

Strategic Workforce Planning: Optimizing talent for quick-service restaurants



Hiring trends are posing challenges for quick-service restaurants

Navigating today's dynamic and fast-paced hiring landscape is becoming an increasing challenge for quick-service restaurants (QSRs). Top strategic workforce planning (SWP) related priorities in this sector include (1) preventing and addressing high turnover, (2) responding to state-by-state workforce requirements, (3) filling open roles proactively and at a faster pace, and (4) upskilling employees to retain them for long-term careers.



Top industry priorities

Industry trends

SWP solution enabled by Workday



Reduce time to fill of open roles

Time to fill has trended higher since 2021, putting the national average at **43 days as of 2023**, which can compromise achieving sales and customer service objectives.¹

Decrease time to fill by **automating eligible recruiting efforts** to efficiently screen candidates and use **workforce forecasting** to proactively schedule targeted large-scale hiring events.



Address high quantity of open roles

QSRs are leading the consumer and retail sector in open roles, with certain states such as Texas and Florida outpacing the rest with **247,000** and **205,000** job annual postings, respectively. This underscores the **high demand and vibrant growth** in the QSR job market nationwide.¹

Address high quantity of open roles by **enabling proactive and real-time workforce forecasting solutions** to realize **cost savings** (e.g. more accurate recruitment pipeline, location-specific sourcing strategies, etc.).



By introducing shift-specific requisitions in Workday, **we've tailored our recruitment to ensure we're attracting candidates who are available when we need them most**, to best support our customers across all dayparts. We've empowered our hiring managers with the autonomy to post requisitions without the need for additional approvals, which puts them in control of attracting talent to critical vacancies. Additionally, by simplifying the application process and removing the barrier of account creation, **we've seen a 20% increase in applicant volume**. Having Workday, as our people platform allows us the flexibility to interview talent and convert them to a training new hire in the same day. This **agility is crucial in retaining top talent** and fostering long-term careers within our organization.



Nicki Tafolla
Talent Acquisition Leader, Whataburger



California's quick-service restaurant landscape: A bellwether of nationwide challenges

Strategic workforce planning can be a major challenge for QSRs in California, specifically due to the state's higher than national average minimum **wage laws that specifically target fast-food restaurants**.² The current \$20 minimum wage for fast-food restaurant employees has led to increased labor costs that can significantly impact businesses' profitability.

In addition, **the predictive scheduling laws** enforced in the state make it harder for restaurants to rapidly adjust staffing levels to cater to fluctuating customer traffic.³ These combined factors put a strain on employers, limiting their short-term flexibility in managing their workforce and ultimately requiring stronger, longer-term, predictive workforce planning.



Average yearly turnover rate by functional role (%)

Percent of employees exiting (2018–2023)



Average tenure by layer (years)



1 Source: Data sourced from Revelio, focusing on major United States Consumer and Retail organizations, accessed March 2024.
 2 CNBC, Kate Rogers and Amelia Lucas, "California fast-food workers are now making \$20 an hour. Other businesses might have to catch up" (April 1, 2024).
 3 LA Times, Rebecca Plevin, "L.A. law aims to make retail workers' schedules more predictable. Is it working?" (February 17, 2024).



Success is highly dependent on the alignment of talent to an organization's strategic imperatives—hiring the right individuals, with the requisite skills, at an optimal cost, precisely positioned, and at the exact moment needed. **Workday's robust suite of tools** are designed to tackle the **unique industry challenges** for Quick Service Restaurants.



Valerie Winkler,
 Advisory Principal,
 Workday Practice, KPMG



CA turnover and tenure

California experiences a higher turnover rate in this industry compared to other states. However, further analysis shows that as CA employees advance to more senior roles, their average tenure also increases.¹ This suggests that CA employers can potentially address high turnover issues by focusing workforce planning efforts on employees at the more junior levels.



Foundational inputs critical to enabling strategic workforce planning

To confront difficult talent and business headwinds, consumer products and retail organizations have an opportunity to better align their workforce strategy to their business strategy. Selecting an SWP technology solution alone won't solve your workforce needs. **Rather, here are some suggestions for areas to focus on to build an efficient future-ready workforce within program budgets:**



Key SWP inputs



Client stories



Job classification

Establishing a unifying framework to organize job families, titles, and management levels brings about a shared language and robust insights. These core elements equip you with an in-depth understanding of your workforce which becomes the foundation of your strategic workforce plan.

KPMG customized and implemented a **job architecture framework** for a Fortune 100 retail organization. As this organization continues to acquire and merge, this standardized framework lays **a strong and consistent foundation for understanding future workforce demands** and **enhances the precision of decision-making processes**.



Skills ecosystem

Implementing a skills-based workforce strategy allows for the creation of a detailed workforce plan that considers current skills gap, anticipated future needs, and upskilling endeavors. Implementing such an approach can boost the effectiveness of your workforce, increase productivity, and align skill sets with emerging industry trends.

KPMG created a **talent roadmap**, defined the **future-focused skills**, and developed **career pathways** for a Fortune 500 retail organization in order to document a clear plan for achieving workforce goals and set the skills-based foundation for a variety of talent initiatives (e.g., performance management, succession planning, etc.).



Workforce strategy

The value of a thoughtfully designed workforce strategy lies in its ability to use data-driven insights to evaluate the setup of your organization. It helps determine whether your workforce is configured to meet strategic business objectives efficiently while guiding a buy, build, borrow, bot strategy for future workforce needs.

In the midst of an HR transformation focused on elevating the HR function as a strategic partner, a Fortune 500 consumer products organization enlisted KPMG to help redefine their HRBP role. KPMG developed a **capability framework and assessment** to evaluate current HRBPs and a **learning needs analysis and upskilling roadmap** to further build talent in this role.

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While technology solutions play a pivotal role, **focusing on foundational elements like job classification, skills development, and workforce strategy is crucial.**

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Brock Solano,

Advisory Managing Director, KPMG

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The frontline worker and consumer experiences are essential in achieving and maintaining brand loyalty.

Workday, together with KPMG, directly empowers frontline workers by aligning with their values, providing continuous opportunities to learn new skills, and enabling them to have their desired work-life balance without sacrificing the needs of the business.

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Keith Pickens,

Global Managing Director, Retail & Hospitality, Transportation, Workday

Our thought leadership and assets on strategic workforce planning



Strategic Workforce Planning with Workday and KPMG



Creating the Path for Continuous Strategic Workforce Planning



The Power of Strategic Governance in maximizing Your Workforce Planning Investment



Clearing the Career Path

Contact us:

To learn more about KPMG, strategic workforce planning, and how it can help drive cost optimization, kindly reach out to:



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