

People Power

Hands off, but still rolling up sleeves to hire

Our three Living Large subjects know all about joint employer concerns, of course. But that doesn't stop them from helping franchisees hire and retain great people. It just has to be done with finesse.

By Beth Ewen

The best way for Young Chefs Academy to tell whether a prospect would make a good franchisee is to observe the person in a cooking class for kids. The same goes for a franchisee's employees.

"I'm a firm believer, if somebody shows you who they are, believe it," says Julie Burleson, founder and CEO of the franchise that teaches young people how to cook. "We show them the actual classroom setting and you can pretty well tell if somebody is excited about that environment."

When selecting franchisees, prospects visit

a location and existing owners give feedback. "We get feedback from our franchisees, not just our perspective from the corporate office. What was your gut feeling? How would they fit in?" Burleson says.

She passes that same advice to owners when they staff their stores. She suggests a "training" period for all potential staff, who understand it's part of the interview process. "We ask them to come in and observe and play an assistant role, whether it's one of our classes or one of our parties or one of our field trips, and you watch them interact with customers," she says.

Young Chefs Academy is 10 years old, and Burleson's approach to hiring and retaining employees has evolved. She is well

aware of efforts by the National Labor Relations Board and others to re-define the joint employer standard, so that franchisors are held liable for the labor practices of their franchisees.

"It's hands off in terms of we don't provide employee handbooks; we don't require them to use a specific software to track employee hours," she says. "Protecting the brand and the customer experience, that's our only focus."

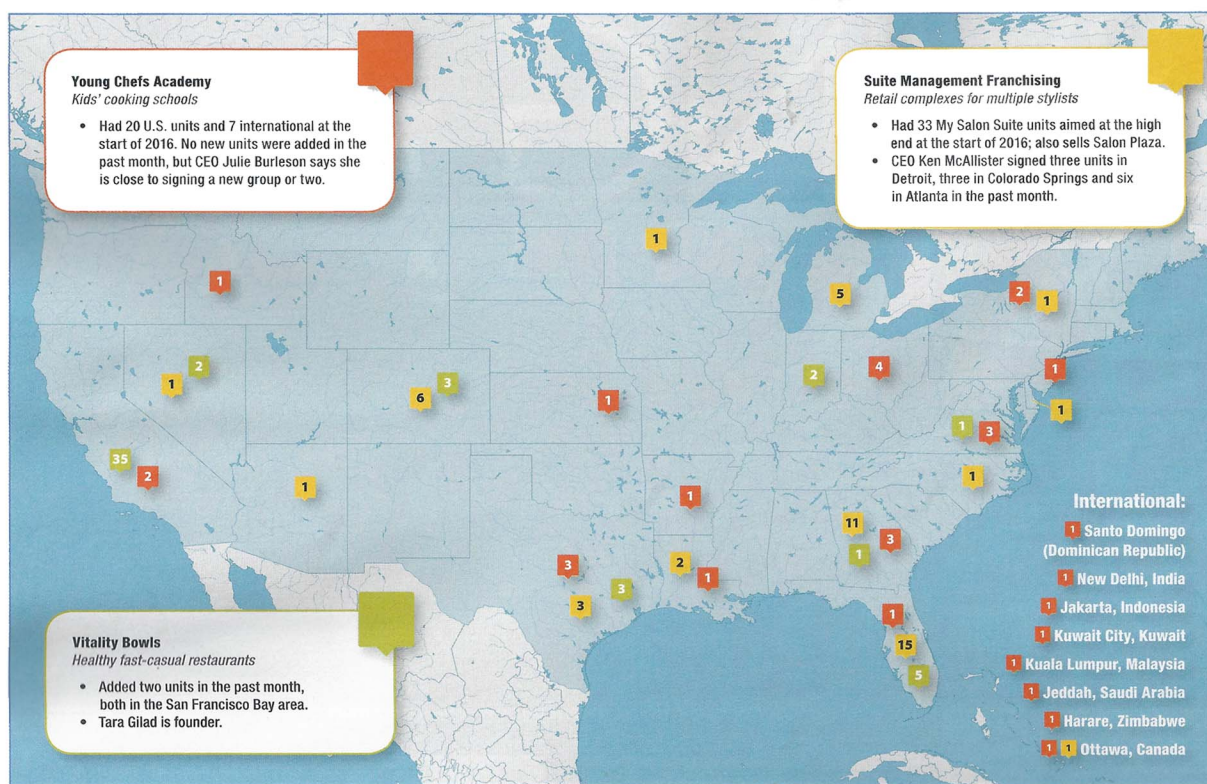
Right now is summer camp season, which generates about 30 percent of total yearly revenue. A location will average one full-time manager and six to

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eight part-time hourly employees, who are scheduled based on the events the owner books in advance.

One ace in the hole for Young Chefs Academy is that young people have fun working there. For the camp counselors, “their main job is facilitating fun with the kids, that they’re engaged and feeling proud of what they created,” Burleson said. The staff members will even leave with some recipes, although the utility of some may be higher than others.

On a recent week the theme was global gastronomy, which means cooking around the world. One day was a tour through Italy and the kids made chocolate tulip tiramisu cups. “They poured chocolate over the balloons and popped the balloons. They made homemade eggrolls. We made prosciutto and risotto croquettes,” said Burleson. “We don’t mess around. It’s pretty amazing recipes.”

Retention, retention, retention

The issue is retention not recruitment, declares Ken McAllister, CEO of My Salon Suite, a human resources philosophy he’s developed over years in business that he believes applies to every single industry.

“Regardless if it’s yogurt, salons, hamburgers—everybody does a good job of recruiting, but how do you retain them?” McAllister says.

For his franchise, in which a franchisee acts as a landlord of a retail space, recruiting salon professionals who in turn run their own businesses, that effort to retain has to happen on many levels.

My Salon Suite takes a three-part approach to retention. It provides tools such as an app on stylists’ phone, developed by the franchisor and provided free of charge, that helps them manage their schedules. Second, it provides training specifically for the hair industry. Third, it provides training to become business professionals. “Our goal is to help them become the most successful in the country,” he says.

In fact, McAllister lays out an audacious

target. “Our goal long-term is in three to five years that virtually every person standing behind a chair in one of our stores is making over \$100,000 a year. That’s a big ambition for us to put out,” he says, adding about a

third of the stylists hit that salary right now. “The question, is how do we get everybody to that level?”

My Salon Suite has one benefit that other industries don’t. “People haven’t changed, but what’s changed is the speed of the technology,” he said. Nonetheless, “we’re still in a people world no matter how fast the technology gets. You can’t outsource haircuts to India.”

McAllister believes his store count will be 75 at the end of the year—meaning a lot more franchisees and stylists to recruit but especially retain.

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Minimum wage duress

It’s never been tougher to be in the restaurant business, and Exhibit A is the new \$15 minimum wage mandate already made law in Vitality Bowls’ home state, California.

“It will be an even bigger issue,” says founder Tara Gilad. “Most states are passing a \$15 minimum wage. In 2020, we’re going to be paying 16-year-olds with no job experience \$15 an hour. It’s shocking.”

Gilad’s approach is to work with franchisees to help them find the right kind of employees. “We help them understand that good employees are hard to find. It’s not like you’re going to open your doors and ‘aha,’ there they are. “When you do find them,” she insists, “treat them like gold. Pay them a little bit more, and give them growth opportunities.”

Gilad, like most franchisors today who are warned by their attorneys about directly controlling hiring practices, provides guidance to franchisees about how to recruit, for example, but not hands-on help. “We always say, always have your recruiting hat on. And don’t be afraid to ask for referrals, from current employees and even your friends. We pay

referral bonuses.” The right things to look for, in Gilad’s mind: “Personality. Someone who’s outgoing. Someone who can multi-task. Definitely someone with excellent customer service.” she says.

She also believes in full and detailed disclosure. “Some people don’t want to work in a dirty restaurant,” she says. “You don’t want to mislead anyone. It’s very important to clearly define the role for them. Some people would rather work in retail and fold clothes.”

Vitality Bowls has an easier time than some restaurants in attracting employees because of its healthy offerings. “The younger generation is a huge customer base for us, so

they want a job just so they can get a discount or eat for free,” she says.

Gilad foresees the day when her business and many others will have to raise their prices. “There’s no getting around it, and really justifying why we made that price increase is important,” she said. “Just because our payroll costs go up I’m not going to cut corners on quality. I think a lot of

restaurants are going to do that to keep their bottom line.”

When that day comes, providing a superior customer experience will be ever more important—meaning those good employees will be worth their weight in gold. **ET**

The good ones, they want to learn. Teach them. If they want to learn inventory, teach them. If they want to supervise a shift, teach them.”

**— Tara Gilad,
Vitality Bowls**

