

**Cultural Alignment at TacoTime: Change Analysis Project**

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The small business I work for has been active for over two years. The business consists of two locations in separate communities with approximately 40 employees. According to the Entrepreneur, 20% of new businesses will fail within the first year and 50% of businesses will fail by year five (Carter, 2021). Despite being a franchised business, ownership and management remain at the grassroots level. Corporate brand recognition and standardized items are not necessarily important to the communities in which we operate. Moreover, there are no financial safety nets offered by the parent corporation. Hence, organizational resiliency is paramount. Unfortunately, external forces are adding a great deal of stress. The primary stressors are inflation, supply chain disruptions, an increasingly competitive labor market, and new market competition. While sales and prices are rising year over year, they are not enough to offset these rising expenses.

What I believe will help us survive is an alignment of our individual company's culture with the franchisor's mission and culture statement. Whether we meet this goal will be judged based on customer comments (i.e. any complaints) and through sales data. I also want our employees to see how their individual efforts are vitally important to our mission, success, and survival. This will be measured by using the employee quit rate and by listening to employee feedback. Deszca et al. (2020) note that when employees want to understand the vision, support for change will be easier to develop, leverage, and implement. Thus, by gaining support for this strategic plan, we seek to capitalize on our inherent competitive advantage as a franchisee while increasing morale, decreasing employee turnover, and maintaining quality across the board. Furthermore, our goal is for change to occur simultaneously at all levels. Thus, while this process is ongoing, certain benchmarks point toward modest progress (as discussed below).

**Chosen Change Model: Kotter's (2022) Eight Steps for Leading Change**

I believe the best change model for this project is Kotter's (2022) Eight Steps for Leading Change framework. To start, I created a sense of urgency (Kotter Inc., 2022) by explaining the new business failure rate (Carter, 2021) and I used sales data to demonstrate our lackluster financial status. Next, I sought to create a guiding coalition (Kotter Inc., 2022) with employees at all levels to help diagnose current barriers and envision what change will look from their perspective in the company. This coalition helped strategize what must be done to create change (i.e. form a strategic vision; Deszca et al., 2020). Communication and enlisting a "volunteer army" (Kotter Inc., 2022) was the most challenging step. Many employees were not aware of our mission, and therefore unsure how to embody it in their work. To combat this, we frequently communicated the vision to raise awareness.

Next, to empower our employees, we reviewed our plan, began to enact change, and sought to address new barriers that arose (Kotter Inc., 2022). Kotter's (2022) sixth step, generate short term wins, was completed by the end of this project after evaluating our progress against the criteria created in step three (form a strategic vision). During step seven, plans to sustain acceleration (Kotter Inc., 2022) are being discussed with the owner, store managers, and representatives designated in step two (i.e. the guiding coalition). Finally, we are seeking to institute change (Kotter Inc., 2022) by continuing to follow our culture statement, embody our values, and adhere to the mission.

Deszca et al. (2020) note that this model is very prescriptive. In other words, it helps managers know what they should do, when they should act, and know when they are ready to move on from the next step (Deszca et al., 2020). Since I am new to the change process, I found additional guidance from a structured framework useful during this project. Moreover, with

mixed signs of progress, it will be important for us to continue repeating step four (enlist a volunteer army) through step eight (institute change; Kotter Inc., 2022) to build on our gains.

### **Need for Change and Vision:**

To understand the need for change, Deszca et al. (2020) recommend using external data, internal data, the perspectives of stakeholders, and your own personal concerns to paint a full picture. As this project attempted to create change within a relatively short span of time, certain information was difficult to procure. For example, one metric used was sales data (i.e. number of sales per day). However, comparable sales data from other franchise locations was not detailed enough for comparison purposes. Requests have been sent to corporate for more extensive data, and we hope to receive this information in the near future. Still, other external metrics about the general restaurant labor market were useful to comparing internal data about the monthly quit rate. For instance, according to Business Insider (Reuter & Hoff, 2021), the rate of restaurant quit rate was 5.7%. Comparing that to our quit rate percent (3% at one location and 6% at the other), it is clear that we are in line with labor trends. The last piece of internal data compared previous customer complaints with any recent complaints to understand our weaknesses. Next, more information was gleaned via interviews with stakeholders who saw a need to boost employee morale. Ways to accomplish this included providing the hours employee requested and verbal expressions of appreciation from the managers on duty. Finally, personal concerns matched those noted by stakeholders and those revealed when measuring sales numbers and the employee quit rate. Thus, by using the data that supported the other three areas (external data, internal data, and stakeholder opinions), I hoped to remain as unbiased as possible when noting my concerns. This is important because Deszca et al. (2020) assert that personal bias can cloud one's judgement when assessing the situation. Overall, it was determined that success will be

revealed by increases in sales, the lowering of the quit rate, receiving few to no customer complaints, and by a general assessment of the company culture from designated employee representatives.

Hence, once the need for change was established and agreed upon, our next step was to create a vision for change. Before writing this statement, it was important for us to consider the culture statements written by our parent company (see Appendix A). Thus, our vision statement reads:

At Valley TT Inc., we are the sum of our parts. Therefore, we will create a culture that reflects the values of our family-owned business and enables us to uphold the TacoTime Promise. Each team member should take pride in their work; and we will recognize their individual efforts. Through cultural change, we will elevate our cohesiveness as team, positively impact morale, and regain our competitive advantage as a TacoTime franchisee. While this change requires adequate time, we will continually monitor our progress by comparing year-over-year daily sales number, noting any customer complaints, monitoring the quit rate, and by assessment from designated employee representatives. In the words of our franchisor: We take pride in how we do things. It may not be the easy way, but it's the right way. It really is.

### **Force Field, Stakeholder, and Power Analyses**

Crucial to affecting change is understanding the settings under which change will occur. Three kinds of analyses that can aid change leaders during this process – force field analysis, stakeholder analysis, and power analysis. The force field analysis is the broadest of the three and seeks to determine the driving forces for change and restraining forces against change (Deszca et al., 2020). This can include both external and internal forces. With many new restaurants

opening in the community, one external force for change is the increasingly competitive market environment. Furthermore, we are always under external pressure to comply with corporate standards (e.g. uphold the TacoTime Promise; 2022). Internally, the forces for change include me, the managers, and the employee representatives who want to see improvement. However, some are not entirely sold on how this should be accomplished. Thus, it can be argued that employee resistance is also a force against change. Other internal forces against change include lack of resources and the informal culture that is hesitant to change. Deszca et al. (2020) suggest three ways to tip the balance in favor of the driving forces for change: 1) increasing the number or strength of the forces for change, 2) reducing or weakening the forces against change, and 3) converting restraining forces into driving forces. One suggestion from an employee representative was to schedule training hours to help employees understand the vision and see it in action. Moreover, by gaining support for the vision we can convert a restraining force into a driving force.

The next analysis to consider is stakeholder analysis. Partially touched upon during the force field analysis, the stakeholder analysis helps change leaders identify key individuals or groups who can influence or impact change efforts (Deszca et al., 2020). Key individuals include the owner and two store managers. Another important group are the employee representatives. However, it should be noted that all employees are important as they will all impact set goals in a positive or negative manner. The needs of each group are different. The owner and store managers would like to see a change in the company's culture, their sales increase, and the employee quit rate decrease. The employee representatives see value in changing the culture, but they are not yet convinced it will create meaningful change. Finally, the rest of the employees are more concerned about being scheduled for additional hours to increase their paychecks. Thus, it

will be important to win over the employee representatives as they can help win over the other employees. Moreover, buy in from managers will help reinforce the vision and also ensure employees stay on track.

This leads to the next analysis—the power analysis (Deszca et al., 2020). The power analysis seeks to uncover who wields power that can impact the change effort. Thus, the person with the greatest ability to affect change is the owner. This is because she has a variety of tools at her disposal—such as making structural changes (e.g. scheduling employees) or using her personality power to encourage employees. In fact, the owner possesses all three dimensions of power (resource, process, and meaning) noted by Hardy and Redivo (1994) in their article about organizational change. She has resource power which includes her formal authority to reward or sanction certain behaviors. She has process power to set the company's agenda and meaning power which allows her to frame situations from her viewpoint. Thus, it will be important to include her in the coalition. However, due to her position, she is incredibly busy and hard to pin down. Therefore, I have sought to build a coalition between the other store managers and myself to voice our support for the change initiative from all directions.

### **Action Plan**

Deszca et al. (2020) recommend using a 'doing first strategy' to create change that is novel and complicated. Thus, with the aid of action planning tools, we tried multiple approaches to affect change. We started by using a culture mapping tool (Deszca et al., 2020) to assess the current dominant culture and any subcultures that exist at the restaurants. Results were mixed. Mostly, there was a noticeable difference between the culture of the employees on day shift versus night shift. In essence, the day shift showed more motivation and better customer service. We theorized that this was the result of the store managers' influence (they usually work on day

shift). Furthermore, day shift employees typically receive more hours than night shift employees—this may also impact morale. In general, having quality day shift employees is very important for the restaurants as they are the ones in charge of prep work—a crucial part of the TacoTime Promise (2022) and they also handle the busiest part of the workday.

Next, a commitment analysis chart was used to measure the current status of the influential stakeholders identified in the previous section. The commitment chart identified whether the stakeholders were opposed, neutral, slightly positive, or strongly positive (Deszca et al., 2020). Thus, it was determined that the Owner was slightly for change. Store Manager A was strongly for change. Store Manager B was slightly for change. Shift Supervisor 1 was neutral, and Shift Supervisor 2 was slightly for change. Finally, Server was neutral. Unfortunately, however, our server and shift supervisors reported back that the other non-managerial employees were either neutral or opposed to change. This was theorized to be due to a lack of information and a skepticism as to whether change would actually occur. Corresponding to the cultural differences noted above, the night shift employees had the least positive impressions.

Thus, after reviewing this initial information, we set straightforward goals to work toward. Over the duration of this semester, we hoped to lower the quit rate (by any percent), increase sales (by any percent), receive no customer complaints, and receive positive feedback from our employee representatives (determined by an interview debrief). These goals were set to be intentionally modest, as we were unsure of how much progress could realistically be made in such a short timeframe. Furthermore, we used the critical path method to help us schedule our time. According to Deszca et al. (2020), the critical path method works by identifying when the project should be completed and then working backwards to schedule interim tasks. For example, the TacoTime Promise (2022) is prescriptive about the ingredients we use and how to



prepare them. It is very straightforward and easy to comply with. Therefore, compliance with the Promise only took one week (which mostly entailed procuring the ingredients needed). Overall, adhering to the Promise is important as it can impact whether we receive any complaints, and it can aid us in increasing sales. Other strategies to meet our goals included: changing the schedule, voicing appreciation, acts of appreciation, and focusing on customer service.

Next, we used responsibility charting (Deszca et al., 2020) to determine 1) who would be responsible for making changes, 2) who needed to approve changes, 3) who should support the changes, and 4) who needed to be informed about the changes. It was determined that any changes that required resources (such as scheduling hours) needed to be approved (i.e. supported) by the owner or store managers. Other changes (such as changing workloads) could be done by anyone with manager-on-duty privileges. It was also their responsibility to inform other employees and to ensure that changes were made.

Two action planning tools that were not necessarily useful at this time were flow charting and a decision tree analysis. According to Deszca et al. (2020), both analyses consider the major choices that will then lead to possible consequences and direct users toward next steps. We can use the example of the employee quit rate to discuss why these methods are not useful at this time. If we noticed that an employee quit, our only option is to prevent other employees from quitting. Any alternative is not acceptable, and the same goal to lower the quit rate remains. Therefore, we instead decided to note the strategies used, wait to measure our progress until the end of the semester, and then discuss further options. Similarly, it did not make sense at that time to create a formal contingency plan since a ‘doing first’ strategy inherently means trying out numerous tactics to see what works. In essence, our contingency plan if something did not work was to try something new (whatever that might be).

### **Lessons Learned**

Overall, our results point toward modest progress. For starters, our sales compared to last year's numbers showed an increase of 3% over the course of this semester. Feedback from employee representatives determined that most employees believed morale increased during this time. This can also be noted that the quit rate dropped to 2.7% in both restaurants. Unfortunately, we did receive one complaint about a poor customer service interaction. It should be noted, however, that the employee involved quit shortly after. Hence, these numbers were considered to be our 'short-term wins' as described in Kotter's (2022) sixth step. At this point, due to time constraints, we are still in the process of sustaining acceleration (step seven; Kotter, 2022).

Nevertheless, this moment offers an opportunity to reflect on the change process and progress. For instance, in the future I might consider using a different change model. One option is Deszca and Ingol's Change Path Model (Deszca et al., 2020) that has four major steps: awakening, mobilization, acceleration, and institutionalization. Overall, it incorporates Kotter's (2020) steps, but in a less rigid structure. However, an advantage of this model is that it adopts an open systems perspective and acknowledges that the environment is uncertain and complex (Deszca et al., 2020). Built into each step is a chance to scan the environment and adjust as needed. This is important since unexpected events affected one of our strategies. Unfortunately, we had to pay for an expensive equipment repair that cut into our supplemental payroll budget. This, in turn, prevented us from scheduling additional training hours for a long period. Now, as we move into the less busy winter months, we will have even fewer resources to schedule extra time for employees. Therefore, even though this strategy worked to build morale over the past couple months, we will now have to think up new ways to sustain progress. This is an example of a change paradox noted by Deszca et al. (2020) that acknowledges the difficulty of

maintaining the momentum of change while “not dismissing the complexity of an organization’s environment” (p. 413).

As we return to the drawing board, there are other action planning tools we can use moving forward. For example, we can use the adoption continuum (i.e. AIDA; Deszca et al., 2020) to assess where stakeholders currently stand. This is done by sorting individuals into four categories: awareness of change, interest in change, desiring action, or adopting the change (Deszca et al., 2020). Now that the employees see our progress, all are now aware of the change, most are interested, and the employee representatives all desire action. Moreover, now that we have found strategies that are working, we can start scenario planning in case one strategy is no longer an option. Scenario planning, as described by Deszca et al. (2020) works by developing a limited number of future scenarios and then assessing their implications for the organization. For example, we now have a backup plan should we need to cut back on payroll again.

Most importantly, this project has imparted the importance of a “do it” orientation—or rather, “a willingness to engage in organizational analysis, see what needs to be done, and take the initiative to move the change forward” (Deszca et al., 2020, p. 360). Simply put, without this mindset, progress will not happen. Unplanned changes will test one’s determination, and you will be required to adapt quickly. Another significant lesson is to not underestimate the power of a coalition. My greatest allies were the two store managers that helped draft and realize our change vision. Since I work from home in a different time zone, their support and proximity enabled us to win over the owner and create changes within their restaurants—something that would be difficult for me to accomplish alone. Overall, these lessons from Deszca et al. (2020) will definitely prove useful in creating future change in our organization.

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## Appendix A

### TacoTime Culture Statements

First statement:

TacoTime was founded with a belief that fresh, real ingredients make better food. This belief has determined what we've done ever since and is evident in everything we serve you, our guest. It's our way of assuring that you get the freshest, tastiest food that we can offer. We take pride in how we do things. It may not be the easy way, but it's the right way. It really is. (TacoTime, 2022)

Second statement:

#### **PRIDE, PASSION, AND VALUE.**

That's the deliciously fresh difference at TacoTime. You will see it in our festive store décor, our quality-comes-first Mexican meals and you will feel it in the pride shared within the TacoTime community. TacoTime goes beyond mere claims to quality; we make a promise to our guests. A promise we proudly display in our restaurants:

#### **TACOTIME PROMISE**

At TacoTime, we've always believed that fresh, real ingredients make better food.

We take the time to do it right, and that's why you can taste the deliciously fresh difference in every item we make.

Our chips and taco shells are made fresh in our kitchen, every morning

Each of our world-famous Crisp Burritos is rolled by hand

Our produce is the freshest & ripest available

Our salsas are made fresh daily

We use 100% boneless, skinless all-white meat chicken and top quality lean ground beef

We take pride in the quality of our food, and our passion is to ensure that every guest enjoys our one-of-a-kind flavors that have been a favorite for over fifty years. **It's a difference you can taste!** (TacoTime, 2022)