

Third Annual Survey of Restaurant and Fast Food Employees



Workforce Development Group of NCS and
National Food Service Security Council 199

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EXECUTIVE SUMMARY

This report describes the results of the third annual survey of restaurant and fast food employees conducted by the National Food Service Security Council and London House, now part of the Work Force Development Group of NCS. Similar to previous reports, we investigated the prevalence of counterproductive behaviors, such as employee theft, drug and alcohol abuse at work, absenteeism and accident-related behavior in the food service industry. We also examined the productive behaviors such as exceptional job performance, customer service, teamwork and the level of commitment among employees. In addition to previous reports, we looked at various similarities and differences between full service and fast food restaurants and the impact that organizational culture has on employee behavior. The final sample consisted of 1,375 employees representing 14 restaurant companies. Results are accurate within plus or minus three percentage points.

Forty-two percent of survey respondents admitted to engaging in some type of cash, merchandise or property theft (not including eating food without paying for it). Overall, respondents admitted taking an average of \$96.30 annually from their employers. Entry-level employees reported stealing an average of \$114.48 while managers stole \$80.43 per year. Assuming a typical restaurant contains 80 percent entry-level employees and 20 percent managers, the annual loss to employee theft for a 30 employee restaurant would be \$3,230 and the annual loss to employee theft for a 2,000 restaurant company would be \$6,460,200.

Of the negative behaviors surveyed, safety infractions were the most prevalent form of counterproductivity. Eighty-six percent of surveyed employees engaged in some form of accident-related behavior. Males were more likely to hurt or injure themselves than females, whereas females were more likely to act unsafely than males. Those employees who abused drugs and alcohol were more likely than non-abusers to engage in unsafe behavior.

One quarter of all respondents admitted they had used or were hungover from drugs or alcohol at work at least once over the past year. Sixty percent of respondents admitted to unreliable behavior such as absenteeism and tardiness. In addition, counterproductive behaviors seem to "bundle" together to form a syndrome of deviant behavior. Results showed that those who abuse drugs and alcohol also tend to commit other counterproductive acts such as stealing, helping others to steal, acting irresponsibly and acting unsafely.

Employees who had positive attitudes toward their employer and work environment tended to be highly productive. For example, individuals who were satisfied with their job, pay, advancement opportunities and supervision were most likely to be identified as high on performance, customer service, teamwork and commitment to their employer. In addition, these people were less likely to engage in counterproductive behaviors such as stealing cash or merchandise from their employer, being absent from work and abusing drugs or alcohol on the job.

This survey also examined similarities between full-serve and quick-serve restaurants and the impact of organizational culture. The responses of employees from full-serve fast food stores proved to be very similar to those of quick-serve restaurants. However, full-serve employees were two times more likely to admit consuming alcohol on the job and 76 percent more likely to come to work hungover from alcohol. Full-serve employees were also more likely than quick-serve employees to engage in accident-related activity.

Organizational culture was found to be related to employee theft and other forms of counterproductive behavior. Organizations that effectively communicated at least seven out of eight positive corporate values experienced an average of \$83 in employee theft per person while other organizations experienced \$103 per person. Furthermore, respondents from organizations with positive cultures were less likely to eat food without paying, overcharge or shortchange customers, abuse discount privileges or do slow or sloppy work.

INTRODUCTION

Restaurants are facing an increasingly competitive marketplace. In addition to stiff competition from within the industry, supermarkets are introducing new products and services in order to win the patronage of busy customers (Reda, 1997; Burns, 1996). To remain competitive, restaurants must continually improve their human resources to contain costs and increase revenues. The goal of this report is to help restaurants achieve this goal by gaining a better understanding of their human resource capabilities.

Research has found that costly counterproductive behaviors such as theft, substance abuse, absenteeism and accidents is prevalent in restaurants. For example, last year's report showed that forty-three percent of restaurant employees admitted to stealing from their employers, twenty-two percent admitted to abusing drugs or alcohol at work and fifty-nine percent had injured themselves at work (London House & National Food Service Security Council, 1996). Furthermore, results from a similar survey conducted over the past seven years has shown that counterproductive behavior is widespread in the supermarket industry as well (London House & Food Marketing Institute, 1996).

This year's report will continue to study the prevalence of counterproductive behaviors in the restaurant industry. In addition, this report also examines behaviors that help generate revenue such as performance, customer service and teamwork. Research also suggests that an organization can improve its financial performance by addressing satisfaction with co-workers, pay, supervision and advancement opportunities (e.g., Wiley, 1996). This year's report will continue to focus on these more general attitudes and how they relate to organizational effectiveness.

This report also addresses two new issues. First, we investigated the relationship between substance abuse and other counterproductive behaviors. These results should help identify the causes and consequences of substance abuse and provide guidance for controlling this problem. Second, we compared the employee behavior in full-serve restaurants to quick-serve restaurants. Specifically, because full-serve employees tend to have more access to alcohol and cash, we expected these types of restaurants to experience more substance abuse and theft than quick-serve restaurants.

METHOD

SELECTION OF SURVEY PARTICIPANTS

Fourteen member companies of the National Food Service Security Council participated in this study. These fourteen companies were instructed to randomly select one employee per restaurant, excluding security employees and those who had been employed for the company for less than two months. This method was used to reduce employee suspicion of company involvement in the study and to minimize the opportunity for employees to discuss the survey among themselves. It also increased the likelihood that participants would respond candidly.

A total of 7,374 individuals were identified from the 14 participating companies to receive surveys. Each employee worked at a different restaurant. Participants were informed that they were involved in a study being conducted by Purdue University. This approach was also used to ensure more candid responses. This report focused on activities during the previous calendar year.

SURVEY QUESTIONNAIRE

The survey contained 74 questions addressing the following topics:

Counterproductive employee behaviors such as workplace theft, sick day abuse and drug use at work

The value of cash, merchandise and property stolen by respondents and the "average employee"

The frequency with which respondents saw other employees acting in a counterproductive manner

Work-related attitudes such as satisfaction with the job, satisfaction with pay and benefits and the intent to leave the job

Favorable behaviors such as going out of the way to help customers or co-workers

Demographic information such as gender, age and tenure with the company

SURVEY MAILING

The following three-stage process was used to distribute the surveys:

Stage 1. A letter was sent in advance to the employees selected to participate in the survey. This letter informed recipients they had been randomly selected to participate in a general study regarding employee behavior at work and that they would soon receive a questionnaire. The letter also emphasized that the study was being conducted by the Retail Institute at Purdue University and that all responses would remain anonymous.

Stage 2. One week later, a packet of survey materials was sent to participants. This packet included a cover letter (which reiterated the purpose and anonymity of the survey and contained instructions for its completion), a copy of the survey and a postage-paid return envelope. A \$1 bill was enclosed as an incentive for completing the questionnaire.

Stage 3. One week following Stage 2, a second packet of survey materials was mailed to each participant. These packets contained the same materials that were sent in Stage 2, with the exception of the \$1 bill.

RETURN RATE

The survey process yielded a return rate of 23% (i.e., 1,601 out of 6,936). Of the 7,374 surveys mailed to participants, 438 were returned as undeliverable. Thus, a total of 6,936 surveys were delivered to participants. Those individuals who had not worked in a restaurant company for more than two months or who were employed primarily in another industry were excluded from the analyses. The final sample consisted of 1,375 employees from 1,375 separate restaurants. Results based on this survey are accurate within plus or minus three percentage points.

RESULTS AND DISCUSSION

DEMOGRAPHICS

Respondent characteristics are summarized in Table 1. Fifty-two percent of the respondents were female, 53 percent were managers, 62 percent worked in an urban area and 74 percent had only one employer in the past year. Thirty-one percent of the respondents were over thirty-six years of age, 34 percent worked during the day shift and 66 percent worked 40 hours or more per week.

WORKPLACE THEFT

One of the primary goals of this study was to document the base rate of employee theft in the restaurant industry. Eight items on the survey asked respondents how often they committed various types of cash, merchandise or property theft at work. Table 2 specifies the percentage of employees who said they performed each behavior "very often," "often," "occasionally," "seldom" or "never" in the last six months. "Very often" was defined as three or more times a week; "often" was defined as one to two times a week; "occasionally" indicated one to two times in one month; and "seldom" indicated only once in the last six months.

Prevalence of Theft. Results show that respondents most often admitted to the following three types of theft:

Taking company supplies for personal use (34%)

Taking merchandise and equipment (20%)

Giving or receiving refunds for unpurchased items (7%)

These percentages are consistent with those found in previous reports. Last year, 36 percent of respondents were found to have taken company supplies for personal use, 18 percent had taken merchandise and equipment and seven percent gave or received refunds for unpurchased items.

In addition, more than half of all respondents admitted eating food without paying (52%). However, many of the employees indicated that they were allowed to do so. With the exception of eating food without paying, 42 percent of respondents admitted engaging in some type of cash, merchandise or property theft.

Age was related to the probability of stealing cash and merchandise. As shown in Figure 1, the proportion of employees admitting to cash and merchandise theft is highest in the youngest age group (49% for those 16 to 20 years old) and gradually decreases with age (19% of those over 35 years old). The proportion of individuals admitting to cash and merchandise theft did not differ between men and women (see Figure 2). However, when considering the average dollar amount stolen, men displayed significantly more theft than women (see Figure 3).

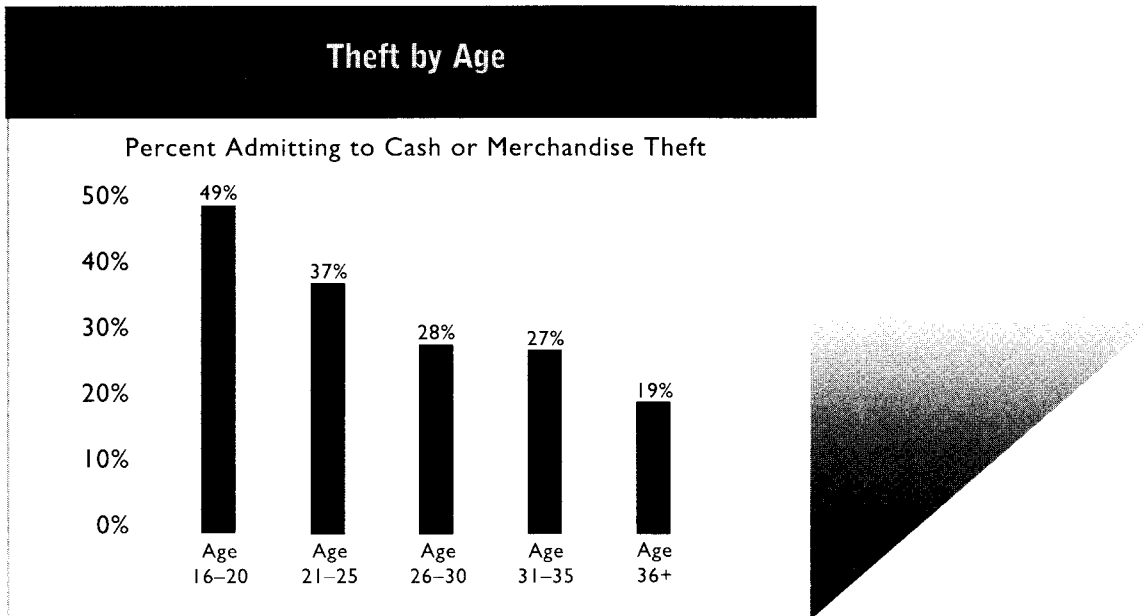


Figure 1

Percent Admitting to Theft: Men versus Women

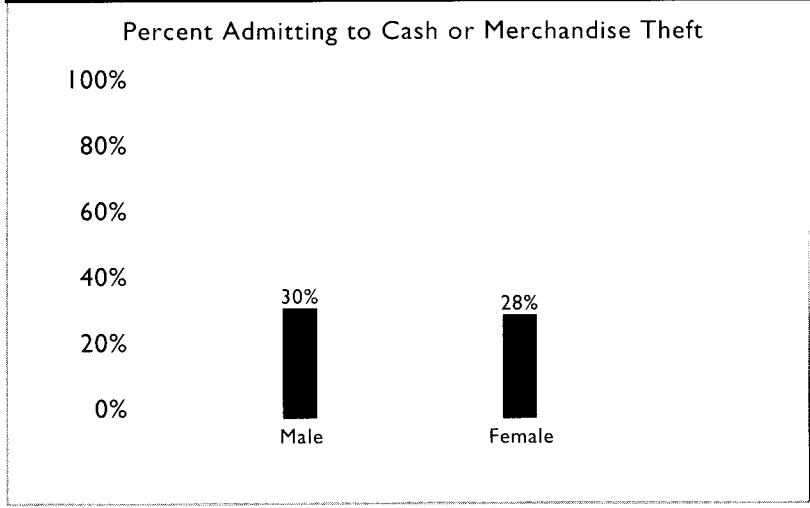


Figure 2

Amount of Theft: Men versus Women



Figure 3

In addition, employees who issued and received fake refunds were more likely to be younger (16 to 25 years of age), have had more than two employers in the last year and have worked the evening shift. Those respondents more likely to change or falsify documents were male and managers. Employees who overcharged or shortchanged customers tended to be entry-level employees, male and under the age of 26.

Losses Due to Employee Theft. Survey participants were asked to estimate the value of cash, merchandise and property they stole in a typical week. Table 3 displays the approximate dollar amounts of these estimates. Although 42 percent admitted engaging in theft behavior, only 29 percent provided a non-zero estimate of the amount they stole. The amount that employees admitted to stealing ranged from zero to more than \$600 per week. These estimates were calculated to reflect how much the average employee steals in a typical year. Collectively, respondents admitted to taking an average of \$96.30 worth of cash, merchandise and property from their employer per year. This represents a \$40.57 decrease from last year's average of \$136.87. Entry-level employees reported stealing more cash and merchandise than management-level employees. While managers stole an average of \$80.43 per year, entry-level employees stole an average of \$114.48 per year (see Figure 4). Assuming that 80 percent of restaurant employees are entry-level and 20 percent are management level, the annual cost of theft for a typical restaurant with 30 employees would be \$3,230 (See Table 4). Given these estimates, a company of 2000 restaurants may lose up to \$6,460,200 per year due to employee theft.



Figure 4

Respondents were also asked to estimate the value of company resources stolen by the "average employee." Eighty-five percent of respondents gave a non-zero estimate of how much their co-workers steal. The average estimate of the value of cash, merchandise and property taken in a year by the "average employee" was \$2,102.00. On the basis of this average, the value of annual losses encountered by a restaurant company with 2000 operations would be \$126,132,600. These estimates are much higher than those based on the respondents' own theft admissions. This disparity suggests that actual theft is higher than the self admissions of theft.

Theft-Related Attitudes. As with previous studies, theft-related attitudes were the most effective predictors of counterproductive behavior in this study. This information is presented in the body of Table 5. The following three theft related attitudes were examined in this study:

"My co-workers view theft as acceptable behavior" (22 percent reported that their co-workers condone employee theft)

"I can steal from my employer any time I want" (51 percent agreed that they have the opportunity to steal from their employer at will)

"I've been treated unfairly by my current employer" (83 percent reported that their employer had treated them unfairly at least once in the last six months)

Employee theft was more prevalent among employees holding one or more of these theft-related attitudes than among those holding none. Respondents holding all three theft attitudes were over three and a half times more likely (48%) than those holding no theft attitudes (13%) to admit stealing cash, merchandise or property (see Figure 5). Employees holding more theft attitudes were also more likely to help their co-workers steal and tended to take larger amounts.

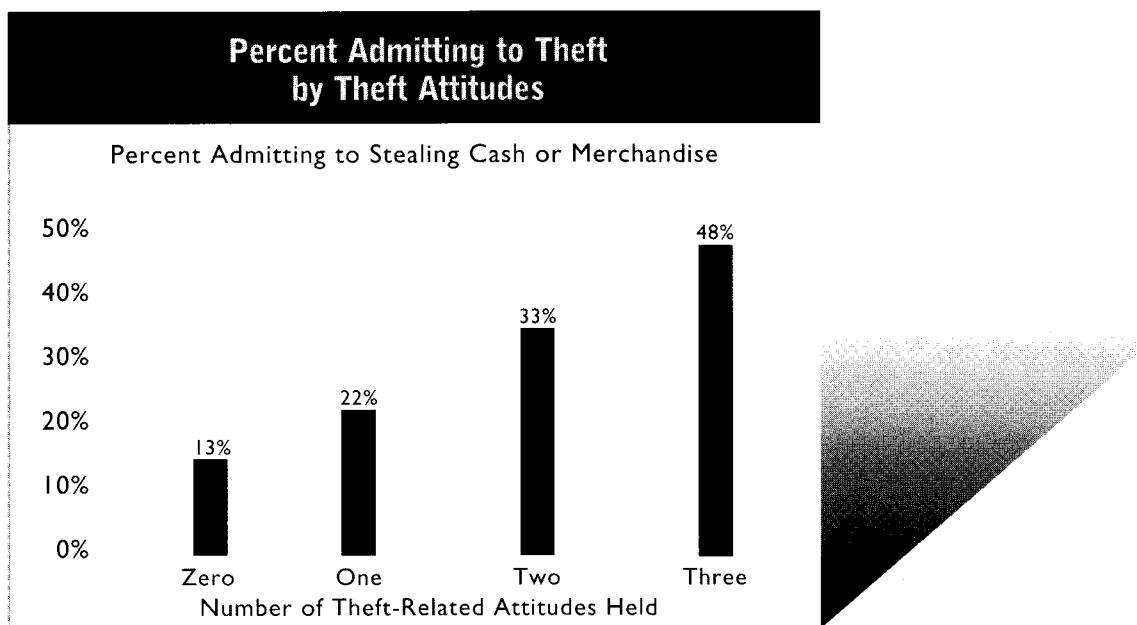


Figure 5

Theft attitudes have also been strongly linked to other forms of counterproductive behavior (see Table 6). Employees agreeing with theft-related attitudes were more likely to be unreliable (e.g., miss work, arrive late, leave early, call in sick), violate safety practices and allow drug use to interfere with their work. For instance, those employees holding three theft attitudes were nine times more likely (36%) than those holding no theft attitudes (4%) to engage in substance abuse (such as consuming alcohol or drugs at work, or coming to work hungover from drugs or alcohol). In addition, those holding theft attitudes purposely engaged in behaviors that undermine organizational effectiveness. For example, 30 percent of those holding three theft attitudes (as opposed to 3 percent with no theft attitudes) intentionally performed poorly on the job and 55 percent of those with three theft attitudes (as opposed to 14 percent holding no theft attitudes) purposely avoided helping customers.

ABSENTEEISM AND TARDINESS

Four survey questions addressed absenteeism and tardiness (see Table 2). More than half (60 percent) of the respondents admitted to some type of this unreliable behavior. The results indicated that:

- 46 percent had come to work late without permission
- 24 percent had left work early without authorization
- 20 percent had abused sick days
- 18 percent had been absent from work without good reason

Employees who tended to engage in this type of counterproductive behavior were generally younger and less tenured (i.e., under 25 years of age with less than two years on the job) and usually worked the evening and night shifts. Males were more likely to come to work late and leave early without permission, but females were more likely to admit faking an illness and calling in sick. Employees who had worked for more than one employer in the past year were more likely to arrive at work late without permission, be absent from work without a legitimate excuse and abuse sick days.

ACCIDENT-RELATED BEHAVIOR

More respondents engaged in accident-related behavior than any other type of counterproductivity (see Table 2). The results indicated that:

- 76 percent had seen co-workers act unsafely
- 58 percent had hurt or injured themselves at work (16 percent had injured themselves at least once per month)
- 40 percent had acted unsafely

Employees aged 16-20, working less than 25 hours per week and working the evening and night shifts were more likely than other employees to act unsafely and hurt or injure themselves at work. However, employees working more than 50 hours per week were more likely to see their coworkers act unsafely and to hurt or injure themselves. Males were more likely to hurt or injure themselves than females, whereas females were more likely to act unsafely than males.

OTHER FORMS OF THEFT AND COUNTERPRODUCTIVE BEHAVIOR

The survey included 10 items asking employees how frequently they saw or engaged in other counterproductive behaviors (see Table 2). The major findings indicated that:

50 percent of the employees admitted using their employee discount for friends

38 percent said they had not reported wasting company materials

34 percent indicated that they had seen their co-workers steal company property or merchandise

26 percent admitted selling merchandise to friends at a reduced price

SEVERE COUNTERPRODUCTIVITY

We also examined the prevalence of the most severe types of counterproductive behavior. A counterproductive behavior was considered to be severe if it could lead to the employee being suspended or fired. Table 7 lists the counterproductive behaviors that were considered to be severe. More than half (55%) of all employees surveyed admitted to engaging in at least one of these behaviors. Specifically, the findings showed that:

49 percent of the respondents reported acting in a manner that was considered to be severely counterproductive

27 percent admitted to severe instances of cash, merchandise or property theft

40 percent admitted to some type of severe counterproductive behavior other than theft

TURNOVER

Two survey items assessed respondents' turnover intentions (see Table 5). Twenty-eight percent of employees intend to quit within the next three months. Forty-three percent intend to quit within the next year:

Those who intend to quit their jobs in the next year tended to be entry-level, less tenured and younger employees than those not intending to quit. In addition, those with a higher propensity to leave their job tended to work fewer hours, work the evening or night shift and have more than one employer in the preceding year. There were no differences between males and females.

DRUG AND ALCOHOL USE

The survey included four items concerning the respondents' use of drugs and alcohol in the workplace (see Table 2). Twenty-five percent of the respondents admitted that they had used drugs or alcohol on the job or come to work hungover from drugs or alcohol at least once in the last six months. In particular, the findings showed that:

22 percent admitted coming to work hungover from alcohol

4 percent said they had consumed alcohol on the job

4 percent admitted coming to work hungover from drugs

3 percent said they used drugs at work

Substance abusers tended to be 16-20 years old, work 40 hours per week, have three or more employers in the last year and plan to quit within the next six months. There was no significant difference between males and females.

SUBSTANCE ABUSE AND OTHER BEHAVIORS

Substance abuse is considered to be a significant problem in the workplace because it is believed to be highly related to other forms of counterproductivity such as absenteeism, accidents, irresponsibility and poor performance and customer service. We investigated the strength of these relationships in the restaurant industry by comparing the prevalence of several productive and counterproductive behaviors for abusers and non-abusers of drugs and alcohol.

Results showed that substance abusers were much more likely than non-abusers to engage in other counterproductive acts such as stealing from their employer, helping others to steal, being absent or late to work, acting unsafely on the job and behaving irresponsibly. For example, substance abusers admitted to stealing over two times more cash and merchandise (\$156 vs. \$77) than non-abusers (see Figure 6). In addition, Table 8 shows that substance abusers were also more likely to commit other counterproductive acts such as:

damage company property while horsing around (34% vs. 11%)

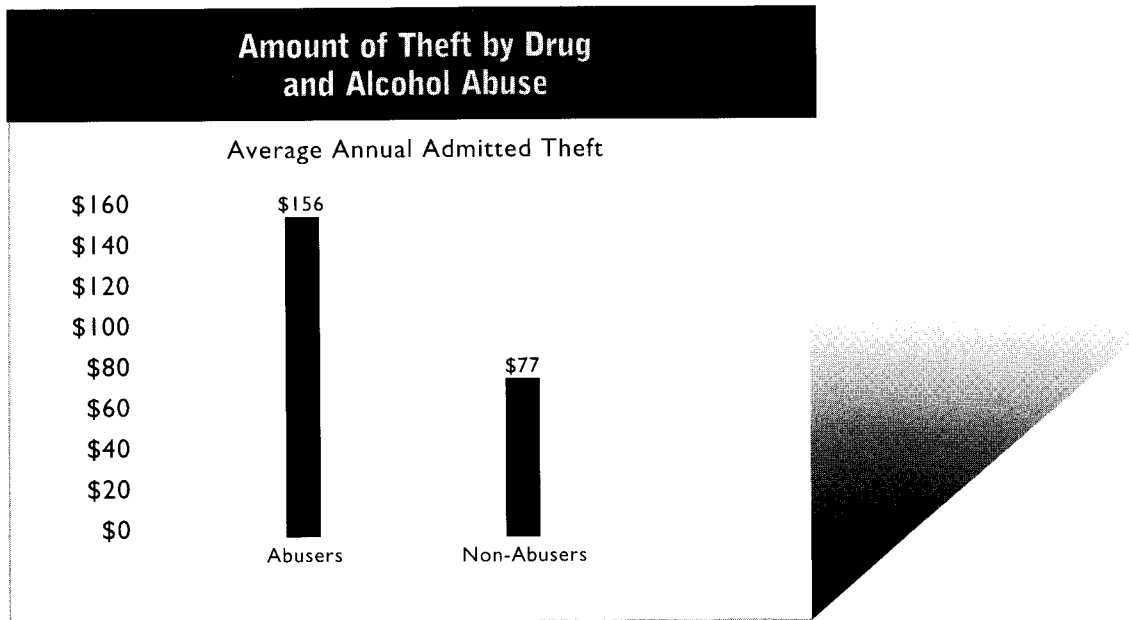
take company merchandise (31% vs. 16%)

be absent without an excuse (26% vs. 15%)

act unsafely (52% vs. 36%)

avoid helping a customer (55% vs. 33%)

Figure 6



Substance abusers were also less likely than non-abusers to engage in positive behaviors such as remaining pleasant to a rude customer very often (39% vs. 45%) and going out of the way to help a co-worker very often (58% vs. 65%). However, these differences are not as strong as with the counterproductive behaviors.

This pattern of results is consistent with problem behavior theory (Jessor & Jessor, 1977; 1978) which is illustrated in Figure 7. From this perspective, substance abuse does not directly cause counterproductivity and poor performance. Rather, substance abuse and other forms of counterproductivity such as theft, irresponsibility and unsafe behaviors are all influenced by an overall propensity to commit deviant behavior.

These results have significant implications for organizational interventions. To the extent that a syndrome of deviant behavior exists, employee selection systems may take on increased importance. Organizations may find it less costly to screen out potentially deviant applicants than deal with a whole range of deviant behaviors after hire. These results also suggest that organizations may be able to use one or two measures of deviant behavior, such as predictors of substance abuse or honesty and avoid hiring individuals who may engage in many different forms of counterproductive behavior.

Problem Behavior Theory

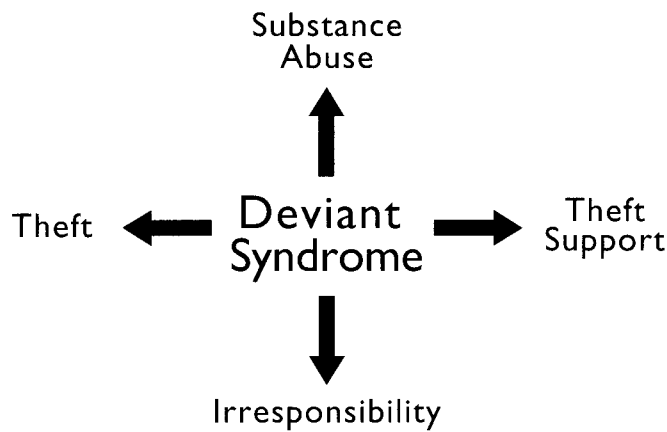


Figure 7

JOB PERFORMANCE

Ninety-nine percent of the respondents agreed that they had gone out of their way to help a co-worker at least once in the last six months, 97 percent reported that they had made suggestions to improve work processes and 96 percent claimed their supervisors would rate them as a good performer. However, 17 percent admitted that they had done slow or sloppy work on purpose.

A set of analyses was conducted to determine characteristics that tend to distinguish employees with above average performance from others. To this end, a performance scale was created by combining the above four survey items. Respondents were then categorized as above average, average and below average performers based on their performance scale scores. Twenty-six percent of respondents were classified as above average performers, 41 percent as average performers and 33 percent as below average performers.

Employees classified as above average performers were more likely to be managers, be over 35 years of age, work more than 40 hours per week, work during the day shift and have had only one employer in the past year. Although not statistically significant, females and city employees tended to be higher performers than males and those who worked in rural or suburban areas. Employees with above average performance differed from below average performers in their work-related behaviors (see Table 9). Specifically, above average performers were less likely to:

- Damage company merchandise (10% vs. 21%)
- Eat food without paying for it (45% vs. 59%)
- Come to work late (36% vs. 55%)
- Miss work without a legitimate excuse (10% vs. 26%)
- Act unsafely (28% vs. 48%)

CUSTOMER SERVICE

Three items addressing customer service issues were included in the survey. Results showed that:

99 percent gone out of the way to help a customer

97 percent remained pleasant to a rude customer

38 percent avoided a customer (reverse coded)

In order to differentiate individuals with high customer service orientation from others, a customer service scale was created by combining the above three items. Twenty-three percent of the respondents were classified as having a high customer service orientation, 47 percent were categorized as average and 29 percent were identified as low service providers. Employees identified as having a high customer service orientation tended to be managers, female and above 35 years of age. They also tended to work more than 40 hours per week.

Table 10 displays items on which those scoring high on the customer service scale differed significantly from those identified as low or average on customer service. Those scoring high on customer service were less likely to commit counterproductive acts such as stealing company cash and merchandise, not reporting wasting company materials, coming to work hungover from alcohol, acting unsafely and doing slow or sloppy work on purpose.

In addition, those scoring high on customer service were more likely to be satisfied with their jobs and advancement opportunities. High customer service employees were also more likely to believe they can achieve their career goals with the company and be happy to stay with the company.

TEAMWORK

Cooperation and mutual dependency are key ingredients in the restaurant and fast food industry. Employees must work together to create a quality product that is satisfying to the customer.

Ninety-two percent of the respondents agreed that he/she enjoyed working as part of a team in their organizations and 86 percent agreed that he/she was satisfied with his/her co-workers.

Managers were more likely than entry-level employees to demonstrate teamwork as were employees who worked more than 40 hours per week. In addition, employees over the age of 35 and those who had worked during the day shift were more likely to exhibit teamwork attitudes or behaviors than other employees. Although not statistically significant, respondents who were female, worked in the city and had only one employer in the last year tended to have a higher teamwork orientation than their counterparts.

COMMITMENT

Commitment was measured by asking employees how strongly they agreed or disagreed that they would be happy to spend the rest of their career with the company. Although 43 percent intend to quit their job in the next year, 50 percent of the respondents indicated that they would be happy to spend their career with their current employer:

Those who reported being committed to their company tended to work more than 40 hours per week, hold a management position and be over 35 years of age. These employees also were more likely to have worked for only one employer during the preceding year and have worked for the present company for more than two years. Men and women did not differ in regard to their commitment to their employer.

FULL-SERVICE VS. QUICK-SERVE RESTAURANTS

This year we investigated the differences between full-serve and quick-serve restaurants. For the purpose of this study, full-serve is defined as a restaurant in which customers dine at a table or booth and are served by waiters or waitresses. Quick-serve stores usually do not have waiters or waitresses and customers typically pay for and receive their meals over the counter. Six companies with a total of 518 employees were identified as full-serve restaurants and eight companies with a total of 856 employees were identified as quick-serve restaurants. Our hypothesis was that employees from full-serve restaurants would demonstrate more theft and substance abuse because they tend to have more access to money and alcohol than employees from quick-serve restaurants. Results of the comparison between full-serve and quick-serve are presented on Table 11.

In general, full-serve and quick-serve employees responded very similarly to the survey items. However, full-serve employees were twice as likely to admit to consuming alcohol on the job than quick-serve employees (6% vs. 3%) and 76 percent more likely to come to work hungover from alcohol (30% vs. 17%). Full-serve employees were also more likely to engage in accident-related activity, such as hurting or injuring themselves at work (63% vs. 55%) and acting unsafely (46% vs. 36%). Although full-serve employees were more likely to take company supplies for personal use (42% vs. 29%), the average amount stolen by employees showed relatively little difference. Full-serve employees admitted to taking an average of \$99.48 in cash, merchandise and property annually, compared to \$94.50 stolen by quick-serve employees. Full-serve and quick-serve employees did not significantly differ on any other form of theft.

THE WINNING RESTAURANT/FAST FOOD CULTURE

This study also investigated the impact of organizational culture on the behavior of restaurant and fast food employees. Organizational culture was defined by eight important values that have been found to be highly related to employee attitudes and behaviors. These values are: (1) fairness with employees, (2) caring and empathy, (3) employee empowerment, (4) career-enriching opportunities, (5) equitable pay and benefits, (6) accurate job-person matching, (7) honesty and ethics and (8) safe working conditions (see Table 12 for a description of each).

The impact of culture on an organization was evaluated by comparing companies that successfully communicated several of these eight values to those that did not. To accomplish this, responses were evaluated according to whether employees believed their organization held these values. A company was defined as having a positive culture if more than 50 percent of its surveyed employees indicated that the company held at least seven of the eight important organizational values.

Results indicate that companies with a positive culture experience much less theft than other organizations. Specifically, the average annual admitted theft from organizations with a positive culture was \$83 compared to \$103 in other organizations (see Figure 8). In addition, respondents from organizations with positive cultures were less likely to eat food without paying, do slow or sloppy work, overcharge or shortchange customers and abuse discount privileges. Respondents from organizations without positive culture were more likely to be absent without an excuse or fake an illness and call in sick. Thus, it appears that companies can minimize or deter counterproductive behavior and encourage work performance and dependability by effectively communicating most, if not all, of the values important to organizational culture.



Figure 8

CONCLUSION

This study found that employee counterproductivity remains prevalent in the restaurant industry. For example, forty-two percent of the study's respondents admitted to stealing cash, merchandise or property from their employers. In addition, twenty-five percent of employees admitted to abusing drugs and alcohol while at work, sixty percent admitted to some form of undependable behavior (e.g., coming to work late, leaving work early, abusing sick days) and eighty-six percent had acted unsafely at least once over the last six months. Furthermore, these figures are consistent with results found in previous years' reports indicating a stable trend in the restaurant industry.

The cost of employee counterproductivity may manifest itself in many forms ranging from increased company shrinkage to workman's compensation claims. The costs of theft alone are staggering. Results from this year's report show entry-level employees steal an average of \$114 per year and managers steal an average of \$80 per year.

Another important finding was the possible existence of a syndrome of deviant behavior. Results showed that those who abuse drugs and alcohol on the job were significantly more likely to commit other forms of counterproductivity such as stealing, helping others steal, irresponsible behavior and acting unsafely. Surprisingly, substance abusers did not significantly differ from non-abusers in regard to job performance and customer service. This pattern of results suggests that counterproductive behaviors "bundle" together into a syndrome of deviant behavior. Therefore, those who commit one form of counterproductivity are most likely to be those who commit other counterproductive acts.

Also, employment compensation and advancement opportunities seem important to achieving high levels of positive behaviors. Results showed that respondents scoring high on positive work behaviors tended to be satisfied with their job and compensation and believe their career goals can be achieved with the company. Results also showed that those who were rated highest on positive work behaviors such as job performance, customer service, teamwork and job commitment tended to be managers, over the age of 35 and work over 40 hours a week.

This year's report also investigated the difference between quick-serve and full-serve restaurants. For the most part, results showed very similar profiles between the two types of restaurants. However, full-serve employees were significantly more likely than quick-serve employees to consume alcohol on the job and come to work hungover from alcohol. In addition, full-serve employees were more likely to act unsafely.

Finally, organizational culture seems to significantly impact organizational effectiveness. Organizations that effectively communicated at least seven out of eight positive corporate values experienced significantly less theft per employee (\$83) than other organizations (\$103). In addition, employees from organizations with positive cultures were less likely to engage in other counterproductive acts such as overcharging or shortchanging customers and doing slow or sloppy work on purpose.

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Table 12:	Values of the Winning Restaurant/Fast Food Culture

TABLE 1
CHARACTERISTICS OF THE SURVEY RESPONDENTS

- | | |
|---|--|
| <p>1. Job title (N = 1,375)</p> <ul style="list-style-type: none"> a. Manager = 53.1% b. Entry-level = 46.9% | <p>5. Gender (N = 1,371)</p> <ul style="list-style-type: none"> a. Male = 47.7% b. Female = 52.3% |
| <p>2. Store locations of respondents (N = 1,355)</p> <ul style="list-style-type: none"> a. City = 61.8% b. Suburb = 32.5% c. Rural = 5.7% | <p>6. Number of employers in the last year (N = 1,345)</p> <ul style="list-style-type: none"> a. One = 73.5% b. Two = 19.5% c. Three or more = 7.1% |
| <p>3. Length of employment (N = 1,375)</p> <ul style="list-style-type: none"> a. 1 year or less = 27.2% b. More than 1 year to 2 years = 16.8% c. More than 2 years to 5 years = 23.6% d. More than 5 years to 10 years = 18.5% e. More than 10 years = 13.9% | <p>7. Work shift (N = 1,354)</p> <ul style="list-style-type: none"> a. Day shift = 34.0% b. Evening shift = 21.1% c. Night shift = 9.9% d. Day and evening shift = 14.8% e. Day and night shift = 1.8% f. Evening and night shift = 3.8% g. Variable shift = 14.5% |
| <p>4. Hours worked per week (N = 1,372)</p> <ul style="list-style-type: none"> a. Less than 25 hours = 12.4% b. 25 to 39 hours = 21.9% c. 40 hours = 10.1% d. 41 to 50 hours = 27.0% e. More than 50 hours = 28.6% | <p>8. Age (N = 1,323)</p> <ul style="list-style-type: none"> a. 16 - 20 years = 12.5% b. 21 - 25 years = 16.9% c. 26 - 30 years = 21.5% d. 31 - 35 years = 17.8% e. 36 years and over = 31.4% |

Note: The numbers in parentheses are based upon the number of respondents.

TABLE 2
EMPLOYEE BEHAVIOR

Behavior	Very Often	Often	Occasionally	Seldom	Never
CASH, MERCHANDISE OR PROPERTY THEFT					
Took merchandise/equipment	<1%	<1%	4%	16%	80%
Took supplies for personal use	<1%	1%	7%	26%	66%
Took money without permission	<1%	<1%	1%	4%	95%
Gave/received refunds for things not purchased	0%	<1%	1%	5%	93%
Took property from co-workers	0%	0%	<1%	1%	99%
Ate food without paying	11%	7%	14%	20%	48%
Overcharged/shortchanged customers on purpose	<1%	<1%	1%	4%	95%
Changed/falsified company documents	<1%	<1%	<1%	2%	98%
DRUG AND ALCOHOL USE					
Used drugs on the job	<1%	<1%	1%	2%	97%
Consumed alcohol on the job	<1%	<1%	1%	3%	96%
Came to work hungover from drugs	0%	<1%	1%	3%	96%
Came to work hungover from alcohol	<1%	1%	5%	16%	78%
ABSENTEEISM AND TARDINESS					
Absent with no legitimate excuse	<1%	1%	2%	14%	82%
Faked illness and called in sick	0%	<1%	3%	17%	80%
Left work early without permission	<1%	1%	6%	17%	76%
Came to work late without permission	1%	3%	10%	32%	54%
ACCIDENT-RELATED BEHAVIOR					
Acted unsafely	1%	2%	9%	29%	60%
Hurt/injured self at work	<1%	3%	13%	42%	42%
Saw coworkers acting unsafely	3%	9%	30%	34%	24%

TABLE 2 (Continued)
EMPLOYEE BEHAVIOR

Behavior	Very Often	Often	Occasionally	Seldom	Never
OTHER COUNTERPRODUCTIVITY					
Damaged property while horsing around	<1%	<1%	2%	15%	83%
Wasted company materials on purpose	0%	<1%	1%	6%	92%
Used employee discount for friends	2%	5%	18%	25%	50%
Sold merchandise to friends at reduced price	<1%	2%	8%	15%	74%
Helped coworker take company property/merchandise	<1%	<1%	1%	2%	97%
Did not report theft by employees	1%	1%	3%	9%	86%
Did not report wasted company materials	<1%	2%	5%	31%	62%
Faked injury for workers' compensation	0%	0%	0%	<1%	100%
Saw co-workers steal company cash	<1%	1%	4%	12%	83%
Saw co-workers steal company property/merchandise	1%	2%	8%	24%	66%
PERFORMANCE					
Went out of way to help a customer	65%	26%	7%	2%	1%
Went out of way to help a co-worker	60%	32%	7%	1%	1%
Made a suggestion to improve the way work is done at the company	21%	34%	31%	10%	4%
Avoided helping a customer	1%	2%	8%	28%	62%
Did slow or sloppy work on purpose	<1%	<1%	3%	13%	83%
Remained pleasant to a rude customer	44%	38%	12%	4%	3%

N = 1,375 employees from 1,375 different restaurants

Note: Very often = Three or more times a week
Often = One to two times a week
Occasionally = One to two times in one month
Seldom = Only once in six months
Never = Not even once

TABLE 3
TOTAL DOLLAR AMOUNT OF WEEKLY THEFT ADMISSIONS

Category	0	\$.50	\$1	\$2	\$5	\$10	\$25	\$50	\$100	\$250	\$500	\$600 or more
Money You Take	94%	1%	1%	1%	1%	<1%	1%	1%	<1%	0%	0%	0%
Merchandise You Take	72%	6%	6%	7%	5%	2%	1%	<1%	<1%	<1%	0%	0%
Merchandise and Money You Take	71%	6%	6%	7%	7%	3%	2%	<1%	<1%	<1%	0%	0%
Money "Average Employee" Takes	45%	3%	4%	7%	13%	11%	8%	5%	2%	1%	<1%	<1%
Merchandise "Average Employee" Takes	16%	4%	6%	11%	22%	17%	11%	7%	4%	2%	1%	<1%
Merchandise and Money "Average Employee" Takes	15%	3%	5%	10%	17%	19%	14%	9%	6%	1%	2%	1%

Note: N = 1,375 employees from 1,375 different restaurants.

TABLE 4
AVERAGE ANNUAL EMPLOYEE THEFT ESTIMATES

Method of Estimation	Single Employee	30-Employee Restaurant	300-Restaurant Company	2,000-Restaurant Company
Respondent Admissions ^(a)	\$107	\$3,230	\$969,030	\$6,460,200
Amount Taken by "Average Employee" ^(b)	\$2,102	\$63,066	\$18,919,890	\$126,132,600

^(a) Store and company theft estimates were derived by weighting theft by entry-level personnel (\$114.48) by 80 percent and theft admitted by management positions (\$80.43) by 20 percent.

^(b) Store and company theft estimates were derived by projecting the estimated amount taken annually by the "average employee" (\$2,102.21).

TABLE 5
EMPLOYEE ATTITUDES*

Attitude	Strongly Agree	Agree	Slightly Agree	Slightly Disagree	Disagree	Strongly Disagree
SATISFACTION						
All in all, satisfied with job	23%	39%	16%	8%	9%	6%
Satisfied with company	23%	35%	18%	9%	7%	8%
Satisfied with advancement opportunities	16%	29%	17%	12%	12%	15%
Satisfied with supervision and management	19%	33%	19%	10%	9%	10%
Satisfied with the work itself	36%	46%	12%	3%	2%	2%
Satisfied with pay and benefits	15%	26%	21%	13%	13%	12%
Satisfied with co-workers	19%	42%	25%	9%	4%	2%
COMMITMENT						
Happy to spend rest of career with company	17%	19%	15%	9%	14%	27%
TURNOVER						
Intend to quit in the next three months	11%	7%	10%	11%	24%	37%
Intend to quit in the next year	19%	12%	12%	12%	20%	26%
PERCEPTIONS OF EMPLOYER						
Employer seeks to provide safe working conditions	39%	41%	12%	4%	3%	2%
Employer is fair in handling employee complaints	24%	37%	18%	8%	7%	6%
Employer cares about employees	25%	34%	19%	9%	7%	7%
THEFT-RELATED ATTITUDES						
Co-workers accept employee theft	3%	6%	13%	11%	30%	38%
Can steal from employer at will	21%	19%	11%	5%	13%	31%
Will be caught if I steal	21%	23%	12%	13%	21%	11%
OTHER ATTITUDES						
Helps make many decisions at work	26%	47%	18%	6%	3%	1%
Can obtain career goals with company	14%	19%	17%	9%	15%	26%
Job is what was expected	21%	44%	17%	9%	6%	4%
Supervisor would rate me as a good performer	47%	43%	6%	2%	1%	1%
People should change jobs when a better job becomes available	13%	17%	27%	17%	18%	8%
Would be easy to find a better job if I wanted to	13%	18%	25%	18%	16%	10%
Would recommend job to friend	24%	35%	19%	8%	7%	7%
Enjoy working as part of a team	36%	43%	14%	3%	3%	2%
Often think of quitting job	12%	16%	21%	11%	23%	17%

* One of the attitudinal items discussed in this report does not appear in this table. This is because the response format of the item differs from the format shown in this table. The item "How often have you been treated unfairly by your current employer?" was responded to as follows: Six percent said "very often," 9 percent said "often," 30 percent said "occasionally," 38 percent said "seldom" and 17 percent said "never."

TABLE 6
PERCENTAGE OF RESPONDENTS ADMITTING TO BEHAVIOR:
BY NUMBER OF THEFT ATTITUDES HELD*

Behavior	No Theft Attitudes (n = 120)	One Theft Attitude (n = 543)	Two Theft Attitudes (n = 509)	Three Theft Attitudes (n = 183)
MERCHANDISE AND PROPERTY THEFT:				
Took company money without permission	0%	2%	8%	11%
Took merchandise without permission	8%	11%	24%	40%
Took company supplies for personal use	12%	24%	44%	53%
Damaged company merchandise	1%	13%	20%	28%
Wasted company materials intentionally	2%	4%	10%	14%
Did not report wasting company materials	14%	32%	44%	55%
Ate food without paying for it	38%	46%	56%	67%
Overcharged or shortchanged customer intentionally	2%	2%	6%	13%
Saw co-workers steal company money	9%	13%	18%	28%
Saw co-workers steal company property and merchandise	16%	25%	38%	60%
Did not report a theft by a co-worker	6%	9%	15%	27%
Sold merchandise at a reduced price	11%	20%	31%	42%
Used employee discount privileges for friends	32%	43%	56%	67%
ABSENTEEISM AND TARDINESS:				
Missed work without an excuse	4%	18%	18%	25%
Came to work late	28%	43%	51%	55%
Left work early without permission	3%	22%	31%	24%
ALCOHOL AND DRUG USE:				
Consumed alcohol on the job	0%	3%	6%	8%
Used drugs on the job	0%	2%	4%	8%
Came to work hungover from alcohol	4%	19%	27%	30%
Came to work hungover from drugs	1%	2%	6%	8%
SAFETY:				
Acted unsafely	18%	36%	45%	54%
Hurt or injured self at work	37%	58%	61%	66%
Saw co-worker acting unsafely	53%	73%	80%	88%
PERFORMANCE:				
Did slow or sloppy work intentionally	3%	15%	18%	30%
CUSTOMER SERVICE:				
Avoided helping a customer	14%	31%	47%	55%

* The three theft attitudes included in this analysis were: 1) "My co-workers view theft as acceptable behavior;"
2) "I can steal from my employer any time I want," and 3) "I've been treated unfairly by my current employer;"

TABLE 7
TYPES OF COUNTERPRODUCTIVE BEHAVIOR CONSIDERED TO BE SEVERE

Cash, Merchandise or Property Theft

- Took merchandise or equipment from employer without permission
- Took money from employer without permission
- Gave or received refunds for things not actually purchased
- Took personal property from co-workers
- Intentionally overcharged or shortchanged customers
- Changed or falsified a company document for personal gain

Other Counterproductive Behavior

- Consumed alcohol on the job
- Used drugs on the job
- Intentionally wasted company materials or supplies
- Sold merchandise to friends at a reduced price
- Helped a co-worker take company property or merchandise
- Did not report theft by another employee
- Faked an injury for worker compensation

TABLE 8
PERCENTAGE OF RESPONDENTS ADMITTING TO BEHAVIOR
AND ATTITUDES: BY DRUG AND ALCOHOL USE

Behavior/Attitude	Non-Users (n = 1,026)	Users (n = 343)
MERCHANDISE AND PROPERTY THEFT:		
Took company money without permission	3%	12%
Took merchandise without permission	16%	31%
Took company supplies for personal use	28%	53%
Did not report theft by another employee	11%	22%
Damaged company merchandise	11%	34%
Wasted company materials intentionally	6%	13%
Did not report wasting company materials	32%	54%
Ate food without paying for it	48%	66%
Overcharged or shortchanged customer intentionally	4%	8%
Sold merchandise at a reduced price	22%	39%
Used employee discount privileges for friends	45%	65%
Believe stealing is acceptable among co-workers	20%	26%
Believe he/she would be caught for stealing something	58%	47%
Could easily take cash or merchandise	46%	65%
ABSENTEEISM AND TARDINESS:		
Missed work without an excuse	15%	26%
Came to work late	42%	59%
Left work early without permission	22%	30%
Faked an illness and called in sick	17%	29%
SAFETY:		
Acted unsafely	36%	52%
Hurt or injured self at work	56%	65%
PERFORMANCE:		
Did slow or sloppy work intentionally	15%	24%
CUSTOMER SERVICE:		
Avoided helping a customer	33%	55%
TURNOVER:		
Can achieve career goals	53%	41%
Plan to leave job in the next year	41%	51%

TABLE 9
PERCENTAGE OF RESPONDENTS ADMITTING TO BEHAVIOR
AND ATTITUDES: BY LEVEL OF PERFORMANCE

Behavior/Attitude	Below- Average Performance Level (n = 445)	Average Performance Level (n = 564)	Above- Average Performance Level (n = 354)
MERCHANDISE AND PROPERTY THEFT:			
Damaged company merchandise	21%	17%	10%
Did not report wasting company materials	43%	38%	31%
Ate food without paying for it	59%	50%	45%
ABSENTEEISM AND TARDINESS:			
Missed work without an excuse	26%	16%	10%
Came to work late	55%	46%	36%
Faked an illness and called in sick	30%	16%	14%
SAFETY:			
Acted unsafely	48%	41%	28%
Believe employer provides safe working conditions	89%	93%	91%
CUSTOMER SERVICE:			
Avoided helping a customer	50%	36%	28%
TURNOVER:			
Thinking of quitting job	56%	46%	44%
Can achieve career goals	37%	53%	61%
Plan to leave job in the next three months	37%	23%	24%
Plan to leave job in the next year	49%	40%	40%
Would be happy to stay with company	36%	57%	59%
SATISFACTION:			
Satisfied with company	69%	79%	81%
Satisfied with supervision and management	65%	75%	74%
Satisfied with co-workers	82%	87%	88%
Satisfied with present job	68%	82%	83%
Satisfied with pay and benefits	56%	66%	66%
Satisfied with advancement opportunities	53%	64%	70%
Believe employer is fair in handling complaints	75%	81%	81%
Job is what was expected by employee	76%	84%	84%
Would recommend job to a friend	73%	80%	79%

TABLE 10
PERCENTAGE OF RESPONDENTS ADMITTING TO BEHAVIOR
AND ATTITUDES: BY LEVEL OF CUSTOMER SERVICE

Behavior/Attitude	Low Service Orientation (n = 398)	Average Service Orientation (n = 645)	High Service Orientation (n = 318)
MERCHANDISE AND PROPERTY THEFT:			
Took company money without permission	10%	4%	2%
Took merchandise without permission	28%	20%	9%
Took company supplies for personal use	43%	35%	21%
Damaged company merchandise	24%	17%	7%
Wasted company materials intentionally	15%	5%	3%
Did not report wasting company materials	48%	38%	25%
Ate food without paying for it	61%	53%	40%
Gave or received fake refunds	11%	6%	3%
Used employee discount privileges for friends	59%	49%	40%
ABSENTEEISM AND TARDINESS:			
Missed work without an excuse	23%	17%	12%
Came to work late	50%	48%	37%
Faked an illness and called in sick	28%	19%	12%
ALCOHOL AND DRUG USE:			
Came to work hungover from alcohol	24%	24%	17%
SAFETY:			
Acted unsafely	52%	40%	24%
PERFORMANCE:			
Did slow or sloppy work on purpose	29%	13%	10%
TURNOVER:			
Can achieve career goals	39%	53%	57%
Plan to leave job in the next three months	33%	27%	22%
Plan to leave job in the next year	51%	42%	36%
Would be happy to stay with company	37%	53%	62%
SATISFACTION:			
Satisfied with company	70%	78%	81%
Satisfied with present job	73%	78%	83%
Satisfied with pay and benefits	57%	65%	63%
Satisfied with advancement opportunities	55%	65%	67%

TABLE 11
PERCENTAGE OF RESPONDENTS ADMITTING TO BEHAVIOR
AND ATTITUDES: BY TYPE OF SERVICE PROVIDED

Behavior/Attitude	Full Serve (Restaurant) (n = 518)	Quick Serve (Fast Food) (n = 856)
THEFT:		
Took company supplies for personal use	42%	29%
Took merchandise without permission	22%	18%
Took company money without permission	5%	5%
Issued/Received fake refunds	6%	7%
Took property from co-worker	1%	1%
Ate food without paying for it	52%	52%
Overcharged or shortchanged customer intentionally	4%	5%
Falsified documents	1%	2%
DRUG/ALCOHOL ABUSE:		
Consumed alcohol on the job	6%	3%
Used drugs on the job	4%	3%
Came to work hungover from alcohol	30%	17%
Came to work hungover from drugs	3%	5%
SAFETY:		
Hurt or injured self at work	63%	55%
Acted unsafely	46%	36%
Saw others act unsafely	82%	73%
THEFT SUPPORT:		
Used employee discount privileges for friends	48%	50%
Sold merchandise at a reduced price	24%	28%
Helped co-worker steal	2%	3%
Did not report theft by co-worker	16%	13%
ABSENTEEISM AND TARDINESS:		
Came to work late	47%	46%
Missed work without an excuse	15%	19%
Left work early	24%	24%
Faked an illness and called in sick	0%	1%
OTHER NEGATIVE ACTS:		
Saw co-workers steal cash	15%	18%
Saw co-workers steal merchandise	38%	32%
Saw co-workers act unsafely	82%	73%

TABLE 11 (Continued)
**PERCENTAGE OF RESPONDENTS ADMITTING TO BEHAVIOR
AND ATTITUDES: BY TYPE OF SERVICE PROVIDED**

Behavior/Attitude	Full Serve (Restaurant) (n = 518)	Quick Serve (Fast Food) (n = 856)
COUNTERPRODUCTIVITY:		
Damaged company merchandise	16%	17%
Did not report wasting company material	42%	35%
Purposely wasted company materials	6%	8%
Faked injury for worker compensation	0%	1%
PERFORMANCE:		
Gone out of the way to help a customer	100%	99%
Gone out of the way to help a co-worker	100%	99%
Did slow or sloppy work intentionally	15%	18%
Remained pleasant to a rude customer	98%	97%
Avoided helping a customer	40%	37%
Made suggestions	97%	96%

TABLE 12
VALUES OF THE WINNING RESTAURANT/FAST FOOD CULTURE

Fairness with Employees

Being fair in dealing with employees' complaints, problems and concerns.

Caring and Empathy

Respecting and being sensitive to the needs of employees.

Employee Empowerment

Allowing employees to have input into the company's key decisions and procedures.

Career-Enriching Opportunities

Developing employees through training and educational seminars and communicating promotion and transfer opportunities.

Equitable Pay and Benefits

Ascertaining that employees perceive they are being fairly compensated.

Accurate Job-Person Matching

Ensuring that knowledge, skills, abilities and job attitudes of employees fit closely with the requirements of their job.

Honesty and Ethics

Ensuring that all employees exhibit the highest levels of integrity, regardless of position.

Safe Working Conditions

Training employees to be safe at work and ensuring that work locations and processes are designed to minimize accidents.