QSRSoft

The Ultimate Quick-Service Restaurant Guide to Employee Engagement

9 Research-Based Tips for Retaining Your Top Performers

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It's no secret that the restaurant industry has the highest turnover of all industries. With an **average churn of 70% (and ballooning up to 140% post-COVID)**, restaurants are struggling to find—and retain—workers. While quick-service restaurants (QSRs) are facing the brunt of this struggle, the research is hopeful: keeping employees informed, engaged, and motivated is the key to a significantly lower turnover rate, higher workplace morale, and an improved ROI.

This analysis outlines the nine research-based steps to creating a QSR environment that not only retains, but attracts, top performers. It answers questions like:

- How can I improve employee engagement and retention?
- How much money am I wasting on a high turnover rate?
- How can I incentivize my workers?
- What tools do I need to improve my employee experience?

But first, let's look at why QSRs are so vulnerable to higher churn rates.

Why QSRs are Vulnerable

While the restaurant industry as a whole contends with a 70% turnover rate, **QSRs experience more than double that, citing an average churn rate of 150%.** Why such an astronomical difference? There are several factors that contribute to the transience of QSR employment. First off, **nearly 70% of fast-food workers are under 25 years old** and just entering the workforce, meaning they're more likely to move on if they're unhappy or find a better opportunity elsewhere. Food-service workers also cite low wages, stressful customer encounters, lack of flexible schedules, and a negative company culture as reasons for leaving their job.

It's tempting to reason away these statistics with "No one wants to work anymore." But that's not what the employee feedback shows. It shows that people want to work; they're just looking for more from their employers—**better connection, communication, and recognition top the list.**

70%
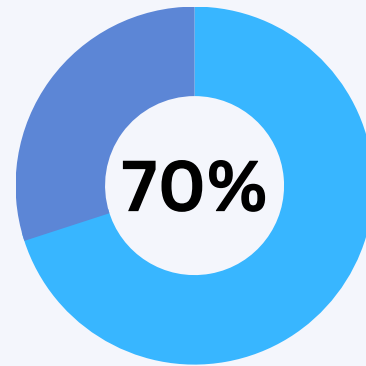
of Fast-Food Workers Are Under 25 Years Old

The True Cost of Turnover

As QSR leaders, there are many reasons to care about the high turnover rate. It impacts every part of your business, from revenue to productivity to brand trust. Here are some eye-opening statistics that reveal the true cost of employee churn:

- As much as **50% of a fast-food restaurant's staff** turns over each year, costing the restaurant industry $3.4 billion
- Turnover costs restaurateurs an average of **$146,600 every year**
- Turnover costs restaurants an average of **$5,864 per employee**
- Restaurants experience a **52% loss in productivity** from high churn
- **78% of restaurant operators are losing sales** because they don't have enough employees to help customers

A Happy Workplace is Just Good Business

Real-world data from industry experts points to the main ingredient for attracting and retaining workers—and it's not money. Study after study reveals what workers want from their employers: engagement, motivation, recognition, and a strong company culture. And businesses that prioritize those values are not only investing in their employees—they're investing in their business growth.

Put simply: the happier the employees, the better the company's bottom line. Engaged employees are **20% more productive** than unhappy workers, **generate 21% more profit,** and are **59% less likely to look for another job.** Companies with **highly engaged workers show an uptick of 20% more sales** than their competitors.

9 Proven Ways to Boost Employee Engagement and Reduce Churn

Communicate Clearly

Being a deskless worker, like those in the food-service business, means being on the front lines. Instead of checking emails, they're helping customers, filling orders, and performing other tasks that take them away from the computer. That's why keeping communication clear, simple, and easy to access is key to keeping employees in the know while they're on the go.

Unfortunately, QSR employees report a lack of communication as the norm. **Half of those polled** said they didn't have a clear picture of their company's goals, values, or vision. **34% said they were rarely looped in** on internal communications, and a whopping **74% feel like they're regularly missing out** on important company news and information. These stats take on new significance when considering that **poor communication is the top reason employees quit.**

Keys to Clear Communication
Keep it short and sweet. Food-service employees don't have time to sift through paragraphs of information. If you want your message to be heard and remembered, use bite-sized snippets that highlight your main point or points. Write just a few sentences or bullet points so your message doesn't get lost. See if it passes the "at a glance" test: can you read it in just a few seconds and come away with the main point? Then it's likely your workers will too!

Go where your employees are. Just as important as what your message says is where your message is posted. If you want to grab as many eyes as possible, post your message in break rooms and other common areas where staff pass regularly. Want to make your message stand out even more? Add **dynamic digital signage**, where you can post company announcements, news, reminders, and more on back-of-house TVs. These workplace digital signs also make it easy to post your message across locations, customizing and changing it where and when needed.

Maintain an open-door policy. Communication goes both ways. QSR workers need to know that they can come to managers with the problems they encounter at work. Not only does this allow employees to feel supported, but it's the best way to take the pulse of your team in each of your locations. It also gives you a chance to resolve smaller issues before they become bigger, costly problems.

Improve Your Training

Seventy percent of restaurant workers feel they haven't been adequately trained to effectively perform their job and **62%** said this subpar training was the reason they quit. As QSR owners and managers, if we're going to get serious about retention, start at the beginning: revamping our training programs.

62%
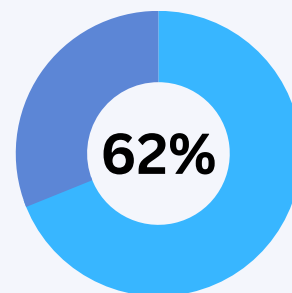
Quit Because of Sub-Par Training

Training isn't just a "one and done" thing; workers learn at different paces and need reminders along the way to feel successful. And research shows us that younger workers (who make up most of the QSR workforce) learn better with digital, self-paced learning modules and **gamified training techniques**. But more than that, training best practices for QSRs include:

- **Strong onboarding**. Welcome new employees and give them a brief rundown of brand values and your vision for the future. Outline what a typical day or week looks like, so they know what to expect.
- **Automated workflow. Automating your onboarding workflows** may seem like just saving you time and money but it's actually paying it forward to new hires, who benefit from your extra time and attention.
- **Multi-media approach**. Though employee handbooks and training manuals alone aren't effective ways to train new employees, they are excellent supplements to more interactive techniques. Studies show that new hires learn best with a mix of training tools, including e-learning modules, apps, and gamified training.
- **Clear-cut goals.** Provide trainees with a clear job description that lists all job tasks and quantifiable goals so new employees know what's expected of them.
- **Hands-on training.** When it comes to learning, nothing beats being in the trenches. Start new hires on the front lines as soon as possible, having them shadow seasoned employees. Check in with them daily to answer questions and offer feedback.

Introduce New Technology

Paper checklists and manual processes have no place in today's quick-service restaurant. Not only do customers expect you to use the latest tools—think self-order kiosks and mobile ordering—but your employees do too. The QSR workforce is mostly made up of younger workers, so your technology must match their needs. You may not think it's a big deal, but **you risk losing over a third of your workers** if you're technology is lacking.

1/3

You Risk Losing 1/3 of Workers With Poor Technology

Automated solutions that include **inventory management,** accounting and payroll, and **digital forms** and **reports** streamline operations and saves you hundreds of hours on manual processes. **Digital checklists and alerts** increase productivity and accountability. And digital processes prevent the costly human errors that manual processes bring. Need help on what to look for with new technology?

According to the research, QSR employees want technology that is:

- **Connected**. Digital tools are only as good as their interfaces. That's why onboarding tech that talks to multiple data systems is key. From your POS system to your inventory software to your **HR system**—the more data shared across platforms, the easier their (and your) job will be.
- **Convenient.** Mobile apps, tablets, **real-time alerts, and notifications**—these digital conveniences make it easier for deskless workers to have everything they need to do their job at their fingertips. It's also a game changer for busy QSR owners and managers running multiple locations and struggling to keep track of all the moving parts.
- **User-friendly.** What's worse than no tech at all? Tech that makes your job even harder. Front-line workers don't have time to troubleshoot difficult tech, leading to pencil-whipping digital checklists or ignoring tech altogether. **User-friendly digital tools** do what they're designed to do: streamline and simplify job tasks, saving your workers time and frustration.

Start Smart Scheduling

Scheduling your employees—especially if you're managing multiple locations—can seem daunting. Between being short staffed, last-minute shift swaps, and keeping staff on that balance beam between getting the hours they want without burnout, it may even seem impossible. But with **the right scheduling tools and predictive data**, you can avoid a lot of the scheduling conflicts that arise. Here are the top scheduling challenges for QSRs, and how **the right scheduling software** can help:

Challenge: Understaffing. The current labor shortage means that the average restaurant is between **25–40% understaffed**. For QSR employers, it can be difficult to maintain the right number of workers at any given time to keep service running smoothly without overworking your staff.

Solution: Use data to forecast shift needs. The best predictor of future behavior is past behavior, and this applies to customer trends. **Utilizing technology to track, analyze, and measure your data,** like knowing which days and times are your busiest, goes a long way in preventing over- and understaffing.

Challenge: Utilizing staff where you need them. Ah, the frustration of being overstaffed in one location, only to be understaffed at another. It can be difficult to distribute employees evenly across locations without the right infrastructure. Unfortunately, you not only waste money on staff you don't need, but your customer service suffers—another costly expense, both in dollars and brand image.

Solution: Communicate open shifts across locations. Let employees know immediately when there's an open shift at any of your locations. **A comprehensive restaurant management software and mobile app** keeps your employees informed at a moment's notice when there's a last-minute shift change, or you need extra staff on board, at any of your locations. A mobile alert lets them know which shifts are available at which locations, and they can then sign up for any shift they want. They get more hours, and you get to distribute staff as needed—win win.

Challenge: Last-minute shift changes. Last-minute schedule changes often cause confusion, chaos, and understaffed shifts (with overworked and stressed employees). Constant shift changes cause employees to lose trust—which is why **61% of those who left their job cited frustration with scheduling problems** as the catalyst.

Solution: Real-time mobile alerts. If there is a last-minute change, make sure that you and your staff know about it right away. Look for **scheduling software that offers real-time mobile alerts** any time a change is made to the schedule, or someone can't cover a shift.

Challenge: Staying in compliance with labor laws. Without realizing it, you may violate labor laws when you schedule that back-to-back shift for a no-show employee, or you fail to give an employee the right amount of rest hours between shifts. Violating labor laws can be costly and are hard to keep track of while running a busy restaurant.

Solution: A "smart" timeclock that tracks labor hours. Save thousands of dollars in noncompliance fees or timeclock abuse by investing in **scheduling software with a "smart timeclock"** that tracks labor hours and notifies if you're about to violate any labor laws.

Conduct Employee Surveys

To keep your best workers, you first need to know why some stay…and some leave. Feedback is important, and your workers want to be heard. And if the Great Resignation has taught us anything, it's that we need to start listening.

Anonymous employee surveys are an excellent way to garner feedback in a way that makes employees feel safe to express their thoughts. And we have a compelling reason to hear them out: employees who feel heard are **4.6 times more likely to stay at their job and do their best work.** We need only look at top-performing quick-service restaurants, like Jason's Deli, which was one of the 30 QSRs named **Franchise Business Review's Top Food Franchises of 2021**. Part of the reason they are so successful? Using surveys to regularly solicit employee feedback.

4.6
Times More Likely To Stay At Their Job When They Feel Heard

Not All Employee Surveys Are Created Equal.

But not all employee surveys are created equal. **Here are some tips on getting the most out of your employee survey:**

- **Do it regularly.** In the fast-paced world of food service, things change quickly. To stay on top of issues as they arise, set up a series of surveys at regular intervals, like every month or quarterly.
- **Keep it short.** Your team is busy. If your survey appears too hard or taxing, they may skip it altogether or put in minimal effort, which tells you nothing about the real issues. Keep your survey short, preferably less than 15 questions. Include an open-ended question at the end, so they feel free to bring up issues that aren't touched on in the survey.
- **Make it convenient.** Use an app or an automated email, making it convenient for employees to fill out the survey on their phone.

Offer Growth Opportunities

The average QSR worker is young and looking to work for a business that invests in them. As owners and managers, it's in our best interest to do so: it boosts employee engagement, promotes retention, and increases productivity. Unfortunately, **a study** of restaurant and hospitality workers reported lack of career growth as one of their top challenges. And since **90% of restaurant managers start in an entry-level position**, we risk losing tomorrow's leaders by not properly investing in today's frontline employees.

A whopping 87% of quick-service employees list career development opportunities as a deciding factor in whether they will apply for, or stay at, a job. Tellingly, employee retention actually doubled at restaurants that offered these programs. This points to a truth we inherently know as restaurant owners and managers: to solve today's labor shortage, we need to start thinking long term.

87%
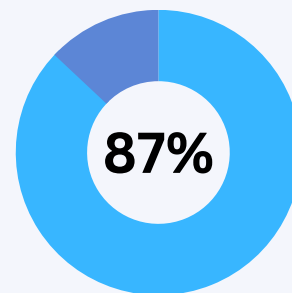
QSR Employees Find Career Development Valuable

Career development opportunities for QSRs

- **Mentorship.** Foster closer co-worker bonds, and a more cohesive work culture, with a mentorship program. Assign newer workers a mentor from your senior staff, letting them shadow that worker, ask questions, and build up their organizational knowledge in just a few hours a month.
- **Development courses.** Incentivize your workers by offering developmental training that focuses on bettering their frontline skills. Offer courses on customer service, sales, food safety, kitchen organization, and more.
- **Management training**. A quality management training program is well-rounded, touching on every aspect of running a restaurant. Tomorrow's restaurant managers must learn everything from managing the back of house to scheduling shifts to performing quality control. Find or create a comprehensive training program that addresses it all. Online programs and apps work best, allowing employees to work on them when it's slow or they're off the clock.
- **Franchisee programs.** Coaching new **franchisees**, whether they're staff members or not, is the key to their success—and yours. Training should include everything they need to run a successful QSR, including a rundown on store operations, financial planning and budgeting, marketing, customer service skills, and managing a staff effectively.

Give Instant Recognition

Want to immediately boost your productivity? Start recognizing your employees. Acknowledging goals and milestones—both large and small—has a significant impact on employee performance. For instance, 63% of employees who say they are regularly recognized at work also say they're "very unlikely" to look for another job in the near future. The same survey found that 82% of employees reported feeling happier at work when recognized for their contributions.

But if you want to enjoy these same benefits, you can't wait. Instant recognition—within 24 hours of an employee win—is key. This provides a quick and direct reinforcement to a desired behavior and is historically proven to foster more of the same. Timely on-the-job praise improves employee engagement and productivity, increases workplace morale, and helps counteract feelings of burnout and stress.

Tips for recognizing your employees

Be sincere. People can sense insincerity. And there are many real reasons to commend your employees, so be sincere in your praise. Look for opportunities to give a "well done." These wins don't have to be big either—simply arriving to work early for every shift or performing a job duty without a reminder is cause for showing appreciation.

Be specific. Quick-service food workers can easily feel like one of many nameless employees, so any chance you get to give specific and positive feedback, take it. Don't just tell them that their customer service is excellent; let them know that several customers have commented on their warm smile and greeting. Are their add-on sales up? Give them a percentage to be proud of. Specific praise is more memorable and impactful.

Be consistent. To create a culture of recognition, you need to practice it more than one or twice a year. Research has found that **employees who receive recognition regularly are 8x more engaged** than those rewarded once a year.

Do it publicly. Celebrate your employees in front of their peers with a public display, like a shoutout on your **back-of-house signage** or a prominently displayed employee recognition board.

Incorporate Workplace Gamification

QSR jobs can be incredibly stressful. Help relieve some of the tension by making work more fun for your employees. **Gamifying your workplace** is proven to boost productivity by 50% and improve employee engagement by 60%. And **82% of workers** say workplace games boost morale and make them happier on the job.

Who doesn't love games—especially QSR employees, most of whom are in their teens and twenties and were brought up playing video games and engaging with interactive content. As such, gamification tools can be highly effective for onboarding, training, motivating, and engaging your workers.

Turn KPIs into powerful performance drivers by using gamification to create friendly competitions between team members and locations. Track add-on sales, number of customers served, average order cost—whatever metrics that are meaningful to you. Encourage fun competitions between locations, motivating employees to "beat" other teams by beating their drive-thru times or enrolling more customers in the loyalty program.

82%
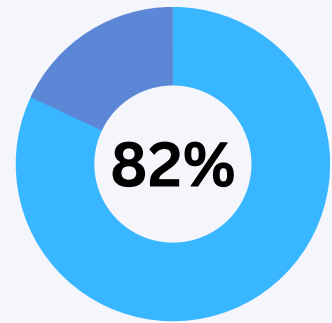
Say Workplace Games Boost Morale

The Power of Workplace Games

- **Fosters healthy competition.** What better way to light a fire under your workers and motivate them to outshine their competition than a **friendly competition**? It also gives employees that typically take a back seat to their co-workers to an opportunity for recognition.
- **Develops skills.** Gamification in the workplace isn't just about having fun—it's about working towards a goal and learning new skills on the way. Use gamification to create an immersive educational experience, where workers cement the skills they have, and learn new ones in a highly retentive way.
- **Forges closer team bonds.** The team that plays together stays together, or at least that's what the **research** indicates. Competing in teams' bonds co-workers, breaks the ice and creates social connections, and contributes to a cohesive workplace.
- **Celebrates winners.** Whether it's a "great job" message on your digital signage, a gift card, or an extra PTO day, acknowledging employee wins encourages more of the same behaviors.

Incentivize and Reward Workers

The US workforce is suffering from an epidemic of apathy. With **66% of employees reporting feeling disengaged at work**, it's clear they could use some motivation.

Incentivizing and rewarding employees are the bookends that set them—and your business—up for success. **Incentive programs have been shown to improve employee performance by 44%,** while companies who offer such programs **report 3x higher revenue** than those that don't. And when it comes to attracting and retaining workers, **42% of employees seek incentive and reward programs** when looking for a new job.

- **Get clear on your KPIs**. What metrics matter most to you? Once you're clear on which performance indicators you want to track (low absenteeism, high add-on sales, etc..), make it clear to your employees.
- **Keep it simple.** The goal, rules, and rewards of your incentive or rewards program should be simple and clearly defined. Otherwise, you run the risk of losing your employee's interest and—even worse—making them feel defeated before they even begin.
- **Tailor it to your team.** Every team—and employee—is different. Find what motivates each team member and use that to bring out the best in them. For example, one employee may love a gift card as a reward while another would prefer an extra PTO day.
- **Offer monetary and non-monetary rewards.** Cash is a strong motivator, but don't assume it's the only one. In fact, in one study, up to 65% of employees said they preferred non-cash incentives and rewards. Why not try a mix? Along with cash, you can offer a gift, spa treatment, or their choice of shifts.
- **Incorporate an earned-wage access (EWA) program.** Give your employees instant access to the wages they earn—with no fee for them and at no cost to you. **An EWA program** incentivizes workers by giving them immediate access to their cash, without having to wait for payday. They get paid, and you get a powerful tool for attracting and retaining employees.
- **Express your gratitude.** Don't just let the rewards do the talking for you—publicly recognize and thank employees when they meet their goals. They'll remember the praise long after the gift they receive.
- **Recognize large and small wins.** Give everyone a chance to shine by recognizing wins, large and small. Set up a tier system where the larger the win, the larger the reward. This encourages employees that tend to stay in the background to put themselves forward.

Transform Your QSR Team Today

Ready to pump up your QSR team? Try our back-of-house restaurant management tools, designed to engage your employees, streamline your workflows, and increase your revenue.

QSRSoft TV is a comprehensive restaurant digital signage solution that lets you track and gamify employee performance, celebrate employee milestones, and communicate important company announcements and workplace reminders.

Workforce Management is a set of digital tools that include an automatic schedule generator for easy scheduling, a smart time-clock that tracks labor hours and keeps you in compliance, and a dynamic human resources system that simplify HR tasks and keeps employee information secure.

Cash & Inventory is a real-time system that automatically tracks your inventory, cash, and cashless receipts, eliminating the time and costly errors associated with manual processes.

Forms automates your back-end workflows, saving you hundreds of hours on manual processes and keeping your most important resource—your data—at your fingertips.

Reports seamlessly integrates with your point of sale and other data sources, aggregating all your data into a central interface, where you can track, measure, analyze your most meaningful metrics in real time.

About QSRSoft

We Make it Easier to Run Great Restaurants

QSRSoft is a premier software as a service (SaaS) company catered to the restaurant, hospitality, and retail industries. Our international client base consists of some of the world's top brands and industry leaders, who use our tools to engage and motivate staff, digitize workflows and food safety processes, increase accountability, enable effective communication, and so much more. We've designed our ecosystem of software solutions to help our clients run their businesses better by identifying, measuring, and solving operations and profitability opportunities. To learn more, visit **qsrsoft.com**.