

# LESSONS FROM FAST FOOD: WHAT WEALTH MANAGEMENT CAN LEARN

At first glance you may be averse to the idea of emulating any of the fast-food industry's strategies for success, but in a high-paced and demanding landscape, a handful of companies have emerged as leaders and innovators when it comes to maintaining outstanding performance from their teams.

While the financial space differs in many ways, there is opportunity for inspiration from the QSR world. Recent studies have found that financial services are struggling in two main areas: employee engagement and customer trust ([SHRM](#), [CNBC](#)). Interestingly enough, leading fast-food players are excelling in these domains and are proving that by focusing on performance and rewards within their workforce, they are improving their consumer relationships - driving loyalty and share of wallet.

Wealth management firms looking to refine their compensation and performance plans, as well as improve their employee engagement, may consider implementing similar rewards programs, core values, and performance definitions of successful fast food companies.

## REWARDING EMPLOYEES

A staple of great fast food companies for keeping their employees engaged and happy is through paying their people well. I know - fast food is known for minimum wage. But some companies draw performance loyalty for simply paying above the norm. "Historically, In-N-Out has paid their employees at least \$2-3 above minimum wage" ([Michael Lukaszewski](#)). In-N-Out also happens to be one of the most iconic, sought after fast food companies by customers and employees. Just a little above-average pay will pay off in the long run when it comes to loyalty and culture. Others in the fast food space including Shake Shack and Chik-Fil-A (named America's favourite fast food for 6 years running), have been enjoying a reputation better than similar companies due to this. Of course, a bump in pay for all employees in a wealth management firm isn't always possible. However, the lesson here is that a company needs to understand taking care of employees through above-average pay means that there will be reciprocation through hard, quality work and loyalty - and, this WILL translate to your clients.

Salary isn't the only way to show an employee they are valued. Take Chick-fil-A as an example once again - they focus on investing in their workers through extensive training programs, a commitment to advancing their careers, providing educational assistance, and a culture of empowerment. "Chick-fil-A trusts the people doing the work, and encourages them to make decisions and try new things based on their observations" ([Entrepreneur](#)).

Whether you reward your employees through pay, benefits, or a supportive environment, you can expect your personnel to feel happy and satisfied, resulting in higher motivation to do their jobs to their fullest ability and even spread a good reputation on to clients and other potential team members.



## ESTABLISHING AND COMMITTING TO CORE VALUES

When an organization takes the time to define their core values and ensures they are communicating and adhering

to those beliefs, employees and the customers can feel it. Famously, Starbucks has cultivated its brand through its values. Consumers have infinite options for fueling their coffee needs but today the majority choose the market leader, Starbucks. The company's core values can be seen as the reason why. Howard Schultz, the company's executive chairman and former CEO, said, "We're in the business of human connection and humanity, creating communities in a third place between home and work." People attribute these beliefs to Starbucks' employee satisfaction, customer happiness, and consistent business growth ([Element Three](#)). While Starbucks may not be your cup of tea (or coffee), wouldn't you like to be the Starbucks of the wealth management world through a very publicly understood mission toward your values?

Let's go back to Chik-Fil-A for another great example of a fast-food company's values having a substantial impact on the business. Family was always central to the founders' philosophy and led to the decision of being closed on Sundays. Although this policy may at times be disappointing for customers, it has become a huge draw for hiring new employees, as well as retaining top performers ([Entrepreneur](#)). This guaranteed day off for workers is a source of happiness and is critical proof that the company values come first.

Financial businesses can greatly benefit from this philosophy of defining, communicating, and committing to core values. It can ensure that financial professionals, wealth managers, and advisors in the firm are on the same page as well as foster a sense of community. When a business commits to a policy that aligns with their values, a culture of trust and stability is built.

## DEFINING GOOD PERFORMANCE

Compensation plans and performance management in the financial services industry come with many challenges from misalignment with company goals to over-complexity ([Xtiva](#)). One thing wealth management firms can take away from fast-food companies in this area is a clear definition of good performance and an effective communication strategy to the employees.

For fast-food, speed is a top performance metric. Customer demand latency is high – usually one fast food establishment will be surrounded by many and stores need to be very tuned to their customers' needs in order to fulfill them in the right amount of time to prevent the customer going elsewhere. Workers that are too slow or make mistakes are a concrete cost to the company in lost business. Top chains, from Wendy's to Taco Bell, therefore have specific benchmarks that they communicate to their employees. Taco Bell's approach, for example, is to make sure each of their "service champions" is more committed to the customer than the time – perhaps for them this differentiator is in response to something their customers specifically wanted. Krystal shows another approach by putting drive-thru employees through a certification program. "Certified cashiers receive a \$2-an-hour raise as a way to show Krystal's commitment to superior service in the drive-thru." ([QSR Magazine](#)).

By clearly outlining expectations and monitoring performance based on those requirements, employees have a distinct goal to achieve that makes sense in the greater scheme of the entire organization.

Ultimately, what every wealth management firm can learn from these ever-evolving fast food restaurants is to continue to change with the times, especially as it relates to employee relationships and sales performance management. When taking crucial steps to reward employees, spread values throughout your organization, and establish good performance, you are working towards a deeper commitment from the company to its teams and vice versa. These measures not only create greater customer experiences, but they also impact the bottom line – and the wealth management space should consider taking the same actions to realize the same benefits.