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Why Restaurant Managers Quit (and How to Keep Them)

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Why Restaurant Managers Quit (and How to Keep Them)

Abstract
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.

Keywords
restaurant industry, restaurant managers, turnover, human resources

Disciplines
Food and Beverage Management

Comments
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The Game You CAN'T Win!!

TOILETS ALL OVERFLOWED!

Paychecks Ready?

There's a busload of applicants!

Health inspector is here!

I can't come to work anymore.

Hello Mom?

Did you get to the schedule yet?

All refrigeration is down!

Where do you want the 80,000 burgers, Ma'am?

SSHH.....

Assistant Manager

AVON or BUST!!
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. 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.

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 aggressive recruitment program.

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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.
EXHIBIT 2
Model of management turnover

![Diagram of the model of management turnover showing the relationship between job satisfaction, organizational commitment, intention to stay or leave, and retention.]

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.

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. 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. 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 satisfaction and the degree of personal commitment to the organization.
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.

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). 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. 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-
ments. 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 stay or to leave. For firms plagued with excessive management turnover, this model provides an effective diagnostic tool.

**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 assuage the

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**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
6. Training program
7. Fringe benefit package
8. Attractive opportunity in another line of work
9. Working-manager concept
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
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, and he had no energy to do anything about it when he did.

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### Exhibit 4

**Suggested Remedies for Causes of Turnover**

<table>
<thead>
<tr>
<th>Training Issues</th>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Inadequate program content</td>
<td>1. Expand administrative and managerial-skills components of training</td>
</tr>
<tr>
<td>2. Inconsistency in training</td>
<td>2. Establish consistency</td>
</tr>
<tr>
<td>a. Too much latitude in conduct of training</td>
<td>a. Develop clear statement of training policy</td>
</tr>
<tr>
<td>b. Content varies</td>
<td>b. Develop substitute for structured classroom training (e.g., videotapes)</td>
</tr>
<tr>
<td>c. Method varies</td>
<td>c. Develop manual for new employees</td>
</tr>
<tr>
<td>3. Timing of training program made difficult by continuous nature of hiring</td>
<td>3. Develop training materials that permit individualized self-instruction</td>
</tr>
<tr>
<td>4. Status of manager trainee</td>
<td>4. Take action to improve image of trainee as a manager</td>
</tr>
<tr>
<td>a. Eliminate trainee title</td>
<td>a. Develop clear statement of training policy</td>
</tr>
<tr>
<td>b. Stress role as manager</td>
<td>b. Develop substitute for structured classroom training (e.g., videotapes)</td>
</tr>
<tr>
<td>Organizational Issues</td>
<td>Recommendations</td>
</tr>
<tr>
<td>1. Excessive movement of store personnel</td>
<td>1. Reduce movement if at all possible</td>
</tr>
<tr>
<td>2. Recruitment—unrealistic promises</td>
<td>2. Recruiting</td>
</tr>
<tr>
<td>a. Numbers</td>
<td>a. Increase effort</td>
</tr>
<tr>
<td>b. Criteria</td>
<td>b. Review and establish criteria</td>
</tr>
<tr>
<td>c. Use of promotion as bait</td>
<td>c. Use of promotion as bait</td>
</tr>
<tr>
<td>3. Inconsistent promotion policies</td>
<td>3. Promotion</td>
</tr>
<tr>
<td>a. Criteria</td>
<td>a. Clarify criteria by stressing nature of appraisal</td>
</tr>
<tr>
<td>b. Rate</td>
<td>b. Slow down rate of promotions</td>
</tr>
<tr>
<td>c. Expectations of employees</td>
<td>c. Establish realistic progress goals</td>
</tr>
<tr>
<td>4. Fast-track program</td>
<td>4. Review and restructure fast-track program</td>
</tr>
<tr>
<td>a. Preparation of fast-trackers</td>
<td>a. Preparation of fast-trackers</td>
</tr>
<tr>
<td>b. Demoralization of other managers</td>
<td>b. Demoralization of other managers</td>
</tr>
<tr>
<td>5. Working-manager concept</td>
<td>5. Alter working-manager concept</td>
</tr>
<tr>
<td>6. Inconsistent guidelines</td>
<td>6. Review operational policies and allocated hours for work</td>
</tr>
<tr>
<td>7. Lack of personnel data system</td>
<td>7. Create a personnel data system</td>
</tr>
</tbody>
</table>

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.
for the chain as a new method of birth control; he hardly ever got to
see his wife, he said, and he had no
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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 wait-
ing 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. Simulta-
neously 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 eliminat-
ing it, because sometimes turnover
is a useful corporate strategy. But
we do suggest creating an environ-
ment that fosters the retention of contributing managers, while hold-
ing no particular attraction for marginal performers.

Management turnover is com-
plex, and simple “one-shot” solu-
tions 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 com-
pensate 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 rem-
ey excess turnover must be multi-
faceted and address the specific
needs of the work environment.
Tactics will, therefore, vary from
company to company, but the pri-
mary areas of focus will likely be
similar, regardless of the firm or in-
dustry segment.

Building Job Satisfaction
The venerable notion of improved
job satisfaction appears to hold
promise as the key factor in con-
trolling turnover.8 Satisfaction is
first in a chain of events leading ei-
ther to withdrawal or retention, and it is a factor over which firms
can exert a great deal of control.

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

These key areas of dissatisfac-
tion, 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
do anything about the general-
ized notion of a “training problem,”
for instance, but if we know of diffi-
culties 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 organiza-
tional policy, are shown in Exhibit
4. To ameliorate the appearance of
unfairness in the company’s pro-
motion policy, for example, we sug-
gested clarifying the criteria for
promotion and restructuring the
fast-track program. Different com-
panies 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. Man-
agement must decide at this point
whether the costs and efforts jus-
tify the anticipated benefits, what
the specific goals will be for the
plan, and what specific tactics will
work for that company’s environ-
ment. But it is unwise to try to
tackle the turnover problem with-
out examining the specific root
causes of managers’ departures.
The model presented here is a clear
lens for that scrutiny. □