



THE GREAT SERVICE DIVIDE:

Occupational Segregation & Inequality in the New York City Restaurant Industry



By the Restaurant Opportunities Center of New York (ROC-NY) &
The New York City Restaurant Industry Coalition

March 31, 2009

**Primary Research Support Provided By: Bendick and Egan Economic Consultants, Inc., The Applied Research Center (ARC),
& The Community Development Project of the Urban Justice Center (UJC)**

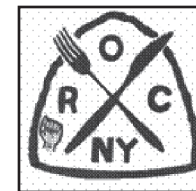
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EXECUTIVE SUMMARY

In 2005, the Restaurant Opportunities Center of New York (ROC-NY) and the Restaurant Industry Coalition published *Behind the Kitchen Door: Pervasive Inequality in New York City's Thriving Restaurant Industry*. This report showed that the restaurant industry is one of the fastest-growing sectors of New York City's economy. With over 200,000 workers, and an expected revenue of \$13 billion in 2010,¹ the New York City restaurant industry provides a growing number of jobs to

both immigrants from all over the world and U.S. born workers. Even with dramatic fluctuations in our nation's economy, the restaurant industry continues to play an important economic role. Though the current recession has resulted in an overall national job loss of 1.9% between December 2007 and December 2008, the restaurant industry experienced only a .5% job loss over the same period.²

Building on the findings of *Behind the Kitchen Door*, this study provides a deeper analysis of apparent and not-so-apparent inequalities in New York City's fine-dining restaurants. Using a wide range of research methods, *The Great Service Divide* demonstrates that the industry is failing to provide equal opportunities to all of its workers.

Methodology

The following methods were employed in this study:

- 1. **Matched Pair Testing**, sending equally credentialed pairs of white testers and testers of color to apply for server positions in 138 fine-dining Manhattan restaurants.
- 2. **Census Analysis** to compare the earnings of white workers and workers of color employed in the front-of-the-house.
- 3. **Worker and Employer Interviews & Focus Groups**
- 4. **Demographic Canvassing** to measure the extent of visible occupational segregation in 45 restaurants.
- 5. **Survey Wage Analysis** to analyze wages, benefits, and other working conditions.

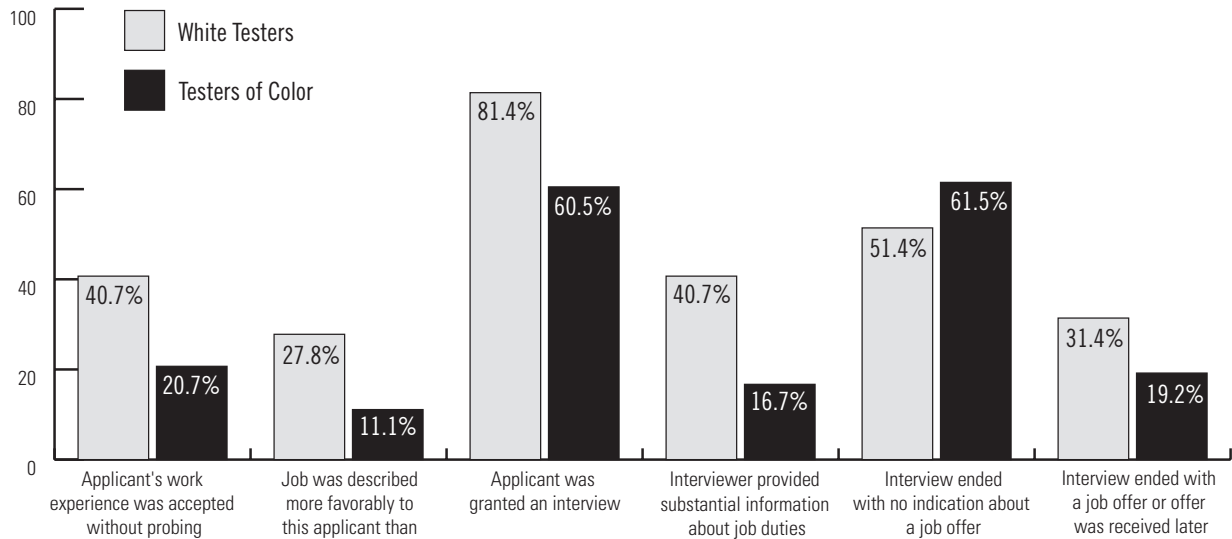
Discrimination & Occupational Segregation Pervades the Industry

Both conscious and unconscious discrimination pervade the restaurant industry, producing visible occupational segregation and inequity for workers of color and women. Matched pair audits of 138 fine-dining restaurants revealed discrimination in hiring, which leads to significant discrepancies in the opportunities afforded to white testers over testers of color.

Matched pair testing showed that:

- 1. **Testers of color were only 54.5% as likely as white testers to get a job offer, and were less likely than white testers to receive a job interview in the first place.**
 - **These two adverse effects experienced by testers of color – lower likelihood of receiving a job interview and lower likelihood of receiving a job offer – together result in a 30.8% net rate of discrimination.** The net rate of discrimination refers to the proportion of tests in which the tester of color achieved success in the application process minus the proportion of tests in which his or her white testing partner achieved the same level of success.
- 2. **The work experience of white testers was twice as likely to be accepted without probing.**
- 3. **White testers with slight European accents were 23.1% more likely to be hired than white testers with no accent. However, testers of color with accents were treated no differently than testers of color without accents.**

Race Differences in Outcomes Experienced by Testers Applying for Waiter/Waitress Positions



Discrimination prevents many workers of color and women from obtaining the industry's living-wage positions. Although workers of color account for almost three quarters of the industry's workforce, they are largely underrepresented in the highest-paid, coveted front-of-the-house positions, known as Tier I positions. Female workers are also highly underrepresented in these positions.

Casual observation of Manhattan's fine-dining restaurants, through canvassing, showed that:

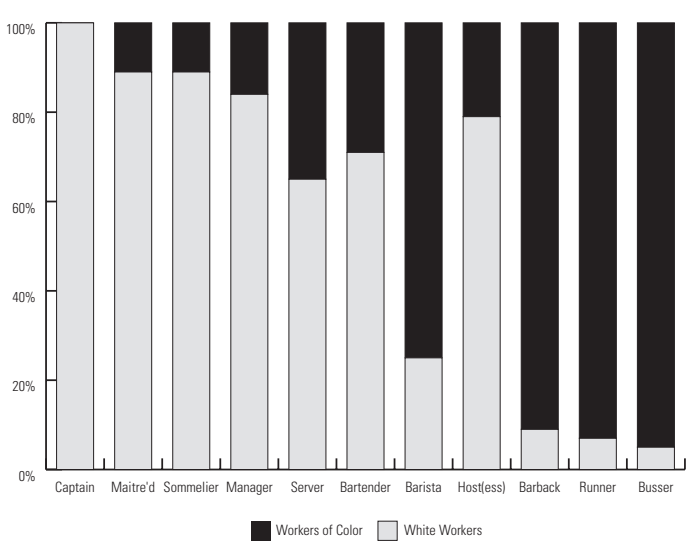
- 1. **White male workers held the vast majority of both management and non-management living-wage, front-of-the-house Tier I positions, such as servers and bartenders.**
- 2. **Workers of color held the vast majority of the lower-paid, Tier II front-of-the-house positions, such as bussers and runners.**

Using the 2000 US Census, we compared the earnings of white workers and workers of color employed in front-of-the-house positions. We found that the lack of workers of color and women in living-wage positions cannot be explained by a lack of experience, education, or command of English.

After controlling for these factors, we found that:

- 1. **Workers of color pay a "race tax" in the form of 11.6 % lower earnings than they would have if they had the same qualifications but were white.**³
- 2. **Similarly, female workers pay a "gender tax" of 21.8 %.**⁴
- 3. **Immigrants pay an "immigrant tax" of 9.7%.**⁵
- 4. **While a worker's education and experience tend to increase his or her annual earnings, we found that the education and experience of workers of color is valued less than the education and experience of white workers.**

Figure 3: Canvassing by Race in Front of House Positions 2007



Effect of Race on Annual Earnings		
Characteristic	Annual Added Value of Education	Annual Added Value of Work Experience
White	\$4,203	\$1,153
Worker of Color	\$3,031	\$885
Difference	\$1,172	\$268

While a worker’s lack of citizenship might reduce his or her annual earnings, we found that:

- 👤 **Being a white non-citizen reduces annual earnings by only \$690.**
- 👤 **Being a person of color non-citizen reduces the earnings by \$2,782, or 303% more.**

Effect of Non-Citizenship on Annual Earnings	
Characteristic	Annual Loss of Wages
Non-Citizen, White	-\$690
Non-Citizen, Worker of Color	-\$2,782

- 👤 **Even when possessing the same education level and work experience, being female reduces annual earnings by \$4,508 for white women and by \$5,795 for women of color.**

A Culture of Informality & Discrimination Produces Inequitable Treatment.

Our interviews and focus groups involving workers and employers revealed that a culture of informality is one of the key barriers to ending occupational segregation, harassment, and discrimination.

These interviews showed that:

- 👤 **A culture of informality and a lack of infrastructure to guide hiring, training, and promotion perpetuate workplace biases in all phases of restaurant employment, from when a worker first seeks entry into a workplace, to how he or she is treated while working, to the worker’s future in that workplace.** Employers rely heavily on social networks to recruit new workers and very rarely publicize information about new openings or advancement. Subjectivity and informality in hiring lead to preferences based on race, national origin, and other considerations unrelated to workers’ knowledge, skills, abilities, or interest in advancement.
- 👤 **Workers of color in lower-level positions are oftentimes not able to obtain promotions to the living-wage jobs in the industry, regardless of whether they have qualifications, experience, and seniority in a particular workplace.** “Promotions from within” for workers of color are the exception, not the norm, are infrequent within the front-of-the-house (visible workers – waiters, bussers, etc.), and almost never occur from the back-of-the-house (kitchen workers) to the front.
- 👤 **Lack of promotions for workers of color cannot be explained by a lack of qualifications.** There are few particularized qualifications for the living-wage waitstaff positions that cannot be learned on the job relatively easily. If English fluency is considered the main qualification, most workers of color who would seek these positions are already front-of-the-house workers who must, by necessity of interaction with waitstaff, management, and clients, speak English.
- 👤 **A culture that tolerates discrimination results in a hostile work environment for workers of color and women.** The brunt of such abuse is expressed in the form of sexual harassment which is often perpetuated from the top down. There is a lack of clarity amongst both management and workers about what sort of conduct constitutes sexual harassment, concrete policies preventing sexual harassment, and enforcement of those policies.

Discrimination & Occupational Segregation Impacts Both Workers & Employers.

Our research also showed that:

- 👤 **The concentration of workers of color and women in lower-wage jobs in the industry prevents these workers from adequately supporting themselves and their families.**
- 👤 **As a result, the industry suffers from high levels of turnover, as workers move from restaurant to restaurant seeking positions that will allow them to support themselves and their families.** Workers who are denied opportunities to advance are less likely to demonstrate loyalty to their employer and his or her clients. As a result, both businesses and consumers suffer.

OUR RECOMMENDATIONS:

The New York City Restaurant Industry Coalition and ROC-NY recommend a two-pronged approach – one that increases opportunities for qualified workers of color and women to obtain living-wage jobs on an equal basis with whites and men and one that ensures that all positions in the industry allow workers to support themselves and their families.

We recommend that employers...

- 👤 Clearly explain and communicate company policies and procedures through the use of employee handbooks, orientations and trainings, or through other ways of concretely demonstrating these policies and practices, for all aspects of work.
- 👤 Adopt formal practices for recruitment, including clear and explicit criteria for each position and structured and uniform interview processes.
- 👤 Adopt bi-annual or annual performance evaluations by which all workers may be evaluated.
- 👤 Consider current workers to fill job vacancies before recruiting from the outside. To do so, employers should provide a formal and transparent protocol for current workers to find out about higher-paying positions.
- 👤 Provide ongoing training to all workers so that they may advance to higher positions.
- 👤 Adopt, enforce, and publicize policies and practices to protect the well-being of all workers, including anti-harassment training and adoption of appropriate grievance or complaint procedures.
- 👤 Permanently enhance job quality by increasing wages and benefits.
- 👤 Proactively learn about the laws and regulations governing equal opportunity.

We recommend that policymakers...

- 👤 Enact a legislative requirement that all employers provide information about job openings in the highest-paid positions and develop a uniform promotions policy.
- 👤 Support job training programs that provide free or low cost, quality training for all workers, including workers of color and women, to advance within the industry.
- 👤 Publicize and support model employer practices to provide much-needed guidance to other employers in the industry.
- 👤 Protect workers suffering from egregious violations of federal, state and local equal employment opportunity laws.
- 👤 Publicly support collective organizing among restaurant workers to help them improve working conditions in their workplace.
- 👤 Initiate or support further study, particularly about the public cost of discrimination and the true profitability of taking the ‘high road,’ as well as the extent and nature of gender discrimination and sexual harassment in the industry.

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GLOSSARY OF TERMS

- **Occupational Segregation:** Different rates of representation of race, ethnic and/or gender-based groups in different job titles.
- **Discrimination:** Differences in employment treatment or employment outcomes (such as hiring, promotions, earnings) that negatively impact certain race/ethnic groups or genders. These differences may reflect conscious bias or unconscious stereotypes.
- **“Front-of-the-House” and “Back-of-the-House”:** Restaurant industry terms for placement and function of workers in a restaurant setting. The former generally represents those interacting with guests in the front of the restaurant, including waitstaff, bussers, and runners. “Back-of-the-house” generally refers to kitchen staff, including chefs, cooks, food preparation staff, dishwashers, and cleaners.
- **“Tier I” and “Tier II”:** “Tier I” is a term we use to describe the higher-paid positions in both the front and back-of-the-house; “Tier II” is the term we use to describe the lower-paid positions in both the front and back-of-the-house. Tier I positions offer the highest wages, opportunities for advancement, access to benefits, and career paths. Although not all workers aspire to be placed in Tier I positions, upward mobility from a Tier II position to a Tier I position is the most natural and meaningful form of advancement in this industry.
- **“High Road” and “Low Road”:** Industry terms describing alternative business strategies for achieving productivity and profitability. “High Road” employment practices seek to reduce employee turnover, enhance employee productivity, and increase service quality by offering living wages, comprehensive fringe benefits, reasonable workloads, opportunities for training and advancement, and safe, legal working conditions. “Low road” employment practices seek to minimize labor costs by offering low wages and few fringe benefits, little training, heavy workloads, and minimal attention to maintaining safe and legal working conditions.
- **“White” and “Workers of Color”:** “White” is shorthand for the 2000 Census category of non-Hispanic whites, and “workers of color” refer to the Census categories of African Americans/Blacks, Hispanics/Latinos, Asians, American Indians, Native Hawaiians and Pacific Islanders.
- **Matched Pair Testing:** A research methodology that measures the extent of differential treatment given by an employer of two equally-qualified job applicants.
- **Canvassing:** A research methodology involving observation of the perceived gender, race, and ethnicity of workers in a given workplace.
- **Fine-Dining:** Restaurants with a price point per guest of \$40.00 or more including beverages but excluding gratuity.
- **Living Wage:** The minimum level of earnings sufficient to support a typical worker and his or her family in the high-cost New York City area. In this report, this wage is assumed to be \$14.92 per hour, which equals \$31,034 for a person employed 40 hours per week for a full year.
- **Soft Skills and Hard Skills:** “Hard skills” refer to the technical information and techniques skills required to perform a specific occupation. For example, understanding of food-wine pairings might be required to perform as a server in fine-dining restaurants. These skills are typically acquired through training, either in a classroom or on-the-job. In contrast, “soft skills” are the personal traits, work habits, and interpersonal abilities typically required to succeed in many different occupations -- for example, the self-discipline to arrive at work on time or the communication skills to interact appropriately with supervisors and co-workers.



CHAPTER I: INTRODUCTION & METHODOLOGY

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Importance of the Restaurant Industry

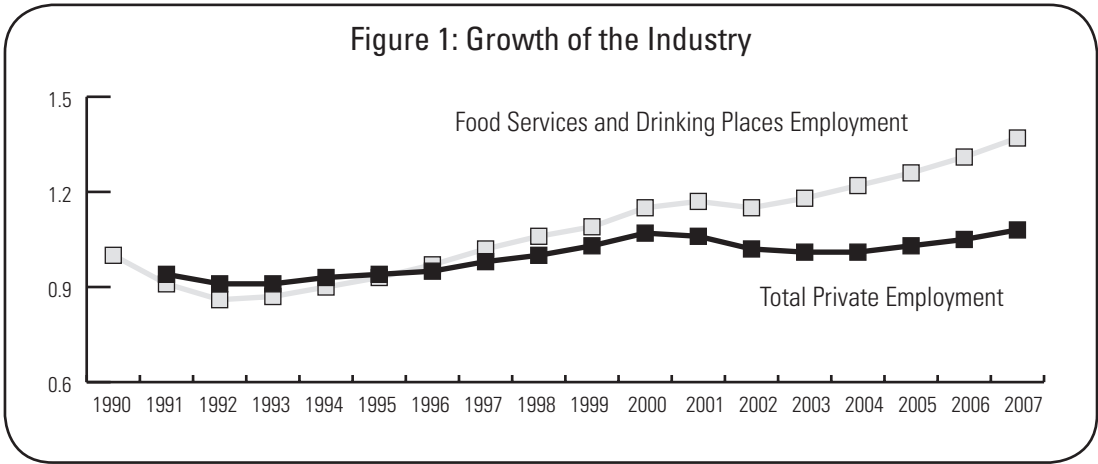
In our globalized world, the restaurant industry and service sector in general represent an increasingly important aspect of the economy, rapidly replacing declining manufacturing jobs and potentially providing living-wage jobs and career ladders to thousands of workers.

Even with dramatic fluctuations in our nation’s economy, the restaurant industry continues to play an important role. According to the 2009 United States Bureau of Labor Statistics, though the current recession has resulted in an overall national job loss of 1.9% between December 2007 and December 2008, the restaurant industry experienced only a .5% job loss over the same period. Figure 1 below depicts growth in employment in the sector in New York City from 1990 to 2007. While the 2001 recession negatively impacted local employment in general, the New York City restaurant industry was able to rebound – and fully recover all the jobs lost – in only two years. ⁶

In 2007, the industry employed an estimated 12.8 million workers nationwide, making it the nation’s largest employer outside of government.⁷ It is expected to add over 2 million jobs over the next decade.⁸ In 2006, the industry experienced 5.6% growth, reaching \$27 billion in sales in 2007.⁹

New York City’s restaurants epitomize the city’s vitality, diversity and innovation. Many of the world’s greatest restaurateurs and top chefs choose to base themselves in Manhattan. New Yorkers love to eat out, and the restaurant industry is an intrinsic part of New York City culture. This vibrancy is showcased in the different neighborhoods with their cultural ties to the varieties of food and restaurants.

New York City government depends heavily on the restaurant industry’s contribution to the economy and tax base. Restaurants provide vibrancy to the city as a tourist center and livelihoods to nearly 200,000 workers.¹⁰ In fact, the industry is a seeming portal of opportunity to immigrants, who often find themselves in restaurants as their first job in this country, and often make a career in the industry. Undeniably, the culturally diverse composition of New York City’s restaurant workforce contributes to New York City’s fame as the epicenter of the cultural dining experience.



About this Study

While New York’s restaurant industry provides jobs for many workers of color, many of the industry’s advancement opportunities are wrongfully withheld from these workers. In 2005, *Behind the Kitchen Door: Pervasive Inequality in New York City’s Thriving Restaurant Industry*,¹¹ one of the most comprehensive research studies ever conducted of working conditions in this fundamental sector of the city’s economy, showed that discrimination and inequality plague the industry, particularly for immigrants, workers of color, and women.

Building on the findings of *Behind the Kitchen Door*, this study provides a deeper analysis of apparent and not-so-apparent inequalities in New York City’s fine-dining restaurants. Using both qualitative and quantitative methodologies, this study

demonstrates that discrimination is pervasive in all phases of restaurant employment, from when a worker first seeks entry into a workplace (hiring and placement phase), to how he or she is treated while working (workplace conditions), and the worker’s future in that workplace (promotion or advancement).

Methodology

We employed five different research methods to capture the complexities and subtleties with which discrimination adversely affects the opportunities and employment conditions in restaurants for workers of color and women.

Matched Pair Testing

To test directly whether discrimination exists in the upscale restaurant industry, we employed matched pair testing. Matched pair testing allows observation of employers making employment decisions when they are not aware of being observed. In this procedure, pairs of research assistants (“testers”) applied simultaneously for the same actual job vacancy. Within these pairs, the testers differed in some demographic characteristic, such as race. Otherwise, the testers had matching qualifications. Hence, the likely explanation for observed differences in employment outcomes – who is hired and what position they are hired into – would be the workers’ demographic differences. Between January 2006 and June 2007, testers completed 138 tests on New York City fine-dining restaurants.

Testing allows for closer examination of the industry and provides both statistical and anecdotal data. While the other methodologies employed in this study also illuminate the attitudes, behaviors, and practices that underlie occupational segregation and discrimination, the matched pair testing most accurately measures the prevalence of discrimination in recruitment in New York City’s upscale, fine-dining segment.

Census Analysis

Earnings - as reported by the most available census date to date, the 2000 U.S. Census, and adjusted for the cost of inflation over the last nine years - provide one important measure of workers’ employment success. Using the statistical technique of multiple regression analysis, we compared the earnings of white workers and workers of color employed in the restaurant’s front-of-the-house, in positions that require customer interaction such as servers, bartenders, and hosts. This analysis allowed us to estimate the effect of race, ethnicity, and gender on these workers’ earnings after controlling for other important determinants of occupational success, such as education, work experience, and command of English.

Worker and Employer Interviews

We conducted 40 in-depth interviews with fine-dining restaurant workers to gain an understanding of their experiences with hiring, promotions, working conditions, and trends and patterns within the industry. We also conducted 40 in-depth interviews with owners and managers in fine-dining establishments to gain an understanding of their needs and constraints as employers seeking to run a successful business, their hiring and promotion practices, their perspectives on discrimination, and potential points of common interest between employers and workers. We also conducted three focus groups with a total of 14 female workers with experience in fine-dining restaurants to examine issues women face working in this industry.

Demographic Canvassing

To determine the extent to which workers are segregated by race or gender, data is needed on the jobs people hold. To measure the extent of visible occupational segregation in the fine-dining segment of the industry, we conducted canvassing in which 15 research assistants were sent to observe employees’ demographics in the front-of-the-house at 45 fine-dining Manhattan restaurants. Canvassers tabulated the number of white workers, workers of color, and male and female workers they observed holding various front-of-the house positions.

Survey Wage Analysis

To analyze wages, benefits, and other working conditions of workers in different restaurant segments, we administered 479 questionnaires to New York City restaurant workers. Their anonymous answers addressed, among other things, wages, benefits, and work quality. Among respondents to this survey, 32.4% were employed in fine-dining establishments, 19.5% in casual-dining establishments, and 19.5% in quick-service establishments. Within each of these types of establishments, we tabulated employment outcomes by race and ethnicity for workers in Tier I and Tier II positions in both the front-of-the-house and back-of-the-house.



CHAPTER 2: RESTAURANT INDUSTRY OVERVIEW

Segments of the Restaurant Industry

Not all restaurants are created equal. Although all restaurants, ultimately, are in the business of serving their guests a meal, factors such as ambience, type of service, and type of targeted patrons segment the industry into three categories which vary markedly with respect to wages, working conditions, and workforce composition. In this report, we categorize those segments as fast-food or “quick-service,” family-style and franchise, and fine-dining or “tablecloth.”

At one end of the spectrum, **Fast-food or Quick-Service** restaurants provide limited table service and are often characterized by low-paying jobs and large employment of workers of color and youth.

The next segment, **Family-Style** restaurants, includes those that are often considered “casual-dining” with moderately-priced meals and informal environments. This segment includes both chain restaurants and franchises such as Olive Garden or Applebee’s, and smaller, independently-owned or family-owned establishments such as neighborhood restaurants.

At the other end of the spectrum lie **Fine-Dining or “Table-Cloth”** restaurants. Fine-dining is often defined by a price point per guest of \$40.00 or more including beverages but excluding gratuity. Restaurants within this segment are also known for high-quality service, talented – oftentimes celebrity – chefs, name recognition or notoriety, and unique restaurant concepts. Contrary to popular perception, although each establishment in this category seems unique, many of these establishments in New York City are now owned and operated as part of small corporate chains or “mini-empires.”

The type of establishment in which a person works significantly affects earnings. Upscale, fine-dining establishments offer employment with the highest wages – especially via tips. However employment discrimination based on race and ethnicity can lead to exclusion from jobs in this segment. This segment is therefore the most closely-studied segment in this research.

Why Study Fine-Dining?

This study focuses primarily, though not exclusively, on the fine-dining segment. Restaurants in this segment tend to be the most elite, visible, and influential establishments in the industry. Industry stakeholders – owners, investors, managers, workers, reviewers, and customers – pay very close attention to these restaurants. In many ways, it is this segment which sets trends and standards for the industry as a whole. More importantly, it is in this segment where the great majority of living-wage jobs are found. For these reasons, our research focused primarily on this segment and the jobs within it.

Occupational Structure

While a worker’s ability to gain employment in a fine-dining establishment significantly increases his or her earnings’ potential, another important determinant of a worker’s potential for earnings is the type of position attained in that establishment. A worker’s position in a restaurant also shapes how he or she experiences work on a daily basis. The sommelier helping to pair a wine with an entrée has very different duties from a dishwasher cleaning dirty pots. Each position corresponds to different roles, compensation, and working conditions.

While many restaurants have their own internal structure of jobs and job titles, a common pattern for classifying occupations is generally applicable throughout the industry.

- 📌 **Managerial and Supervisory Positions.** These positions include General Managers, Assistant Managers, Wine Directors/Sommeliers, Chefs and Sous Chefs. Many of these positions require specific vocational training or experience.
- 📌 **“Front-of-the-House” Positions.** These positions involve direct customer contact, and include Hosts, Maitre D’s, Bussers, Food Runners, Servers, Captains, Bartenders, and Barbacks.
- 📌 **“Back-of-the-House” Positions.** These positions involve no direct guest contact, and include Cleaners, Dishwashers, Preparatory Cooks, Line Cooks, and Chefs. ¹²

Workplace Hierarchies, Tier I and Tier II

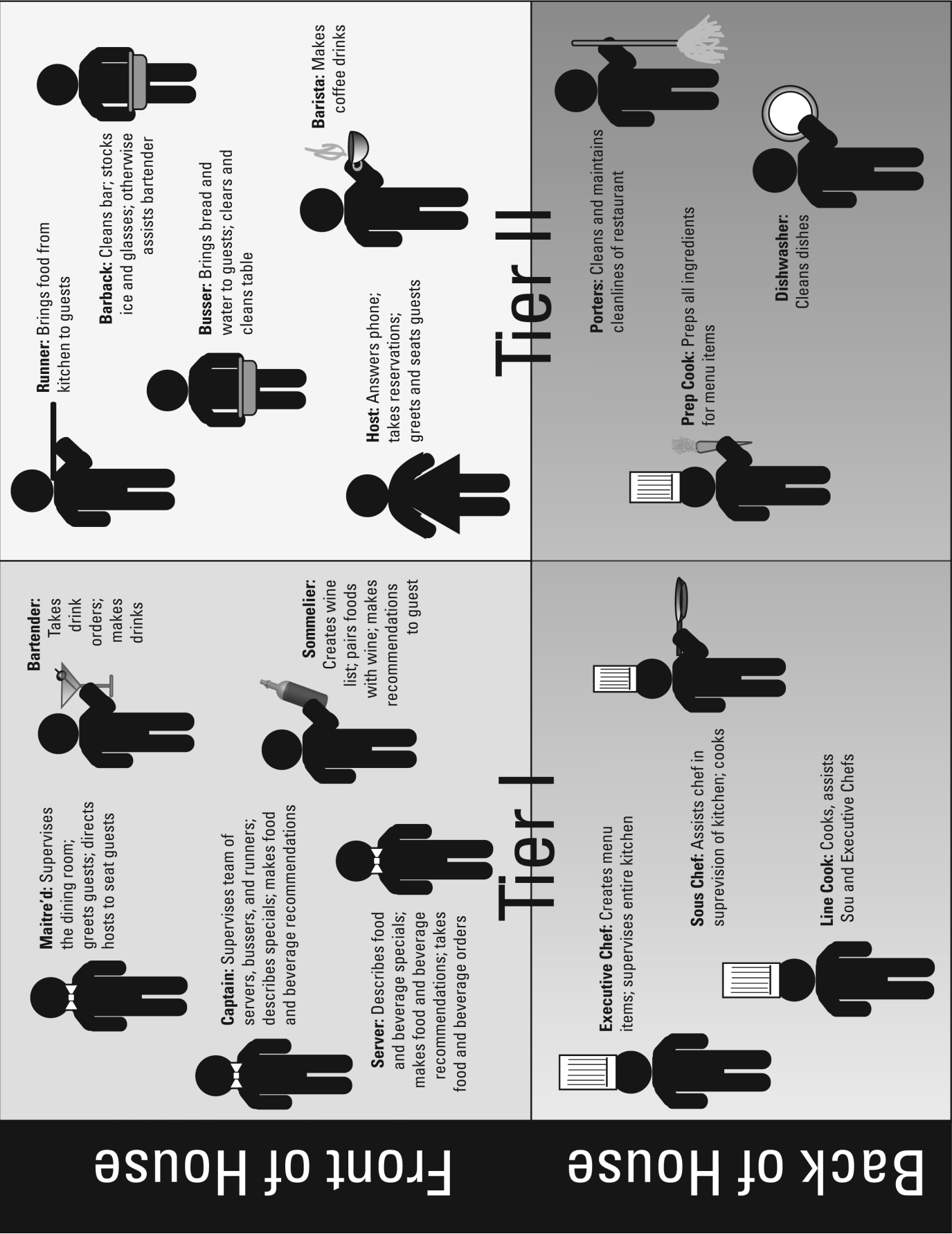
Both the front-of-the-house and the back-of-the-house contain positions which can be categorized into tiers based on compensation and other aspects of job quality. While *Behind the Kitchen Door* focused explicitly on differences and inequities between the front-of-the-house and the back-of-the-house, this study more closely examines the differences between these tiers – which we refer to as Tier I and Tier II – within both the front-of-the-house and back-of-the-house. As Figure 2 demonstrates, Tier I positions include those such as servers and bartenders in the front-of-the-house and chefs and sous chefs in the back-of-the-house while Tier II positions include those such as bussers and runners in the front-of-the-house and prep cooks and dishwashers in the back-of-the-house.

The Significance of Position

Analysis of wages in the surveys of 479 New York City restaurant workers throughout various segments of the restaurant industry reveal important distinctions with respect to wages among both the type of restaurant and the type of position.

- 📌 The probability of receiving a living wage goes up substantially as a worker moves from a quick serve to a casual-dining to a fine-dining establishment. That probability also increases as a worker moves from a lower-level to higher-level position such as from Tier II front-of-the-house to Tier I front-of-the-house or from Tier II back-of-the-house to Tier I back-of-the-house.
- 📌 The only positions where a substantial proportion of workers make a livable wage is Tier I front-of-the-house in fine-dining establishments.

Figure 2: Restaurant Positions by Tier I and Tier II, Front-of-the-House & Back-of-the-House



CHAPTER 3:
GATEWAY TO ENTRY, NOT TO OPPORTUNITY

CHAPTER 3: GATEWAY TO ENTRY, NOT TO OPPORTUNITY

“In the larger sense, the front-of-the-house and the back-of-the-house have always been segregated from each other.” – Francis, White U.S. born, Server

Diversity Defines Dining

Much like the city as a whole, diversity defines New York’s restaurant workforce. This diversity is an advantage to the industry from both economic and culinary perspectives. *New York Times* writer Joseph Berger, for example, recently documented his experiences eating French pastries made by an Ecuadorian, pizza cooked by a Tibetan, and sushi prepared by a Mexican.¹³

According to the 2000 U.S. Census, workers of color comprise approximately 73% of the New York City Restaurant Industry labor force, compared to 48.1% in 1980. These workers of color include both U.S. born and immigrant workers, though immigrants represent the majority. Table 1 below demonstrates that by 2000, nearly two-thirds (64.4%) of restaurant workers were born outside of the U.S., with an increase in workers from Mexico and Central America and a decline in European-born workers.¹⁴ In fact, the Bureau of Labor Statistics reports that the restaurant industry is the single largest employer of immigrants in the nation, representing more than 1.4 million or 17.5% of the industry’s eight million employees nationwide.¹⁵

A Visibly Segregated Workforce

“[Employers] would never let anybody be a front waiter unless they were of some sort of white background... the Latin background, Spanish or Mexican or whatever; they’re mostly runners or bussers.” – Joe, White U.S. born, Cook

Positions throughout both the front and back-of-the-house are highly segregated by race, ethnicity, and gender. Although workers of color account for nearly three quarters ¹⁶ of the industry’s workforce, their concentration in the less visible, lower-wage jobs is overwhelming, while their representation in the coveted, highest-paid front-of-the-house positions is extraordinarily low. The distribution of workers of color among the different positions is therefore not reflective of the diversity in the industry’s workforce, suggesting inequitable systems of hiring and promotion to these high-paying, Tier I positions.

The rich tapestry of diversity found in the restaurant industry does not translate into equal opportunity and equal treatment for workers of color. Workers of color, particularly immigrants, do not fully share in many of the opportunities the industry has to offer. The absence of equal opportunity can best be illustrated by looking at the positions workers of color and women occupy in the industry, compared to those held by whites, and the economic consequences of these arrangements. Positions differ significantly with respect to wages, opportunities for training, advancement, and overall working conditions.

To obtain a sample of employee demographics in the fine-dining segment, we sent 15 research assistants to canvass the front-of-the-house in 45 fine-dining Manhattan restaurants. Coupled with other research, the canvassing helped us to quantify the visible occupational segregation in the fine-dining segment of the industry.

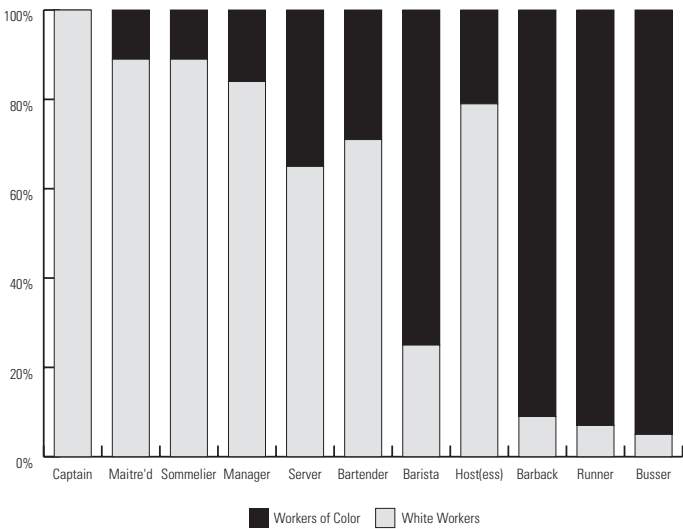
“**Workers of Color**”¹⁷ and “**Immigrants**” are two terms used frequently throughout the report. However, it is important to understand the differences. In the New York City restaurant industry, while many workers of color are immigrants, not all workers of color are immigrants, and not all immigrants are of color. There are many U.S. born workers of color just as there are many Caucasian immigrants from Europe and Canada. As explained further in Chapter 4, our study shows that many of these white immigrants’ experiences differ widely from immigrants of color and instead tend to resemble those of their U.S. born white counterparts. Similarly, we have found that the experiences of many immigrants of color tend to parallel those of U.S. born workers of color. These shared experiences suggest the pronounced role of race in determining workers’ employment experiences.

Table 1: A Demographic Profile of NYC Restaurant Workers			
		Workforce in 2000	
		Restaurant	All NYC
(numbers are percent of workforce in each Census year and sum to 100%).			
Sex	Male	67.6	51.8
	Female	32.4	48.2
Race/Ethnicity	Non-Hispanic White	27.0	41.2
	Non-Hispanic Black	11.6	21.8
	Asian and Other	26.6	14.9
	Hispanic, any race	34.9	22.1
Nativity	Citizen by Birth	35.6	56.6
	Foreign born	64.4	43.4
Place of Birth	Continental U.S.	33.3	52.9
	U.S. Territories	1.8	3.0
	Mexico & Central America	12.2	3.6
	Caribbean	11.1	12.7
	South America	8.8	6.5
	Europe (including USSR)	7.8	8.4
	China, Hong Kong, Macau, Taiwan	13.1	4.2
	Other Asian	9.6	6.5
	Africa and all other	2.2	2.2
Years in U.S.	Born in U.S.	33.3	52.9
	0-5	17.5	7.9
	6-10	16.3	9.3
	11-15	13.1	8.6
	16-20	9.0	6.9
	21 or more	10.9	14.4
Source: U.S. Bureau of the Census, Public Use Micro Sample from 2000 and 1980 Census.			

A. Race & Ethnicity

Although workers of color account for nearly three quarters of the industry’s workforce, a large proportion of these workers are concentrated in the fast-food and family-style segments. As Figure 3 below illustrates, those workers of color who do work in fine-dining have little representation in the segment’s coveted, high-paying front-of-the-house positions. The large majority of Tier I positions are occupied by white workers, while the large majority of the lower-paid, more labor-intensive positions are occupied by workers of color.

Figure 3: Canvassing by Race in Front of House Positions 2007



Casual observation of Manhattan’s fine-dining restaurants, through canvassing, showed that:

- Whites held 84% of observed front-of-the-house management positions.
- White workers held 68% of observed non-managerial Tier I front-of-the-house positions, while workers of color held only 32%.
- Workers of color held 76% of observed Tier II positions, while white workers held only 24%. Of those observed Tier II positions held by white workers, 81% were host positions. Although hosts’ wages are similar to those of other Tier II positions, host positions tend to share other non-wage job characteristics of Tier I positions, such as direct customer contact, opportunity for advancement, and social networks with management. Therefore, even when a small number of white workers were observed holding Tier II positions, those positions were primarily that of the host.

B. Gender

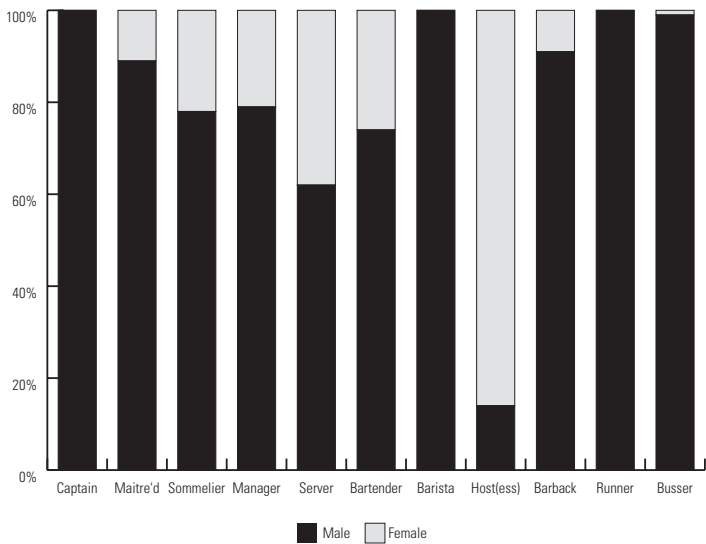
“Women get less than preferential treatment across the board... whether you’re management, whether you’re a hostess, whether you’re a waitress... whether you’re a bartender. ...that’s from the client, that’s from the management, that’s from the owners, that’s from the bussers, that’s from the porters who are cleaning... across the board, women get less...” – Jason, Korean American, Bartender

Like their male worker of color counterparts, female workers are highly underrepresented in the industry’s highest-paid jobs. Positions in fine-dining establishments in particular are highly gendered. Women who are employed in the fine-dining segment are markedly underrepresented in Tier I jobs and are largely concentrated in specific low-paying positions, such as the host position.

Figure 4 below, which is based on the canvassing, demonstrates that although the industry’s female workforce is well represented in the front-of-the-house, they are very underrepresented in Tier I front-of-the-house positions and are mostly concentrated in Tier II host positions.

- Males held 67% of observed Tier I front-of-the-house positions, while women held only 32%. Males held 79% of observed front-of-the-house management positions, while women held only 21%.

Figure 4: Canvassing by Gender in Front of House Positions 2007



The Interplay of Race & Gender

While race-ethnic discrimination functions in some ways differently from gender, we found that they share many of the same underlying causes, including a culture of white, male dominance of the industry and the historical absence of both females and workers of color in most of the fine-dining segment. Some of the same obstacles that hinder workers of color are shared by female workers. By extension, many of the solutions that will help address race-ethnic discrimination should help to ameliorate gender discrimination.

The Role of Race & Gender in Wages

Casual observation of Manhattan dining rooms through canvassing suggests that the more elite the establishment, the fewer workers of colors occupy Tier I front-of-the-house positions. Moreover, 2000 U.S. Census data – the most recent currently available – confirms this observation. In 2000, only about 10% of front-of-the-house workers in Manhattan restaurants earned \$40,000 or more per year in 2000 (which corresponds to about \$50,000 in 2008 after adjusting for changes in the Consumer Price Index).

However, U.S. Census data in Section B in Table 2 below shows that front-of-the-house workers earning more than \$40,000 per year were:

- 14.2% less likely to be persons of color
- 55.0% less likely to be female
- 35.8% less likely to be a U.S. citizen

Table 2: Characteristics of Front-of-the-house Restaurant Employees in Manhattan, 2000, by Annual Earnings

	(a)	(b)	(c)
Characteristic	2000 Individuals Earning less than \$40,000 Per year	2000 Individuals Earning more than \$40,000 Per year	% Difference*
A. Demographic Characteristics			
% persons of color	59.0%	50.6%	-14.2%
% female	40.2%	18.1%	-55.0%
% not U.S. citizen	37.2%	23.9%	-35.8%
B. Qualifications			
Years of working age (16+)	16.6%	26.3%	58.4%
Has education beyond high school	51.4%	60.2%	17.1%
Speaks English natively, very well, or well	42.8%	48.7%	13.9%
Not currently a student	81.9%	94.1%	14.9%

Source: Averages for 1,125 persons employed at least 25 hours per week in front-of-the-house positions in Manhattan restaurants, 2000 Census.
* All reported differences are statistically significant at p<001 or less.

Undoubtedly, worker characteristics other than race, ethnicity, and gender must be considered before concluding that discrimination alone produces the substantial race and gender segregation signaled in Section B of this table. Section C of Table 2 shows that front-of-the-house workers in Manhattan making more than \$40,000 differ from those making less than that by offering 58.4% more work experience, 17.1% more education, and 13.9% more English language skills, qualifications which employers might consider valuable or even necessary for front-of-the-house employment.

However, as seen in Column (a) of Table 3 below, after controlling for workers’ education, work experience, and command of English:

- Workers of color pay a “race tax” in the form of 11.6 % lower annual earnings than they would have if they had the same qualifications but were white, suggesting discrimination in the workplace post-hiring.¹⁸
- Female workers pay a “gender tax” in the form of 21.8 % lower annual earnings than their male counterparts.¹⁹
- Similarly, non-U.S. citizens pay an “immigrant tax” of 9.7% lower annual earnings.²⁰

Table 3: Effect of Employee Characteristics on Annual Earnings of Front of the House Manhattan Restaurant Employees, 2000, by Employee Race-Ethnicity*				
	(a)	(b)	(c)	(d)
Characteristic	All Employees	White Non-Hispanic Employees	Employees of Color	% Difference between Col. (b) & Col. (c)
A. Qualifications				
Has education beyond high school	\$3,200	\$4,203	\$3,031	27.9%
Years of working age (16+) ⁱ	\$962	\$1,153	\$885	23.2%
Currently a student	-\$619	\$1,165	-\$1,693	245.3%
Speaks English natively, very well, or well	\$5,341	\$5,936	\$5,820	2.0%
B. Demographic Characteristics				
Is non-white	-\$2,895	--	--	--
Is female	-\$5,430	-\$4,508	-\$5,795	-28.5%
Is not a US citizen	-\$2,405	-\$690	-\$2,782	-303.2%
Source: Averages for 1,125 persons employed at least 25 hours per week in front-of-the-house positions in Manhattan restaurants, 2000 Census. ⁱ "16+" means that years of work experience was defined as current age minus 16. *All reported differences are statistically significant at p<001 or less.				

⚠ Even when possessing the same education level, the education of workers of color is valued less than the education of white workers.

The valuation employers place on education can partly explain the \$2,895 reduction in annual earnings for workers of color shown in Table 3. White workers with education beyond high school (e.g. some college or college degree) earn an average of \$4,203 more than those with only a high school diploma. However, for workers of color, the same extra education is only ascribed an earnings increase of \$3,301, or 27.9% less. In other words, even when possessing the same education level, workers of color are valued less than white workers.

Table 3(a): Effect of Race on Annual Earnings		
Characteristic	Annual Added Value of Education	Annual Added Value of Work Experience
White	\$4,203	\$1,153
Worker of Color	\$3,031	\$885
Difference	\$1,172	\$268

⚠ While work experience might be considered an added value to a worker’s qualifications, the work experience of workers of color is undervalued when compared to that of white workers.

For white front-of-the-house restaurant workers, each additional year of working age – a proxy for years of work experience – provides \$1,153 higher annual earnings. However, for their fellow workers of color, it translates into only \$885 more per year, 23.2% less than the benefit for a white worker.

⚠ While being a non-citizen might lead to reduced earnings for all workers, white immigrants pay an “immigrant tax” of only \$690 in reduced earnings while immigrants of color pay an “immigrant tax” of \$2,782 in reduced earnings – 303% more.

Table 3(b): Effect of Non-Citizenship on Annual Earnings	
Characteristic	Annual Loss of Wages
Non-Citizen, White	-\$690
Non-Citizen, Worker of Color	-\$2,782

The “Gender Tax”

⚠ Even when possessing the same education level and work experience, being female reduces annual earnings \$4,508 for white workers. For workers of color, being female reduces earnings by \$5,795 – 28.5% more. Therefore, although female workers of all races pay a “gender tax” on earnings, female workers of color are doubly burdened, paying both a tax on their race and a tax on their gender.

Table 3(c): Effect of Gender on Annual Earnings	
Characteristic	Annual Loss in Wages
Being a Female Worker	\$4,508
Being a Female Worker of Color	\$5,795
Difference	\$1,287

Importantly, these figures represent the effect of a worker’s demographic characteristic *after the effect of the worker’s qualifications has already been taken into account*. Thus, these negative effects of race and gender on earnings cannot be explained by language ability, education, or more experience.



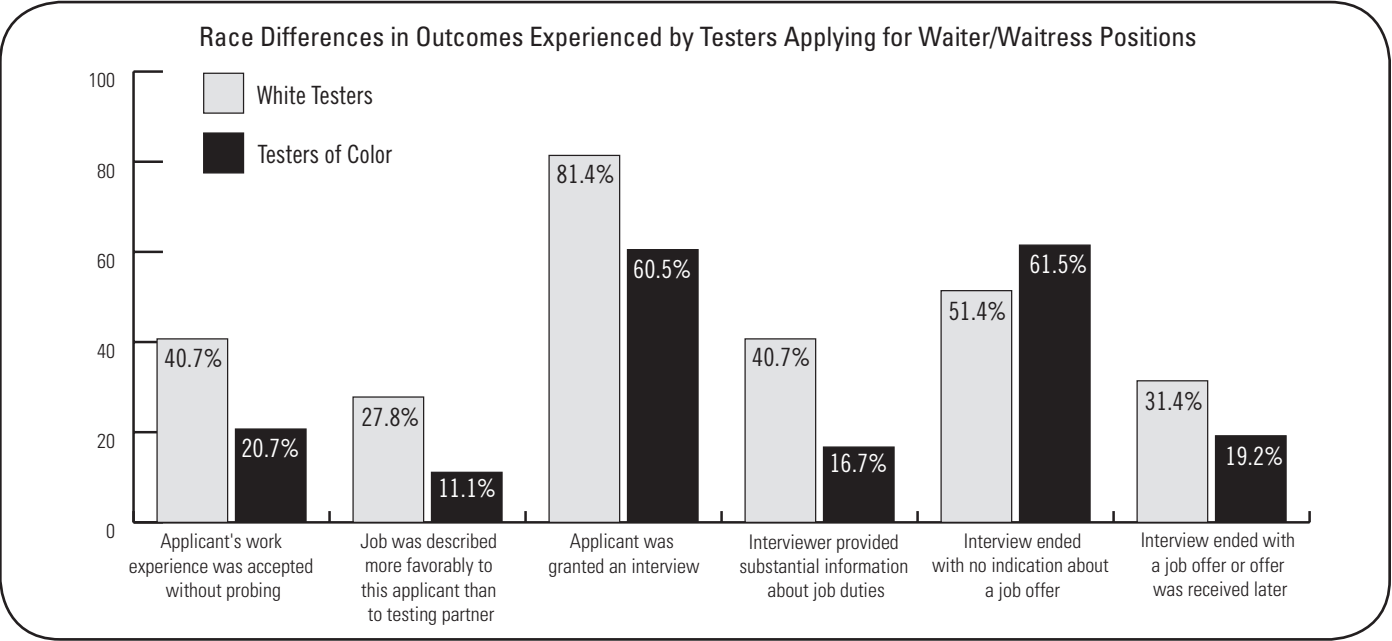
CHAPTER 4: DISCRIMINATION IN HIRING

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I. Testing Employers for Discrimination

On a weekday afternoon in mid 2006, a white woman with a slight French accent entered a fashionable “three star” restaurant seeking employment. After she completed a job application, a manager took her into a private room for a friendly, informative 20-minute interview. Looking over his shoulder to make sure he was not being observed, the interviewer suggested ways to rephrase her answers to questions and corrected spelling errors on her application. He asked no questions about her work experience or restaurant service skills. The interviewer stated that he was sure that she would be hearing from them in a few days, and she subsequently received a call offering a server position. One hour later that afternoon, a Korean-American woman with no accent entered the same establishment seeking work. She completed an application showing education and work experience equal to that of the previous tester, but she was never contacted. – Result from Matched Pair Test, 2006

While the canvassing and census data in Chapter 2 provides information on race, ethnic and gender-based differences among multiple employers, this chapter focuses on race-based differences in treatment of different applicants by the same employer during the hiring process. To determine whether race and ethnic-based discrimination plays a role when a worker seeks entry into the workplace, we conducted 138 matched pair tests of fine-dining Manhattan establishments from January 2006 through June 2007. These tests revealed some of the inside mechanics of recruitment in the front-of-the house, specifically in the Tier I server position in fine-dining, a position that offers the most opportunities to earn a living-wage. By pairing white testers with testers of color, we were able to test the hypothesis that discriminatory attitudes and behaviors play a role in producing the type of occupational segregation that we see in New York City’s fine-dining restaurants. The results revealed significant discrepancies between the opportunities afforded to white testers over testers of color.



Matched Pair Testing in the New York City Restaurant Industry

Between January 2006 and June 2007, testers completed 138 tests on New York City fine-dining restaurants. Below is an explanation of how we did it.

How We Recruited, Matched & Trained Testers

- 👤 We recruited **37 testers** from among restaurant workers and college students in the New York area.
- 👤 We formed **two-person teams** consisting of persons of the **same gender and similar age, appearance, and manner**, differing only in **race or ethnicity**.
- 👤 We selected, trained, and credentialed testers to **appear equally qualified for the server positions they sought. Each team was carefully matched** for physical and non-physical characteristics. Resumes were developed to give members of each team equivalent education, restaurant experience, and other work experience, with the person of color’s credentials slightly stronger to eliminate ambiguity in interpreting test results.
- 👤 Testers were provided **training** in key fine-dining restaurant skills.
- 👤 Teams were coached together so that personal attributes, such as **presentation style and demeanor, were similar** and so that **responses to employers’ questions would be similar**.

How We Conducted Tests

- 👤 When sent out to apply for jobs, each tester pair alternated which member of the team contacted the employer first, with an average **gap of 37 minutes in between**.
- 👤 Testers informed the employer that he or she was seeking a **server position**.
- 👤 Immediately after completing an interaction with an employer and without speaking with their testing partner, testers **recorded their experiences** on a structured questionnaire.
- 👤 There were both **male and female teams**, since research suggests that there may be important differences in both the rate of discrimination and the mechanisms of race and national origin discrimination encountered by the different genders.
- 👤 **No employer appeared to suspect** that any tester was not a *bona fide* job applicant.

How We Selected Restaurants to Test

- 👤 The research was designed to test the prevalence of discrimination in the **upscale, fine-dining segment** in New York City.
- 👤 We identified 327 restaurants in Manhattan appearing on any of **six commonly-cited lists of top Manhattan restaurants**.²¹
- 👤 Among these 327 establishments, **181 were tested**, resulting in 138 complete tests. A test was considered complete if both testers made sufficient contact with the employer to reveal their race and ethnicity and express their desire to be hired.
- 👤 One-third of the tests responded to an **advertisement** for serving staff posted on the internet, such as on Craigslist, as well as on the above list of restaurants. The other tests were **unsolicited walk-ins** to a random sample of other restaurants on the above list.

Employment Outcomes

In 43 tests, at least one tester received a positive employment outcome – an interview, a likely job offer, or a definite job offer – therefore suggesting the availability of a job vacancy for which our testers appeared qualified. Here, we were able directly to examine race-ethnic discrimination since we were able to compare differences in treatment between those who had a positive response and those who did not.

- 👤 **Testers of color experienced discrimination in seeking server positions from 30.8% of upscale Manhattan restaurants.**
- 👤 **Testers of color were only 54.5% as likely as equally qualified white testers to get a job offer.**²²
- 👤 **White testers were more likely than testers of color to receive a job interview.** According to row (1) of Table 4 below, 81.4% of white testers were granted an interview, compared to 60.5% for testers of color.
- 👤 **White testers who received a job interview were more likely to be offered a job than testers of color who received a job interview.** According to row (4) of Table 4 below, among testers who were interviewed, 31.4% of white testers received a job offer, compared to 19.2% of testers of color.
- 👤 **The two adverse effects experienced by testers of color – lower likelihood of receiving a job interview and lower likelihood of receiving a job offer if interviewed – together result in a 30.8% net rate of discrimination.**²³

Table 4: Outcomes Experienced by Testers Applying for Waiter/Waitress Positions in Upscale Manhattan Restaurants, by Race/Ethnicity							
	(a)	(b)	(c)	(d)	(e)	(f)	
Outcome	White Testers		Testers of Color		White Testers - Testers of Color		
	Number	%	Number	%	Number	%	
A. Among 43 Tests							
Tester was granted a job interview.	35	81.4%	26	60.5%	9	20.9%	*
B. Among 35 Interviews for Whites and 26 Interviews for People of Color							
Interview ended with no indication about a job offer	18	51.4%	16	61.5%	2	-10.1%	
Interviewed ended with strong implication a job would be offered	6	17.1%	5	19.2%	1	-2.1%	
Interview ended with a job offer or offer was received later	11	31.4%	5	19.2%	6	12.2%	
% Difference (Whites - People of Color) from Pre-Interview + Interview Stages #						30.8%	**
Source: 43 paired-comparison hiring tests in upscale Manhattan restaurants, 2006-2007. * p < .05 ** p < .01							

- 👤 **The work experience of white testers was twice as likely to be accepted without probing.**

Employers often appeared to make favorable stereotypical assumptions about white testers’ competence and unfavorable stereotypical assumptions about the competence of testers of color. As Table 4 above demonstrates, interviewers were more likely to accept white testers’ stated experience in the restaurant industry and knowledge of food, wine, and table service while probing or challenging equivalent credentials presented by testers of color.

Stereotypical Assumptions in Hiring

Answering a Craigslist advertisement, a Chinese American woman with no accent applied at an upscale Italian restaurant. She was told to come back for an interview the following day. During her interview the next day, which lasted nine minutes, the manager denied ever hearing of the restaurants on her resume and questioned whether she was accustomed to working in elegant establishments. He concluded by saying that he would call her after consulting with other managers, but he never did. A half hour later, a white woman with no accent applied to the same restaurant. When she first walked in, the host looked her over slowly, making her feel she already had the job. She was promptly sent to the same manager who had interviewed the Chinese American woman. During an 19 minute interview, the manager called her resume “impressive,” said that she presented herself well and that she’d “fit right in,” and offered specific work shifts. He emphasized that she would have opportunities to advance into management and that the restaurant would pay part of her health insurance. At the end of the interview, he said that if she would provide a reference, she could start training that day.

Employers’ expressed skepticism and scrutiny of testers of color suggests that, to be hired, workers of color must meet a consistently higher threshold of qualifications.

Although testers of color and white testers experienced differences in employment outcomes, employers were generally as polite during the interview process to testers of color as they were to white testers. It is therefore no surprise that, as Table 5 below suggests, the above differences in employment outcomes were masked behind equally polite treatment of testers during the hiring process. It is important to also consider the seriousness with which testers’ applications were treated, regardless of how politely the testers were treated. We measured the apparent seriousness with which applicants were treated prior to decisions about their application, allowing us to look beyond mere surface treatment of applicants.

Here we found that:

- 👤 **White testers were more likely to be interviewed than their partners of color.**
- 👤 **White testers were given longer, more focused and more informative interviews than their partners of color.**
- 👤 **Testers of color were otherwise treated less seriously than their white testing partner:**
 - 👤 Interviewers tended to describe the available job more favorably to the white tester.
 - 👤 Employers provided substantial information about job duties to 40% of white testers, but provided the same information to only 17% of testers of color.
 - 👤 Interviewers tended to offer the white tester better work days or shifts than the tester of color.
 - 👤 Employers provided substantial information about potential earnings to 44% of white testers but provided the same information to only 29% of testers of color.
 - 👤 Interviews tended to otherwise promise white testers better jobs than testers of color.

Table 5: Treatment of Testers Applying for Waiter/Waitress Positions in Upscale Manhattan Restaurants, by Race/Ethnicity

Measure	White Testers	Testers of Color	% Difference (“-” Means whites favored)
A. How Politely Was Applicant Treated?			
Average minutes waiting to be interviewed	8.2	10.3	-25.6%
Employer friendliness during initial contact (scale of +2 = very friendly, -2 = very unfriendly)	0.2	0.1	-2.6%
Employer friendliness during job interview (scale of +2 = very friendly to -2 = very unfriendly)	0.7	0.7	1.2%
Interviewer introduced self to applicant	60.7%	70.0%	15.3%
Interviewer shook applicant’s hand	85.7%	74.2%	-13.4%
Interviewer used applicant’s name	42.9%	55.8%	30.1%
% of 6 measures on which whites were favored			50.0%
Average % difference			0.8%
B. How Seriously was Applicant Considered?			
Applicant was granted an interview	81.4%	60.5%	-25.7%
Interview was conducted by a manager, not a subordinate	100.0%	100.0%	0.0%
Interview was held in quiet place without interruptions	82.1%	77.4%	-5.7%
Average length of interview (minutes)	11.1	9.2	-17.1%
Interviewer looked carefully at applicant’s resume	39.3%	32.3%	-17.8%
Interviewer provided substantial information about job duties	40.7%	16.7%	-59.0%
Interviewer provided substantial information about potential earnings	44.0%	29.0%	-34.1%
Interviewer volunteered key information without being asked	74.1%	59.3%	-20.0%
% of interview devoted to job requirements and applicant qualifications	97.0%	83.3%	-14.1%
Interviewer suggested additional vacancies for the applicant to consider	10.7%	12.5%	16.8%
At end of interview, interviewer volunteered information on next steps	81.2%	62.9%	-22.5%
% of 11 measures on which whites favored			72.7%***
Average % difference			-18.1%
C. What are Likely Employment Outcomes?			
Applicant’s work experience was accepted without probing	40.7%	20.7%	-49.1%
Applicant’s food/wine/table service knowledge was accepted without probing	75.9%	66.6%	-12.3%
Job was described more favorably to this applicant than to testing partner	27.8%	11.1%	-60.1%
Days or shifts discussed were better than those for testing partner	44.0%	0.0%	-100.0%
Where both applicants received offers, this applicant’s offer was better	25.0%	0.0%	-100.0%
Interviewee was offered a job or signaled an offer would be forthcoming	48.6%	38.5%	-20.8%
Interview closed with friendly, positive, or “welcome aboard” comments	67.9%	48.4%	-28.7%
% of 7 measures on which whites were favored			100.0%***
Average % difference			-53.0%
Source: 43 paired-comparison hiring tests in upscale Manhattan restaurants, 2006-2007. *** In a sign test, different from .5 at < .01.			

The combination of equal politeness and unequal seriousness during interviews suggests that some employers go through the motions of interviewing those same workers whom they might have already decided, consciously or unconsciously, they will not hire. By influencing the length and depth of the interviews themselves, their early predisposition that the worker of color is not qualified for the job becomes a self-fulfilling prophecy.

Despite the relatively equal opportunity afforded to both testers of color and white testers to interview with employers, there were some examples where the discrepancies were substantial and negatively influenced the outcome for testers of color. For example: *At 2:00pm on a weekday in early 2006, an African American man with no accent visited a well-established Midtown seafood restaurant seeking employment as a waiter. The restaurant’s greeter reported that there were no current vacancies, refused to take his resume, and stated that interviews were held weekdays between 9 and 5. Less than 30 minutes later, a white American man with no accent spoke to the same greeter. She stated that there were no current openings but that she would retain his resume and call if anything opened up. Three months later, he received a call and was offered a waiter position.*

To ensure that discrepancies in treatment between the two testers were more than just trivial, we looked to see whether differences in treatment were encountered in multiple aspects of the tests and whether differences in treatment could be attributed to some alternative, non-discriminatory explanation. When in doubt, we erred on the side of caution by treating unclear cases as “no difference.” Thus, our test results, summarized in a 31% net rate of discrimination, captured only the most substantial and visible differences in hiring. Therefore, it should not be assumed that the other 69% of fine-dining Manhattan restaurants that did not document such substantial discrimination were free of discriminatory practices. The sections and chapters that follow capture some of the more complex and subtle ways that employment decisions and workplace practices adversely impact workers of color and women.

II. Proxies, Pretexts & Stereotypes in Hiring

“One of the biggest things that stood out when they interviewed me was that they focused mainly on personality, because obviously I didn’t have... the experience. I didn’t know wines at all, I didn’t know beer at all, I didn’t know fine-dining, any of the French fine-dining things, nothing. I had no clue. They were basically just looking for personalityt.” – Anna, Latina U.S. born, Server

- ❖ **Restaurant employers often place significant reliance on a worker’s personality and other “soft skill” criteria to qualify for the highest-paying, front-of-the-house positions. However these “soft skills” often serve as proxies for race, by which workers of color are excluded from these positions.**

Restaurant employers often rely on vague and subjective criteria about what qualifies someone for the highest-paid positions in the restaurant, namely Tier I front-of-the-house positions. For these positions, most employers that we interviewed agreed that they look for the right personality and attitude, more so than experience. While employers and workers alike agreed that experience is helpful for front-of-the-house work, most employers admitted that they will train someone with no experience who has the right attitude, the right personality or the right “look.” So while experience alone is rarely enough for front-of-the-house, personality may be.

While soft skills such as personality and attitude are important, the type of reliance placed on these soft skills creates unconscious or conscious biases that negatively impact workers of color and women. For example, cultural or class-based differences that may exist might be deemed personality issues that doom an application, and implicit racial biases on the part of employers may be rationalized as problems of a worker’s personality, or lack thereof. One employer, whose hiring preferences were typical of others whom we interviewed, explained, *“First thing I look for is... a personality of someone – less for experience and more for willingness to learn. Second, I look for a sense of some experience, and third I look for – just the presentation; how they speak; how they hold themselves; how they dress. That’s it.”*

While personality is important and even essential for an industry which relies so heavily on customer interaction and service, notions of the “right personality” or the “right fit” are often riddled with class and race-based assumptions. For example, many employers felt that customers preferred to be served by a worker with the same socio-economic status. They therefore felt that Tier I, front-of-the-house staff should have the same personal connection or socio-economic backgrounds as the clientele, and should be able to interact with guests in a significant way. Several managers said that a front-of-the-house, Tier I worker should be able to “relate” with his or her guests, and must be able to engage in “table talk,” or small talk with his or her guests, when expected.

One employer explained:

“Workers who are better off go out more or have more money or eat in nice restaurants and therefore they understand the concept of fine restaurants, more so than workers who can’t afford to or that are in a different...social bracket. ... Workers that have more money or are educated more would assimilate easier into the knowledge of food and wine than workers that don’t. It’s hard to work with workers that aren’t college educated. They have to study more; they have to learn more. . . You almost want to hire staff that are on the same level as your clients because they read each other and they understand. If you hire and then move a busboy up to a runner and to a waiter, you can’t get them to have that confidence... He is just here from a different level... when you eat here you could also work here.”

While appropriate guest interaction might be a perfectly legitimate qualification for Tier I front-of-the-house positions, such reliance on customer preference might be problematic for several reasons. First, many employers might not recognize that it might be illegal to make hiring decisions based on customer preferences or their assumptions about what a customer prefers, particularly when that employment decision negatively impacts workers of color. The preferences and assumptions of customers may, in themselves, be very flawed. One employer we spoke with articulated the intersection of race and class-based customer preferences by recounting the experience of a qualified Mexican waiter whose race prompted customers to believe he was not qualified:

“We had a...gentleman who started here as a back waiter... Really good-looking young kid; strong, handsome, young man who we were able to promote to a front waiter position... Speaks English just as well as you and I do...some of the cultural things weren’t there, conversation that a table wanted to incorporate him into about whatever; he may be not be able to interject the way you might be able to or I might be able to, but other than that, he totally had the skills, and probably about once every two weeks or so, we’d get a rude comment from a customer, like ‘Can’t I get a real waiter on my table?’ or ‘Why do I have a busboy as a waiter?’ and it really had nothing to do with his skills, just his skin color...And it’s his skin color [which] projected into a certain stereotype... In this country, in this city, we definitely pigeonhole Latin Americans into only doing a certain role.”

Second, many employers mistakenly conflated the absence of a worker’s shared socio-economic status with clientele to indicate a lack of ability to interact with guests in a sufficient way. However, these class-based preferences may unfairly impact workers of color who are less likely than white workers to share a similar socio-economic background with the clientele. Workers of color are therefore mistakenly perceived as unqualified for such positions. In fact, many workers of color with whom we spoke said that employers held unfounded assumptions and stereotypes about their ability to relate with guests. As one Asian worker stated, *“They [employers] think that we are not able to [relate to guests]... not just because we are from different cultures, but from a different socio-economic class, and different social structure. That is why they think that we are not able to talk about politics or opera... that we cannot entertain them properly... that is their priority.”*

While class-based requirements are problematic in and of themselves, they most often include race-based assumptions about what a worker of color knows and has experienced.

Language and Accent as a Proxy for Race

“All the waitstaff is white and they will not hire someone for waitstaff who is not white. But they use the excuse that they need to have 100 percent English, but there have been cases where workers who are European are hired even if they have an accent. But they are white European, and that’s ok.” – Emilio, Colombian immigrant, Cook

- ❖ **Language and accent often serve as a proxy for race by which workers of color, particularly immigrants, are excluded from the better positions.**

A particularly salient issue for immigrant workers involves employers’ willingness to hire workers who speak English with an accent. Employers often explain that the low representation of workers of color in the industry, particularly immigrants, is not because of race discrimination, but because of a lack of interpersonal or “soft” skills needed to perform the job. Many employers we interviewed said that English capability was one of the most important qualifications for the front-of-the-house and suggested that they had to reject many workers who might have been otherwise qualified but for their lack of English skills.

While command of the English language is indeed a requirement to work in the front-of-the-house, many workers we spoke with said their employer was either altogether mistaken about many workers’ ability to speak English or that some wrongfully assumed a worker’s accent necessarily meant that he or she lacked the necessary English.

While it is true that there are many workers in the restaurant industry who do lack the necessary English skills, it would be a sweeping generalization to assume that all or even many front-of-the-house workers lack such skills. For example, we looked at a group of 355 students who enrolled in a front-of-the-house skills training at a restaurant workers’ training center, Colors Hospitality Opportunities for Workers (CHOW). Most of these students occupied Tier II positions, and were seeking more skills to gain entry into higher, Tier I positions. Every one of these students spoke English fluently upon enrollment, albeit some had accents from their native countries. As this example should demonstrate, many workers of color who would seek higher paying, Tier I positions in the front-of-the-house are already Tier II front-of-the-house workers who must speak English by necessity of interaction with waitstaff, management, and customers. In other words, many workers who actively seek promotions both understand and already possess the language qualifications necessary for the job.

And while the ability to speak English fully and clearly is a necessity for interaction with guests, the question becomes whether speaking English with an accent is an impediment in some cases but not in others. Through matched pair testing we found that the “wrong” accent, in the context of our study, was often pegged as a soft skill that acted as a proxy for race. In other words, though employers may not discriminate on the basis of race in an explicit sense, (e.g. “we don’t hire Latinos”) they often considered the existence of a particular accent (e.g. a Latin American Spanish accent) to be a negative attribute when making hiring decisions.

“If you speak French, it’s a sign of culture... that means you are from a good college, you have financial position... If you speak Spanish, it means you’re coming from immigrants who jumped the border... If you speak French... and go to one of these nice restaurants, you [are] going to have the power of the executive...you are going to be able to develop yourself in those places.” – Fernando, Mexican immigrant, Server

While some employers said that accent does not matter so long as the worker can be understood, workers that we interviewed experienced a different reality, saying that an accent is problematic only when it is not a European accent, which employers consider “classy” and “sophisticated.” In the controlled circumstances of the testing, we were able to distinguish testers’ actual articulateness – represented in this study by full articulation in English but with presence of a slight accent – from employers’ conscious or unconscious tendency to treat an accent as a plus factor for one group and as a minus factor for another. We conducted 24 tests which paired white testers with slight European accents (mostly French) with white testers without accents. We then paired testers of color with slight accents (French, Spanish, Asian, or Caribbean) with testers of color without accents.

We found that:

- 1 White testers with slight European accents were favored over white testers with no accent, while testers of color with accents were treated no differently than testers of color without accents, suggesting that employers favor accents for certain types of people but not others.
- 2 In 37% of tests, a white tester with a European accent was favored over their white testing partner with no accent. In only 14% of tests was the white tester without an accent favored over the white tester with a European accent.
- 3 Therefore, white testers with slight European accents had a statically significant higher rate of success than white testers without accents, with the former 23.1% more likely to be hired over the latter.
- 4 No statistically significant difference was observed in the application success between testers of color with accents and testers of color without accents.

These findings show that the existence of an accent tends to increase the employment success among white testers, but has a different effect among testers of color. Put differently, these findings might suggest that employers think and behave inconsistently with respect to treatment of accents, perceiving white testers’ accents as sophisticated or chic while perceiving the accents of testers of color to be inarticulate or difficult to understand. Employers’ resulting rejection of testers of color with accents might be interpreted as discrimination consciously or unconsciously disguised as a concern about articulateness.

- 1 Often these biases against languages spoken by immigrants of color are enforced through de facto English-only rules imposed in the restaurant.

English-only regulations are legally suspect when enforced in a discriminatory way where, for example, workers are prohibited from speaking Spanish while other workers are allowed to speak languages that are preferred by employers, such as French. In fact, several workers of color reported that their employers forbade them from speaking their native languages anywhere in the restaurant, even to communicate to each other outside the presence of guests, while European workers were not discouraged in the same way. As one Latina worker explained, *“I would speak Spanish to my co-workers and they said, because this is a French restaurant, you couldn’t speak Spanish.”*

Appearance as a Proxy for Race & Gender

“I know that restaurants and bars want pretty workers and that’s just how it is all over the city...”
– Alejandro, Mexican immigrant, Runner

- 1 Restaurant employers often rely on a worker’s perceived attractiveness to qualify for certain positions. However, attractiveness often serves as a proxy for gender, disproportionately applied to women over men.

Although employers and workers alike recognize the importance of maintaining a clean and groomed appearance, many workers we spoke with agreed that in order for a woman to qualify for Tier I, front-of-the-house positions, attractiveness was necessary. Indeed, some employers and workers said that in many restaurants, all of the waitstaff were models and actors. One female in the focus group recounted her former employer’s blatant emphasis on appearance explaining, *“He would always be the one to say no or yes. ‘She’s ugly.’ ‘She’s fat.’ ‘She’s too this, she’s too that.’”*

Both female and male workers we interviewed said employers placed significantly more emphasis on a woman’s attractiveness when being considered for a front-of-the-house position over men. Many female workers in our focus groups described the restaurant hiring process for women as an audition, where a headshot is required and physical appearance is scrutinized. Some employers place such a great deal of emphasis on a female applicant’s appearance when making a hiring decision that many solicitations for employment are riddled with requests for model-type and attractive applicants; some even require female applicants to bring in head shots along with their resumes, but not asking the same for men.

JOB ADS FOUND ON NEW YORK CITY INTERNET BULLETIN BOARD CRAIGSLIST²⁴

Hello Ladies!: Do you have a fit appearance? Are you naturally cute or just drop dead gorgeous? Like being flirtatious? Is provocative and demure your natural aura? Like to get a little wild? Please respond with recent picture (must be within the last 3 months)...

Bartender Wanted: “We are currently looking to hire an attractive, model-type bartender. Our ideal candidate will have experience working in an upscale and fast-paced environment. Please email a resume and a photograph. You must send a photo to be considered for an interview.”

Wine Enthusiast: “...Seeking attractive, outgoing, wine enthusiast to recommend and serve fine wines... enjoy stimulating conversation with upscale clientele... experience a plus, but not necessary, will train. Please forward resume with photo.

Most workers that we interviewed said that while men had to be “clean-cut” or “groomed” to work in the front-of-the-house, there was no blatant or unspoken requirement or expectation that they had to be attractive, certainly not to the same extent as women. Despite employers’ heavy reliance on appearance for women and not men, many might not recognize the illegality of imposing special appearance requirements on women, but not doing the same for men.

- 1 The importance employers place on a worker’s appearance often serves as a proxy for race, excluding workers of color from certain positions.

Many workers we spoke with suggested that female workers of color were doubly burdened by employers’ reliance on attractiveness. These workers felt that their employers, predominantly white males, had perceptions of “attractiveness” that often excluded workers of different races. Several workers stated that when their employer did hire a female worker of color in a front-of-the-house position, it was because that worker was exceptionally attractive. In other words, employers would hold a higher standard for workers of color. As one Chinese American worker explained, *“The only Latina girl that*

I remember that they ever hired [as a server]... was stunningly beautiful...I mean she was magazine beautiful.” Other workers that we interviewed said that employers hired female workers of color only when they were considered “exotic.” Indeed, one white male worker said that it was a new trend for employers to actively hire “exotic” female workers, explaining, *“If the person is going to be non-white, she is going to be exotic, something like Tibetan.”* Many workers felt that unless the worker of color met these expectations or preferences, there was little chance of being hired into front-of-the-house positions.

My name is Carl. For two years, I was a senior waiter at one of the highest grossing restaurants in New York. We were across from some very well known arts destinations and attracted an affluent crowd. I saw countless applicants for waitstaff, and remembered how management treated them and their applications. They had to be tall, pretty, articulate, graceful, and funny people to be considered. Ballet, opera... the number of Julliard alumnus that we had on staff was comical.

The waiters were almost exclusively pretty white people. Their favorite applicant was a very pretty white girl, which includes thin of course. And their second favorite or maybe equally favorite was a very good looking man who speaks Italian. Everything else was a wash. If and when they hired minorities, they hired very few for waitstaff, and those they did hire were as culturally Caucasian as they could be. There were only two half Asian people and two black people on waitstaff. If a really stunning looking and articulate no accent Bangladeshi guy came in, they might hire him. The only Latina girl that I remember them hiring was stunningly beautiful.

Remember, people want to spend the evening with you. And I think people find it more pleasant if the waiter has an American, British, Italian or French accent. I can’t imagine people wanting to hire people with heavy Cambodian accents. — *Carl, Asian American, Server*



I have been working in the restaurant industry for almost 20 years and held different positions as chef, personal chef, and line cook. I have worked in expensive fine-dining and casual mid-priced restaurants.

Of all these restaurants that I worked at, I have never seen other women working in the kitchen, except for maybe one or two. After I quit from one of the restaurants, the sous chef told my female co-worker that he doesn’t want to see any more women working here. In one of the other restaurants, we had 104 line cooks and only 4 of them were women. They want only men in the kitchen and to do so, they would just hire any man off the street without checking his background or experience. I once had a sous chef who had no idea how to make rice and I actually had to train him in almost everything.

Many times, I was not hired for the position, even though I was qualified for that job. It’s sexist. A lot of times they think that women can’t handle the work. I’ve had experiences where I have applied, I know I was qualified, and I didn’t get hired and could see that they didn’t want me in the kitchen. I could see from the vibe, the way they interviewed, the way they dealt with me. They were rude and sometimes, nasty.

Sometimes when you have an open kitchen, you can see people working in there and there are no women in there and they make it clear that they don’t want you in there, but since it’s against the law to say ‘we don’t hire women’ they can’t say it, so they’ll do an interview with you or they’ll take your resume and take the application and you never hear from them. When you have a huge kitchen, it’s kind of odd that there wouldn’t be at least one woman on that shift. It’s a brotherhood thing. They would just about rather have anybody in the kitchen, any level of competence, as long as they’re a male. — *Beth, African American, Cook*



III. Blatant Gender Discrimination in Hiring

“I would hazard to say, overall in really upscale restaurants, it is usually men who are on the floor. There is a lot of sexism going on, unnecessarily, that weed women out... There is a whole combination of people pushing them out intentionally.”
— *Jason, Korean American, Bartender*

While workers of color are generally struck by subtle, though pernicious, forms of discrimination that rely on proxies for race rather than race itself, women are often confronted by blunt image-consciousness and sexism, excluding them from some of the highest-paid positions in the industry.

Many women we spoke with in interviews and focus groups said that many restaurants blatantly exclude women from certain positions altogether, and instead concentrated them in particular positions. For example, several workers said that if a female was attractive, she would probably qualify for the host position. In fact, some women in the focus groups explained that although they were able to obtain the host positions because of their appearance, they were locked in those positions because the manager did not want to lose them there, where their attractive qualities were most valued. As one male worker put it, *“They love having the pretty tall girl at the door.”* Another male worker explained, *“You’re the face of the restaurant... You need to have an attractive young woman in the front... the kind of person standing at the front immediately tells the customer what they can expect from the restaurant...”*

Most workers and employers we interviewed agreed that women are rarely found in the back-of-the-house altogether in the restaurant industry. While worker and employer speculations for this underrepresentation varied, some employers and workers suggested that women could not handle the pressure associated with the job; others felt that a “good old boys’ club” kept or forced women out of the kitchen. Some women in the focus groups suggested that when a female worker stepped into the kitchen “the entire atmosphere transformed,” making them feel unwelcome, and therefore having a long-term effect by keeping women from proliferating in back-of-the-house positions. One employer explained, *“On occasion I have had women come in for the position, but I guess because we’re predominately men, I decided it was a bit too much for them. It was just, you know, constantly being around the male psyche I imagine.”*



CHAPTER 5: A CULTURE OF INFORMALITY

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The New York City restaurant industry is dynamic and potentially very profitable, particularly for fine-dining restaurants that garner stellar reputations. However, despite the success of some establishments, even the most renowned restaurants typically lack an established infrastructure for hiring, promotion, grievances and other personnel practices. This “culture of informality” translates into a lack in transparency and accountability which, in turn, breeds discriminatory employment practices.

Through interviews with 40 employers and 40 workers from fine-dining establishments, as well as three focus groups with 14 female workers, we discovered the following:

- ❖ **Discriminatory hiring and promotion practices are largely a result of a culture of informality in the fine-dining industry.** These practices do not exist in a vacuum, nor are they primarily a result of explicit racism on the part of employers.
- ❖ **This informal system creates an uneven playing field which offers some workers a range of possibilities for growth and success while cutting off others, mostly workers of color and women.**
- ❖ **Lack of systematic procedures, coupled with the subjective nature of job interviews, opens the door for discriminatory recruitment practices and hiring decisions.** For many workers of color, most notably immigrants and women, becoming hired into living-wage jobs is only an illusion.
- ❖ **The same lack of formal procedures applies in decisions about promotions, including absence of formal performance reviews where employers may evaluate the strengths and weaknesses of a worker’s current performance, determine the worker’s interest and goals within the workplace, offer coaching on performance improvement and preparation for advancement, and encourage qualified workers to apply for vacancies in higher positions.**

The Informal Environment

The restaurant industry is largely characterized by an informal work environment. Interviews with both employers and workers revealed that this informal work environment created - and was reflected in - the following notable characteristics of the restaurant industry:

- ❖ The strong presence of a “family environment” that serves as a substitute to more formal workplace practice around hiring, promotions, and other conditions of work.
- ❖ Informal and subjective recruitment practices that favor word-of-mouth, social network hiring rather than open postings and wide recruitment.
- ❖ Informal or nonexistent protocols or practices for promotion.
- ❖ Absence of training to prepare workers for upward mobility.
- ❖ Absence of formal human resources management practices, such as employee handbooks, performance reviews, and structured grievance procedures.

The “Family” Environment

“They’re treated like family...not like employees...it’s more on a personal level.” – Employer, Fine-Dining

- ❖ Despite the noble intention of creating a relaxed work environment, the family-like structure creates a culture of informality and serves as a substitute for objective standards, ultimately yielding inequitable outcomes for some.

Those who own, run, and work in restaurants often pride themselves on the family-like environment that characterizes the restaurant industry perhaps more than many other industries. On the surface, this close and informal atmosphere allows for a comfortable, casual, and flexible workplace. Indeed, many employers see this informality as a means of building a respectful environment where relationships can be fostered between staff and management.

There are certainly advantages to both employers and workers from workplaces that have a strong sense of community and personal comfort. However, when familial-type relationships replace professional relationships, the result is often inequitable outcomes where some workers benefit and others suffer. For example, several workers we spoke with explained the prevalence of “good ol’ boys’ clubs,” in their workplaces, where exclusive social networks, often between management and higher-level front-of-the-house workers, produce inequitable access to management and other important means of leveraging more favorable working conditions.

One worker of color explained:

“There are waiters that are connected with the good ol’ boys. They go out at night, and they party, and they have a good old time... They’re hanging out.”

A Latino cook explained:

“Most of us don’t hang out together. Most of the waitstaff, when their shift is over... go to bars... They all know each other... in that social setting. While most of the kitchen staff... they have children to tend to. So they don’t hang out, they don’t create this social environment.”

Lower-level, workers in Tier II positions are often, in essence, sealed out of the “family” in the restaurant and the “benefits” associated with that inclusion. In fact, many workers of color whom we interviewed expressed sentiments of alienation both from management and workers in Tier I positions who were part of the “family.” The alienation expressed by many workers is almost invariably along race and gender lines, with workers of color – particularly immigrants and women – most likely to be “outside” those important social networks that provide access to improved working conditions.

In addition to generating feelings of social exclusion by workers outside these social networks, the “family” approach to management often replaces formalized systems more typical of other industries. For example, regular, standardized performance reviews are often replaced by “open door policies,” where a worker’s initiative solely determines whether an employer will be made aware of that worker’s desire to advance. Indeed, when asked how workers would normally go about requesting promotions or airing grievances, almost all employers referred to their open door policies; virtually none cited formal one-on-one meetings such as a performance review or evaluation.

Informal & Subjective Recruitment Practices

“When a dishwasher or someone gets a job, they get it through the family... a Dominican in the back will get their Dominican friends and the same with the front-of-the-house – a white manager or a white waiter will get their friend hired.” – Lebon, Egyptian Immigrant, Server

- ❖ The industry relies heavily on informal and subjective methods of recruitment, obscuring the hiring qualifications of certain positions, reproducing a highly-segregated workforce, and excluding workers of color and women from the higher-paid positions.

There is consensus among employers and workers alike that recruitment and hiring in the restaurant industry often occurs informally. From the beginning, the hiring process is typified by absence of formal procedure, transparency, and explicit criteria, which reduce the likelihood for a worker of color to be hired in the higher-paying positions. In fact, prior studies demonstrate that the more formality in hiring, the higher the probability of employing workers of color.²⁵ For one, formal hiring procedures tend to reduce the force of biases and stereotypes in the recruitment process, providing more objectivity to the process. By delegating managers with authority to make hiring decisions without providing objective criteria and guidance, important decisions are placed solely within the discretion of persons who may harbor biases and stereotypes. Formal hiring procedures also tend to reduce reliance on word-of-mouth recruitment and hiring via social networks, processes which often exclude workers of color and women from ways of learning about such positions. Social network hiring often reproduces the current workforce that exists, perpetuating the highly-segregated workforces seen so frequently in the New York City fine-dining restaurant industry.²⁶

When a vacancy exists, employers often rely on social networks to fill them. While some employers solicit in public forums, such as newspapers or the internet, many rely on network-based recruiting, which they consider less costly and time-consuming. Even when employers do publicly announce jobs, they often still favor job candidates referred by personal connections. As one employer explained, “*We don’t actively recruit besides putting out the ads and open calls. I always try through*

word-of-mouth, you know, ‘if you know someone, bring them in.’” Similarly, one worker stated, “[*They are*] hiring right now and we have an ad on Craigslist, but that was done begrudgingly... they just put that ad on Craigslist, but are telling us to tell workers.”

The typical consequence of a relationship-based hiring approach is that the workers being asked to contact their networks are most likely to bring in a contact of the same race or ethnicity. This effect is intensified when an employer asks servers to reach out to their networks to fill a waitstaff vacancy and bussers to reach out to their networks to fill a busser vacancy. Both servers and bussers would most likely bring in a friend or family member of the same race and ethnicity, and the likelihood is that the server is a white male and the busser a worker of color. Thus, this informal network-based recruitment strategy helps to reinforce race, ethnic, and gender-based workplace segregation. Although the use of social networks has some advantages for both workers and employers, the effect is often perpetuation of the exclusion of workers of color and women from the industry’s highest-paid positions.

Absence of Policies & Practices for Upward Mobility

- ❖ Most employers recognize the business value of hiring internally and promoting from within. Similarly, most workers recognize the potential for wage increases associated with moving from a Tier II to a Tier I position.

Restaurant owners and managers commonly recognize internal hiring and promotion as beneficial to business. As one employer put, “*If an employee requests to experience other sides of the restaurant, we’re always open to that... obviously the value is there for them and there is value for us if somebody is trained in many different aspects of the restaurant; the more valuable employee they are to us because we can use them in different aspects.*” Another employer, recognizing the importance of fostering a dedicated and cohesive staff, said, “*It’s important to us that you grow up with us – we want to keep the workers that we have.*”

Similarly, almost every worker we spoke with acknowledged the importance of advancement within a workplace, principally because it typically means an increase in earnings. The probability of earning a living wage goes up substantially not only when a worker moves from casual-dining to fine-dining, but more so when a worker moves from a Tier II position to a Tier I position in fine-dining. Table 6 below – which presents data from a 2007 survey of restaurant workers of color in New York City restaurants – demonstrates that supervisors and servers in fine-dining establishments have significantly higher earnings than other front-of-the-house fine-dining positions and front-of-the-house positions in fast-food or casual-dining establishments.

Table 6: Quality of Front of the House Jobs Manhattan Restaurant Held by Persons of Color, 2007, by Type of Restaurant and Work Role					
(a)	(b)	(c)		(d)	
Indicator of Job Quality	Server and Supervisor Positions in Fine Dining Restaurants	Other Front of the House Positions in Fine Dining Restaurants		Front of the House Positions in Fast Food and Casual Dining Restaurants	
I earn > \$31,000/year.	70.7%	33.3%	***	14.3%	***
Source: authors’ tabulation from survey of 426 employees of New York City restaurants, 2007 (Jayaraman & Markowitz, 2008). * = p < .05 for difference from column (b). ** = p < .01 for difference from column (b). *** = p < .001 for difference from column (b).					

- ❖ Promotion from within for workers of color is the exception, not the norm. When workers of color do receive promotions, they are often from one lower-level position to another lower-level position, suggesting a glass ceiling. Even less common is mobility from the back-of-the-house to the front-of-the-house.

Despite employers’ expressed support for internal advancement of their current workers, our findings from interviews with both workers and employers suggest that such promotions for workers of color are rare. Oftentimes, when employers and workers we interviewed gave examples of promotions for workers of color, they often recalled promotions from one low-level position to another, moving from one Tier II position to a higher Tier II position. Less common were examples

where the worker moved from a Tier II to Tier I position. Differences amongst those promotions that do occur suggest the existence of a glass ceiling that disproportionately prevents workers of color from obtaining the coveted waitstaff and bartending positions.

Several workers in Tier II positions reported that although they were given greater responsibilities and duties, which is often indicative of a promotion, they did not receive any increase in wages that might fairly be assumed to follow. Other workers said that they often trained new managers in various duties, including how to carry a plate, open a bottle of wine and use the computers, while they remained fixed in Tier II positions without hope of promotion.

Female workers often face a glass ceiling, with men more likely to advance to higher-level positions than women.

Several female workers in our focus groups voiced frustrations over what they perceived as a glass ceiling, making it difficult for them to move from Tier II to Tier I positions. For example, one female server told the story of a male host, whom guests always assumed was a manager. The male host was promoted to manager; meanwhile female hostesses who had been at the restaurant for a long time were never offered a promotion. Another female explained, “*I think it’s just incredibly hard to get promoted because you see men and women start at the same time and it seems like the men progress further and quicker than the women... There seems to be a greater sense of upper mobility for [men] but for women it’s just not the case at all.*”

There is widespread absence of protocols or policies for promotion.

When promotions do occur within the restaurant industry, they often reflect either the whim of the employer or the initiative of the worker bold enough to make the request. Indeed, most workers we interviewed never worked in a restaurant that employed performance evaluations or other formal tools by which an employer might determine whether a worker is qualified for upward mobility. Similarly, interviews with employers revealed that few restaurants actually employ systematic and consistent protocols for internal hiring or promotion.

Rather than employing standard practices for promotions, the employers we interviewed suggested advancement relied solely on a worker’s initiative in obtaining it. In fact, many employers admitted that they would not consider workers for promotion unless these workers met certain criteria, such as “taking initiative” or “having the right work ethic” or “was willing to learn.” However, some workers we interviewed felt that employers did not implement well known best practices to make these criteria objective, measurable and meaningful. Other workers expressed an unwillingness to “take initiative,” believing that unless you were within management’s pool of favorites, there is no chance. Other workers said that when they did approach management, they would have to do so several times, constantly reminding and persisting before they realized that management was not going to take any serious steps towards facilitating that process. And other workers suggested that they were reluctant to approach management about advancement into Tier I jobs because there was an absence of other workers of the same race, ethnicity, or gender occupying such positions, therefore minimizing their perception of likelihood in attaining such positions. As one Asian American worker put, “*The NY fire department still wants to remain Irish...the most diversity in the world, and they say they don’t have enough applicants who are not Irish. Well no kidding. Everybody got the message. The Bangladeshi immigrants got the message.*” In other words, the racially homogenous nature of Tier I front-of-the-house positions is itself an impediment to increasing diversity.

Employers’ failure to notify their staff formally and universally of vacancies in higher-paid positions discourages many from taking the initiative to request a promotion.

Most workers reported that their employers never publicly posted vacancies in higher-level positions within the workplace, and never made formal announcements to the entire staff. These workers asserted that if they were notified of such vacancies, they would be more likely to request an upward move to fill such positions. One Mexican food runner explained, “*They never say... ‘We need waiters in the restaurant. Anybody want to try?’ I think they should... workers who’ve been there for years since the beginning didn’t get the chance.*” Another Bangladeshi busser expressed the same concern: “*Whenever positions become available at the restaurant, they are never posted. These positions are filled by anyone with no experience.*”

A worker’s experience and tenure do not usually lead to advancement within that workplace, therefore disproportionately impacting workers of color who are employed in these lower-level positions, and oftentimes remain in these positions, for years.

In our interviews, workers of color reported that despite experience and tenure in a particular restaurant, they were repeatedly passed over for promotion in favor of less-qualified, and less-tenured white workers. These workers provided

examples of white co-workers who were newly hired into Tier I positions without previous restaurant experience or without experience in that workplace. In fact, many of these white workers who were hired or rapidly promoted into Tier I positions were students or performing artists whose job in the restaurant industry was secondary to other educational or career aspirations, and oftentimes, short-lived and transient. Ironically, while many workers of color who occupy Tier II positions tend to view their time spent in a given workplace as a long-term endeavor, many spend years there without ever moving up. Though long tenure represents an accumulation of skills and knowledge which enhances their performance, the restaurant industry often ignores these processes, instead erecting invisible barriers to mobility for precisely those workers, while offering opportunities to temporary, transient workers.

I started working in the restaurant industry in 1997 and have made a career of it ever since. In the first few restaurants that I worked in, I noticed how much I was considered an outsider since I have an accent, but not a European one. In most restaurants that I worked in, the managers preferred to hire white Americans – those were the people who they thought were able to entertain guests in conversation. Many of my managers assumed that all immigrants, just because we were not from here, were not able to entertain guests, that we did not know the food, that we could not do a good job.

In one of the restaurants that I worked at, I believe the manager thought I was from the Middle East. He used to watch me extra closely, always observing my every move. He made me cut my mustache, and never gave me the opportunity to deal directly with guests even though I had adequate knowledge and ability of the food and service industry. Only the servers were able to deal with guests. This is the type of clear racial and ethnic discrimination that we face as immigrants.

In most places that I worked, it was very hard for me to get a promotion. They really do not see your talent and upgrade it properly, unless you were very close with the manager. Even the employee handbook had nothing about the proper way to get a promotion from say a busser to a runner or a runner to a waiter. One time when I asked for a promotion, the manager told me that I didn’t have any experience to deal with the guests, even though I had been working there for years. Instead, he would only give me a back waiter job on a rotating and on-call basis. But this is not so surprising since the managers and the waiters were all white - I could not be selected or picked because I was not white enough. All the bussers were Bengali and Latino – and I was the only one from Nepal. This is the very common, yet hidden and untold story and pain of people of color. – *Shailesh, Nepali immigrant, Server*



Lack of Training

“Bussers never get to taste the wine or food... Lots of guests...ask me about the food... I can’t answer sometimes because we don’t even know the taste of that food...Only waiters get the pre-shift meeting.”
– Mohammed, Bangladeshi immigrant, Busser

Few restaurants offer either on or offsite training to current workers that would allow learning new skills that might lead to advancement.

According to most employers and workers we interviewed, training in the restaurant industry is both informal and sporadic. More importantly, it is selectively available only to a favored subset of workers. When a worker is first hired, he or she might receive a new-hire orientation, but after that, only certain workers in specific positions receive ongoing, albeit informal, training. If a worker wishes to receive training, they usually must rely on help from higher-level workers via a demonstration or instruction, or via temporary opportunities to fill in that higher position. Therefore, opportunities for training often depend on the good will of higher-level workers to demonstrate or the good will or immediate need of a manager to provide this opportunity or find a temporary substitute. This informal system for availing workers training makes it difficult for lower-level workers to gain needed skills.

When the employers we interviewed spoke about training, they suggested that it was only offered during pre-shift meetings for Tier I front-of-the-house staff, including captains, servers, and bartenders. These workers have the opportunity to participate in wine or food tastings, and are given lessons and quizzes on the menu. Employers agreed that this type of training is essential for those selling food and beverage to guests or interacting with guests. However, rarely are these trainings opened to Tier II front-of-the-house staff and most definitely not to back-of-the-house staff. Most bussers and

runners and back-of-the-house workers we spoke with said there is little or no job-related training – not even upon hire, let alone for on-the-job-growth. The effect of this exclusion is to hinder persons in these lower positions from obtaining the exposure and knowledge necessary to move upward.

Absence of Human Resource Management Practices

“We used to have sort [of a] much more official policy manual many years ago... it was very corporate-oriented which seems absurd for this kind of environment.We’re not a corporation, there’s no 401k. ... It outlined sick days and vacation days. I think we threw it in the trash... We don’t really have any set policy... we’re sort of fudging it as we go sometimes.” – Employer, Fine-Dining

Consistent, uniform, and standardized human resources practices are a rarity in the restaurant industry.

There is a lack of consistent, uniform, and standardized policies in the restaurant industry that guide practices for recruitment, advancement, and other conditions of work. Although it might be impossible or impractical for only the largest and most established restaurants to have human resource departments, most restaurants fail to even adopt and employ standard practices and policies. Therefore, the restaurant industry largely relies on inconsistent, randomly-adopted and enforced policies that tend to favor white workers over workers of color. As one employer explained, *“All good restaurants should have what most hotels have, developing a training manager that can teach you a lot of things besides service, things like sexual harassment... all those things where people should really know how to behave and conduct themselves at work and sometimes managers are not really knowledgeable about these things. There are a lot of things that I don’t know that I would like to know... It’s very easy in this business to get lawsuits.”*

Most restaurants do not have employee handbooks that clearly explain and communicate company policies and procedures.

Many workers we spoke with did not even receive an employee handbook upon first starting the job, and those that did have them said that the contents were often limited to administrative matters, such as required uniforms or the procedure for clocking in and out, but excluded information pertaining to protocols for requesting promotions, evaluations, training, or voicing grievances. Of those employers that do distribute handbooks, verbal orientations on its contents are rare. The absence of employee handbooks both reinforce the casual family structure and marginalizes workers who may not be part of the social networks where there is communication and more access to the employer to learn about the restaurant’s protocols



CHAPTER 6:
A CULTURE OF PERMISSIVENESS & ABUSE

Foodcraft

Since its inception in 2001, Foodcraft has been a true beacon of inspiration for restaurants inside New York City and out. Tom Colicchio’s renowned restaurant group is as admirable for its employment practices as it is for its critical acclaim and business performance.

The management team behind Craft, Craftbar, and Craftsteak believes that the restaurants’ popularity and financial success are in large part due to the commitment and excellence of its employees. While many restaurants follow “low-road” employment practices, short-changing its workers to lower the bottom line, Craft views them as the key to the company’s success. “We want to take care of our employees. That’s our goal and our responsibility,” says Tom Colicchio.

Foodcraft prides itself on its compliance with workplace practices that provide equal opportunities for all of its employees, including standardized recruitment practices, employee evaluations, and protocols for promotions which are outlined in their employee manual. “We encourage hiring from within whenever possible. Weekly, we post the job opportunities available in each of our eight restaurants. If a back waiter decided that he wanted to be a front waiter, he’d make that request known to management. The management then asks, ‘How do we get this person from point A to point B’,” says a manager.

Due to these admirable employment practices, Foodcraft sees a lower rate of employee turn-over than most restaurants – about 1/3 of the employees of Craft have been with the company for 3 or more years. Providing its staff with opportunities for education, training, and promotion have helped Craft to retain a dedicated and loyal staff: an essential ingredient for a successful business.



CHAPTER 6: A CULTURE OF PERMISSIVENESS & ABUSE

The restaurant industry’s fast, non-stop pace distinguishes it from many other industries, revealing a work environment vastly different from that of the typical office. While the constant movement often breeds dynamism seen in very few other industries, this energized atmosphere often results in overt abuse. Both employers and workers spoke about the restaurant as an environment where constant screaming and shouting, profanity, sexual harassment and outright machismo are not the exception but the norm. With little formal structures in place, as those often seen in other more structured environments, a culture of abuse emerges and thrives. While almost all workers in the restaurant industry experience or observe some level of abuse, the brunt of such abuse is expressed in the form of sexual harassment and racial harassment.

I. Sexual Harassment

❗ Sexual harassment is so widespread in the restaurant industry that it is the norm, rather than the exception.

Sexual harassment on the job is widespread in the restaurant industry. Whether verbal or physical, most male and female workers we spoke with in our interviews and focus groups observed, often frequently, incidences of sexual harassment in their workplaces. Though most workers reported instances of sexual harassment by a male worker or manager against a female worker or manager, several workers also spoke about the prevalence of sexual harassment of homosexual male workers. While sexual harassment is prevalent in many industries and in many different types of workplaces, virtually no workers we spoke with were able to deny its prevalence in restaurants. As one focus group participant explained, “*I just feel like [in the restaurant industry] it’s more overt, it’s more accepted, it’s part of the culture.*”

❗ Many employers fail to adequately respond to complaints of harassment, oftentimes ignoring the complainant, or allowing other workers to ridicule or retaliate against the complainant, suggesting a culture of tolerance and permissiveness.

Several women in the focus groups explained that when women resisted inappropriate behavior, their own behavior was scrutinized. For instance, many females in the focus groups said that they commonly heard responses such as “I’m just joking,” or “you’re being overly sensitive,” or “you’re too emotional.” One woman said that she started believing she was being too sensitive, despite knowing she had suffered for years because of harassment. Some women felt that reporting the behavior might “not be worth the confrontation” or they didn’t want to “create waves” or that the backlash from reporting such abuses could result in a negative repercussion such as being given a bad section. Several women stated that when they voiced grievances to some managers, they would in turn suggest they were not cut out for the type of work. As one female cook explained, “*The guys used to sexually harass me and other women working in the kitchen. They would pass vulgar and offensive remarks in front of the chef or manager. And the manager would do nothing. I had to quit my job because of that. Even my managers had no respect for me and would touch me inappropriately.*”

Many women who got the courage to report abuses felt that when they did so, there was no follow-through or repercussions. Oftentimes, in order to appease the victim, the manager might quickly berate the harasser rather than implement systemic, long-term solutions such as providing sexual harassment trainings to all workers, establishing effective complaint or grievance processes, maintaining records of such complaints, and otherwise taking immediate steps to ameliorate the harassment. Similarly, several workers spoke about the discrepancies in punishment in the rare instances that it was taken seriously. In this case, blame was often diverted from management or other workers close with management who were engaging in the behavior entirely to workers of color in the back-of-the-house.

❗ Sexual harassment is often perpetuated from the top down.

Responsibility for taking action against sexual harassment is often entirely shifted from management – where it should be – to the person being harassed. Some managers not only fail to take appropriate action, but very commonly, are themselves the perpetrators of the harassment. In fact, many women we spoke with indicated that in those workplaces where their co-workers engaged in harassing behaviors, managers did so too. Several female workers in our focus groups spoke about their managers inappropriately touching them, making remarks about their body parts to them or to other workers, encouraging them to have a sexual relationship with the manager, encouraging them to demonstrate their sex appeal by wearing tighter clothing or clothing that would flaunt their bodies, wearing more makeup, and flirting with guests. One woman recalled her employer saying, “*Come in something low cut, something sexy baby.*” Another female recounted a similar experience, stating she was sent home for coming in with a turtleneck. When asked what happened when sexual harassment occurred,

one male worker said, “*Obviously management’s not going to do anything about it because it’s management doing it most of the time...It’s huge, and it stems from the top.*”

❗ When sexual harassment policies do exist, few restaurants fail to properly orient and train workers on their contents and few enforce such policies as needed.

Many workers, both male and female, reported a blurred line between what actually constitutes sexual harassment versus those behaviors that did not cross the legal threshold. A few male workers we spoke with admitted that they were not quite sure which behavior was inappropriate versus which behavior was fine. As one male worker stated, “*Sexual harassment; I see it all the time, but it’s never defined or explained what it means.*”

While some restaurant establishments have sexual harassment policies, most workers said there was no orientation on the policy with new staff; there was no training about the policy with current staff; and there were no examples to ‘breathe life’ into the policies. Others said that there was no adherence or enforcement of the policies altogether. As one woman put it, “*They supposedly had a zero-tolerance and whatever, but I say they had 100% tolerance because he [a co-worker] would do it everyday.*”

II. Racial Abuse & Differential Punishment

While discrimination generally takes on a much more subtle and covert form than it might have in the years past, for many workers of color, harassment still marks their experience working in the industry and makes for an unwelcoming and sometimes fearful environment. One Bangladeshi busser recounted a serious experience of blatant racial abuse: “*I was called names... I was body-searched in the presence of the boss... I was accused of sending money to Afghanistan for Saddam Hussein because I am a Muslim... People do not work in this restaurant for long because of the abuse.*”

Lower-tiered workers, especially bussers, runners, dishwashers and porters, reported receiving the worst treatment of all restaurant workers. In describing the treatment of Latino immigrant workers, one Latino server said, “*Everyone tried to spit on them. Because, first of all, they don’t know English to defend themselves, or to even say... ‘Stop it,’... since they don’t speak English well, they treat them like they’re idiots. If you don’t say anything to defend yourself... everybody’s going to keep pushing you until you quit...this is what they do, they quit.*” Similar to sexual harassment, there is little proactive measures taken by management to stop racial harassment, leaving one to fend for him or herself.

Other workers of color, particularly immigrants in the back-of-the-house, often felt that when punishment is inflicted – whether a write-up, termination, or otherwise – it is inequitably applied, or at least without protocol or transparency. In particular, they felt that their employers did not uniformly apply existing rules, most commonly when the worker falls outside of the existing social network that shields many others from punishment. In particular, these workers felt subjected to harsher treatment, noting that when white workers committed even serious offenses, employers often turned a blind eye, refusing to ‘call them out,’ while workers of color were often punished for relatively petty infractions.

As one Latino cook explained, “*Waiters...which are also white... usually the only reason they have been [punished] is for giving food to their friends, I mean serious amounts of food. They were just packing three, four lunches. That’s how far someone on that level has to go to get fired.*” The same worker contrasted this treatment with workers of color such as himself, explaining, “*They started scrutinizing every crumb that we were eating, and I stopped taking food from the restaurant, completely. I wanted to avoid problems.*”



CHAPTER 7: IMPACT & CONSEQUENCES

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I. Consequences for Workers

The restaurant industry’s structure is based upon a clear but unspoken hierarchy between Tier I and Tier II positions. The social hierarchies that characterize work in the restaurant industry greatly impact workers in both economic and non-economic ways. Although these hierarchies have a detrimental impact on the restaurant industry as a whole, they especially marginalize those workers occupying Tier II positions who, as we have stated, are largely workers of color and women.

Discriminatory practices that prevent workers of color and women from being hired or moving into Tier I positions impact these workers in the following ways:

- ❖ **Significantly lower wages.** The probability of receiving a living wage substantially increases as a worker moves from a lower-level, Tier II position to a Tier I position. Furthermore, it is only front-of-the-house Tier I positions in fine-dining that offer a substantial proportion of workers a living wage. Thus, workers in Tier II positions will continue to be deprived a living wage unless these workers are promoted to higher-level positions or the wage scales for all other positions significantly rise.
- ❖ **More time worked for less money.** Interviews with workers revealed that workers in Tier II positions are often required to work more shifts and longer hours to earn the equivalent of what workers in Tier I positions can earn in half that time.
- ❖ **Less access to benefits and perks.** Data from our 2007 survey of restaurant workers of color in New York City restaurants does not indicate an increase in fringe benefits from Tier II positions to Tier I positions. In fact, fringe benefits are usually absent from most positions in the restaurant industry. However, interviews with workers and employers revealed that other incidental benefits and perks are largely dependent on the position. Therefore, workers in Tier I positions often have greater access to management, greater input in decisions, greater opportunities to learn new skills and information, and other incidental benefits to work.
- ❖ **Less opportunity for meaningful advancement.** As explained in detail in Chapter 6, while workers in Tier I positions often advance easily and rapidly to even higher Tier I positions like management, workers in Tier II positions often face significant barriers in moving beyond Tier II positions. Oftentimes, the type of advancement that does exist for workers in Tier II positions is advancement from one lower-level position to the next, (e.g. busser to runner) lateral “advancement” to a different workplace altogether, or advancement that is dependent on very long periods of time worked in a given workplace.

II. Costs to Employers

“There’s a lot of turnover because each time there’s a new position, they don’t take workers in the company to promote them. They just take workers from outside.” – Marie, French immigrant, Server

- ❖ **Discrimination in the workplace, including obstacles to promotion, unfair hiring practices, and harassment, heightens workers’ dissatisfaction and decreases their attachment and loyalty to a given workplace, and may ultimately impose major costs on employers in the form of high turnover.**

The fast-paced environment of the restaurant industry – combined with a high level of transiency in the workforce – often prompts employers to make decisions based on perceived short-term gains, rather than an investment in good policies and practices. Good policies and practices – though perhaps not readily recognized – may increase profitability in the long-run. For example, when employers fail to adopt protocols for promotion, they alienate many loyal and long-term workers who might be qualified to fill such vacancies. This, in turn, may reduce productivity and increase turnover. When employers promote stereotypes based on assumptions about who does and does not “fit” a particular position, they decrease morale and reduce loyalty.

The restaurant industry experiences very high levels of turnover, which inflicts both direct costs associated with recruiting and training new workers and indirect costs in quality of service with the inexperience of new workers. Almost all the employers we interviewed spoke about the importance of keeping staff turnover to a minimum, and the financial

consequences involved when this does not happen. While the existence of high turnover in this industry is widely agreed upon, the reasons for it are not universally acknowledged, although decades of studies have shown that voluntary turnover is strongly linked to the work environment.²⁷ Loyalty to the employer, or organizational commitment, and happiness at work, or job satisfaction, often determine whether an employee will leave.²⁸

A recent study by the Cornell Hospitality Center concluded that “job dissatisfaction leads to lower commitment which leads to intentions to leave which leads to short-term effects (like a negative job attitude) which leads to turnover.”²⁹ According to the study, workers who feel treated fairly will want to treat their employer fairly in return; conversely, workers who feel that they are treated unfairly will go elsewhere in search of better treatment.³⁰ As one worker with years in fine-dining put it, *“If you treat your staff well, they stay... If your staff is making money, they stay. If you give them decent benefits, a nice staff meal, they’ll stay. You don’t browbeat workers.”*

Many workers we interviewed believed that the high turnover rate is largely due to poor working conditions, low wages, and an inability to advance. These workers admitted their own likelihood of leaving a workplace when they believed they were wrongfully withheld an opportunity for advancement. They suggested that the distinct lack of racial diversity across tiers, and the lack of workers of color in those Tier I positions, had an impact on their commitment to a given employer. Therefore, workers also become less attached to an employer as they see a decline or lack in representation of their race, partly because there is little perceived likelihood of advancement.³¹

Most employers interviewed acknowledged the significant costs of high turnover, saying that when turnover is high, so are training costs associated with having to hire new workers. Similarly, the same Cornell study found that a worker newly employed in a given workplace took six months to reach full productivity. This study also found that turnover drastically leads to productivity loss up to 67.7% of the total costs of turnover.³²

Although further research is needed to demonstrate the extent to which discrimination and barriers to opportunity impact business, our interviews with both employers and workers suggest this link.



CHAPTER 8:
BEST PRACTICES FOR RESTAURANT EMPLOYERS

CHAPTER 8: BEST PRACTICES FOR RESTAURANT EMPLOYERS

Recommendations to Employers

Adopting standards around hiring, training, and promotion may have many short and long-term tangible benefits to employers, such as a more qualified and skilled staff, reduction in turnover, and increased profit. Although some employers may recognize that employment discrimination is illegal, many are often unclear about what actions or practices actually constitute illegal discrimination. By adopting standard protocols, such as those outlined below, employers can eliminate or at least minimize conscious or unconscious discriminatory biases and practices, and therefore, reduce their liability.

ROC-NY and the New York City Restaurant Industry Coalition Recommend that Employers:

1. Adopt formal practices for recruitment.

Specifically, employers should:

- ✓ Adopt clear and explicit criteria for each position and vacancy;
- ✓ Utilize structured and uniform tools and processes for interviewing;
- ✓ Avoid sole reliance on subjective methods of hiring, such as word-of-mouth, social network hiring.

2. Provide a formal and transparent protocol for current workers to find out about higher-paying positions.

Specifically, employers should:

- ✓ Post job vacancies of all positions for a certain number of days or until filled;
- ✓ Announce job vacancies to all staff during staff meetings;
- ✓ Indicate relevant information about vacancies, including qualifications required, pay rates, job duties and descriptions of position.

3. Adopt protocols for promotion.

Specifically, employers should:

- ✓ Adopt a standard promotion policy;
- ✓ Publish the promotion policy in employee handbooks;
- ✓ Explain the promotion policy at new staff orientations;
- ✓ Discuss the promotion policy during individual worker evaluations;
- ✓ Post the promotion policy within the workplace.

4. Adopt bi-annual or annual performance evaluations by which all workers may be evaluated.

Specifically, employers should:

- ✓ Develop specific criteria for evaluating performance;
- ✓ Evaluate workers’ needs for further training;
- ✓ Evaluate workers’ prospects for lateral or upward mobility;
- ✓ Involve other workers or managers in the evaluation process;
- ✓ Determine workers’ interest and career goals within the workplace;
- ✓ Provide suggestions for improvement;
- ✓ Maintain records of the evaluations;
- ✓ Regularly utilize such evaluations for consideration of promotion;
- ✓ Avoid sole reliance on “open door policies,” which wholly depends on the worker’s initiative to bring forth concerns, request training or the opportunity for promotion.

5. Provide ongoing training to all workers that can lead to advancement.

Specifically, employers should:

- ✓ Provide company-sponsored training. Studies have repeatedly and unequivocally shown that emphasis on continuous training programs reduces turnover, improves guest service, and, increases profit;
- ✓ Provide cross-training, such as training a busser to wait on guests or training a prep cook to cook on the line. Cross-training can have many benefits including: increased productivity and maintenance of adequate staffing levels; an overall higher number of staff with a myriad of skills; decreased monotony at work; and real opportunities for upward or lateral mobility. If an employer has trained a busser in waiting skills, he/she might have the busser temporarily fill a server’s position when understaffed;³³
- ✓ Make reference materials accessible to all workers;
- ✓ Provide all workers with the opportunity to trail and shadow;
- ✓ Encourage all workers to participate in pre-shift meetings, particularly when wine or food tastings or other opportunities to learn about the menu and specials are involved.

6. Consider current workers to fulfill job vacancies before recruiting from the outside.

Specifically, employers should:

- ✓ Approach current qualified workers after announcing the vacancy;
- ✓ Interview those workers with the potential to fill the vacancy;
- ✓ Maintain records of the interviews;
- ✓ Regularly utilize such interviews – together with performance evaluations - for consideration of fulfilling a current or future vacancy.

7. Clearly explain and communicate company policies and procedures to protect the well-being of all workers.

Specifically, employers should:

- ✓ Clearly communicate that harassment of any form will not be tolerated;
- ✓ Provide regular harassment trainings to all workers;
- ✓ Establish an effective complaint or grievance process and maintain records of such grievances or complaints;
- ✓ Take appropriate and immediate steps as soon as an employee voices a complaint.

8. Permanently enhance job quality by increasing wages and benefits.

Not all workers will be able to move to higher-paid positions. Employers should ensure that workers in all positions can obtain jobs that allow them to support themselves and their families. Ultimately, enhancement of job quality with respect to higher wages and benefits is an essential way to increase productivity and retention.

9. Proactively learn about the laws and regulations governing equal opportunity.

Laws and regulations governing equal opportunity are not always clear and intuitive. Therefore, restaurant employers must understand which practices are legal and which are not with regard to equal employment opportunity and the liability and consequences for engaging in illegal discriminatory practices.



CHAPTER 9: RECOMMENDATIONS TO POLICYMAKERS

CHAPTER 9: RECOMMENDATIONS TO POLICYMAKERS

The Need for Intervention

Our current research demonstrates that the restaurant industry in New York City holds enormous promise as a source of income and jobs for all types of workers, including immigrants and workers of color. Its importance in providing these workers with jobs and potential access to opportunities for advancement is clear. However, our research also demonstrates that workers of color, particularly immigrants and women, are underrepresented in the industry’s only living wage jobs. This shows that genuine opportunities for advancement do not currently exist for all workers equally, barring many from economic self-sufficiency.

While employers must be committed to raising workplace standards in order to have fairness and equality for all workers in this industry, additional public policy measures are also needed to help restaurant employers fulfill the potential of the industry to providing good, locally-based jobs. A commitment on the part of government and regulatory agencies to find ways to level the playing field to support employers who take the “high road,” and enable them to do so, is an equally necessary ingredient to a truly successful New York City restaurant industry.

ROC-NY and the New York City Restaurant Industry Coalition Recommend that City & State Policymakers:

1. Enact a legislative requirement that all employers provide information about job openings in the highest-paid positions, and adopt a uniform promotions policy.

By requiring standard operating procedures for all restaurant employers, policymakers could both formalize career ladders in this growing industry and help ensure a level playing field for employers who do promote from within.

2. Support job training programs that provide free, quality training for all workers, including workers of color and women, to advance within the industry.

Specifically, policymakers should:

- ✓ Provide incentives to employers that provide on-the-job or off-premise training for existing workers and promoting from within.
- ✓ Fund free training programs for workers of color and women to obtain certificates in serving, bartending, wine, and other skills necessary to advance to living-wage positions within the industry.

The Colors Hospitality Opportunities for Workers (C.H.O.W.) Institute

Located at Colors Restaurant, a fine-dining restaurant in the East Village, the CHOW Institute offers free front-of-the-house and back-of-the-house training and certificates to hundreds of low-wage workers each year. While comprehensive job training of this nature allows low-wage workers to advance to living-wage jobs in the industry, there are no other free or affordable quality industry-specific restaurant job training programs for low-wage workers. Most programs are expensive, private trade schools and most focus only on back-of-the-house jobs. The lack of formalized, on-the-job training in this industry keeps many workers of color and women from advancing to higher-paid positions. Moreover, employers who are unable or unwilling to provide in-house job training can choose to send their workers to the CHOW Institute to gain additional, even customized, training designed to increase workers’ skills, confidence, prospects towards promotion – and ultimately, greater financial benefits for the employer. All of these reasons demonstrate the need for the type of formalized and comprehensive job training that the CHOW Institute offers.



3. Proactively and widely publicize and support model employer practices to provide much-needed guidance to other employers in the industry.

The vast majority of employers we interviewed agreed in theory that “high road” workplace practices – including a diverse workforce and promotion from within – were better for both workers and for business. However, many were not implementing such practices.

Specifically, policymakers should:

- ✓ Ensure that the only employers who receive city or state-distributed incentives, such as tax credits or other existing subsidies, are those who agree to comply with a Restaurant Code of Conduct that includes not only legal obligations to their workers, but also ‘best practices,’ that go above and beyond legal practices;
- ✓ Provide monetary or other incentives to employers who engage in high-road practices;
- ✓ Require employers who currently receive public subsidies to adopt high-road practices;
- ✓ Support and facilitate research and the creation of educational materials to help employers understand the benefits of promoting from within and creating a diverse work environment in which all have opportunity for advancement, as well as the negative consequences of failing to provide such opportunities to workers.

4. Protect workers suffering from egregious violations of federal, state and local equal employment opportunity laws.

Specifically, policymakers should:

- ✓ Assist advocates engaged in anti-discrimination campaigns through intervention and mediation, encouraging employers to change their discriminatory practices;
- ✓ Support legislative penalties against employers who violate anti-discrimination laws;
- ✓ Continue to work with advocates to provide free educational materials and events for employers on how to comply with local, state, and federal anti-discrimination laws;
- ✓ Ensure that restaurant employers understand their liability with regard to equal employment laws and the consequences for engaging in illegal discriminatory practices.

5. Publicly support collective organizing among restaurant workers.

Rather than simply providing workers with access to living-wage jobs, policymakers should simultaneously work to improve wages and working conditions for all workers in the industry. Governments, employers, and non-governmental social sector organizations should foster and support organizing among restaurant workers to improve wages and working conditions in their workplaces and publicize the public benefits of these collective actions.

6. Initiate or support further study and dialogue.

Discrimination and occupational segregation is a complex and intricate issue, and is deserving of ongoing discussion and participation from all groups – workers, employers, policymakers – involved and affected. More detailed information is needed regarding the public cost of discrimination and occupational segregation and the true economic profitability of taking the ‘high-road,’ including providing workers with opportunities for advancement.

Endnotes

¹ NYC’s Restaurant Resource for 2000, New York State Restaurant Association, 2000.

² 2009 United States Bureau of Labor Statistics.

³ The adverse effect of being a person of color on annual earnings = \$2,895, 11.6% of the \$24,910 average annual earnings in this sample.

⁴ The adverse effect of being a female on annual earnings = \$5,423, 21.8% of the \$24,910 average annual earnings in this sample.

⁵ The adverse effect of being a non-U.S. citizen = \$2,405, 9.7% of the \$24,910 average annual earnings in this sample.

⁶ National Restaurant Association, *2007 Restaurant Industry Forecast*, (Washington, D.C., 2007).

⁷ Ibid.

⁸ Ibid.

⁹ National Restaurant Association, “National Restaurant Association Releases State-by-State Restaurant Industry Sales, Jobs Forecast for 2007 and Beyond,” press release, 2 Dec. 2006. <http://www.restaurant.org/pressroom/print/index.cfm?ID=1349>.

¹⁰ The Restaurant Opportunities Center of New York, *Behind the Kitchen Door: Pervasive Inequality in New York City’s Thriving Restaurant Industry*, (New York, NY, 2005).

¹¹ Ibid.

¹² U.S. Bureau of Labor Statistics, “Food Services and Drinking Places,” *Career Guide to Industries*, at <http://www.bls.gov/oco/cg/cgs023.htm>.

¹³ Joseph Berger. “The Pizza is Still Old World, Only Now the Old World is Tibet,” *New York Times*, July 31, 2005.

¹⁴ *Behind the Kitchen Door*, 7.

¹⁵ National Restaurant Association, 2006.

¹⁶ *Behind the Kitchen Door*, 6.

¹⁷ Throughout this report, “white” is shorthand for the 2000 Census category of white non-Hispanics, and “persons of color” refer to the Census categories of African Americans/Blacks, Hispanics/Latinos, Asians, American Indians, Native Hawaiians and Pacific Islanders.

¹⁸ The adverse effect of being a person of color on annual earnings = \$2,895, 11.6% of the \$24,910 average annual earnings in this sample.

¹⁹ The adverse effect of being a female on annual earnings = \$5,423, 21.8% of the \$24,910 average annual earnings in this sample.

²⁰ The adverse effect of being a non-citizen on annual earnings = \$2,405, 9.7% of the \$24,910 average annual earnings in this sample.

²¹ These lists encompassed all Manhattan establishments that are: (1) owned by any of 25 well-known Mini-Empires; (2) on the Restaurant & Institutions (R&I) Top 100 List by sales or 75 Multiconcept Operators List; (3) listed in Zagat (2006) under “Most Popular” or “Top 50” for service, décor, or food; (3) listed in Zagat (2006) as participants in Restaurant Week 2006; (3) listed in “Where to Eat 2005,” <http://nymag.com/nymetro/food/guides/wheretoeat2005/10724/>; or (6) listed in the “Platt 101,” <http://nymag.com/restaurants/wheretoeat/2006/15437/>.

²² In 2000 Census data 5.4% of persons of color employed as waitstaff in Manhattan restaurants earned at least \$40,000, as opposed to 70 % of their white peers. Dividing 5.5 by 7.7 yields a rate of achieving this favorable employment outcome 70.0% as high among persons of color as would be expected based on outcomes experienced by whites. By being roughly consistent with 54.5%, the 70.0% confirms the reasonableness of the testing-based estimate for hiring. The difference between 70.0% and 54.5% may reflect lower turnover among workers of color who succeed on obtaining such well-paid positions than among their white co-workers.

²³ To determine a “net rate of discrimination,” we took the proportion of tests in which the tester of color achieved a specified level of success in the application process minus the proportion of tests in which his/her white testing partner achieved the same level of success. By focusing on the difference in success rates between out-group and in-group testers, this measure controls both for “reverse discrimination,” that favors out-group applicants and for random factors that may affect test outcomes. In past testing studies, typical net rates of discrimination on the order of 20% have been derived by subtracting about 5% of tests in which the out-group testers achieve greater success than the in-group testers from about 25% of tests in which the in-group testers fare better than the out-group testers.

²⁴ “Food/beverage/hospitality jobs,” <http://www.newyork.craigslist.com>.

²⁵ William Bielby, “Promoting Racial Diversity at Work, Challenges and Solutions” In A. Brief (ed.) *Diversity at work* (pp. 53-88). Cambridge University Press.

²⁶ Philip I. Moss and Chris Tilly, *Stories Employers Tell: Race, Skill, and Hiring in America* (New York: Russell Sage Foundation, 2001), 246.

²⁷ Joel Rich and Aaron Sorensen, “How to manage undesirable turnover,” *Siegel/Sibson Perspectives* 15, no. 3 (2007): 5.

²⁸ James L. Price, “Reflection on the determinants of voluntary turnover,” *International Journal of Manpower* 22, no. 7 (2001): 600.

²⁹ J. Bruce Tracey and Timothy R. Hinkin, “The costs of employee turnover: when the devil is in the details,” *The Center for Hospitality Research 2006 Report* 6, no. 15 (2006). Original quote is from “Why Restaurant Managers Quit (and How to Keep Them)” by James McFillen, Riegel and Cathy Enz in *Cornell Hotel and Restaurant Administration Quarterly* 27, no. 3 (1986): 38.

³⁰ David A. Jones & Daniel P. Skarlicki, “The relationship between perceptions of fairness and voluntary turnover among retail employees,” *Journal of Applied Social Psychology* 33, no. 6 (2003): 1230.

³¹ “How to manage undesirable turnover,” 3.

³² “The costs of employee turnover: when the devil is in the details,” 8.

³³ According to the Center on Wisconsin Strategy, cross-training is beneficial to both management and employees and is also a useful tool against employee turnover. As a result of cross-training, managers reap increased productivity while being able to maintain adequate staffing level. Moreover, workers benefit from increased job security, decreased monotony at work, higher wages, and real opportunities for upward and lateral mobility as they learn a variety of new skills rather than remaining in one area.



New York City Restaurant Industry Coalition partners include:

Applied Research Center
Bendick and Egan Economic Consultants, Inc.
Brandworkers International
Center for Social Inclusion
Center for the Biology of Natural Systems, Queens College, City University of New York
Center for the Study of Asian American Health at New York University School of Medicine
City University of New York (CUNY) Law School Immigrant Rights Clinic
Community Development Project of the Urban Justice Center (UJC)
CONNECT New York
Hotel Employees and Restaurant Employees' (HERE) Local 100
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Restaurant Opportunities Centers United
Restaurant Owners
Restaurant Workers
Selikoff Center for Occupational and Environmental Medicine at Mt. Sinai
United Food and Commercial Workers (UFCW) Local 1500

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