



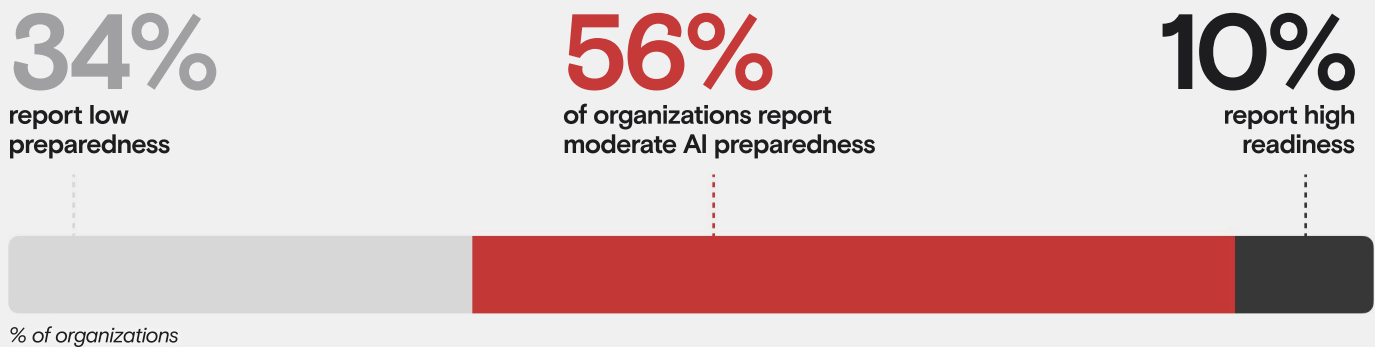
When AI runs faster than your team.



● AI is optimizing plans, **not performance**

Restaurant and quick service operators are increasingly turning to AI to optimize scheduling, reduce overtime and idle time, protect already thin margins, and improve both speed of service and order accuracy across digital and drive-thru channels. Yet despite these investments, performance is not stabilizing at the pace many expected.

InStride's AI Readiness Illusion research underscores the gap: while 56% of organizations report moderate AI preparedness, only 10% consider themselves highly ready. For those who consider themselves moderately ready, they're finding that it's no match for persistent hourly turnover, manager churn, and the volatility of daily operations.



Optimizing schedules or improving labor forecasts does not translate into consistent execution at the shift level. It does not resolve ownership gaps between operations and HR, build trust in AI-generated schedules, or ensure that workforce performance actually improves. The reality is simple: Your schedules may be optimized, but your shifts are not.

When AI is introduced into a workforce with ongoing turnover and daily operational variability, it can increase the challenge of delivering consistent results.

Preparedness may create confidence, but only execution drives results.

● AI is accelerating faster than QSR operators

QSR operators are embedding AI across a wide range of functions, including scheduling optimization, predictive labor modeling, inventory forecasting, drive-thru order accuracy systems, and real-time performance dashboards.

AI is no longer confined to back-office analytics—it now shapes shift-level decisions, manager behavior, and frontline routines in real time. Yet operational reality lags behind system capability. The same platform that instantly reallocates labor, flags performance gaps, and tracks shifts in target metrics can do nothing about the manager who doesn't trust it, the crew that hasn't been trained on it, or the location where adoption is still catching up.

Two restaurants running identical technology can operate worlds apart.

Cost is the deciding factor. Among QSR operators, it is the top consideration when choosing partners for AI workforce development. But when training budgets are tight, managers are left to figure out new systems on their own. Most fall back on what they know. The result is uneven adoption across locations, and that gap shows up where it matters most: in service speed, order accuracy, and the guest experience.

● Operating conditions that AI can't fix

Workforce volatility is endemic to QSRs, not temporary. Operators face persistent hourly turnover, rapid promotion cycles, franchise complexity, wage pressure, and the challenges of coordinating across multiple units. Managers often inherit teams with limited tenure and inconsistent training.

This is the environment into which AI is being introduced: Managers are burned out. Frontline turnover is high. And district leaders are trying to maintain consistency across dozens, sometimes hundreds, of locations, while guest expectations for speed, accuracy, and consistency continue to rise.

In stable environments, automation reduces friction. In volatile ones it can amplify inconsistency. Optimization models may perform well in theory, but they break down under the daily operational pressures of QSRs.

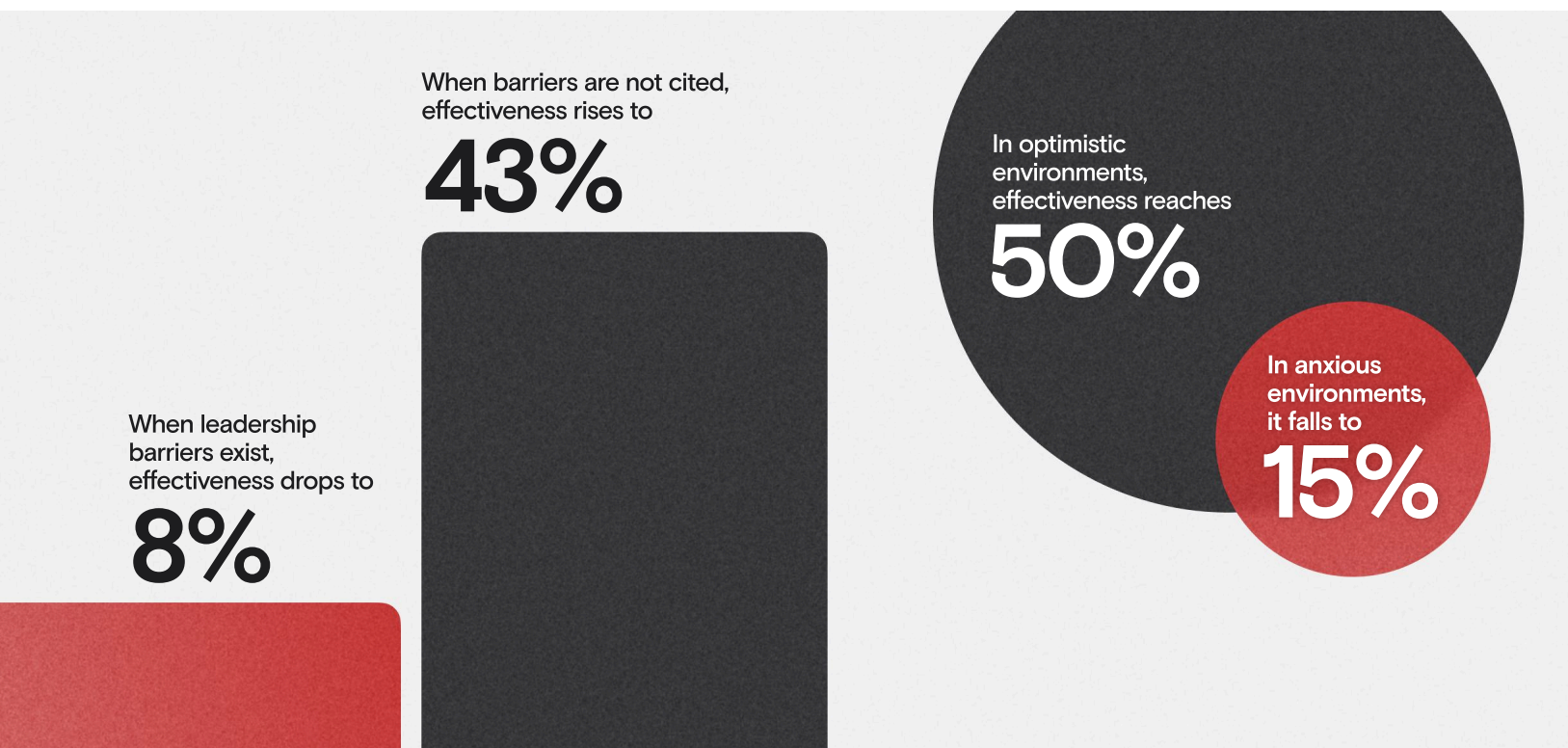
AI integration cannot stabilize performance where the very factors causing instability remain unchanged.

● Same system, different results

In QSR, poor execution rarely looks like failure. It looks like inconsistency. One location runs tight. Another runs amok. Same system, different results.

The difference is usually trust. When managers don't trust the tools they're given, they don't follow them—they work around them. Schedules get overridden during peak shifts. Labor targets get adjusted on the fly. Inventory systems get used differently from one location to the next. The system stays in place, but it's no longer the system being followed.

Research backs this up. When leadership isn't aligned on goals, ownership, and execution, AI training effectiveness drops to 8%. Remove those barriers, and it rises to 43%. That gap shows up in labor overspend, uneven productivity, and margins that won't stabilize.



Underneath all of it are problems that predate the technology: role ambiguity, competing incentives between cost control and service speed, and limited support at the manager level. These don't disappear when a new system goes live.

And ultimately, it's the customer who feels it.

● Automation scales problems when workflows go unchanged

AI increases decision speed, expands model visibility, and amplifies the volume of signals flowing through an organization. However, speed without alignment tends to magnify existing inconsistencies rather than resolve them.

In practice, this misalignment becomes visible in everyday operations. Scheduling systems may generate optimized labor plans, yet managers override them to preserve morale or address immediate staffing gaps. Demand forecasts update in real time, but frontline routines lag behind. Dashboards provide greater visibility, yet decision-making authority often remains unclear.

As a result, AI is not removing friction but accelerating how frequently it occurs.

Broader industry data reveals this tension, with 58% citing ROI uncertainty and 33% reporting no tracking of AI upskilling metrics. In QSR environments, this uncertainty means better plans on paper but workarounds on the floor.



58%

cite ROI uncertainty



33%

track no AI upskilling metrics

What begins as small execution gaps at a single location can quickly scale across the network. Minor inconsistencies in one restaurant become systemic issues when replicated across hundreds. Over time, this execution erosion manifests in schedules that shift constantly, staffing levels that rarely match actual demand, and managers spending more time fixing than leading. Layer in the persistent cost fluctuations of QSRs, and the pressure on margins and guest experience becomes very hard to manage.

- **AI is just the starting point**

The pattern is consistent: AI does not fail in QSR due to technological limitations, it fails when execution at the unit level cannot keep pace with operational change. In restaurant environments, performance is not determined by what is deployed, but by consistent execution, shift after shift.

The gap between deployment and adoption comes down to trust. When managers and frontline teams don't believe a system is accurate, fair, or built for real store conditions, they won't rely on it.

Organizations that invest in building that trust—through structured training and applied capability development—are the ones that scale consistently.

The AI Readiness Illusion reports shows how feeling “moderately prepared” for AI workforce change can conceal deeper problems around trust, manager behavior, and operational discipline. AI does not reduce volatility, it amplifies the operating system already in place.

The research is clear on what works: make sure managers and frontline teams know how to use the system before it goes live, and are supported after. The organizations closing that gap are investing in how their people learn to use AI, not just what AI tools they deploy.

Read the AI Readiness Illusion

Get the full report

