



INTERNAL DOCUMENT
DRAFT

Best Practices for Recruiting and Retaining Employees in the Post-COVID Economy

The Virginia SBDC Network curated these suggestions and approaches to support employers as they navigate through the challenges of recruiting and retaining employees as the economy reopens.

Job Posting and Hiring

- Emphasize company values and culture
- Promote to underemployed populations – ie: retirees, military spouses, caregivers, college students/recent graduates, individuals with disabilities
- Include the wage/salary, benefits and job duties in the job advertisement
- Highlight flexibility (ie: hours, work from home)
- Offer time-delayed signing bonus and other one-time incentives
- Offer competitive salary/wages and benefits

Employee Retention

- Provide competitive salary/wages
- Contribute toward employee benefits
- Offer a referral bonus for successful hires
- Define a career path to incentivize long-term work
- Provide on-the-job training and other personal growth tools
- Substitute salary with non-cash reimbursement that can be written off as business expenses, such as: phone credit; travel credit; health and wellness credit

Business Model (*SBDC Tools and Resources*)

- Leverage resources, ie: tax credits, job training incentives (*Virginia Career Readiness Center, VEC*)
- Analyze financials for cost savings or new revenues to off-set increase in personnel costs (*GrowthWheel sheets, Profit Cents analysis*)
- Move business model toward high revenue streams (*GrowthWheel sheets, Profit Cents Analysis*)
- Understand local hiring conditions and competition (*Virginia Career Readiness Center; VEC*)
- Understand industry trends (*SBDCNet and IBISWorld industry research*)
- Communicate with consumers and pass along costs as a Fair Wage Fee (see attached)

Other

Fair Wage Fee example messages:

To provide fair, living hourly wages for all staff, we have adjusted our model to include a 15% Fair Wage Fee on each order. Rather than paying the tipped minimum wage of \$2.13/hour, the average hourly wage at Caboose is \$15/hr. In this model, tipping is not required, though much appreciated. [Caboose Brewing Company](#), Vienna, VA

Why 22%? We believe the traditional restaurant compensation model is broken. It fails to provide the kind of stability and equality of pay we owe to our employees. There is currently a deep pay disparity between those working behind the scenes, in kitchens and dish rooms, and our front-of-house service staff, despite both teams being critical to the guest experience. This is largely a product of the customary tipping system in the U.S. -- a system that data has shown suffers from bias and discrimination and which this pandemic has laid bare the vulnerabilities. We feel compelled to offer a different business model to our employees, our community, and the industry as a whole; one that ensures workers receive fair and equitable pay in a transparent way.

At Eastern Point, we offer all of our hourly team members between \$17 and \$21 an hour, and work to offer them sufficient hours of work per week to earn a living wage. We cover 50% of health, dental and vision insurance premiums for our hourly team members after 90 days of employment and 100% of those premiums for our managers after 30 days. We believe good pay and an open dialogue leads to a stronger, happier team, and ultimately, a better experience for you as a guest.

A 22% living wage charge is added to all dine-in, take-out and delivery orders, instead of manipulating menu prices. This 22% goes directly to payroll and benefits for our team—100% of it. We aim to increase benefits as the business becomes more stable, once we are able to get to the other side of this pandemic. Based on our experience and research, we think this is the best way to help bring positive change to the hospitality industry.

Should you tip too? You are welcome to add gratuity, we will split it evenly among the hourly team members working during that shift. Our managers never receive any portion of the tips left for the hourly team.

We will continue to seek new and innovative ways of operating restaurants that create a better life for employees and a better community for our neighbors and guests.

Thank you for supporting us in this journey. [The Duck and The Peach](#), Washington, DC