State of Restaurant Operations 2026

The first industry benchmark measuring how restaurant operators perform across the four pillars of operational maturity, and what separates the brands pulling ahead.

Fourth®

Fourth & QSR Magazine • 2026 Benchmark Report • 112 Restaurant Leaders Surveyed

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Executive Summary

Nearly two-thirds of restaurant operators have not deployed AI or automation tools for operations. Yet among the brands that did report using these tools, the profitability difference is striking: **44% of AI adopters report profit margins more than 13%**, well above industry standards. In stark contrast, only **15% of non-adopters** reported the same profit margins. That nearly threefold gap is just one of many patterns that emerged from this first-of-its-kind industry benchmark.

The State of Restaurant Operations 2026 is built from a survey of 112 restaurant leaders conducted over three weeks in early 2026, in partnership with QSR Magazine and WTWH Media. Respondents include C-suite executives, directors, and owners across brands ranging from single-unit operators to 500+ location chains. Over half oversee 20 or more locations, and one third operate within brands managing 100 to 500+ restaurants.

The survey assessed performance across four pillars:


Forecasting & Planning


People & Team


Execution Consistency


Operational Efficiency & Profitability

Each respondent received a composite Operational Maturity Score from 0 to 100. The industry average is **63 out of 100**, with dramatic differences between the highest- and lowest-performing brands.

The Operational Maturity Framework

The Operational Maturity Scorecard measures restaurant performance across four pillars, each representing a core dimension of how restaurants operate day to day. It uses 10 metrics mapped from the survey, scoring each on a 0 to 3 scale and averaging across pillars to produce a composite score from 0 to 100.

This framework is designed to be practical and is grounded in metrics operators already track or can easily assess. It is not a technology audit or a vendor evaluation. It measures how effectively restaurants plan, support their people, deliver consistent experiences, and convert execution into profit.

Forecasting & Planning

How accurately can we predict and plan?

Metrics: Sales forecast variance, labor forecast variance, food cost forecast variance

Industry avg: 2.21 / 3.0 / 74%

People & Team

Are we setting our managers up to succeed?

Metrics: GM/AGM turnover, planned admin hours, unplanned admin hours

Industry avg: 2.10 / 3.0 / 70%

Execution Consistency

Are we delivering consistently for staff and guests?

Metrics: Tool usage compliance, returning customer rate

Industry avg: 1.69 / 3.0 / 56%

Efficiency & Profitability

Are we turning execution into profit, consistently?

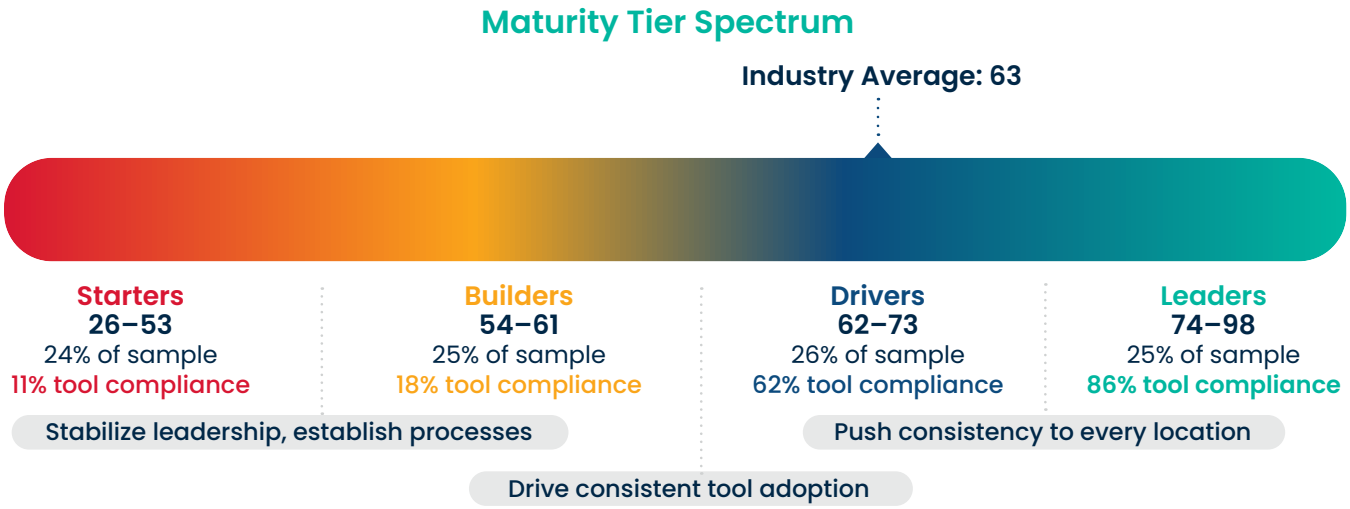
Metrics: Net profit margin, profit gap (best vs. worst location)

Industry avg: 1.61 / 3.0 / 54%

The Four Tiers

Based on composite scores, respondents fall into four maturity tiers. Each tier represents a distinct operational profile: not just a ranking, but a pattern of behaviors and outcomes that distinguishes how brands operate.

Tier	Score	Share	Defining Trait
Leaders	74-98	25%	Consistent execution, tight forecasting, strong retention
Drivers	62-73	26%	Solid foundation, closing the gap on consistency
Builders	54-61	25%	Investing, but not yet seeing full returns
Starters	26-53	24%	Significant gaps across multiple pillars



Source: Fourth / QSR Magazine Operational Maturity Survey, 2026. n=112. Tool compliance = % of GMs using operational tools as directed.

The core finding: The biggest differentiator between top- and bottom-tier operators is not AI adoption, brand size, or technology spend—it is tool discipline. Leaders are 8x more likely to report full tool compliance across their locations. They use the systems they have consistently, and the result is tighter forecasting, lower manager burnout, and significantly higher profitability.

Report at a Glance

63

Industry average maturity score (out of 100)

8X

Leaders vs. Starters on full tool compliance

75%

of Leaders report 9%+ profit margins

64%

of operators have not yet deployed AI for operations

Where the Industry Stands: Performance Across the Pillars

Forecasting & Planning: The Industry's Strongest Pillar

One of the clearest patterns among top-quartile operators is the use of more structured forecasting tools and techniques. Operators reporting the lowest variance are far more likely to rely on standardized forecasting systems rather than manual or ad hoc methods. These systems often integrate historical sales data, seasonal trends, and operational inputs to create more accurate projections for labor, inventory, and sales planning. This consistency plays a critical role in reducing operational surprises.

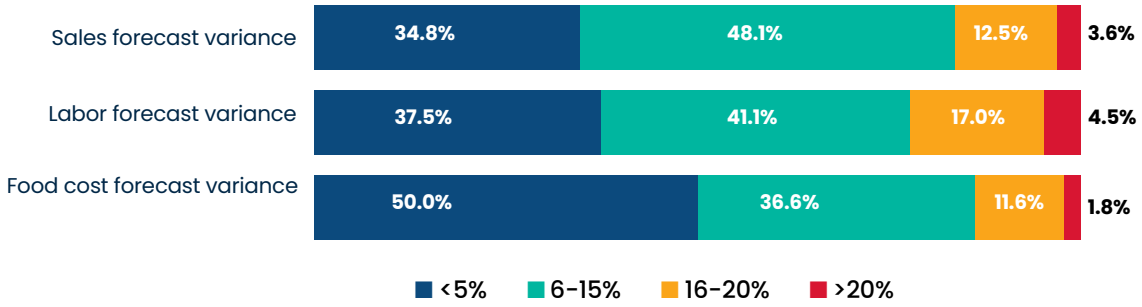
Consistent execution across locations also emerges as a defining characteristic. Respondents reporting lower forecasting variance tended to report fewer operational disruptions and lower levels of reactive management work.

Forecasting is the area where operators perform best, but even here, the majority report meaningful variance.

Thirty-five percent of operators report less than 5% sales forecast variance. Another 49% fall in the 6 to 15% range. At the other end, 4% report variance exceeding 20%.

Labor forecasting follows a similar pattern. Thirty-eight percent report tight alignment, while 41% experience 6 to 15% variance. Food cost forecasting is the strongest individual metric: half of all operators report less than 5% variance.

Forecast Variance by Type: Sales, Labor, Food Cost



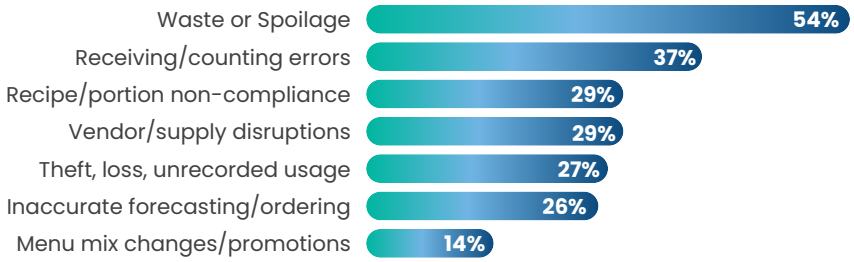
Source: Fourth / QSR Magazine Operational Maturity Survey, 2026. n=112.

The pattern is consistent across the data. Among operators reporting less than 5% sales variance, 74% also report fewer than five hours per week of unplanned administrative tasks. Among those with 16%+ variance, only 22% report similarly low unplanned workloads. The association is striking: tighter forecasting aligns consistently with a less reactive workload, resulting in fewer last-minute schedule changes, payroll corrections, and inventory gaps. The data suggests that forecasting accuracy and a lower administrative burden are products of underlying process discipline. Standardized methods and consistent tool usage appear to be the common drivers of these superior results.

Inventory Variance: A Hidden Operational Drain

The survey also revealed significant inventory management challenges across the industry. When asked what most often contributes to inventory variance, operators identified multiple drivers.

Top Drivers of Inventory Variance



Source: Fourth / QSR Magazine Operational Maturity Survey, 2026. Respondents selected up to three.

Key finding: Operators with tight forecasting (<5% variance) are 3.3x more likely to report low unplanned admin hours than operators with wide variance (16%+). Forecasting accuracy is a strong correlate of operational stability.

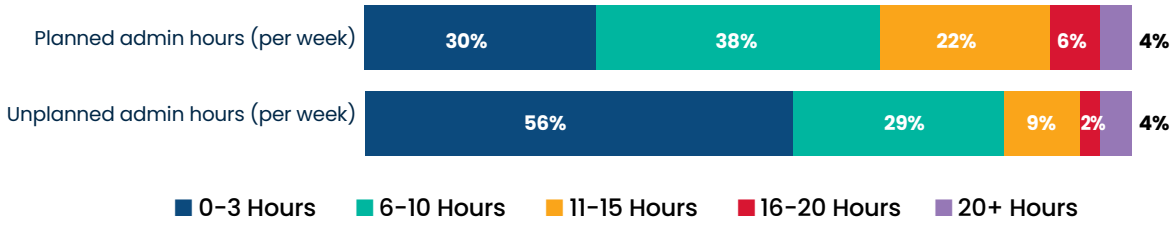
People & Team: Where Burnout Becomes Visible

This pillar captures what daily operations look like for the managers running each location.

Forty-three percent of operators report GM/AGM turnover below 50%—this is consistent with reported industry averages for GM/AGM positions, which are benchmarked at roughly 44–47% according to research from BlackBox Intelligence. However, 10% of respondents report turnover at 90% or above, indicating persistent leadership instability at some brands.

Administrative workload is where the strain becomes most visible. Thirty percent of operators report GMs spending five or fewer hours per week on planned admin tasks. Another 38% report six to ten hours, and 21% report 11 to 15 hours. The unplanned side is more telling: 44% of operators report six or more hours per week of unplanned admin. That is time spent responding to call-outs, fixing payroll errors, or adjusting schedules at the last minute.

Weekly GM/AGM Administrative Hours: Planned vs. Unplanned



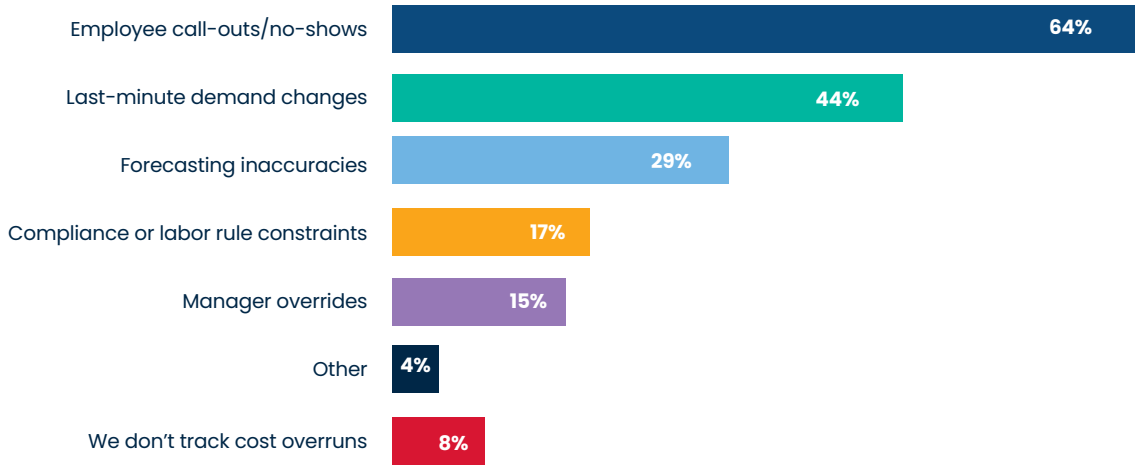
Source: Fourth / QSR Magazine Operational Maturity Survey, 2026. n=112.

When asked what most often creates unplanned labor cost overruns, the top response was clear: 64% pointed to employee call-outs and no-shows. Last-minute demand changes followed at 44%, and forecasting inaccuracies at 29%. These responses underscore a workforce environment where managers are frequently in reactive mode.

There is also a consistent relationship between administrative burden and retention. Among operators reporting fewer than five hours of unplanned admin per week, only 5% report high or very high GM/AGM turnover. Among those reporting six to ten unplanned hours, that figure rises to 15%. Brands where managers spend more time on reactive tasks also tend to be the brands where those managers do not stay.

For the average manager, these aren't just separate statistics—they are the bookends of a grueling day. A shift that begins with the stress of an employee call-out often ends with the manager buried under hours of unplanned admin that piled up while they were covering a station. When managers are forced to start their day in a deficit, the 'perfect storm' of operational chaos and administrative burden makes long-term retention an uphill battle.

Which of the following most often creates unplanned labor cost overruns? Select up to three options below.



Source: Fourth / QSR Magazine Operational Maturity Survey, 2026. n=112. Respondents selected up to three.

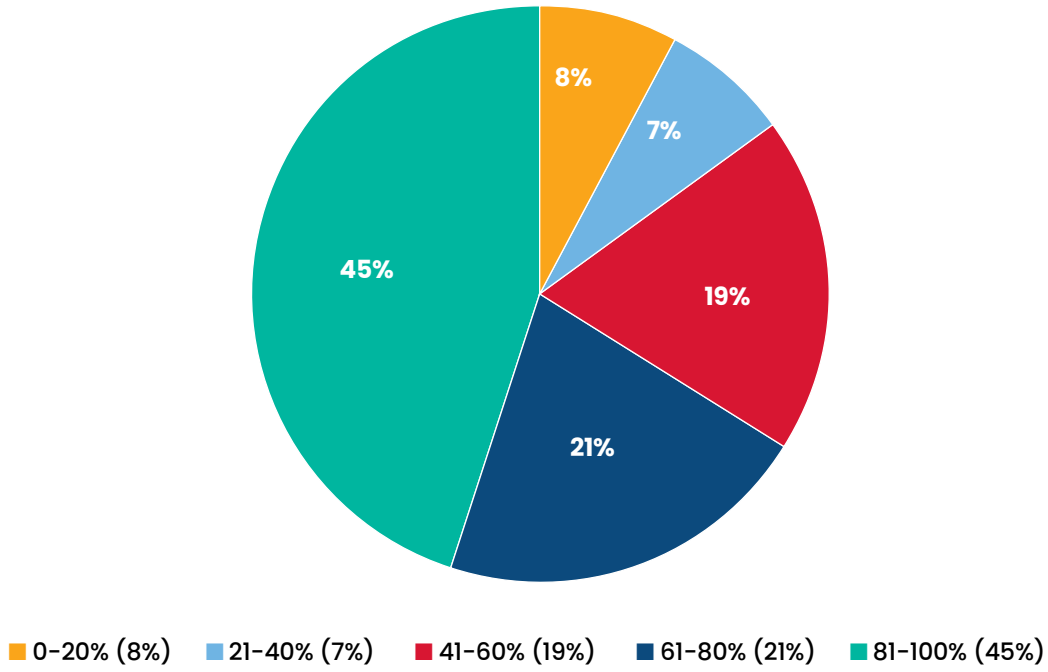
Execution Consistency: The Industry's Weakest Pillar

Execution Consistency is where the industry scores lowest, averaging just 56%. This pillar combines two measures: how consistently managers use required operational tools and how frequently guests return.

On tool compliance, 45% of operators report that 81 to 100% of their GMs use operational tools as directed. But 15% report compliance below 40%. In those brands, a significant share of managers are not following the operational playbook that leadership has put in place. This inconsistency between locations is a defining challenge.

On the guest side, 40% of operators report that 41 to 60% of their guests in a typical month are returning customers. Twenty-nine percent report 61 to 80%, and 11% report rates above 80%. The underlying logic of this pillar is that consistent operational execution supports guest loyalty—brands where teams follow the playbook tend to be the brands where guests return.

What percentage of GMs and AGMs in your brand or across overseen locations consistently use required operational tools and technology per brand standards?



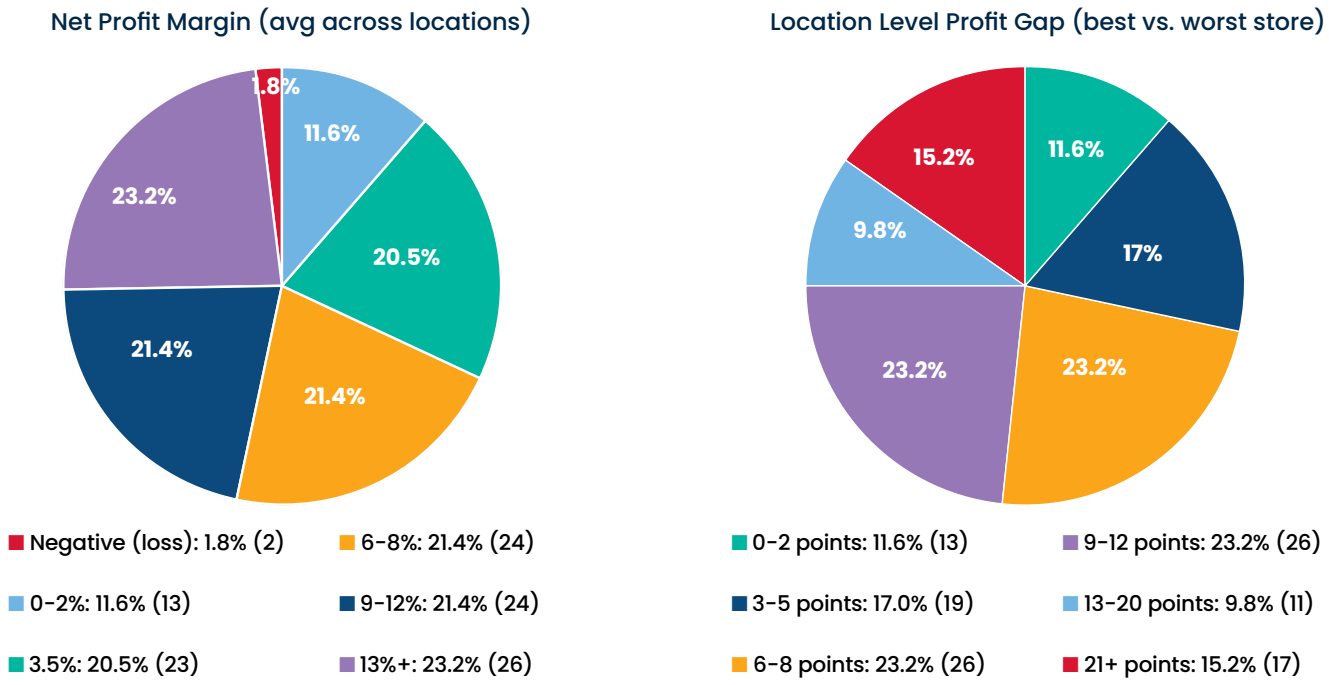
Source: Fourth / QSR Magazine Operational Maturity Survey, 2026. n=112.

Efficiency & Profitability: The Bottom Line

Profitability varies widely across the survey sample. Twenty-three percent of operators report net margins above 13%, while 21% report margins between 9 and 12%. At the other end, 12% report margins of 0 to 2%, and 2% report operating at a loss.

Location-level consistency tells an equally important story. Nearly half of respondents (48%) report a gap of 9 or more percentage points between their highest- and lowest-performing locations. Fifteen percent report a spread exceeding 21 points. Within the same brand, some locations may be highly profitable while others barely break even. That is a clear signal that execution is not consistent across the footprint.

Net Profit Margin Distribution and Location-Level Profit Gap



Source: Fourth / QSR Magazine Operational Maturity Survey, 2026. n=112.

Operators with strong tool compliance are considerably more likely to report higher margins. Among those with 81 to 100% tool compliance, 56% report profit margins of 9% or above. Among operators with compliance below 40%, only 29% reach that threshold. The pattern reinforces a consistent theme: consistency of execution is the bridge between operational investment and financial return.

Pillar Performance Dashboard

Forecasting & Planning

2.21 / 3.0 (74%)

The industry's strongest pillar, though most operators still experience meaningful variance that drives downstream inefficiencies.

People & Team

2.10 / 3.0 (70%)

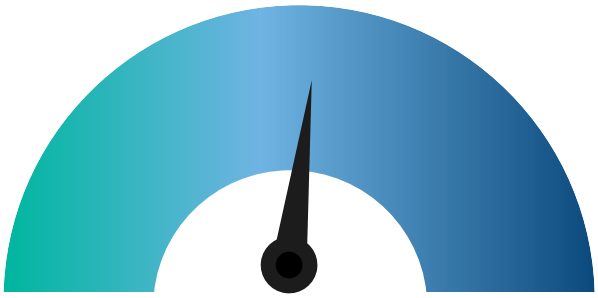
A stable foundation for many operators, with opportunities to further reduce unplanned work and better support manager effectiveness.

Execution Consistency

1.69 / 3.0 (56%)

The weakest pillar, where inconsistent tool usage across locations continues to limit performance and guest loyalty.

Efficiency & Profitability



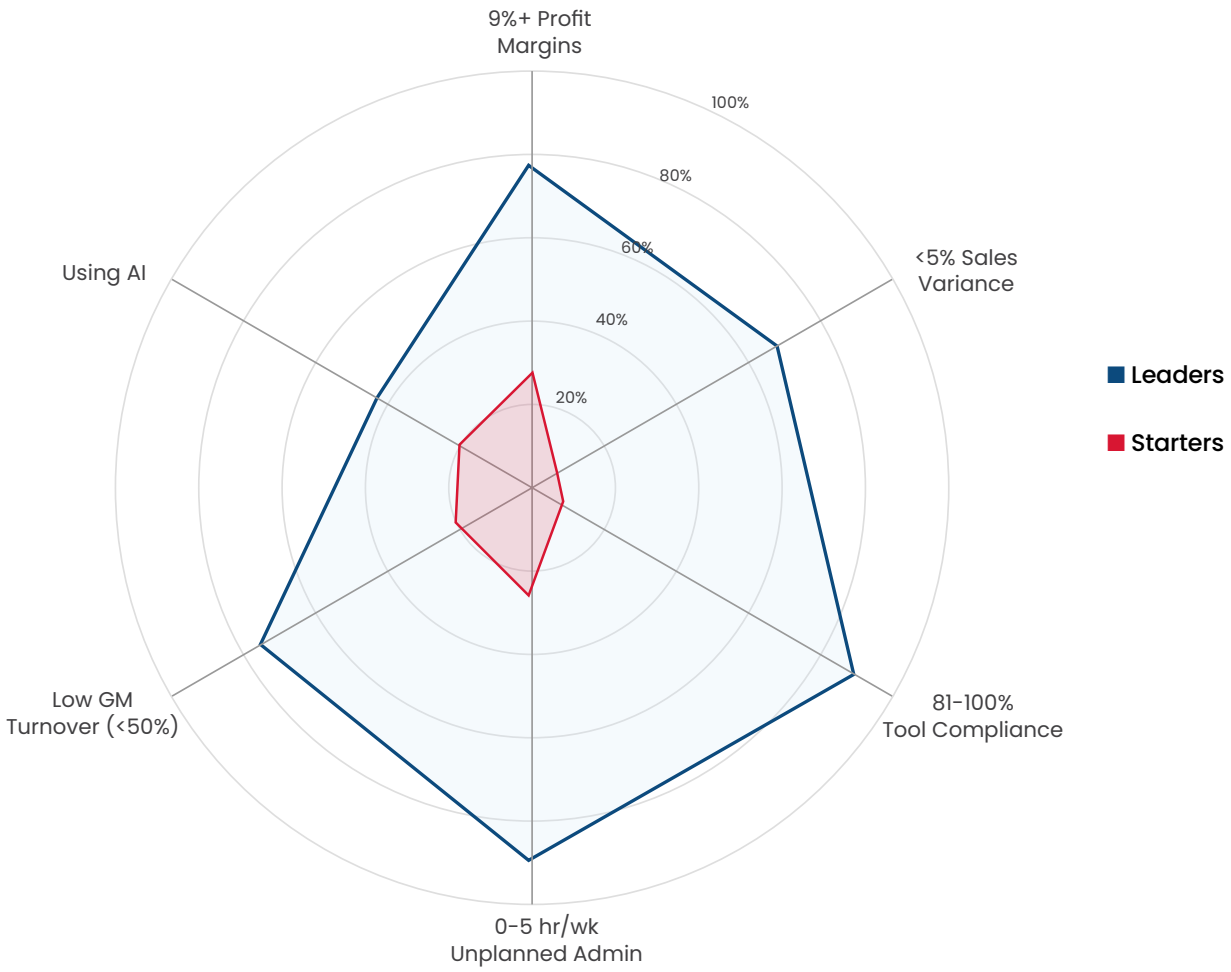
1.61 / 3.0 (54%)

Financial outcomes vary widely, reflecting gaps in execution consistency between best- and worst-performing locations.

What Separates Leaders from Starters

The maturity tiers reveal distinct operational profiles. The differences between Leaders and Starters are not marginal. They are structural, showing up across every pillar and nearly every metric in the survey.

Leaders vs. Starters: Key Metrics Compared



Source: Fourth / QSR Magazine Operational Maturity Survey, 2026. Leaders n=28, Starters n=27.

Tool Discipline Is the Sharpest Differentiator

Eighty-six percent of Leaders report full tool compliance (81 to 100% of GMs using operational tools as directed). Among Starters, that number is 11%. This 8x gap is the single largest difference between the two tiers, larger than the gaps in forecasting, profitability, or AI adoption.

This finding challenges a common assumption: that technology investment alone drives performance. The data suggests that what matters more is whether teams actually use the technology they have. Starters are not necessarily under-invested in tools. Many operate 100+ locations with enterprise-grade systems in place. The gap is in adoption and execution consistency.

Forecasting Accuracy Compounds Across Operations

Sixty-eight percent of Leaders report less than 5% sales forecast variance. Among Starters, only 7% reach that level of accuracy. When forecasting is inaccurate, the downstream effects are measurable: managers spend more time on unplanned work, scheduling becomes reactive, and profitability becomes harder to predict.

Leaders report consistently low unplanned administrative hours. Eighty-nine percent of Leaders stay below five hours per week, compared to 26% for Starters. The relationship between forecasting discipline and manager workload appears to be one of the strongest operational connections in the data.

Leadership Stability Is a Defining Trait

Zero Leaders report high or very high GM/AGM turnover. Among Starters, 30% do. Meanwhile, 75% of Leaders report turnover below 50%, compared to just 22% of Starters.

Leadership stability and operational maturity move together in the data. Brands with lower turnover consistently score higher on tool compliance, forecasting accuracy, and profitability. It is difficult to build operational discipline without the people who carry it — and every leadership departure requires that process of rebuilding to begin again.

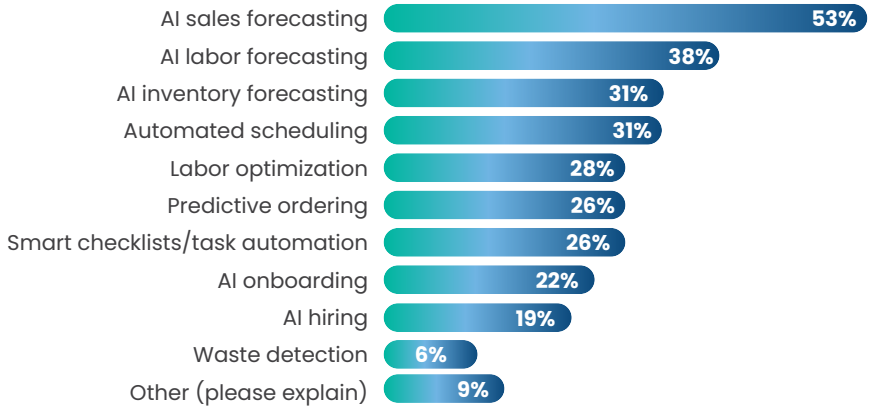
Metric	Leaders	Drivers	Builders	Starters
9%+ profit margins	75%	41%	32%	30%
<5% sales variance	68%	34%	29%	7%
81-100% tool compliance	86%	62%	18%	11%
0-5 hrs/wk unplanned admin	89%	69%	39%	26%
GM turnover <50%	75%	38%	36%	22%
High/very high GM turnover	0%	0%	11%	30%
Using AI/automation	43%	28%	25%	19%
Large brands (100+ locations)	14%	21%	50%	33%

A reality check for large brands: Among 100+ location operators in our study, only 14% achieved Leaders-tier maturity, while 50% landed in Builders and 33% in Starters. These are well-resourced organizations with enterprise technology stacks, dedicated operations teams, and significant capital. Yet scale does not guarantee maturity. More locations means more variability, more managers to align, and more opportunities for execution to break down. The gap between large brands and Leaders-tier performance represents one of the clearest opportunities in the industry — and it is almost entirely an execution problem, not a technology one.

The AI & Automation Divide

Sixty-four percent of operators report they are not currently using AI or automation tools for operations. Twenty-nine percent report active adoption, and 7% indicated they were unsure. Among those who are actively using AI, adoption is concentrated in a few areas: sales forecasting leads at 53%, followed by labor forecasting at 38%, and inventory forecasting and automated scheduling tied at 31%.

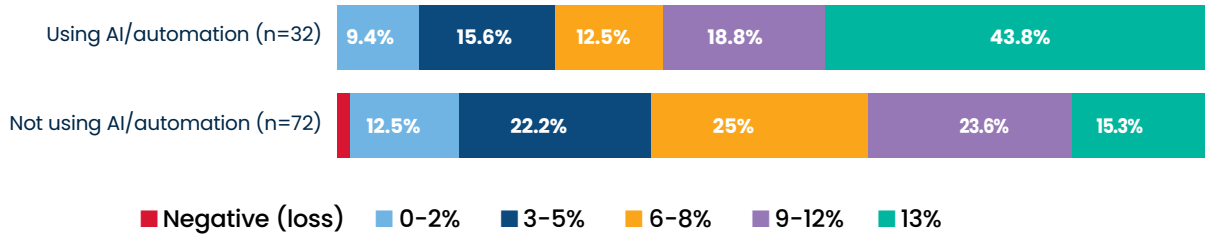
What AI or automation capabilities do you use for operations?



Source: Fourth / QSR Magazine Operational Maturity Survey, 2026. n=32 (respondents reporting AI/automation use).

The profitability signal is notable. Among AI-adopting operators, 44% of AI adopters report high-profit margins (above 13%), while only 15% of non-adopters reach that same level of profitability. This represents a nearly threefold difference in the likelihood of achieving top-tier margins. When expanded to margins of 9% or above, the gap narrows but persists: 62% of AI users versus 39% of non-users. Given the subgroup sizes involved (n=32 adopters, n=72 non-adopters), these figures should be read as directional — the pattern is consistent, but the margin of error at the subgroup level is wider than for the full-sample findings.

Profit Margins: AI Adopters vs. Non-Adopters



Source: Fourth / QSR Magazine Operational Maturity Survey, 2026. AI users n=32, non-users n=72. Eight respondents (7%) who indicated they were unsure of their AI adoption status are excluded from this comparison.

AI Amplifies Maturity. It Does Not Replace Fundamentals.

A critical nuance in the data: AI adoption does not cleanly separate the maturity tiers. Forty-three percent of Leaders use AI, compared to 19% of Starters. That gap exists, but it is far smaller than the 8x gap on tool compliance.

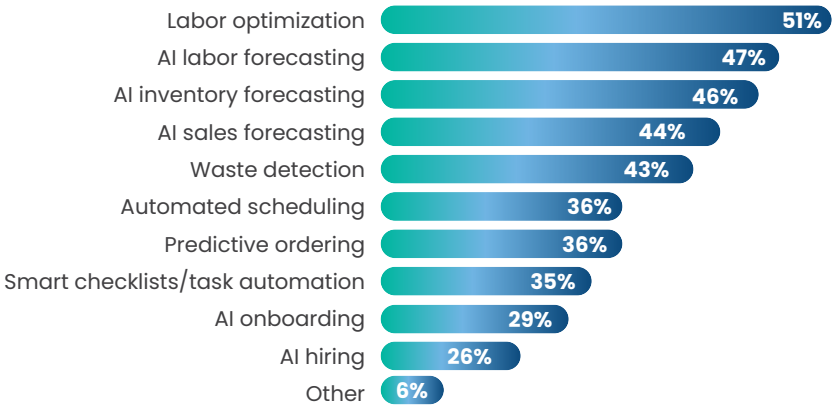
This suggests that AI is most effective when layered on top of strong operational fundamentals. Brands that have not yet driven consistent tool usage across their locations are unlikely to capture the full value of AI-powered forecasting or automation.

The implication for operators considering AI investment: get the foundation right first. Ensure that forecasting processes are standardized, that managers use existing tools consistently, and that the operational playbook is followed across locations. AI becomes a powerful accelerator for brands that have this foundation. It is not a shortcut for those that do not.

Where the Industry Wants to Invest in 2026

When asked which AI tools would be most helpful to integrate in 2026, the top five priorities were closely bunched: labor optimization (51%), AI labor forecasting (47%), AI inventory forecasting (46%), AI sales forecasting (44%), and waste detection (43%). These priorities reflect the areas where operators see the most room for improvement and where forecasting inaccuracies are most costly.

In 2026, what AI tools would be most helpful for your brand to integrate in its technology stack for operations?



Source: Fourth / QSR Magazine Operational Maturity Survey, 2026. n=112. Respondents selected all that apply.

Operator Spotlight: Bloomin' Brands

As one of the world's largest casual dining companies, Bloomin' Brands operates more than 1,450 restaurants across 46 states, Guam, and 12 countries, supported by approximately 64,000 employees. Managing operations at that scale requires balancing people, processes, and an increasing array of technology tools.

In this conversation, Bloomin' Brands director of productivity Kaike Machado discusses how technology adoption in restaurants has evolved, where managers lose the most time, and what operational maturity means in practice.

Q: Over your career, were you ever surprised by the changes in technology adoption?

Machado: I wouldn't say surprised. I think it has more to do with technology growing outside the restaurant industry as well. As technology became part of everyday life, people became more willing to adopt technology internally inside restaurants and businesses.

Some operators believe they know better than what the data suggests. And sometimes technology doesn't work perfectly because our business is complicated. There are a lot of moving parts: people, equipment, guests. Every restaurant operates a little differently.

At Bloomin', we've focused on improving understanding of technology and its use cases at the restaurant and field level so people buy into the adoption. We strike a balance: being transparent about what the technology does while reminding people their focus should be on daily operations, delivering the best guest and team member experience.

Q: Do you see differences between operators who are eager to adopt technology and those who aren't?

Machado: Yes, a common theme we discuss is leveraging technology for two reasons. First, to provide field leaders with relevant information they can act on. Second, to tell them where they should spend their time.

Whether you're an area director, managing partner, or manager, technology, especially AI, can help point to multiple areas where your time will have the biggest return. AI could flag that guest sentiment at a certain time of day is declining, indicating a staffing issue or the need for different skill levels on the floor.

Beyond identifying issues, technology should also help close gaps in knowledge and accountability. During COVID, operators had to hire anyone available just to operate, which created gaps in knowledge and capability across the industry. Now we have to rebuild those capabilities while holding people accountable and helping them succeed.

Q: Where are managers losing the most time today?

Machado: One area is organization and prioritization. If managers spend more time upfront building strong teams and systems, they'll ultimately free up time to focus on what matters most: taking care of guests and team members.

Right now, there are many demands: LTOs, training, and daily initiatives. Technology can help by clearly identifying where managers should focus each day or week based on KPIs. We don't want managers spending more time on technology than interacting with guests or coaching their teams. The biggest return always comes from taking care of people.

Q: What does operational maturity in restaurants mean to you?

Machado: Operational maturity means consistent excellence. We have restaurants that perform at a high level every day. They do it by having clear responsibilities, aligned management teams, and a strong understanding of the available tools.

Usually, those restaurants have stable leadership and strong support from area directors. They focus on the basics every day, staying consistent so they don't have to chase a long list of KPIs. Labor, food costs, and other metrics stay in line because the fundamentals are executed properly. Over time, consistency builds operational maturity. The challenge is that our industry has high turnover, so reaching that level consistently can be difficult.

> Over time, consistency builds operational maturity.

Q: AI could reduce administrative work so managers can focus on people. Where do you see the biggest opportunities?

Machado: Scheduling can largely automate itself now, which saves time. But freeing up time doesn't automatically mean time gets reinvested in the right areas. Even if technology removes tasks, managers still need to decide how to use that saved time. That's the human element we can't remove.

Q: Do you think there's a middle ground where automation helps create consistency while people focus on the human side?

Machado: Ideally, technology would help managers see where to focus their time and guide them toward consistent behaviors. For example, if food waste is higher than normal, the system might ask whether daily inventory counts are being done. By walking managers through those steps, technology can help them develop better habits to reach operational maturity faster.

Q: If another brand wanted to improve operational maturity, where should they start?

Machado: I would invest heavily in leadership development at the area director level. Area directors are responsible for coaching restaurant leaders, so selecting the right people and training them thoroughly is critical. They need to be subject matter experts who understand operations and feel confident teaching and coaching others. When area directors develop strong management teams, those teams, in turn, develop strong hourly staff.

Machado's perspective reinforces a recurring theme in the survey data: technology's role in restaurants is not to replace the human element. It is to strengthen it. Automation and AI can guide better decisions and highlight opportunities. But long-term success still depends on strong leadership, well-trained teams, and a consistent focus on fundamentals.

Your Path Forward

The data from this benchmark points to specific actions operators can take, whether they are working to build a foundation or sharpen an already strong operation. Below are six recommendations grounded in the survey findings.

1. **Prioritize adoption strategy when evaluating technology.**
   Operators with 81 to 100% tool compliance report 9%+ profit margins at nearly twice the rate of those with compliance below 40% (56% vs. 29%). Whether you're rolling out a new platform or driving deeper use of existing systems, the difference-maker is adoption. When evaluating vendor partners, ask how they'll support implementation, training, and sustained compliance across every location. The brands seeing the strongest returns aren't necessarily the ones with the newest tools; they're the ones whose partners help them achieve full adoption.

2. **Treat forecasting accuracy as a foundational metric.**
   Operators with less than 5% sales variance reported dramatically lower unplanned management hours: 74% at fewer than five hours per week, compared to 22% for those with wider variance. Regularly measuring the gap between projected and actual results across sales, labor, and food cost creates visibility into where planning processes need refinement.

3. **Reduce unplanned management work by standardizing processes.**
   Forty-four percent of operators report six or more hours per week of unplanned GM administrative tasks. Standardizing workflows for scheduling, inventory tracking, and reporting, and supporting them with consistent technology use, can reduce the reactive workload that pulls managers away from their teams and guests.

4. **Invest in leadership development and stability.**
   Zero Leaders in this study report high GM/AGM turnover. Among Starters, 30% do. Leadership stability correlates with every positive outcome in this data: tighter forecasting, higher tool compliance, lower unplanned hours, and stronger margins. The survey findings align with Bloomin' Brands' approach: investing at the area director and GM level creates a cascade of operational benefits.

5. **Evaluate AI through the lens of operational readiness.**
   AI-adopting operators are nearly 3x more likely to report 13%+ profit margins (44% vs. 15%). But AI adoption alone does not separate the maturity tiers; tool discipline does. When evaluating AI solutions, prioritize vendor partners who take a readiness-first approach: helping you standardize forecasting, scheduling, and reporting processes and drive consistent adoption across locations before layering in advanced capabilities. AI amplifies strong operations, and the right vendor partner ensures you're positioned to get the most from it.

6. **Know where you stand, and benchmark against peers.**
   The Operational Maturity Scorecard is designed to be completed in minutes. By assessing performance across the four pillars, any operator can identify which tier they fall into and where their greatest opportunities lie. The path from Starters to Builders is about stabilizing leadership and establishing processes. From Builders to Drivers, it is about driving consistent tool adoption. From Drivers to Leaders, it is about pushing that consistency to every location and amplifying value with AI.

Take the Operational Maturity Assessment to see your score, how it compares to the operators we surveyed, and receive personalized next steps.
Visit tools.fourth.com/scorecard to get started.

Get My Results

Methodology

The State of Restaurant Operations 2026 survey was conducted over a three-week period in early 2026 in partnership with WTWH Media (QSR Magazine / FSR Magazine). The survey received 112 complete responses from restaurant leaders across the United States. Respondent roles include operations management (49%), marketing or customer experience (17%), finance or administration (16%), IT or technology management (5%), and other roles including owners, franchisees, and training specialists. Role levels include directors (28%), managers (21%), C-suite executives (21%), owners (12%), and presidents or VPs (8%). Brand sizes range from single-unit operators (19%) to 500+ location chains (14%), with 51% of respondents operating or overseeing 20 or more locations. The margin of error at 95% confidence is approximately 9.3%. All data is self-reported.