



INSIGHT

SPRING 2022



Independent Hardee's Franchisee Association 4919 Lamar Ave. • Mission, KS 66202



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About the IHFA

IHFA was founded in 1997 to provide a unified voice for Hardee's' franchisees. While serving as a resource for franchisees of all sizes and locations, IHFA provides input and feedback to Hardee's' Foods Systems. Today the IHFA provides input into Hardee's' operational decision-making, including the successful launch of the Thickburger' in 2003.

Calendar of Events

IHFA Convention & Tradeshow September 26-28, 2022



The Independent Hardee's® Franchisee Association

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SUMMER 2022

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2022 IHFA Fall Convention & Tradeshow

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THE PRESIDENT'S INSIGHT



Jack Kemp Tampa, FL

Dear IHFA Members,

As Spring approaches and young people are graduating from high school and college, it is a time to reflect on our achievements, look ahead and to plan for our future.

As you know, we recently surveyed our membership to see how your financial health is faring during this tumultuous time in our brand. We all appreciate that there are macro economic factors that are creating headwinds in an already difficult environment. Between staffing shortages, supply chain issues and transitions within the brand, it is critical that we learn from the

past and be prepared to adjust as needed to navigate the future.

Here are some things the IHFA Board of Directors is doing to monitor and advocate for our collective best interests as Hardee's franchise owners.

Membership Survey. It may be reassuring - or frightening- to know that many are in the same place with respect to operating at reduced hours and with fewer employees. We have shared the results of the survey with Ned and his senior leadership team, and we will continue working with them to find a win-win solution for the brand as well as for individual franchisees.

Push for Simplification. We believe that our brand has the best food in the segment, and it's served by some of the hardest working and most dedicated professionals. We also know that some of the things we do create unnecessary strain our most valuable asset - our team members. We are working with our franchisor partners to innovate - to simplify - across the gamut of what we do from packaging, to builds, to menu items as a whole. Please do not be shy about sharing your thoughts as it relates to simplification.

Advertising. Several board members met with Chad Crawford and the 72andSunny reps in Nashville in May to discuss creative evolution. As mentioned above, we have the best food in the segment, and we need to loudly and proudly tell that story in an attention-grabbing way.

Board Meeting & CKE. In June, the IHFA will be meeting as Board in Nashville in order to spend time with Mr. Lyerly and his senior leadership team. In addition, the Operations and Marketing Committees will be meeting and there will be an opportunity to see the AI platform solution in play.

In addition, we are planning for the upcoming 2022 Convention and Tradeshow in Nashville. This will be a time to meet with CKE, learn of updates and adjustments, and network with one another. I hope you will make plans now to attend September 26-28. Watch your email for the registration and details coming soon.

Sincerely,

Jack Kemp **IHFA** President

2022 IHFA CONVENTION & TRADESHOW September 26-28, 2022

Make plans to join us in Music City, September 26 – 28 for the 2022 IHFA Convention & Tradeshow. The Renaissance Hotel Nashville hosts this year's event and who could ask for a better backdrop than the city best known for country music, professional sport teams and as being home to CKE!

We are working closely with CKE leadership to provide an informative platform for discussions around the future of the Hardee's brand and best practices of your fellow franchisees.



It's been a whole year, so we will kick off the convention on Monday, September 26th with a Welcome Reception featuring local country talent, signature cocktails and long-overdue networking. The reception will end around 7:30pm so you will still have time to venture out for dinner and fun.



Though the specifics haven't been set, Tuesday, September 27th will consist of CKE General Session Updates and the IHFA Membership Meeting. Additionally, we are exploring topics for franchisee breakout sessions. If you have a



topic you would like to recommend, we would love to hear from you. Email us at ihfa@ihfa.com with your suggestions.

Tuesday will wrap up around 5pm, again leaving you plenty of time to take advantage of all that is Nashville. Broadway is just a few steps away with the Ryman Auditorium and Tootsies Historic Saloon right around the corner. You cannot get closer to the action!



Wednesday is currently set to begin with a 8am Mimosa and Bloody Mary Brunch inside the Tradeshow where the IHFA Associate members will be available to meeting with you. We will be working with them on creating a lively experience with giveaways and prizes that are sure to wake you up and start your day.

The day will continue with more General Session facetime with CKE and IHFA leadership with potential outings, tastings and activities (yes, we may have looked into line dancing lessons!) taking place later in the day. As usual, we will plan to wrap up a successful con-

vention with the Celebration Reception and Awards Dinner. Paying homage to the accomplishments of 2021-2022 and learning the long-awaited results of the BISCUIT CHALLENGE!

You will not want to miss this amazing opportunity to meet with your peers your FRIENDS - in one of the most exciting cities in the world.



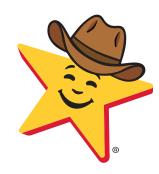


All you have to do is:

Register! (Book your hotel and travel)

Encourage others to attend.

Get ready for a great time in Nashville!





COMMITTEE UPDATES



MARKETING COMMITTEE UPDATES

by Jerry Allsbrook, Co-Chair

Hardee's new APP & MY REWARDS Loyalty program are LIVE and building our customer database.

Our goal is to increase sales and transactions with higher visit frequency, average check and direct one-one engagement.

Make sure your restaurant teams are prepared to serve our digital guests and encourage your current loyal guests to sign-up and become MY REWARDS members; they will benefit with quicker service and more savings opportunities. Make sure you have all POP posted with QR codes to increase awareness and easy downloads. App users are heavy QSR users and have a higher than average check on each purchase cycle.

Our Digital RoadMap is one of the primary "Sales Accelerators" for 2022 and beyond, and it's already driving sales with 3PD (Door Dash, Uber Eats, etc.), Mobile/Web Order Ahead and digital media channels (Search, Social, Mobile). The APP/LOYALTY will reach the heavy QSR customer where they live – which is on their multiple screens.

Marketing Window 4 (May 18-July 5) is our exciting national promotional partnership with the summer blockbuster movie from Steven Spielberg, "Jurassic World Dominion." It is our next network cable media event and will promote a new breakfast biscuit & burrito plus a meat-on-meat Thickburger with a special sauce. This dual daypart promo with strong shared brand equity from the star-studded movie will put us on the map with QSR frequent guests to begin the summer.

W5 (July 6-August 9) will also be a network cable media event focused on building our hand-breaded chicken sandwich platform with possible new LTO flavors. There are several exciting products in test to make this a strong summer promo to continue building equity.

W6 (August 10-Sept 20) will be a Hardee's Co-op/Local Value Promotion during the back-to-school

season. Value offers and everyday value platforms for both dayparts will be an important

marketing message in this world of high inflation and share of visit battles. Hardee's must improve our affordability to heavy QSR guests to earn those extra visits.

W7 (Sept 21-Oct 25) will be our final network cable/national event of 2022. It will promote a bring-back Thickburger meaton-meat classic that will also include a Biscuit & Burrito in the AM. The perfect hot and tasty comfort food for the Fall season.

There are several major tests being conducted across the system to identify successful future promotional events. These will determine the end of 2022 and early 2023 marketing calendar.

The Marketing Committee is committed to deliver results in '22:

- #1 Improve our Advertising to appeal to the heavy QSR customer = Increase Transactions
- #2 Optimize Network & Co-op Hybrid Media Plans to reach our target audience
- #3 Build a strong pipeline of innovative LTO, New products & Core faves + Manage Menu to improve SPEED
- #4 Promote a Value Platform that drives traffic and frequency of visit at both dayparts
- #5 Build Hi-Lo Marketing Calendar with dual daypart winners to balance our media events
- #6 Monetize E-Commerce marketplaces and digital media channels "THE Sales Accelerator '22 and Beyond"

"FEED YOUR HAPPY" AND CELEBRATE THE CONTINUATION OF THE HARDEE'S COMEBACK!!



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INSTALLATION
SURVEYING





by Bob Larimer, Co-Chair

Drive Thru Ordering Goes Artificial

CKE, along with several franchisees, are starting to test artificial intelligence ordering in several drive thrus across the brand. What is (AI) artificial intelligence? AI is the leveraging of computers and machines to mimic the problem-solving and decision-making capabilities of the human mind. They are systems that think and act like human beings.

Another aspect of AI is called Machine Learning. What is (ML) machine learning? ML is a branch of artificial intelligence (AI) and computer science which focuses on the use of data and algorithms to imitate the way that humans learn, gradually improving its accuracy.

In this article I will describe the testing being done with AI and ML and how it can impact our brand in a positive way. I will also give my thoughts on the AI that is currently running at the Franklin #1 location from a recent trip I took to review the solution.

CKE and the franchisees are testing multiple vendors that offer an AI ordering solution. Some of the vendors we are engaged with and testing AI are Valyant, Presto, Xenial, and Open City. The goal of the testing and evaluating is to provide at least two vendors that are integrated with our POS systems so you can choose best of breed solutions for automated ordering.

How does AI work? The solution is in the form of a computer that is plugged into the headset system and the menu board loop. The customer arrives to the Drive Thru and is greeted by the AI voice (which sounds very human). The customer places their order and the AI solution guides them through the ordering process. Below is an example of how the conversation may transpire:

Al- "Welcome to Hardees, how may I get you started?"
Customer- "I want a number 2 combo."
Al- "What size combo would you like?"
Customer- "Large, please."
Al- "What side would you like?"
Customer- "Fries."
Al- "What beverage would you like?"
Customer- "Coke Zero, please?"
Al- "Does this complete you order?"
Customer - "Yes."
Al- "Would you like to add an Apple Pie to your order?"
Customer- "Yes, please."
Al- "OK, I have a large number 2 combo with fries, a Coke Zero, and an Apple Pie. Please pull forward."

Looks like a standard order, right? Well, that is how AI should be regarded from the customer viewpoint. They may



sense they are speaking to a computer, but if the order process is seamless and their order is accurate, they will be satisfied.

The AI order flow is very natural and is injected into the POS when ordering is complete. The customer can ask about how a product is prepared, can add or remove condiments, or can change an order during the ordering process. If the AI solution cannot determine what a customer is asking or it becomes confused, the AI will transfer the ordering process to a traditional cashier or manager to complete the ordering process.

AI uses "speech to text" and "Natural Language Understanding" to identify frequently used words and terms and will map those words and terms to Hardee's products and condiments. Our menu seems simple, but with most Quick Service Restaurant ordering processes, it is quite complex. Regional dialects, traffic noise, cadence of customer voices, and the many ways for customers to order makes AI ordering very difficult to perform at a 100% accuracy rating. This is the reason you must have a cashier available (especially in the early stages) to intervene when the AI solution needs to transfer a customer. This is accomplished via the headsets by alerting the cashier that the AI solution is getting ready to transfer the customer. The longer a solution is implemented in a restaurant the more Machine Learning will occur and the more the accuracy rating will increase.

So how can AI ordering help the Hardee's brand? AI can take the large portion of orders which would allow a cashier to concentrate on other tasks involved in order completion. AI will always be friendly, it will always suggestive sell, and it should increase order accuracy since it is injecting the order directly into the POS.

AI ordering could become a tool that can help run your restaurants more efficiently. It will probably not replace a full restaurant position, but it can help fill in the gaps and allow you to save some amount of restaurant payroll. As AI ordering learns and is enhanced, it should become an added asset to your restaurant Operations. The IT Committee will continue to test and evaluate AI and we will hopefully have a system with the option to install in your restaurants by year end.

BISCUIT CHALLENGE



Hardee's BISCUER 2022

We Proudly Salute Our Regional Competitors!



Crystal Link - BNE



Charles Williams – RMC



Gene Jackson – SaddlePeak



Jennifer Gray - J&S Restaurants



Madison Wheeler – John McGinnis



Martha Mahaffey - Mountain Star



Rita Donald - CKE



Leola Robinson - Diamond Group



Sherry Schwabe Phase Three Star



Zack Jones
Capstone Restaurant
Group



Amber Burgess OTAC



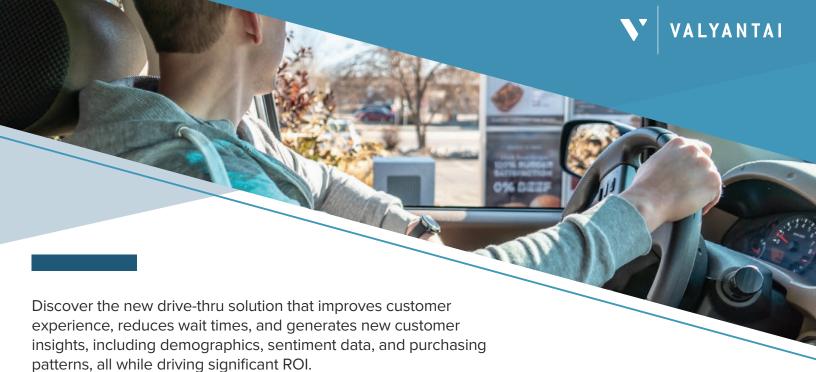
Sharia Madina Starcorp



Savannah Crew Jon Munger Group

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To sign up and get started, visit signup.valyant.ai



Thank you to our Associate Members













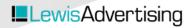


























FRANCHISEE NEWS



Kicking Cancer to the Curb, Mora, MN

In March 2022, Hardee's of Mora, MN raised over \$1,200 for a local non-profit organization, Kick Cancer to the Curb, who provides financial assistance to cancer patients going through treatment in their county. Mora Hardee's has raised nearly \$9,000 over the past several years, making a huge impact in their local community!





DORO, Inc. and The Presley Group Wisconsin Walks to End Epilepsy

For over 20 years, Wisconsin Hardee's have been a Platinum Sponsor of Wisconsin's Walks to End Epilepsy. In a combined effort between DORO, Incorporated and the Presley Group, each year Hardee's serves hot lunch to all participants and volunteers in 5 major cities across the state! Epilepsy affects 50 million people worldwide, with almost 500 new cases reported everyday, and causes up to 50,000 deaths annually. The Hardee's across Wisconsin are proud to support the Epilepsy Foundation's efforts to End Epilepsy.



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Don't forget to visit us at the IHFA Convention in Nashville September 26-28, 2022!

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AND WE LOOK FORWARD TO GROWING YOUR BUSINESS TOGETHER.

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Have something to share? Proud of your success? Let us know!

Contact IHFA@IHFA.com for submission details.



STAR UNIVERSITY



CKE launched the **NEW** Star University Learning Management System (LMS) late April and discontinued use of Star Academy May 1st. With the benefits of a robust system designed to provide greater capability, comes change. CKE worked with IHFA Training Committee members to receive input on the content of the program. Although there were challenges with the execution of Star University, The IHFA HR committee and training team members provided input to the CKE Star U Global Learning & Development team to make appropriate adjustments. We are working together, and we have been able to identify areas which required more clarification, updates, job aids and education specific to functionality, account management and user capability for you and your businesses. We will continue to work closely with CKE's Star U Global Learning and Development team to improve the process and provide input. As a result, our IHFA franchisees are beginning to adapt to Star U while moving forward to make learning happen in an engaging way.

Star U gives you access to more reporting, refreshed Crew Station Courses and a NEW Manager in Training program with eLearning content and printed support materials. Since the launch, CKE has reported these stats:

- Over 38k Unique Logins
- 29300+ Course completions of the Window 4 Limited Time Offer (LTO) content
- o 6100+ Course completions of Olo/Loyalty/Mobile Ordering content
- o 7700+ Course completions of the new Manager in Training (MIT) program
- o 6023+ Course completions of the refreshed Station Courses

The Global Learning & Development team is offering Virtual Office Hours-Star University training sessions for all Franchisees' General Managers and Above Restaurant Leaders. June sessions will be offered June 14, 15 and 16 starting 2pm CST which is 3pm Eastern Time. July sessions will be offered July 13, 14, and 15 respectively. The purpose of this live Zoom call is to review tips and tricks for navigating and utilizing the new Learning Management System. To participate, you must register for any of the sessions. We highly encourage your Restaurant General Managers and Above Restaurant Leaders to participate in one of these sessions. If additional sessions are needed, please contact Michelle Sermon, the Vice President of Global Learning and Development and Inclusion at CKE. Michelle can be reached at msermon@ckr.com.

Thanks to all of you and your teams for your feedback and support during the launch of Star U. Our team members and restaurant leaders will be better positioned to *feed their minds* and drive momentous results in our restaurants, as we continue to train great employees.

With any questions regarding the CKE learning content (curriculum) or StarU LMS system, please contact <u>StarU@ckr.com</u>. Feel free to contact Kathy Trusch, co-chairman of the IHFA committee for assistance <u>kathytrusch@boddienoell.com</u>.





NEW MEMBER SPOTLIGHT

Introducing Frank Heath - IHFA's Newest Board Member

Mr. Frank Heath was appointed by the IHFA Board of Directors to fulfill the remaining term of Bryan Haas who recently sold the family Hardee's business.

Mr. Heath started his restaurant career with Taco Bell Corp in 1991 in the corporate real estate department, where he selected new sites and completed new unit financial valuations. Heath then moved to the Acquisitions and Divestitures group, where he developed the financial valuation model used by the company to price the sale of 75% of the company's corporately owned restaurants.

Thereafter, Heath negotiated and sold bundles of markets and restaurants to individual franchisees. This transaction experience empowered Mr. Heath In 1999 to begin acquiring restaurants within various closely held, private partnerships. In total, Mr. Heath has been the "deal maker" for over one-third of a billion dollars in restaurant transactions, with a cumulative IRR in excess of 50%. Mr. Heath currently owns 21 Hardee's restaurants.

Heath was employed as an econometric statistical modeler prior to his restaurant career, and holds a BS in Marketing from Auburn University, and an MBA (Finance) from Emory University.

Mr. Heath will utilize his expertise as he serves on the IHFA Marketing and Facilities Committee. We welcome his fresh perspective and wealth of experience.



Frank Heath

New Program to Assist Employees with Financial Hardships

by Kathy Trusch

The Shining Star Foundation was created by the CKE organization to assist team members who face unforeseen events that creates financial hardship. Since the first \$1000 grant presented in July 2020, over one hundred grants have been awarded to team members and a half million dollars has been raised! The stories of recipients are countless from a person who loses their son and mother in the same week to a lightning strike that leaves a team member's home in ashes. The foundation's mission to "help team members in their time of need," has withstood many challenges of the last two years and provided a way to give back to team members to let them know they are cared for and appreciated. After the foundation was created, Star Corp tested the program for our franchisees.

This year, the very first Franchisee was welcomed as a Shining Star Foundation Member of the Board of Directors. Our very own Paula Miller, Star Corp Recruiting and Training Director has partnered with the foundation to engage, learn, and lead with her voice. As a result, she will help to expand the program to other franchisees in the extremely near future.



"We ask for weekly donations from all of our staff of \$1 per paycheck, as well as have a round-up campaign one period per year where we ask our guests to round up and donate to the foundation," Paula says. "It's an opportunity for our employees to help their fellow team members when they are in need and to make sure the foundation would be there for them if they ever needed help."

The Shining Star Foundation has gained momentum thanks to contributions from all its supporters. As a result, the grant size recently increased to \$2000 to provide even greater financial assistance to team members. The goal to achieve a \$5000 grant award in the future is inevitable. If a Hardee's franchisee would like to become a member of the Shining Star Foundation they will need to provide a resource for funding the grants their employees would be awarded. Other companies with similar programs has introduced this benefit during new hire employee orientation and allowed them to voluntarily contribute a dollar per paycheck just as Star Corp. To learn more about this foundation, please visit www.CKEShiningStar.org. If you are interested in becoming a participating franchisee, please email Andrew Robinson at ARobinson@ckr.com for information.





The SESCO Report

Volume MMXXII, Issue 2

Your "Human" Resource Since 1945

March/April 2022

Are You Providing Effective Employee Relations?What's the Answer?

Employers are in agreement that today's employees are less conscientious about their work and are not as loyal to their employer as they were a generation or two ago. Many of the calls and complaints from clients we work with are related to the lack of motivation in their workplace. Subsequently, a great deal of attention is given to employee motivation to include numerous books, motivational seminars and surveys. So, what's the solution?

Many organizations are trying to provide or create motivation by attempting to give employees what **they** think they want from their jobs rather than what the **employees really want from their jobs**. This thinking is verified by a recent survey which asked a great many managers to rank, in order of importance to <u>workers</u>, 10 factors that affect their morale.

The answers given by **managers** were ranked as:

- 1. Good wages
- Good benefits
- 3. Job security
- 4. Promotion opportunities
 - omotion opportunities

Inside This Issue

- 5. Good working conditions
- 6. Ample time off for personal reasons
- 7. Good training
- 8. Appreciation of work
- 9. Sympathetic help/leniency for personal problems
- 10. Effective leadership

To benchmark these answers by managers, the following answers have been given by 396,000 **employees** who have taken SESCO's Employee/Management Satisfaction Survey:

- 1. Appreciation for work done
- 2. Feeling "in" on things
- 3. Fairness/no favoritism
- 4. Job security
- 5. Good benefits
- 6. Good wages
- Promotion and growth opportunities
- 8. Good working conditions
- 9. Effective communications
- 10. Sympathetic assistance on personal problems/flexibility

Obviously, the results are quite different when you ask managers what employees want vs. what employees really want. Therefore, it is suggested that your organization consider conducting an Employee Opinion/Attitude Survey to determine how your employees really feel about your organization. Your prosperity and future operating freedom may depend on the answers. Contact SESCO to plan and schedule this important communications program as more than ever, you

must attract and retain a highly motivated workforce to be successful in today's challenging and competitive environment.

Interviewing and Legal Considerations

Interviews and other aspects of the hiring process have come under increasing scrutiny since the passage of legislation covering equal employment and privacy issues. While interviewing remains an essential tool in assessing a candidate's qualifications for the job, companies need to make sure they do not violate the person's protected rights.

Many of these protected rights are contained in Title VII of the Civil Rights of 1964. The Act prohibits employers from discriminating against applicants on the basis of sex, religion, national origin, race, or color unless one or more of these facets is a bona fide occupational qualification. The Civil Rights Act of 1991 expanded Title VII by adding the right to a jury trial and providing for compensatory and punitive damages ranging from \$50,000 to \$300,000. If a company loses a discrimination case, it could be stuck with back pay, re-instatement, attorneys' fees, and possibly punitive damages (which are capped) and

See "LEGAL CONSIDERATIONS," page 2





LEGAL CONSIDERATIONS

compensatory damages (which are not capped).

Essentially, discrimination is not allowed based on race or color, national origin, religious affiliation, sex, marital status, parental or potential-parental status, age, physical or emotional handicap or disability, whistle-blowing, or sexual orientation. Homosexuals are not protected by federal law, but some state laws prohibit discrimination against them. Exceptions to the above can generally be made only if you can show that the exception is a bona fide occupational qualification (such as model for women's shoes).

The following information includes interview tips and questions to prevent discrimination during the interview process and other information to help our clients stay within the law in their hiring and recruitment practices.

EEO Quiz

- 1. How will you get to work? Legal Illegal 2. Can you work on Sundays? Legal Illegal ___ 3. What languages do you speak and write fluently? Legal ____ Illegal _ 4. Can you work overtime? Legal Illegal 5. Are you a member of any clubs, societies or lodges? Which ones? Illegal 6. Have you ever been arrested? Legal Illegal
- Have you filed any workers' comp claims in the past?
 Legal ____ Illegal ____
 Were you in the military?
 Legal ____ Illegal ____
 Are you physically able to do this job?
 Legal ____ Illegal ____
 Can you pass a physical?
 Legal Illegal

Answers: 1) Illegal; 2) Legal (if the individual is to be scheduled to work on Sundays); 3) Legal (if your organization serves non-English speaking customers); 4) Legal; 5) Legal (for staff that will promote the organization in these clubs, etc.); 6) Illegal (only can ask and act upon convictions); 7) Legal; 8) Illegal; 9) Illegal; 10) Legal (share the job description and physical, mental and sensory requirements of the job); 11) Illegal

The 10 Employment Laws Every Manager Should Know

7. Are you legally able to work in the

Illegal

U.S.?

Legal

Federal employment laws govern many issues. It's important for managers to know the basics of how to comply with these laws. Here's a list of the top 10 most important federal employment laws:

1. Job discrimination. Title VII of the Civil Rights Act of 1964 prohibits you from discriminating in hiring, firing or pay based on a person's race, religion, sex or national origin. It also prohibits sexual harassment.

Action: Treat all employees and applicants equally, without regard to their race, religion, gender or any other characteristics not related to job performance. Demand the same from anyone you supervise and don't tolerate any kind of harassment.

2. Overtime/minimum wage. The Fair Labor Standards Act (FLSA) is the nation's main wage law. It sets the federal minimum wage (many states have higher minimums) and requires time-and-a-half overtime pay for hourly employees who work more than 40 hours in a workweek. The FLSA also limits the hours and type of duties that teens can work.

Action: Always pay employees above the minimum wage and pay overtime when applicable. Contact SESCO to conduct an audit to determine which positons are due overtime.

3. Family leave. The Family and Medical Leave Act (FMLA) says eligible employees – those with at least a year of service – can take up to 12 weeks per year of unpaid,

job-protected time off for the birth of a child or adoption of a child or to care for themselves or a sick child, spouse or parent who has a "serious" health condition. The FMLA applies to organizations with 50 or more employees.

Action: When employees request leave, listen for requests that would meet the FMLA criteria. Employees don't need to use the words "FMLA leave" to gain protection under the law.

4. Age discrimination. The Age
Discrimination in Employment Act
says you can't discriminate in any
way against applicants or employees older than 40 because of their
age.

Action: Never take a person's age or proximity to retirement into

See "10 EMPLOYMENT LAWS," page 3



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10 EMPLOYMENT LAWS -

account when making decisions on hiring, firing, pay, benefits or promotions.

5. Disability discrimination. The Americans with Disabilities Act (ADA) prohibits job discrimination against qualified people with disabilities (i.e., those who can perform the job's essential functions with or without a reasonable accommodation).

Action: Never immediately reject applicants because you think their disability would prevent them from doing the job. When hiring, stick to questions about the applicant's ability to perform the job's essential functions; don't ask questions that would reveal an applicant's disability.

6. Military leave. The Uniformed Services Employment and Reemployment Rights Act (USER-RA) makes it illegal to discriminate against employees who volunteer or are called to military duty. When reservists return from active duty tours of less than five years, you must reemploy them to their old jobs or to equal jobs.

Action: Don't challenge a returning reservist's bid to get his old job back; courts typically side with employees in USERRA disputes.

7. Gender-pay differences. The Equal Pay Act (EPA) says employers can't pay female employees less than male employees for equal work on jobs that require equal skill, effort and responsibility.

Action: Review all pay scales to identify possible equal-pay complaints. Different pay for the same job title is fine as long as you can point to varying levels of responsibility, duties, skill requirements or education requirements.

8. Workplace safety. The Occupational Safety and Health Act (OSHA) requires employers to run a business free from recognized hazards.

Action: Provide a safe work environment for your staff, and point out any noticeable hazards or potential safety problems as soon as possible.

9. Pregnancy discrimination. The Pregnancy Discrimination Act (PDA) prohibits job discrimination on the basis of "pregnancy, childbirth and related medical conditions." You can't deny a job or promotion merely because an employee is pregnant or had an abortion. She can't be fired for her condition or forced to go on leave.

Action: Treat pregnant employees the same as other employees on the basis of their ability or inability to work. Example: If you provide light duty for an employee who can't lift boxes because of a bad back, you must make similar arrangements for a pregnant employee.

10. Immigration. The Immigration Reform and Control Act (IRCA) makes it illegal to hire and employ illegal aliens. Employers must verify identification and workplace eligibility for all hires by completing I-9 Forms.

Action: Managers should note that it's still illegal to discriminate against illegal aliens – via harassment or subminimum pay – even if the illegal immigrant is hired inadvertently.

SESCO Client Feedback

"Hi Bill - just a note to let you know your article was one of the five most-read MTD stories of the past week. Thanks again for the great information!" ~ Michael Manges - 10 Missions Media

"On a personal note, I wish to thank you for your guidance, teaching and SESCO's service throughout all of these years. It has been a pleasurable experience partnering with you guys." ~ Diane Hughes, Manager of Administrative Services - Arbico East, LLC and Peak Restaurants, LLC

"Thank you all for being so flexible and easy to work with. We truly appreciate you! Have a great weekend!" ~ Valerie O. Long, Operations Specialist - Virginia Association of Community Services Boards, Inc.

"Well, even though I do not like your answer, YOU GUYS ROCK. Thank you for your help. Take care." ~ Bryan W. Stasch, Vice President of Program & Content Development -Automotive Training Institute

Special Thanks to New SESCO Clients!

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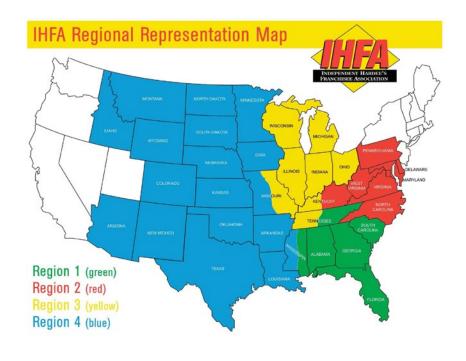
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