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Quick-Service and Fast-Casual Restaurant Employees Believe Earned Wage Access Can Help Alleviate Financial Stress





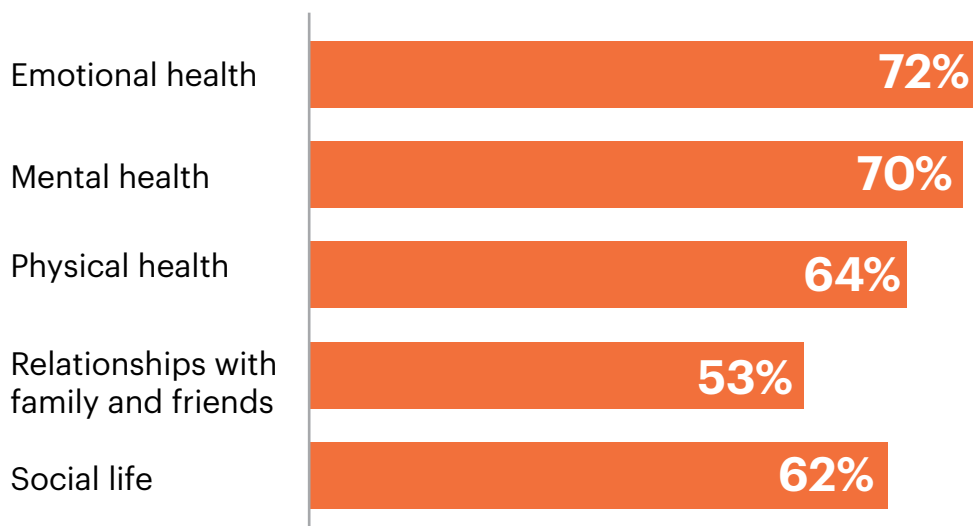
Financial stress is negatively impacting the personal and professional lives of many employees in quick-service (QSR) and fast-casual restaurants, but a majority of them believe earned wage access (EWA) is the answer to alleviating that stress. This underscores the growing expectations employees have for financial support and the potential of EWA to reshape the employer-employee relationship in favor of enhanced financial wellbeing and job satisfaction.

To better understand how employees in this industry can benefit from EWA, DailyPay commissioned a study conducted by YouGov that analyzed the financial state of hourly employees working at quick-service and fast-casual restaurants.

Financial Stress Impacts Emotional Wellbeing and Mental and Physical Health

Two-thirds (66%) of QSR and fast-casual restaurant employees are at least somewhat stressed over their finances. This not only affects their emotional and mental wellbeing, but also their physical health, relationships, and social life.

The majority say financial stress has at least somewhat negative impact on:



QSR Employees Are Cutting Spending and Dipping Into Savings to Cope

A considerable amount of employees surveyed face liquidity challenges, with 38% saying they've had to cut essential spending (e.g. food and medical expenses) in the past 12 months to make ends meet. Here is where EWA strongly emerges as a potential remedy. More frequent access to earned wages and real-time earnings visibility is highly beneficial for employees to better budget and plan their finances.

Financial strategies I used in past 12 months

Which of the following have you done in the last 12 months, or would you consider doing in the next 12 months? Select all that apply.

Cut discretionary spending (e.g., entertainment or dining out)	42%
Cut essential spending (e.g., food or medical care)	38%
Take money out of savings to cover an expense	38%
Find additional sources of income	37%
Sell something	34%
Ask for financial help from family, friends, or local community resources	33%
Skip paying a bill or pay less than owed on a bill	33%
Look for a new job	31%
Incur interest on a credit card	29%
Incur an overdraft fee on your bank account	27%

Financial Stress Impacts Job Attendance, Performance and Satisfaction

Employers are increasingly recognizing the impact of financial stress on their workforce and are implementing various support mechanisms, such as financial wellness programs, to help alleviate some of these pressures. Employees say financial stress not only impacts their personal lives, but their professional lives as well.

Employees say financial stress has at least a somewhat negative impact on:

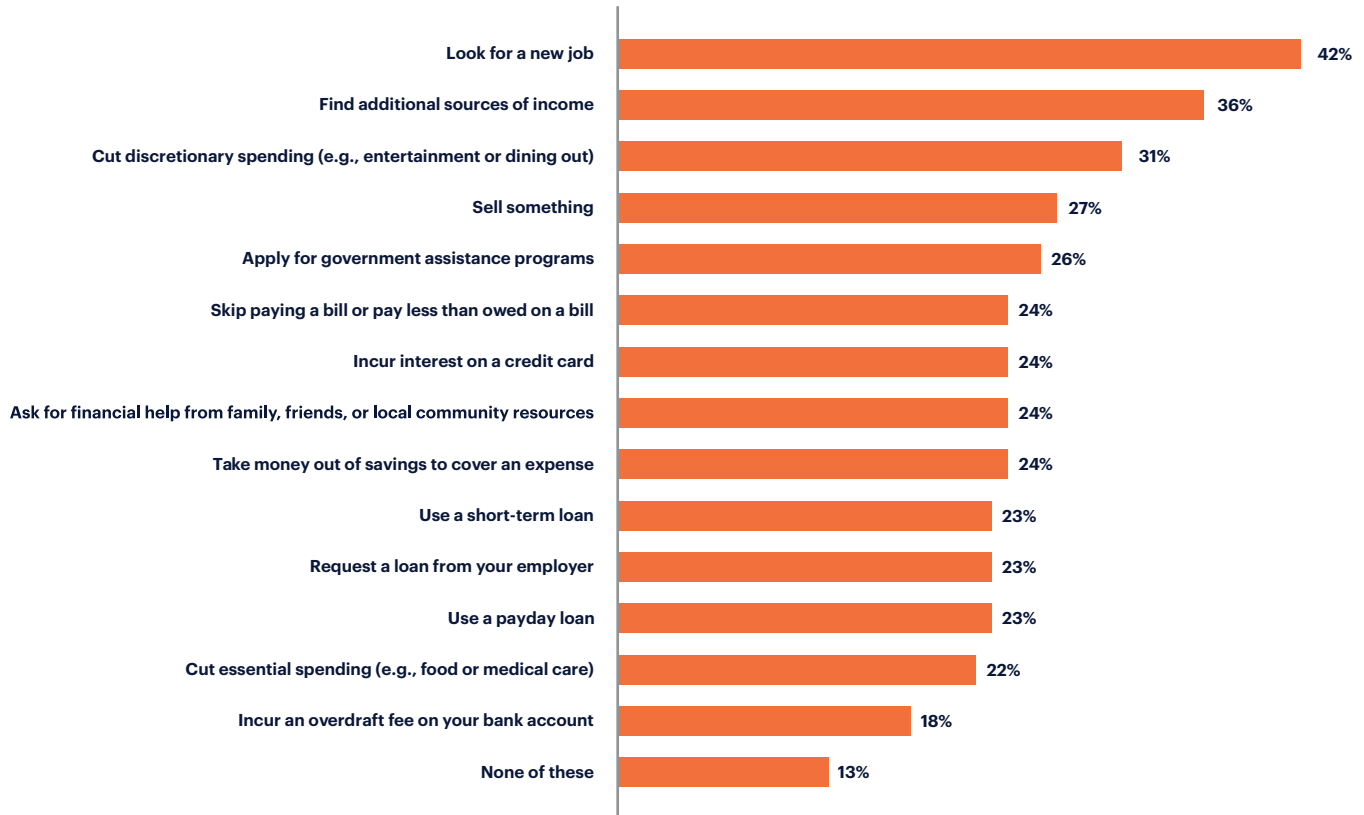
- Attendance (34%)
- Job performance (39%)
- Job satisfaction (58%)
- Relationships with co-workers (39%)



QSR Employees Are Considering New or Additional Jobs to Manage Their Circumstances

To make ends meet in the next 12 months, 42% of employees surveyed say they will consider finding a new job in the next year. With the rising cost of housing, consumer goods, and inflation, coupled with economic uncertainty, cash liquidity has become more important than ever in the lives of employees. Indeed, 49% of those surveyed said they would be very or somewhat likely to consider leaving their current employer for another employer that offers EWA.

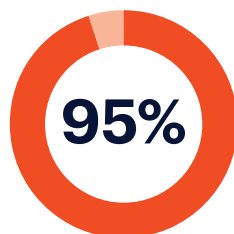
Financial strategies to consider using in next 12 months



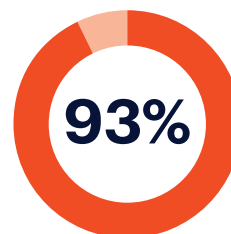
How EWA Can Reduce Employee Financial Stress

Earned wage access is not a new concept to most QSR employees, as 73% surveyed said they are aware of EWA services and 72% say the concept of EWA is somewhat or very appealing.

A majority of current and former users have used EWA to track their pay and access their pay on their own schedule.



say they've used it to access their earned pay before payday



say they've used it to track/monitor their earned pay

Earned wage access can significantly reduce financial stress by providing employees with visibility and immediate access to their earned pay, addressing two critical aspects of financial management: liquidity and financial planning.

Just the prospect of EWA significantly influences employees’ perceptions of their employers and job satisfaction. Nearly half (49%) said early access to earned wages would enhance their view of their employer and 53% said it would improve overall job satisfaction.

Aside from improving job satisfaction and work motivation, EWA can alleviate at-home stress related to finances. Fifty-six percent say getting paid more frequently at work than they currently do would be very or extremely beneficial to them, and 54% say being able to see how much they have earned in real time would be very or extremely beneficial.

QSR Employees Believe EWA Will Reduce Financial Stress With Visibility and Access to Earned Pay

Earned wage access offers a variety of benefits to employees that directly enhance financial wellbeing and job satisfaction. By enabling immediate access to earned but unpaid wages, EWA improves employees’ ability to pay bills on time, to deal with unexpected expenses, track finances, save more income, and more. This fosters better financial planning and budgeting, and empowers employees with the knowledge to make informed financial decisions.

Benefits to Me

Which of the following benefits have you experienced by using an on-demand pay service?/ Which of the following do you see as potential benefits of using an on-demand pay service?

	All	ODP Users	ODP Non-Users
Ability/Able to pay bills on time	44%	40%	47%
Ability/Able to deal with unexpected expenses	41%	37%	44%
Helped/Helps me confirm my hours are being paid properly	41%	35%	44%
Freedom to choose when to be paid	39%	36%	41%
Reduced/Reduce financial stress	39%	35%	41%
More easily tracked/track my finances	37%	35%	38%
Reduced/reduce cash flow problems	36%	33%	38%
Ability/Able to save more income	33%	32%	33%
Reduced/Reduce reliance on payday loans or high-interest advances	25%	30%	22%
I have not experienced any potential benefits/I am unable to identify any potential benefits	6%	2%	8%
Survey respondents	688	262	426

Offering EWA Can Help QSR Companies Improve Employee Sentiment and Retention

Earned wage access also enhances the employer-employee relationship because it signifies an employer’s commitment to the financial health of their workforce. This can lead to increased employee loyalty, lower turnover rates, and a more engaged, productive workforce.

Benefits to Employer

Which of the following benefits have you experienced at work by using an on-demand pay service?/ Which of the following do you see as potential benefits you may experience at work by using an on-demand pay service?

	All	ODP Users	ODP Non-Users
Motivates me to work	50%	50%	50%
Encourages me to take extra shifts each month	47%	46%	47%
Motivates me to stay longer with my employer	43%	44%	43%
Makes me feel like my employer cares about my well-being	40%	39%	40%
Encourages me to take less time off	36%	41%	33%
I have not experienced any potential benefits/I am unable to identify any potential benefits/ I am unable to identify any potential benefits that I may...	12%	5%	17%
Survey respondents	688	262	426

Top benefits of EWA vary based on users’ needs, but 40% of EWA users in the industry said they were able to pay bills on time and 37% were able to deal with unexpected expenses thanks to the benefit.

Even among non-users, the ability to access pay early is appealing (68%). Forty-two percent of users and non-users alike say EWA would be extremely or very important when looking for a new job, and 49% would be very or somewhat likely to consider leaving their current employer for another employer that offers on-demand pay. This highlights the significant value and appeal of EWA, underscoring its role in enhancing financial control for employees and how important it is for employers to consider it an essential piece of their benefits packages.



Conclusion

Earned wage access is no longer a novel concept but an established and essential tool in the QSR and casual FSR industry. Its adoption can lead to numerous benefits for both employees and employers. Employees gain much-needed financial flexibility and security, leading to improved emotional well-being, job satisfaction, and performance. Employers, in turn, benefit from higher employee motivation and retention, fostering a more engaged and productive workforce.

Ready to Learn More About Earned Wage Access?

[Speak to a specialist](#)

Methodology

YouGov conducted a 10-minute online survey on behalf of DailyPay, surveying 688 quick-service and fast-casual restaurant employees (e.g. cashiers, cooks, kitchen staff, counter staff, delivery staff, servers and drive-thru attendants) in September and October 2023.