

# RESEARCH INSIGHT: WORKFORCE TECHNOLOGY

TRANSFORMING RESTAURANT RECRUITMENT & RETENTION

Leveraging Technology in a Shifting Workforce Landscape

Key insights & findings





#### National Restaurant Association Research & Knowledge Group

Dr. Chad Moutray, Vice President Hudson Riehle, Senior Vice President Bruce Grindy, Vice President & Chief Economist

#### Paradox

Joshua Secrest, Vice President for Marketing Tyler McEvilly, Senior Growth Marketing Specialist

The National Restaurant Association wishes to thank the following contributors to this report:

#### Captain D's

Sean MacMillan, Vice President for Human Resources

#### Chipotle

Shelly Grange, Director of Talent Acquisition Chad Hewitt, Senior Product Manager for the Digital Employee Experience

#### Cooper's Hawk Winery & Restaurants

Kevin Kuchar, Director of Talent Acquisition

#### Flynn Group

Carla Delich, Director of Talent Acquisition

#### **Glory Days Grill**

Carly Dunn, Director of Training

#### **GoTo Foods**

Eric Franklin, Vice President,
Total Rewards
Andrew Thompson, Senior
Director of Operations
(Company-owned locations)
Savana Santiago, Senior Human
Resources Business Partner
(Company-owned locations)

#### JRI Hospitality

Barry Redler, President

#### **Lettuce Entertain**

**You Restaurants** 

Christine Hill, Director of Recruiting

#### **The Original Pancake House**

Jonathan Seyoum, Partner

#### **Potbelly Sandwich Works**

Pat Walsh, Chief People Officer

#### **The Saxton Group**

Matt Heston, Chief People Officer

#### **Schmidt Hospitality**

Sarah Meade, Director of Human Resources

#### **Southern Rock Restaurants**

Courtney Dempsey, Director of People Analytics

#### **Texas Roadhouse**

Jennifer Brooks, Director of Talent Acquisition

Designed by **Abstract Orange** 

#### **National Restaurant Association**

2055 L Street NW, Suite 700, Washington, DC 20036 (800) 424-5156 · Restaurant.org

# RESEARCH INSIGHT: WORKFORCE TECHNOLOGY

## TRANSFORMING RESTAURANT RECRUITMENT & RETENTION

Leveraging Technology in a Shifting Workforce Landscape



## **KEY FINDINGS**

Technology is reshaping restaurant recruitment and improving efficiency. The adoption of automation, Al-driven applicant tracking systems (ATS) and chatbots have significantly reduced hiring times, streamlined applicant management, and freed managers to focus on operations and engage with employees. By simplifying the hiring process, technology not only enhances the candidate experience but also saves time and money.

Hiring challenges are easing, but retention remains a priority. While hiring has become easier compared with post-pandemic labor shortages, turnover remains a challenge. Structured onboarding programs, employee engagement initiatives, and leadership training have emerged as key strategies for improving long-term retention and fostering workplace stability.

#### **Employee experience drives retention.**

Restaurants that emphasize workplace culture, set clear job expectations, and provide mentorship and career growth opportunities see higher employee retention. Programs with structured onboarding, like Chipotle's "burrito buddy" initiative, demonstrate how early engagement can solidify employee commitment.

Data-driven decision-making is gaining momentum. More companies are leveraging Al and analytics to optimize scheduling, predict turnover risks, and identify high-potential managers. This data-driven approach enhances workforce efficiency while reducing labor costs and operational disruptions.

**Communication and engagement tools are evolving.** Beyond recruitment, operators are implementing digital platforms, engagement surveys, and real-time feedback tools like Potbelly's "Potbelly Pulse" to enhance transparency, employee satisfaction, and workplace culture.

In the U.S., job openings still outpace the number of individuals to fill them. As a result, workforce recruitment and retention remain top priorities for employers.

## INTRODUCTION

In an industry built on hospitality, a restaurant's workforce is its greatest asset and often its most difficult challenge. Although hiring has eased significantly from the unprecedented tightness seen over the past couple of years, job openings in the United States still outpace the number of individuals to fill them. As a result, workforce recruitment and retention remain top priorities for leaders in the sector.

The workforce landscape continues to shift in significant ways. Two years ago, with approximately 2 job openings for every unemployed individual, an employee shortage strained service levels and drove sharp increases in compensation to attract talent and remain competitive. During this period, quit rates hit record highs as employees pursued new opportunities offering better pay and benefits. Notably, this trend also gave rise to discussions about "boomerang" employees—those who discovered that the "grass is not always greener" in their new roles.

As the labor market cooled, the "Great Resignation" transitioned into the "Great Stay," with quit rates returning to pre-pandemic norms. Reduced employee turnover—which fell to an 11-year low for restaurants and accommodations in 2024—has eased the talent scramble for operators, leading to a surge in job applications. However, this influx has created a new challenge: managing the volume of applications. For hiring managers, the process of reviewing applications, conducting interviews, and onboarding new hires consumes valuable time that could otherwise be spent running the restaurant, mentoring current employees, and delivering exceptional customer service.

New technologies are proving to be a vital piece of the workforce management puzzle, helping to reduce the time managers spend on recruitment and retention while simplifying the application and hiring process for prospective candidates. By embracing these tools, restaurant leaders report greater efficiency in managing application flows and in streamlining the onboarding process, enabling them to focus more on running their operations. In addition, these technologies enhance the overall employee experience, which plays a critical role in improving retention.

Restaurants recognize the urgent need to build a future-ready workforce, balancing recruitment and training with operational efficiency to stay ahead in a rapidly evolving industry.

To get more detail on the findings of the **State of the Restaurant Industry report**and to explore how
technology can be leveraged to address workforce
challenges and enhance restaurant performance, the
National Restaurant Association, with support from
Paradox, conducted confidential interviews with
industry leaders from 16 restaurant companies. These
discussions centered on key insights and lessons
learned from integrating innovative technologies
for recruitment, employee development, and
engagement. Participants also shared notable
progress achieved through these solutions and
offered perspectives on current labor market trends.



# THE CURRENT STATE OF THE LABOR MARKET

The labor market is still tight, but hiring has become significantly easier compared with 1 or 2 years ago. This is welcome news for restaurants, which are now better able to fill roles—a marked improvement from the record-setting levels of job postings and employee turnover seen in 2022 and 2023. During that time, businesses faced significant challenges in finding enough workers, often resorting to scaling back hours or services and offering sharp wage increases to remain competitive.

Fortunately, those challenging times have passed. Applicant flow has improved considerably, allowing managers to prioritize the quality of candidates. Yet, 77% of restaurant operators say recruiting and retaining employees is a significant challenge for their businesses, according to the **State of the Restaurant Industry** report, and 32% of operators note that they did not have enough workers to support existing demand. While that remains sizable, that figure has declined significantly from 78% in 2021.

Overall, there were 15.7M restaurant and foodservice employees in 2024, or 10% of the nation's workforce, with 15.9M forecasted for 2025 and 17.4M predicted for 2035 (Fig. 1), as noted in the **State of the Restaurant Industry** report. In December 2024, there were 912K job openings in the restaurants and accommodations sector (Fig. 2). Despite recent fluctuations, the data underscores the labor market's resilience amid persistent challenges. Job openings in this sector averaged 901K per month in 2024, surpassing the 2017-2019 monthly average of 835K.

77%

Restaurant operators who say recruiting and retaining employees are a significant challenge for their businesses.

#### FIG. 1: RESTAURANT & FOODSERVICE EMPLOYMENT

**INCLUDING FORECAST FOR 2035** 

(in millions of workers, seasonally adjusted)

- NON-RESTAURANT FOODSERVICE JOBS
- EATING & DRINKING PLACE JOBS



**Source:** National Restaurant Association (2025), based on historical data from the Bureau of Labor Statistics **Notes:** Figures represent year-end employment levels; \* represents a projected employment estimate

However, these figures also signal a broader cooling of the labor market compared with recent years, with job openings normalizing from post-pandemic peaks.

These employment trends closely align with the experiences shared by the industry leaders. Matt Heston, Chief People Officer at The Saxton Group, highlighted notable improvements in the labor market compared with 2021. At that time, demand for workers far outpaced the ability to hire, driving up wages and creating a workforce "chasing the dollar." He also emphasized the importance of speed in the hiring process, noting that "the faster you connected with them, the more likely you were to secure their hire."

Carly Dunn, Director of Training at Glory Days Grill, echoed these observations, framing the labor market as "pre-COVID" vs. "post-COVID." She noted that while it's easier to find talent today, the focus has shifted. "It's not as much about money as before," Dunn explained. "Instead, there's a greater emphasis

on what else employers are bringing to the table," as companies aim to stay ahead of emerging trends.

Similarly, Carla Delich, Director of Talent Acquisition at the Flynn Group, highlighted the progress made in staffing. "We've been comfortably staffed for the past year," Delich said, contrasting the challenges faced a couple of years ago. While some problem areas persist, she noted significant improvements in recruitment and a noticeable drop in turnover rates.

Many interviewees said applicant flow is currently very strong. In fact, the "challenge is now managing the applicant pool," according to Jennifer Brooks, Director of Talent Acquisition at Texas Roadhouse. The company received over 1M applications last year—a volume that could easily overwhelm hiring managers at a typical restaurant if not for the support of technology.

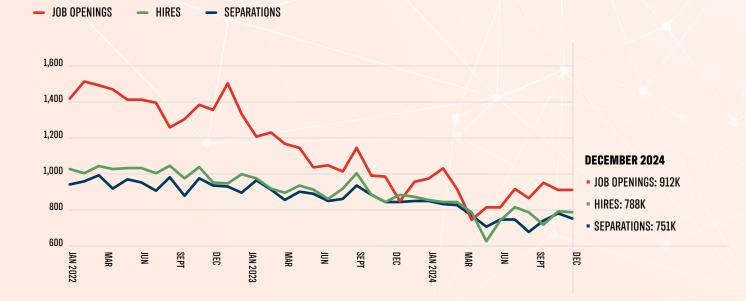
Another director of talent acquisition for a multi-brand restaurant company reported record numbers of

"It's not as much about money as before. Instead, there's a greater emphasis on what else employers are bringing to the table."

-Carly Dunn, Glory Days Grill

## FIG. 2: JOB OPENINGS IN THE RESTAURANTS & ACCOMMODATIONS SECTOR JANUARY 2022 – DECEMBER 2024

(in thousands of workers, seasonally adjusted)



Source: Bureau of Labor Statistics

#### FIG. 3: PERCENT OF OPERATORS

## WHO REPORT THEY'RE HAVING DIFFICULTIES FILLING OPEN POSITIONS IN THE FOLLOWING AREAS

EMPLOYEE CATEGORY	ALL RESTAURANTS	FULLSERVICE RESTAURANTS	LIMITED-SERVICE RESTAURANTS
CHEF/COOK POSITIONS	59%	78%	41%
MANAGER POSITIONS	54%	48%	61%
KITCHEN SUPPORT POSITIONS	54%	61%	47%
FRONT-OF-HOUSE OR CUSTOMER SERVICE POSITIONS	52%	49%	55%

Source: National Restaurant Association (2025)

59%

of operators report having openings in 2024 that were hard to fill, that's down from 79% and 70% in 2022 and 2023 respectively.

applications and said the focus has shifted from simply getting candidates through the door to ensuring they find the right fit. This sentiment—with the focus on quality over quantity—was echoed in nearly every discussion.

Restaurant operators in the most recent **State of the Restaurant Industry** report said that chef and cook positions are the hardest to fill, particularly for fullservice restaurants (Fig. 3). Manager positions are the most difficult to fill for limited-service restaurant operators. Overall, 59% of survey respondents in the report said they had openings in 2024 that were hard to fill, but that was an improvement from 79% and 70% who said the same thing in 2022 and 2023.

These findings were reinforced in the interviews. One manager of talent systems at a national fullservice concept said that the complexity of the concept's menu poses a challenge in hiring kitchen staff, especially since everything is made from scratch, a sentiment shared by Christine Hill, Director of Recruiting at Lettuce Entertain You Restaurants, and Kevin Kuchar, Director of Talent Acquisition at Cooper's Hawk Winery & Restaurants. They emphasized the need for "super experienced people" who can thrive in their scratch kitchens. As a result, the primary challenge lies in finding skilled professionals to fill these demanding roles.

For many interviewees, the real challenge is finding the right manager. As the saying goes, people don't quit jobs—they quit managers. Identifying strong leadership can be difficult, and onboarding for new managers often takes longer, incorporating leadership training, mentorship, and regular checkins. Internal candidates are often preferred, if possible. Andrew Thompson, Senior Director of Operations for company-owned locations at GoTo Foods, highlighted the company's past use of enhanced screening and assessment tools to identify top managerial candidates. While these tools were set aside during the tight labor market, he suggested that revisiting them could possibly prove beneficial in the future.

Beyond roles, several people mentioned location can make finding the right talent more difficult. Barry Redler, President of JRI Hospitality, noted that high-income areas can often be more challenging to find quality team members, particularly for hourly roles. In contrast, some operators said they sometimes have difficulties in filling roles in rural communities that are "off the beaten path."

Other mentions included challenges with finding corporate office roles, delivery drivers, early morning shifts, and temporary/seasonal workers. Courtney Dempsey at Southern Rock added that you can't assume everyone has restaurant experience. This shouldn't limit the pool of possible applicants, but it does change how a recruiter might approach such candidates in the interview and onboarding process, particularly those seeking managerial or leadership roles.

# 86%

#### of the company's candidates apply via mobile devices; most during off-hours.

—Courtney Dempsey, Southern Rock Restaurants

# TECHNOLOGY & THE HIRING PROCESS

The restaurant industry's recruitment landscape is undergoing a major transformation as operators adopt technology and automation. According to the **State** of the **Restaurant Industry** report, more than 80% of restaurant operators believe technology provides a competitive advantage, and 69% say that incorporating more technology over the past 2 to 3 years has boosted efficiency and productivity.<sup>3</sup>

Operators are investing in a range of technological solutions, from marketing and customer experience enhancements to improvements in cybersecurity and operational efficiency. In 2024, 37% of restaurant operators reported plans to invest in automated labor management, recruitment, and scheduling systems—highlighting a broader commitment to modernizing workforce management. <sup>4</sup>

However, despite these efforts, only 15% of survey respondents in the latest <u>State of the Restaurant Industry</u> report indicated that tech investments have made it easier to recruit and retain employees. This aligns with findings from the National Restaurant Association's recent technology report, which revealed that 23% of operators see room for improvement in this area.

In a recent Harvard Business Review survey, organizations noted the recruitment capabilities they felt could improve their recruitment processes. More than a third cited the following (in order of preference): applicant screening and assessment, applicant management and communication, data analytics, better integration, and real-time applicant status updates and alerts. In discussing these tools, the article notes they're "prime examples where automation and AI capabilities can make a difference because the processes can be repetitive, data-intensive, and time-consuming." 5

Along those lines, data suggests that technology and automation in the hiring process can greatly enhance efficiency, allowing managers to focus more on running the restaurant. This may explain why many restaurant operators are investing in such advancements—and why others should consider doing the same. For instance, Southern Rock Restaurants, which owns 160 McAlister's Deli franchise locations across 14 states, reports that through automation, people can apply and be hired within 24 hours, a stark contrast to the prior average of 14 days when the company used a traditional, manual recruitment approach.<sup>6</sup>

Courtney Dempsey, the Director of People Analytics for Southern Rock, explained that the prior system required substantial manual effort to vet candidates and schedule interviews, whereas the current ATS handles applications and schedules interviews automatically. This automation not only expedites the process but also allows Southern Rock to meet applicants where they are; 86% of them use mobile devices and most applications are submitted during off-hours, between 11:30 p.m. and 5:00 a.m.

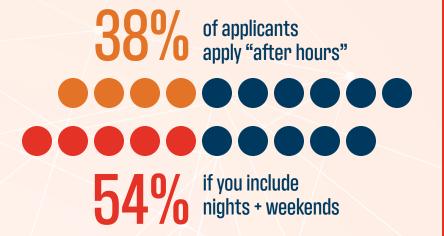
<sup>3</sup> National Restaurant Association (2025)

<sup>4</sup> National Restaurant Association (2024)

<sup>5</sup> Harvard Business Review Analytic Services (2023).

Southern Rock Restaurant's experiences with Paradox were the focus of a recent webinar. For more information and to view the webinar, see National Restaurant Association (2023). In the webinar and accompanying article, Courtney Dempsey suggests that hiring could be within 36 hours, suggesting some improvements in speed-to-hire since then.

## FIG. 4: CANDIDATES APPLY ON THEIR OWN SCHEDULE



Source: Paradox

"The faster you're able to connect with [applicants], the more likely you are to hire them."

-Matt Heston, The Saxton Group

In addition to speeding the hiring process, she adds that Southern Rock leverages creative recruiting strategies to attract both employee referrals and customers, pointing out that "a great customer can be a great employee." She's onto something: referrals from current employees topped the list of successful recruitment strategies in the **State of the Restaurant Industry** report.

To make applying easy, Southern Rock provides QR codes and text-to-apply options in their stores, enabling customers to submit applications conveniently via cell phone. They also use QR codes for employee referral programs, offering bonuses for successful referrals. By integrating automation and innovative recruitment tools, Southern Rock has not only streamlined hiring but also created a process that resonates with modern applicants and boosts operational efficiency.

While Southern Rock's speed-to-hire figure is the fastest reported in the interviews, they're not alone in recognizing the benefits of technology. Many others also note improvements in candidate flow, cost savings, and the ability to fill roles more quickly thanks to advancements in automation and hiring tools. In fact, three-fourths of those interviewed said that they could get new applicants on board within 8 days. All confirm that their speed-to-hire times have improved markedly in recent years with the adoption of more technology.

Matt Heston, Chief People Officer at The Saxton Group, highlighted how implementing an ATS reduced their average hiring time from at least 7 days to just 3. This improvement is critical, he explained, because "a lot of people are applying to multiple jobs." Job site Indeed recommends that candidates apply to 10–15 jobs each week "to increase your chances of receiving attention from hiring managers...." The end result is two-fold: more applications for recruiters, but also more potential options for the candidates themselves. Heston adds the faster you're able to connect with them, the more likely you are to hire them.

JRI Hospitality's Redler, agrees, stating, "The fastest, most responsive company wins," especially in the competitive labor market for hourly workers. By leveraging technology, JRI Hospitality shortened its speed-to-hire timeline to an average of 2 days to schedule an interview and fewer than 8 days to complete the interview process and make an offer to hire. Previously, without such technology, this process required several manual steps and took 2 to 3 weeks.

Today, recruiters also need to meet their candidates where they are, matching their lifestyle. Potential applicants might not come into a restaurant during business hours to apply. Paradox notes that 38% of candidates using their platforms apply "after hours," meaning not between 9:00 am and 5:00 pm. Including nights and weekends, that balloons to 54% (Fig. 4).

# 2/3

of operators say their employees are their best ambassadors for attracting new recruits.

The application process for most of the interviewees can largely be summarized as follows:

- Applying online: Candidates typically find job postings—often evergreen, but not always—on the company's website or job boards and submit applications. Often, a streamlined process reduces the application time to less than 5 minutes. Where possible, applicants do not need to create an account with a username and password, eliminating potential bottlenecks and improving the overall experience.
- Screening questions: Candidates commonly respond to screening questions aimed at evaluating their basic eligibility criteria, such as age, legal work status, and availability. For restaurants equipped with chatbot technology, these questions are often administered through automated interactions.
- Assessments and background checks: Some
  restaurant operators incorporate brief behavioral or
  personality assessment tests to evaluate whether
  candidates align with the organization's culture and
  values—an approach that can be highly effective.
  These assessments are typically used alongside
  background checks. However, not all operators
  leverage these tools; those who do primarily reserve
  them for managerial or corporate-level positions.
- Interviews: Automated interview scheduling is hailed as a transformative innovation, dramatically reducing hiring timelines and alleviating administrative pressures. While not all restaurants surveyed have adopted this capability, many identified it as a valuable enhancement to explore.
- Firing and onboarding: After deciding to move forward with a candidate, automated tools are frequently used to guide new hires through completing required forms and accessing preemployment training resources. While certain steps, such as verifying legal status through the I-9 form, must be completed in person, handling as much of the process in advance can streamline onboarding. This approach requires seamless technical integration between the ATS and the operator's existing human resources and payroll software.

These tasks are fundamentally like those involved in a traditional manual process. The core principles of recruiting—finding the right candidate for the right job—remain unchanged. What has evolved, according to most of those interviewed, is the extent to which these steps have been automated. For organizations adopting new technologies, the primary goals were to streamline the process, boost candidate flow, and significantly lighten the administrative workload for hiring managers. By and large, these objectives have been achieved.

Yet, some managers are less comfortable with technology, and one family-owned restaurant group shared that it still relies heavily on paper applications for this reason. Its managers spend approximately 20 hours a week interviewing and hiring. Using technology for hiring, onboarding, and scheduling has been gradual for them, largely due to their managers' preferences. However, they expressed interest in exploring more technological solutions in the future. Importantly, the company excels at filling its staffing needs, boasting low turnover rates. Even during peak seasonal hiring periods, referrals remain their most effective recruitment strategy. This is consistent with data in the latest **State** of the Restaurant Industry report, with two-thirds of operators saying that their own employees are their best ambassadors for attracting new recruits.8

The pushback against technology was not limited to smaller independent restaurants. A large regional restaurant operator noted that some of their workers and managers are not eager to embrace automated tools for recruitment, but they are often persuaded when they see the results.

<sup>8</sup> Sarah Meade of Schmidt Hospitality implemented a creative approach to employee recruitment by providing team members with personalized business cards, with the tagline "Looking for a Good Opportunity?" This simple yet effective strategy empowers employees to easily share job opportunities with friends and family, streamlining the referral process and expanding the talent pool organically.

## "No matter what technology you use, it's important to have a human connection.

—Jonathan Seyoum, Original Pancake House

## STAFFING & RETENTION STRATEGIES

Restaurants thrive on exceptional service and hospitality, both of which depend on a skilled and ready workforce. Delich at the Flynn Group noted that their restaurants have been comfortably staffed over the past year—a welcome shift following years of hiring struggles. While some positions remain harder to fill, she emphasized that the overall staffing situation has significantly improved. Other industry leaders echoed similar sentiments.

The importance of maintaining a fully staffed team can't be overstated. Kevin Kuchar, at Cooper's Hawk, highlighted how staffing shortages directly impact operations—limiting the number of guests a restaurant can serve. This, in turn, affects customer satisfaction and brand reputation. Understaffing also places greater strain on existing employees, leading to more overtime and increased burnout (Fig. 5).

Dunn of Glory Days Grill emphasizes the added stress on management teams, which can contribute to higher turnover at the management level, as well. She points out the financial implications: insufficient staffing not only disrupts operations but can also stifle sales growth, making it harder for companies to meet expansion goals.

Another challenge, according to GoTo Foods' Thompson, is the time it takes to recover from being understaffed. Rebuilding a team isn't just about hiring the right people—it's also about restoring reputation. Success demands patience, as operators must make consistent investments to regain stability and operational efficiency. "As everyone knows," Thompson noted, "recovery can take a long time."

Understaffing can also drive higher turnover, putting restaurants at risk of losing their investment in key employees. Hiring, training, and onboarding require significant time and resources, and when an employee leaves mid-process, that investment is lost. Pat Walsh, Chief People Officer at Potbelly, estimates the breakeven point for a new hire to be around 2 to 2.5 weeks. At that stage, an employee has typically contributed more to the company than what was spent on their hiring and training—making retention even more critical.

#### FIG. 5: UNDERSTAFFING LEAVES REVENUE ON THE TABLE



Source: Paradox

## 30 to 90 days

The point at which a new hire is more likely to stay on the job long term.



### SETTLING IN

When it comes to retention, every industry leader referenced the idea of a "magic number"—the point at which a new hire is significantly more likely to stay long-term. While this threshold varied by company, the consensus is 30 to 90 days. Half indicated that 30 days is sufficient, and the majority agree that by 90 days, new employees should be settled and no longer at risk of leaving. However, for new managers, the adjustment period could extend to 6 months.

Overall, this is consistent with data from Paradox's customer base. For applicants to companies using its technology platforms, nearly a third of those who accepted an offer dropped off before their start date, while more than half did not make it to their first 90 days. While this data includes non-restaurant businesses, it does point to the importance of making smarter hires—ensuring that you have the right person—and in helping to make those who start successful in their new roles.

For Texas Roadhouse, ensuring that day 1 is a great day is a key priority, according to Jennifer Brooks. However, she emphasizes that the effort doesn't stop there. "There are also things we need to do on day 2, day 3, and beyond. This helps keep employees rooted in the company and connected to our community."

Jonathan Seyoum, a partner at the Original Pancake House in Dallas-Fort Worth, said that one-on-one engagement is vital to their success. "No matter what technology you use, it's important to have a human connection. This makes people feel comfortable and helps us connect with our new and current employees." Along those lines, they partner all new workers with a mentor.

# By fostering positive managerial relationships and providing a clear path for advancement, restaurants create an environment for long-term commitment from their employees.

Hill at Lettuce Entertain You Restaurants says 90 days is a milestone. During this time, regular communication between managers and employees is critical in identifying and addressing turnover challenges. Management's visibility and proactive support can help ensure employees feel set up for success.

Sarah Meade, Director of Human Resources at Schmidt Hospitality, notes that they never start a new team member on a weekend, allowing them to learn their way on a slower day. While she put the magic number at 30 days, she added, "If they make it through the first week, they're good." Key benefits kick in at 90 days, including a raise and some insurance eligibility, which can be an incentive. Additionally, for temporary employees, which the company needs for seasonal business, it pays a "thank you" bonus at the end of the season as a return incentive.

To enhance the onboarding experience, Sean MacMillan, Vice President of Human Resources at Captain D's, shared how the company incorporates a creative approach—a pseudo scavenger hunt. This interactive process allows new employees to connect with their unit leader, colleagues, and different stations within the restaurant. More importantly, he noted, "It makes you feel like you're a part of something."

One multi-brand restaurant company highlights its "20-day promise," a structured onboarding program designed to set up new hires for success. Each shift includes defined benchmarks tailored to the specific brand, providing clear expectations and measurable progress. By guiding employees through these milestones, the company aims to build confidence and comfort early on. The director of talent acquisition underscores the importance of early retention, stating, "If you can keep someone for 30 days, then you can keep them for a year."

Given the high cost of turnover, employee retention is a top priority for restaurant operators. Many leaders emphasize that retaining key employees contributes to a more stable and successful team and a well-structured onboarding process plays a crucial role in shaping a positive experience during those critical early



days. Thompson, with GoTo Foods, emphasizes that an engaging and well-focused onboarding program is a powerful tool for retention—one they continue to refine through improved training initiatives.

Beyond onboarding, fostering a strong workplace culture and prioritizing employee engagement are essential. Workers who feel connected to their colleagues and aligned with the restaurant's values are more likely to stay. Positive relationships with managers and a clear path for growth can also boost retention, especially for those seeking advancement. By investing in these areas, restaurants can create an environment that encourages long-term commitment from their employees.<sup>9</sup>

A key factor in employee retention is setting clear expectations from the start. Providing an accurate and transparent overview of the job—whether during the interview process or onboarding—helps ensure that new hires understand what the role entails. Shelly Grange, Director of Talent Acquisition at Chipotle, notes that many applicants are drawn to the company because they love the food, which is great, but they also need to be transparent in what the job duties entail.

<sup>9</sup> For a discussion on how culture and employee engagement can be a good attraction and retention strategy, albeit in the manufacturing sector, see Moutray (2023).

# The Potbelly Pulse survey identifies challenges, highlighting areas for improvement and providing crucial insights into where and how the company can enhance the employee experience.



"You will work hard," she said. "But it's a rewarding job with competitive pay and benefits, and we continue to invest in the development of our people." That investment includes a mentoring program for many of Chipotle's leaders. According to Chad Hewitt, Senior Product Manager for Chipotle's Digital Employee Experience, many new hires are paired with a "burrito buddy" to help them navigate their first 90 days, ensuring a smoother transition into their roles.

Many workers stay because there's upward potential at their companies. Dempsey at Southern Rock Restaurants, for instance, talked about how they foster people who love their company and who perform well. Those individuals have great management potential.

Cooper's Hawk takes a proactive approach to employee retention by assigning a dedicated Manager of Team Member Experience to each location. According to Kuchar, these individuals play a crucial role in attracting, connecting, engaging, and retaining employees while also embodying and promoting the company's core values. By swiftly addressing concerns and fostering a supportive work environment, this model has become a best practice at Cooper's Hawk, contributing to improved retention and overall employee satisfaction.

### EMPLOYEE FEEDBACK

Surveys can be a valuable tool for measuring employee engagement and maintaining a strong workplace culture, both at individual restaurants and across an entire brand. Potbelly has embraced this approach with its quarterly check-in survey, the "Potbelly Pulse," designed to assess employees' experiences and gather real-time feedback. Walsh views this initiative as a major differentiator for the company. By continuously monitoring employee sentiment, the survey helps identify challenges and highlight areas for improvement. More importantly, it provides crucial insights into where and how the company should focus its efforts to enhance the employee experience.

The Flynn Group prioritizes ongoing employee feedback through regular surveys, including a checkin at the 30-day mark to assess the experience of new hires, according to Delich. Existing employees also participate in engagement surveys to ensure continuous improvement in workplace culture.

Beyond surveys, the company emphasizes consistent communication with its workforce. One key initiative is the introduction of the Employee Assist module, which Delich describes as "a nice tool for managers to communicate with everyone within the company." This technology has been used for practical tasks, such as collecting signatures for an updated employee handbook, as well as for sharing company news and celebrating important milestones.

When retention challenges arise, it can serve as an opportunity to strengthen leadership and management skills. Heston of The Saxton Group emphasizes the crucial role managers play in employee engagement and overall business performance. As a result, the company prioritizes finding the right managerial talent and investing in their training and development.

Redler of JRI Hospitality, echoed this sentiment, noting that many workplace issues stem from not having the data available quickly and easily for local management. To address this, the JRI team leverages business intelligence and data from multiple sources to identify potential red flags, allowing collaboration among the JRI support team and restaurant leadership to allocate resources and proactively resolve challenges before they escalate.



## TECHNOLOGY WISH LIST

As previously mentioned, technology plays a vital role in recruitment and enhancing the overall employee experience. In recent years, each restaurant interviewed has been on its own technological journey, leveraging automation to streamline hiring, improve employee management, and reduce costs. While some are farther along in this process than others, all share a common goal—continuing to build on these advancements to drive efficiency, reduce costs, and improve workforce engagement.

As operators look to the future, artificial intelligence and data are set to play an increasingly influential role in shaping the industry. Redler of JRI Hospitality, who relies heavily on data for store-level business decisions, views AI as a powerful tool with untapped potential. He envisions leveraging it to calculate competitive rankings across different markets, assess employee retention risk, and identify high-potential future restaurant leaders—insights that would extend far beyond AI's current role in the recruitment process.

The manager of talent systems from the national fullservice chain highlights how Al and automation can streamline hiring by reducing the time it takes to fill vacancies, identifying top candidates more efficiently, and predicting turnover with greater accuracy. The company has already implemented an algorithm designed to prioritize quality applications, favoring candidates with relevant experience and those whose availability best aligns with job requirements.

Redler adds that while technology is currently used to automate basic tasks, its capabilities are rapidly evolving. In the future, Al and automation will likely take on more complex functions, further enhancing efficiency and strategic decision-making across the industry.

Savana Santiago, a Senior Human Resources Business Partner at GoTo Foods (who supports the companyowned locations), envisions a future where data is leveraged more effectively for scheduling and labor management. By optimizing staffing, reducing costs, and improving employee retention, data-driven insights could transform workforce efficiency.

GoTo Foods' Eric Franklin, VP of Total Rewards, and Thompson emphasize the potential benefits of using data to help managers operate more effectively during peak and non-peak hours while also maximizing employee engagement. Beyond enhanced data utilization, they see value in developing a more robust communication tool for employees.

GoTo Foods company-owned locations already have a strong onboarding process, and this would further enrich the employee experience and workplace culture. By fostering more transparent and meaningful communication, it would allow the company to be even more genuine in its approach to employee engagement and retention.

For operators incorporating chatbots into their hiring process, there's growing excitement about how these tools will continue to evolve in the coming years. Hewitt of Chipotle highlighted the potential for improvement, noting that their chatbot, Ava Cado, currently communicates in very simplistic language. Enhancing its ability to engage in more sophisticated conversations would make it even more effective.

Currently, Ava Cado supports English, French, German, and Spanish, with additional languages on the horizon.

Many operators said that they were not using Al in any capacity yet—not even to power a chatbot—but they are curious about it. There's a general sense of its potential but embracing its capabilities might take longer for some restaurants.

One national tableservice chain uses an algorithm designed to prioritize quality applications, favoring candidates with relevant experience and whose availability best aligns with job requirements.

By embracing technology and prioritizing a strong workplace culture, restaurant operators can build more resilient teams, enhance operational efficiency, and create lasting employee engagement in the years to come.

### CONCLUSIONS

The restaurant industry has made significant strides in modernizing recruitment and retention, driven by a combination of technology, data-driven decision-making, and an increased focus on employee engagement. While hiring challenges have eased in recent years, operators continue to navigate a dynamic workforce landscape. The integration of automation and AI into the hiring process has streamlined recruitment, reduced administrative burdens, and enabled hiring managers to focus more on employee development and retention.

Additionally, initiatives such as structured onboarding, employee engagement surveys, and leadership training have proven to be critical in fostering workplace culture and reducing turnover.

Looking ahead, technology will play an even greater role in shaping workforce strategies. Al-powered insights, predictive analytics, and enhanced communication tools are poised to further refine hiring practices, optimize scheduling, and improve overall employee satisfaction. However, while some operators are farther along in their digital transformation than others, there's a shared recognition for the need to continue adapting and investing in these innovations.

By embracing technology and prioritizing a strong workplace culture, restaurant operators can build more resilient teams, enhance operational efficiency, and create lasting employee engagement in the years to come.





## **WORKS CITED**

Harvard Business Review Analytic Services.

"Transforming Talent Acquisition Through the Power of Automation and Artificial Intelligence." Pulse Survey with Paradox. Cambridge, MA, August 16, 2023.

Moutray, Chad. "The Manufacturing Experience: Compensation and Labor Market Competitiveness." The Manufacturing Institute and Colonial Life, Washington, DC, May 2022.

Moutray, Chad. "The Manufacturing Experience: The Role of Culture and Employee Engagement in Workforce Attraction and Retention."

The Manufacturing Institute and Colonial Life, Washington, DC, September 2023.

National Restaurant Association. <u>2025 State of the</u>
<u>Restaurant Industry</u>. Washington, DC, February 2025.

National Restaurant Association. <u>"How Al</u>
<u>Technology Can Help You Recruit, Hire and Retain</u>
<u>Workers."</u> Washington, DC, October 2023.

National Restaurant Association. Restaurant Technology Landscape Report 2024.
Washington, DC, March 2024.



© 2025 National Restaurant Association. All rights reserved.

The information presented in the Workforce Technology Report ("Report") is provided for general informational and educational purposes only and is not intended to provide legal, medical, business or risk management advice. The Report contains proprietary content and information, including but not limited to text, photos, video, audio, graphics, names, trademarks and service marks. Except where noted, the National Restaurant Association ("Association") owns all rights, including copyright, title and interest in and to the content of, and the selection and arrangement of factual information in, the Report, which may not be copied, scanned, reproduced, stored in a retrieval system, transmitted, published (in any form or by any means) or otherwise used for any reason other than personal use without the prior written permission, except as permitted under Sections 107 and 108 of the 1976 United States Copyright Act.

Requests to use or reproduce material from the Report should be directed to: Copyright Permissions
National Restaurant Association
233 S. Wacker Drive, Suite 3600
Chicago, IL 60606-6383
Email: permissions@restaurant.org

The National Restaurant Association name and logos are registered trademarks owned by the Association and may not be used without its explicit written permission.

By accessing or using the Report, you agree to indemnify and defend the Association, its affiliates, subsidiaries, and each of their respective members, directors, officers, employees, contractors, agents, sponsors, authors and contributors against any damages, losses, costs and expenses (including reasonable attorneys' fees, court costs, settlement costs and awarded amounts) incurred in connection with any claim to the extent that such claim arises from any unauthorized or wrongful use of or access to the Report by you or on your behalf.









