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# Idaho's Food & Beverage Service: Creating Meaning in an Unstable Industry Following the COVID-19 Pandemic

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MDS 495 Capstone

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#### Abstract

The contents of this cumulative educational project will highlight some of the major ongoing systemic problems within the service industry in right-to-work states like Idaho using my own company (a locally owned small business) as a case study. It will also highlight some major concerns of workers within my company specifically regarding employee benefits, compensation, health risks, and wellbeing of workers, and some of the steps my company is currently taking or has taken recently to address those concerns. Additionally, it will explain the methodology, process, and results of an event that I organized in partnership with my company's management team that was inspired by my research on service industry employee health in particular in an attempt to build morale amongst my peers and make a positive impact.

Keywords: Benefits, wellbeing, systemic problems

#### Introduction

The last two years have been unprecedented for the global economy due to the effects of the COVID-19 pandemic. The American service industry in particular has suffered economically due to the nature of the pandemic's social impacts and restrictions, which has had ripple effects on the financial and psychological wellbeing of those who work for tips or hourly income within this professional sector in states with subminimum wage regulations for tipped workers. As a service industry worker in Idaho and one among many who are juggling employment with other commitments such as continuing education and raising families, I have witnessed and experienced the frustrations felt by tipped workers associated with the pandemic's impacts.

I have also observed and evaluated employer responses to alleviating the challenges of those who faced unemployment in 2020, followed by restrictions on business volume in the following months and subsequent lack of employer benefits to match the heightened risk of exposure to serious illness working in food and beverage. I have done this by conversing with members of other companies in the same industry within my community, speaking with members of my company's team, and supplementing those responses with secondary research on the different elements that contribute to the unstable nature of the food and beverage industry that has been brought to light in the year following a global event.

## **Section 1: Innovative Approach**

# **Bringing Together Perspectives**

The preliminary research that I conducted from secondary sources highlights the problems that exist for workers within the food and beverage industry in particular due to the

means by which a majority of staff members earn income, the fluidity of individual schedules based on volume, and the mental health issues commonly associated with those who work in the industry under the aforementioned conditions compounded with the stresses of the pandemic, other commitments, and treatment from patrons in frequently being demoted to nonperson status. I will cover some key points from that research as I continue with the presentation of my project's approach and results. In order to bring together the perspectives of industry workers with those who profit off of the sales that those workers make in order for companies to stay afloat, I also considered which of those issues that exist for the workers might not be able to be easily solved or eliminated due to the needs of those who employ them and used my own company as the case study for this particular body of work.

In speaking about scheduling concerns with a member of my management team at Bittercreek Alehouse, a well established and long-standing local business in the heart of downtown Boise, Idaho, it was explained to me that trying to provide set schedules to staff members who work for tips is an extremely difficult task because of the inconsistency in business volume from day to day and from hour to hour depending on the day of the week, season of the year, special events taking place in the community, etc. It also depends heavily on what the company can allow for in its budget in terms of labor costs in conjunction with what the projected sales are for that day/week/month in the year--those projections coming from the previous period's sales and profits.

Additionally, in regards to providing employees with needed benefits that are typical in other professional sectors such as 401K matching and health care benefits, in this same conversation it was explained to me that oftentimes employees of a company must meet certain

working hour requirements in order to qualify for such benefits, and a majority of service industry employees tend to be students or individuals with other commitments that don't allow for them to work the hours needed to qualify. Additionally, the volume of business for any given company--my own included--could be fluid enough depending on the aforementioned factors (and other factors such as weather) that even if a service industry worker is scheduled for the number of hours needed to meet those benefit requirements, those hours are not guaranteed if the business does not see the level of customer/sales volume that it predicts it will see on any given day. In cases like this, management teams have an obligation to cut down labor as needed in order to maintain a profit margin for the company as a whole, and this need for cutting down has increased exponentially within my own company in the last year as a result of the restrictive CDC guidelines placed on food and beverage service due to the pandemic.

# Creating Innovative Approaches: Beyond Either/Or

To create an innovative approach to addressing the concerns of service industry workers in a pandemic, I decided to focus specifically on my own company as a case study because of my tenure as a server within this establishment. I also knew it would be most prudent to keep my sample of stakeholders contained within an environment in which I have direct involvement and, in some ways, control as a recently promoted lead server/assistant manager who acts as a trainer and a middle ground communicator between my coworkers and my company's management team.

I wanted to focus on one of the issues mentioned that I feel means the most to me personally in terms of what I would like to receive from my company to make me feel more secure in my position as a full-time employee and someone who has been searching for years to

create more meaning in service industry work. Oftentimes, holding a position as a server, bartender, or other hourly worker within the food and beverage industry is viewed as a sort of "dead-end" job. Based on the research I've conducted and the conversations I've had with others who hold the same position as me, I've come to realize that small changes in the structure or offerings of a company can create major shifts in mindset for workers to take more pride in what they do.

For the purposes of this project, I decided to create more meaning in my position by taking it upon myself to organize an extracurricular event/challenge for the staff to build morale going into the winter months. This is typically a difficult time of year for industry workers as seasonal depression becomes a struggle in conjunction with shortened days, more hours spent working at night, lower income levels, and holidays spent away from family due to businesses staying open to attract holiday crowds. I collaborated with the director of human resources for my company to decide on an event I could organize that would be low-stakes for the participants (in this case, open to all employees of the company) and beneficial to both the company's staff and the company's upper management. I made clear my goal in creating an event that would focus on addressing my concerns about the mental and physical health of service industry workers to alleviate some of the seasonal factors that affect our wellbeing during this time of year, and I felt this was appropriate given the connection to health concerns following the pandemic that has left our industry in such a place of uncertainty for the past year.

By coincidence, my human resources director and I found common ground deciding on an event for the staff because at the time my company began working with Trustmark Small Business Solutions (Trustmark, 2021) to set up employer-funded health care benefits for

employees meeting a thirty-hour work week average starting in the late fall of 2021 (benefits which are now in effect). The company had yet to announce this to the staff, so we decided that I would organize and track a month-long fitness challenge for willing employees in conjunction with the announcement of these new benefits to promote healthy habits for employees and motivate the staff to meet the hours needed to qualify for care. This was an event that I felt would benefit both of my major groups of stakeholders (employees and management) as well as myself by stepping into a resume-building leadership role and managing a project that is realistic given my position and role within my company to enact positive change.

## **Section 2: Emotional Intelligence**

#### **Awareness of Self and Others**

I was able to cultivate a greater awareness of both myself and others in designing this fitness challenge for my company's staff because I had to critically evaluate it from others' perspectives. In creating the rules and parameters for the project, I asked myself what kind of incentives people would need to have in order to be willing to participate in an event that spans an entire month in the midst of other obligations, i.e. school work, other jobs, time with friends and family, and travel plans. I realized that the incentive would either need to involve a prize for high levels of participation or a monetary incentive due to the fact that many of the employees within my company are motivated by finance (this is not a statistic, but merely a trend I've noticed in developing close relationships with many of my coworkers).

I also had to critically evaluate my personal role in managing this project; what my responsibilities would be, the commitment that I would need to make, the example I would need

to set for others, and what kind of communication those who were participating would need to receive from me. I knew that in order for the project to be successful, I would need to participate in it along with my peers and provide a platform for holding each other accountable each day so that participants would be able to stay motivated throughout the month and avoid "falling off" of their progress. I also realized that I would need to be responsible for setting reminders for others to log their activity in our forum, giving updates on everyone's standings to keep that motivation high for continued participation, and delivering positive feedback to promote the company's message of employee health so that all stakeholders in the project could receive their perceived benefits from the cause.

#### **Consideration of the Audience: Emotional Intelligence**

The reflection and evaluation phase of the project, as explained in the previous section, allowed me to construct the parameters of the fitness challenge I organized for my peers and other employees of my organization by considering my audience and its needs as well as its levels of accessibility in choosing a platform on which to conduct the project. My company is large by "small business" standards with more than one hundred employees on its payroll working for both Bittercreek Alehouse and Diablo & Sons Saloon under the same ownership, and with many employees working at both establishments. Due to the scope and size of my organization, we conduct most of our communication via the mobile app GroupMe, which all employees including upper management check and receive notifications from on a regular basis. This app saves all messages sent to its various chat channels and all messages/updates are viewable by whoever is a member of that chat group, so I thought it would be an easily accessible and convenient platform for my audience since most everyone participating would

already have the platform downloaded and have knowledge of how to use it to be as inclusive as possible.

## Value to Others: Emotional Intelligence

Recent research published by the International Journal of Hospitality Management has concluded the following:

"...a two-year study, which surveyed 17,000 employees in 19 industries, not only concluded that the work environment in the food and beverage industry correlated with a high level of mental health issues, but that it was one of the three worst industries to work in, along with retail and manufacturing (Mental Health America, 2017). Further, the restaurant industry is ranked the highest of any industry for illicit drug use and third highest for heavy alcohol consumption (Bush and Lipari, 2015). Such drug and alcohol use have been posited to lead to career dissatisfaction (Deery and Jago, 2015) and, in turn, career turnover" (Bufqkin, 2020).

These troubling findings led me to consider what value I could provide to participants given what positive change I was reasonably able to implement given my time constraints and my role/position within my organization, as well as what result I would want to get out of participating in a month-long challenge promoting health and establishing (or perhaps continuing) healthy lifestyle habits associated with physical movement in an industry that is impacted by seasonal change resulting in decreases in motivation. I also tried to consider what value I could provide to my management team given their concerns over effectiveness of responses to employee concerns over company benefits, promotion of newly provided health benefits in a trial period, and concerns with turnover rates of employees due to company culture

regarding the creation of a welcoming atmosphere.

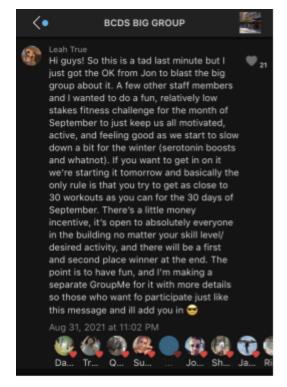
Taking all of those factors into consideration, I integrated into the narrative of the updates of this month-long challenge motivational messages to all participating at the beginning of each week. I was also able to partner with both my company's marketing manager and merchandise coordinator to put together the rewards to present to participants who made it all thirty days of the challenge integrating a chosen method of physical activity into their daily schedules and providing proof of completion in order to further motivate and add a fun element of incentive to the whole challenge. The major goals I wanted to work toward by providing these motivational tools and incentives as a project manager/employee taking on a voluntary leadership role were: influence the service industry workers in my sample pool to practice a daily habit that would counteract or help alleviate some of the mental health issues that are common within this industry, build morale and interpersonal relationships amongst staff to decrease feelings of isolation that we often feel from the majority of the population working "9 to 5" schedules, and assist my management team in promoting newly offered benefits in response to employee health concerns.

# **Section 3: Creative Thinking**

#### The Creative Framework

The creative framework for the fitness challenge that I organized for my company's staff was modeled around inclusivity, first and foremost. I also wanted it to be flexible, to increase that level of inclusivity for a group of individuals whom I have come to know well because I was

aware that most if not all of them were/are following varied schedules and adhered to a multitude of differing lifestyles habits. I also drew on my sociological knowledge as well as my knowledge of business liability law to consider the parameters of my event to be accessible to anyone working for the company wishing to participate who might have a disability or speak a language other than English. With these considerations in mind, my human resources director and I sent the following message out via the GroupMe app for those who wanted to be involved via our company-wide group chat, both in English and in Spanish:

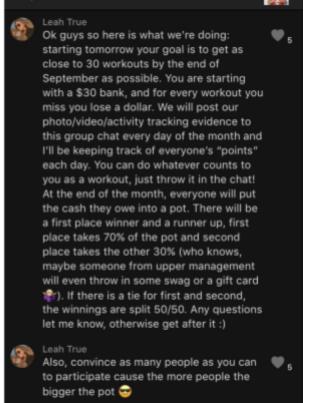




I then made a separate GroupMe channel for those who responded with interest in

participating in the challenge, and described clearly the requirements for participation and the point system, incentives, and monetary stakes which I later excluded from the event in favor of offering the winners free company "swag" as prizes for completing all thirty days. In total the challenge ended up involving twenty-six members of the company working in various positions from the front of house to the back of house to management, and the group's introductory message as well as the final stats are as follows:





Each day throughout the month, if participants wanted to earn points to be counted toward their streak they simply had to post to the group chat forum a photo, video, or screen shot that evidenced the completion of some form of a workout for that day. To keep it inclusive and

open to all, I specified in my message to the group that a workout could be tailored to each individual's level of skill, ability, and desired activity.

# **Unique Approach/es to Project**

The methodology behind my approach to the project, in this case organizing a month-long exercise focused event meant to motivate other employees within my company to either continue, reform, or establish one healthy lifestyle habit involving physical movement, stemmed from my concern for the levels of stress endured by service industry workers due to the nature of our work and the means by which we earn our income (particularly throughout the turmoil and uncertainty of the past two years). Research states that "outside the wage form, tipping intensifies the effects of emotional labour on workers, as their income is directly related to the extent to which they can manage not only their feelings, but the feelings of customers too, leaving the worker in an extraordinarily precarious, vulnerable, and demanding position." (Ross, 2021)

With that in mind, my goal for the project was to provide an organized outlet for employees to have an incentive to make time for their own health in a way that has been inarguably backed by science to relieve stress and increase levels of good hormones like dopamine and endorphins in healthy ways. I wanted to provide this in a way that benefited people at the individual level while also staying mindful of the company's liability, policies, and public relations agenda. Additionally, I included my company's upper management team and invited them to participate in the challenge along with my peers to create a bridge in the communication gap that often exists between employers and employees and covertly encourage

collaboration between the two groups.

#### **Section 4: Your Innovative Solution**

# Innovative Approach to the Problem/Project

I was able to be innovative in promoting health for workers in an industry that has been so impacted by the unsteady nature of the current economy due to the global pandemic's repercussions by organizing this simple yet effective activity as a goal-setting tool for my peers, putting to use the various acquired professional skills that I have obtained over the course of my developing career in a meaningful way. I was able to draw on my knowledge in the field of sociology by designing challenge that was inclusive of different backgrounds and demographics as well as ability levels. I was able to draw on my knowledge of marketing and promotion by integrating motivational guidelines into the framework of my weekly updates to my group while tracking progress, and I was able to use problem-solving skills to modify the incentive for the challenge as it wore on and I received feedback from participants on what they would like the results of the challenge to be/what motivated them to continue. I was also able to utilize my communication skills to give and receive this feedback from both peers and my supervisors regarding the challenge and the effect it was having on those who were participating.

## **Section 5: Results**

**Benefits to Stakeholders** 

More recent research from the International Journal for Hospitality Management concludes that "a study performed in the hospitality industry revealed that 80% of employees believe that mental health issues, such as feeling depressed, anxious, or manic, represent a major challenge facing the industry" (Bufqkin, 2020). This finding was a major issue that inspired the idea of inviting staff to participate in a long-term, fitness-focused event to attempt to combat these symptoms during a seasonal change. One person, a new hire, pulled me aside and confided in me that she was glad I decided to put this together because it helped her feel more comfortable getting to know other people on the team. A few individuals told me that seeing everyone's messages each day showing what they did for an activity gave them ideas or motivated them to make time for an exercise either before or after work. Some told me that establishing a more consistent exercise schedule was helping to reduce their feelings of stress and raising their moods/energy levels to be more productive both in and out of the workplace.

This unsolicited feedback brought me to the realization that part of the innovation of this project was showcasing for others how to create more meaning in one's position within our industry, as well as how to step into a leadership role even without holding a leadership title to set an example for others to chase progress. This is an element of career advancement that is oftentimes absent from service industry work, which is a major contributing factor to the industry's prevalent issues with high turnover rates and job dissatisfaction that have also been noted in the aforementioned research.

#### **Impact on Stakeholders**

Since the conclusion of the fitness challenge, I was able to gift four people with prizes for completing all thirty days and twenty-three of the twenty-six participants responded to a survey via our GroupMe channel stating interest in participating in another similarly organized event, should it be organized. Shortly after, our company had a staff meeting wherein we examined the past year's sales, profits, losses, and projected average incomes for each front of house position. During this meeting, I noticed a shift in the presentation of my management team's delivery of the information because rather than simply directing the staff, it was clearly explained to us what each of the points of data represented and the floor was subsequently opened up for discussion on our thoughts regarding the business model's setup for tipped income.

Several recent studies have explored the notion that "tip amounts do not consistently reflect service quality" and that "managers need to be more involved in monitoring individual servers and point out any shortcomings in their performance rather than letting them rely solely on tip percentages as a feedback system." (Lee, 2020) As an indirect response, it was proposed to the staff whether or not we still agreed that we should continue working solely for tips or if we preferred to try switching to a pooled tip system with set hourly wages, which remains inconclusive. However, a discussion also ensued regarding ideas for organized events amongst the staff to build morale and increase company sales in the future following the implementation of my event. I personally interpreted this as an indicator of progress and more willingness from upper management to integrate new solutions into the present flaws of our business model related to benefiting its employees.

#### **Section 6: Conclusion**

In conclusion, the end result of this project was a different product than what I originally imagined it might be at the onset. Its impact on both groups of stakeholders was largely positive, and one unintended consequence of the event was an ignition of ideas for future similarly organized methods of promoting specific messages or causes within our company's infrastructure and on the high platform it holds in the eyes of the local community. For example, I am working with my company's owner and director human resources to coordinate a partnership with Interfaith Sanctuary, a local homeless shelter, to run a donated goods drive in the weeks leading up to Christmas of the present year.

Whether or not the project effectively made lasting change to the company regarding its views on the wellbeing of its tipped and hourly employees with consideration to the psychological and monetary effects of the recent pandemic is a more complicated question to answer. It will most likely be shown in the next period's turnover rate as well as in future feedback from human resources on employee complaints and their natures. Based on the feedback received from management on the outcome of the project, however, it did satisfy the company's public relations goal of providing a segway into the introduction of benefits and at least contributed to the short term satisfaction of employees regarding positive attitudes related to service industry work and motivation moving into an uncertain future within this professional sphere. The great lesson learned from this exercise, from a personal standpoint, is that systemic issues within this particular industry are difficult to immediately solve or change in a way that will be beneficial to all involved and will require further research and collaboration.

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