

2025 Franchising at WORK Report

Key Findings from FBR's 2025 Employee Satisfaction Research





Learn more about our employee engagement research at GoFBR.com.

The franchise employees that took part in this project work at all levels and departments of franchise organizations—from the c-suite to the frontlines of corporate-owned business locations.

Over the past year, Franchise Business Review (FBR) conducted a detailed study of employee engagement across the franchise sector.

Over 11,000 employees shared their opinions and feedback. Nearly 9,000 unit-level employees and over 2,200 corporate HQ employees participated. Participants were asked core benchmark questions related to job satisfaction, engagement, management, brand leadership, and culture, as well as questions about their overall well-being, job role, and demographics.

This research was completed in June 2025.

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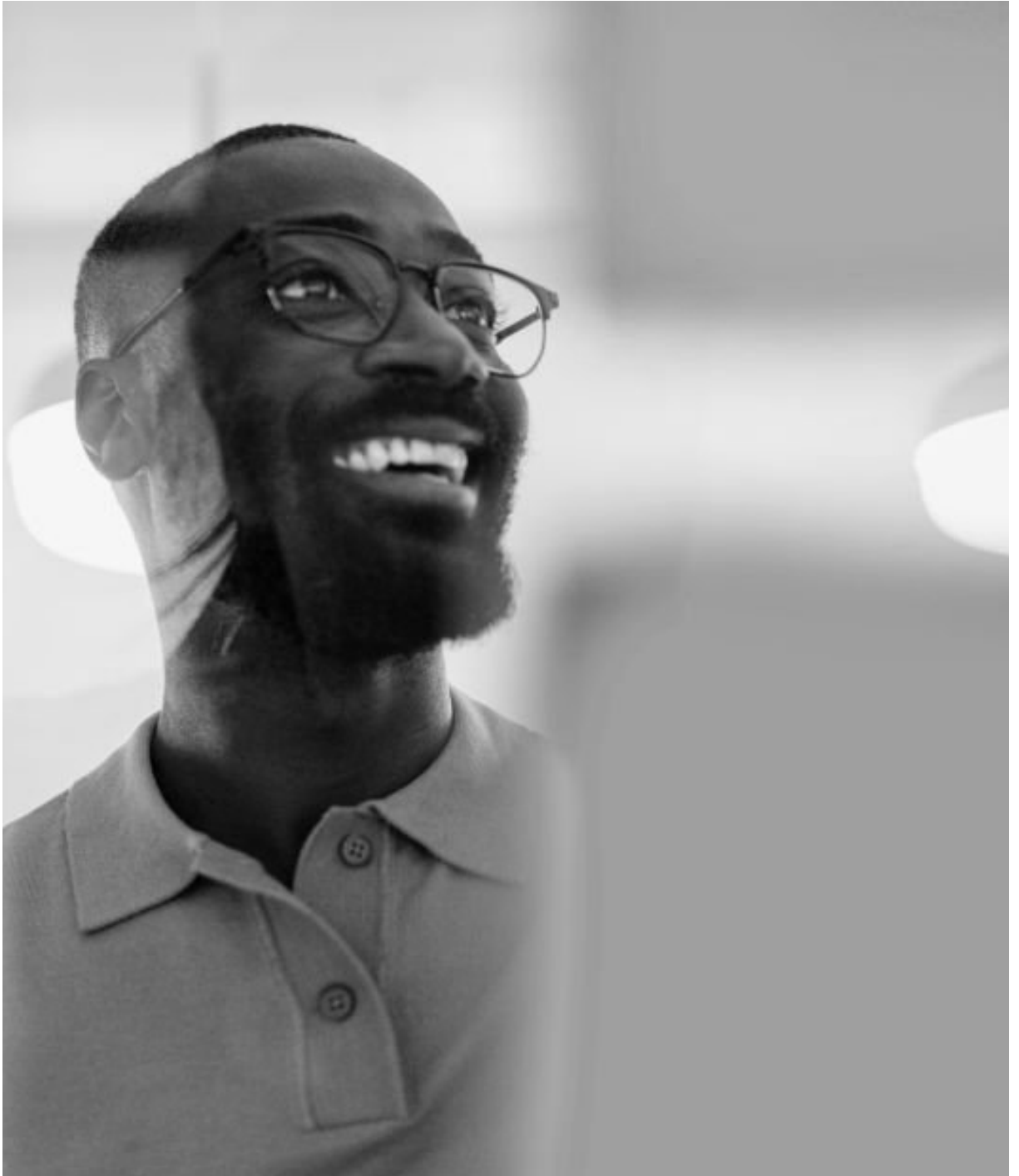
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Employee Engagement Surveys

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The Core Employee Experience Framework

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Five Critical Themes That Emerged From the Research

There are five critical themes that surfaced consistently across multiple survey categories, indicating they're systemic issues rather than isolated problems.

Each appeared frequently in multiple categories showing they're interconnected and affect large numbers of employees, which means the effects are amplified: Poor communication makes compensation issues worse, bad leadership exacerbates workload problems, and lack of growth opportunities reduces tolerance for other issues.

1. Communication & Information Flow

This is the single most systemic issue that affects every level of the organization. Poor communication is a universal challenge that intensifies all other problems. Improving communication inherently improves all other processes.

2. Compensation & Financial Equity

This is the most urgent, as it directly affects employee retention. There's a growing crisis as pay gaps between new hires and experienced employees create resentment. Providing fair compensation will in turn reduce turnover costs.

3. Leadership Effectiveness & Support

This is the biggest differentiator between satisfied and dissatisfied employees and has a cascading effect. Strong leadership compensates for operational issues, improving overall team and organizational performance.

4. Work-Life Balance & Workload Management

There is growing urgency around employee well-being and burnout prevention. Unsustainable workloads are a quality of life issue that affect all other job satisfaction factors and lead to turnover. Establishing work-life balance prevents burnout and healthcare costs.

5. Professional Development & Career Growth

Employees want clear career paths and when they believe there's opportunity for progression in their role, they're more engaged, productive, and loyal to the organization. Conversely, lack of growth opportunities drives talent away.

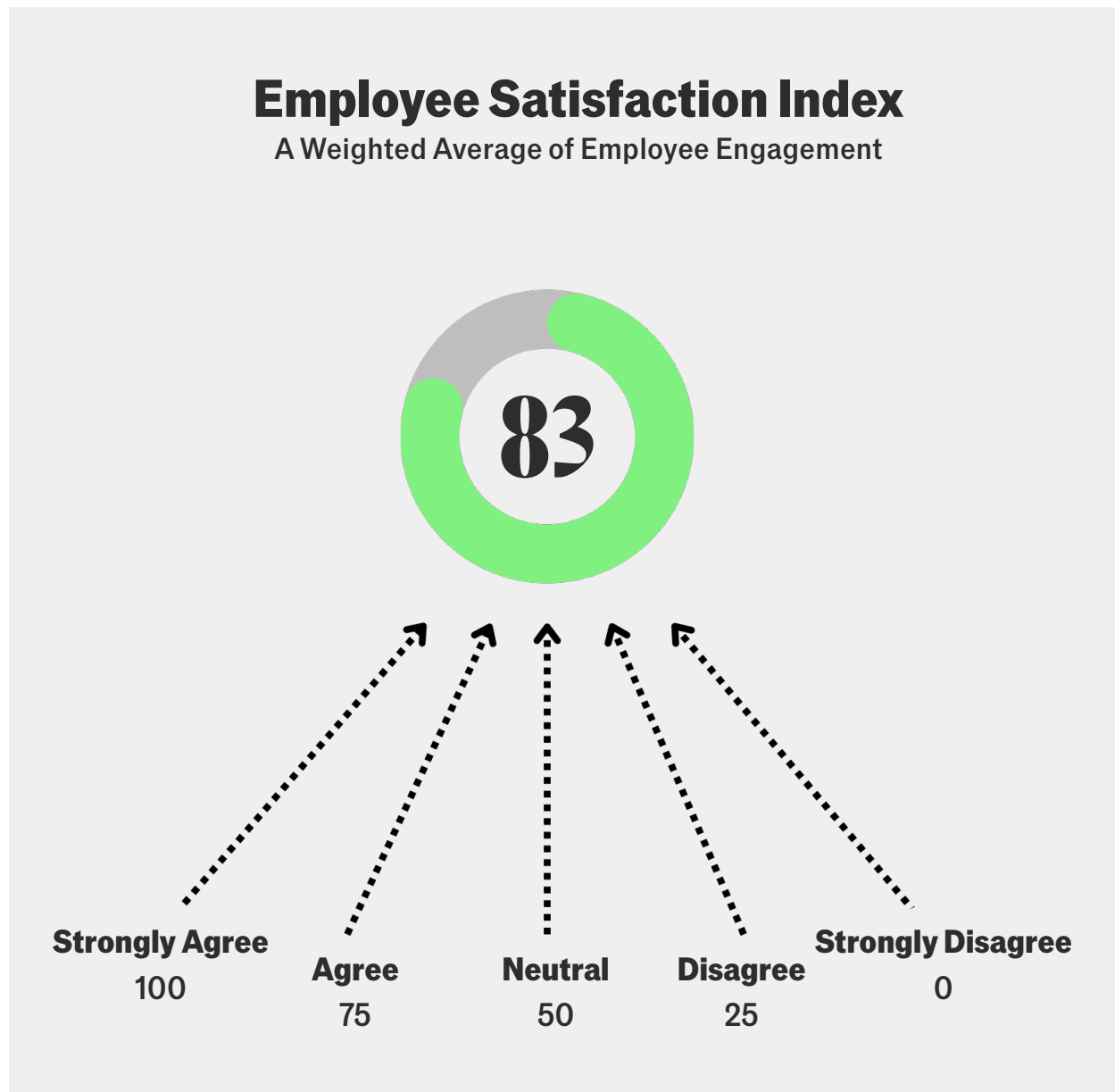
Organizations that excel in these five areas show the highest positive feedback percentages across all survey categories. Those struggling with these areas received the most requests for improvement and lowest satisfaction scores.

Fortunately, there are clear, measurable improvement strategies for each of these core themes that when prioritized and implemented systematically, have a direct impact on the bottom line.

Engagement Benchmarks

32 Questions Across 8 Key Areas

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SATISFACTION

Job rewarding and satisfying, receive necessary support, fairly compensated, and opportunity to learn and grow



ENGAGEMENT

Enjoys relationship with team, feels positive about work, receives meaningful recognition, and a sense of belonging



MANAGER

Professional, positive, and effective, values ideas and feedback, open personal communication, cares about my success



LEADERSHIP

Professional, respectful, and fair, communicates clearly and openly, fosters teamwork and inclusion, effective in driving the company



ALIGNMENT

Understands brand vision, defined role and responsibilities, role/company goals connection, clear measures of performance



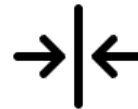
JOB FIT

Skills and experience are a good fit, my viewpoints are valued, strong personal performance, long-term growth opportunity



CULTURE

Strong, positive team culture, comfortable and respected at work, co-workers respect one another, personal contributions valued



CORE

Great place to work, happy with job overall, diverse opinions and ideas valued, would recommend to a friend

Key Findings

Employee Engagement in Franchising Far Exceeds Other Sectors

Overall, employee engagement in the franchise sector remains strong and steady at 83%. Additionally, 82% of survey participants find their work rewarding and satisfying, and three out of four employees would recommend their company to a friend—clear indicators of high workplace satisfaction. In contrast, [Gallup](#)'s most recent employee engagement study reports general employee engagement in the U.S. at 31%, dropping for just the second time in 12 years—in 2020 and 2024.

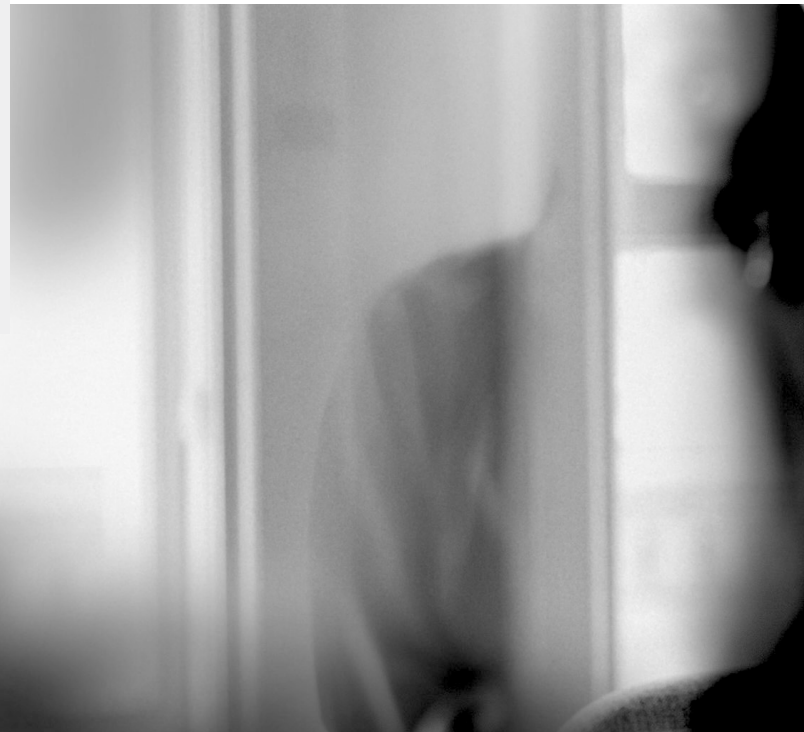
Employees Are Positive About Leadership but Communication Still Lags

Many employees express genuine appreciation for leadership's professionalism, accessibility, and supportive culture, but consistently request clearer, more frequent, and more comprehensive communication. Communication with managers is rated highly, yet only 77% of employees feel leadership communicates clearly.

Employees are seeking more strategic vision around the direction of the company and how their work contributes to the bigger picture. While 88% of employees feel that the work they do supports the company's goals, there's a disconnect: Nearly a quarter of employees say their goals and measures of performance are unclear.

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“There have been many times where it doesn't seem like the Senior team is in alignment when it comes to our goals and have communicated different messages.”



Good Managers Drive High Employee Satisfaction

Three of the top five scoring areas of the survey reflect effective managers—a direct correlation to high job satisfaction. 89% of employees surveyed agreed or strongly agreed that “My manager cares about my success,” “My manager is professional, respectful, and fair,” and “My manager and I can communicate openly about work or personal matters.” Another 88% say their manager values their ideas.

“It starts with equipping managers to lead, not just supervise. We give them tools, training, and clear expectations, but we also encourage them to show up as humans. I think the best managers don’t just manage tasks – they build trust ... And we remind managers they’re people first. A quick ‘How are you doing?’ can go further than a performance review.”

Adam Povlitz
CEO & President
Anago Cleaning Systems



Bad Managers Risk More Than Employee Dissatisfaction

While good managers are critical to overall engagement and productivity, poor managers are the fundamental cause of turnover. Even more critical is the damage a bad manager can do to brand reputation. The public fallout from allegations of harassment, discrimination, unfair pay, hostility, or any number of other violations of Equal Employment Opportunity regulations can cause irreparable harm. Oftentimes, these types of allegations—especially at the unit level—go unreported to corporate, putting the entire organization at risk. Surveying employees at the unit-level provides a channel for franchisors to uncover issues and take action before they become a crisis.

“This company hasn’t done shit about sexual or racial discrimination or harassment, sexual harassment being the biggest one.”

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Recognition and Long-Term Growth Are Opportunities

Like many business organizations, employees at franchise companies would like more individual recognition for a job well done and clearer opportunities for growth. While these areas scored higher compared to many industries, they were among the five lowest-rated areas of the Franchising at WORK survey. One-quarter of employees indicated they did not see a long-term career opportunity at their current company and employees feeling positive about opportunities to learn and grow dropped slightly to 80%.



“As a franchisor, it’s important to not only survey your franchisees, but to survey your valued team members. They are the lifeline of a franchise system.”

Clarissa Bradstock
CEO
Any Lab Test Now



A lot of old employees are frustrated since they've been there a long time, worked hard, but never got a raise or promotion. New people are coming in and they are being paid more.

Fair Compensation Is Consistently Rated the Lowest

Rounding out the lowest-rated areas, one-third of employees surveyed felt they're under-compensated for their position despite wages being at historic highs. Compensation is consistently rated low across the board, but it rates lowest among younger workers and women, especially at the unit-level.

Dissatisfaction with compensation is up 25% year-over-year, despite wage increases upwards of 7%.

Women are 21% more likely to say they are not compensated fairly.

Gen Zs are 33% more likely to say they are not compensated fairly.

[FBR's Franchise Compensation Report](#)

Concerns about pay equity, lack of raises for long-term employees, inadequate compensation for workload, and the need for better benefits packages are top of mind, especially with external factors in the economy putting financial pressure on employees.

Detailed compensation and benefits data on 40+ specific roles within franchise organizations is available in [FBR's Franchise Industry Compensation Report](#).



As a company we need more professional development of team members by providing opportunities for training, skill-building, and career advancement.

Engagement Benchmarks

Highest and Lowest Rated Areas

Highest Rated Areas



Lowest Rated Areas



“The feedback we receive from our employees sets the stage for our Framework for the following year. We put these results together with our franchisee feedback because it’s all part of the same culture and FBR shines a light on items we’ve missed and should focus on or give more attention to.”

Tricia Petteys
CEO
Payroll Vault

Employees Are Coming to Work Already Stressed

Employee well-being has been a hot topic over the past few years, especially among younger workers reporting high levels of anxiety. A recent study by [PwC](#) shows that one in 10 workers is actively considering leaving work, with mental health cited as the number one reason. There were several areas in this year’s survey that showed a considerable drop in well-being, including physical, personal, professional, and social well-being.

Implementing employee well-being programs and benefits, such as hybrid work, flexible schedules, mental health days, counseling services, wellness stipends, and financial planning/budgeting tools can help relieve stress and provide a better work-life balance.

“I do feel like many of us feel burnt out, and it creates unhealthy crossovers into personal life.”

In addition, equipping managers with the skills to recognize employees who are struggling and coach with compassion can create a more supportive environment and encourage employees’ uptake of well-being resources.

Fortunately, overall well-being among franchise employees is generally high at 80% with just 3% of employees reporting poor well-being. The primary drivers of poor well-being among those employees are non-work-related anxiety and financial stress.

- ▼ **11% Personal well-being** (hobbies, interests, productivity, etc.)
- ▼ **6% Physical well-being** (eating, exercise, medical, sleep, etc.)
- ▼ **6% Social well-being** (family/friends, relationships, community, etc.)
- ▼ **5% Professional well-being** (work, career, etc.)

“Balancing people and profits: While financial performance and customer satisfaction are important and necessary, focusing on our people first can drive the company forward.”

Franchise Business Review offers a free resource, [The Franchisor’s Guide to Employee Wellness](#), which offers guidance for implementing wellness strategies to improve hiring and retention. In addition, the [FBR Summit](#) offers multiple sessions on employee satisfaction and wellness, including the closing general session, The Human-Centered Leader: How to Build Emotionally Intelligent Franchise Systems.

“With multiple employees being let go, I feel like I am always on high alert and could be next if I do not perform well.

Economic Uncertainty Is Feeding Anxiety

Global economic uncertainty is putting companies under pressure to trim costs and, in some cases, resulting in layoffs or hiring freezes. Coupled with increased cost of living and stock market instability, these factors are contributing to financial stress and anxiety among workers. Less than half (45%) of survey respondents report positive financial well-being, down 2% from 2024.



Question	Worried
Compensation Fair	71%
Clear Communication	71%
Long-Term Growth	71%
Receive Recognition	81%
Opportunity to Grow	81%



Women	Men	Variance
70	77	-9%
77	84	-8%
78	82	-5%
80	84	-5%
82	86	-5%

The Gender Gap Goes Beyond Compensation

Engagement levels among men and women are slightly lower for women overall (-2%) but much lower in a few key areas like compensation, communication, recognition, and growth opportunities.





Companies Are Experiencing a Diversity Dilemma

There is overwhelming evidence that diverse teams and companies that promote inclusive cultures perform at a higher level. However, some companies are rolling back Diversity, Equity, and Inclusion (DEI) programs in response to political and legal pressure, while others are renaming programs and quietly continuing. Then again, some brands are doubling down on diversity initiatives, citing culture or commercial return on investment.

The Franchising at WORK survey includes seven questions to measure employee sentiment around DEI efforts. Overall, 87% of employees surveyed say their company values diversity. Additionally, 90% of employees feel their co-workers demonstrate a commitment to creating an inclusive work environment, and 84% feel senior management understands that diversity is important to the company's success.

Regardless of your organization's approach to DEI, these questions provide an opportunity to strategically measure impact, and move forward with intention in order to attract and retain employees.

“As a woman-owned agency, we have always cared about being inclusive. While we appreciate the benefits of having a diverse staff, we haven’t had to create a specific program to achieve that. We focus on hiring the best candidates, and our team has grown more diverse organically.”

Lora Kellog
President & CEO
Curious Jane

Celebrating the Brands with the

Each year, Franchise Business Review celebrates and recognizes franchise organizations with the highest employee engagement. Nineteen franchise brands and eleven suppliers that support the franchise industry were among this year’s finalists.

Congratulations to all our 2025 Employee Satisfaction Award finalists, and our Gold, Silver, and Bronze overall winners. Learn more about our employee engagement research and how your company can qualify for our Employee Satisfaction Awards at GoFBR.com/employee-satisfaction-awards.

FINALISTS

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Franchise Brands

Anago Cleaning Systems	Hounds Town USA	Poolwerx
Any Lab Test Now	Jason’s Deli	PuroClean
Ben & Jerry’s	Lightbridge Academy	Rhea Lana’s
Clean Franchise Brands	Payroll Vault	Right at Home
Cousins Maine Lobster	Perspire Sauna Studio	RNR Tire Express
DreamMaker Bath & Kitchen	Playa Bowls	United Water Restoration Group
Griswold Home Care		

Suppliers

Big Sky Franchise	Franchise Marketing Systems	Ripley PR
CareerPlug	FranDevCo	RocketBarn
Citrin Cooperman & Company, LLP	International Franchise Professionals Group (IFPG)	serviceminder
Curious Jane	MFV Expositions	

Highest Employee Engagement

F B R
**EMPLOYEE
SATISFACTION
AWARDS**
★ 2025 ★

WINNERS

100+ Employees

- GOLD** Ben & Jerry's
- SILVER** Jason's Deli
- BRONZE** Right at Home

25 to 99 Employees

- GOLD** Anago Cleaning Systems
- SILVER** Cousins Maine Lobster
- BRONZE** PuroClean

Under 25 Employees

- GOLD** Hounds Town USA
- SILVER** Rhea Lana's
- BRONZE** Payroll Vault

Suppliers

- GOLD** FranDevCo
- SILVER** Big Sky Franchise
- BRONZE** Ripley PR

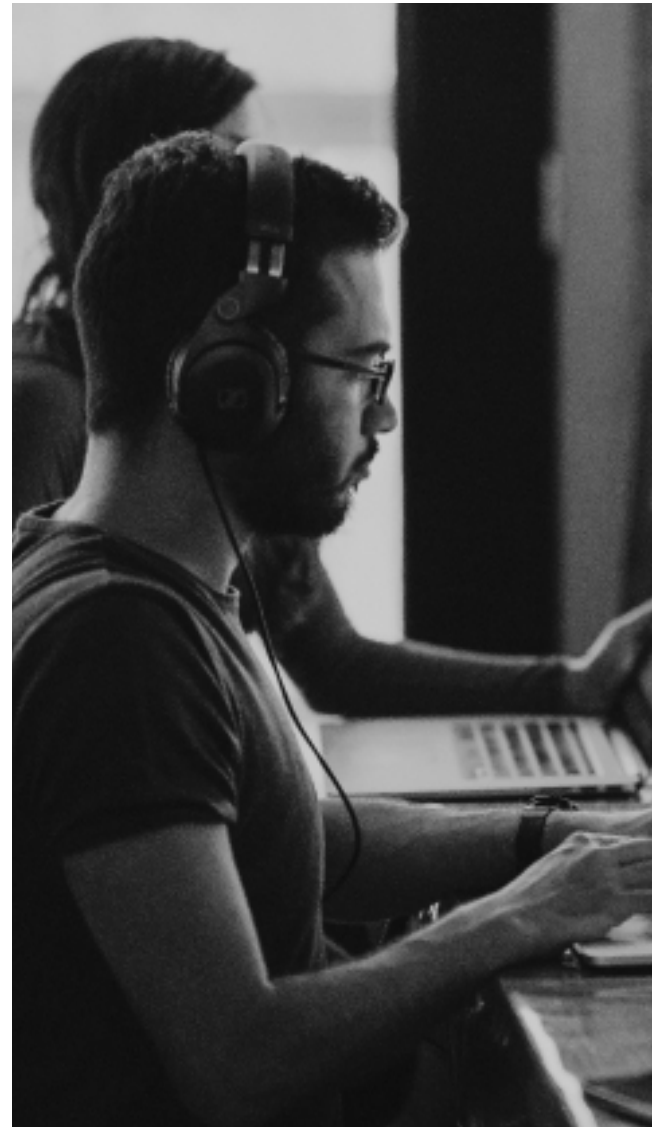
Turn Employee Engagement into

FBR assists franchise companies with gathering employee feedback through employee engagement and pulse surveys to identify issues unique to their system and measure the success of employee engagement and retention initiatives. FBR is the only source for detailed employee engagement benchmarking data specific to franchising.

We survey:

- Corporate franchise employees
- Frontline employees at corporate-owned locations
- Employees of individual franchise owners
- Franchise supplier employees

While the costs associated with improving satisfaction, engagement, and culture are minimal, only the very best companies dedicate the time and consistency that is required to make gains in these areas. With this data in hand, you'll know exactly where to make changes in order to integrate employee engagement metrics into an organization-wide strategy for improvement, measure corporate culture, and implement effective employee recruitment and retention initiatives.



For more information on how to improve your organization, visit GoFBR.com

to a Powerful Retention Strategy



to measure and track employee engagement and satisfaction in your

SUMMIT

SAVE YOUR SEAT FOR THE 2025 FBR SUMMIT

It's our mission at Franchise Business Review to share and amplify best practices in franchise operations, culture, and business performance. The FBR Summit is the only event designed specifically for franchise operations leaders and their teams that directly support franchisees.

- Franchise Operations Leaders
- Franchise Operations Managers
- Franchise Business Coaches
- Field Support Staff
- HR and People Leaders

Save your seat today and join us October 22-24 in Austin, TX for an intensive, hands-on event designed to raise the bar in franchise performance.

Register now at FBRSummit.com

Franchise Business Review

About Franchise Business Review

Franchise Business Review (FBR) is a leading independent market research firm that provides franchise organizations with benchmarking research and best practices to improve franchisee and employee satisfaction and engagement. Since 2005, FBR has been trusted by more than 1,300 top-performing franchise companies to equip them with the people-centric data, insights, and tools they need for long-term growth and success in the franchise industry.

Learn more about FBR's franchisee and employee satisfaction solutions at GoFBR.com

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