



Restaurant Operations WeeklyTM

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Welcome to the fifth issue of Restaurant Operations Weekly!

Dear Friends,

Hope you had a great Easter weekend!

Every week, more than 6,000 industry leaders like you continue on our mission to run smoother, more profitable businesses and I'm glad to have you along!

Last week we discussed why inconsistency among management teams is a silent killer for business and how you can address it. Also discussed was why you should never run one single promotion, and this week, we're concluding the three-part series on effective e-mail marketing. Our featured article, "The Trick to Staying Unique is Differentiation" triggered something with many readers. Thanks for your notes and kind words!

There's lots of good stuff this week: Why employees fail and what you can do about it, how managers should spend their work day – using "The Management Time Wheel" and how using your professional platform can make your life easier and more impactful.

If you'd like to get caught up with previous issues, just click <u>HERE</u> and scroll to the bottom of the page for free previous issues of Restaurant Operations Weekly.

So, happy reading - let's get to it...

HUMAN RESOURCES

"Oops – I Promoted A Person Beyond Their Level of Competence" Many years ago, I had a great prep cook who could out-work everyone in the kitchen and we got along just great. As time went on, I gave him more and more authority until it was time for a discussion of him getting into the management program. So far so good, right?

I gave him some paperwork to complete and return to me. When he did, the handwriting did not look familiar, so when I asked him about it, he said, "Kevin, I don't know how to read or write. Everything you've ever seen from me was written by somebody else." My heart sank. Why didn't I see or notice this before?

This was the turning point in our relationship, all for the better. We got him enrolled in classes that he eagerly attended. A year later, he was running my kitchen with dignity and with the admiration of his crew. His personal mission then became the care and development of his team with a purpose like I'd never seen before. He knew that I cared about him personally, and that care flowed down to every employee in the kitchen through him. Even today, I'm humbled by that experience – never judge a "cook" by its cover.

Why do employees that get promoted fail? Why does it seem that the "perfect person for the job" sometimes doesn't work out at all? In almost all cases, it's something that we as management did not see or may have overlooked. Let's look at some key reasons why employees fail or don't live up to our expectations:

-A gap or hole in the recruitment, hiring or development process. Quality systems in the paperwork, reference, values, culture,

background vetting or interviewing processes are not in place or the process was not followed.

-**The onboarding process was not tight.** Job descriptions were overlooked or not explained. Expectations were not clarified. Basically, from the moment a job offer was made, the new hire did not get connected to the company culture, the values or how their new fole fit into the organization. This results in a lack of buy-in or understanding.

-**Poor team fit versus job fit**. Leadership and running great operations is primarily about teams. Job functions are individualized. These are two completely different perspectives. Effectiveness of a competent employee will never be realized if he or she doesn't fit on the team.

-**Too much or too little feedback**. Was the employee coached or harassed? Mentored or belittled? Engaged or isolated? "Feedback is the breakfast of champions" is an old saying, but it given...or taken improperly, it's also one of the main reasons employees leave their jobs. People rarely leave jobs, they leave people and more often than not, it's the person that's directly responsible for the feedback that should shoulder the responsibility.

-**Is there a fear of failure?** Acknowledge that it's OK to fail, just do it fast. Failures, mistakes and mishaps all play a vital role in helping employees and companies learn and grow. However, organizations that penalize mistakes inadvertently create employees that are risk-averse...hesitant to try new things. Learning and failing are all good things! A person's brain actually gets bigger throughout the learning scenario, especially when compiling key takeaways from trial and error learning. Give your employees the opportunity to embrace a learning/quick-fail mentality with the intent of driving results. You'll have happier employees and your company will benefit as well!

-**Too little or inadequate training**. Two of the biggest leaps in training occur when a person goes from hourly to management, and then from a GM to multiunit. There appears be be an industry gap in the training processes and mentorship specifically in these two areas - when a person takes either of those career steps forward, the training materials, education and mentorship frequently are inadequate.

-**Cognitive skill mismatch**. General mental abilities are playing a larger and larger role in employee performance today. Logically, we all want to hire "really smart" people, but it is "book smart" or "street smart" knowledge you're looking for? A capable low-level manager might fail as a upper-level manager because that new role requires them to manage in a more complex and challenging environment. If you don't address the cognitive skill requirements

at the initial interview stage, more and more low-level managers will fail as the needs for upper-level management increase.

So, in the end, the plan to insure that you have great job-matching requires that you have the right processes in place. If you want to retain quality people, you need to invest time in having the proper systems in the place first. As a friend of mine frequently says, "It's all in the hiring and having good HR systems paperwork" and I'm inclined to agree with him.

SALES BUILDING

"Never Run One Single Promotion – Part 3 of 3"

This is the last in a three-part series about why you should never run a single promotion. If you'd like to get up to speed, the previous newsletters are available as a resource for you <u>Here</u>.

- If you've been following along, you have created five or six promotions that apply to your particular business.
- You have set up an e-mail acquisition system acquired through a tablet device (perhaps attractively and invitingly set up and secured in the lobby on a lectern).
- Information you've been gathering includes: Name, e-mail, zip code, birthday (day/month/year) gender, anniversary date and email opt-in checkbox.

When this information is entered, it goes into a database program such as Mail Chimp, Constant Contact, Fishbowl or similar. After the information is entered, a coupon for a free special appetizer or cocktail gets immediately e-mailed to that person, to be redeemed on the next visit.

Every incoming guest should be encouraged to sign up! If you have 2,000 guest covers a week, and 30% of them sign up weekly, that's 600 e-mail addresses you collect every week. At the end of a full year, you'll have 31,200 e-mail addresses!

This week, here are the final instructions on how to supercharge your e-mail list AND your promotions list.

Take and query your e-mail list into the following six promotions that will likely apply to almost everyone and hopefully to your business as well. These include:

- --Anniversaries this month
- --Females that live within five miles of your business
- --Birthdays this month
- --Lunch promo

--Dinner promo

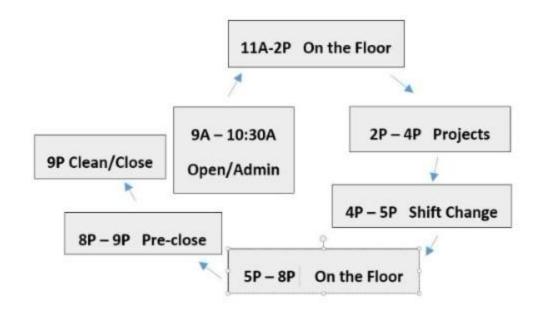
--Early Bird promo

- Match the above six promotions with the recipients in your e-mail database.
- You will need to craft six, e-mail template promotional letters.
- Make a little "Cheat sheet" to post on every POS screen in your business. This list of promotions should all have a look-up code/discount code associated with them so servers can easily ring up the promotion as it applies to their guests.
- Now, you're ready to send out six, highly targeted e-mail promotions, all at the same time, to thousands of people all within a few miles of your business.

You're done. All you have to do now is watch the business come in! Your e-mail promotions have been designed to appeal to every slow part of your day, targeted to guests that they matter to, and sent in a personalized e-mail direct to the recipient email inbox.

Every week moving forward, just segment out all of your new e-mail subscribers, then updated your six templates, match them with the promotion and send away.

Does this work? I know of a restaurant that does over \$6M in a 225 seat restaurant that ONLY uses this system. They pay zero for printed advertising, using only this e-mail invitation system for driving new and repeat business. Seem like too much work? Think about: more business during targeted hours, it's almost free, and most importantly, you'll be able to connect with your guests like never before!



The Management Time wheel - High Level Overview

FEATURE ARTICLE

"Have Managers Hanging Around? Use the Management Time Wheel" We recently completed a project in Kansas that was unlike any other we've done recently. The objective was to conduct an <u>Operations Analysis</u> for a client. She was not enjoying the kind of profitability that she wanted and our mission was to uncover the reason for lost sales and lost profits...thereby providing her with a road map back to profitability.

It was 9AM on the first day and after entering, I asked for the owner. "She's in the office" said a server. I worked my way back to the office to find the owner getting caught up on the daily news with Yahoo on the computer screen. After introductions and a tour, I got to work. While on premise I never saw her leave the office except for coffee runs. Any operations-related questions that needed answering required a trip back to the office.

Now, around noon with the owner still in the office, I started asking a few questions about the daily routine of the owner. "She's always in the office and she depends on us to run things" was the general response I received from several of the key employees.

She wanted help to get things turned around, but the owner, although sincere, didn't seem to really know how to spend her time while in the business. It was time for me to change gears...and learn more about her.

No previous ownership experience and a retail background in an independent environment. With this background, I realized that she had never been in a structured environment where she could learn about basic management skills. I became convinced that she was in need of a heavy duty lesson in how to run a restaurant, so I created two documents for her. The first one illustrated above is the Management Time Wheel...a high level view on how a manager should allocate the day. The second one was a full page of key items that applied directly to her and her restaurant. It was a "Do this, not that" kind of document that we reviewed in great detail.

If you'd like to check out a good article about running shifts, here's a <u>good one</u> <u>from Sling.</u>

Long story short, she appreciated the direction and took the instruction to heart. The next day and every day thereafter, she was on the floor greeting guests, expediting food, and leading her team...all while running just a better restaurant.

The takeaway? If you have managers that are just sitting around, especially during peak hours of business, it's time to share this management time wheel with them and to set fresh expectations. In some operations that don't have a focused management training program, it's actually possible to consider that some managers may not know how the time in their day should be allocated.

Keeping the office vacant and the door locked during peak hours is a core principal of time allocation. Seems simple doesn't it? Start this today and your managers won't have any place to hang out other than in the dining room or in the kitchen with staff. Perfect! "Management by wandering around" or "walking in circle 8's" during a shift insures that managers are over every inch of the premise during a shift.

It's important to note that we're not talking about high-performance management here...in fact, it's quite the opposite. However, if you have a manager that's hard-wired to serve others and is sincere in his/her desire to please you, this can be a fast and easy turnaround.

Next week we will be discussing "management's daily routine" down to the very minute - you won't want to miss this!

LEADERSHIP & MANAGEMENT

"The Leadership Platform – Take the Step Up"

We all have a daily routine. Get up in the morning, then go to work (and put on the "Professional hat"), come home (and put on the "Personal hat) and on it

goes. Have you ever noticed how you operate differently at work versus when you're not working? It's because you have what I call a "Platform" and during the course of a day, you step up onto it and off of it.

Everyone's platform is unique to your position at work or in your career...it's your knowledge, experience, work position, your skills and your personality all together. It's these combined qualities that give you authority and power while you're on your platform.

When you're around people that don't know you, perhaps in a new setting, they don't know about you or your platform. As such, they're looking at you when you're "off the platform" as your natural self. Now, when you're in a work meeting with others that know you, you are viewed as "being on the platform" and you, whether you know it or not, act in the role of being an authoritative leader, up on the platform, doing your thing.

The platform is a unique tool that you can teach to your managers and key employees alike. Many people have never heard of this topic before, but high performance owners, managers and those in positions of authority use this platform to their advantage every day. Want proof that platforms work to the advantage of the user? Just visit your attorney's office - It's likely that you will witness it firsthand.

RECAP

1. Great job-matching requires that employers have the right processes and systems in place, starting from the candidate's first point of contact with your company. Time invested in having the correct recruitment and hiring tools in place can short-circuit future employee failure.

2. Paying almost nothing for an extraordinarily effective e-mail marketing program sounds good, but it takes a little work. If you truly want your business full of patrons, it's well worth it to consider adding e-mail marketing to your arsenal of marketing tools.

3. Last week we discussed the topic of differentiation. If you wouldn't drive 100 miles to eat at your restaurant, why would anyone else? What have you accomplished this past week to make your business stand out from the competition? It's doesn't have to be a big thing either...maybe just start with a paintbrush to get things going!

4. When you're working, you're on the platform! This is a unique position of power and authority you can use to your advantage in getting things accomplished!

A few closing words from Peter Drucker: "In the analysis of an executive's time, the elimination of unnecessary time-wasters requires some action."

Next week we'll be discussing how to properly run a shift with zero wasted time – you won't want to miss it. Have a great week!

Thanks for reading! Until next Monday...

Moll

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Development

Resources

Ready to open your own restaurant? Learn how here

Six ways to combat sexual harassment in restaurants

How to be a competent & capable manager

How to find meaning at work even when your job feels miserable

Think practice makes perfect? Think again. This article will change how you train everyone from now on

Predictive scheduling - How to adjust to local labor law changes To Subscribe or Catch up on back issues of Restaurant Operations Weekly

50 Restaurant Industry Statistics (by Toast)

Key Pillars of Luxury Hospitality

Food holidays in April - Great Promotional Calendar

Days and Weeks of the Year - Calendar

Minimum Wage Laws in the U.S. (US Dept. of Labor)

The World's Greatest Restaurant Systems Checklist

"It is not enough that we do our best; sometimes we must do what is required. - Winston Churchill