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Rebuilding Better: Fostering a Restaurant Industry in Service of Employees

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About the Author



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Rebuilding Better: Fostering a Restaurant Industry in Service of Employees



As restaurants began to reopen to customers last year, the nationwide “labor shortage” made headlines with commentary from the media, the government, and the public as to why the restaurant industry was struggling to restaff operations. Speculation and assumptions made by lawmakers, industry commentators, and the public as to why restaurant workers were choosing not to return to restaurant work could be found everywhere and were largely rooted in presumptions of workers and anecdotal evidence. Little research existed examining the motivations of current and former restaurant employees to leave the industry, what challenges they faced over the course of their careers, and what would have helped them persist in the industry.

More than ever before, the public is aware of the challenges facing the restaurant industry; lawmakers are more cognizant of the needs of industry workers; and restaurateurs are reexamining how they do business after the Covid pandemic. As the industry rebuilds, advocacy groups are encouraging the foodservice industry to not merely rebuild, but to rebuild a stronger industry that cares for the needs of its employees, and not just its guests.

In September 2021, a study was launched, with support from the James Beard Foundation, to identify the job needs and career interests of foodservice employees across the United States in hopes of identifying opportunities for leadership and development as the industry rebuilt better. Over 2000 participants completed the online survey which included questions collecting career experience, career progression, compensation and benefits, workplace culture, and demographic data (Table 1).

Understanding Employee Needs

Compensation

A recurring issue for foodservice employees was the need for higher pay and a true living wage. Study participants felt they should earn enough to be financially stable, noting, “I’m not even asking for a lot, just enough to be able to live without constant money stress,” to the point that employees “have to steal food from the restaurant because they can’t afford to buy food.” Others felt that, at the very least, pay should be reflective of their abilities, saying that an employee that continually takes the time and effort to build knowledge and technical skill deserves to be compensated accordingly.

Analysis of starting wages and years of experience showed wages have remained relatively stagnant over a sixteen-year period, not accounting for inflation or cost of living adjustments. The average starting wage for industry professionals with 16+ years of experience was \$6.62¹ per hour, while the average starting wage for respondents with less than one year of experience was \$7.91.

Respondents also shared that paid time off (PTO) was ranked as the most important benefit from an employer. As part of respondents’ comments, working hours were cited as a main factor in reasons respondents had or were planning to leave the industry, listing “unsustainable working hours” as their breaking point. Long working hours coupled with the “lack of work flexibility,” how “hard [it is] to take days off,” and the sense of obligation and guilt for taking time off resulted in respondents generally feeling uninspired to persist in the industry.

Health insurance was ranked the second most important benefit, closely following PTO. Less than 15% of respondents (13.84%) had been offered health insurance by previous industry employers and found what they were offered to be lacking, saying they did not want bare minimum health insurance but “health insurance I can actually use” and find

¹ Not adjusted for inflation. However, when adjusted, \$6.62 in 2005 has the equivalent purchasing power of \$9.18 in 2021.

utility in. The third most important benefit for respondents was education and training, rising above retirement benefits.

Career Opportunities

Career progression was generally positive in the industry with many reportedly starting as dishwashers, line cooks, servers, and continuing from there. Most respondents reported they felt their careers progressed as their skills improved; however, they also reported the lowest job satisfaction scores for training opportunities (2.87/5), scoring lower than wage/salary (2.99/5). These seemingly discordant findings suggest that while employees believed their careers progressed with improved skills, they felt that there were insufficient opportunities provided in which to improve their skills, and so their skills were not developed at a satisfactory rate.

Respondents further commented on a “lack of training across the board” and reported feeling that owners had no desire to invest in employees. Employees hoped for more educational opportunities and stronger, formalized structures to provide more managerial training so managers could, in turn, strengthen their own coaching and development abilities for their employees.

Other career roadblocks reported by employees include the industry’s challenging work schedule (n=255, 10.36%), their financial situation (n=246, 10.00%), the industry’s challenging work environment (n=248, 10.08%), and no clear next steps for growth (n=221, 8.98%). As a result, only 67.69% of respondents plan to stay in the industry for the next year, 53.56% of respondents plan to stay in the industry for the next five years, and only 38.57% of respondents plan to stay in the industry for the next ten years.

Workplace Culture

Respondents noted a challenging workplace environment/people as a significant roadblock for their career progressions confirming multiple reports in media of toxic management and workplace cultures across the industry. Respondents commented racism, sexism, ageism, ableism, homophobia, transphobia, mental, emotional, and physical abuse, sexual harassment, and misogyny were contributing to the toxic work environment of restaurants. Nearly 20% of respondents who wrote in responses made reference to issues relating to toxic environments, mental health issues, and gender discrimination.

Foodservice employees reported that the source of the abusive and toxic work environment was not solely managers and coworkers but also customers. Respondents

reported seeing a knowledge gap between industry and customers with guests not understanding the true cost of dining out. Customers would have “inaccurate perception[s] of what they think they deserve and/or should get” and then take their frustrations out on the staff. Guests were also sexist, racist, rude, and demanding in interactions with employees.

Another roadblock was a lack of mentors and leadership. For women, there was a lack of opportunities to find mentors. While nearly half ($n=432$, 48.16%) reported that their operations had an even distribution across genders, nearly two-thirds of respondents identified their managers as male. The findings suggest that while women and non-binary/third gender employees are also present in foodservice operations, they are largely not in management positions and therefore less likely to be available as mentors and leaders for others.

Calling on Leadership

From the findings, it is clear there are opportunities for significant leadership in the rebuilding process. Engagement from thought leaders and strategic thinkers to create new paradigms and implement change is needed from those inside and outside the industry.

Here are four major opportunities for individuals and organizations in the industry to lead the way in creating a better industry for current and future employees.

1. Revising the current compensation framework by helping small business owners explore opportunities to reexamine their business models to meet the needs of employees, achieve staffing goals, and still maintain a financially sustainable business.
2. Providing career growth and progression opportunities to develop training and education curriculum that would benefit employees at any career point, creating training programs specifically addressing the needs of managers and owners, offering a variety of training resources that are sensitive to the diversity of literacy, education, and cultural differences within the industry workforce, and supporting owners/operators in their efforts to find ways to deliver training without straining operational needs.
3. Fostering safer and more inclusive workplaces by developing opportunities to educate and support owners and managers. For employees: to understand how to create and contribute to better working environments, how to advocate for and

create safe spaces for reporting and accountability, and what rights and legal protections are afforded to employees in the workplace.

4. Engaging customers to support industry workers by educating customers about the challenges of working in the restaurant industry; encouraging patience and compassion for service workers; informing the public of the shifting costs of food and labor; and exploring customer advocacy for government support in programs to help the industry as it recovers and rebuilds.

The development of these new programs will not only improve and support the current restaurant industry, but it will also help foster a better and more attractive future industry for the next generation of restaurant employees and entrepreneurs.

Table 1. Demographics of Survey Respondents

Category	<i>n</i>	% of respondents
Gender (<i>n</i>=921)		
Female	521	56.75%
Male	379	41.29%
Non-binary/Third Gender	9	0.98%
Prefer not to say	10	1.09%
Age (<i>n</i>=918)		
18-24	22	2.40%
25-31	85	9.26%
32-38	177	19.28%
39-45	168	18.30%
46-52	161	17.54%
53-59	158	17.21%
60+	147	16.01%
Sexual Orientation (<i>n</i>=611)		
Heterosexual	500	81.83%
Homosexual	43	7.04%
Bisexual	39	6.38%
Queer	16	2.62%
Other (i.e., Pansexual, Asexual, Demisexual)	13	2.13%
Marital Status (<i>n</i>=909)		
Single and not dating	89	9.79%
Single and dating casually	58	6.38%
In a committed relationship	175	19.25%

Married	463	50.94%
Separated	9	0.99%
Divorced	70	7.70%
Widowed	16	1.76%
Prefer not to say	29	3.19%
Disability or Neurodivergence (n=884)		
Yes, diagnosed	102	11.54%
Yes, not diagnosed	27	3.05%
No	678	76.70%
Unsure / I don't know	63	7.13%
Prefer not to say	14	1.58%
Currently Enrolled Students (n=869)		
Yes, full-time	11	1.27%
Yes, part-time	27	3.11%
No	827	95.17%
Other	1	0.12%
Prefer not to say	3	0.35%
Highest Level of Education Completed (n=863)		
Elementary/primary school	2	0.23%
Some high school/secondary school	11	1.27%
High school/secondary school	46	5.33%
Some college or trade school, but no degree	219	25.38%
2-year degree	167	19.35%
4-year degree	260	30.13%
Some graduate school, but no degree	44	5.10%

Graduate school	109	12.63%
Prefer not to say	5	0.58%
^a Respondents were asked to select all answers that applied and provided opportunity to write in responses.		

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