

# The State of Labor in Hospitality

Blase Viti, Director of Partnerships



Qwick.com | QwickShifts



## Meet Blase Viti

- Leads all strategic integrations and national workforce solutions at Qwick
- Experience working in the technology-driven staffing for 6+ years
- Current President of the Chicago Arts in Partnership Jr. Board, member of Midwestern Jesuit Fundraising committee and F&B chair for Our Lady of Perpetual Help Men's Club.

# Today's Agenda

- The current state of Labor in Hospitality
- What today's workforce wants
- How to incentivize applicants and activate teams
- Embracing the future of work
- Q & A

# The State of Labor

The pandemic caused a major disruption in America's labor force—something many have referred to as **The Great Resignation**.

# At the height of the pandemic...

120K + Businesses temporarily closed

30M + Unemployed U.S. workers

47M + Workers quit their jobs in 2021



Please be Patient with our team... We are understaffed + trying really hard.

We are short staffed today.

Please be patient.

if you run out of patience, ask for an application.

Due to NO STAFF

**WE ARE CLOSED**

WE ARE HIRING  
CALL 910-298-5494

THANK YOU HARDEES

**NOW HIRING AWESOME PEOPLE!**

APPLY HERE!  
POSTINOWINECAFE.COM/DEPELLUM

**POSTINO**  
@POSTINOWINECAFE

SHORT STAFFED  
YOUR PATIENCE IS APPRECIATED

Please WAIT to be seated. Thanks!

DUE TO SHORT STAFFING OUR NEW HOURS OF OPERATION WILL NOW BE FROM 12PM-8PM MON. - SUN. UNTIL FURTHER NOTICE THANK YOU FOR YOUR UNDERSTANDING

RUBY MANAGEMENT TEAM.

WE ARE VERY SHORT-STAFFED TODAY. PLEASE BE PATIENT AND KIND

Sorry, We ARE CLOSED Due TO SHORT STAFF

**TRAPPERS II**  
**THANK YOU**  
For Your Business & For Being Patient With Our Staff!  
There is A National Labor Shortage, Which Often Makes Us Short Staffed!  
**WE ARE HIRING!**

CONFIRM ORDER HERE

Sorry I'm short staffed I can only make fry's, nuggets, chili, potatoes, and drinks.

**SORRY WE ARE SHORT STAFFED.**

PLEASE BE PATIENT WITH THE STAFF THAT IS HERE AND WORKING



We've adjusted our hours of operation

Open: 3:30pm

Close: 9:00pm

Tuesday - Friday

Saturday Normal Business

WE'RE SEVERELY UNDERSTAFFED AND DOING THE BEST TO SERVE YOU

**WE APPRECIATE YOUR PATIENCE**

**NOTICE**

SORRY WE ARE SHORT STAFFED. PLEASE BE PATIENT WITH THE STAFF THAT DID SHOW UP. WE ARE NOT SHORT STAFFING ON PURPOSE.

WE ARE HIRING! GRAB AN APP TODAY!

DEAR VALUED GUEST,

WE APPRECIATE YOUR PATIENCE, AS WE HAVE LIMITED STAFF WORKING TO FILL YOUR ORDERS. THANK YOU FOR YOUR CONTINUED SUPPORT AND UNDERSTANDING.

THANK YOU MANAGEMENT

TO APPLY:  
TEXT ALABAMABK TO 85000

The whole world is **short staffed**

**Be kind to those that Showed up**

Your patience is appreciated. We are very short staffed this evening.  
-Thank you for dining with us.  
P.S. - We're Hiring!

# 4.3 Million

Quit their jobs in January 2022

## How this affected Hospitality



Re-openings  
pushed back



Businesses  
unable to fully  
re-open



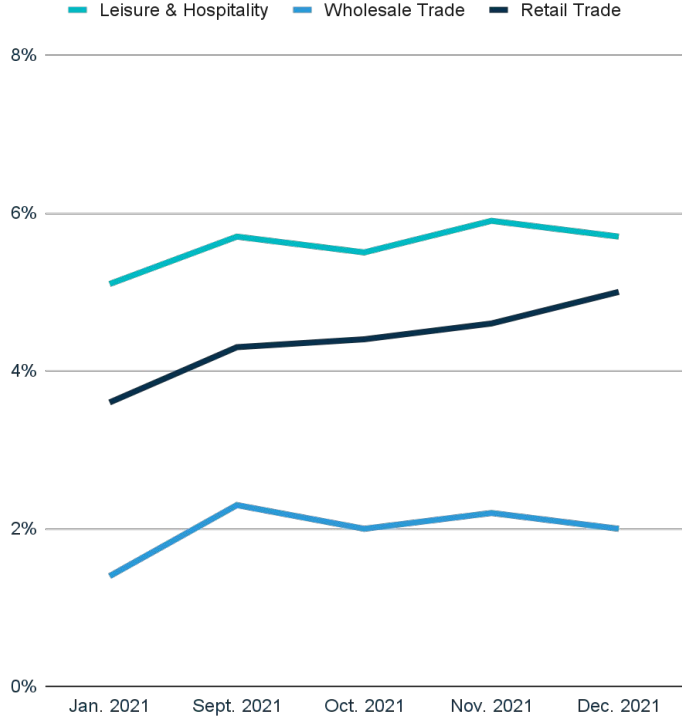
Businesses  
closing for  
good



Leisure and Hospitality  
labor demand is high,  
but supply is still low

The leisure/hospitality and retail industries have had the highest quit rates since November 2020, consistently **above 4.5%**.

## Quit Rates by Industry



Today:

7.8%

Industry Unemployment  
equal to 1.3 million jobs lost  
since Feb 2020



+67,000

Jobs in Leisure & Hospitality  
added in June 2022

# What's keeping workers from returning?



## Low wages and tips

Weekly pay in the industry averages out to **\$416.08**.



## Professionals are overworked

Most professionals in the hospitality industry work **more than 40 hours per week**.



## Lack of flexibility

Currently, there is little flexibility in **location, schedule, or childcare options**.

# American workers need flexibility

36%

Work a second job  
to make extra cash

44%

Would trade their  
benefits package for a  
schedule that works  
better for them

61%

Said their current job  
doesn't offer a  
satisfactory work/life  
balance



# The **Gig Economy** is growing in line with desire for flexibility

By 2027, about half of the U.S. population will have engaged in gig work.

## Gig economy stats

**33%** growth in 2020, expanding much faster than the U.S. economy as a whole.

About **1.1 billion** on-demand gig workers exist worldwide, and **2 million** new gig workers emerged in the U.S. in 2020 alone.

Today, **35% of U.S. workers** are involved in the on-demand gig economy.

# Who does Gig Work and Why?

Michael Maffie,  
Cornell University School  
of Nolan School of Hotel  
Administration

- Ease of entry means gig workers have a wide education and age range
- 37% of Uber drivers have a four-year degree while 10% have a graduate degree
- **Gig Workers fall into three categories: income maximizers, instrumentalists, and socializers**
- “Side-Gigs” increase people’s performance at the full-time job because it enriches their working experience, gives them opportunity to socialize, etc.



# The Three Categories of Gig Workers:

## Income Maximizers

Full-time gig workers

This group prides themselves on autonomy and the ability to work full time and be their own boss

## Instrumentalists

Use gig work for short-term goals or to subsidize full-time income

Individuals who need extra income for a large purchase or fill in for a slow week at work



## Socializers

Folks who work for non-monetary related reasons

Retired individuals or people who are longing for social interaction

# What's Important to Gig Workers & Qwick Pros...

## Pay & Wage

Pros like same-day pay

Employees are seeking a livable wage - state minimums are not making the cut



## Flexibility

Work/Life Balance is a top priority

Gig Work Pros enjoy the freedom to create their own schedules, work at different sites



## Better Treatment

Employees want to be heard

Qwick's Two-Way rating system allows Pros and Businesses to both have a say

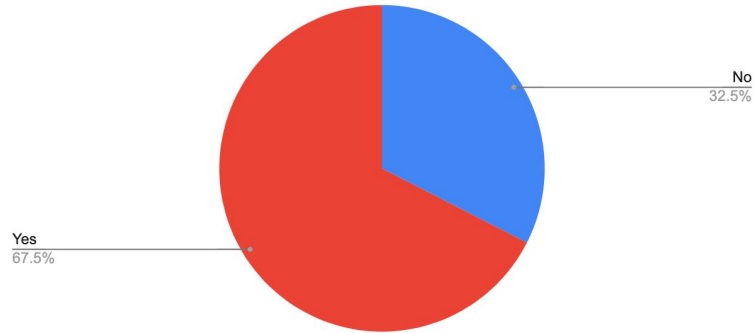


# Speaking of flexibility...

In a survey of more than 900 Qwick Professionals:

67.5%

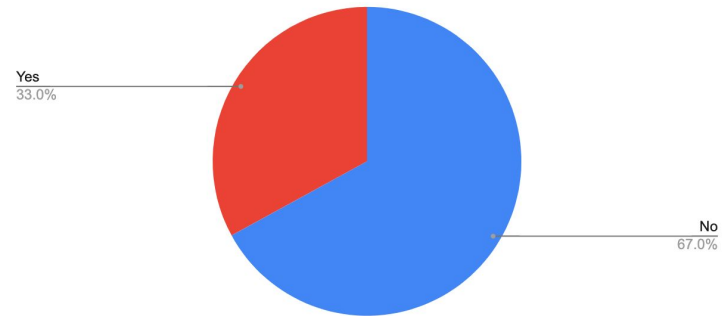
Have a full or part-time job outside of Qwick



Do you have another part-time or full-time job outside of Qwick?

33%

Use other gig work apps regularly



Do you work with other gig apps regularly?

The future of hourly labor is **shift based**—not **the 40 hour work-week**



# Flexible work is beneficial to Pros.



## Traditional Work



## Flexible Work

	 Traditional Work	 Flexible Work
Schedule	Rigid, out of their control	Flexible, based on their needs
Roles & Locations	Usually singular	Diverse, access to multiple
Payment	Bi-monthly	Instant (+ regular bonuses)
Feedback Loops	Situational & uncomfortable	Constant, two-way

## Q&A: What is your business facing?

- What roles and functions within your organization have you had to be *flexible* with in the past two years?
- How has your staff responded to *pay*, especially related to recent inflation?
- Has *communication* within your organization changed lately? What do you do to understand your team and their needs?

How to capture  
and retain talent

## Hiring incentives

Invited Clubs hires get a **\$500** signing bonus plus a **\$3000** retention bonus at the end of the season.



## App for an interview

“Our no. 1 selling category is appetizers, so we decided to offer an **app for an app.**”

*John Cywinski, President  
Applebee's*

Applebee's is seeking to hire **10,000 people** this summer and announced last month that it would hand out vouchers for a **free appetizer** to anyone who scheduled an interview.

# Hotel Benchmarking

Omni Hotels & Resorts is offering a range of incentives, including **free hotel rooms** for summer employees and **guaranteed entrance into the company's management training program** for staff members.

Kimpton Hotels & Restaurants offer employees access to **onsite fitness centers, fully paid sabbaticals, reimbursement for college tuition, and telecommuting.**

# The future of work

Qwick is changing the way people and businesses work.

**60 Million**

# of hospitality industry workers by 2027

*Retention in Hospitality Study  
Staffing Industry Analysts*

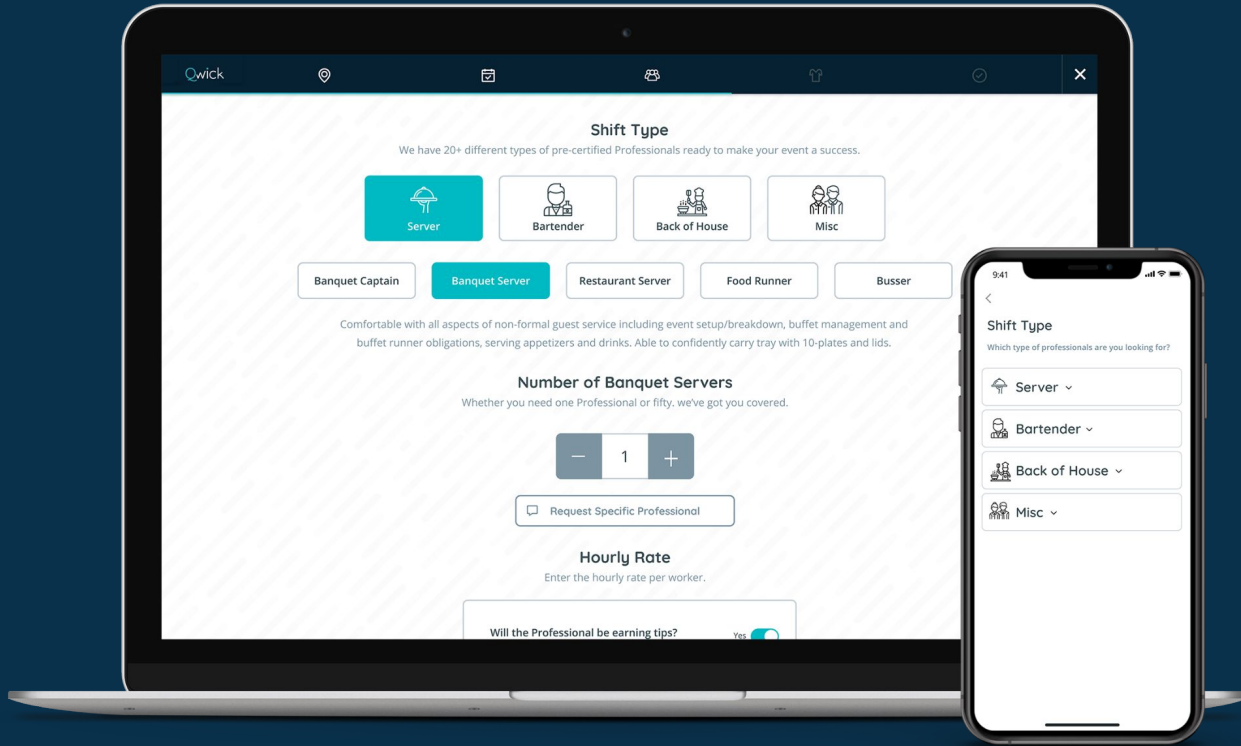
Rethinking staffing as  
**shift-based** gives businesses  
**flexibility & security**

# Staffing is broken; Qwick is fixing it.

With a marketplace full of **thousands of pre-vetted Professionals**, fueled by **Qwick's algorithms**...

...you'll **never** be  
**short-staffed** again.





20+

# Shift Types

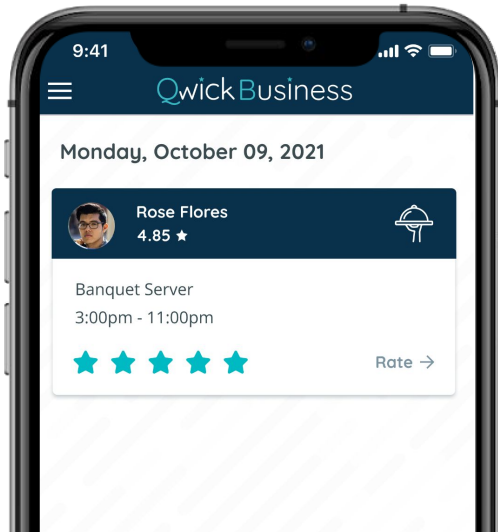
exclusive to hospitality

Our **thorough vetting**  
process ensures only  
the best Professionals  
make it onto **Qwick...**





...and our **two-way** rating system ensures only the **best Professionals** stay on **Qwick**.



A 5-star rating adds a Professional to your preference pool

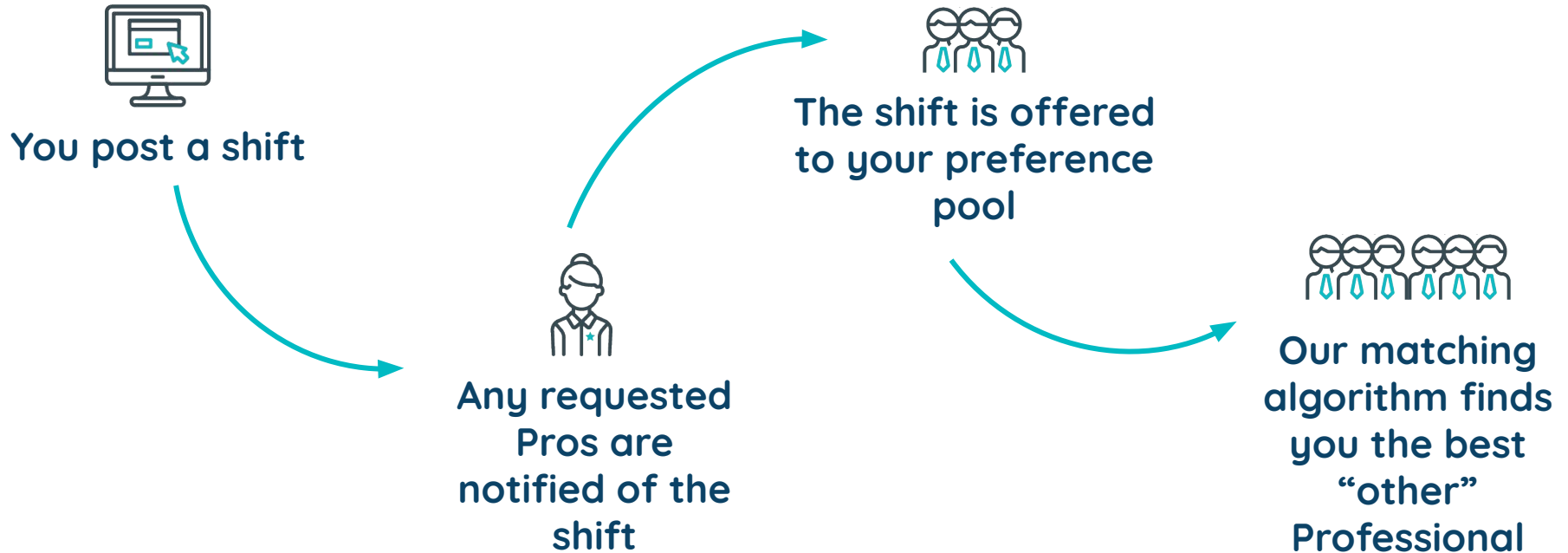


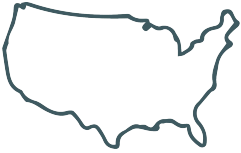
3 (or fewer) stars will block a Professional from future shifts



2 (or fewer) stars penalize the Professional, eventually removing them from the platform altogether

# Here's what happens behind the scenes:





**>5,000**

Business Partners  
across the country



**98%**

Shift fill rate



**>400,000**

Hospitality  
Professionals\*



**\$0**

To hire a Professional  
full-time



**400k+**

Successfully  
Filled shifts



**4.8/5**

Average  
Professional rating

\*# of Qwick app downloads

In 25 of the biggest markets across the country.

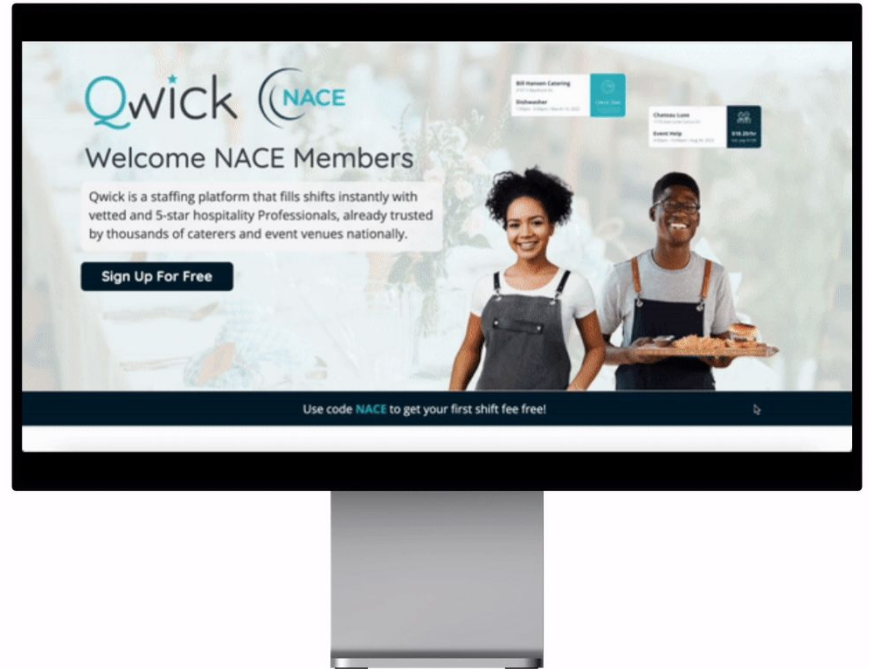


# Try Qwick Risk-Free

Interested in learning more? Visit [qwick.com/nace/](https://qwick.com/nace/)

Sign up with code **NACE** to get your first Qwick shift fee free.

Know other businesses that need staff? We offer a **\$750 reward** for every referral!



# Secure your staff in 4 easy steps.

1

Create an account at  
[Qwick.com/business](https://qwick.com/business)

2

Click

 Post A Shift

3

Customize your  
shift details

4

Start receiving  
pre-vetted, qualified  
Qwick Professionals

## Ready for onboarding?

A Qwick representative will  
walk you through the process.

**Get 24/7 support from real  
human beings in Phoenix.**

Just text **79425** whenever you need!

Q & A  
Thank you!



[Qwick.com](https://qwick.com) | [@QwickShifts](https://twitter.com/QwickShifts)

- Data references



# How we're capturing talent

- Flexible schedules for work/life balance
- Paid in 30 minutes
- Treated respectfully

130%

Hospitality turnover rate

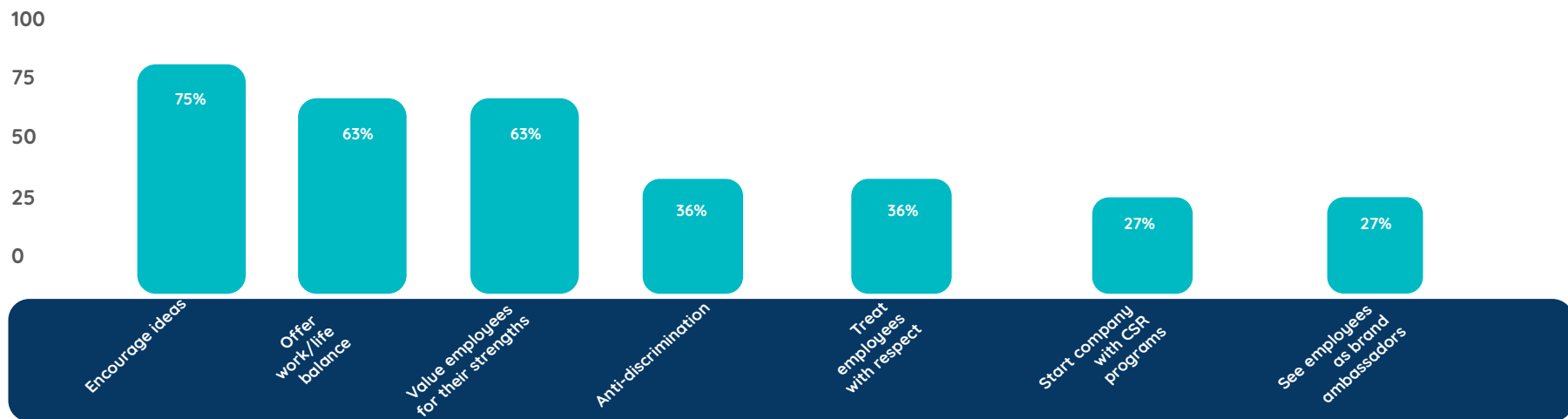
# Ideas to support retention

- Promote a culture of DEIB
- Enhance work environments
- Support employees through use of technology
- Treat employees with integrity

*Retention in Hospitality Study  
PressReader and Forbes Travel Guide*

# Ways of fostering inclusion

Both Millennials and Gen Z'ers believe “most business leaders are not truly committed to creating inclusive cultures.”



# More ideas for providing a great place to work

- Looking at Team Members as customers
- Change the name of HR to “ Team Member Services”
- Programs that truly engage
- Speaking outwardly on confidence
- Removing stress
- A purpose larger than the end product

# What would make hospitality workers go back?



**69%**

Liveable wage



**63%**

Paid sick days  
Health benefits



**56%**

Better Treatment

# Liveable Wage

“The goal of a liveable wage is to allow workers to earn enough income for a satisfactory standard of living and prevent them from falling into poverty.”

*Living Wage, MIT EDU*

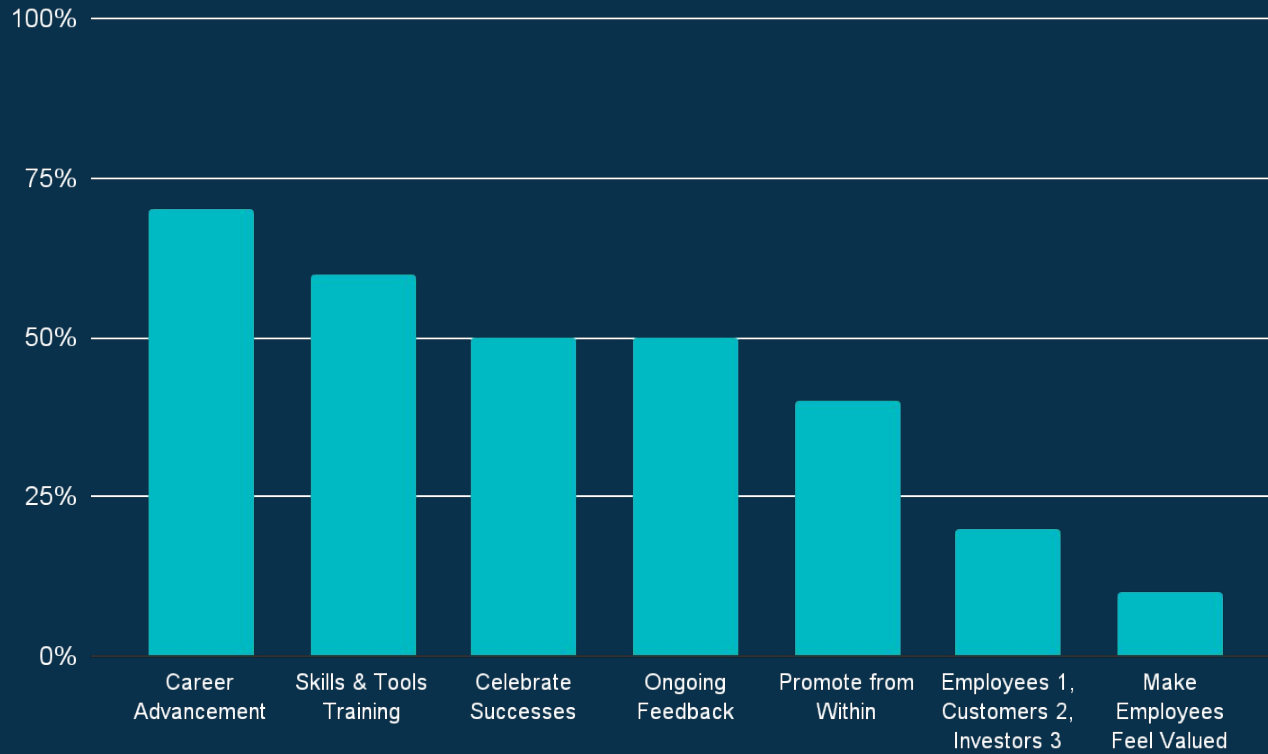
<https://livingwage.mit.edu/pages/about>

# Examples of Average Pay

		Quick Avg.	Before COVID
<b>Phoenix</b>	Banquet Server	\$26.50	\$16.00
Min. wage: \$12.15	Line Cook	\$21.30	\$14.00
Living wage: \$15.76	Dishwasher	\$20.70	\$12.00
<hr/>			
<b>San Diego</b>	Banquet Server	\$25.50	\$17.00
Min. wage: \$14.00	Line Cook	\$28.90	\$15.00
Living wage: \$21.26	Dishwasher	\$23.20	\$13.00
<hr/>			
<b>Atlanta</b>	Banquet Server	\$20.20	\$16.00
Min. wage: \$ 7.25	Line Cook	\$19.10	\$14.00
Living wage: \$16.72	Dishwasher	\$16.90	\$12.00



# Benefits beyond compensation



# Where do we go from here?

The persistent challenge is retaining people.

# What's the biggest challenge your business is facing?



## Proof of the Pudding

### Business Outlook

- Trying to keep up with demand
- No big corporate yet
- Top venues booked 3 yrs

### Staffing Outlook

- Bleak; Gig economy has given people other options
- Core team declining wknds

### Biggest Challenge

- Hiring
- No applicants, no quality
- Price of staff, food, gas

### Solutions

- Enhancing work environment
- Daily staff meals
- Employee Engagements

# Additional factors

- Employees aren't feeling valued for their work
- Not incentivized to stay long-term
- Little growth opportunity
- No benefits
- Uncertainty driving them to other industries

## A few of our Catering & Event Partners:



# Quality Professionals

We attract the cream of the crop. The flexibility our platform provides, as well as the competitive pay we offer, allows us to attract and retain a network of top hospitality talent.

- Fully vetted
- 1+ years experience
- Hospitality skills test
- 1:1 orientation
- Quick score of 4+

# Where Qwick works for you

## Current Markets

Atlanta  
Austin  
Baltimore  
Chicago  
Washington D.C.  
Dallas-Fort Worth  
Denver  
Houston  
Los Angeles

Miami  
Nashville  
NYC-Newark  
Orlando  
Phoenix  
San Antonio  
San Diego  
San Francisco  
Tampa Bay

## Upcoming Markets

Las Vegas  
Jacksonville  
Philadelphia  
Charlotte  
Cleveland  
Cincinnati  
Detroit  
Pittsburgh  
**+10 more by EOY**

“Events are coming back...but staff has not. Hospitality workers want more out of their jobs: better treatment, pay, hours, and benefits.”

*Heather Borseley, Director of Operations  
Proof of the Pudding*

Bill Hansen Catering in Miami lost **30%** of their staff during COVID and are still dealing with the effects of the labor shortage.



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Bill Hansen Catering in Miami lost **30%** of their staff during COVID and are still dealing with the effects of the labor shortage.

# Qwick can help

"Qwick has helped us big time over the last few months. We're in the middle of the busiest season we ever had, and Qwick has been able to assist us with all our staffing needs.

All of the Qwick Professionals have been a great help, very professional and well prepared.

My favorite thing about Qwick is their open availability to assist us with all our needs no matter the time of day!"

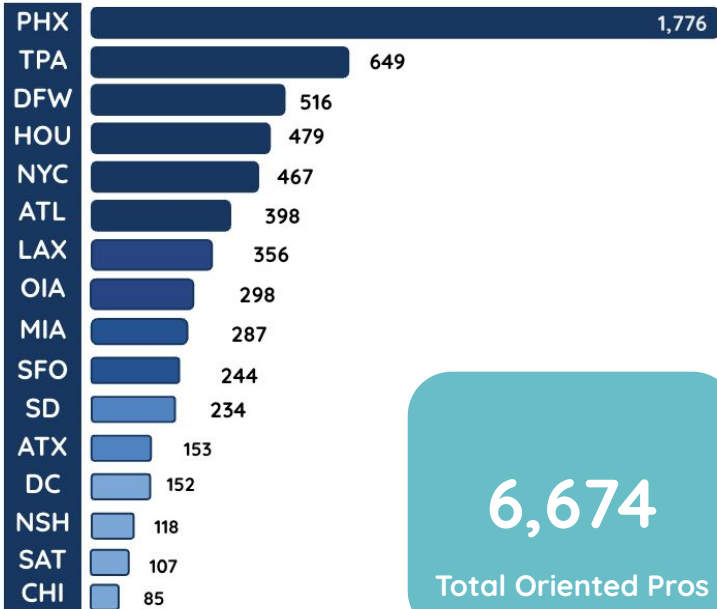
*Andrea Etienne, Culinary Admin  
Bill Hansen Catering*



Large corporations are spending a lot of time, money, and resources to attract and retain talent.

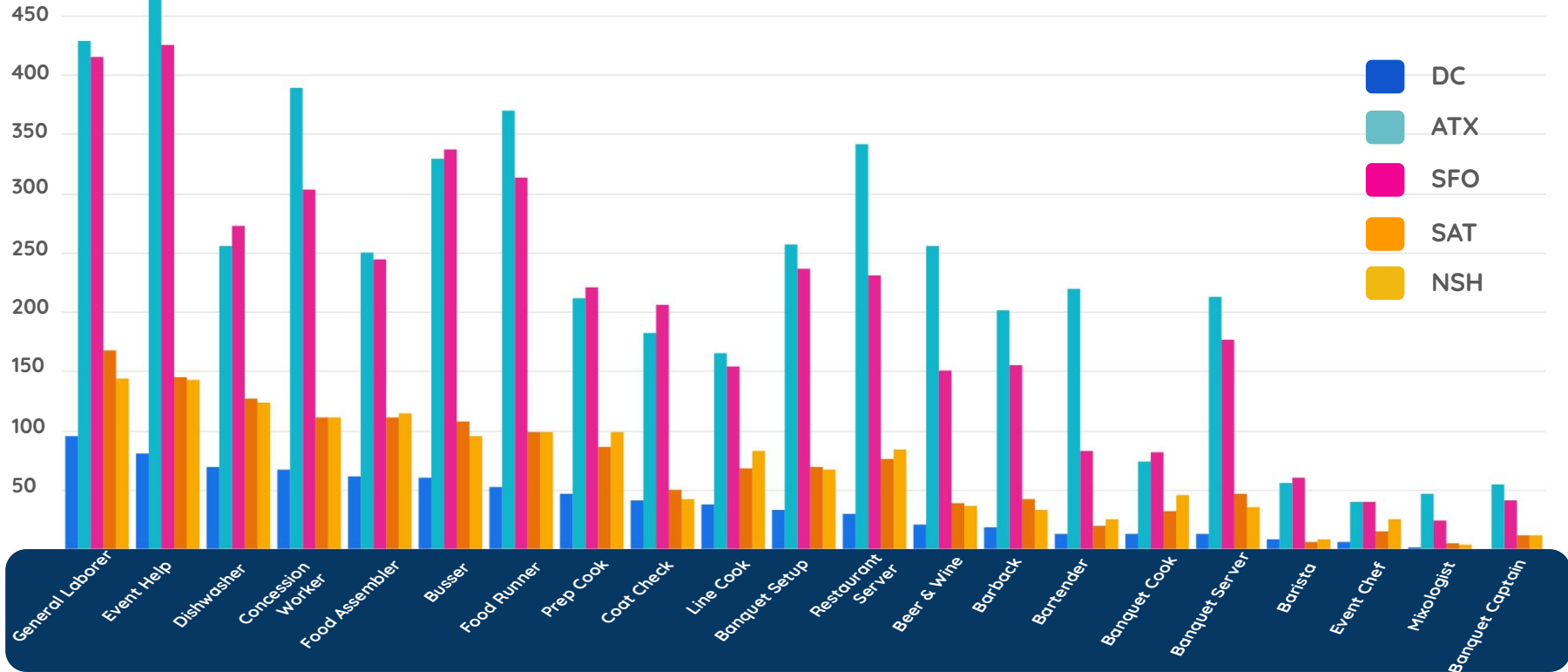
# Orientations

Last 30 Days



**6,674**  
Total Oriented Pros

# Qwick



# What sets Qwick apart?



It's the same story across the board: higher pay, benefits, greater flexibility, and safer working conditions.

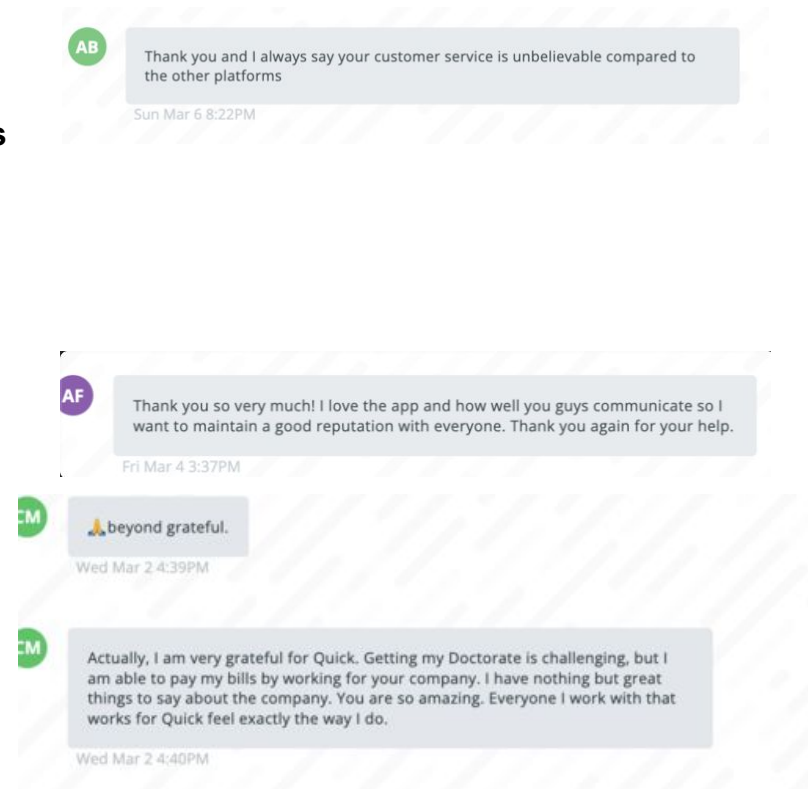
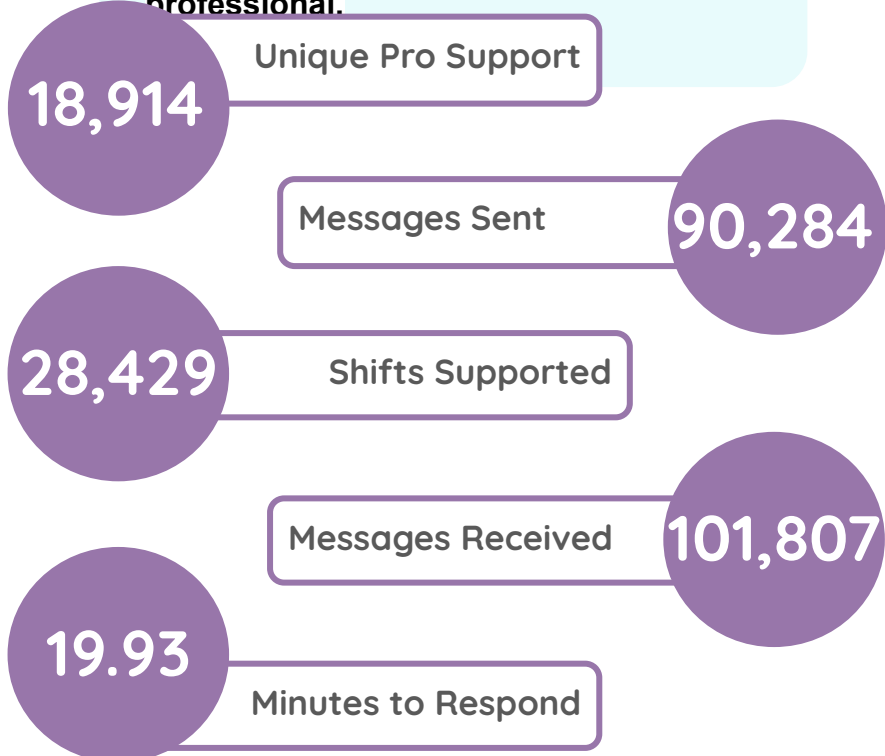
## Freedom & Flexibility

- Choose your own schedule
- Work the hours you are available
- Variety in shift types
- Work your day job & earn money

# CASE STUDY

## - What sets quick apart?

**Engagement. Real people helping our pros and businesses**  
**Treating people like humans, hence why we use the word professional.**





## **CASE STUDY**

**What sets qwick apart? Highlight stats from slide 15 that reference what will make people go back to work**

**1 - liveable wage**

**Include stats on how we pay above market**

**2- health benefits**

**Include info on Indipop?**



# Why workers consider leaving the industry

Based on responses from 2,838 food service workers employed at the time of the survey—which was conducted from October 20, 2020 to May 1, 2021—**53% of respondents reported considering leaving the industry.**

Their reasoning:

- Low wages and tips (76%)
- Customer hostility and harassment (39%)
- Transitioning to a different industry (31%)
- Coworker/manager hostility and harassment (26%)

# What would it take for them to stay?

It's the same story across the board: higher pay, benefits, greater flexibility, and better working conditions.

## Key factors:

- A livable wage (69%)
- Paid sick days (63%)
- Health benefits (63%)
- Better treatment (56%)

# The challenge of hiring & retaining quality people

**21**  
**Days**  
**to hire**

\$5,864 is the average cost of hiring one restaurant employee...

**130%**  
**Turnover**

...only for them to stop showing up to work 56 days later.

- Employees are not feeling valued for their work, or incentivized to stay long-term
- Increase harassment for enforcing safety protocols
- No room for growth
- No benefits