

**PAYCHEX**<sup>®</sup>

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## Business Priorities for Hospitality Industry Leaders

**Trends, Insights, and Ideas for an Evolving Workplace**

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## Introduction

# Business Conditions Are Inhospitable

Restaurants, cafeterias, and other hospitality businesses are finding it difficult to operate. They're dealing with rampant inflation causing the price of produce and other foods to rise; a labor crisis causing full-time, part-time, and seasonal jobs to remain unfilled; and overwhelmed managers with too many responsibilities.

To stay competitive, hospitality businesses are adapting and innovating their operations to control costs, attract and keep the best workers, and simplify HR tasks, from recruiting to payroll, training, scheduling, and managing benefits.

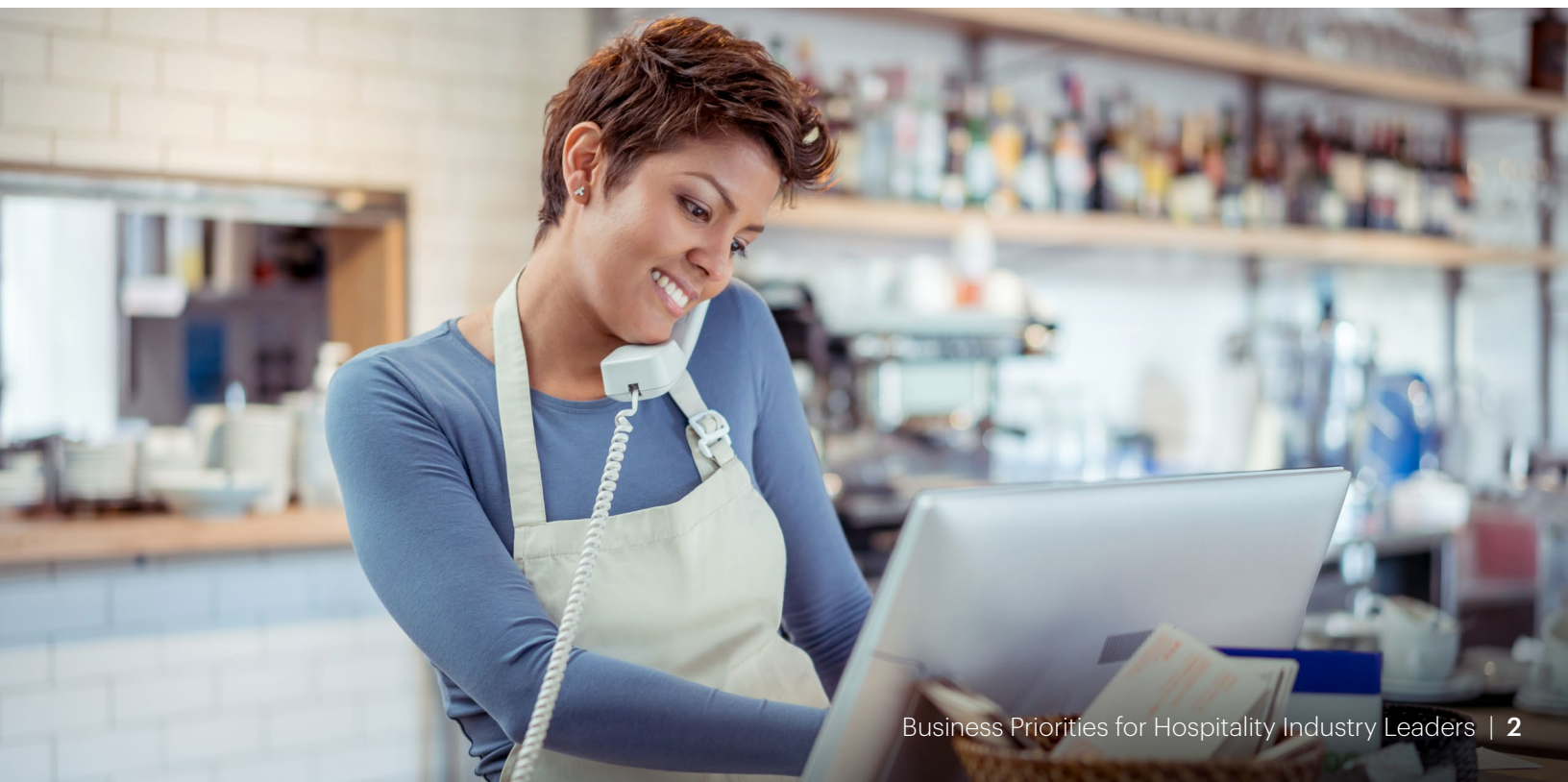
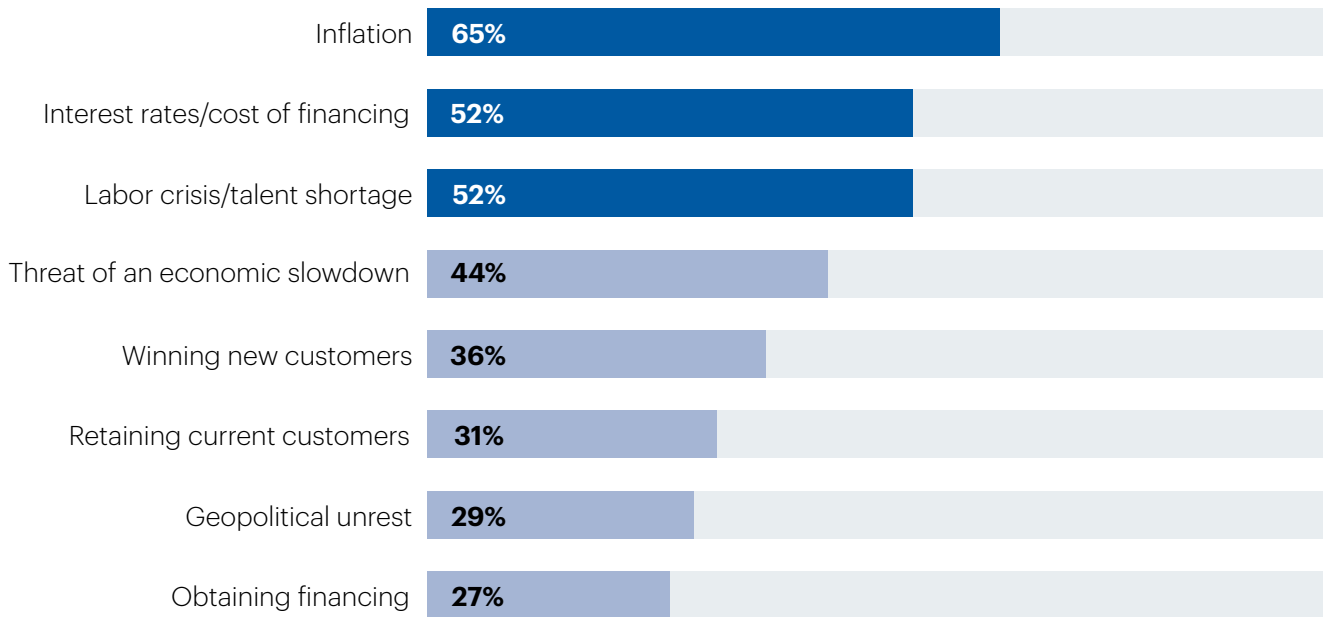
In this report, you'll be able to compare your challenges and strategic priorities with businesses like yours based on our study of U.S. hospitality businesses.\*

# Top Business Challenges

Hospitality business leaders noted inflation, the labor crisis, and financing as top issues in 2023 — with over half of respondents considering these issues to be extremely or very challenging.

## How challenging would you rate each of these business issues?

(% extremely important or very challenging)



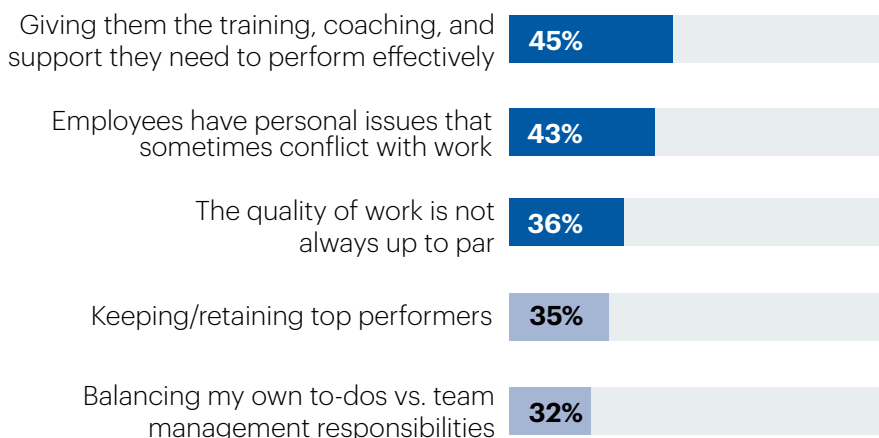




# HR Is a Full-Time Job

Do you have an employee whose job is human resources, or a person who does human resources on top of everything else they do for your business? HR is a big concern for hospitality businesses, with top issues ranging from training and work conflicts to keeping top performers.

## What do you find the most challenging about managing people?



## Feeling Stressed? You're Not Alone

**78%** of hospitality respondents are somewhat, very, or extremely stressed at work, resulting in:

**52%** Worse sleep

**41%** Decreased work/life balance

**37%** Diminished mental health

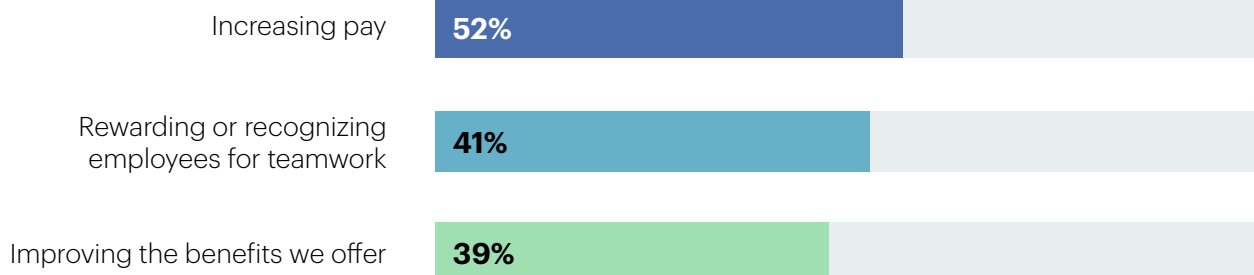
Although it's difficult, **75%** would advise their younger selves to run or work in a small or mid-sized business.

# Engaged Employees Stay

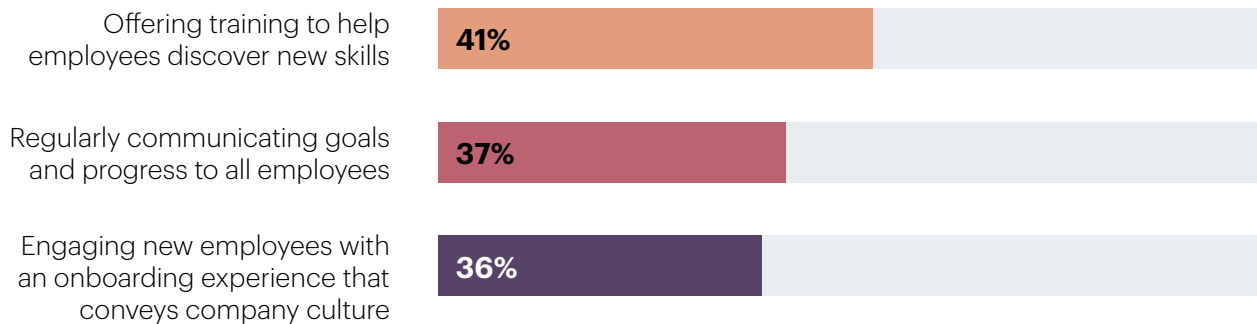
Many businesses are having issues finding and keeping skilled employees, but they each have their own ways of addressing the situation. Hospitality businesses are most likely to increase pay to keep employees and offer skills training to improve employee engagement.

## Top HR tactics hospitality businesses use to:

### Keep employees



### Improve employee engagement



## How long do you spend on HR tasks each week?

Click to discover how your time spent on HR compares to hospitality business leaders in our study.

5 hours or less

6-10 hours

11-15 hours

16-20 hours

More than  
20 hours



### Time Lost Is Money Lost

**\$169,104**

per year (**\$3,252 per week**) estimated cost to pay employees working on HR tasks vs. working on other tasks.



# Business Outlook

Looking ahead to the next 12 months, hospitality business leaders indicated the following HR tasks would become more difficult to manage, with recruiting and its associated challenges standing out as the top issues.



**“Hiring teams want to hire as fast as possible, because vacant positions cost money and delay operations.”**

## Planning Ahead

**59%** of hospitality respondents said they were extremely, very, or somewhat likely to outsource HR tasks in the next 12 months.





# Four Ways Paychex HR Can Help Your Business

Are you ready to make it easier for your hospitality business to find and keep workers, control costs, and let your managers focus on their core responsibilities? Paychex offers a suite of HR solutions to help you gain an advantage in the competitive hospitality industry.

## 1. Proactive HR Advice That Helps You Focus on Your Business

Lean on our HR professionals to provide advice and help free up time and resources, saving you time and money.

## 2. Tools and Resources to Address Inflation and Workforce Challenges

A Paychex HR professional can recommend ways to streamline and gain workforce efficiencies, and they may also offer guidance on the right mix of benefits to attract and keep employees.

## 3. Compliance Support to Help You Stay on Top of Laws and Regulations

Paychex can help you keep up with changing laws and regulations with regular updates, alerts, ongoing HR advice, and education. Our team of experienced compliance specialists monitor changing federal, state, and local employment laws and regulations.

## 4. All-in-One HR technology to Simplify HR Administration and Employee Management

Support employees and their managers with self-service tools via easy-to-access apps and a 24/7 cloud-based portal to elect benefits and add dependents, review their performance evaluations, enroll in online training, and produce reports detailing their 401(k) retirement plan contributions.

**For More Information  
Contact Us Today.**

Name:

Phone:

Email:

\*This national Paychex survey was conducted with 75 hospitality business and HR leaders who employed from 5 to 500 employees from a broad cross-section of industries. From September 6 to 21, 2022, the online interviews were conducted by Bredin, an independent market research company located in Boston, MA. If tables and charts don't add up to 100 percent, it is due to rounding. Or, if tables and charts add up to more than 100 percent, multiple responses were allowed.