

HOW TO MINIMISE DISRUPTION TO YOUR BUSINESS THROUGH THE RECRUITMENT CRISIS

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RECRUITMENT STRATEGIES BROUGHT TO YOU BY STURDY FOODS

MEETING DEMAND THROUGH CLEVER RECRUITMENT



FOR MANY BUSINESS OWNERS AND PARTICULARLY THOSE IN HOSPITALITY, 2021 HAS SEEN SOME OF THE HARDEST CONDITIONS TO BE RUNNING A BUSINESS FOR QUITE SOME TIME.

As the country starts to reopen the economy, this has created large demand in certain sectors as pent-up consumer demand starts to be realised and people start spending more on activities such as going out to eat and drink. Whilst this is a good thing for businesses that have had to get through long periods with little to no cash coming in, it has now presented enormous challenges in many areas including supply chain and most notably in the labour market, where demand for workers is vastly outweighing supply. This is down to various factors and is unlikely to change for some time. The labour

market, like any other market, is one of supply and demand, with demand being higher than supply at present.

If you are running or managing a business, you may be feeling frustrated that having been through periods of reduced demand or complete shutdown, it is now proving very difficult to meet demand which has now returned along with not being able to offer customers the service they expect due to lack of available labour.

If so, you are not alone. Are there any easy answers to solving the problem? Sadly, no. There are many factors at play and unfortunately as business owners we have little control over

many of them.

But there is an opportunity to look in more detail at how you are recruiting and also your business model which can certainly mitigate the problem until conditions improve.

Here are some ideas and suggestions that we hope will aid you in improving the situation and making things easier.

As with many problems, there is no 'silver bullet' but if you look to make several smaller changes in different areas of your business, you should be able to reduce the pressure and make your business more effective at meeting demand.

Be ruthless with understanding your costs

REVIEW YOUR MARGINS AND OPERATING MODEL

There is strong demand across the board for hospitality services as consumers look to go out and enjoy themselves again. In addition, with many people being nervous about holidaying abroad, this has resulted in a 'staycation' tourism boom in the UK which looks likely to continue into the future.

The biggest problem for many hospitality businesses is no longer getting people through the door but being able to serve them properly. As labour availability is poor at present, this means whatever labour is available needs to be used as efficiently as possible. There is therefore an opportunity to improve productivity and increase margins that means less labour can be used to serve more people.

IS THIS THE TIME TO CONSIDER RAISING PRICES?

LET'S DO SOME DEEPER ANALYSIS ON THIS.

Let's say we sell a portion of fish and chips for £10 (excluding VAT) at a 65% margin. Let's say we sell 100 portions of fish and chips on an evening service. We have made £650 gross profit by the end of the night.

The next night we raise the price by 10% and now sell a portion of fish and chips for £11. To make the same gross profit as we made the night before (£650) we only now need to sell 86 portions of fish and chips, to make the same amount of profit! In other words, we can serve 15% less people and make the same profit. This of course means less labour is required to make the same profit.

Every business is different and some customer demographics are more price sensitive than others, but if demand is consistently high then raising prices is one way to start to ease the pressure by simply serving less people using less resources to generate the same revenue and profit. Is it time to review your prices if you have not already done so?



In a time where it is a struggle to meet demand, you have to make every bit of the menu work as hard as possible. This means there is no place for dishes that are not pulling their weight, no matter how popular. Do you know your costings inside out for every menu item?

If not, do a full menu review to understand which dishes may not be making you enough money. Remove any that are acting as a drag on time and profits or put the price up if necessary, you need all your available labour going in to making dishes that are making money, not those that are consuming too much time for too little return.

UNDERSTAND EVERY KITCHEN TASK AND THE COST TO YOUR BUSINESS OF IT

Traditionally, gross profit is calculated as selling price minus food costs. Labour is not treated as a direct cost of selling a menu item. Consider changing your thinking on this and establishing the real cost of making a dish. Are your chefs spending a lot of prep time on certain activities?

If you allow a chef to spend an hour prepping for a dish, then that is a direct cost to making that dish. Are your chefs and kitchen staff only spending their time on the highest value tasks to your business?

Every business is different and some kitchens are more labour intensive than others, but do you have room to cut any labour intensive prep time or to buy anything in readily prepared that could cut down labour time?

The goal is that we increase productivity by using the labour that we do have in the most efficient way possible so we can be as effective as possible at serving guests.

Every business is different and some kitchens are more labour intensive than others



CONSIDER SIMPLIFYING YOUR MENU

How easy is your menu to navigate to customers? How simple is it to prepare and serve? Does it require hours of training to learn for new team members?

Whilst offering choice is good, too much choice is undesirable and can lead to inefficiency in service. The ideal is to offer a good enough choice for people that covers the main diets (meat, vegetarian, vegan) without offering more than is required.

Simple menus often work best both for customers and employees and if you are currently running a large menu with many different components, consider pulling it back to a smaller range of quality and popular dishes.

This will all help in reducing the labour required to serve your customers and also potentially speed up front of house training and service.

REVIEW YOUR RECRUITMENT PROCESS

Think of recruitment in the same way you think of marketing. If we have a queue of people looking for work outside our door every day, then we don't have to put too much effort in to attract employees. But we are not in this situation, which gives potential employees far more choice over where they work.

The reality is you are going to need to work harder to attract the best employees in the local area. This involves being creative with how and where you are advertising for employees and thinking carefully about how to do this. Bear in mind in a market such as this that the best candidates are probably already in work, so a mixture of strategies that target both those out of work but also those already in work who may be looking for a change is going to be needed.

Have a think about any potential barriers to attracting the best candidates and how to overcome them. Are you in a rural area with poor public transport that makes it difficult to get to work for non-drivers? If so can you arrange transport to and from work for potential candidates if needed?

In a competitive marketplace, you need to outline the benefits that potential candidates are going to get when they

work for you. Are there any perks/benefits that you can offer to help attract good talent?

Here is a list of suggestions but this is by no means exhaustive.

- Flexible shift patterns. This can be important to some people to work around family. It's not always practical or possible to offer this but it is worth considering if you can.
- Profit share. Can you offer a profit share scheme? These can be a good motivator and a great way to get a team to work well together.
- Can you partner with other local businesses to offer your employees a discount at those businesses? And offer the same for their employees in return?
- Personal coaching. Can you offer to work with your employees and see what their personal goals are and how you might be able to help? This could be helping them look at how to buy a house, what their next career step might be or just how to reduce some debt. This can be a powerful way to

align their interests with yours and build trust and loyalty.

- Regular social events. These can be a great way to get your team to bond together and have fun.
- Training. Can you offer your employees any formal training so they are upskilling whilst working for you? This could be management training, food safety training, health and safety training or customer service training.
- Birthday gifts. This is a great way to make people feel valued at little cost. A voucher or other gift as well as a card from all your team on an employee's birthday will make them feel great.



CONSIDER HOW AND WHERE YOU ARE ADVERTISING FOR NEW EMPLOYEES

You want to find as many channels as possible in the local area to advertise your vacancies.

This can include the following...

- Online job boards. Indeed, Monster, Reed etc.
- Social Media channels. Facebook, Twitter, Tiktok etc. Facebook in particular will allow you to 'boost' a vacancy allowing you to show your job advert to a specified audience within the area you stipulate.
- Door to door leaflets. This is an underused but effective strategy and involves posting leaflets with your job advert through letterboxes in the local area. Often this is a good way of finding candidates who may already be in work but may consider a change.
- Open day. Consider a recruitment 'open day' where you invite potential candidates to your business. Offer some nibbles and maybe some complimentary drinks and give a quick presentation on your business and the benefits of working for you. This is a great way to get a good feel for people and for them to get a feel for your business.
- Current employee referrals. Do any of your current employees have friends or family who may be interested in working for you? Often people will not think to ask unless prompted to do so. Can you offer an incentive to current employees who bring any new employees into your business?
- Look for local job fairs/recruitment days in local schools/colleges. Speak to local schools and colleges about how they promote local job opportunities and whether you can become involved. Your local enterprise partnership (LEP) may also be worth speaking to as they may have knowledge of any events or schemes to connect school leavers with employers in the local area.
- Make a short video about your company, what you are about and why you are good to work for. This doesn't have to be professionally done and can be shot inexpensively with a smartphone. This can then be put out on social media posts. Ask people to share with it with others who may be looking for work. Aim to keep it simple and benefit focussed to the potential candidate.

Carefully craft your messaging in your job adverts.

In a competitive recruitment market it's important to stand out from the crowd in any job adverts you put out. Your advert is generally going to be seen along with many others in a lot of cases and thinking carefully about the way it is put across can really help in attracting better candidates. The mistake a lot of people make with job adverts is being too focussed on what they want from the candidate without focussing on what will motivate a candidate to be interested in the job. Remember the goal is to attract motivated people into your business. So what is likely to move them enough to want to work for you?

Here is an example of a typical job advert.

CHEF WANTED

We need a hard-working, reliable and trustworthy chef to work in our kitchen. We provide quality meals to our customers and need someone who works with a high level of detail and cleanliness who can work to high standards to ensure our guests get the best experience possible.



Good rates of pay for the right candidate.
Please phone 12345678 for more details.

Is this likely to attract good candidates? Maybe, but more than likely not. So why not?

It is far too focussed on what the business owner wants and needs and not on what's in it for the candidate. The goal is to interest them enough to make the call. At this point you can start making your assessment of them and their suitability. But in the first instance, the only goal should be to get as many people to apply as possible so you can create some choice over who you choose to recruit into your business. With this in mind, let's look at an alternative job advert.

ARE YOU FED UP WITH YOUR JOB? ARE YOU TIRED OF FEELING...

- Poorly managed?
- Under appreciated?
- Bored with your work?
- Badly paid?

What if you could find an employer who offered you the following...

- Great rates of pay and guaranteed full time hours
- Full personal and professional coaching to understand your goals and help you achieve them
- A fast-paced environment where you'll never clock watch again!
- A fantastic working environment with friendly and supportive colleagues
- A generous profit share that rewards you for your hard work
- An employer who treats you as a human being and not just a number

We are a restaurant passionate about providing great quality food and service to our guests as well as a great working environment. So if you're looking for a job that really gives you what you need, then all you need to do is one of the following;

1. Send us an email at info@123restaurant.co.uk with a brief introduction about yourself and your contact number. We will then call you to discuss your situation and find out more about you.
2. Send us a text on **12345678** with your name and the words 'New opportunity' and we will call you back to find out more about you.

This advert does a much better job of appealing to the reader's emotions and is much more likely to generate a response. Often the best candidates are already in work, so this advert also appeals to those who may be in work but open to a change if the conditions are right. You will of course have to determine the benefits you want to outline in your advert as every business is different, but think hard about what is appealing about you as an employer that you can offer good candidates and make sure they are clearly detailed in the advert.

IN SUMMARY...

In summary, recruitment is always the hardest part of any business and is particularly challenging in the current environment. But this is also an opportunity to look at your recruitment systems and how they can be improved, helping your business to thrive.



We hope this guide has been useful and that it helps you start to think of some new ideas to take your recruitment to the next level.

If we can help at all or you have any other queries related to this guide, please call us on **01765 641 200** or email info@sturdyfoods.co.uk

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