
The Game You CAN'T Win!!
TOILETS ALL OVERFLOWED!
THERE'S A BUSLOAD OF APPLICANTS!
HEALTH INSPECTOR IS HERE!
WE COULD USE SOME HELP. THERE'S A CRUNCH!
I CAN'T COME TO WORK... ANYMORE.
HELLO MOM?
PAYCHECKS READY?
DID YOU GET TO THE SCHEDULE YET?
ALL REFRIGERATION IS DOWN!
WHERE DO YOU WANT THE 80,000 BURGERS MA AM?
AVON or BUST!
SSHH.....
ASSISTANT MANAGER

Why Restaurant Managers Quit (and How to Keep Them)

High turnover among managers can be even more damaging to your operation than high turnover among rank-and-file workers. If you want to keep managers, it is essential to understand why they leave. Surprisingly, money is not always the main reason

by James M. McFillen, Carl D. Riegel, and Cathy A. Enz

TURNOVER among rank-and-file employees has long been a substantial concern for the hospitality industry. Even more serious is the departure of management-level employees. Yet scant attention has been given to the extent of managerial turnover and the reasons behind it.[1] To remedy this lack of information, we conducted a study of voluntary turnover among managers in a national quick-service restaurant chain. In this article, we will first present and discuss a model that appears, based on our study findings, to explain the chain of events leading to a manager's decision to abandon a job. Next, we will put this model into context by discussing what managers themselves see as the specific factors related to their intent to withdraw from a company. Finally, we will share our recommendations on strategies to control management turnover.

[1]For exceptions, see: John F. Mahoney, "The Major Dissatisfiers Associated with Voluntary Management Turnover Analyzed as Determinants of Commitment in the Hospitality Industry" (unpublished doctoral dissertation, Pennsylvania State University, 1982); Edward L. Lange, "Why People Change Jobs in the Hospitality Industry," *Journal of Hospitality Education*, Winter 1980; and James M. McBeth and R. Wayne Mondy, "Why Club Managers Leave," *The Cornell Hotel and Restaurant Administration Quarterly*, 25, No. 4 (February 1985), pp. 12–14.

100-Percent Turnover

The company we studied is a rapidly growing national chain. In the eight years preceding our study, the company had grown from 70 units to nearly 900. In the two years before the study began, the firm had created more than 1,000 managerial positions. To fill its growing need for unit managers, the chain had developed an aggres-

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EXHIBIT 1

Characteristics of the management sample

Age	
Average age	28
Minimum age	18
Maximum age	62
Sex	
Male	78%
Female	22%
Ethnic background	
Black	2.9%
Oriental	1.0%
American Indian	.6%
Spanish	.7%
White	92.8%
Other	.7%
Unknown	1.4%
Marital status	
Single	31.0%
Married	58.9%
Divorced	9.5%
Widowed	.6%
Education	
Elementary school	.1%
Some high school	.5%
High school	18.6%
Some college	38.9%
College	32.5%
Some graduate school	6.5%
Graduate	2.3%
Unknown	.6%
Primary wage earner	
Yes	80.4%
No	19.3%
Unknown	.3%
Dependents	
Average	1.6
Maximum	8
Years with chain	
Average	2.4 years
Maximum	11.4 years
Hours worked per week	
Average	55.7 hrs.
Minimum	45.0 hrs.
Maximum	90.0 hrs.
Number of prior employers	2.8 (avg.)
Restaurant experience	
None	32.5%
Full service	21.3%
Fast food	45.6%
Unknown	.6%
Years	3.8 (avg.)
Recruitment source	
Friends or relatives	11.6%
Newspaper ads	52.6%
Employment agency	7.1%
Chain's recruitment	3.3%
Inquired at store or area office	6.9%
Internal promotion	12.9%
Other	5.4%
Unknown	.2%

Managers in this study reported three areas of concern: (1) the adequacy of company training, (2) the managerial skills of superiors, and (3) the firm's organizational structure and policies.

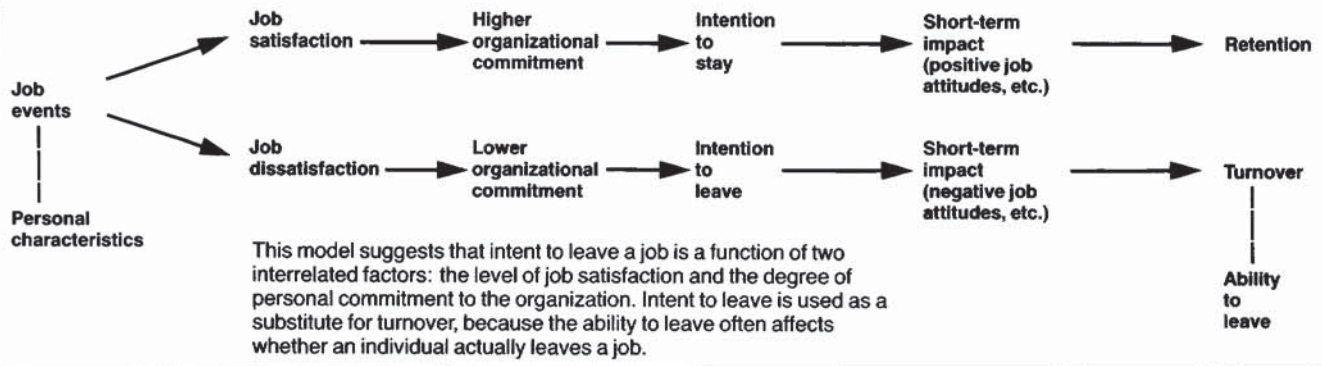
sive and sophisticated recruitment program. The chain also rapidly promoted employees into store management and had a fast-track program for managers who entered the chain with previous restaurant or relevant retail experience. Each store had four levels of management: manager trainee, assistant manager, junior store manager, and senior store manager. Above the store level, the operations management consisted of an area supervisor, an area director, a regional director, and a regional vice president.

In the year before the study, the chain had experienced an average store-management turnover rate of 100 percent. The projected turnover rate for the year of the study was 92 percent. At the same time, other fast-food chains were averaging 43-percent turnover.

Our study involved three stages. First, we needed an understanding of the chain's operations from the corporate to the store level. This familiarization stage involved data collection from internal and external sources. We placed researchers in the company's new-manager orientation program and had investigators work in the company's restaurants.

In the second stage, we interviewed 124 of the company's managers nationwide. We wanted to gauge the managers' attitudes toward their jobs and their employer, and we wanted to gather data on which we could base further exploration. We selected interview candidates from a broad range of operational levels—man-

EXHIBIT 2
Model of management turnover



This model suggests that intent to leave a job is a function of two interrelated factors: the level of job satisfaction and the degree of personal commitment to the organization. Intent to leave is used as a substitute for turnover, because the ability to leave often affects whether an individual actually leaves a job.

ager trainee through area director—and included managers from units with high and low turnover and strong and weak performance. We made sure to get a proper cross-section of stores with different sales volumes and locations. In addition to conducting the interviews, which took place away from the stores, our researchers also visited the stores where the participants worked. Their observations on quality control and the pace of operations helped to put the managers' comments into context.

The interviews revealed three areas of concern: (1) the adequacy of company training, (2) the managerial skills of superiors, and (3) the firm's organizational structure and policies. Based on these concerns, we designed a questionnaire (the third research phase) that was designed to elicit information on the following issues:

(1) attitudes toward company policies,
(2) quality of supervisory relations,
(3) job satisfaction,
(4) commitment to the organization,
(5) intent to leave the organization, and
(6) the degree to which respondents believed certain factors contributed to management turnover.

The survey was mailed to 3,100 of the company's managerial employees (trainee through regional director) across the U.S. Of that total, 1,046 managers returned the survey (34 percent).

Managerial Archetype

The demographic characteristics of this company's managers are shown in Exhibit 1. The average respondent was a 28-year-old Caucasian male who had attended college, but did not graduate. He was the primary wage earner for a family with two children. He had worked in restaurant chains for four years before being attracted to his present job by a newspaper advertisement, and he had worked for this company for two and a half years. His workweek averaged 56 hours. Two unexpected characteristics of the sample were that 32 percent had previously threatened to quit the chain, and ten percent had actually quit and returned.

A Model of Managerial Turnover

Many researchers believe that turnover results from a complex series of factors that influence employee attitudes and eventually affect employee behavior.[2] While most models oversimplify the processes they represent, a model can provide a reasonable approximation of reality and is, therefore, useful in aiding understanding and predicting outcomes. The model shown in Exhibit 2 uses "intent to leave" as a surrogate measure for actual departure.[3] This measure has been well substantiated in previous research, and it provides a control for factors unrelated to the organization that may influence an employee's actual departure. For example, an employee's desire to quit may be tempered by an inability to find suitable alternative employment.

As the model in Exhibit 2 suggests, intent to remain in or to leave an organization is a function of two interrelated factors: the level of job

[2]For example, see: J.G. March and H. Simon, *Organizations* (New York: John Wiley, 1958); L.W. Porter and R.W. Steers, "Organizational Work and Personal Factors in Employee Turnover and Absenteeism," *Psychological Bulletin*, 80 (1973), pp. 151–176; and J.L. Price, *The Study of Turnover* (Ames, IA: University of Iowa Press, 1977).

[3]Allen C. Bluedorn, "Theories of Turnover: Cause, Effects, and Meaning," in *Research in the Sociology of Organizations*, ed. S.D. Bacharach and E. J. Lawler (Greenwich, CT: JAI Press, 1982), pp. 75–128.

There is a comparatively weak relationship between pay and the intent to leave a job. We believe that complaints about pay are a reflection of general discontent. If job requirements are truly excessive, increasing pay would only temporarily reduce discontent.

satisfaction and the degree of personal commitment to the organization. In combination with the personality traits of an individual manager, specific job events and characteristics influence the manager's level of job satisfaction.[4] If the level of job satisfaction is high, the manager's commitment to the organization tends to be strong, and he or she generally holds positive job attitudes. As a result, the manager can be expected to stay on the job. On the other hand, if the level of job satisfaction is low, commitment wanes, job attitudes plummet, and the manager, given the opportunity, will leave.

Measuring the Model

One way of assessing a model's predictive ability is to measure the strength of the relationships it implies. To test the validity of our model, we evaluated the relationships between each of the specified components: job satisfaction, organizational commitment, and intent to leave.

Job satisfaction. We measured job satisfaction with the Job Description Inventory (JDI).[5] The JDI consists of several parts or subscales that measure satisfaction with work, pay, advancement, and coworkers. (The JDI has been validated in a wide variety of industrial settings.) We found that those managers most deeply involved in day-to-day operations showed least satisfaction, on all subscales. Manager trainees, who have no operations-management responsibility, and managers who had been promoted *out of* restaurants exhibited significantly higher levels of satisfaction than the assistant, junior, and senior store managers.

Commitment. We measured organizational commitment on another well-tested instrument, the Organizational Commitment Questionnaire.[6] Our findings on commitment were similar to those regarding satisfaction: to wit, trainees and multi-unit supervisors indicated higher levels of commitment than store-operations managers.

If the turnover model is accurate, then, the in-store managers should show the greatest intent to leave, because their job satisfaction and commitment were the lowest of all those in the organization. This proved to be exactly the case. Assistant, junior, and senior store managers had stronger intentions of leaving the company—by far—than those managers who did not have direct store-management responsibility.

Dominoes

The turnover model also suggests that there is a sequence of situations, in which one event influences the one that follows. To test this proposition, we calculated correlations between the three major parts of the model—satisfaction, commitment, and intent to leave. We found significant and sizable correlations between these three compo-

[4]Personal characteristics include age, family status, attitudes, and education. See: Paul M. Muchinsky and Mark L. Tuttle, "Employee Turnover: An Empirical and Methodological Assessment," *Journal of Vocational Behavior*, 14 (1979), pp. 43–77.

[5]P. L. Smith, L. M. Kendall, and C. L. Hulin, *The Measurement of Satisfaction in Work and Retirement* (Chicago: Rand McNally, 1969).

[6]Richard T. Mowday, Richard M. Steers, and Lyman M. Porter, "The Measurement of Organizational Commitment," *Journal of Vocational Behavior*, 14 (1979), pp. 224–247. Also, see: Harold L. Angle and James L. Perry, "An Empirical Assessment of Organizational Commitment and Organizational Effectiveness," *Administrative Science Quarterly*, 26 (May 1981), pp. 1–14.

nents. The strength of these associations reinforces our premise that job satisfaction, commitment, and intent to leave are related.

But the model gives us more than that; it argues that commitment should be the best predictor of an employee's intent to leave, and that job satisfaction should be the best predictor of commitment. We tested this notion through multiple regression, a statistical technique that indicates the strength of relationships between two variables, one independent and the other dependent. The independent variable should have a bearing on, or explain the variance in, the dependent variable. Through regression, we can assess how much of the variance in a dependent variable is associated with particular independent variables.

The regression model indicated that satisfaction with work and organizational commitment had the strongest influence on managers' intentions to leave; together, these factors explained 66 percent of the variance in intent to leave. Similarly, job satisfaction accounted for 54 percent of the variance in organizational commitment.[7]

From this analysis, we concluded that job satisfaction—particularly relating to work and advancement—strongly affects commitment, which in turn significantly influences managers' intentions to stay or to leave. For firms plagued with excessive management turnover, this model provides an effective diagnostic tool.

[7]The tests were significant at $p < .0000$l.

Root Causes

While the turnover model provides a diagnostic tool and suggests that advancement and fulfilling work are key issues in retaining employees, it falls short of providing detailed insight into the causes of turnover. To determine these causes, we asked the managers to indicate the degree to which they thought a number of work-related factors (e.g., pay, work hours) contributed to turnover. Managers' responses were correlated with their intent to leave.

The rank order of these items is shown in Exhibit 3. Pay was rated as most important, followed by issues relating to supervisors' managerial skills, work hours, job pressures, and scheduling. Our earlier research, however, showed a comparatively weak relationship between pay levels and intent to leave, and pay did not emerge as a major issue in our preliminary interviews. We believe, therefore, that the high ranking given to pay levels is a reflection of general discontent, rather than discontent with pay itself. It may be that concerns about pay indicate that managers believe their job demands exceed the bounds of their compensation. By this logic, if the job requirements are truly excessive, increasing pay would only temporarily assauge the

EXHIBIT 3
Managers' rankings of reasons for turnover (in descending order)

1. Pay
2. Treatment by superiors
3. Amount of work hours
4. Job pressures
5. Scheduling of hours
   —Frustration with chain
6. Training program
   —Promotions slower than expected
7. Fringe benefit package
   —Superior's performance expectations
   —Poor performance on job
8. Attractive opportunity in another line of work
9. Working-manager concept
   —Need for new challenge
   —Type of work required
10. Physical demands of job
11. Inability to live up to chain's store-manager image
12. Inability to handle job
13. Desire to get out of fast-food business
14. Desire (or need) to find work in another geographic area

EXHIBIT 4

Suggested remedies for causes of turnover

Training issues	Recommendations
1. Inadequate program content	1. Expand administrative and managerial-skills components of training
2. Inconsistency in training a. Too much latitude in conduct of training b. Content varies c. Method varies	2. Establish consistency a. Develop clear statement of training policy b. Develop substitute for structured classroom training (e.g., videotapes) c. Develop manual for new employees
3. Timing of training program made difficult by continuous nature of hiring	3. Develop training materials that permit individualized self-instruction
4. Status of manager trainee	4. Take action to improve image of trainee as a manager a. Eliminate trainee title b. Stress role as manager

Organizational issues	Recommendations
1. Excessive movement of store personnel	1. Reduce movement if at all possible
2. Recruitment—unrealistic promises a. Numbers b. Criteria c. Use of promotion as bait	2. Recruiting a. Increase effort b. Review and establish criteria
3. Inconsistent promotion policies a. Criteria b. Rate c. Expectations of employees	3. Promotion a. Clarify criteria by stressing nature of appraisal b. Slow down rate of promotions c. Establish realistic progress goals
4. Fast-track program a. Preparation of fast-trackers b. Demoralization of other managers	4. Review and restructure fast-track program
5. Working-manager concept	5. Alter working-manager concept
6. Inconsistent guidelines	6. Review operational policies and allocated hours for work
7. Lack of personnel data system	7. Create a personnel data system

One respondent described working for the chain as a new method of birth control; he hardly ever got to see his wife, and he had no energy to do anything about it when he did.

managers' discontent. On the other hand, the managers may express dissatisfaction with pay as a way of focusing their overall discontent. In either case, corroborating evidence indicates that pay alone is not the primary cause of turnover for this firm.

If not pay, what? Four principal factors influenced the managers' intention to leave the firm: (1) training received, (2) work hours and scheduling, (3) managerial skills of supervisors, and (4) organizational policies. The respondents considered the training they received inconsistent and overly concerned with organizational issues (e.g., cleaning procedures, preparing products) at the expense of managerial skills (e.g., leadership and motivation). They believed training was a low priority for the company. Trainers had low status in the organization, and store operations always took priority over training schedules. Training classes were cancelled repeatedly, or not scheduled at all. When they were held, the classes were generally crammed with too much material at once, and trainees felt that their ability to comprehend and retain the material was exceeded.

84-hour weeks. The combination of staff turnover, expanding menus, and increased hours of operation created what the respondents considered an excessive burden. Working seven-day weeks, 12-hour days, and back-to-back closings and openings taxed the managers' energy and motivation. Even when they had a day off or a vacation, the managers felt guilty because they knew their absence was causing hardships for coworkers. One respondent described working

for the chain as a new method of birth control; he hardly ever got to see his wife, he said, and he had no energy to do anything about it when he did.

Fear management. The respondents were displeased by the way they were treated by higher-level managers. They felt they were ruled by "fear management"; feedback was highly negative and frequently abusive. Goals were unclear and conflicting. Communication between management levels was strictly downward. Superiors displayed poor leadership skills and failed to project a professional image, in the respondents' view.

False impressions. The managers were also concerned with the company's basic policies. They said recruitment efforts created false impressions about restaurant management, resulting in unrealistic expectations. The timing and criteria for promotions were not standard, leading to the perception of bias and favoritism. Insiders waiting for promotion were demoralized when outsiders rode ahead of them on the fast track to regional positions. Operational guidelines from corporate headquarters were enforced inconsistently, and they seemed out of tune with the requirements of the company's wide variety of stores. Finally, the concept of a "working manager" (i.e., actually working a position in the restaurant) created excessive pressures and was viewed as reducing the manager's status. Simultaneously managing and working a position often prevented managers from supervising the overall operation or participating in necessary training.

Controlling Turnover

It makes sense for hospitality firms to take steps to manage turnover. By this, we do not mean eliminating it, because sometimes turnover is a useful corporate strategy. But we do suggest creating an environment that fosters the retention of contributing managers, while holding no particular attraction for marginal performers.

Management turnover is complex, and simple "one-shot" solutions will always fail. In fact, some one-shot efforts, applied in isolation, can aggravate the overall problem. A general pay increase, for instance, will probably not compensate for a multitude of other corporate sins, but it might have the negative result of "locking in" managers who probably *should* leave. Strategies designed to remedy excess turnover must be multifaceted and address the specific needs of the work environment. Tactics will, therefore, vary from company to company, but the primary areas of focus will likely be similar, regardless of the firm or industry segment.

Building Job Satisfaction

The venerable notion of improved job satisfaction appears to hold promise as the key factor in controlling turnover.[8] Satisfaction is first in a chain of events leading either to withdrawal or retention, and it is a factor over which firms can exert a great deal of control.

[8]Research has not substantiated a relationship between job satisfaction and positive job performance. No relationship is implied in this article.

But creating a higher level of job satisfaction is easier said than done. As a first step, we suggest that organizations probe the levels and causes of dissatisfaction in their management ranks, as we have done for the company discussed here.

These key areas of dissatisfaction, in turn, must be broken down into their root causes or "action components." These components are specific problems on which management can act. It is difficult to do anything about the generalized notion of a "training problem," for instance, but if we know of difficulties in scheduling training classes, we can alter the training materials to permit individual self-instruction, or to take other steps to overcome the specific problem identified.

We developed an action plan for the chain we studied. The outlines of two portions of this plan, dealing with training and with organizational policy, are shown in Exhibit 4. To ameliorate the appearance of unfairness in the company's promotion policy, for example, we suggested clarifying the criteria for promotion and restructuring the fast-track program. Different companies will have different problems that require other solutions.

The final phase of the turnover-control plan depends, of course, on how well it is implemented. Management must decide at this point whether the costs and efforts justify the anticipated benefits, what the specific goals will be for the plan, and what specific tactics will work for that company's environment. But it is unwise to try to tackle the turnover problem without examining the specific root causes of managers' departures. The model presented here is a clear lens for that scrutiny. □