

To: C Market Coffee Employers

From: Danae Echeverria

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Subject: Proposal for implementing retention strategies to reduce employee burnout and combat staffing shortage at local café, C Market Coffee, in Port Coquitlam, BC.

Audience

The intended audience for this formal report are C Market Coffee's current employers, Jun Park and Bridgette Hyun.

Introduction

As a result of the large baby-boomer generation heading to retirement and the impacts that the COVID-19 pandemic had on the labour market, the growth of BC's workforce has fallen since 2000. Such labour shortages are hurting small and medium-sized enterprises (SMEs), including C Market Coffee. According to a study about labour shortage in Canada, 56% of entrepreneurs said existing staff must work more and 43% said a shortage of workers hinders their company's growth (Wormstall 6).

The lack of workers at the café has led to overworked staff and is deteriorating employee morale. Moreover, C Market Coffee is also paying an opportunity cost when senior staff are forced to spend more time supporting production as it prevents them from working on new projects and high-value activities that can encourage growth. The café needs time to train new hires, but there is difficulty in retaining them—new employees are quitting before training is complete because they are dissatisfied or have found a better opportunity.

Statement of Problem

The staffing shortage at C Market Coffee is forcing senior staff to face unreasonable workloads and spend an excessive amount of hours on the shop floor. Consequently, employees are experiencing toxic workplace behaviour such as intense levels of burnout and distress symptoms,

leading to an increased intention to quit. To limit the rates of attrition, a burnout prevention plan should be implemented to mitigate the effects of labour shortages and improve employee retention.

Proposed solution

This proposal addresses the staff shortage problem from the viewpoint of a C Market Coffee staff member experiencing burnout. By identifying the burden imposed on the café's senior staff as a result of the café's current system, it offers a realistic and effective plan for streamlining hiring and retention strategies to improve the well-being of the existing workers and increase staff numbers. Potential strategies can involve changing compensation practices to attract new employees and retain existing ones by: (1) increasing base and performance pay, (2) offering company stock to key employees, (3) organizing social activities, and (4) allowing flexible schedules to enable a better work-life balance.

Scope

To assess the feasibility of developing a plan to combat staffing issues and ensure it aligns with the strategic objectives, I plan to pursue five areas of inquiry:

1. How do existing C Market Coffee employees perceive your business and what workloads are senior staff facing?
2. What are the key aspects of the company that people value most?
3. Which hiring strategies and training programs are we currently using? In what ways can we communicate the company's vision, values, and objectives for the café to communicate potential and existing employees?
4. How can we increase the café's operational efficiency to reduce employee burnout?
5. What are the approximate costs for offering compensation such as raises, profit-sharing, stock options, commissions, and bonuses?

Methods

The primary data sources collected for this formal report will come from my own observation of the company's operations, workplace-wide surveys, and interviews with new and senior employees. This will allow me to get first-hand feedback about how engaged or motivated your employees are.

Secondary sources will include publications on recent labour shortage studies in BC as well as different mutually-benefiting hiring and retention strategies small businesses can potentially implement into their companies.

My Qualifications

I have been employed at C Market Coffee for over three years since the opening day of the first location, and plan to continue to remain a loyal staff member at the recently established second location. Being highly familiar with the café's daily operations and having a close relationship to the baristas and kitchen staff permits me to execute an in-depth feasibility study on improving employee morale and increasing staff numbers.

Conclusion

Labour shortages are not expected to improve for at least a decade. The direct link between a shortage of workers and slower growth in company sales is a major concern for many small and medium-sized businesses, including C Market Coffee; a decrease in employee morale leads to poor quality work and in some cases, attrition. The company must have a strong employee foundation with proper compensation and efficient operating systems in order to increase sales faster.

Works Cited

Wormstall, Michael. "Labour Shortage: Here to Stay." Business Development Bank of Canada (BDC) 2018.