

Pick Me Up

Manager training and retention has helped lift hourly retention, too.

By Margaret Littman

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Pick Up Stix President and COO Ray Blanchette does not have the reaction one would expect when discussing an accolade such as his company being named one of the best places to work in the industry.

The company had hourly turnover of 100 percent, an impressive 32 points below the average in the 2006 Survey of Unit Level Employment Practices from People Report, a Dallas-based benchmarking firm. And there is corporate precedent for this award. Pick Up Stix parent company Carlson Restaurants Worldwide was recently named one of the best companies to work for in Texas by Texas Monthly magazine.

Blanchette is not impressed. "It is not just about industry benchmarking," he says. "How can you function with 100 percent hourly turnover? How can you run a business like that?"

Paving a Career Path

Pick Up Stix has been functioning just fine, thank you very much. But Blanchette and his management team have been instituting a new strategy for the quick-casual chain. Think of it as trickle-down economics for employee retention: "Everybody deserves a great boss."

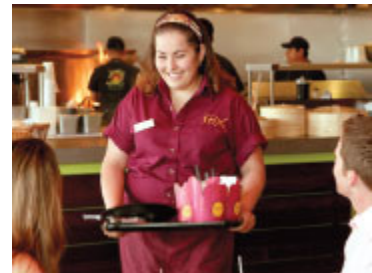
"Our organization is very diverse," says Blanchette of the 1,700-employee work force, 200 of whom are managers. "We think that if our folks see people who look like them as managers, that inspires them."

Scott McTague, vice president at Plano, Texas-based consultancy Batrus Hollweg International, says that thinking jives with industry research. Batrus Hollweg surveys showed "connection with and treatment by managers is a very important driver."

Pick Up Stix began outlining explicit and implicit career paths for hourly workers, says Vice President of Human Resources Becky Copeland, offering tools such as a Web site



Working the wok is a position of pride at Pick Up Stix, one to which hourlies aspire.



Retention is a self-fulfilling prophecy at Pick Up Stix. Hiring workers who are enthusiastic about the chain results in hourlies who are enthusiastic about their jobs.

to show what experience is necessary to move up in the organization. As many as half of all area managers for the 125-unit chain were promoted from within, and Blanchette says chances are high that an hourly employee has a manager who worked his or her way up from hourly employee status.

Hourlies are given a clear career path. For example, those who work in the back of the house can aspire to manning the kitchen's wok, a high-profile job that can take six months to achieve at the Pan-Asian stir-fry concept. From there, back-of-the-house employees can work up to lead cook, which is Pick Up Stix's equivalent of kitchen manager, responsible for food quality and cost.

Retention correlates to the clear career path, McTague says. "If they know how to get to the next level, they are more likely to stay," he says. "It is empowering."

Acing the Interview

Batrus Hollweg worked with Pick Up Stix to develop an internal tool that identifies the key desirable characteristics for a Pick Up Stix general manager, taking into account that, as Blanchette says, "we are not the easiest brand to execute."

The interview process is designed to identify not only those with the necessary core competencies, but also people who have the "hospitality gene," Blanchette says. The company seeks people who actively want to work for the concept, and then it works to keep them on board. "We want people who cannot imagine working anywhere else," he says.

"I do not want to lose one manager who we want to keep," says Blanchette. He wants to cut management turnover in half, which he believes will create hourly turnover loyalty. He won't say what the company's management turnover rate is.

McTague says any effort to really transform retention, such as revised interviewing procedures and employee surveys, takes nine to 12 months to implement.

Employee Assistance

Working with the Gallup Organization, Pick Up Stix surveys its employees annually to get feedback on how it is doing. Employees can complete the surveys online or by phone.

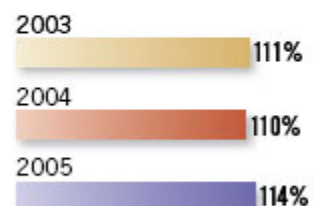
Blanchette and Copeland know that not every employee aspires to a Pick Up Stix career. The firm recently began a pilot program to engender loyalty among all employees, not just those who have foodservice career aspirations. The program offers an electronic English-as-a-second-language tool to help fast-track promising

SNAPSHOT

Concept Pick Up Stix
Headquarters
San Clemente, Calif.
Ownership Carlson
Restaurants Worldwide,
Carrollton, Texas
Units 125
2007 Systemwide Sales
\$100 million
(company estimate)
Average Check \$7.92
Employees 1,700
Expansion Plans 6 to 10
in 2007, 10 to 15 in 2008

Industry at a Glance

What was the annual turnover rate for unit-level hourly employees for the following years?



Source: People Report 2006 Survey of Unit Level Employment Practices

Hispanic employees to management positions by strengthening their vocabulary skills. But Copeland says it is also helping other employees navigate life in the United States, such as opening bank accounts and going to medical appointments. The company plans to expand the program systemwide this year.

"Our retention numbers are indicators that we are doing a good job, but we think we have just put the foundation in place," Copeland adds. "We want to do a great job."

McTague thinks this is a wide perspective: "Any time you think you have it figured out, your guard is down, you don't get better."