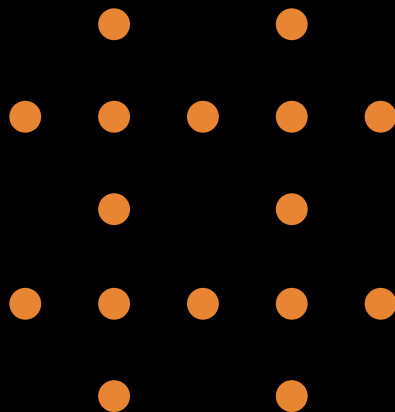
Consider where to find potential employees. High schools, or if servers must be at least 21, community and area colleges are prime places to find students who need work. Look for people interested in food prep from local culinary schools or community college culinary arts programs.



4. Build partnerships. To support and encourage the restaurant industry's growth, invest in the local and national organizations that promote restaurants. DIRECTV FOR BUSINESSSM, for example, partners with the National Restaurant Industry to grow the pipeline.⁴ "We care about the industry's challenges," explained Jim Grandahl, Director, National Accounts, DIRECTV FOR BUSINESS. "While we can't solve supply chain problems or high credit card swipe fees, we can provide an outside perspective about how to think about the business, for example, how entertainment blends with the service staff and customer experience."

The partnership also benefits the National Restaurant Association Educational Foundation programs, which offer culinary and management opportunities for high school students and adults.

Partnerships can also be local and informal: contact the career counselors at high schools, vocational schools, colleges and local organizations to find out their needs and offer to share industry insights.





STEP 2:

ENSURE YOUR POLICIES AND PRACTICES ARE EMPLOYEE-CENTRIC

- 1. Make applying easy.** A whopping 92% of people never finish completing an online job application.⁵ For many, the process is cumbersome and time-consuming. Potential candidates will move on if applications aren't mobile-friendly or ask for too much unnecessary detail (i.e., a resume, extensive job history, references).

Use technology that makes it easy for candidates to apply from their phone, laptop, or other mobile device. Once they apply, follow up quickly to confirm receipt of the application, either with an automated message or a text from the HR or hiring manager.

Streamline the rest of the process so you can interview and make hiring decisions quickly—giving you the best chance to land your strongest candidates.

- 2. Provide scheduling flexibility.** Today's employees in all industries put a premium on having flexible schedules. Granted, in the restaurant industry, you typically need the majority of your staff during the time people most want to be off—evenings and weekends.

Experienced restaurant staff know these busy times can be the best shifts for tips. Still, it is critical to offer as much flexibility within those parameters as possible. Some states have enacted “predictive scheduling” laws that protect workers from last-minute schedules and scheduling changes.⁶ Even if this law isn't enacted in your state, it's a good practice to follow.

Other options for flexibility include adjusting workweeks for three or four-day shifts and compressing the schedule to allow more time off.⁷



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- 3. Offer competitive wages and benefits.** Restaurant managers are working to increase employee wages while balancing the bottom line. It's necessary but not easy.

However, some restaurants are looking at where they can increase efficiencies and reduce expenses to invest that savings into employees' pay and benefits. One restaurant in Texas adds a 3% charge for checks to help pay for health insurance (customers are allowed to opt out).⁸ Likewise, a champagne bar in North Carolina tells customers that the menu pricing "reflects a minimum wage and sick leave for employees."⁹ Yet other restaurants are looking at setting up profit-sharing for employees.¹⁰

While your solution may differ from these examples, it's essential to identify traditional and non-traditional strategies to create competitive pay and benefits offerings for your staff. Start by finding out what matters most to your team. Then, be creative in how to meet those needs.

4. Offer development opportunities. Development opportunities do more than help staff gain more skills. They motivate and retain them, too. Whether it is through education or job or leadership training, investing in employees' careers is vital. "If someone likes what they do in the environment they do it in, give them as many tools as you can so they can be better," said Dave Dittenber, President of Downtown Restaurant Investments and CEO of tech start-up BYOD (Bring Your Own Data).

"Investing in your people is the number one thing you can do through education and by giving them the time to do that," Dittenber said.

He added that restaurant leaders must also outline workers' career options. "My first job in the restaurant was as a dishwasher. If I'd thought that my career would be as a dishwasher, I wouldn't have stayed with the business." Dittenber said mentors showed him he was at an entry point and detailed a development path. "By continuing to train, get an education, gain more skills by working in different positions and into management, I ultimately moved into ownership."



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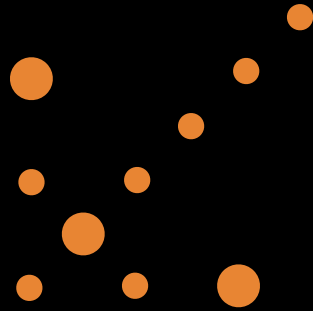
President of Downtown Restaurant Investments and CEO of tech start-up BYOD (Bring Your Own Data)

5. Use technology to make work seamless. Even as restaurant leaders help workers plan their futures, they must also keep sight of the present. Employees won't want to stay when work processes or technology are frustrating.

Just as candidates won't apply for a position when the process is complicated, workers get frustrated when their work tools don't operate seamlessly. Consider the technological tools employees use to schedule work or create tickets. Are they easy to navigate? Employees are accustomed to user-friendly technology in their personal lives and expect the same convenience on the job.

"Simplicity is key," said Grandahl. For example, when a customer comes into a restaurant to watch a game, it's helpful when all shows are aggregated in one environment, as they are with DIRECTV FOR BUSINESS. "You don't have to say, 'Wait a minute. I need to switch to Apple TV, or I need to switch to Amazon.' DIRECTV FOR BUSINESS is still the one place to get all that sports content."

Making it easier to carry out job responsibilities is beneficial at any time, but it is especially helpful when the staff is new or the restaurant is busy and workers must be as efficient as possible.



6. Create an enjoyable environment. Businesses frequently focus on their guests but must also pay attention to their employees. After all, research has long demonstrated the correlation between a good employee experience and a good customer experience.¹¹

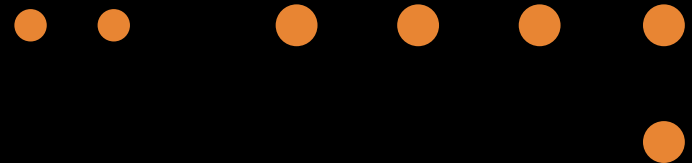
"We underestimate how much entertainment impacts the staff," Grandahl explained. "I think we've realized for operators that being in a fun, energized environment is a big part of their work experience."

He noted that restaurants and bars can often easily create that exciting atmosphere. The businesses can draw customers who want to see their favorite teams play on TV. Companies can hold theme nights based on those games or highlight activities like Fantasy Football Leagues to bring customers in. And, when restaurants involve their employees in the fun (think: join a Fantasy Football league or wear the team jersey), staff interact with the customers and have fun.

PUTTING THE PIECES TOGETHER TO ATTRACT AND KEEP EMPLOYEES

The list may be long, but every item is essential, from providing living wages and benefits, offering employee education and training, and creating an engaging culture to building a talent pipeline that keeps the industry going.

"With restaurant costs rising, profit margins shrinking, and inexperienced staff and less of them—restaurants must choose the right technology and concentrate on training to ensure the end user still receives a great experience," Dittenber said. "As the great Coach K (Duke University's former basketball coach, Mike Krzyzewski) said, 'always get back to your core principles.' I don't think that can be truer than in the hospitality industry. Service training, attention to detail and providing great hospitality will be the barometer for success and survival in the future."





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