

## From the Street

Our two prior reports focused on the magnitude of the workforce shortage problem and some of its causes.

The Covid crisis has changed the consumers' perspective on practically every aspect of their world. There has been a transformation – a paradigm shift regarding their view and expectations of life, health, social interaction, home, family, and their career. Their priorities have shifted. People are finding more fulfillment through non-work-related activities like family, cooking at home, DIY projects, increasing social contacts rather than from a job. These changes are impacting the way they spend money, shop, and the types of goods and services they value most. Additionally, the crisis has changed the way they live and the way they regard work. The Covid crisis has further modified the traditional ties between consumers and spending, people and relationships, workers and jobs, employees and employers.

With so much emphasis on adapting to the new customer demands, many businesses seem to have forgotten that the other face of the consumer is the worker. As the worker, people have gone through changes as well – most are re-evaluating their career priorities. According to a recent survey by Ketchum, a PR marketing communications firm, this represents 63% of American workers. From our previous report, "Where Have all the Workers Gone", we know 35% of this group have left/or are leaving because they have become disenchanted with the restaurant industry.

Workers are seeking a better work experience; more so now than before the pandemic. They want their career choices to compliment what matters to them personally. They want work to offer more than a paycheck. The Ketchum survey found 79% of American workers say employer values are more important now than pre-Covid. Even prior to the Covid crisis, hiring and retaining employees had been the top concern in the restaurant industry for quite some time. So, with this new transformation in workers' attitudes and priorities, what is to be done to combat this escalating workforce issue of recruiting and retaining employees?

Below are the most important measures that can be implemented to attract, hire, and retain people in this unprecedented staffing crisis.

## SOLUTIONS TO STAFFING CRISIS

### Immediate Action:

- **Reward Existing Employees**

Those who worked during the crisis to keep your business open should be shown all manner of appreciation and recognition for their efforts and dedication. If any bonuses are to be paid, pay them first. Offer them other perks/benefits, promotions. Reward their loyalty; word will get around that this company takes care of its people.

### Requires Time:

- **Reshaping Culture**

The resilient operator will recognize many changes need to be made (accepted) to adapt to the new workforce expectations. The same willingness to accept and adapt changes for the new customer demands should be eagerly embraced for the new workforce mindset. So, in some instances, the business culture will have to change. The company's views of labor as an expense needs shifting to see employees as an asset. Several well-known concepts practice the prioritized value of Human Capital with enviable results. Chick fil A, Chipotle, Cheesecake Factory, In & Out Burger, Texas Roadhouse are the A Class. TGI Friday's, Five Guys, Shake Shack, Starbucks are the B Class (as reported by Jobs.net and Mashed.com); all rated anonymously by current and past employees. These concepts have experienced only minimal impact from the workforce shortage and are great benchmarks worthy of the time to study their culture and what they do differently with their people.

Where necessary, frontline managers need to adapt a different perspective of the value and worth of employees.

A part of revising a company's culture requires better communications with workers regarding company values, goals, and how the employees' efforts play a role in achieving these objectives. As part of the communication process, efforts

are to be made to establish trust which fosters engagement and inspiration from employees in their jobs and the company as a whole. Communication should be two ways – listen and seek their input, involve them in some of the business decisions. This goes a long way to gaining trust.

Reshaping a company's culture is not a quick fix and will require time. Ultimately the results will be a strong foundation with which the organization can capitalize on attracting and retaining a quality workforce.

- **Rewrite Job Descriptions**. In the past, job descriptions detailed tasks to be done – the “what is expected”. New job descriptions should include not only what is expected, but **how** it impacts the business. New job descriptions should provide descriptions that create employee engagement.
- **Recruiting and Hiring**. New strategies need to be adopted. Think outside the box; old methods of recruiting do not work as effectively anymore. New methods need to be adopted. Remember, on average, currently every hourly candidate is applying for 10 jobs at a time – so, response time is critical. Study to understand today's labor pool. Become familiar with their idiosyncrasies and what they want and expect in a job. For example, GenZ grew up with “expecting” instant gratification. They are also the generation of TikTok. Being aware of this, some of your recruiting efforts should be through TikTok. Improve the application experience – speed/clear communication.

And one final action, if bonuses are necessary to attract new hires, make them payable at the end of the new recruits first 30/60 days so there is a further incentive to stay around; not just take a signing bonus and quit (this has frequently happened).

If seeking additional information or assistance with implementing any of these solutions contact [steve@compassrcr.com](mailto:steve@compassrcr.com).