

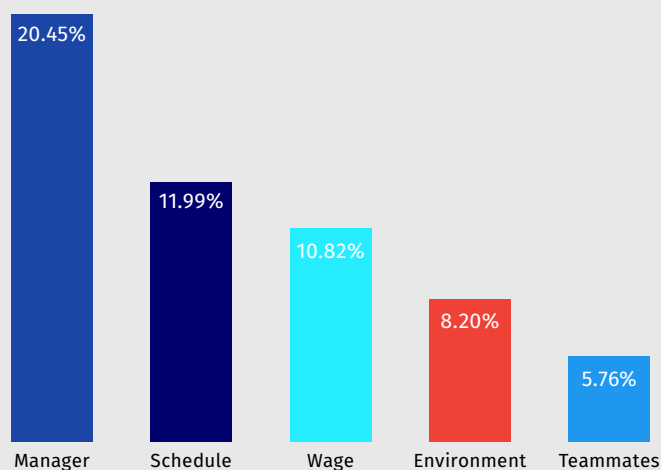


SERVED QUICK: 2023 QSR WAGE & TREND REPORT

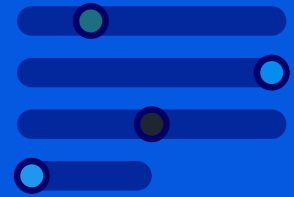
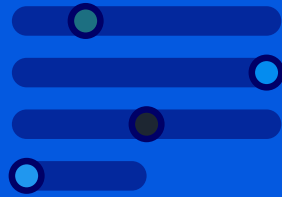
HourWork is your go-to source for quick service industry trends and wage information. Our insights come from exclusive data from hundreds of thousands of surveys taken by the employees of 10,000+ QSR restaurants. Let us brief you on what we are seeing so far in 2023 and what it could mean for restaurants and the quick service industry.

2023 QSR Crew Recruitment & Retention Trends & Highlights

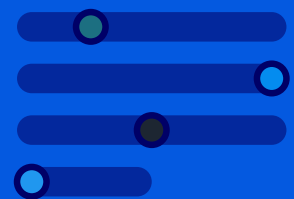
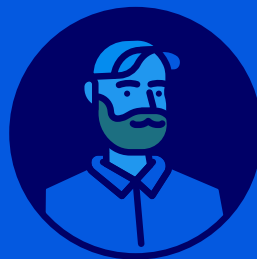
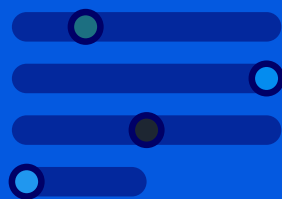
1. **Employees are 5x more likely to quit due to miscommunication in their first 90 days than after.** Focus on communication during the first 90 days of the employee's journey.
2. **Schedule and pay** were top topics mentioned in employees' text messages to their employers during their first 14 days of employment. These topics are specific and critical to an employee's onboarding experience. Surfacing them early allows employers to easily address questions (i.e. "How do I get paid?") and concerns that - left unanswered - could negatively impact employees' experiences and increase their likelihood to quit.
3. **Management is critical to an employee's experience.** "Manager" was the most frequently mentioned topic in HourWork exit surveys - even more than schedule and wage:



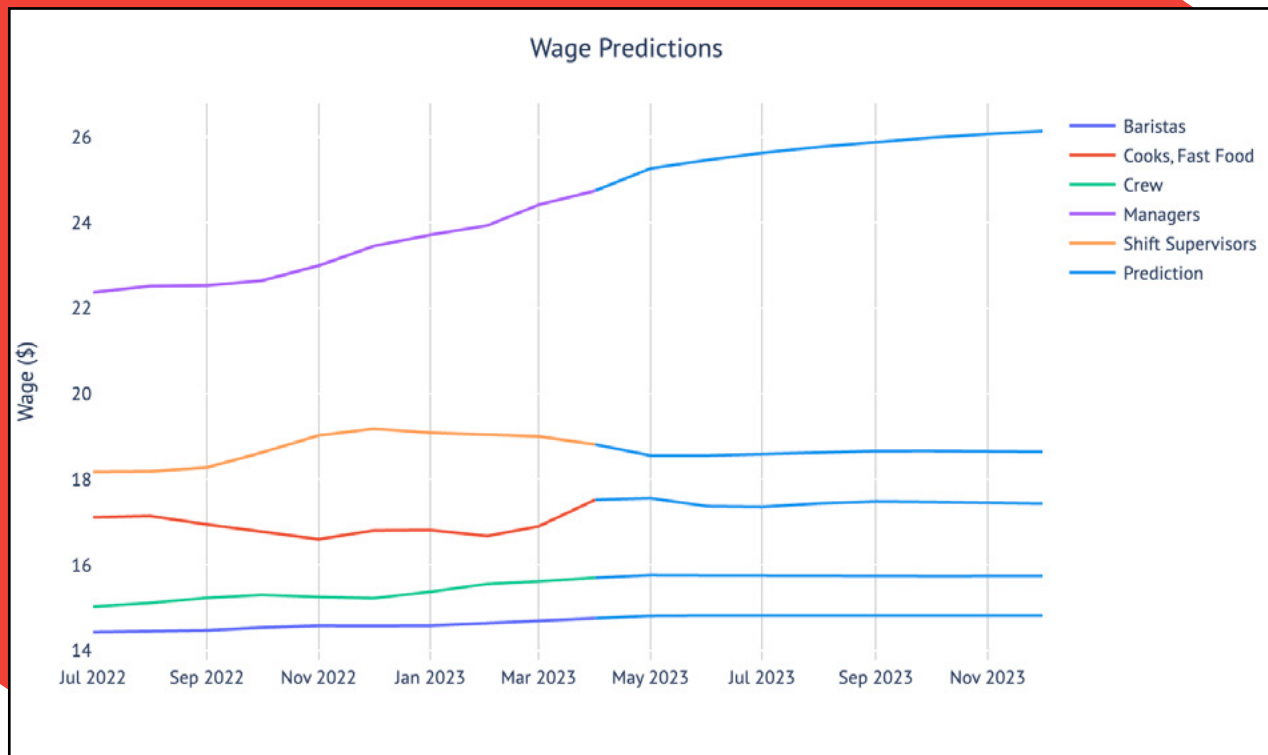
In conclusion, while it is critical to have equitable pay and offer a competitive wage in your market, our exit survey data shows "manager" mentioned nearly twice as much as wage.



Exit surveys
contain responses
related to
manager nearly
twice as often as
wage.



2022 QSR Wages & 2023 Wage Predictions



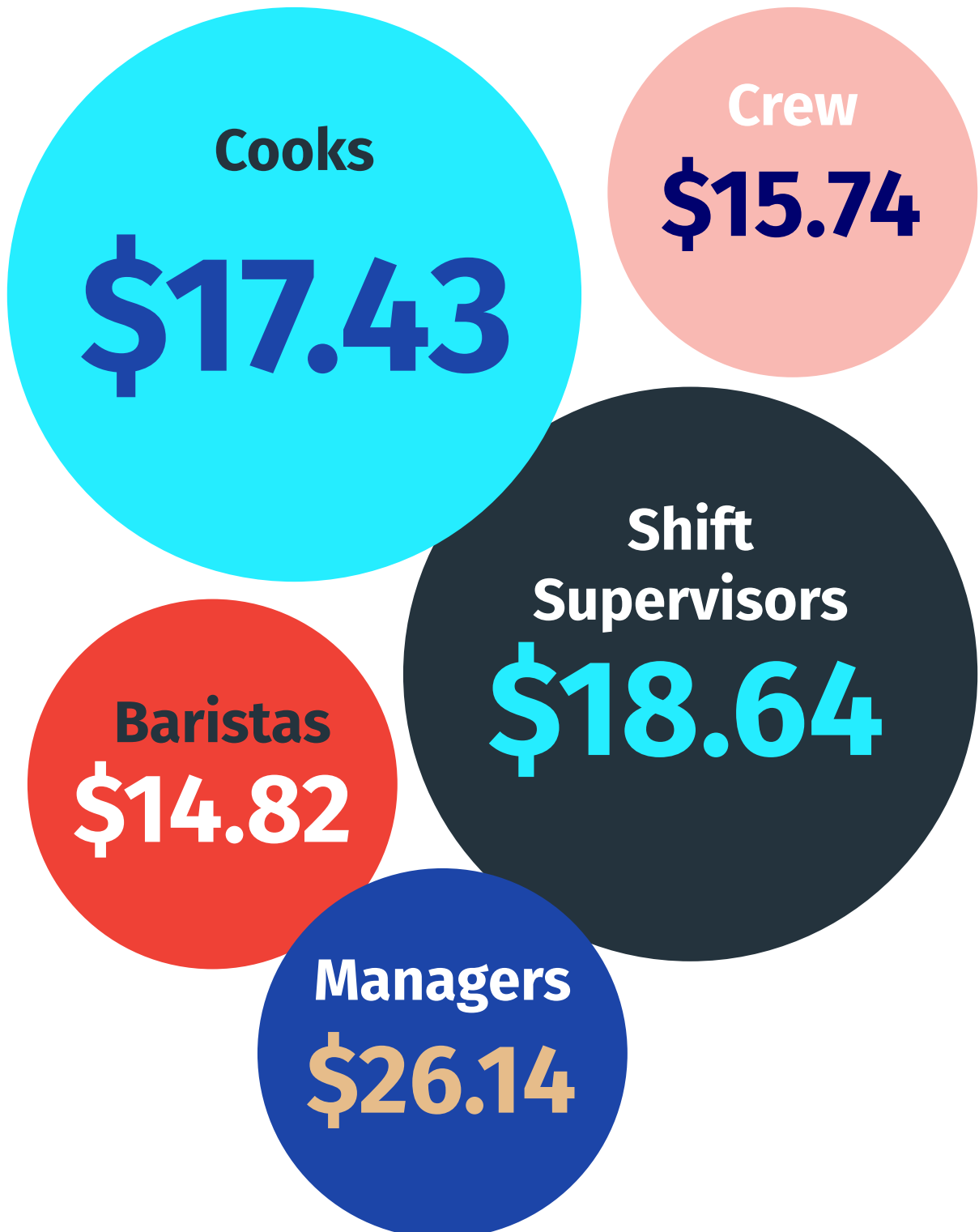
Wages are up in 2023 over 2022, with 72% of positions offering higher wages in April 2023 than April 2022.

On average, across all roles in QSR, compensation increased 7.7% year over year in the beginning of 2023. We anticipate this trend will continue in 2023, especially considering:

- rising inflation
- likely uptick in QSR business (in relation to historic trends during times of recession)
- the demand for hourly workers continues to be higher than the number of hourly workers looking for work

Access our complete QSR Wage Report [here](#).

Projected QSR Wages by the end of 2023:



TRENDS TO WATCH IN 2023



Increasingly since the onset of the pandemic, how to better recruit and retain employees has been a core metric franchisors, franchisees and members of above restaurant leadership have been discussing. It's not surprising since:

- **Before March 2020, only 58% of crew members reached their 90th day on the job before quitting.**
- **That fell to 54% in 2022.**
- **Contrary to the decline industry-wide, HourWork customers have enjoyed their 90-day retention rising by as much as 30%.**



In addition to increasing first 90-day retention, as a leading recruitment and retention software, HourWork enables restaurants to as much as double their application flow.

In 2023, at HourWork we will continue to analyze our proprietary data to find the untold stories that are directly impacting the bottom line of QSR restaurants and the experience of its employees across the country. For example: In 2023, one key metric we are going to watch is employee tenure surplus.

Employee tenure surplus illustrates the “break even point” or how many days an employee has worked past the magic date (whether that be 30, 60 or 90 days at your restaurant) on which your company has recouped its hiring cost for that employee. Capturing employee tenure surplus alongside retention could give a holistic view of how employee tenure, onboarding effectiveness, and employee productivity directly impacts your business.

In other words, tenure surplus could tell you how much you are currently profiting from your workforce after investing in hiring and training them. We look forward to reporting that later in 2023.

Get updates and insights on the latest QSR trends each month from HourWork by subscribing to our monthly Served Quick QSR Wage Report & Industry Insights newsletter [here](#).



