



# **FOOD SERVICE** **in** **PRIVATE CLUBS**

**A Holistic Overview of  
Management Best Practices**

*Ed Rehkopf*



ISBN 10: 0-9722193-8-2

ISBN 13: 978-0-9722193-8-9

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# Operational and Training Resources

Private Club Performance Management has designed and provided a wide variety of operational materials and training resources for managers and line employees in the private club business.

While some of the training materials are designed to teach service skills and etiquette to employees in a variety of settings, the majority are designed to enhance the education of managers and those who aspire to management positions.

As such, these materials delve into the greater detail of why things are done a certain way instead of simply providing the how-to's. Much of the material focuses on leadership skills, organizational values, and specific operational **best practices** that will enhance the reader's understanding of a club as a whole. Repetition of key managerial concepts, as well as the highly-integrated nature of the material, provides a **holistic** and in-depth view of club and food service management. When key terms are used and defined in one context, they mean the same in another regardless of operational department.

Those interested in other educational and training materials can see a listing of additional resources at the end of this book or they can be found on the Private Club Performance Management [Marketplace Store](#).

*Key terms are displayed in the text in this **special font**. Their definitions can be found at topics 208 and 209.*

# This Book

**Competencies:** Private Club Food & Beverage Management

**Synopsis:** A book that spells out leadership and management skills, as well as **best practices** to professionally operate a private club food service operation.

**Learning Objectives:** To provide readers with **holistic** and fully integrated view of the necessary **disciplines** to achieve high levels of **quality** and **service** in their club food and beverage operation. The material in this book will provide the tools to:

- Organize and structure a club food service operation for maximum efficiency, consistency, and performance.
- Provide the necessary **Service-Based Leadership** to inspire the best from their service employees.
- Establish and foster the necessary **culture of service** to enhance the member experience in the food service environment.
- Find, screen, hire, onboard, and develop the best human talent for their operation.
- Design and deploy effective training programs covering a wide variety of necessary skills and knowledge for both line and management employees.
- Establish and institutionalize management best practices in all areas of the food service operation.

# Your Role

Name:

Title:

To whom do you report?

Approximately how many people report to you?

Do you have **bottom line responsibility** for your department or section?  Yes  No

What is your department/section's **mission**?

List your primary duties:

# Comprehension, Reflection, Insight

The keys learning are **comprehension**, **reflection**, and **insight**.

First is comprehension. When learning something new, you must gain an understanding of the concepts, their context in your current experience and understanding, as well as their connection with other issues. In this book, reading is the first step to comprehension, though reading alone is often an inadequate path to knowledge, particularly if you do not enjoy reading. To help reinforce comprehension, then, we periodically ask questions and highlight material by having you list and define concepts.

To gain the deeper understanding required of managers, you must connect the material to your experiences and things you've observed in others or your surroundings. You do this by thinking about what you've read, by comparing it to what you already know, and by reflecting on examples of the same or similar things you've seen or come across in the past. The more you give thought to a concept, the deeper your subconscious mind is stimulated.

Then come the insights that you gain when the deeper pools of your knowledge rise into consciousness. The insights can seem sudden, even profound, but on further reflection, they often seem obvious. I'll give you two examples on topics that you will later read about in this book.

Some years ago, I read Jim Collins' groundbreaking book on what creates business success: *Good to Great – Why Some Companies Make the Leap . . . and Others Don't*. In his book, Collins frequently speaks of the importance of discipline. When initially reading this, I immediately thought of one meaning of the word **discipline**—that of command and control, and sometimes punishment.

For the longest time I couldn't make sense of why this was so important because my own experiences with leadership had convinced me that you get far more out of people by engaging and inspiring, not dominating. So, for some time I was puzzled by Collins' concept of discipline. One day I was reading a book on an unrelated topic and it mentioned the importance of

self-discipline as the basis for success in sports. Suddenly the light went on. My insight was a different understanding of the word discipline with its meaning of an activity, exercise, or regimen that develops or improves a skill. Now Collins' book made perfect sense. He was saying that you needed to build an organization of self-disciplined individuals who know what needs to be done and have the discipline to do it. See topics 106-107.

My second example also comes from *Good to Great*. In his book, Collins describes the **Hedgehog Concept** as “the piercing insight into how to most effectively generate sustained and robust cash flow and profitability”—“a single *denominator* that has the greatest impact on the company's financial performance.” Since I had recently spent a great deal of time writing about benchmarking and statistics, the word “denominator” stuck in my mind and my interpretation of it was purely mathematical—that portion of a fraction that is below the line. For several years I periodically returned to the task of trying to figure out an appropriate Hedgehog Concept for private clubs but was continually challenged by thinking of a fractional benchmark.

Then I came across another non-mathematical meaning of denominator—that of a standard, in this case to guide your economic model. In a flash I understood and, as a result, was finally able to determine the Hedgehog Concept I was seeking. See topic 86.

With this as a background I encourage you to use the Comprehension and Reflection pages of this book to gain deeper Insights into the material covered. It does no good to simply copy and repeat the concepts. Instead, think about what you're reading, compare it to your own experiences, connect it to what you already know, and then think about why the concepts covered are important to your success and that of your club. If you do, I guarantee that the knowledge you gain will be far deeper and more meaningful than the simple experience of reading my words.



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# Operational Challenges of Private Clubs

Let us recognize that the club business is not rocket science. The basics of what we do are well-known to any club professional. What makes our jobs so challenging is the sheer number of things that must be attended to daily in a detail- and people-intensive business. Unless a club operation is well-organized and its managers highly **disciplined**, it operates in a state of barely-controlled chaos interspersed with periods of downtime.

The challenge for all is to transition quickly from storm to calm back to storm while remaining focused on long term goals, ongoing projects, and continual process improvement. The solution is to **organize the club so that most things happen routinely and that managers at all levels be highly disciplined in approaching their duties and efforts to improve the operation.**

The great majority of private clubs suffer from similar challenges rooted in the same underlying causes:

1. Many clubs are **standalone operations** with limited resources and few **economies of scale**.
2. Clubs operate multiple businesses—food and beverage, golf, tennis, aquatics, retail, recreation, spas, fitness centers, and the major maintenance effort involved in golf course operations. The knowledge and skill set to operate clubs efficiently is large and complex, and especially challenging for lean management teams working long hours and busy weeks.
3. The club business is both labor and detail-intensive requiring significant ongoing training, in many cases without the necessary resources to adequately provide it. As a result, many clubs operate from **oral tradition** resulting in ongoing service failures.
4. Most clubs operate without a written **operations plan** made up of detailed **standards, policies, and procedures** which, as Jim Muehlhausen says in his book *The 51 Fatal Business Errors*, requires managers to reinvent the wheel every day.
5. In most markets, there is ample competition for the members' discretionary spending—and often from businesses that offer limited, well-designed, and well-executed products or services; whereas clubs must be all things to all members.
6. In a sense, club members are a captive audience and may quickly grow bored or dissatisfied with the same old events and activities. Without the ability and resources to provide frequently changing **wow factor** events, a club staff will often hear the comment, “What have you done for me lately?”



# Food Service in Private Clubs



While every private club has its own assortment of amenities for the use and enjoyment of its members, all clubs provide some sort of food service operation. In the case of city or dining clubs, it is the central amenity around which all else revolves. Yet, no matter how the club is organized and no matter how many food outlets it operates, there are two essential differences in the way a private club functions that distinguish it from all other food service organizations.

1. It serves the limited audience of its membership and their guests.
2. While adhering to generally-recognized food service **best practices**, it operates exclusively for the satisfaction of its members and, therefore, aspires to a higher level of **personalized service** than restaurants serving the wider audience of the general public.

The impact of these two facts has profound implications for the private club food operation. The first is by self-limiting its potential number of diners, it loses the most important potential contributor to financial success—volume of business and the associated benefits of **economies of scale**. Second, because of its focus on personalized service and member satisfaction, it may often make decisions that run counter to sound business sense, such as offering high quality menus at an artificially low price or preparing custom menu items upon request for its members.

# The Central Role of Club Food Service



Even in clubs with a wide assortment of amenities such as golf, tennis, fitness, family activities, spa, overnight accommodations, equestrian operations, and others designed to serve the interests of its membership, the one amenity that is used by all members regardless of lifestyle, is the food service operation.

Whether used for social or celebratory purposes, or in conjunction with a golf tourney, the ladies' bridge club, a group of tennis players after a match, as a celebration of a family event, or for the dining and social needs of a member's business, every member will at some time take advantage of the club's food service facilities.

In some cases, it may be the club dining room, in others the variety of banquet and private dining rooms, while for many it may be the golf turn house, the on-course beverage cart, or the pool snack bar, but regardless of where the member contacts the club's food service operation, they have basic needs and expectations for their club and those who serve them.

# Personalized Service

One club's attempt to impress upon its employees the importance of personalized service found expression in the following service ethic:

“Our members and guests:

Know them like family.

Greet them like long, lost friends.

Treat them like Rock Stars.

If you remember these three simple statements, you'll always have the right Service Ethic in mind.”



The needs and desires of members can best be met by instituting a robust program of **personalized service** at the club. At the heart of this service is knowing your club's members, their personal interests and habits, and what they like and dislike.

Clubs routinely attempt to know their members by creating and constantly adding to a member profiles database.

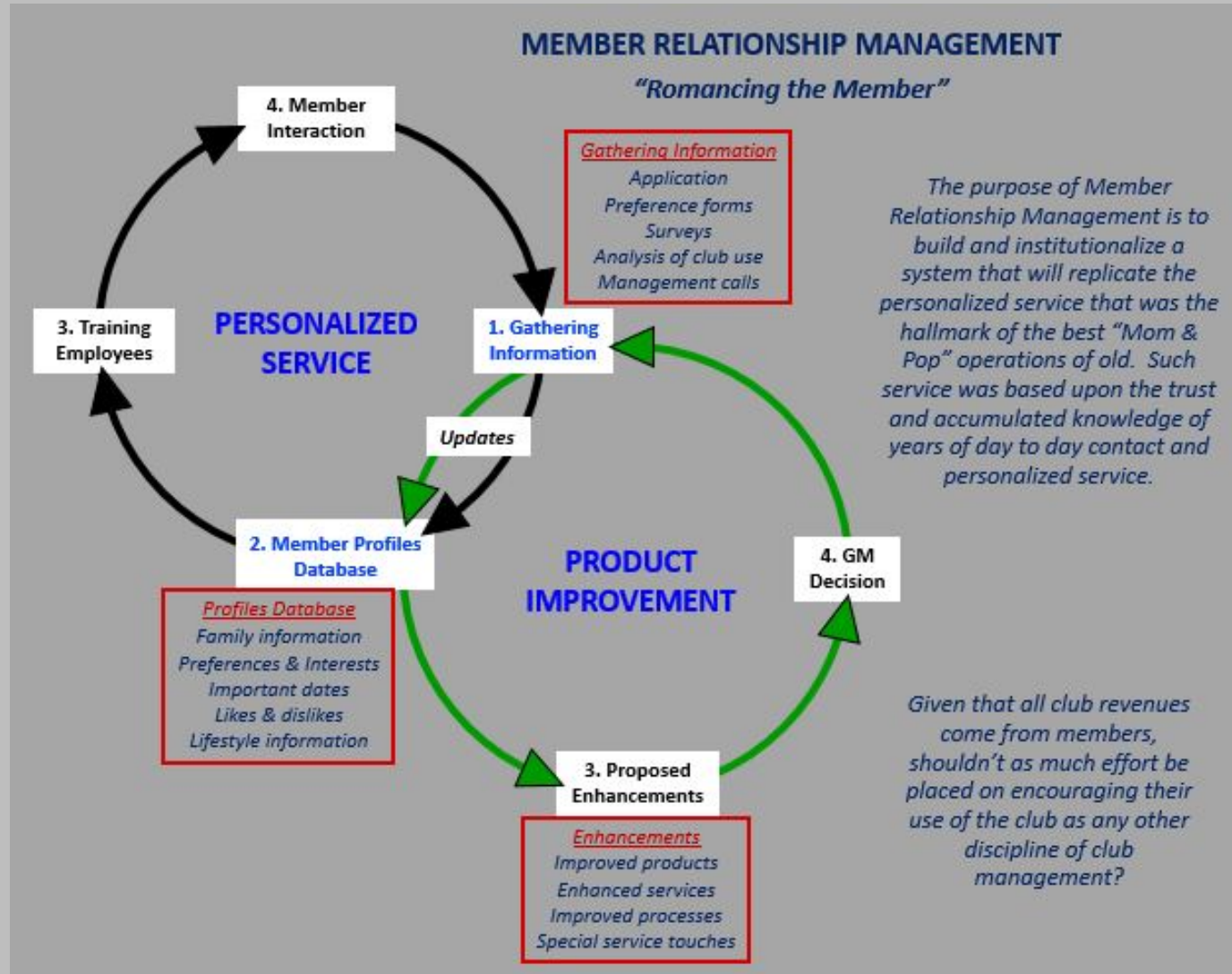
While collecting information about your club's members is not that difficult in concept or practice, the more challenging aspect of a member profiles database is how, on an ongoing basis, to keep the information current and put it into the hands of the employees who need it while serving the members.

# Member Relationship Management

By developing a body of information about each member over time, we can increase the degree of tailoring the club's products or service and, in the process, strengthen the emotional bond between the member and the club.

Ultimately, Member Relationship Management builds strong **brand** by creating the right blend of **organization, systems, and processes** that allow employees to understand members as individuals, and tailor every interaction with each member to his or her specific wants or desires.

Simply put, the more we know our members, the more we understand their needs, the better able we are to provide the **personalized service** that members expect from a private club.



# Getting to Know Members

Gather specific data that will help the club provide **personalized service** to each member and family. Define the data to be collected and get the board's approval and support in tracking this information.

Types of data to collect include:

- a. Names, titles, institutional or business positions, honorifics.
- b. Photo of each family member if possible.
- c. email addresses.
- d. Personal accomplishments—universities attended and degrees, awards and honors, promotions and assignments.
- e. Business, church, and professional association affiliations.
- f. Lifestyle interests such as specific sports and teams, activities, philanthropy and causes, hobbies, etc.
- g. Club leadership and committee positions held and dates of service.
- h. Celebratory dates—birthdays, wedding anniversaries, anniversary of club membership.
- i. Food and beverage preferences; dietary restrictions; food allergies.
- j. Pro shop preferences—brands, sizes, colors, equipment.

Collected data falls into two categories based upon its intended use:

1. Information to be used by the general manager and department heads to acknowledge and recognize members, as well as to foster meaningful member engagement and conversations—data a. through h. above.
2. Information to be used by line employees in providing personalized service—items a., b., and g. through j. above. The purpose is to provide staff with the information to recognize and address members by name and title, provide personalized service by anticipating needs, while avoiding inappropriate familiarity.

Collect as much information as possible on the membership application. The application should clearly state the reason for collecting the information—that is, to provide a more personalized service—and that completing this information is optional. Have a check off block for each of the data types above to allow members to designate what is OK to collect. The application should also provide a check-off block indicating that the member does not want any data collected.

Methods to data collection for existing members include:

- Using **Member Preference and Feedback forms** filled out by employees whenever they observe or note a member preference—such as how they take their coffee or their favorite beverage—or any feedback they receive or member comments overheard. These completed forms are then sent to the Member Profiles Manager—the person responsible for maintaining the **member profiles database**.
- Analyzing member purchases in pro shops or food venues. This should be done by the department heads for their own areas of the operation and provided to the Member Profiles Manager.
- Internet searches have the potential of yielding useful information as well as photos for those members with a significant Internet or social media presence. This can be done routinely as time permits by the club's administrative assistant, by some other designated individual such as a concierge, or as a summer project for an intern.



# Cataloguing and Sharing Information

Utilize your club management system software to record key information about your members if such a database is available. Each club will have to evaluate the availability, effectiveness, and ease of use of this feature.

As an alternative, build your own database using MS-Access or MS-Excel by setting up standardized files which can be replicated (Save As) and filled out for each member. Photos can also be inserted in these files and information aggregated by family member and type of data. As a convenience to properly share the information, the individual member file should be designed to segregate that information designated solely for use by line staff.

Recognize and protect the privacy of members by honoring their designated privacy wishes and controlling data collected by password protected access to the files by a limited number of designated individuals authorized to enter information in the database.

The responsibility for cataloging and sharing the member information collected will depend on the organizational makeup of individual clubs, though the following suggestions are offered:

- If workload and staffing permit, make the office of the club's membership director responsible for compiling member data. This works best when the membership director has an assistant who can handle the daily administrative task of entering collected data. In this situation, the membership director has ultimate say as to what information is and isn't appropriate to enter the database.
- An alternative is to have the club's administrative assistant maintain the database and make ongoing entries under the supervision and discretion of the general manager.



Three tools are recommended to share data with those who need it.

1. The Member Profiles Manager sends out email alerts to department heads when a new member joins so that the member's data can be reviewed by all departments. Alerts can also be used to provide important or time-sensitive news or information relating to existing members. Department heads can then access the individual member's file to review the information and share it with employees as appropriate.
2. Some sort of **Daily Huddle** or pre-shift meeting is an ideal time to share member information with line staff. Another tool to share data is by using a **shift log** (see topic 132) to distribute information.
3. Department heads should direct their employees to check dining reservations and tee sheets daily and then refer to individual member profiles to remind and refresh themselves regarding member names and preferences.

# Comprehension Reinforcement

List two things that makes managing clubs challenging.
How is the F&B operation in clubs different from commercial restaurants?
What do members want and expect?

Why is it so important to know your members?
List four things you should know about your members.
List three tools to share information about members.

# The Characteristics of Food Service 1

Anyone who has worked in food service knows that there are certain characteristics that make the industry a particularly challenging endeavor.

## Detail Intensive

Every aspect of food and beverage service is detail-intensive. Every recipe for each food item or drink requires the exact amount of a variety of ingredients. Each food or beverage item is served on or in its own special plate, bowl, ramekin, or glass. Every cook and bartender must know how to prepare and present the various items on the menu.

Servers must know the daily specials, what ingredients are in various dishes, and how to suggest accompaniments to a meal, such as an appetizer, bottle of wine, or dessert. Servers must also know how to set tables, how to present and open a bottle of wine, how to prepare and serve a cup of tea, and what brands of beverages are available from the bar.

The amount of detail that must be mastered by prep workers and servers is immense and contributes to a burdensome training requirement for staff.

## People Intensive

Food and beverage preparation and service takes a lot of people. The higher the level of quality, the more people it takes. Only a small portion of the work in a kitchen has been mechanized.

While pre-prepared food products can reduce preparation time, they are seldom used in high quality private clubs. While **point of sale** systems have helped speed communication from the front of house (servers) and the back of house (prep staff), multiple courses must still be plated by hand and carried to the dining room.

All soiled dishes, flatware, and glassware must be cleared from tables and taken to the dish wash station for cleaning and sanitizing. Pots, pans, and cooking utensils must be cleaned and returned to the cooking line. A large amount of refuse and garbage must be collected, bagged, removed, and properly disposed. Kitchens and all equipment must be thoroughly cleaned and sanitized each day.

## Knowledge Intensive

Food and beverage knowledge is an accumulation of information as old as recorded history. Cooking techniques and food products from around the world, along with special proprietary recipes and processes make for an endless body of knowledge. In club operations with diverse menus, a wide range of food and cooking techniques must be mastered. These establishments will also have a large stock of spirits, wines, beers, and liqueurs, all with distinct flavors and tastes to complement any food.

## Manufacturing Plant with End User on the Premises

A food service operation is a manufacturing plant. It receives raw products in the form of food and beverage stocks and transforms them on the premises into a saleable product—a menu item or cocktail. But what distinguishes food and beverage operations from other manufacturing plants is that the end user of the product comes to the “factory” to order and consume the goods. Satisfaction or dissatisfaction is immediate and can create challenging moments for staff.

# The Characteristics of Food Service 2



## Small Margins for Error in Preparation

Many cooked or mixed items have a very small margin for error. If the wrong quantity of baking powder is put in a batch of biscuits, the results can be catastrophic. The same applies to cooking time and temperature. One moment of inattention can ruin a custard or sauce. Diners are quite specific in wanting their steaks cooked rare, medium rare, or well-done. Preparing menu items within the parameters of recipes and member desires is a continual challenge.

## Determination of Quality Subjective

With most manufactured goods, the quality standard or specification is determined in advance and a customer buys the product by experience or reputation. If satisfied, they continue to buy the product. The manufacturer may periodically alter the product and issue a “new, improved” version, but these changes generally fall within the range of public expectations.

In food service, on the other hand, the determination of quality is highly individualized. Two people at the same table may order the same items, prepared at the same time by the same staff, but one hates his meal, while the other thinks hers is great. Couple this subjectivity with the great variety in individual tastes and it becomes a continuing challenge for chefs to prepare exciting, innovative menus that will appeal to a broad spectrum of tastes.

## Food Service is Time Sensitive

Every item on a menu has a different cooking or prep time, yet any course for a particular table must be prepared and served at one time. This requires the preparation staff to make constant judgments about when to start or “fire” a particular item.

In addition to the varying prep times for different items, most diners have an expectation of prompt service with little delay between courses. Lastly, food is expected to arrive at tableside both fresh and hot. An item that sits under a heat lamp too long will be overcooked and unappetizing.

So, the kitchen staff that is so impacted by time relies on a different staff—the servers—to pick up the food promptly and get it to the table quickly. If the server was only serving one table this would be relatively easy, but wait stations can include many tables, all at different points in their meal service.

# The Characteristics of Food Service 3

## **Volatile Business Levels – by the Minute, Hour, Day, Week, and Season**

The *à la carte* portion of a food and beverage operation is highly volatile. Despite the best efforts of management to forecast levels of business, the number of meals served on any given day and at any given meal period can fluctuate widely. This volatility makes it difficult to order and prepare appropriate levels of food and beverage stock and creates an ongoing challenge for scheduling staff.

Within the same meal period, business levels can vary from moment to moment. Sudden rushes of members arriving at the same time can significantly impact the smooth flow of food preparation and service. A large party arriving unannounced or earlier or later than its scheduled reservation can also impact the operation.

Food service operations frequently get slammed, that is, experience an unexpected rush of business. Fortunately, food service employees seem to have an overdrive that they can kick into when necessary.

The constant flux in business levels and the resultant challenges creates an environment that often borders on controlled chaos. All these factors contribute to high stress levels in a busy food service operation. Those employees who do well in this environment are often adrenaline junkies—people who thrive on the stress and flux of a rapidly changing operations.

## **Diners have Different Expectations**

Just as every person has his or her own sense of taste; many diners have a different set of **expectations** for a club's food service. Some want a quiet and relaxing meal in an unhurried setting, others want to eat quickly to go on to something else, others want a particular menu item, others want seafood, or fresh salads, steaks, special meal deals, or low fat or low carb offerings.

While many eating establishments try to limit the customers' expectations by appealing to a limited niche of the market, private clubs don't have this luxury. They are expected to be all things to all members.

## **Food Service has Many Complementary Components**

By its very complexity, food service has many complementary components. A meal can include many courses—before dinner drinks, appetizers, soup, entrée, salad, dessert, wines to accompany each course, after dinner drinks, coffee or tea, and liqueurs.

The various components come from different sources—the bar, the kitchen, the pantry, and the wine cellar. The server must coordinate all the various components to ensure that each arrives at the appropriate time during the meal service.

## **Food Service Offers Many Choices**

While most operations offer set menus and accompaniments for the menu, the diner still has a wide array of choices. Examples of choices include domestic and imported beers and wines, wines from California or Washington State, red and white wines, sparkling wines, dessert wines, fortified wines, choices of salad dressing, regular or decaffeinated coffee, various types of teas, bottled water, brand name sparkling water, choice of vegetables, choice of starch, a wide variety of condiments, and on and on. Each choice adds complexity to purchasing, storing, preparing, pricing, and serving.

# The Characteristics of Food Service 4

## **Business Impacted by External Influences**

Business levels in a food and beverage operation are often influenced by factors external to the operation. The decision of a member to dine is often made in conjunction with other activities such as business, shopping, recreation, entertaining and special occasions, visitors and house guests, spur of the moment decisions to forego preparing a meal, and, of course, the weather.

While a well-run club food service operation will attempt to forecast business based upon past experience and upcoming events, the level of business for any given meal period is subject to many factors outside the control or knowledge of management.

## **Fast-Paced, Physical Jobs**

Food service is typically a fast-paced, physically demanding job. Prep staff, bartenders, and servers are on their feet for their entire shift. Carrying food stocks and trays of food requires strength and agility. The hot environment of the kitchen can sap a person's strength, while servers must negotiate the industrial environment of the kitchen and the show environment of the dining room. Eating establishments frequently get slammed with unexpected levels of business and must set and maintain a blistering pace. One no show or sick employee can seriously impact the quality and efficiency of service.

## **Preparation is Key – *Mis en Place***

Given the high levels of volatility and unpredictability in food service, the key to successful operations is thorough prior preparation. This fact was not lost on the early French chefs who pioneered modern food service management techniques.

The French phrase ***mis en place***, interpreted to mean “everything in place” or “the preparation is ready up to the point of cooking,” encompasses the ideal of having all ingredients ready to go so that all that remains is to combine and cook them.

The concept of *mis en place* has naturally been extended to all areas of food preparation and service so that all employees—cooks, servers, bartenders, etc.—have completed all necessary preparations and are ready to handle whatever level of business shows up to dine.

## **Need to be Friendly, Courteous, and Accommodating under Pressure**

Amid all the stressful, controlled chaos of a food service operation, servers must remain cool, collected, and provide a friendly, courteous, and accommodating attitude toward members. Clearly this requires people of uncommon temperament, ability, and personality.

## **Teamwork and Timing are Essential**

Other keys to successful food service operations are teamwork and timing. Teamwork is critical because there are two distinctly different groups of employees involved in food service—those who take the orders and serve the food and those who prepare the food.

Servers must ensure proper communication of all orders, accompaniment alternatives, special requests, and cooking temperatures to the kitchen. The prep staff must ensure that all items for a table are prepared according to the order and at the same time.

Without close cooperation and teamwork this system of dual staffs will break down resulting in poor food quality and service. The fact that the work environments for the two staffs are so radically different usually means that employees in the two different areas tend to have different personalities and dispositions.

Just as timing is critical to executing football or basketball plays, timing is an ever-present issue in food service. The efforts of the two staffs must be well-coordinated and the necessary timing only comes about from training and experience, as well as excellent ongoing communication.

# Comprehension Reinforcement

What do we mean when we say food service is detail-intensive?
Explain why food service is time sensitive?
List various components or courses of a meal.

What do we mean when we say food service quality is subjective?
Why is dining volatility so impactful on a food service operation?
Why is <i>mis en place</i> so important in a food service operation?

# Basic Service Issues

There are certain basic service issues common to most clubs.



## Offer Special Touches

There are small, yet special touches that demonstrate the club's commitment to service. Special touches should be created for all areas of the operation.

## Satisfy High Maintenance Members

Employees should understand that there will always be high maintenance members. Satisfying their higher expectations is a critical part of the job and the ultimate challenge of service. So, employees should not dwell on the challenging few; rather, they must recognize each request or complaint as legitimate and focus on the solution.

## Maintain Decorum

Clubs typically develop an atmosphere that reflects its membership. Whether formal or casual, the attitudes and behaviors of members will establish an appropriate **decorum** for the club in general and various areas of the club specifically. Employees need to be aware of and maintain this decorum.

## Avoid Sensitive Topics and Language

Club employees should always avoid engaging in or responding to conversations with members on sensitive or controversial subjects such as religion, politics, discussions of other members, and ethnic or off-color humor.

## Meet Special Service Requests

As an operation that caters to the needs and desires of its members, clubs will make every effort to meet the special requests of its members. Going the extra mile to provide extraordinary service will impress both members and their guests.

## Avoid Familiarity

Many members live a more casual, relaxed lifestyle and they naturally carry this casualness into their interactions with club employees. Some members ask employees to call them by their first names and enjoy joking and exchanging banter with employees. This, however, can create a potential minefield for employees and must be addressed in training.

## Enforce Club Rules

Each club has rules and regulations for its members to follow such as dress code, proper golf course etiquette, ready play, prohibition of carrying coolers on the golf course or in the pool areas, etc. Unfortunately, when members do not follow the rules, it is up to employees to enforce them. Often the infraction is unintentional, and the member simply needs a reminder. In some cases, it may be best to make an exception in the immediate case to avoid embarrassment, but the member should always be reminded about the policy to avoid future problems. When informing members of a rule violation, it is always helpful to offer an alternative to the member, for instance, seating inappropriately dressed members in the bar to eat instead of the dining room.



# Basic Service Issues, continued

## Know your Facility

Every dining room has good and less desirable tables. The good seats are near the fireplace in winter, overlooking the veranda in summer, or a booth for quiet, intimate dining. Conversely, there are tables under air conditioning vents, near pantry and exterior doors, or near a large party of young children that might be less desirable. Employees should be aware of the good, the bad, and the ugly of the dining room and seat members accordingly.



## Know Member Habits

Employees should make every effort to learn the habits of members, particularly those who use the club frequently. Whether it's Dr. Jones liking his martinis dry and straight up or Mrs. Smith's inability to tolerate dairy products or Mr. Martin always enjoying a Courvoisier after his meal, these tidbits of information, when followed up on by employees, provide a higher level of service and a personal touch that is always appreciated by members.

## Know Member Names

Members want to be recognized and greeted at their club. These are among the main reasons people join clubs. Learn and use their last names and address them as Mr., Mrs. Ms., Doctor, General, etc., at every opportunity.

## Establish WOW Factors

Recognize that what excites and astounds today will be viewed as old news tomorrow. For club employees to continually provide the unexpected **service touches** that wow members, they must be challenged to brainstorm and plan for ways to continually impress. This is not something that should be left to chance.

## Reinforce Club Value

It is through the daily casual conversation with members that you can build value. Most members pay dues monthly or quarterly, so the club must reinforce to them that their money is well spent. Talk about the upcoming club activities and events, mention any exciting new offering in the dining room, talk about items of interest that will help them see the benefits of being a member at their club.

## Maintain Club Appeal

One way to ensure that the club is appealing to members is for managers to pretend they are a member. Each time they arrive at work, they should walk into the club as if they are a member or are entertaining guests. Walk around the clubhouse, view the dining rooms and bar area, look in the restrooms; act as if they have never set foot on the premises. Look from top to bottom and see if anything is out of place, dirty, or in need of repair. Then take action to fix it.

# Quality and Service

How do we define **service** and **quality**? According to Dictionary.com:

- Service is “the act of helpful activity.” In club operations it is the process or performance of some task or event for members and guests.
- Quality is “a characteristic or property that signifies relative merit or excellence.” In our industry the word is used to express the relative merits or excellence of the facilities, amenities, activities, and service you provide members.

Given that a club operation’s quality is defined by the relative merits of those things and the service provided to members, let us pose some questions regarding the service to which a club aspires or claims to offer:

- Has the club defined what service is for its service-delivery employees?
- Has the club explained or trained its employees to know what its **expectations** for service are?
- Does the club know what members expect when it comes to service? If so, how does it know? What methodology is used to determine their needs and expectations?
- Has the club and each of its operating departments identified key service **touch points** or **moments of truth** for its employees?
- Has the club taught or demonstrated for its employees how to handle various touch points in a variety of situations and contingencies?
- Has the club documented touch points and service **standards**, **policies**, and **procedures** to ensure that they are taught consistently to each new employee and new generations of employees?

- Does the club have a means of measuring compliance with service standards, policies, and procedures?
- Does the club have a process to address service failures?
- Does the club have a process to make service failures right for members?
- Does the club have a process to discover underlying causes of service failures to ensure they don’t happen again?
- Does the club have a consistent process to educate employees about changes to standards, policies, and procedures to eliminate service failures?
- Does the club have a means of monitoring service failures to identify trends or spot problems?
- Do club employees know that they can self-report their service failures without fear or repercussions?

If the answer to most of the questions above is “no,” the club does not provide quality service. What it provides is a series of interactions between members and employees that may or may not meet the expectations of members. The quality provided is based purely on chance and, therefore, has an unacceptably high risk of failure.

If the above describes a club’s quality and service, there is much to work on to meet the expectations of members.

# Impediments to Quality and Service



We frequently talk about those steps that a club operation must take to promote excellence. As an alternative, let's examine those things that act as impediments to quality and service. Think about each of the following obstacles to a smooth-running operation where quality and service are paramount; then assign the responsibility for removing the impediment where it squarely belongs by checking the appropriate block:

<i>Whose responsibility to fix?</i>	<u>Employee</u>	<u>Management</u>
➤ Lack of <b>culture of service</b> ; failure to consistently reinforce the culture	<input type="checkbox"/>	<input type="checkbox"/>
➤ Lack of <b>standards</b> (stated <b>expectations</b> )	<input type="checkbox"/>	<input type="checkbox"/>
➤ Lack of communication	<input type="checkbox"/>	<input type="checkbox"/>
➤ Lack of leadership, leadership consistency, and example	<input type="checkbox"/>	<input type="checkbox"/>
➤ Lack of organization; toleration of a chaotic work environment	<input type="checkbox"/>	<input type="checkbox"/>
➤ Lack of hiring <b>disciplines</b> to bring aboard the best staff	<input type="checkbox"/>	<input type="checkbox"/>
➤ Lack of planning, review, and <b>continual process improvement</b>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Failure to remove obstacles to efficiency	<input type="checkbox"/>	<input type="checkbox"/>
➤ Lack of training or training consistency	<input type="checkbox"/>	<input type="checkbox"/>
➤ Lack of teamwork, morale, and enthusiasm	<input type="checkbox"/>	<input type="checkbox"/>
➤ Lack of understanding about what members want/expect	<input type="checkbox"/>	<input type="checkbox"/>
➤ Lack of a <b>member relationship management</b> plan	<input type="checkbox"/>	<input type="checkbox"/>
➤ Lack of <b>employee empowerment</b>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Lack of <b>accountability</b>	<input type="checkbox"/>	<input type="checkbox"/>

If management has a true understanding of the responsibilities of leadership—that a leader is responsible for everything his or her operation does or fails to do—then correcting every one of these impediments is a function of management. Intrinsically understanding this validates that W. Edwards Deming was right when he said, “*The worker is not the problem. The problem is at the top! Management is the problem!*” and “*There is much talk about how to get employees involved with quality. The big problem is how to get management involved.*”

# Consistency is Key to Quality and Service

When it comes to quality and service, some clubs are consistently awesome, a few are consistently awful, and most are consistently inconsistent. While there may be many factors that contribute to the comparative performance of clubs, a major underlying difference is consistency or lack thereof in the details of their operations.

There is a time-worn statement that while fast food operations don't provide their customers with the highest quality of product and service; they build their success by providing a consistent product. Private clubs aim higher for their members—the elite and affluent members of a community who pay a significant amount to belong and enjoy the ambience and personalized service of a club. Yet simply because a club offers more impressive surroundings, higher quality amenities, and a more upscale menu doesn't mean that members don't have the reasonable expectation of consistency whenever they come to their club.

But in contrasting clubs, which are often **standalone operations** with limited staffs and few **economies of scale**, with a McDonalds or a Subway with their significant corporate resources is an unfair comparison. This doesn't mean that clubs should not aspire to consistency of operations, but it does mean that clubs must make a special effort to institutionalize consistency in all areas, particularly in its relationship with members.

Here are major areas of a club operation where consistency is critical:

- **Leadership.** How a management team interacts with employees is critical to their commitment, performance, and **engagement** with members. Without a consistent conception and application of leadership at all levels of the operation, the quality and service provided will be as inconsistent as the leadership styles of each manager and supervisor. [Leadership on the Line](#) and [Leadership on the Line – The Workbook](#) spell out in detail the principles of **Service-Based Leadership** and are a great foundation for consistent quality and service.

- **An Overarching Game Plan.** Every endeavor demands a plan to be successful. Without a written plan to guide various departments in the execution of their **missions**, inconsistencies will abound.
- **Organizational Values and Culture of Service.** The values a club holds dear and the manner it interacts with members, employees, and the community at large is crucial to its success. As with any nuanced interaction with others, these must be well-defined, taught, and modeled to ensure consistent understanding and application.
- **Organizational and Operational Standards, Policies, and Procedures.** How can a club possibly determine what employees should be trained to know and do if it has not defined its standards, policies, and procedures?
- **Management Disciplines.** In his groundbreaking book, *Good to Great: Why Some Companies Make the Leap . . . and Others Don't*, Jim Collins said, “*Much of the answer to the question of good to great lies in the discipline to do whatever it takes to become the best within carefully selected arenas and then seek continual improvement in these. It's really just that simple.*” Without **disciplined** managers at every level of the organization executing **best practice management disciplines**, a club will never achieve consistency of operations or greatness.

(continued)

# Consistency is Key, continued

**Member Relations.** A club's membership is its lifeblood. How the club interacts with its members in all its areas of engagement will determine the memberships' commitment to and use of club facilities. This is an area that cannot be left to chance. To be consistent in how members are engaged and treated, the club must have a comprehensive **Member Relationship Management Plan** and all employees must be trained in its requirements.

**Managerial and Employee Training.** If employees are to perform with consistency, all staff, including managers, must be trained in all aspects of their positions and responsibilities, most particularly in the details of service and service delivery.

**Employee Empowerment.** John Tschohl said, *"Without empowerment, an organization will never be a service leader. Empowerment is the most critical skill an employee can master, and a company can drive in order to lure and keep customers."* Creating employee empowerment requires leadership, planning, and training. Consistent empowerment training across all service delivery areas will transform both employee morale and member satisfaction.

**Planning, Execution, and Review.** The operational efforts of the club are encompassed in the ongoing process of planning, execution, and review. When addressed and executed in a disciplined manner, this process can streamline an operation while infusing it with consistency. Any club task that will be repeated (and this means 99.9% of everything it does) can be examined for ways to make it more efficient and replicated with greater ease. This discipline leads naturally into the following one.

**Continual Process Improvement.** Refer again to the quote from Jim Collins under Management Disciplines on the previous page, *"... and then seek continual improvement in these."* In the effort to continually improve, the focus should be on improving the consistency of the club's quality and service.

**Accountability.** Everything we've talked about to improve consistency of quality and service means nothing without accountability. Without leadership, the **will to make it happen**, and strict accountability for results, trying to run a high-quality club is an exercise in futility.

Having discussed the major areas requiring consistency, managers must understand that the way to build a high performing, consistent operation is not unknown, but at the same time, there is nothing easy about the effort that goes into it. It requires the hard work, focus, and diligence that Jim Collins described as the Flywheel Effect in building a good to great company,

*"Sustainable transformations follow a predictable pattern of buildup and breakthrough. Like pushing on a giant, heavy flywheel, it takes a lot of effort to get the thing moving at all, but with persistent pushing in a consistent direction over a long period of time, the flywheel builds up momentum, eventually hitting a point of breakthrough."*

When managers recognize that consistency is a significant underlying element of both **quality** and **service**, it is obvious that it must be a focus of everything they do to organize the club and train staff.

# Necessities for Success



We have spoken of the many challenging characteristics of food service as well as basic service issues and what constitutes and impedes quality and success in private clubs. So, what are some of the steps you can take to improve your operations, to better organize it for success?

Basically, there are eight success factors that can be found in all successful club and food service operations. They are:

1. An overarching plan for operational excellence and improvement (see topic 23)
2. Consistent **Service-Based Leadership**
3. **Organizational values** and a **culture of service**
4. Organization and structure
5. Accounting and financial management—knowing and managing your numbers
6. **Management disciplines (best practices)**
7. Formalized and consistent training
8. Absolute dedication to **quality** and member **service**

Each of these will be discussed in greater detail in the material that follows.

# Comprehension Reinforcement

List and discuss four basic service issues.
What do we mean by "know your facility?"
In discussing quality, why does Deming say the problem is at the top?

List and discuss four areas of club operations where consistency is critical.
List and describe four of the eight success factors in private clubs.

# Reflections

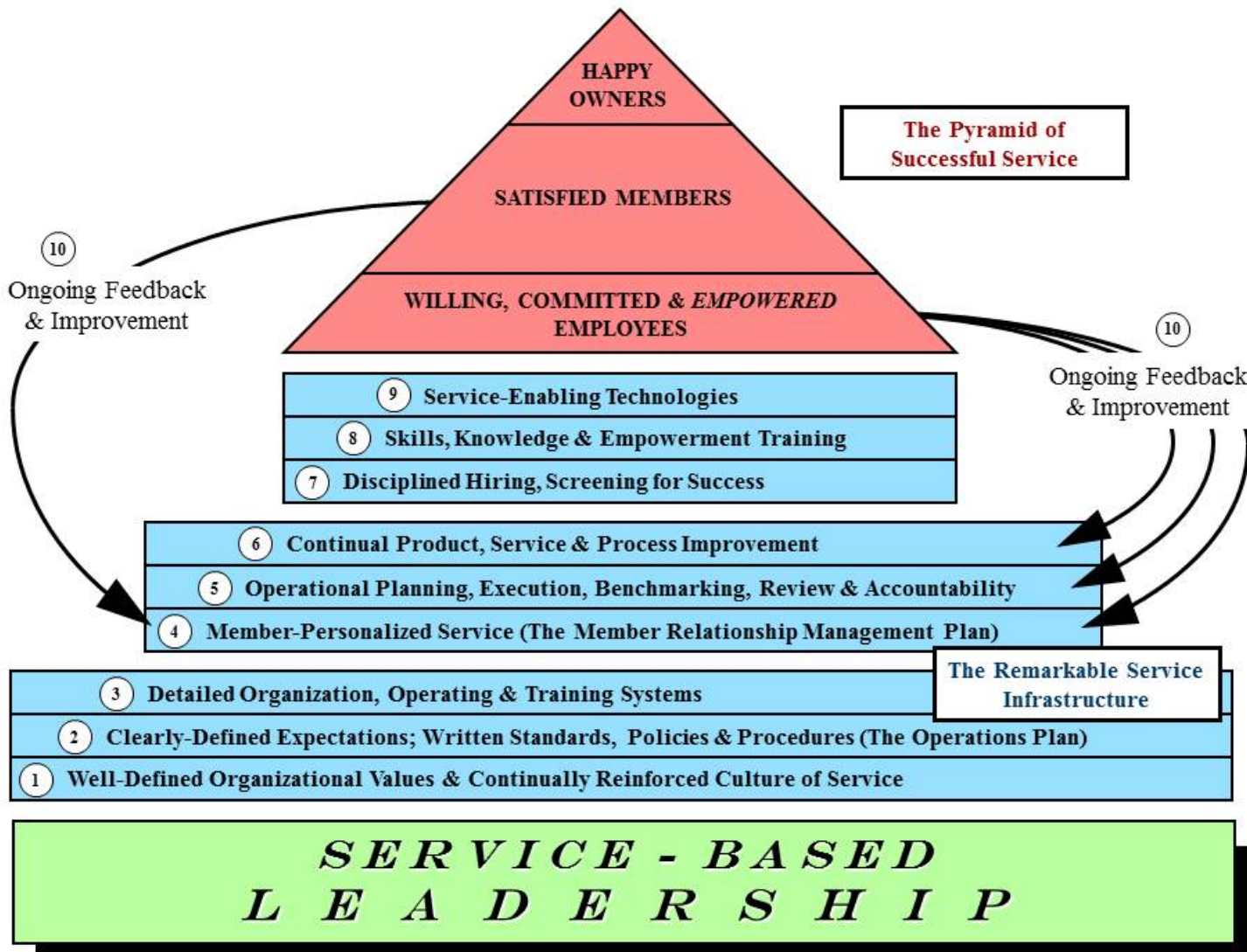
We have covered a lot of material in this first section of the book. To better understand the many challenges you face in your jobs, we've talked about what makes private clubs unique and the characteristics of food service operations, basic service issues, what constitutes **quality** and success, and the importance of consistency in what you do. To reinforce this material, we ask you to list below, in no special order, those things about your job that you find most frustrating. What are the major obstacles you face and are they linked to any of the material we've discussed? This is important, because the first step in overcoming a problem is to understand its causes and dimensions. Next, choose the three items on your list that most impact your ability to do your job well (or to satisfy members) and describe what you might do to solve or lessen their impact.

Having listed those things that make your job difficult, keep these in mind as you proceed with the course.





# The Overarching Plan



This graphic shows the necessary organizational building blocks for constructing a successful private club operation.

[The Quest for Remarkable Service](#) describes in greater detail each of the elements shown in the diagram.

See [Seven Informative Infographics for Club Operators](#).

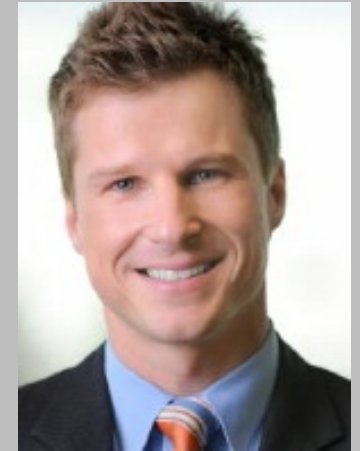
# It All Starts with Leadership

## It all starts with leadership.

Strong and stable leadership is the single most important requirement for successful club operations. While there are many styles of leadership suited to any industry or endeavor, experience over many years in the club business makes it clear that a service-based approach to leadership works best in the service industry.

**Service-Based Leadership** differs from other leadership styles in its focus on serving the needs of employees to provide them with the proper tools, training, resources, **engagement**, example, motivation, and **empowerment** to serve the club's members. The importance of this support can be inferred by the question:

*"How can employees provide quality service if they are not properly served by the leadership, example, support, and ongoing engagement of their managers?"*



# The Soft Stuff



COURTESY: PEPSICO

Roger Enrico, former Chair, PepsiCo.

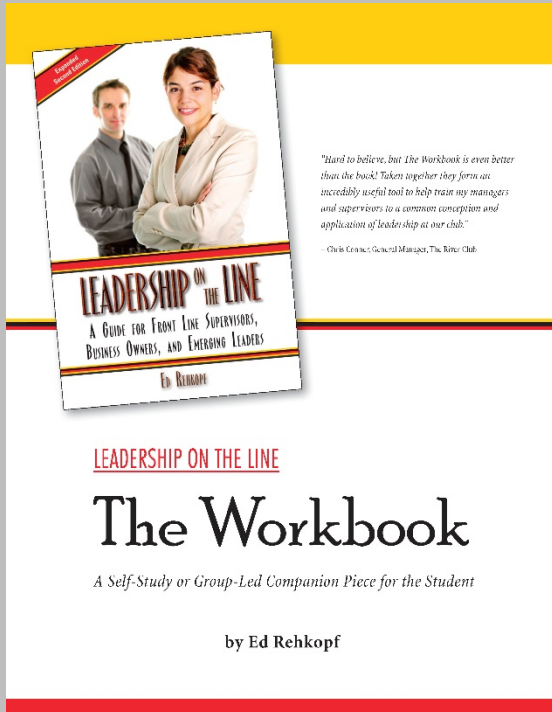
Roger Enrico famously said,

***“The soft stuff is always harder than the hard stuff.”***

So, what are we talking about when we speak of **the soft stuff**?

In short, it’s the people skills—those aptitudes and abilities used to get the best out of our human assets. It encompasses all those things we talk about when discussing leadership—the relationships with multiple **constituencies** and the highly nuanced interactions with a diverse workforce that result in motivation, morale, enthusiasm, focus, commitment, productivity, teamwork, organizational cohesiveness, and group success.

# What is Service-Based Leadership?



[Leadership on the Line and The Workbook](#)  
are available at the PCPM Marketplace Store

With **Service-Based Leadership**, the attitude and primary motivation of the leader is service to others—to members, to employees, to shareholders. This approach to leadership naturally creates relationships—the deep and abiding bonds that sustain the efforts of the club. This outward focus of the leader sets up a dynamic where:

- Employees are continually recognized.
- There is an unimpeded flow of ideas, opinions, and information.
- Initiative and well-considered risk are highly regarded.
- Problem discovery and solution is a focus while placing blame is unimportant.
- Every employee feels energized and part of the team and is valued for his or her contribution.
- Prestige is derived from performance and contribution, not title or position.
- Members are treated well because employees are treated well.
- The energy and initiative of all employees are focused on the common effort.

With Service-Based Leadership, managers will find that **service** to both external and **internal customers** is effortless. Less energy is expended in processing complaints, grievances, and conflicts. Work is more fun, and everyone's job is easier.

# Knowing Your Constituencies



Before a manager can effectively exercise her leadership skills, she must clearly recognize her various **constituencies**—those individuals or groups who depend on her and for whom she must provide leadership and **service**. For many positions this is clear; there are members, employees, and a boss. However, for some positions there may be other groups who rely upon her exercise of leadership.

So, for every leadership position, one must identify the constituencies served. Once these have been identified, a leader should make a list of each constituency's needs and how she and/or her team can best serve them. In most cases she will need to visit with constituents to hear directly from them what they need or expect.

With a clear understanding of their needs, she is in a far better position to determine priorities and execute her responsibilities.

*Leadership on the Line*

# Serving Your Constituencies



The key to serving the needs of those you serve lies in ensuring that you build strong relationships with individuals. How do you do this? Begin by:

- Treating everyone you meet with courtesy, respect, and good cheer.
- Focusing on each person you deal with as if he or she were the most important person in the world.
- Taking the time to get to know people; sharing your time and attention with them.
- Learning about other people's jobs and the challenges and difficulties they face.
- Keeping promises and following through on commitments.
- Being principled, showing fairness, and demonstrating integrity.
- Recognizing the ultimate value of people in all you do.

Relationships depend upon how you view yourself in relation to others. If you see yourself as separate and apart from your **constituencies**, if you view others as the means to your ends, if your vision and goals lack a broader purpose than your own needs and ambitions, establishing meaningful relationships will be impossible. On the other hand, when you see yourself as part of a team with a shared **mission**, then a sense of **service** will be an intrinsic part of your service team relationships.

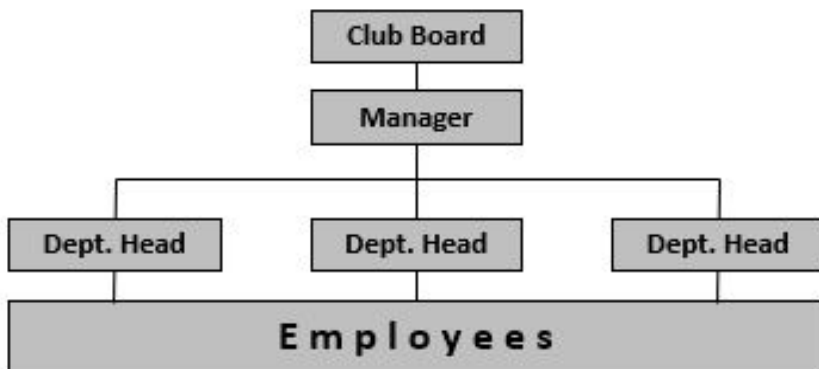
*Leadership on the Line*

# The Hierarchy of Service

We stress that a leader must serve the needs of his or her **constituencies**, but not all constituent needs have equal weight or consequence.

**Owners or Boards** are usually the smallest constituent group in numbers, but their needs are paramount. Why? Because it is their capital that has been invested in the enterprise and their need for return on investment that permits the continuation of the business. If it is not making a profit, if it cannot gain credit based on a potential for future profit, if it cannot meet its cash needs for payroll or to pay vendors, it will quickly go out of business and the needs of all other constituencies will become irrelevant.

The basis for the traditional hierarchical organizational model is the military concept of “chain of command.” In this model, management is represented as the sequence of authority in executing the will of the owners—and certainly management plays that essential role. But in addition to not representing the importance of members, it also places the employees at the bottom of the chain—thereby visually relegating them to the position of least consequence.



**Traditional Top-Down Organizational Chart**

It properly emphasizes the place of owners, but where are the members?

Next in order of importance are the needs of members. Without sufficient member patronage of the club, it will not be profitable or viable. If not viable, it will not last long—and all constituencies lose.

Members are attracted by price and the **quality** of products and **service**. Taken together, quality and price create a sense of value—the value members perceive. If enough perceive value, they will frequent the club to spend their money and will make it successful. If not, it will ultimately fail.



This statement brings us to our third constituency—the employees. They are the ones who execute the Board’s vision for quality of product and service. They are the ones whose daily member interactions create the value members perceive. Properly led, valued, and supported, employees will enthusiastically commit to serving members, thereby fostering levels of business that enable the club to thrive.

*Leadership on the Line – The Workbook*

# Leadership Growth and Adaptation

As any individual grows in leadership, his or her ideas about what leadership entails will mature and, in that maturation, one constant will stand out—change. Adaptation to insistent changing circumstances is a hallmark of success. One must approach life as a continual learning experience.

What attitudes and approaches lend themselves to this continual learning experience?

- Always keep an open mind. Try not to pre-judge situations or people.
- Never assume you know it all. The more you learn, the more you realize how little you know.
- Be open and accessible to **constituents**—particularly followers.
- Remember that each follower and each constituent is unique and may require different motivators and methods of communication.
- Take time to stop and listen to your constituents. In your rush to accomplish, do not forget that you need their input, feedback, and support. Knowing their needs is essential.
- Don't cast others as adversaries. Find out their legitimate concerns about your agenda. Accept the challenge of winning over your most difficult constituents.
- Take constituent concerns seriously and adjust your agenda as necessary. Their buy-in to your program is essential to your success. Judicious compromise is a sign of intelligence and flexibility, not defeat. It should never be “my way or the highway.”
- Stay informed. Know what's going on in your organization, community, and the world at large. To be effective, you must be relevant to your time and place. To speak with authority and win people over, you must be knowledgeable about more than just your job.
- Nurture and care for your constituents. While never on a *quid pro quo* basis, you will find that the care you give will be returned many times over in loyalty, support, and advancement of your goals.

- Be aware and alert to what goes on around you. Learn by observing others, by witnessing their successes and failures. Most knowledge comes not from education, but from your life experiences. When you go through life in a fog of your own making—too consumed with real and imaginary dramas—you are inert, like a rock, to the wealth of learning opportunities around you. As one leading hospitality company puts it, “keep your antennas up and your radar on” at all times—you'll learn a lot by doing so!
- When you're stressed or something has you ill-at-ease or on edge, it is a sure sign that something is wrong somewhere. Analyze your situation. Discovering the source is the first step in finding out what's wrong and where you need to act.
- Once you've discovered the problem, contemplate how your leadership can overcome the issue. Like any other learned ability, this continual “puzzling” over leadership challenges will enhance your skills and usually bring you to a better resolution. If things turn out badly, figure out what went wrong and learn from the mistake.

Darwin was right on many levels when he said that creatures must adapt to survive. Leaders must adapt, not just to survive, but to thrive.

*Leadership on the Line – The Workbook*



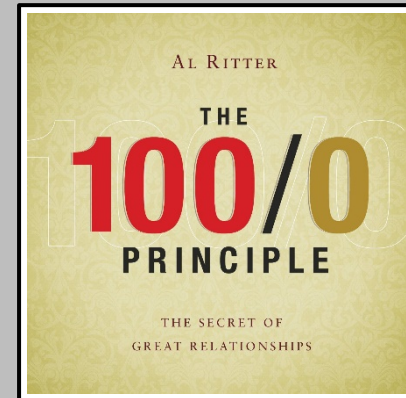
# The 100/0 Principle

Al Ritter has written a great little book, ***The 100/0 Principle***, subtitled *The Secret of Great Relationships*. While this may sound like any one of the score of self-help books published annually, one merely has to look at Mr. Ritter's resume—MBA from Dartmouth, marketing and operations positions with Pepsico, CFO at Swift and Company, Senior VP for Citigroup, consulting for Accenture, and founding his own consulting company—to recognize that this short, simple, and easy-to-read book holds much promise for business leaders in any setting and level of organizational hierarchies.

We believe the simple concept at the heart of this book is arguably the single most important guarantor of success in any relationship, certainly in the personal arena, but beyond that in any organization or business enterprise. Such well-known leadership authors as John C. Maxwell, Brian Tracy, and Warren Blank have all recognized the central role of relationships in any attempt to lead. As Maxwell said, *"People who are unable to build solid, lasting relationships will soon discover that they are unable to sustain long, effective leadership."*

What Mr. Ritter so strikingly advocates in his book is that if you want any relationship to be successful, you must take 100% responsibility for the outcome while expecting nothing in return. While this statement may seem shocking to some, we believe it is counter-intuitive wisdom of the highest order. To examine why, consider the following statements relating to leadership:

- A leader is responsible for her own success.
- A leader is responsible for everything his organization does or fails to do.
- In a free society, all but the most socially or economically disadvantaged followers have choices and can go elsewhere.
- Meaningful relationships are based on trust.
- Followers don't automatically extend their trust to a leader; it must be earned.
- As the one with the power and authority, the leader must take responsibility for establishing trust.
- If, for whatever reason, a relationship with followers is not going well, a leader cannot expect or wait for others to fix it.
- Therefore, he or she must take responsibility for the relationship.



Mr. Ritter states and we believe that taking complete responsibility for your relationships and expecting nothing in return will yield vastly improved results in every arena of life. His book offers concrete advice and steps, such as creative listening, suspending judgment, and unconditional acceptance, for readers to adjust their thinking and change their responses to difficult people, challenging situations, even "toxic" bosses. While his experience with the 100/0 Principle has been mostly successful, he outlines a few situations where it doesn't apply. He also candidly admits that there are no guarantees that it will always work, but that in most situations, dramatic results are achieved.

# Comprehension Reinforcement

How would you describe your style of leadership?
What is the soft stuff that Roger Enrico says is so hard?
List and explain your responsibilities to your constituencies.

Why are service-based leaders at the bottom of the hierarchy of service?
List three ways you can continue to grow as a leader.
Explain the concept of the <b>100/0 Principle</b> .

# Employee Empowerment



What are empowered employees and how can they help a club meet its mission and vision? In the simplest terms empowered employees are viewed as full-fledged partners in the quest for high standards of quality and service. Instead of the unfortunate view that employees are easily replaceable elements in an organization, people who must be trained to do narrow, well-defined tasks and who must be closely watched and supervised at all times, the concept of empowerment says that today's more educated and sometimes more sophisticated employees need and want to contribute more to their employer and workplace. Yet many businesses marginalize their employees by refusing to listen to them and by failing to let them contribute to the enterprise in any meaningful way.

A few companies have truly embraced the concept of **employee empowerment** and have discovered the immense power and synergy that can be unleashed when employees participate more fully in their operations. Any employee at a Ritz-Carlton hotel can spend up to \$2,000 a day per guest to solve problems, not just to satisfy their guests, but to wow them with outside-the-box service.

Yet it takes more than waving a magic wand over employees' heads and telling them they can spend money to solve problems to reap the benefits of employee empowerment. Like any complex and detail-intensive issue, establishing a culture of empowerment for employees requires **Service-Based Leadership**, careful planning, well-defined policies, and training to implement effectively.

In reviewing club operations, there are three principal areas where empowered employees can contribute significantly to improved performance:

- Resolving member **service** issues.
- Helping improve work processes as part of **continual process improvement**.
- Taking on certain delegated management functions.

*[What I Expect from My Club Management Team](#)*

# Leadership and Employee Empowerment

It has been said that leadership is situational, and that there is an optimum style of leadership for every profession—from politician, to general, to doctor, to professor, to hospitality manager. The skills and abilities that make a person successful in one setting do not necessarily translate well to another. The hard-charging, tough-as-nails, cigar-chomping persona of a charismatic military leader will not work well in the mixed gender, multi-ethnic, and transient workforce of the service industry. Unlike a soldier, if a hotel, restaurant, or club worker isn't comfortable with her boss's leadership, she'll just go somewhere else.

The very term “service industry” gives hint to the necessary **Service-Based Leadership** style for club managers where the people- and detail-intensive work environment requires open and thorough communication and training, as well as high levels of motivation and morale. Certainly, one cannot expect employees to consistently provide service to a club's members and guests if they are not properly served by the leadership and example of their bosses.

The aim of Service-Based Leadership is to empower employees at all levels to think and act in alignment with a club's values as they serve the needs of members. Ultimately, Service-Based Leadership is the foundation upon which empowerment is built. It provides the necessary trust, training, and confidence for employees to take the initiative.

*What I Expect from My Club Management Team*



# Necessities for Employee Empowerment

The major role that leaders make in empowering their employees is to create a culture where employees are valued and recognized as vital resources of the enterprise. Leaders must also understand that to be successful with **employee empowerment**, employees must fully sense the club's commitment to such empowerment; simply saying that employees are empowered does not make it so. Leaders at all levels must do more than talk the talk.

While employee empowerment may be viewed as a desirable practice by management, it ultimately comes about only with the recognition by employees that they are empowered. This means that the focus of leaders must not be on what employees are doing to achieve empowerment, but on what they themselves are doing to promote and enable it.

Therefore, leaders must embrace the principles of **Service-Based Leadership** and:

- Be open with their employees.
- Be trusting and trusted.
- Be secure in themselves, their position, and their knowledge; not threatened by knowledgeable employees or those who show initiative.
- Be willing to share praise and shoulder blame.
- Be good communicators.
- Understand and value the important role of line employees in the organization.
- Place a positive emphasis on problem discovery and solution. Placing blame is counterproductive.
- Allow their employees to demonstrate initiative and innovation, while giving them the "**freedom to fail**" without repercussions.

*Leadership on the Line – The Workbook*

"Without empowerment, an organization will never be a service leader. Empowerment is the most critical skill an employee can master, and a company can drive in order to lure and keep customers."

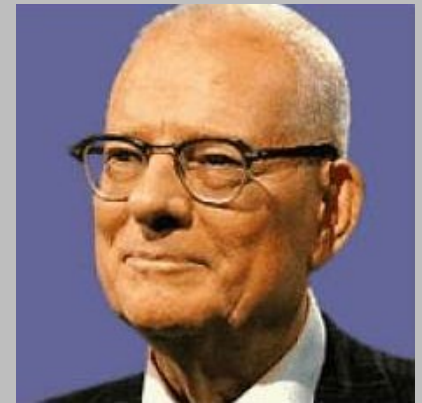
*John Tschohl, founder of the Quality Service Institute*

# Get the Best from Your Service Team

W. Edwards Deming, American statistician, professor, author, lecturer, and consultant who made significant contributions to Japan's reputation for innovation and quality, famously said, *"The worker is not the problem. The problem is at the top! Management is the problem!"* So, when you look for the reasons why you seem to be forever dealing with people problems and service issues, look to your management team's leadership and the how they interact with staff. Here are some of the basic things that can make all the difference in getting the best from your employees:

- The way you hire and onboard them.
- The **organizational values** you define for them.
- The **culture of service** you immerse them in—service not only to members, but to each other.
- The consistency of leadership provided to them throughout all departments of the operation.
- The example their leaders set for them in all they do and that all leaders are equally dedicated to the mission and club's focus on service.
- The way you establish and communicate your **expectations** to them.
- The quality of training you provide them.
- The fact that their leaders are continually engaged with them; that management is accessible, listens to their issues, concerns, and suggestions.
- The way that their leaders do not tolerate problem employees or bad attitudes that degrade the efforts of others.
- The ongoing recognition and positive reinforcement given them for conscientious and superior performance.
- The fact that their leaders see them as integral to the success of the club and all it does.

Not one of the above requirements is anything more than common sense and represents the way all people would like to be treated in their jobs. But to ignore these basic needs condemns you, your management team, and your club to constant issues and problems, not the least of which is ongoing high levels of turnover and poor service execution.



W. Edwards Deming

# Handshakes and High Fives



In reviewing a career, what often stands out are not your accomplishments, their luster having diminished with distance, rather it is the meaningful relationships you forged with employees, coworkers, members, and bosses that will remain bright in your memory.

Considering this signals directly and dramatically to where you should focus your attention, not inwardly on yourself and your ambitions, but outwardly on the quality of your interactions with others. This is the crux of **Service-Based Leadership**.

A simple yet effective way of cementing work relationships is to shake hands. Politicians understand the value of “pressing the flesh.” A variation on this traditional practice is the “high five” or “fist bump” used by athletes. Psychologically, this touching of others establishes contact and rapport. While gratuitously touching employees is inappropriate, the handshake is an accepted sign of recognition and respect.

A hearty handshake of greeting each day, as well as using the opportunity at the end of the work shift to thank employees for their efforts, is a marvelously simple way of establishing a bond with your employees. As with any other symbol of relationship, the handshake must be sincere, open, and direct. There can be no question of ulterior motive, only good fellowship and cheer. Phoniness is evident to everyone.

So, say thank you to your employees on a regular basis. Nothing could be simpler or more profound in its impact on staff morale as so few managers do it.

“Thanks for your help,” “I really appreciate your efforts on the Jones party,” “I realize how difficult this assignment was, and am most appreciative of your help,” “I couldn’t have done it without you,” “You did a great job”—any of these expressions of acknowledgement, when sincerely given, will have a stunning impact on your service team.

*Leadership on the Line*

# Comprehension Reinforcement

What is <b>employee empowerment</b> ?
Are your employees empowered? Describe the level of their empowerment.
List some ways empowerment might help your department.

If your employees are not empowered, what prevents their empowerment?
List some of the benefits to your club of having empowered employees.
List some things you can do to get the best from your employees.



# Reflections

In this section we discussed essential concepts for your success. First is leadership and the means and methods you use to direct, motivate, and inspire your employees. Then we talked about the importance of your relationships with **constituencies**. Think about the concept of constituencies and make a short list of each different constituents' expectations for you and what you do to meet their expectations. We then discussed **employee empowerment**. Think about empowerment and explain why John Tschohl would say it was the most critical skill you can develop to lure and keep customers. Does his observation also apply to members in a private club? Think about your own operation and consider ways that empowered employees could assist in your efforts to achieve **quality** and **service**. Then list ways to get the best from your service team. Think about these basic **best practices** and consider how well you and your club does in meeting these requirements. Where could you improve?

Lastly, do you thank your staff enough for their efforts? If not, why not?



# Organizational Values

Hand in hand with **Serviced-Based Leadership** is the development of a strong culture of service based upon the well-defined [Organizational Values](#). Values are defined in support of a clear and concise **mission** statement. Well-documented values and principles create the underlying **culture of service** to others—to the club’s members, to other employees, and ultimately to the club’s owners or board of directors.

The values and culture of service must be continually reinforced to every employee in the club, from senior managers to line employees. Unless leaders at every level practice the values that underlie the club’s culture, they are merely paying lip service to the culture. It is up to managers and supervisors to demonstrate values through their consistent example and to preach the message at every opportunity.

*“The purpose of this ongoing reinforcement, like the practice necessary to develop any complex skill, is to make organizational values second nature to all concerned.”*

As an example, the [Ritz-Carlton Hotel Company](#) (renowned for its “legendary service” and selected by Training Magazine as the No. 1 training company in the U.S. for 2006) reinforces its service principles every day during every shift in every one of their properties world-wide. Every employee, from senior executives to the most recently hired worker, attends a Daily Line Up where values are discussed in the context of their jobs and departments. To further reinforce the culture of service every employee carries a pocket card summarizing core values.

[The Remarkable Service Infrastructure – An Overarching Plan for Club Excellence](#)

## Service

*is a state of mind, defined and reinforced by a club’s culture.*

## Consistent Service

*is a state of mind plus thorough organization and systemic training.*

## Remarkable Service

*is a state of mind plus organization and systemic training, with well-hired, trained, and empowered employees responding to accountable service-based leaders—all participating in a rigorous discipline of personalized service and continual product, service, and process improvement.*

# Well-Defined Culture of Service



We frequently talk about the importance of developing a culture in our organizations. What exactly do we mean by an organizational culture? The dictionary defines “culture” as the total ways of living built up by a group of human beings and transmitted from one generation to another. With a slight modification of this definition, we provide the following working definition of organizational culture.

*“The total ways of working and interacting built up by a group of people within an organization and transmitted from one generation of employees to another.”*

The major benefit of establishing an organizational culture is that once adopted by most people in an organization, the culture takes on a life of its own and infuses the workplace. As normal turnover takes place, new hires quickly learn that to be accepted in their new surroundings, they must embrace the culture and make it their own.

In the absence of a culture developed and disseminated by the organization’s leadership, a culture will arise on its own, usually fostered by a vocal few and often cynical and at odds with the purpose of the organization.

So how do you create a culture in your organization? First, you must define clearly and succinctly the aims of your organization and what it aspires to be. These are most often found in **Mission** and **Vision** Statements. Beyond these basic statements of intent, one must clearly spell out standards of behavior and performance. These can be in the form of Guiding Principles, Operating Standards, Leadership Principles, **Service Ethic**, Principles of Employee Relations, Service Pocket Cards, or any other formal statements describing the What, How’s, and Why’s of how organizational business should be conducted.

Yet publishing such principles and statements, no matter how inspirational and well-written, will only foster employee cynicism if they are not enthusiastically embraced by the club’s leadership. On the other hand, when leadership demonstrates their commitment to the **organizational values** by their daily example, employees will do likewise.

*What I Expect from My Club Management Team*

# Continually and Consistently Reinforced

With well-defined values and the enthusiastic example of leaders, the ground has been prepared for the fruits of organizational culture, but just as in growing a garden, preparing the soil is only the first step. The real work for a successful harvest is the daily tending—watering, fertilizing, pruning, weeding, and pest control. **In the case of an organizational culture, it is daily reinforcement at every opportunity with all employees that continues to focus individual attention on the values that underlie everyone’s efforts.** The key is to continually remind employees of the **organizational values** and elevate them from words on a page to an animating spirit that permeates every aspect of the organization and its work.

A breakthrough is reached when the organization achieves a critical mass of employee buy-in. Though the process of establishing an organizational culture requires patience and persistence as well as leadership and example, when breakthrough is achieved, the culture takes over and is self-sustaining—with the employees holding the bar high and policing their own ranks.

In such an organization, employees understand what must be done and how. Motivation and morale are sky-high as employees are empowered by their participation and contribution. The leader, relieved of the burden of constantly following behind employees to ensure they are doing the right things, can focus on strategic issues, continual process improvement, and member relations.

The importance of a well-defined and promoted organizational culture cannot be overemphasized or underestimated in its impact on quality, performance, and member service. The only thing that can screw it up is for the leader to fail to show an ongoing interest or set an uncompromising example of the organizational culture and its values.

*What I Expect from My Club Management Team*

“A sustainable culture is built from the inside out, it starts with leadership that places the highest level of importance on human beings and a corresponding premium on recruiting, hiring, training . . . to equip and empower them.”

*Dan Sanders, Author of Built to Serve  
and Equipped to Lead*

# The Persuasion of Principles

**“The value of a leader is directly proportional to a leader’s values.”**

*Advertisement for Notre Dame University*

Over the years numerous authors have stated and reinforced the notion that leadership is the foundation of organizational excellence. Examples abound in the world of business, in sports, in warfare, that sound leadership is the first and foremost requirement of success.

Yet most successful club managers will tell you that no matter the individual skills and talents they possess, there is much more in the way of organization, structure, and **management disciplines** that must be brought to bear to create and sustain a high-performing operation. Most important of these are well-defined **organizational values** and a continually reinforced **culture of service**. Why is this so?

- A leader’s values are those bedrock principles that govern the actions by which she gains the trust and loyalty of her followers. Dr. Bob Nelson, founder of a company specializing in management practices improvement, has said, *“You get the best efforts from others not by lighting a fire beneath them, but by building a fire within.”* Leadership is not so much what you do. It’s what you inspire others to do; **and nothing inspires like principled action.**
- As we have often stressed, a leader must spell out his or her **expectations** for followers. While these expectations must cover the **standards, policies, and procedures** of performance and execution, there is nothing so basic, yet so important, as ensuring that all employees, especially managers and supervisors, have a firm grounding in the values of the organization.

This indoctrination is best accomplished by continuing exposure, ongoing example, and constant reminder of the underlying principles by which the club conducts itself in relation to the board, the members, employees, vendors, and the community at large. Without the effort to spell these out in detail, an organization has little hope of modeling and teaching employees what is expected of them in their dealings with others.

As Mac Anderson, founder of Simple Truths, author of more than 22 books, and inspirational corporate speaker, has said, *“The three keys to inspiring . . . service—Reinforce, Reinforce, Reinforce.”*

Without an effort to reinforce to employees the basic values of the club, managers are failing to value one of the most invaluable of all leadership qualities—the profound and powerful persuasion of principles.

# Comprehension Reinforcement

Why is it important to have well-defined values?
List and define some of the possible elements of <b>organizational values</b> .
Why is it important for all employees to understand club values?

Why is there a need to constantly and consistently reinforce club values?
List and discuss some ways that this can be done.



# Who's in Charge of Your F&B?

Historians, social philosophers, and business leaders have frequently written about the importance of unity of command, the principle that any country, army, coalition, or organization must have but one leader in order to achieve success. The same is just as true in the smaller arena of a private club food service operation. One person must set the overall direction for the enterprise, make timely and sound decisions to accomplish the necessary goals, inspire the employees to the daily completion of their tasks, and be held accountable for results.

This is an important matter in food service operations because the success of the enterprise is dependent upon the talent, skills, and leadership of two key individuals often possessing two distinct skill sets—the senior chef who is responsible for planning and executing the menus and food production and the front-of-house manager who is responsible for the public face of the operation and the service provided to members. While both individuals have the goal of happy and satisfied members, there are numerous points of potential conflict in the production and delivery of food and beverages. This often results in ongoing struggles, if not outright warfare, between the front- and back-of-house staffs.

The solution, of course, is to have one individual with overall authority and responsibility for the club's food service. In some cases, it may be the clubhouse manager, in others it's a food and beverage director or a front-of-house manager, while some operations have chosen to place the senior chef in overall charge. Usually, the person is selected based on demonstrated abilities, but in any case, all food service employees must understand who has ultimate responsibility for the direction and performance of the operation. Whoever is in ultimate charge though, he or she must be sensitive to and respect the knowledge and organizational boundaries of subordinate managers in production and service.

Even with these assignments of responsibility, it is sometimes the case that the club general manager must get directly involved in the food service to settle disputes or chart its overall direction. Unfortunately, this too frequently distracts the general manager from his or her larger strategic responsibilities to the board and membership.

The solution, obviously, is to select the individual with the strongest food service experience, knowledge, leadership abilities, and business acumen to direct and administer this large and complex function of the club and to establish clear lines of authority. This person must also take a proprietary interest in the responsibilities of the job and run the operation as if it were his or her own business. When this level of commitment is made and the person in charge has the requisite knowledge, experience, leadership, and will to succeed, the club's food service cannot fail to realize its potential as a well-run and successful food operation.





# Performance Management

The greatest failure in [performance management](#) in any enterprise is the failure to hold managers accountable for their performance. Many private club operations do a poor job in the area of **accountability**. This failure is crippling to the long-term health and viability of the club. Here are some steps to help measure performance and hold managers accountable:

**1. Work Plans.** Have each manager prepare an annual work plan spelling out expectations and goals, proposed accomplishments, and timelines for completion of each item. It's always a good idea to involve managers in preparing their own work plans though these must be based upon broad guidelines from the board and general manager. While their buy-in is important to their commitment to their individual plans, ultimately plans must meet the needs and desires of the board and general manager.

**2. Zero-Based Budgeting.** For managers of profit or cost centers to be held accountable for meeting budgets, they must participate in developing their own zero-based budgets.

Zero-Based Budgeting is distinct from the common practice of taking last year's operating results and adding a percentage inflationary increase thereby incorporating last year's operating inefficiencies and plan requirements into the financial plan for the coming year. This problem merely compounds erroneous and often "fat" budgets year after year.

One of the best ways to zero-based budget is to use volume and average sale/hourly wage benchmarks to build the revenue and payroll parts of the budget (see topics 79-81). Not only do historical metrics make for more accurate budgets but ongoing analyzing of these benchmarks makes for a better understanding of shortfalls in revenue or overages in payroll costs.

**3. Benchmarking.** All departments must be benchmarked in detail—at a minimum, revenues, cost of goods, payroll, and other operating expenses should be benchmarked monthly. These and other benchmarks are the most objective measures for holding managers accountable (see topics 82-84).

**4. Real Time Accounting.** When managers with bottom line responsibility track their revenues and expenses in real time, they exercise greater control over their budget and financial performance. Properly maintaining a Real Time Accounting binder provides all the information necessary for in-depth monthly reviews of performance by the general manager and other interested parties (see topics 93-94).

**5. Monthly Review of Financial Statements.** The general manager should hold monthly meetings with department heads to review progress on annual plans, actual to budget performance, benchmarks, and efforts to correct operational and performance deficiencies. These meetings permit ongoing review and course corrections or added emphasis as necessary (see topic 97).

**6. Performance Reviews.** Base periodic performance reviews for each manager on specific accomplishments and meeting well-defined performance measures. Meaningful reviews are directly dependent upon the effort put into defining expectations, establishing specific work plans, and creating objective measures for accomplishment and performance. While it takes some effort to set up a system of objective measures, the rewards for doing so are immense and well worth the effort.

Unless a general manager does everything herself, she must rely on the efforts and performance of her subordinate managers. But without measurable accountabilities she has no real means to drive her agenda, performance, and other initiatives to improve operations. When department heads aren't held accountable, only the general manager will be.

# The Cost of Chaos

Common wisdom tells us that quality costs more, but according to one of the foremost experts on quality this is not the case.

W. Edwards Deming, a man who made significant contributions to Japan's reputation for high quality products and its rise to an economic power in the latter half of the 20th century, wrote extensively about how a focus on quality reduces costs while providing a number of other benefits. Convincingly, his ideas and methods were proven true by numerous success stories—most dramatically the rise of Japanese manufacturing to world class status from the ashes of World War II.

How does a club measure or quantify the cost of confusion, mishandled or incomplete information and orders, time to investigate and correct errors, and member dissatisfaction? The bottom line is that poor quality and disorganization can be a significant driver of costs in club operations. Conversely, an improvement in quality not only lowers costs but also improves service. The combination of lower cost and better service attracts more member patronage which improves the club's bottom line.

Detailed organizational systems and processes allow the operation to function efficiently. When things happen consistently and routinely in all areas of the operation, employees have the time and the inclination to focus on **quality** and **service**. When everything is messed up all the time, employees will find it difficult to care.

So, help yourself and your employees by structuring the routine to happen routinely. This takes both the organizational **discipline** and **will to make it happen**.

When 80% of the details happen routinely, everyone can focus on the 20% that will wow your members.

No one wants to work in a chaotic environment. If your department or section is well-organized, if everyone knows where things are, if employees are well-trained in opening and closing procedures, if everyone knows his responsibilities and is held accountable, the workplace runs almost effortlessly. Don't run off good people by putting them through the hell of a disorganized operation.

# Organize for Efficiency

What are some of the things food service managers can do to get their operations better organized? This short list is pure common sense:

- Prepare written **procedures** for all routine tasks—opening, closing, and cleaning procedures, conducting inventories, replenishing par stocks, making coffee and iced tea, and on and on. Since your staff does these things on an ongoing basis, take the time to write them down in detail so they can be used for consistent training and task completion.
- Prepare and use **checklists** for both training and accountability.
- Prepare room diagrams of all dining and event spaces. These will save time and avoid misunderstandings when it comes to room set ups. Prepare and save set up diagrams for all types of events—receptions, carving stations, buffets, wedding receptions, etc.
- Organize a filing system for each of the above so you can find them quickly when needed.
- Anytime you hold a training session, organize and save the material. You'll certainly be using the same material again . . . and again!
- Review all activities and events after the fact (**postmortems**) and record your observations. You will undoubtedly hold the same or similar events in the future. Your notes for improvement will help continually improve the quality and execution of all you do (see topic 89).
- Prepare written **standards** and guidance for such basic matters as background music selections for different meal periods, activities, and times of day. Make the same effort to define appropriate lighting levels for different events and time of day.
- Prepare and use an ever-updated list of project work that can be used to assign to staff in slow moments when you're not prepared to send anyone home early.
- Train yourself in the techniques and **disciplines** of time management. Time management is not about managing time, it's about managing those tasks that use up your limited time (see topic 142). When you waste your time, you can't help but waste your employees' time as well!



# Continual Process Improvement

Once in a great while a book comes along that is so timely, relevant, and important that it should be read by all business leaders. One such book is Jim Collins' *Good to Great – Why Some Companies Make the Leap . . . and Others Don't*. This book, published in 2001, became a massive best-seller, has been translated into 35 languages, and continues to sell briskly to business leaders around the world. What makes the book so unique is that its findings are based on solid research, analysis, and empirical findings, not management theory and anecdotal evidence.

Two of the major findings in his book was that all the good to great companies had a culture of **discipline** and they sought continual improvement in all they did.

This makes perfect sense when you consider that we do not live in a static world and our ability to continually evolve our business, products, and services to exceed the expectations of members and guests is critical to success.

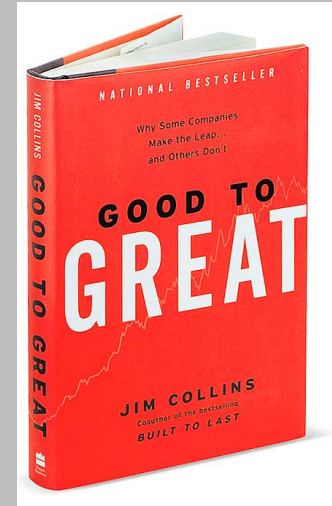
Quoting Collins' book:

*“Much of the answer to the question of good to great lies in the discipline to do whatever it takes to become the best within carefully selected arenas and then seek continual improvement in these. It's really just that simple.”*

Given the many details associated with running a high-quality club, it is imperative that management commit to and promote a process of continual improvement in all areas of the operation. This requires a positive emphasis on problem discovery, a discipline of constant review, and an understanding that in quality service operations the devil is in the details. As more and more areas of the club's operations become systematized and routine, management at all levels, with the commitment and assistance of their empowered employees, must continually “peel the onion” to deeper and deeper layers of detail. Further, no detail can be too trivial to warrant management's attention and the establishment of standards and procedures to ensure it is properly attended to by the staff.

**Definition.** **Continual process improvement** is the discipline and methodology of constant review of all aspects of operations to include work processes, **standards, policies, procedures**, organizational systems, programming, training, and administration to ensure they attain a new level of performance that is superior to any previous level.

**Purpose.** The purpose of Continual Process Improvement is to constantly seek better ways of doing things—that is to improve the efficiency, effectiveness, and financial performance of the club while providing a quality of service and level of satisfaction that encourages greater use and enjoyment by members.



# Disciplines of Continual Process Improvement

The discipline of **continual process improvement** requires that all managers and supervisors are focused on and committed to improving the performance of their club, department, or section at all times. It means that no manager or supervisor should be satisfied with the status quo but should constantly be looking for ways to improve.

In order to ensure the development of such a discipline in the club, managers must continually remind subordinates of the need to improve and make improving existing operations a key component of everyone's **work plans**. Further, managers should continually inquire, "What are you doing today to improve your department or section?" When this level of interest is demonstrated by the general manager and department heads, subordinate managers and supervisors will understand the importance of continual process improvement.

Improvement does not happen by accident. There are a multiple mutually reinforcing and integrated **disciplines** necessary for continual process improvement:

- Well-defined existing processes, **standards, policies, and procedures**.
- **Benchmarking** to measure performance.
- Continual emphasis on improvement.
- Habitual methodologies created to examine existing processes.
- The leader's **will to make it happen**.
- The follow through to make changes.

The first two in the list form the basis for any attempt to institute continual process improvement in a club. Without defined processes, you don't know what you're doing. Without benchmarks, you have no way of measuring progress.

## Processes

"Defining the way a process currently works often identifies significant improvement opportunities."

*Gary Harpst, author of Six Disciplines of Excellence*

## Benchmarks

You may know where you want to go. But if you don't know where you are, you'll never get there from here.

*Leadership on the Line – The Workbook*

# Comprehension Reinforcement

List and describe three ways to improve <b>performance management</b> .
List ways a lack of organization is so damaging to a food service operation.

List and describe four things you can do to better organize.
What is <b>continual process improvement</b> ?
Why is continual process improvement so important in an operation?

# Spelling Out Expectations

Unless your club's employees inhabit some alternate reality, one in which every person intrinsically understands the multi-dimensional requirements of service and has telepathic powers to know how they should function at all times, managers must spell out **expectations** for them.

This is particularly so for the management team. Regardless of background, education, and work experience, managers must know what is expected of them in all situations. Further, to ensure consistency in the operation and how employees interact with members, everyone must have a common understanding of the club's **standards, policies, and procedures**. This means that the club must communicate in detail its expectations for the following:

- **Service-Based Leadership**
- **Organizational values and culture of service**
- Club and departmental organization
- **Management disciplines and best practices**
- Training

Without making the effort to define expectations in these critical areas, the club will operate as a collection of tribes, each reflecting the dedication, performance, and example of its manager. Such an operation will be disorganized and conflicted—incapable of rendering consistent service and value to its members. [What I Expect from My Club Management Team](#) is an excellent description of private club management expectations.

Any manager with any length of experience and time to reflect upon the realities of our industry will know this to be true, yet who has the time to spell out such a large, complex, and interconnected set of expectations while dealing with the day-in, day-out challenges of a busy club operation?

There are a multiple tools that, when used routinely, can be used to communicate expectations for all employees, but they must be fully integrated in content and description so that they are self-reinforcing and [consistent in message](#) across all departments. These include:

- New hire onboarding process
- Employee handbook
- Managers handbook
- Organizational values and culture of service
- Initial and ongoing training
- Review of **job descriptions** and performance review criteria by immediate supervisors
- Establish and share standards for dress, grooming, job performance, and member service
- The consistent example of leaders throughout the organization

When expectations are fully, routinely, and consistently communicated to staff, there is no mistaking what must be done and who's responsible for doing it; and this is a critical element in providing **quality** and **service**.

*Leadership on the Line – The Workbook*



# Establishing Standards



The common wisdom in our industry is that the higher the standards of **quality** and **service** desired, the greater the cost of operations—most noticeably in payroll cost from higher staffing levels, extended hours of operation, more personal services, and more intensive training. While these are major factors, operating inefficiencies as a result of weak leadership, poor organization, excessive staff turnover, and inadequate training are also significant drivers of higher costs.

A further challenge arises from the need for management to consistently communicate operating standards to employees. Regardless of age, background, education, experience, training, personality, and habit, all employees must have a common understanding of what they must do in all service situations. This can come about only through clear **standards, policies,** and **procedures** consistently communicated to employees during onboarding and training. It is also essential that the training, particularly for values and service standards, be consistent across all operating departments. Consistent service levels are impossible when different department heads teach, model, and reinforce divergent values and standards to their respective staffs.

Lastly, while **Service-Based Leadership** focuses largely on providing training, resources, and support for the staff, **the concern for staff motivation and morale should not for a moment be mistaken to imply that standards are not demanding and devotion to those standards are paramount.** Leaders must be fanatical in their focus on the established standards and attention to detail in all areas of the operation.

*Leadership on the Line – The Workbook*

# Standards, Policies, and Procedures

The terms standards, policies, and procedures are used to describe the what, why, and how to's of a club's organization and work processes.

**Standards.** In the club industry the establishment of a standard is usually made by management based upon an understanding or expectation of what will satisfy or impress members. Often this satisfaction is based upon the way some service or action is performed. Therefore, the standard is a description of the desired outcome of a service or action or the manner in which it is performed, such as the approved way of presenting and opening a bottle of wine, the correct way to fill out a form used for documenting personnel actions, or how month-end inventories are conducted. Standards set the level of professionalism required of management and operations.

Standards are established by the board or general manager as the acceptable model of performance by which members judge proficiency and professionalism. They apply not only to the daily performance of individual duties, but also to way employees conduct themselves.

**Policies.** Policies and standards are so closely interwoven that it is often hard to tell them apart. Policies most often apply to those areas of the operation where there can be little or no leeway in how something is done; for instance, in the area of human resources where so much is dictated by law and there is a need for correct action to avoid litigation. Policies are also important in accounting where exactness and consistency are necessary to ensure the accuracy, timeliness, and transparency of financial reporting and fiduciary responsibilities.

However, policies can also apply to operations. Policies are established to ensure the consistent and fair treatment of members; for instance, there might be a policy for giving refunds or making dining reservations. The need for policy here is to ensure that every member receives equal treatment and the same opportunity to use and enjoy the club and its amenities or services. Nothing will upset a member faster than believing he or she is not getting a fair shake from the club. While human resources and accounting policies must be stringently followed, operating policies tend to be more flexible to meet special or unusual circumstances and changing member needs.

**Procedures.** Procedures are the how to's of performance. Sometimes they flow from standards and sometimes from policies, but in the end, they are instructions of how to do or complete a particular process, act, or function. Whereas policies are often the reason why something is done, procedures are the detail of how it is done.

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# Basic F&B Policies

It is important to establish food and beverage **policies** to ensure that members receive consistent and equal treatment when dining at the club. These policies are an essential element of server and bartender training. The following is a basic, but by no means all-inclusive, list of policies that every club should consider:

- **Reservations.** How far in advance do you take reservations for dining? How about for specialty nights and Sunday brunch? Do you have limitations on how far in advance you'll take reservations for special occasions such as Mothers' Day, Thanksgiving, etc.?
- **Dining Room Seating.** Do you spell out that members with dining reservations have guaranteed seating for a specific amount of time after their reservation time? Do you explain that while you will try to meet specific table requests, you cannot guarantee them? Do you specify that seating is first-come, first-served with reservations having priority and that seating is based on server and kitchen staffing, not apparent table availability?
- **Separate Checks.** Do you need or have a policy for separate checks? While it's important to be as accommodating as possible, large parties asking for separate checks can create a bottleneck during busy dining periods.
- **Set or Limited Menu for Large Parties.** Attempting to serve large parties off regular club menus can create service problems. Do you have a policy to suggest set or limited menus to better serve your members? If so, what are the procedures for making the suggestion?
- **Special Requests.** Clubs typically attempt to meet members' special requests, but are there any limitations as to when this can be done, for example, on busy Friday or Saturday nights?

- **Methods of Payment.** Most clubs only allow member charges, but are there exceptions? If so, in what situations?
- **Adjustments for Food & Beverage or Service Complaints.** Who can make an adjustment and what are the guidelines or limitations to such adjustments?
- **Refusing Service.** Though usually rare in private clubs, who makes the decision to refuse service in case of an intoxicated member or guest? How about at a catered event? Does the club have a policy for providing transportation for an intoxicated member?
- **Children in the Bar.** Are children allowed to eat in the bar at any time? If so, under what circumstances?
- **Exceptions to Policies.** Do you have a policy on when exceptions to all the above policies can be made and who can waive them? This is necessary because staff must always have flexibility to deal with unforeseen situations and meet member needs.

This representative list may or may not apply at any club, but the key point is that every food service operation needs to have well-thought out and defined policies for probable or recurring service issues for the benefit of both members and staff.

A number of standards, policies, and procedures for food service operations are available on the Private Club Performance Management Marketplace store.

# Standards for F&B Staff

Quint Studer in his important book, *Hardwiring Excellence*, speaks of the importance of establishing a code of behavior for employee service teams. The purpose is to communicate to employees the basic standards of interaction with members and fellow employees. Further, Studer expects each employee to acknowledge and commit to the standards by signing a written copy.

Here are some basic **standards** for food service teams:

- Arrive on time according to the work schedule.
- Meet all requirements of the dress or uniform code and personal grooming standards.
- Have a complete dedication to member service; fully and consistently embrace the club's **organizational values** and **culture of service**.
- Always maintain a pleasant and positive attitude.
- Provide **personalized service** by learning and using member names, as well as learning and acting upon their individual habits and preferences.
- Greet and assist all arriving members; introduce yourself by first name and let them know you are there to help them in any way possible.
- Provide relevant information to members, such as location of events; walk guests to events or functions when possible.
- Provide special **service touches** and **wow factors**.
- Interrupt personal conversations at the approach of members; give them your undivided attention.
- Solve any problems encountered that are within your authority and ability to do so.
- Report any problems you can't solve to management.



- Maintain the cleanliness and order of your work areas as you go; clean and straighten up work areas prior to departing as a courtesy to the next shift.
- Work together with other staff to provide a seamless service experience for members and their guests.
- Thank fellow workers for their help and assistance. They appreciate it as much as you do when you are thanked.

When employees understand and commit to expected standards of behavior, **quality**, and **service**, members and other employees have a richer hospitality experience.

# Comprehension Reinforcement

Why is it important to spell out your <b>expectations</b> for your operation?
List and describe four ways you can spell out and reinforce expectations.
Why is it important for your club standards to be well-defined?

Explain why accounting and HR are two critical areas of club policy.
Why is it important to formalize your club policies relating to members?
List and discuss the importance of three basic F&B policies.



# Managers' Financial Responsibilities

Managers are responsible for the financial performance of their clubs/departments. There are a number of specific **disciplines** associated with this responsibility, which are broken down into the following broad categories:

**Budgeting** – Budgeting is the process of establishing a financial operating and capital plan for a future fiscal year. Budgets are formulated using history, benchmarks, knowledge of upcoming events or trends, and one's best professional judgment. **Zero-based budgeting** (see topic 79) is a proven method to make budgets more accurate and realistic while enhancing performance management.

**Comparing Actual Performance to Budget** – Once approved, budgets are the fiscal plan for the year. Managers are responsible for comparing actual performance to budgets and intervening as necessary to achieve budget goals.

**Achieving Revenues** – Achieving revenue projections is one of the two primary means of meeting budgets (the other being controlling expenses). Managers are responsible for monitoring revenues and aggressively intervening when revenues fall short.

**Controlling Cost of Goods Sold** – Departments with retail operations (golf, F&B, and tennis) must also control the cost of goods sold and investigate high cost of goods sold by Cost of Goods Sold Analysis (see topic 66). Managers can do this by ensuring accurate inventories and carefully tracking departmental transfers and adjustments.

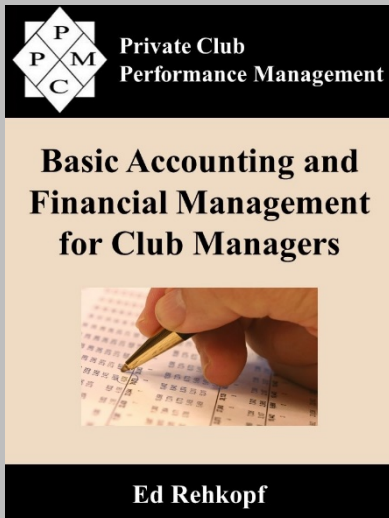
**Controlling Payroll Costs** – Payroll is the single largest expense in club operations and the most significant expense that managers must control. The Pay Period Summary Report, [PCPM Form 229](#), and the Departmental Payroll Summary Analysis, [PCPM Form 230](#), are effective tools to compare actual to budgeted payroll costs.

**Controlling Other Expenses** – Other Expenses comprise all the other departmental operating expenses. Managers can control these expenses by carefully reviewing expenditures on a monthly basis, using **real time accounting** (see topics 93-94) to monitor expenses in each expense category, and by periodic in-depth reviews of significant expense accounts to see if there is a less costly alternative.

**Benchmarking** – Benchmarking is the act of measuring operating performance. Each department head must track detailed benchmarks for his or her area of the operation (see topics 80-84).

**Pricing** – The starting point for meeting revenue projections is proper pricing of products and services to ensure a sufficient markup to cover associated expenses. Pricing should be reviewed on a periodic basis to ensure that budgeted margins are being maintained.

*(continued)*



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# Financial Responsibilities, continued

Additional financial responsibilities include:

**Purchasing** – Managers are responsible for purchasing equipment, materials, supplies, and inventories for their departments. Managers must be familiar with all their club’s purchasing policies to properly fulfill these responsibilities.

**Expense Coding** – Managers who purchase supplies and equipment are responsible for ensuring that invoices for all purchased items are coded to appropriate expense accounts in a timely, accurate, and consistent manner (see topics 101-102).

**Inventory Management and Security** – Given that high inventory levels tie up capital that might be put to better use elsewhere, managers must use common sense and good business judgment to maintain inventories at levels that balance business needs, lower pricing for bulk purchases, perishability of stock, and available warehousing space. Inventories must be kept secured with access limited to as few individuals as possible. Storerooms must be kept neat, clean, and organized to facilitate physical inventory counts and minimize damage and spoilage.

**Inventories** – Periodic inventories are required for various assets. These inventories must be conducted in a consistent, accurate, and timely manner to properly account for cost of goods sold (see topics 67-68).

**Asset Management** – Managers are responsible for protecting the assets such as furniture, fixtures, and equipment assigned to their departments and in their care.

**Internal Control** – Managers are responsible for ensuring the efficiency of their operations and the security of all assets in their care. As a result, they must understand and meet all their obligations of the club’s Internal Control plan (see topic on next page).

**Point of Sale Transactions** – The initial entry for most revenue data is through point of sale (POS) systems. Managers are responsible for training their employees to correctly use the POS system and to retrain as necessary when a pattern of errors is evident in their departments.

**Accounting Standards, Policies, and Procedures (SPPs)** – Managers should be familiar with and follow all requirements of their [Club Accounting SPPs](#).



*Basic Accounting and Financial Management for Managers*



# Internal Control



Private Club  
Performance Management

## Internal Control for Private Clubs



Ed Rehkopf

[Internal Control for Private Clubs](#)

According to Neal Geller in his book *Internal Control: a Fraud-Prevention Handbook for Hotel and Restaurant Managers*, **Internal Control** is defined as “the systems and procedures established and maintained to safeguard a [club’s] assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies.”

“While often considered an accounting function, internal control is a management function and the ultimate responsibility for good internal control rests squarely with management. As such, internal control should not be considered as a separate, specialized system within the [club]. Rather, it should be recognized as an integral part of each department and the [club] as a whole.”

Geller says there are three factors necessary for fraud or pilferage to take place:

- “Need and/or desire on the part of the employee.
- “Opportunity created by lax oversight or controls.
- “Failure of conscience on the part of the employee. This failure can be encouraged by management when it sets a poor example regarding perquisites and privileges thereby creating ill-will and a sense of entitlement. It’s easy for the employee to rationalize theft if he or she feels that management takes undue advantage of its position to utilize facilities and services, take products, or use consumables.”

The following standards are inherent in effective internal controls:

- **“Documentation.** Internal control systems and all transactions and other significant events must be clearly documented, and the documentation must be readily available to examination (audit).
- **“Recording of Transactions and Events.** Transactions and other significant events are to be promptly recorded and properly classified.
- **“Execution of Transactions and Events.** Transactions and other significant events are to be authorized and executed only by persons acting within the scope of their authority.
- **“Separation of Duties.** Key duties and responsibilities in authorizing, processing, recording, and reviewing transactions should be separated among different individuals.
- **“Supervision.** Qualified and continuous supervision must be provided to ensure that internal control objectives are achieved.
- **“Access to and Accountability for Resources.** Access to resources and records is to be limited to authorized individuals and accountability for the custody and use of resources is to be assigned and maintained. Periodic comparison must be made of the resources with the recorded accountability to determine whether the two agree. The frequency of the comparison shall be a function of the vulnerability and value of the asset.”

# Comprehension Reinforcement

List and describe four fiscal responsibilities of your position.
Describe your training and experience in financial management.
Describe your club's accounting <b>standards, policies, and procedures.</b>

Does your club have an <b>internal control</b> plan?
Have you ever been trained in internal control concepts and procedures?
Does your club receive an annual or periodic financial audit?

# Cost of Goods Sold

Cost of goods sold is the true cost of selling retail items taking into account the cost of purchasing resale items and the price charged members for those same items after all discounts and adjustments. Given that items may be purchased for resale at different times and different prices and those same items are then resold to members at different times and different prices, computing cost of goods sold (CoGS) could be a complex matter.

Fortunately, **Generally Accepted Accounting Principles** allow for a far easier computation.

$$\text{Cost of Goods Sold} = \text{Beginning Period Inventory} + \text{Resale Purchases during the Period} \\ - \text{Ending Period Inventory} \pm \text{Adjustments \& Transfers}$$

If you stop and consider the logic behind this formula, it makes perfect sense that this computation would yield the actual cost of selling retail items during a given period.

Finally, to provide an easy benchmark for comparison purposes, the actual cost (or value) of resale items sold is divided by the retail sales for the period to determine what percentage of total retail sales was spent for those items purchased by members. Put another way, it represents the percentage of cost for each dollar in retail sales.

$$\text{Costs of Goods Sold \%} = \frac{\text{Cost of Goods Sold}}{\text{Retail Sales for the Period}}$$

A quick method for following your cost of goods sold is to assume that beginning and ending inventories will be roughly equivalent and this is certainly the case when there is a high volume of purchased items as in a food service operation. Thus, by simply tracking the amount of your resale purchases during a given accounting period and dividing that amount by your sales, you can have a quick check on the cost of goods sold.

One of the major issues with tracking one's departmental cost of goods sold is extreme variation from month to month. Often, a department will have an extraordinarily high Cost of Goods Sold % one month, followed by a low one the next month. The problem with such fluctuation is that it lulls the manager into a habit of waiting to see if out-of-line cost of goods sold will come back in line the next period. The danger in this is that if the problem is related to pilferage or theft, the manager allows it to continue for some time before investigating or taking action. What this means is that managers must take great pains to ensure accurate monthly inventories and thoroughly investigate any out-of-line cost of goods sold as they happen.

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# Cost of Goods Sold Analysis Checklist

When your cost of goods sold is out of line, here are the things you need to look at:

1. Accurate Inventories (beginning and ending)
  - Accurate physical counts.
  - All items counted.
  - Accurate extension of number of items times unit cost.
  - Consistent costing of inventory (methods may include: Last In First Out, First In First Out, or Average Unit).
2. Purchases. All invoices received and correctly coded.
3. Receiving
  - All deliveries received and verified.
  - All received items counted or weighed.
  - Receiving records matched to invoices.
  - Shortages and back-orders noted.
4. Transfers. All material (i.e., significant) transfers to other departments recorded on transfer forms and reported to the accounting office.
5. Revenues. All revenues recorded.
6. Consumption
  - Sales mix analyzed. High levels of low margin sales will increase cost of goods sold.
  - Pricing of all items in accordance with target cost of goods sold.
  - F&B costs – Standardized recipes in use and followed by preparation staff.
  - F&B costs – Portion sizes correct and continually monitored.
  - Promotions/comps/adjustments accounted for at cost.
  - Food cost – Employee meals accounted for at cost.
7. Security
  - Physical security of premises and inventories.
  - Petty pilferage and theft.
8. Food Spoilage. Properly accounted for at cost.



# Inventories

All resale stocks must be inventoried on a monthly basis. Such routine inventories are used as a control mechanism to verify the amount of stock on hand, to determine the cost of goods sold, and to ensure that the operation does not run out of any item of stock unexpectedly.

Department heads for food, beverage, and any retail operations, such as golf shops, tennis shops, or general stores, will ensure that inventories are properly conducted. A limited number of well-organized storerooms will make monthly inventories easier and less time-consuming to conduct. Those responsible for food and beverage resale inventories may also want to let stock levels dwindle in the period leading up to inventories to make the count less time-consuming.

Responsible department heads will conduct their monthly inventories on the last day of each month, or if that day falls on a day the club is closed or extremely busy, the department head with the concurrence of the controller may conduct the inventory on the previous or next day. Regardless of the date selected, the exact date of the inventory must be entered on the top of any inventory count sheets. If the day of the inventory is materially different from the end of the period, then sales and inventory must be aligned as closely as possible to give the most accurate cost of goods sold.

Responsible department heads will organize their work and storage areas to ensure that they are set up to allow as quick and efficient an inventory as possible. Techniques to do this include:

- Noting counts on “unbroken” boxes, i.e., those boxes that have not yet been opened.
- Removing items from “broken” boxes to ensure that the box is not mistaken as being unbroken.
- Establishing specified locations for the storage of each stock item.
- Ensuring that the order items appear on inventory count sheets is the same order that stocks are stored on shelving (suggested for food & beverage, but not displayed retail inventories such as clothing and other pro shop items). This is not always possible but can aid greatly in efficient inventories.
- Separate inventory locations should be inventoried separately and then combined on a spreadsheet or consolidated inventory report.
- Create and follow a map for counting inventory locations so that you do not inadvertently skip a section.
- Create written instructions for conducting departmental inventories to use as an aid in training those who conduct inventories.



# Investigation of Inventory Discrepancies

Accurate inventories are essential to proper financial accounting and reporting.

Significant discrepancies can adversely affect the cost of goods sold and, if erroneous, distort the true financial performance of a department or club.

Since the formula to determine cost of goods sold starts and ends with inventories, responsible department heads must ensure that they are accurate.

Often inventory errors are corrected by subsequent inventories, but the danger of waiting for future months to solve the problem is that if the worst case of theft or pilferage is the cause, the true nature of the problem may not be discovered until significant loss is incurred.

The following items must be checked to find discrepancies:

- Inventory counts. Are they correct?
- Stock in all storerooms and par stocks included in counts.
- Extension of counts times unit costs verified by calculator tape.
- All transfers recorded and turned in to the accounting office.
- Retail – variances between physical count and point of sale inventory must be checked, item by item.
- Retail – was all new stock entered into the point of sale inventory before or after the physical inventory?
- Retail – if necessary, review daily sales reports to determine the number of a stock item sold.



# Comprehension Reinforcement

Why is the cost of goods sold so important to food service operations?
Write out the formula for determining the cost of goods sold.
List three items of cost of goods sold analysis that relate to consumption.
Why are accurate inventories so critical to determining cost of goods sold?

List and describe three tips to improve inventories.
List and describe three steps to investigate inventory discrepancies.

# Labor Cost

Payroll and related expenses are typically the single largest expense in club operations. Of all the things a manager must do well, monitoring and controlling payroll costs is one of the most important. There are a number of factors that will determine a club's overall payroll cost. These include compensation cost, number of hours worked, amount of overtime, benefit costs, and certain payroll taxes.

**Compensation Costs** include salaries and wages. In any department there are typically one or two managers who are exempt from overtime and salaried while the rest of the staff are non-exempt, paid an hourly wage, and are subject to payment of overtime. While supervisors have control over rates of pay for hourly employees, there are some constraints such as minimum wage laws, prevailing wages, pay parity issues, and the department payroll budget.

**Hours Worked.** The number of hours worked by employees is directly dependent upon the work schedule that you establish for your employees. While it may be natural to assume that the more staff you have scheduled for any particular shift, the better your service levels will be, experience has shown that being overstaffed can frequently lead to poorer service as boredom, lack of urgency, and lack of productivity pervade the workplace.

**Overtime.** Since overtime hours are 50% more expensive for the club than regular hours, supervisors must be vigilant in avoiding unnecessary overtime. The first and most important step in controlling overtime is to carefully monitor employee work hours on a daily and weekly basis. If you do this, you'll see in advance if any employee is on track to work more than forty hours in a week. In most cases, you'll be able to take corrective action to avoid the overtime.

**Benefit Costs and Payroll Taxes.** Eligibility for benefits is usually based upon employment categories. Full time employees usually receive full benefits, while part time and seasonal staff have more limited or no benefits. Establishing **staffing guides** (see topic 73) for the department with a specific number of full-time positions will establish the extent of benefit costs.

While a supervisor has no control over the levels of payroll taxes, most of these costs are directly dependent on the wages paid. Since total wages paid is dependent upon number of hours worked, supervisors will control taxes by keeping hours worked to a minimum consistent with quality expectations and standards.

*Basic Accounting and Financial Management for Managers*





# Labor Cost Control Strategies

While there is no single answer to controlling labor costs, there are a few different things that can be done to ease the task.

**Forecast Scheduling.** Using various tools at your disposal such as benchmarked levels of business, the upcoming schedule of club-sponsored events, and the catering forecast, supervisors should attempt to forecast their staffing needs at least one to two months out. This horizon is important in that it allows time to contact, hire, and train seasonal help.

**Seasonal Hires.** When business conditions dictate (i.e., when the forecast shows business levels increasing), supervisors should begin bringing in seasonal hires. They can be people who you have already interviewed, hired, and trained such as former employees or employees hired specifically for seasonal work. Conversely, supervisors should also plan for the sudden deceleration as the busy season comes to an end. Intelligently managing both the expansion and reduction of seasonal staff results in significant payroll cost savings while maintaining expected service levels.

**Cross Training.** In a small organization like a club, it does not make sense to have a large staff of specialists. Rather, managers should have a smaller staff of people who are cross-trained to cover multiple functions. Most cross training takes place within departments and allows a supervisor to deal with sickness and emergencies.

**Departmental Shares.** Another form of cross training is inter-departmental and results in departmental shares—employees who can work in two or more areas as the level of business requires. Departmental sharing requires close coordination and communication between department heads to ensure that the needs of both staffs are met, and cumulative hours do not involve overtime. Supervisors who are interested in exploring the possibility of departmental shares should pick other departments whose workloads are dissimilar to their own.

*(continued)*



# Labor Cost Control Strategies, continued

**Sending Home Early.** Sending home early is self-explanatory. It requires the will to do it, vigilance on the part of the supervisor, and a feel for the business. While there is always some risk involved that you may suddenly get busy and need the full staff, supervisors should take the risk and depend on the dedication and professionalism of remaining staff to rise to the occasion. Experienced supervisors know that good service employees have an overdrive that they can kick into for short periods of time to get the job done. Lastly, no supervisor should be above jumping in to help out.

**Project Work.** When fluctuations in business create short-term lulls, supervisors who are concerned about keeping staff productively employed should assign project work. In a club operation, particularly one that has been busy, there are many things that are deferred in the rush of business. These deferred items, such as intensive cleaning, polishing the details, straightening out back-of-house areas, and training reviews, make excellent project tasks. Because you never know when business will suddenly slow down, supervisors should have a ready list of necessary project work. With this list at hand, it's a simple thing to assign the work whenever staff has excess time on their hands in lieu of sending them home.

**Layoffs.** As long-term busy periods wind down, supervisors are often faced with the difficult task of reducing staff. While no one enjoys laying off employees, it is much easier to do if the employees involved were hired seasonally and know that their hours will be reduced, or they will be laid off, when the busy season is over.

**Voluntary Leaves of Absence.** Before a supervisor considers staff layoffs, he or she should inquire if anyone on staff wants to leave voluntarily. There may be a seasonal employee who for some reason wants to leave or a full or part time employee may want to take an unpaid leave of absence. While no one may be interested, it's always worth asking before another staff member is involuntarily laid off.

**Scheduling Vacations.** Full time employees often earn vacation time. Some employees, by virtue of their longevity, have substantial amounts of vacation to use each year. Supervisors should consult with these employees to schedule their vacations during slow times when the supervisor will not be forced to replace them on the schedule and thereby incur an additional expense beyond the vacation pay.

*What I Expect from My Club Management Team*

# Departmental Staffing Guides

Clubs will typically create well-defined employment categories for employees to make benefit determinations based on the number of hours worked. As an example, one club created the following definitions:

- “Full time – employees who work not less than 32 hours per week on a continuous basis and employment is anticipated to last 11 months or more.
- Part time – employees who work less than 32 hours per week on a continuous basis and employment is anticipated to last 11 months or more.
- Seasonal – employees whose employment is expected to last less than 11 months regardless of the number of hours worked per week.”

In this instance, full time positions were eligible for full benefits, the part time staff received more limited benefits, and the seasonal positions received no benefits.

Given the seasonality of most operations, clubs have a need to expand and shrink their labor force to meet the needs of each seasonal business levels. The ability to do this in a timely manner will save significant amounts of unnecessary cost. Further, most club managers recognize the benefits to member service and organizational continuity of having a stable work force. Lastly, clubs should avoid full time staff layoffs as much as possible for both the cost and morale impact they create. The challenge then is to balance the need for a stable staff with the cost-saving ability to shed excess positions when business levels warrant.

The solution to these competing needs is to establish **staffing guides** for each department made up “core” and seasonal positions. The core positions represent those staffing needs for year-round minimum function and service needs and can be either full or part time depending upon the needs of both the club and employees. Seasonal positions are those that are added and reduced as business demand warrants.

Each department head, by creating a staffing guide of core and seasonal positions, determines optimal year-round staffing. These core positions, then, are “protected” from seasonal adjustments in all but extreme situations. Once the staffing guides are determined for each department, no new hires should be made for core positions without an existing vacancy or the express approval of the general manager.

# Steps to Control Payroll Costs

As we have said, payroll is the largest expense in food and beverage operations. Coincidentally food and beverage is typically the department with the largest amount of overtime and employee turnover—both of which add significant costs to the operation. Here are some steps that will create a major improvement in any F&B department’s payroll expense and bottom line:

**Organization.** A well-organized operation is more efficient in both front-of-house and back-of-house. If the executive chef and dining room manager ensure workspaces are well-designed and well-organized with clear cut procedures for accomplishing all tasks; if storage areas are organized and properly stocked; if the kitchen staff has **production schedules** assigning daily tasks; if everyone knows what to do, how to do it, and when to do it—it doesn’t take as much time to complete daily set up, food preparation, service, breakdown, and closing duties. A few hours saved daily amounts to a lot less payroll cost annually.

**Training.** The logical extension of good organization is the thorough training of all employees, both front- and back-of-house. Better trained employees are more efficient, require less direction, and complete tasks in less time.

**Benchmarking.** Unless you measure your payroll cost every pay period, you cannot understand it. If you can’t understand it, you can’t improve it. Detailed benchmarking of payroll hours by employee position categories and type of hour (regular, overtime, vacation, holiday, sick, and other) allows managers to see exactly where hours and payroll costs originate. By benchmarking cover counts (meals served) by meal period and day of week, week by week throughout the year, managers will have a much better understanding of weekly and seasonal business variations. This knowledge will help with the following step.

**Formal Forecasting.** By using historical benchmarks, as well as a knowledge of current trends and upcoming events, managers are able to schedule staff more accurately to handle expected levels of business. This coupled with a willingness of managers to jump in when unexpected rushes take place will minimize payroll costs while maintaining service levels.

**Daily Review of Dining Flow and Service.** By keeping daily notes by meal period of forecasted and actual cover counts, staffing levels, smoothness of dining flow, and an estimation of service quality provided, managers are better able to adjust staffing levels during future meal periods for optimum service while identifying any issues that need to be addressed or improved.

**Daily Review of Hours Worked.** By taking a few moments at the end of the shift or day to record and compare hours worked with scheduled hours, as well as to tally any overages and overtime hours, managers keep track of actual to budgeted cost on a daily basis and can intervene as necessary in real time to control costs.

**Pinpoint and Understand Overtime Hours.** By closely monitoring overtime hours, managers can better understand why it was necessary and adjust scheduling to minimize it in the future. Without an understanding of what’s causing overtime, there is no hope of devising plans to address it.

# Formal Forecasting

Imagine having a crystal ball that permits the chef and the dining room manager to know exactly how many members and guests will be coming to the club for lunch today. The chef would have a better idea of how much food to have on hand and how many cooks are needed in the kitchen. The dining room manager could schedule servers more effectively to ensure great service without killing her payroll budget.

While there is no such crystal ball, there are tools to help forecast upcoming business levels. The first is **benchmarking**. The next logical step is to take the wealth of information derived from benchmarking—cover counts, menu items sold, and payroll hours and use it to formally forecast business using a simple spreadsheet form such as the one below that forecasts cover counts or meals served.

By using actual historical averages of meals served, the number served on the same day of the week last year, and knowledge of upcoming events, reservations, and the weather forecast, the dining room manager can formally forecast how many meals she expects to serve each day for lunch. She also notes how many servers are scheduled, records the total server payroll hours for the meal period, and gives a subjective rating of how smooth the meal service went on a scale of 1-10 (with 10 being the smoothest). Lastly, by entering specific comments, service issues, and problems encountered, she can take any necessary corrective action and will be well-prepared to forecast next year's business during the same week.

Weekly Sales Forecast						Main Dining Room			ABC Club
Week:	24		Dates:	Jun 8-14		Meal Pd: Lunch			
	Historic Average	Last Year	Proj. this Yr.	Actual this Yr.	Var.	Servers Sched.	Pay Hrs	Svc Quality 1-10	Comments / Service Issues / Problems
<b>Covers</b>									
Fri	64.3	59	60	64	4	3	12.25	7	Mostly smooth. Bit of a rush at 12:45 with a party of 12 w/o reservation. We sold them limited prie fix w/ dessert and bev incl.
Sat	104.7	110	108	102	-6	4	14.74	9	Very smooth, orderly flow. Sent one server home at 1:15
Sun	215.1	198	210	219	9	6	24.75	10	Excellent Sunday brunch. Adequate servers, good flow of food to buffet.
Mon	<b>CLOSED</b>								
Tue	42.4	45	45	40	-5	2	4.50	4	Kelly called in sick at last moment. Hostess filled in as best as she could. Mrs. Jones unhappy with slow service.
Wed	59.8	63	65	67	2	3	13.25	7	Kitchen short staffed in pantry. Salads slow in coming out. Private party in alcove kept DR Manager busy.
Thu	63.5	60	65	48	-17	3	11.00	9	Slow lunch due to rainy weather. Sent 1 server home at 12:40.

The process of formally forecasting business levels takes a little time, organization, and **discipline**, but the rewards are a better understanding of the flow of your business, what specific factors may contribute to poor service, and how many staff should be scheduled. Each of these benefits directly impacts the crux of what you do.

# Nailing Your Pay Cost Budget

There is a relatively easy way for any manager to measure and understand his or her payroll cost by using the Departmental Payroll Summary Analysis form, [PCPM Form 230](#). The beauty of this form, which is designed for bi-weekly pay periods, is its simplicity. By entering key data available from your controller or payroll processing service into the white cells of the spreadsheet each pay period, you can track:

1. payroll cost compared to budget each pay period throughout the fiscal year and your cumulative year-to-date (YTD) over or under budget for payroll,

Pay Period:	1	2	3	4	5	6	7	8	9	10	11	12	13
Ending Date:	1/5	1/19	2/2	2/16	2/29	3/14	3/28	4/11	4/25	5/9	5/23	6/6	6/20
Payroll Total (\$)	8,143	21,573	21,161	19,131	19,372	19,780	19,987						
Budgeted Payroll	8,000	20,000	20,000	20,000	20,000	20,000	20,000						
Over/(Under) Budget	143	1,573	1,161	(869)	(628)	(220)	(13)	0	0	0	0	0	0
Cum Over/(Under)	143	1,716	2,877	2,008	1,380	1,160	1,147	1,147	1,147	1,147	1,147	1,147	1,147

2. payroll hours by category (regular, overtime, holiday, vacation, sick, and other),

HOURS													
Regular	702.3	1,942.8	1,988.0	1,721.0	1,734.0	1,801.6	1,822.3						
Overtime	1.8	41.3	32.0	20.5	34.8	4.3	16.0						
Impact of OT	2.6	61.9	48.0	30.8	52.1	6.4	24.0	0.0	0.0	0.0	0.0	0.0	0.0
Vacation	8.0	0.0	0.0	8.5	0.0	0.0	16.0						
Sick	0.0	0.0	16.0	8.0	0.0	0.0	0.0						
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0						
Holiday	32.0	0.0	0.0	0.0	0.0	24.0	0.0						
Total Hours	744.9	2,004.6	2,052.0	1,768.3	1,786.1	1,832.0	1,862.3	0.0	0.0	0.0	0.0	0.0	0.0

3. a comparison of your budgeted hours with pay period and cumulative variance,

Budgeted Hours	740.0	1,850.0	1,850.0	1,850.0	1,850.0	1,850.0	1,850.0						
Variance	4.9	154.6	202.0	(81.8)	(63.9)	(18.0)	12.3	0.0	0.0	0.0	0.0	0.0	0.0
Cumulative Variance	4.9	159.6	361.6	279.8	215.9	197.9	210.2	210.2	210.2	210.2	210.2	210.2	210.2

4. average hourly wage computed for each pay period and YTD and compared to your budgeted amount.

AVERAGE HOURLY WAGE													
Actual	10.93	10.76	10.31	10.82	10.85	10.80	10.73	#####	#####	#####	#####	#####	#####
Budgeted	10.81	10.81	10.81	10.81	10.81	10.81	10.81						
Variance	0.12	(0.05)	(0.50)	0.01	0.04	(0.01)	(0.08)	#####	#####	#####	#####	#####	#####
Cumulative Variance	0.12	0.07	(0.43)	(0.42)	(0.38)	(0.40)	(0.48)	#####	#####	#####	#####	#####	#####

As you progress through the year, you can monitor trends in payroll, pinpoint the reason for overages (e.g., OT, too many hours, higher than expected average hourly wage) and use this information to develop strategies to bring your pay cost back in line with your budget. Another major benefit of tracking this information is that it permits you to easily budget your payroll cost for the following year since you have a pay period by pay period record of your pay cost, hours worked, average hourly wage, and summary of annual cost, hours, and average hourly wage, all in one convenient location.

If you want greater detail, you can use a separate sheet for each type of position in your department, for main dining room servers vs. grill servers—you'll just have to set up your payroll processing to separately report this detail.

# Why This Workweek and Pay Cycle?

Some time ago we were asked about our club's work week that went from Friday to Thursday and why we paid every two weeks instead of semi-monthly or monthly as other clubs do. There are several important reasons for this that every manager should know, as they relate to the needs of employees and the efficiency of the operation.

1. With the bi-weekly pay period every employee can look forward to a paycheck every two weeks. Most, if not all, employees live paycheck to paycheck and a more frequent schedule of equivalent paychecks makes it easier for them to budget and allocate their income to cover ongoing expenses.
2. Given the overtime pay requirements of the **Fair Labor Standards Act** where non-exempt employees are paid time and one half for all hours worked over 40 in a week, we start our work week on Friday to have our historically busiest days of the week (Friday, Saturday, and Sunday) early in the period.

This way, if we incur employee shifts of greater than 8 hours on those days due to high business levels, we can adjust schedules or send employees home early on our traditionally slower days (Monday through Thursday), thereby avoiding overtime costs. Over the life of an operation, this could potentially save hundreds of thousands of dollars in overtime pay.

3. As we have often said, payroll cost is the single largest expense in club operations and requires the greatest vigilance to control. The best tool managers can use to understand and control those costs is to benchmark payroll hours and costs on a pay period basis.

With semi-monthly, a manager cannot compare like to like—a primary requirement of **benchmarking**. With a semi-monthly pay period the number of days in a pay period can vary from 14 to 16 depending upon month and leap year. Also, since pay periods can start and end on any day of the week depending upon the calendar instead of the constant and comparable Friday through Thursdays in bi-weekly pay periods, there may be some pay periods with anywhere from 4 to 6 weekend or busy days. This makes it impossible to compare pay periods on a like to like basis, thereby diminishing the value of benchmarking. The same applies to monthly pay periods.

# Comprehension Reinforcement

Why is it so important to pay attention to your department's payroll cost?
Describe the purpose of <b>staffing guides</b> .

List and describe three labor cost control strategies.
List those steps to control payroll cost that might benefit your department.



# Zero-Based Budgeting

Budgeting is the process of establishing a financial operating and capital plan for a future fiscal year. Budgets are formulated using past history, benchmarks, knowledge of upcoming events or trends, and one's best professional judgment. Most managers are familiar with the concept of budgeting, but here are some observations and disciplines that will organize and streamline the process:

- First, those individuals responsible for financial performance of club departments must prepare the budgets for which they are accountable. In some organizations budgeting is a top-down process and this robs the very people responsible for performance of the incentive to meet or exceed budgets.
- The budgeting process can be streamlined by having the controller and individual department heads collaborate in preparing standard spreadsheet formats for budgeting. Each department head is then given the blank digital spreadsheets for his or her department. When completed, department heads return the spreadsheets to the controller in both paper and digital form. The controller reviews the paper copy and then copies and pastes the digital copy into the master budget file (made up of previously developed departmental schedules). When all departments have been entered and the master file recalculated, the draft budget is finished and ready for the general manager's review.
- The budgeting process starts with the board and the general manager deciding upon strategic direction and specific goals for the coming fiscal period. These goals have a direct impact on departmental budgets and therefore must be taken into account during the budgeting process.
- The concept of **zero-based budgeting** calls for each year's budget to be built from scratch. The first step is to project revenues for the coming year since the level of business will have a direct impact on expenses, both payroll and other operating expenses. Accurate revenue projections are far easier to develop if managers have benchmarked their revenues and the interplay of business volume and average member expenditure that underlies all revenues. When previous year benchmarks for revenues are available, all the manager must do is to create data entry cells in the budget spreadsheet for projected volume of business and average member expenditure for each revenue category (see next page for more detail). These then automatically calculate revenues by category. The added advantage is that reviewing parties can easily see the assumptions underlying revenue projections.
- Payroll projections can be calculated similarly when payroll benchmarks are kept. Here the data entry cells are for payroll hours and average hourly wage (see topic 81). Again, the reviewing parties can easily see the assumptions underlying wages and related payroll expenses.
- Cost of goods sold for resale departments can easily be calculated by multiplying monthly retail sales projections by the target cost of goods sold percentage.
- Lastly, other operating expenses are easily projected when managers have maintained a prior year discipline of **real time accounting** (see topics 93-94).

# Benchmarking and Revenue Forecasting

When managers benchmark their department's performance, they have a wealth of detail to assist in developing future period budgets.

By setting up a bank of data entry cells in a spreadsheet (shaded below), the manager defines the assumptions underlying revenue projections at the same time he creates those projections. Nothing could be simpler—the spreadsheet is set up to automatically multiply the projected cover counts by the benchmarked average check to project future sales. Such clearly stated assumptions make it easy for those who review the budget to understand how the projections were made. It also makes it easy for the manager who has missed his or her projections in a period to go back and see why they were missed—either not enough meals served (covers) or lower average checks.

<b>Assumptions</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Annual</b>
Lunch Covers	3,300	2,800	2,250	28,550
Dinner Covers	2,950	2,775	2,540	26,500
Sunday Brunch Covers	485	420	405	3,850
Lunch Average Check	8.45	8.75	8.50	8.45
Dinner Average Check	12.75	12.35	12.00	12.90
Brunch Average Check	14.75	14.60	14.85	14.55

<b>Income</b>				
Lunch	\$27,885	\$24,500	\$19,125	\$241,248
Dinner	\$37,613	\$34,271	\$30,480	\$341,850
Sunday Brunch	\$7,154	\$6,132	\$6,014	\$56,018
Total	\$72,651	\$64,903	\$55,619	\$639,115

<b>Projected Revenues using Cover Counts and Average Check Benchmarks</b>				
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Once revenue projections are made, it is easy enough to project operating expenses if they have been benchmarked as a percentage of revenues. Therefore, if office supplies have historically run at say .12% of revenues, then it's a good bet, that absent significant change, they'll continue to run at that level.

Given the magnitude of payroll costs in most operations, payroll can also be projected using volume (number of hours worked) and average hourly wage benchmarks. These are easy enough to track since gross pay is a function of how many aggregate employee hours are worked and what the gross payroll amount is for any given pay period and by extension for the entire fiscal year (see next page).

# Benchmarking and Payroll Budgeting

In each department there are two methods of compensating employees—salaries for exempt staff and hourly wages for non-exempt employees. Usually there are a few exempt employees in each department who make up the management staff. Their compensation is easily calculated for budgeting purposes by using the annual salaries plus any proposed increases and breaking this down into monthly amounts.

For non-exempt hourly wage employees this is a more complicated task as a result of the number of employees involved, their varying rates of compensation—due to longevity, positional skills, and higher pay for overtime hours—and hours worked because of varying schedules. But by using similar data to the volume and average unit used in revenue projections, in this case the number of hours worked and the average hourly wage, it becomes easier to accurately project payroll costs. Here’s how:

By using an electronic spreadsheet (Departmental Payroll Analysis Summary, [PCPM Form 230](#), see topic 76), to **benchmark** payroll cost and number of employee hours worked in each pay period throughout the year, a department head is readily able to see the average hourly wage for the period and year-to-date because the spreadsheet automatically divides the pay cost per period by the number of hours worked.

With this information the payroll forecast can easily be built for the coming year by reverse engineering the data and using the number of hours worked and the average hourly wage from the previous year. In the example below, those benchmarks are adjusted with any changes envisioned in the upcoming budget, such as an expected 2.5% increase in hours worked due to extending the hours of operation of the dining room and a 1.2% across the board increase in the average hourly wage. Thus, the new annual budgeted amounts are projected. Dividing the annual amounts by 26 pay periods (in this case for bi-weekly pay periods), gives the average pay period budgets.

	Last Year's		% Change	New Year's	
	Annual Actual	Average per Pay Period		Annual Budget	Average per Pay Period
<b>HOURS WORKED</b>	29,393.9	1,131.0	2.5%	30,128.7	1,158.8
<b>AVG HOURLY WAGE</b>	10.96	10.96	1.2%	11.09	11.09
<b>PAY COST</b>	322,206	12,393		334,128	12,853
<b>Budget Projection of Pay Cost</b>					

Some departments have multiple operations with different underlying hours worked and average hourly wage. For instance, the F&B department may have *à la carte* dining with constant hours of operation, a catering operation with varying levels of business, and a snack bar with lower compensated seasonal staff. In this case it would make sense for the department head to project budgeted numbers separately for each distinct operation and then combine these into an overall budget.

# Measuring Performance with Benchmarks



Like the pilot of a plane or the captain of a ship, a club manager needs to know that all systems are operating within desired parameters. How will she know this without detailed measures of performance? The club's monthly operating statements provide good basic information, but these summary numbers can mask troubling trends within the operation. For instance, higher food revenues can be a result of less patronage, but each member spending more because of higher menu prices. The manager may be happy with the higher revenues but is blissfully ignorant of declining member usage.

**Benchmarking** is the act of measuring and analyzing operating performance, helping managers better understand the patterns underlying a club's operation. Everything in life follows patterns. When patterns are tracked and analyzed, they can be used to predict future operations.

Benchmarking is best accomplished by club department heads who have bottom line responsibility. They have an absolute need to know and understand the underlying factors that affect their revenues and expenses. Each department head will need to decide what data are important to track. Most performance measures will fall into the following broad categories:

- Revenues, both aggregated and by type
- Expenses, particularly payroll
- Inventories
- Retail sales mix to determine buying patterns of members
- Processes to track specific tasks or events

Most of the revenue data for benchmarking comes from **point of sale** (POS) reports. Much of the lode of daily information gets looked at briefly by department heads or the accounting office and is then filed away, rarely to be seen again. The real value of this information comes from tracking it over time to determine trends by day of week, week to week, month to month, and year to year. This makes it necessary for managers to pull the daily information from POS reports and enter it into spreadsheet software.

Even without sophisticated POS systems, benchmarking can still be done. Cash registers offer a fair amount of data, but state-of-the-art POS systems provide the most information and the greatest flexibility of reports. Despite these reports, it is still necessary to transfer daily data into digital spreadsheets that allow archiving of data for future analysis.

Benchmarking is not complicated, but it does require organization and persistence. It is best accomplished by setting up routine systems to collect, compile, report, and analyze the information collected.

*What I Expect from My Club Management Team*

# Reasons to Benchmark


Reasons to benchmark or measure **key performance indicators** (KPI's) include:

- Establishing the baseline or “benchmarks” of existing operational performance.
- Comparing ongoing performance to the benchmark.
- Establishing realistic performance goals for future periods.
- Creating measurable accountabilities for managers’ performance.
- Identifying under-performance or best practices.
- Improving the ease of preparation and accuracy of budgets.
- Forecasting business levels.
- Comparing a period’s performance with past periods, other similar operations, or the entire industry.
- Measuring member response to new products/services and initiatives.
- Establishing the condition of the operation when a new manager assumes charge.
- Establishing parameters for bonuses and other performance-based incentives.

A few cautions:


- There are as many aspects of an operation to measure as time, resources, and ingenuity will allow. Focus on those most critical to a department’s performance.
- Data used in benchmarking must be defined and collected in a consistent manner.
- When comparing data, always compare like to like.
- Ensure data used in benchmarking measures practices and processes with only one underlying variable.
- Do not draw conclusions from too small a sample. The larger the sample, the more accurate the conclusion.
- When two pieces of data are compared to generate a benchmark, both a small sample size and extreme volatility in one or the other, can skew the resultant benchmark.

Private Club Performance Management has created spreadsheets to track benchmarks for each club department. Spreadsheets are set up to track and compare daily, monthly, and annual benchmarks depending upon departmental needs. These spreadsheets can be downloaded and customized for individual operations.



Private Club  
Performance Management

**Club Benchmarking  
Resources**



**Ed Rehkopf**

[Club Benchmarking Resources](#)

# Essential F&B Benchmarks

“Measurement is the first step that leads to control and eventually to improvement. If you can’t measure something, you can’t understand it. If you can’t understand it, you can’t control it. If you can’t control it, you can’t improve it.”

*H. James Harrington, author of Business Process Improvement*

Benchmarking **key performance indicators** will tell you far more about your operation than just how much of a profit or loss you had in any given period. While every club department should benchmark in detail, there are three key things that the food and beverage department should begin benchmarking immediately:

1. **Payroll hours by category** (regular, overtime, holiday, vacation, and compensated sick time) and payroll cost—both by pay period. Just the fact that this data is being recorded and looked at regularly will bring down overtime costs, while pinpointing further cost saving opportunities as the ongoing norms of the operations become clearer.
2. **Sales, cover counts, and average check by revenue category** (appetizers, entrees, desserts, liquor, beer, wine by the bottle, wine by the glass). Taken together these measures will pinpoint whether shortfalls in revenues are caused by declines in volume (# of transactions) or by the average member spend. Since the steps to overcome these deficiencies are different, knowing whether the problem is volume decline or lower average check is critical to turning the situation around. Also, knowing the historical level of sales for each category allows measurement of progress in any attempt to increase revenues by suggesting and describing.
3. **Sales, cover counts, and average check by meal period** (breakfast, lunch, dinner, Sunday Brunch) by day of week (week by week and month by month). Knowing the member dining habits by meal period and day of week throughout the year will help you forecast business levels and schedule staff more effectively.

**Benchmarking** these three key measures of cost, revenues, and member spending habits will make you far more knowledgeable about your operation. They will also make preparing budgets for future periods far easier and more accurate.

There are other numbers to benchmark, but these three should be the starting point for implementing a larger discipline of benchmarking in the food service operation.

# Comprehension Reinforcement

What is <b>benchmarking</b> and why is it so important?
Explain how benchmarking revenues makes for easier budgeting.
List five reasons to benchmark.

Explain a few of the cautions relating to benchmarking.
List and explain the importance of the essential F&B benchmarks.

# The Hedgehog Concept

In his book, *Good to Great: Why Some Companies Make the Leap . . . and Others Don't*, Jim Collins said that all good to great companies had a deep understanding of their **Hedgehog Concept** which guided all their efforts. For those of you who have read *Good to Great*, you know that a company's Hedgehog Concept is “the piercing insight into how to most effectively generate sustained and robust cash flow and profitability”—“a single denominator that has the greatest impact on the company's financial performance.”

After much deliberation, my candidate for the single denominator for club success is the level of member discretionary spending and the benchmark is Average Member Discretionary Spend per month and annually (computed by dividing non-dues revenue by the number of members). Here is my reasoning:

1. To be viable a club must be profitable and even non-profit clubs must break even with sufficient set asides for replacement.
2. A club with robust member discretionary spending is by a combination of facilities, programming, and service levels not only satisfying their members, but exceeding their expectations, as evidenced by members supporting their club, that is, frequenting the club and spending their money there.
3. As every club manager knows, having a full membership promotes financial health for the club. But what factors lead to strong membership numbers and a waiting list to join? Simply put, it's the same factors that promote frequent use of the club—the quality of facilities, compelling programming, and high levels of service. With these in place, the club's word of mouth reputation will do more to strengthen and expand the membership than any amount of promotion.

By laser-like focusing on the Average Member Discretionary Spend benchmark and fanatically using member discretionary spending as the basis for business decisions, a club will be on the path to success, even greatness. In focusing on this Hedgehog Concept as the prime key performance indicator for both the club as a whole and each revenue-generating department, managers will have reduced the club's success factors to the single requirement for transformative performance—the frequent, sustained patronage of the club by its membership.

Whether or not your club is on a good to great trajectory, tracking the Hedgehog benchmark will help you monitor your members' spending habits. If in decline, you know something is amiss. If robust and growing across all departments, you can be confident you're on the right track.

Notes:

- We recommend using the month end membership count for each month and the sum of month end memberships for all months divided by 12 for the annual computation.
- **Food minimums** present a problem in that they can be coercive. Regardless of whether members feel good about the food service, they must spend a set amount per period or be dunned for their shortfall (unspent minimums). Our solution to this issue is to include all food and beverage revenues regardless of whether it was truly discretionary spending by members or unspent minimums. But, and this is a big but, we would separately track the average unspent minimums per member per period as a reality check for the Hedgehog benchmark.

A large and continuing level of unspent minimums would certainly point to weakness in the club's food service operation.



# Food Minimums



**Food minimums** are a longstanding practice in many clubs. They specify that each membership must spend a minimum amount in the club's food and beverage outlets (usually excluding alcoholic beverages) to help "support" the club's food service. This line of thinking recognizes that the club serves a limited audience and that the high fixed cost of a quality food operation requires a certain volume of business to support it.

While this may be the traditional view, there is a small, but insistent number of voices that say this is a coercive practice that masks or makes up for the failure of many club food operations. At a minimum (pun intended), it serves to remind (and in some cases, angers) the membership that they must pay for a club amenity even if it doesn't deserve their patronage.

This line of reasoning argues that through a variety of food service best practices, appealing menus, innovative and well-executed events, efficient cost controls, outstanding service, **wow factors**, and creative internal marketing, a club food service operation should be able to hold its own against any competition. This may be a bold claim and certainly one that would require the club's food operation to elevate its game to the highest level, but this should be the goal of every club food service operator. Whether it ever achieves the goal of eliminating some level of monthly dunning for unused services and its attendant resentment from members, a high performing food service operation will certainly be the pride of the club, a cause for celebration, and even a magnet for a larger, more robust membership.

# Growing Your F&B Revenues

If a private club's **Hedgehog Concept** is the Average Member Discretionary Spend, then it should be clear to all food and beverage managers that your job is to increase member patronage of your food service outlets. So, what are some things you can do to increase member traffic in your dining room and other food service venues. Here are some basic ideas that when coupled with creativity and **discipline** can yield increased F&B revenues:

- Brainstorm a robust schedule of events and activities with a food and beverage component. The pricing on food can be somewhat aggressive. You're trying to build volume of business and with the anticipation of alcoholic beverage sales you can usually improve margins.
- Do the same for a variety of innovative, even exotic, tastings. These can be built around particular foods—say local or international cheeses, savory baked items, charcuterie, holiday menus, proprietary liqueurs, unusual desserts (including homemade, exotically-flavored ice creams and sorbets), or any other unusual items that will stimulate your members' culinary interest.
- Develop a regular schedule of specialty night buffets on traditionally slower evenings. Vary the buffet items to avoid becoming stale. Benchmark what items are popular and those that generate leftovers.
- Add unusual, gourmet specials to your regular menu fare. Do this on a specific night each week to build patronage from the more culinary adventurous of your members. Coincidentally, this practice also builds the strength, knowledge, and skills of your culinary staff.
- Intensively train your servers in the knowledge of wines, liqueurs, exotic or premium cocktails, and specialty drinks so that they can suggest appropriate accompaniments to enhance members' dining experiences.
- Encourage members to celebrate their special family occasions at the club with well-planned and executed celebratory packages.

- Create an ongoing schedule of “wild and wacky” celebrations from around the world. Encourage the fun with costumes, traditional menus, and even entertainment.
- Institute a once monthly **prix fixe** tapas menu in the bar. Most people enjoy quality food with their drinks, but also enjoy trying interesting, new culinary treats. Such an evening can be themed around a specific culture and complete with specialty beverages from the country of choice.

As you can see from the brief list, there is a whole world of creative food and beverage ideas to choose from. What keeps most clubs from doing this is the extra work that goes into formulating ideas, creating the menus, ordering specialty foods and beverages, and finding costumes and fun decorations for the occasion.

Many managers would say that they're just too busy with regular business. This may be true, but our suggestion is to work hard to better organize your operation, train your staff, and practice good delegation skills. As more of your time frees up, slowly add new food and beverage activities and events to your schedule. Make sure you do a good job of advertising for each event and that every event is professionally executed, even “over the top” of expectations.

Then keep building on your early successes to generate interest and momentum. Lastly, save all your planning and execution notes and do a **postmortem** (see topic on next page) for every event. You'll do each again at some future point and your prior review will help you continually improve your offerings and make them easier to put on.

The challenge of growing your F&B revenues, when properly done, can become one of the most rewarding things you do . . . and not just for the bottom line.

# Postmortems

We have written extensively on the importance of [continual process improvement](#). The willingness to routinely review all aspects of operations to ensure improved performance will bring any club to a state of excellence.

A simple and highly effective tool for such review is the use of **postmortems**. Originally a medical term for an autopsy to determine the cause of death, in common practice the term *postmortem* has come to take on the broader meaning of examining any action or event after the fact to determine cause(s) and/or means of improvement.

Any club embracing a vision of excellence would do well to establish organization-wide *postmortems* as an essential **discipline** of learning from mistakes and improving future performance. But what sort of things demand such review and how best to do them?

Most important is any action or event designed to entertain or delight members such as entertainment, food service, golf, and sports/fitness activities. Each of these directly impacts perceptions of the club's quality, service, and member satisfaction and are expected to be well-conceived, organized, and executed. Ongoing reviews to improve such activities will avoid past weaknesses or missteps, while continually striving for better and more enjoyable events. Use of the Event Review, [PCPM Form 807](#), or some similar means of recording post-event ideas and suggestions is a simple way to institute consistent and continual improvement.

Beyond these are the ongoing reviews of systems, processes, standards, policies, procedures, training materials and methods, and any other significant function of club operations. Each department head should have both the mindset and focus to continually think and say, "What can we do better, faster, more efficiently, with fewer mistakes, at less cost, and with higher levels of member service and engagement?" Employees must be made to understand that their ideas and suggestions are always welcome and, when appropriate, acted upon to improve the organization.

Tips for maximizing the effectiveness of reviews:

- Conduct the *postmortem* as soon after the event or activity as possible, while everything is fresh in everyone's mind.
- Make sure all parties know in advance that a review will be done so they may be alert for ideas and suggested improvements.
- Include all major players involved in planning and executing the event.
- Make ongoing review of activities and events part of each department head's job description and performance review.
- Ensure that each department head has established an appropriate filing system so that *postmortem* documentation for any and all events can be quickly found and used in future planning.
- Ensure that the *postmortem* files of departing managers are retained by the club and available to replacements.
- Seek the input of the line employees involved in servicing the event—activity, food service, and golf staffs—as they know better than anyone what worked and didn't work. Given their crucial input and the fact that they might not be available for a more formal review meeting in the days following the event, get their feedback prior to leaving the club at the end of the event shift.
- Consider establishing a recognition and rewards system for line staff when their ideas are accepted and implemented. Managers are expected as part of their jobs to improve operations, but line employees may need incentives.

Undoubtedly, many clubs and managers informally review their operations for improvement, but greater and more consistent results will be achieved if every employee, managers and line staff, buys into a formal effort to review and improve the club. *Postmortems* may be performed on cadavers, but a robust, club-wide process of continual improvement, encouraged and supported by the club's leadership, will breathe new life into any operation.

# F&B Marketing

There is just too much effort put into your club's food and beverage service every day not to make a concerted effort to market the products everyone works so hard to prepare and serve. And the fact that your members are somewhat of a captive audience based on their membership in the club does not mean you can take them for granted. In fact, if anything it should mean you work harder to know their desires and preferences, give them what they want, and recognize that in many markets there are plenty of other quality alternatives for spending their dining dollars. So, what steps should you take to market your food service operation?

First, you must have menus that attract their business. They should be engineered with a mix of proven club fare and new, interesting offerings. You should also offer daily specials for additional variety. You must also recognize that menus are, in and of themselves, marketing tools by using enticing descriptors and locales of product origin to describe offerings in the most creative and appetizing way possible.

Secondly, you must train your sales staff—the club's servers so that they are knowledgeable about every food and beverage item you offer. You should use **Menu Item Selling Sheets**, [PCPM Form 484](#) (see topic 178), or some similar training tool and you must consistently have pre-shift meetings and menu tastings to continually educate them about each item on your menu.

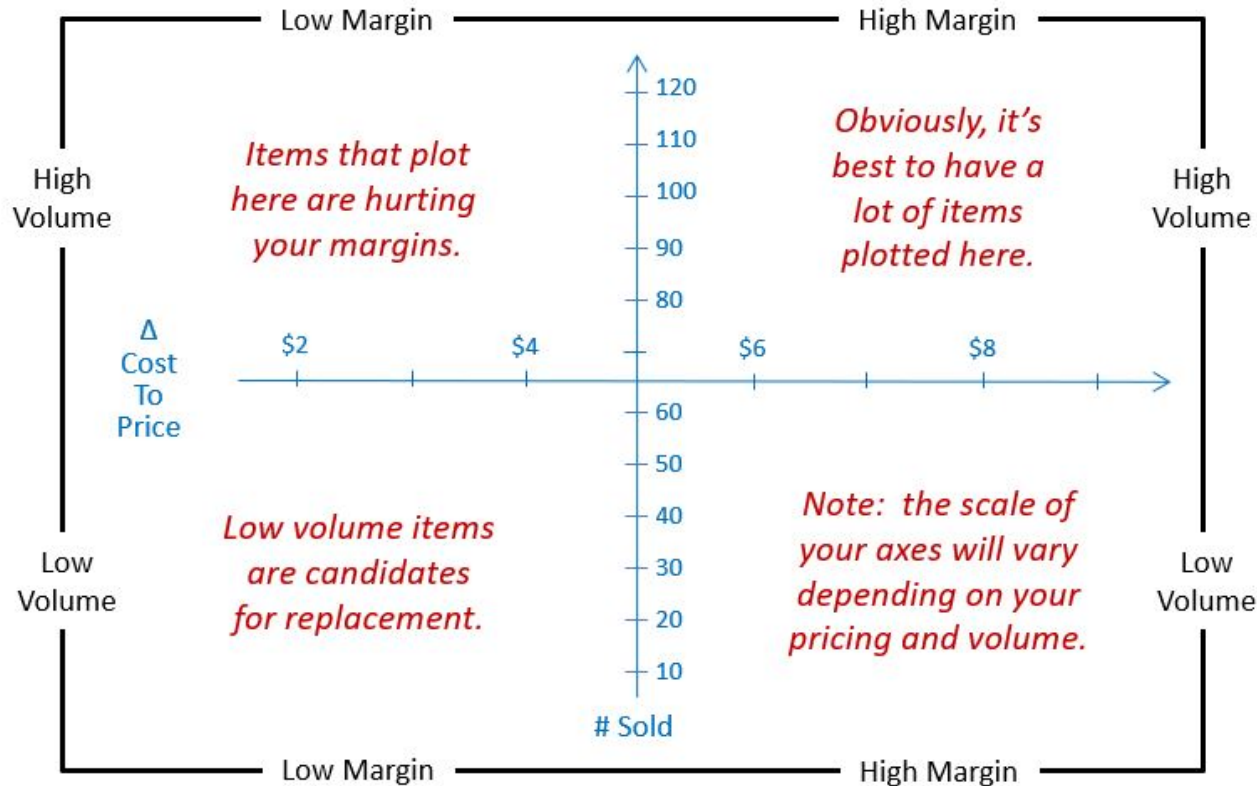
Lastly, you must develop a member food service marketing plan that lays out all your strategies to keep members aware of what's going on in the food and beverage areas of the club. Elements of the plan should include:

- Posting flyers on bulletin boards in various member areas of the club, such as locker rooms, entryways, elevators, fitness rooms, pro shops, etc. Also, share these flyers with other department staff around the club. The more everyone knows about what's going on, the better able they are to "sell" the club's F&B. These flyers should be professional quality and advertise new menus, daily specials, and any planned specialty nights or club-sponsored events. They must also be posted well before the items marketed and taken down promptly after the occasion.
- Using the club's online and/or print newsletter to do the same. This will require that you plan your F&B offerings far enough in advance to take advantage of these advertising vehicles.
- Developing a database of member dining preferences. Analyze member dining and spending habits to give them more of what they want.
- Having the chef and sous chefs regularly visit the dining room to engage with members. Such interaction builds relationships and will yield a steady stream of actionable "intelligence" about what members like and dislike.
- Using social media marketing by setting up a dining room Facebook page and inviting members to join as friends. This is an excellent way to let them know of late-breaking news or last-minute specials. Set up a Twitter account for the same purpose and send tweets to certain members who may be interested in the jumbo sea scallops that just came in fresh and will be offered this evening.

# Menu Sales Mix Analysis

One of the most important things you can do to better understand the dining preferences of your members is to analyze your menu sales mix every month, not only for food sales (appetizers, soups, salads, entrées, and desserts), but also for alcoholic beverage sales (beer, wine, and liquor) by brand or label. The information to do this is easily obtained from the point-of-sale system which, when properly set up, will provide the number sold and total sales for each item.

At its most basic these numbers tell you what sold well and what didn't. It also gives an indication of your members' preferences for beef, fowl, seafood, salads, pasta, heart healthy, expensive vs. inexpensive, desire for appetizers, and how much of a sweet tooth they have. Additionally, when you track specific beverage sales, it will indicate whether your members prefer house or premium liquors, domestic or imported beers and wines, and which brands you should replace as not selling well.



But the most important thing these numbers will tell you is which items contributed the most to your profitability and which ones made for a higher food cost and lower **margins**. Based on your ingredient costs and the prices you set for each menu item, they will have varying margins. If you sell a lot of low margin items and few with high margins, your food cost will be high and your overall margin low. Conversely, high volumes of high margin items will yield lower food cost and more profitability.

An excellent way to monitor menu item sales contribution to margins is to plot the number of sales per item against the difference between price charged and cost for each item. When plotted on a graph as the sample at left shows, you get a graphic representation of what's contributing to your profitability and what is not.

# Comprehension Reinforcement

What is a <b>Hedgehog Concept</b> ?
Why is it so important in focusing on the essential steps to success?
List some ideas to grow your food and beverage revenues.

What are some of the methods to market your food service operation?
Explain the purpose of menu sales mix analysis.
What is the impact of low margin, high volume sales on your profitability?



# Requirements of Real Time Accounting

What does the concept of **real time accounting** encompass?

- **Revenue Tracking** is perhaps the easiest performance indicator to monitor. Point of sale and club management systems summarize daily sales by category. All that is necessary is for the department head to extract the sales data from the club management system and enter the daily data into a monthly spreadsheet while noting if the department is on track to meet its budgeted revenues. If not, steps must be taken to stimulate greater activity and sales. The Weekly Activity Report is a good example of this summary (see topic 129).
- At the same time, the department head must utilize **Revenue Benchmarks** to gain a clearer understanding of the interplay of volume of business and the average member spend that underlies gross sales. This is incredibly important in that it points directly to the reason for missing budgeted revenues—either not enough member traffic or less member spending during each visit. Since the solution to either of these conditions is different, it helps the department head formulate the appropriate corrective action.
- **Pay Cost** should be monitored daily and tracked for each pay period. The Departmental Payroll Analysis Summary, [PCPM Form 230](#), (or some variation of this specifically designed for your operation) is an excellent tool to do this. Not only does it compare actual cost to budget, but it also computes year-to-date variance, summarizes payroll hours by type, and computes the average hourly wage for non-exempt employees. This data will clearly show if out-of-line payroll cost is the result of too many hours or a higher than budgeted average hourly wage.
- A **Quick and Easy Cost of Goods Computation** can be made at any time during an operating period by assuming that beginning and ending inventories will be roughly equivalent. Simply track the amount of resale purchases and divide that amount by sales to provide a quick check on

cost of goods sold. It is also helpful to benchmark the monthly variations in cost of goods sold using the Cost of Goods Sold Analysis, [PCPM Form 244](#).

- **Up-to-Date Other Operating Cost Expenditures** can be tracked by using two forms—the Expense Log, [PCPM Form 233](#), for each expense account, and the Expense Log Summary, [PCPM Form 234](#), of all operating expense accounts. These forms provide a convenient location to record all purchases as they occur during the operating period and compute the remaining budgeted but unspent amount for each expense account. Since most departments have a relatively modest number of expense accounts, this up-to-date recording of purchases will not overburden the manager while closely monitoring expenses. Keep in mind that the cost for food and beverage products is computed in the cost of goods sold calculation. This only leave the other operating expenses to be tracked using the two above mentioned forms.

In tracking a department's numbers in real time, a manager must understand that this data will provide an approximation of actual performance, not the exact accounting of double-entry bookkeeping used by the controller to balance the general ledger and prepare financial statements. This approximation in no way detracts from the benefits of real time accounting and the ability it provides to make timely interventions.

All the completed documents and forms mentioned above should be kept in a Real Time Accounting Binder for easy reference at the **Monthly Review of Financial Statements Meeting** (see topic 97) and for use in preparing the departmental budget for the next year.



# The Case for an F&B Analyst

Food service is an enterprise awash in variables, yet the end product—quality food and service—is the result of consistency of ingredients, preparation, and service, as well as the consistent application of a wide variety of operational disciplines that result in meeting or exceeding expected performance.

In manufacturing operations every effort is made to reduce the variability of materials and manufacturing processes to ensure the uniform quality of the finished product. Food service is a manufacturing process with the added complexity of the all-important member service component. Making it even more challenging is the fact that the manufacturing process (food production) is laden with almost limitless variables such as many perishable ingredients with a number of quality variables such as taste, texture, smell, color, and freshness; a complex mix and measure of ingredients in each menu and beverage item; differences in cooking techniques and time of preparation; and the skills and training of the production staff.

Add to this the many issues in food delivery, service, and member interface—timing and temperature; the experience, skills, training, confidence, and personalities of the service staff; the scheduling of necessary staffing levels; the hourly, daily, weekly, and seasonal ebbs and flows of dining traffic; the impact of weather and other dining and entertainment options for members; and other innumerable external variables.

Since all this variety and uncertainty is an inherent part of the food service landscape, managers must possess a deep understanding of the most significant variables and make informed judgments regarding their impact on daily operations. Only by doing this conscientiously on an ongoing basis can managers have any hope of meeting expectations of quality, service, and performance, not to mention their personal sanity.

What makes this especially challenging is the sheer volume of moving parts that must be monitored and managed in a people- and detail-intensive

business. In the ongoing rush of operational requirements what often gets short-changed by busy managers is the tracking and analysis of the variables that underlie and impact operational performance.

A solution to this all-too-common problem is to employ a food and beverage analyst who is tasked with monitoring and reporting key measures and processes to ensure the efficiency of operations.

## Tasks

What exactly can an F&B analyst do to help the busy F&B Director? Here's a short list of things that can help any operation:

- Prepare daily and per meal period benchmarks of items sold and revenues for each sales category (entrees, salads, appetizers, desserts, specialty drinks, wine by the glass, bottles of wine, cordials, beers, and spirits); compute the average sale by category; summarize these by day of week, weekly, monthly, year-to-date, and annually.

The benefit of providing and analyzing this detail is that it informs decision-making not only for the ordering of stock, but for menu engineering, increasing average checks by suggestive selling, monitoring margins, keeping everyone on track to meet budget by quickly identifying causes of revenue shortfalls, and providing the raw data for improved budgeting.

- Benchmark hours worked and pay cost by pay category (regular hours, overtime, holiday, vacation, and sick/emergency, etc.) and position (a la carte server, catering server, bartender, cocktail wait, etc.). Summarize these by pay period, monthly, year-to-date, and annually.

The benefit of this is that it helps managers understand their payroll cost and take effective action to stay on budget, while providing the raw data for improved budgeting of this largest operational expense.

*(continued)*

# The Case for an F&B Analyst, continued

- Prepare weekly forecasts of business levels by day of week and meal period. Provide these to F&B managers. These forecasts are based on past history of traffic by day of week and weekly throughout the year and information of upcoming internal and external factors that can influence the level of business traffic. This information should be provided several weeks in advance, allowing managers time to schedule most efficiently to meet expected dining demand.
- Conduct monthly analysis of sales mix, identifying sales of high/low volume and high/low margin menu items to better understand and formulate menu mix and pricing decisions. Provide this analysis to F&B director and chef.
- Conduct weekly inventories of key F&B stocks (alcoholic beverages, meats, seafood, poultry, dairy, produce, and other high cost and/or perishable items). As much as possible compare stocks consumed with sales. Such attention to the flow of stocks through your enterprise will identify inventory discrepancies in a timely manner, help pinpoint causes, and reduce incidence of pilferage. Provide inventories with sales/usage analysis to F&B director and chef.
- Assist in conducting end of month inventories of all F&B stocks and any necessary investigation of discrepancies.
- Benchmark food, beverage, and pay cost percentages monthly, year-to-date, and annually. Provide monthly report to F&B director and chef. This clear presentation of cost data in a single report allows “at-a-glance” recognition of out of line expenses.

While some general managers might feel that the F&B analyst position should be part of the club controller or CFO’s staff, we believe that best results will be obtained if this position reports directly to the F&B director. This assignment clearly establishes the role of the F&B analyst as support staff for F&B management to help the department operate more intelligently and efficiently.

Benefits include:

- Consistent monitoring of key underlying variables in the revenue and cost structure of the F&B operation. All too often this key data is left unmined and unexamined by busy departmental managers.
- Freed from the time-consuming detail of data tracking, managers can spend more time on more productive and important matters—**member relationship management**; devising creative and exciting menus and events; leading and motivating staff; training; planning and execution; meeting/exceeding budgets; and **continual process improvement**.
- **Benchmarking** revenues and costs will make it far easier to produce more accurate budgets for future periods.
- Reduction of food cost through more frequent and closer monitoring of inventories and stock consumption.

*Note: Depending on the size of the operation, this may or may not be a full-time position. The person filling the position does not need to be an accountant, just dependable with initiative and knowledge of spreadsheets.*

If the savings reported by former CFO, Charlotte Country Club, Steve Argo’s tip to conduct weekly inventories of food stocks are anywhere near the norm, you can add this new position and still improve your net income. Even if food cost savings only covered the cost of the F&B analyst position, the other benefits listed above would make the position well-advised.

Bottom Line: A properly designed food cost control plan with a dedicated F&B analyst can yield significant bottom-line results by providing a better understanding of the underlying variables impacting the operation, while allowing busy F&B managers a greater focus on other issues and opportunities to better organize and improve departmental performance.

# Monthly Review of Financial Statements



To ensure that the club meets the financial objectives of its annual operating budget, it is imperative that all department heads monitor their monthly performance closely and be prepared to answer questions about their department's performance.

On a monthly basis after the final statement is prepared and distributed, the controller should set up a schedule of meetings for department heads to sit down with the general manager and controller to review individual departmental performance.

Department heads must be prepared to answer detailed questions about their department's performance and give reasons for any significant variance from budgeted amounts. They can do this by bringing their individual **Real Time Accounting Binder\*** (that includes their budgets, departmental Profit and Loss Schedules, benchmarking spreadsheets, revenue and payroll tracking sheets, and expense tracking forms) to the meeting and being prepared to discuss any issues with their departmental performance.

Department heads can prepare for these meetings by carefully reviewing their departmental P&L schedules, obtaining a copy of their **General Ledger** detail of their expenses from the accounting office, and ensuring that their Real Time Accounting Binder is up-to-date.

Department heads must also be prepared to present plans to remedy significant or ongoing shortfalls in revenue or overages in expense categories.

Finally, these monthly meetings with the general manager are an excellent opportunity for each department head to brief him or her on their progress toward the objectives and timelines of their annual Departmental Plan and individual **Work Plan**.

The **monthly review of financial statements meeting** is a key **discipline** to hold department heads accountable for the operating results of their department and keep the general manager informed on progress on goals, objectives, and plans. As such it is a crucial component of **performance management** disciplines (see topic 48).

\*See [Tools to Beat Budget](#) for details on how to set up a Real Time Accounting Binder.

# Comprehension Reinforcement

Explain the concept of <b>real time accounting</b> .
What are the benefits of tracking your sales and expenses in real time?
Why would you want to know of revenue shortfalls in real time?

What is the purpose of a <b>monthly review of financial statements</b> ?
What is the <b>General Ledger</b> detail and where do you get it?
What is the purpose of briefing the GM on your <b>work plan</b> progress?

# Purchasing



Purchasing and handling merchandise and supplies are major responsibilities for managers. Retail operations such as pro shops, general stores, and food and beverage outlets purchase resale merchandise and products on a regular basis. The need to purchase at the best price and receive and handle incoming items properly requires the ongoing attention of department heads.

Even those without resale operations may purchase large quantities of consumable supplies such as cleaning products, ware wash chemicals, bar snacks, paper products, etc. These consumable supplies can represent a major cost for the club and their purchase price, handling, and use should be carefully monitored by managers.

A club should establish [accounting standards, policies, procedures](#) (SPPs) that include purchase authority and limits for club purchases and managers should be made fully aware of these requirements.

Managers involved in purchasing must always seek the best price by shopping around with multiple purveyors.

Purchasing managers must also understand the pitfalls of receiving gifts from vendors and purchase rebate programs. Managers must abide by the highest ethical standards as spelled out in the club's [organizational values](#) and Accounting SPPs.

# Receiving

When received, all purchased items must be inspected to ensure the correct item, count and/or weight, and that all items are undamaged or unspoiled. It is also important that any authorized employee receiving a purchased item carefully inspect the item to ensure it is the item ordered, is complete, intact, and has the correct count and/or weight.

Items received should be carefully compared to items listed on the packing slip, purchase requisition, or purchase order. The receiving employee indicates the order is correct and complete by writing or stamping “received and all items checked,” signing, and dating the packing slip, purchase requisition, or purchase order.

After inspecting the order and ensuring that it is correct and intact, the employee should file the receiving paperwork (packing slip, purchase requisition, or purchase order) in a departmental receiving file until the vendor invoice is received.

Upon receipt of the vendor invoice, the authorized employee will:

- Attach the approved purchase requisition, purchase order, and/or packing slip to the invoice,
- Stamp and date the invoice with an invoice coding stamp supplied by the accounting office (see topic next page),
- Initial and date the invoice coding stamp if the invoice agrees with the items received, and
- Resolve any discrepancies as soon as possible with the vendor and note resolution on the invoice.

The invoice is then coded with the appropriate expense coding (see next topic), approved by the department head, and forwarded to the accounting office for processing and payment. The accounting office will process invoices on a regular schedule and then submit them to the general manager for approval.

In approving invoices for payment, the general manager should cancel or invalidate the invoice by marking through it and signing it (or some other indelible marking to indicate it has been approved for payment and cannot be submitted again for another payment). Once approved, disbursements are made.

# Expense Coding

Coding standards are established to ensure that all purchasing managers correctly code their invoices and that all coded invoices turned in to the accounting office are coded correctly and accurately. Correct and accurate coding of invoices by all purchasing managers would greatly reduce the workload of the controller, thereby permitting him or her to focus on other pressing matters and assisting department heads and the general manager with other accounting issues and outreach programs.

One controller estimates that 50% of the time spent in processing payables could be saved by purchasing managers correctly and accurately coding their invoices.

Coding standards for all invoices include:

1. Using a coding stamp. This stamp should be ordered by the controller and distributed to all managers who will be coding invoices.
2. Entering the month/year and department to which the expenses will be charged.
3. Entering the **General Ledger** account code from the club's **chart of accounts**. It's a helpful discipline to create and use an expense dictionary to aid in consistent coding of purchased items (see next topic).
4. Entering the corresponding total dollar amount charged to each account code.
5. A notation indicating what the charge(s) are for.
6. The coding manager's signature or initials.
7. The date the coding takes place.

Oak Hill Country Club			
Month:	<u>April 2010</u>		
Dept:	<u>Food and Beverage</u>		
G/L Code:	<u>490-214</u>	Total:	<u>\$356.54</u>
G/L Code:	<u>490-222</u>	Total:	<u>\$86.78</u>
G/L Code:	<u>          </u>	Total:	<u>          </u>
Detail:	<u>Paper Supplies, Kitchen Utensil</u>		
Approval:	<u>J.M. Smith</u>	Date:	<u>4/10/10</u>
Approval:	<u>          </u>	Date:	<u>          </u>

# Expense Coding Tips

The following disciplines will assist in the accurate and timely coding of expenses:

- **Chart of Accounts.** To properly code expenses managers will need a copy of the club's chart of accounts from the controller.
- **Consistent Coding.** In order to maintain consistency in the classification of expenses, managers must ensure that they code consistently. While most expenses are self-evident and easily classified, some unusual or one-time expenses require careful consideration. For example: poster board and magic markers purchased to make posters advertising upcoming events—should they be expensed to office supplies or marketing expense?

Where they are expensed is not nearly as important as consistently classifying them in future periods. When expenses are not consistently coded or miscoded, it misstates the performance of the department, is misleading when trying to identify problems, and will be misleading when using the misstated numbers as historical records to create the next year's budget. To ensure that expenses are classified consistently, managers should create an expense dictionary.

- **Expense Dictionary.** An expense dictionary is nothing more than an alphabetized journal (purchased from an office supply store) where the purchasing manager notes all expenses as classified. In short order the expense dictionary will include all normal and ongoing expenses. As unusual and one-time expenses are classified by account name and number, the manager will record the classification in the expense dictionary. Should the same or similar expense be incurred in the future, the purchasing manager will refer to the expense dictionary and know exactly which account to code the new expense.

In lieu of using an alphabetized journal, managers can alphabetically record the same information in a spreadsheet. In either case, the expense dictionary is a handy reference to assist the purchasing manager in consistently coding expenses.

- **Multiple Codes on One Invoice.** Another coding challenge occurs when a purchasing manager receives a vendor invoice with multiple purchased items needing to be coded to different expense accounts. Depending upon the number of items needing to be coded to different accounts, the purchasing manager may simply calculate the dollar amounts needed to be coded for each account and note them separately on the invoice.

For complicated invoices with multiple items needing to be expensed to many accounts, managers should consider using a spreadsheet to breakout expenses (including sales tax and shipping) to the different expense accounts. The benefit of using the spreadsheet is that it can automatically subtotal expenses by category and “prove” these amounts back to the total of the invoice. See an example using a Multiple Expense Coding Sheet, [PCPM Form 245](#).



# Invoice Payment Certification

A chief financial officer for a major club management company, provided this excellent reminder of what a manager is certifying when he approves an invoice for payment.

“When approving and submitting an invoice for payment, department heads or managers must understand that they are certifying to the controller and general manager that the item (or service) is valid to pay because:

1. **You Ordered It.** Beware of companies that send out fake invoices to see who will simply pay it because somebody figures someone else probably ordered it or that someone else got it.
2. **You Received It.** Check the shipping address on the invoice. It should have come to your club. It should not have been drop shipped somewhere else. Make sure it wasn't a delivery for the club down the street with the similar sounding name—let them pay for their own stuff!
3. **You Inspected It.** Don't let your employees quickly sign for stuff so that the delivery guy can be on his way. Make sure you received exactly what you are signing for.
4. **It Is The Right Item.** Is it what you expected, and will it be used? Is it what you contracted for?
5. **It Is The Right Price.** Is it the price they quoted you?
6. **It Is The Right Quantity.** Is it the amount you ordered? Did they short you or did they send too much to see if you'll pay for it because you'll think that you'll probably use it eventually anyway?
7. **It Is Complete.** If you are authorizing payment for a contracted service, make sure it is complete to your satisfaction before you pay a vendor in full.

If you can't say YES to all these statements then you need to ask some questions and do some research before you submit anything for payment (after all, you would be that careful if this was your money being spent). Take the extra time—this is YOUR responsibility.”



# Comprehension Reinforcement

What is the purpose of defining purchase limits and authority?
List potential pitfalls of accepting gifts and favors from vendors.
Why is important to fully check and document club food deliveries?

Why are invoice coding standards important?
What is the purpose of an <b>expense dictionary</b> ?
List three things that a manager certifies on invoices prior to payment.



# Discipline

Albert Einstein, after his world-shaking General Theory of Relativity was published, validated, and accepted by the scientific community, spent the remainder of his life working on a Unified Field Theory that attempted to boil all physics down to one elemental formula, hopefully as elegantly simple as his earlier stroke of genius— $E=mc^2$ . While he never achieved his Grand Theory, we fully understand his desire to distill complexity to simplicity.

On a far humbler scale, we have also been impelled to boil down the seeming complexities of club operations into a smaller number of principles that when followed would lead to organizational success. What we've come to believe is that there are five basic requirements for any successful organization. They are:

1. **Leadership** – the skills that permit those who direct an enterprise to win the enthusiastic support and efforts of their followers to the accomplishment of specific goals and tasks.
2. **Culture** – the well-defined and consistently reinforced **organizational values** that underpin the efforts of the club.
3. **Organization** – the ability to structure and integrate the complex and interrelated programs and processes of the club to promote efficient operations.
4. **Management Best Practices** – the ability to consistently execute generally-accepted requirements and best practices at all levels of the organization.
5. **Hiring Well and Training Thoroughly** – the programs that cultivate the attraction and retention of the best talent, as well as consistent, efficient, and professional completion of all tasks and engagements with members.

Having outlined these requirements, we would go on to say that they are all supported by one key element and that is **DISCIPLINE**.

While complex business enterprises require both broad and specific skill sets for success, these mean little if each individual and the entire management team doesn't have the intense and overriding discipline to focus daily on the essential tasks at hand and complete them as efficiently as possible.

Complex enterprises may be based on sound management ideas and theory, but without, as Jim Collins says, "*disciplined people who engage in disciplined thought and then take disciplined action*," they will never build enduring greatness. In other words, despite whatever talents your management team may possess, without discipline you're just muddling through.



# A Culture of Discipline



Arguably the greatest business book to appear in the last quarter century is Jim Collins' *Good to Great, Why Some Companies Make the Leap . . . and Others Don't*. In preparation for the book, the author and his research team identified and examined 11 publicly traded companies that significantly outperformed their competitors for a period of 15 or more years to find out what made them so successful. The findings were sometimes surprising, often at odds with conventional wisdom, but definitive in that they were based on empirical evidence, not business theory.

One of the findings is that all good to great companies had a culture of discipline. Quoting from the book:

*"Much of the answer to the question of 'good to great' lies in the discipline to do whatever it takes to become the best within carefully selected arenas and then seek continual improvement in these. It's really just that simple."*

As we said in topic 1, most of us recognize that our business is not rocket science. The basics of what we do are well-known to any food service professional. What makes our jobs so challenging is the sheer volume of things that must be attended to daily in a detail- and people-intensive business.

Unless a club operation is well-organized and its managers highly **disciplined**, it operates in a state of barely-controlled chaos interspersed with periods of downtime. The challenge for all is to transition quickly from storm to calm back to storm while remaining focused on long term goals, ongoing projects, and **continual process improvement**. The solution is to organize the operation so that most things happen routinely and that managers at all levels be highly disciplined in approaching their duties and efforts to improve the operation.

# Building a Disciplined Organization

We speak repeatedly of the importance of discipline in achieving success in a private club food service operation, but the same discipline is also essential in the success of any life endeavor. So exactly what is discipline and how do we achieve it?

First some definitions:

- **Discipline** – any activity, exercise, or regimen that develops or improves a skill.
- *Regimen* – a regulated course, exercise, or practice to attain a result; a habit.
- *Habit* – an acquired behavior regularly followed until it has become ingrained or deeply-rooted.

From these definitions it is seen that discipline is a practice, conscientiously followed to achieve a desired result, and a disciplined person is one who has achieved the habit of regularly following specific behaviors to achieve results. Why then is it so important, as Jim Collins says in *Good to Great*, to develop a culture of discipline to achieve success in an organization?

All group enterprises are complex, and that complexity grows with size, number of employees, amount of operational detail, and end user expectations; and who would deny the complexity and detail-intensity of running a high-quality food service operation in private clubs? There is so much that must be attended to by a large number of employees that it cannot be accomplished in a casual or haphazard manner. Rather, you must be highly organized and disciplined in everything you and your employees do to have any hope of achieving the high levels of service and quality that your members expect.

So how does one become disciplined? There are many life experiences that promote discipline—your home life growing up, your schooling, the sports you play, your musical and artistic accomplishments, and the discipline inherent in military service—all these experiences and activities require that you meet expectations, deadlines, and requirements, as well as developing the skill and talent to compete and succeed in a chosen endeavor. And just as every person is different based upon their life experiences, people have varying levels of the necessary self-discipline for success.

In building a successful food service operation, then, you must be sufficiently disciplined to plan and execute all aspects of your jobs and have a deep understanding of the proven **best practices** of our profession. Beyond that, you must make conscientious efforts to find, hire, and train people who are also disciplined in their approach to their work and assigned tasks. Those who approach their jobs in a slapdash manner degrade the efforts of everyone on the team and cannot be tolerated in any enterprise aspiring to excellence.

Beyond hiring well, you must establish both organizational structure and culture of discipline, while training employees in the **expectations** of excellence, best practices, and habits that contribute to your success. Finally, you must hold everyone strictly accountable for their performance and results. When all these are done routinely, your enterprise is on the path to greatness.

# Confront the Brutal Facts

Another of the findings of Jim Collins and his research team while writing *Good to Great* is that the good to great companies had a culture built around “confronting the brutal facts” of their reality. The comparison companies on the other hand, often dominated by charismatic leaders, made their strategic decisions based on wishful thinking or a flawed vision of their leader, often ignoring a reality that was evident to anyone with eyes to see.

He listed four basic practices that create a climate where the truth is heard:

**“Lead with questions, not answers.”** As the leaders of your club’s food service enterprise, you should resist the temptation to assume you know the answers as to how best to organize and run your operation. No matter how broad your experience, ask questions of everybody around you—the members, your employees, both front and back of house, your boss, and your peers. “Why do we do this?” “Why are we open these hours?” “Why do we use this vendor?” “Why do we have this policy?” Their answers may surprise you and point to different solutions.

**“Engage in dialogue and debate, not coercion.”** Your employees and peers—the very people who work daily with the details of your operation—will have opinions about what works and what doesn’t in your enterprise, but they may not always agree on solutions or better paths. Engage them in dialogues where they are free to express their views and disagree with one another. Out of this debate, this search for the answers and ideas, the best solutions will emerge. Without an opportunity to have their opinions and beliefs heard, any direction you take them will seem coercive and the best people may become dissatisfied with this state of affairs and look for employment elsewhere.

**“Conduct autopsies [*postmortems*] without blame.”** People will not be honest with you if they are blamed for bringing bad news or opinions you don’t want to hear. Employees will try to hide their failures if all they get in return is being chewed out. This is no way to get to the truth of an operation.

**“Build ‘red flag’ mechanisms.”** Make sure you are getting and analyzing the detailed information of your operation’s performance. This best mechanism will be a **Hedgehog Concept** (see topic 86) in that it is the key driver of your operation’s economic engine.

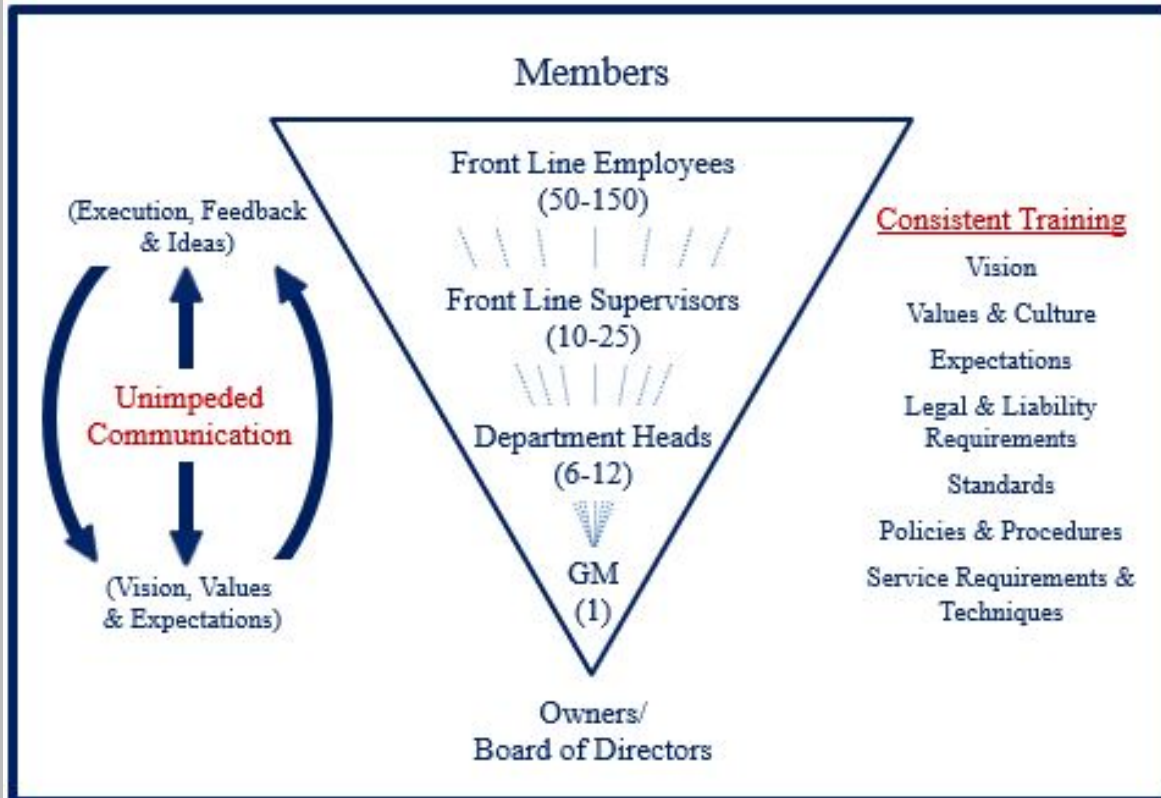
In summarizing the importance of confronting the brutal facts of your reality Collins says, “When you start with an honest and diligent effort to determine the truth of your situation, the right decisions often become self-evident.”

“Yes, leadership is about vision. But leadership is equally about creating a climate where the truth is heard, and the brutal facts are confronted. There’s a huge difference between the opportunity to ‘have your say’ and the opportunity to be heard. The good-to-great leaders understood this distinction, creating a culture wherein people had a tremendous opportunity to be heard and, ultimately, for the truth to be heard.”

*Jim Collins, Good to Great – Why Some Companies Make the Leap . . . and Others Don’t*

# Unimpeded Communication

## Club Operations: The Necessity of Unimpeded Communication and Consistent Training



Quality and Service are both detail- and people-intensive requiring a large number of employees to understand what they must do in all situations. Such complexity can only be mastered through **unimpeded communication** and **consistent training**. Unimpeded communication flows naturally from Service-Based Leaders, while written values, expectations, standards, policies, and procedures promote consistent training.

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The large and dynamic complexity of what you do requires that all on the team have open communication with one another. When there are barriers to that open flow, too many things are not communicated and too many things fall through the cracks.

But it's not just the information from managers to employees that is important. More often than not, it's the ideas and feedback from the line employees, who know best what works and what doesn't, that gets stifled. The solution to this all-too-common problem is for everyone, particularly managers, to commit to making the unimpeded flow of information up and down the chain a high priority for all involved.

See [Seven Informative Infographics for Club Operators](#)



# Food Service Disciplines

While creativity and innovation are hallmarks of an outstanding culinary experience, it is a daily focus on the basics that makes a foodservice operation profitable. The following disciplines are taught in every hospitality and culinary program, but it's the consistent daily application of these that makes a difference in your team's ability to meet every challenge:

**Standardized and costed recipes.** Recipes for every menu item, both *à la carte* and catered, must be standardized and costed. This discipline ensures consistency of product and ongoing profitability. Given the volatility of some ingredients, recipe costing should be reviewed on a periodic basis.

**Pricing based on known cost structure.** The standard method of pricing is to take the cost of each menu item and multiply it by an appropriate factor to cover the cost of labor and other expenses. For instance, a 2½ times factor should yield a 40% food cost; a 3 times factor yields a 33% food cost. This simple formula is all well and good, but if your revenues are below projections and/or your payroll cost or overhead are higher than expected, you may still lose money. Given the interplay of revenues, pricing, volume of business, and cost structure, these numbers must be tracked closely and reviewed frequently.

**Portion control.** Standardized recipes are costed based upon specific portion sizes. If untrained or poorly supervised employees routinely serve larger than costed portions, your profitability will literally be eaten up. Costly meat and seafood products should be weighed to ensure correct portion size. Ladles of specific sizes should be used to plate specific menu items. Pies, cakes, and other baked desserts should be cut and served using templates to ensure the correct number of portions are realized. Cooks and pantry workers must be trained to prepare and serve appropriate-sized portions. The discipline of measuring alcoholic beverage portions is especially critical to profitability in bar operations.

**Labor control.** Labor, both front-of-house and in the kitchen, is the single largest expense in a foodservice operation; it is also a continuing challenge to control. Electronic timekeeping systems make it easier for supervisors to verify hours worked, but regardless of the system used, supervisors must monitor payroll hours daily. Close monitoring of employee hours will reduce overtime and “milking the clock,” while allowing daily comparison of payroll costs to revenues. Front of house supervisors should also keep a daily log that notes revenues, meals served, payroll hours, and a subjective evaluation of the smoothness of service. Such an evaluation of each meal period will enable supervisors to better schedule staff.

**Benchmarking revenues and expenses.** Benchmarking is the act of measuring and analyzing operating performance. In a food service operation, there are many things to benchmark, such as meals served and average check per meal period by day of week; payroll hours by position, by meal period, or day; and beer, wine, liquor sold per meal period and day of week. When tracked over time, these statistics become the baseline to project and monitor future performance, stock requirements, and staffing needs.

Benchmarks also allow measurement of member reactions to foodservice initiatives such as new menus or pricing. Most importantly, benchmarking makes supervisors more knowledgeable about their operations. Such knowledge translates into improved decision-making, operational efficiency, and bottom lines.

*(continued)*

# Food Service Disciplines, continued

**Routine and consistent inventories.** Inventories are critical to monitor stock levels, avoid shortages, control pilferage, and determine cost of goods sold. Inventories can also be time consuming and inconvenient for hard-working kitchen staffs. Inventories sometimes get delegated to poorly trained subordinates who miss or miscount key items. Sloppy inventories contribute to erratic cost of goods sold. Poorly organized storerooms contribute to sloppy inventories. Keys to accurate inventories include well-organized storage areas; knowledgeable individuals conducting inventories; routine and timely inventories; and organized receiving documents, invoices, and credit slips. Delegating counts is acceptable if employees are trained. However, having the same employee conduct all inventories without spot-checking and oversight will invite problems.

**Suggesting and describing training** for employees. Service employees who are trained in the techniques of suggesting and describing can improve any members' dining experience, the average check, and the bottom line. Whenever a new menu is put in place, all servers should be provided **Menu Item Selling Sheets**, [PCPM Form 484](#), that give key information about each entrée to include cooking method, ingredients, time of preparation, and enticing descriptors to help describe each item. Just as standardized recipes are important in the kitchen for consistency of product, selling sheets provide the service staff with the knowledge and information they need to describe and suggest the product (see topic 178). In addition to entrées, special training should be given for suggesting appetizers, desserts, wines, and specialty alcoholic beverages. The time spent providing servers with the information and confidence to suggest your food and beverages will yield consistently higher member satisfaction, as well as average checks (see topic 199).

**Continual sales feedback to employees.** Every month's budgeted food sales is made up of how many meals are sold and how much each member spends on average for a meal. By breaking projections down into meal and average check totals, then posting daily targets prominently in the pantry or other visible location provides servers with goals that connect their daily efforts to profitability. By comparing month-to-date actual covers and average checks to projected totals, employees are given a day-by-day incentive. People are competitive by nature and this technique will become a powerful inducement to servers. The same applies to appetizers, desserts, and bottles of wine sold (see topic 173).

**Forecasting and scheduling.** By tracking revenue and patronage benchmarks and keeping a daily log of staffing, supervisors can develop a routine system of forecasting business levels. While some level of volatility can always be expected, the act of forecasting, when formally done and evaluated after the fact, will assist in maintaining member service while controlling labor cost (see topic 75).

**Member feedback.** While some members are vocal with their opinions, many are not. Foodservice supervisors should make it easy for members to provide feedback. Member comment cards should be readily available, periodic surveys should be conducted, revenue benchmarks should be analyzed to measure member reaction to offerings and initiatives, and employees should be trained to routinely report comments made or overheard to supervisors.

As with so much else in the club industry, it is the daily discipline of well-known basics that are the foundation for success.

# Details and Quality



We repeatedly say that food service operations are a detail-intensive business. There are literally hundreds, if not thousands, of details that must be attended to daily to provide the high levels of quality that members expect. It's also easily understood that the general manager and management team are incapable of checking every detail every day. So, what are the necessary strategies to achieve the requisite levels of quality?

- Ultimately a robust program of **employee empowerment** will encourage employees to think like the general manager, be aware of the manifold necessities of **quality** and **service**, be ever alert for problems and issues, and demonstrate the ownership to correct problems wherever and whenever they find them.
- Thorough **communication of organizational values, standards, and expectations** to employees so they understand what, why, and how things must be done.
- **Comprehensive initial and ongoing training** to ensure employees have all the necessary knowledge, skills, and appropriate attitudes to render consistently high-quality service.
- **Detailed organizational systems** and processes to allow the operation to function efficiently. When things happen consistently and routinely in all areas of the operation, employees have the time and the inclination to focus on quality. When everything is messed up all the time, employees will find it difficult to care.
- **Consistent Service-Based Leadership** which requires managers to provide employees with all the necessary tools, training, resources, ongoing support, example, and engagement to do their jobs efficiently and effortlessly. The underlying premise of such leadership is the ultimate value of people in any endeavor and the need to serve all constituencies, but particularly the employees who render service directly to members. Such a leadership approach creates and sustains the strong bonds of personal pride and team effort.

While creating the necessary club environment to provide each of the above requirements is neither rapidly nor easily accomplished, it ultimately is the **ONLY** way to build enduring quality in a service organization.

# Comprehension Reinforcement

Why is <b>discipline</b> so necessary to success?
Why should a business wish to confront the brutal facts of its operation?
What happens when a business ignores reality?
List and discuss three food service disciplines.

What do we mean when we say the club business is detail-intensive?
What do we mean by the necessity of unimpeded communication?
List some barriers to unimpeded communication.
How can these barriers be overcome?

# Why the Wrong People are Hired

While there is no fail-safe method of hiring only the right people, there are common denominators underlying most mis-hires. They include:

**Failure to Use Due Diligence.** Given the responsibility managers must hire the right people and avoid hiring the wrong people, hiring supervisors need to exercise due diligence, that is, taking reasonable care throughout the hiring process to prevent mistakes.

**Lack of Interview Skills.** An informal survey of club managers revealed that few have ever received formal training in how to screen and interview applicants or in reference-checking techniques. Despite the overwhelming importance of hiring the right people, it seems to be assumed that people can figure out for themselves how best to do it or will naturally know or possess such skills.

**Not Taking Full Responsibility for the Hiring Process.** There is only one person responsible for hiring the right people and that is the manager or supervisor of the person being hired. The hiring manager or supervisor is the one who is accountable for his or her department or section's performance and, therefore, is the only person who should make the hiring decision. So never assume that hiring is the responsibility of a human resource manager or department. They may assist in the process, but their assistance is consultative and clerical. It is also important that managers are trained in the HR processes and pitfalls of interviewing and hiring.

**Hiring a Warm Body to Fill a Position.** There are times when there is a great sense of urgency to fill a position. Despite this pressure, hiring managers should resist the temptation to hire a less-than-ideal candidate to quickly fill a vacant position. Don't settle for less. At best, you'll have a sub-par team member. At worst, you'll have someone that you'll need to spend hours and hours working with before letting him go, only to start over again.

**Failure to Learn from Past Hiring Mistakes.** While it is understood that every hiring manager will make some hiring mistakes, it is essential that lessons are learned from mis-hires. This can only be done if there is sufficient documentation of the hiring process. Without a written record that includes a resume or application, thorough interview notes including questions asked and answers given, and details of each reference checked, there is no way to go back after a mis-hire to try and determine what was missed during screening and interviewing.

With proper documentation, the hiring manager can review the entire screening, interviewing, and hiring process to see what signs were missed to improve interview and reference-checking skills in future hires.



# The Damage Done by the Wrong People

Dr. Bradford Smart, author of *Topgrading*, lists the many downsides of hiring and retaining the wrong people, whom he calls C-Players, as managers or supervisors. He says they:

- “Embrace tradition over forward thinking.
- Have difficulty coping with new and complex situations.
- Lack credibility, so others are hesitant to follow them.
- Require specific direction [from superiors].
- Hire mostly C-Players [A- and B-Players are seen as threats].
- Tolerate mediocrity.
- Sporadically meet expectations.
- Bend the rules.
- Have mediocre skills [and seldom seek self-improvement].”

If hiring the right people is critical in hiring the managers and supervisors of the club, it is also important, though for different reasons, in hiring line employees—those who interface directly with members. The dangers in hiring the wrong people in member-interface positions include:

- The damage they can do to member service.
- The turmoil they create in your work team while they are with you.
- The amount of time that you must spend in training and retraining them.
- The amount of time that you must spend in counseling, disciplining, and ultimately discharging them.
- The lost opportunity of using your limited time and resources to work with them—time that could be better spent on other initiatives and pressing issues.
- The cost of replacing a substandard employee—both in terms of hiring and training a replacement.
- And the emotional wear and tear on everyone involved.



# Disciplined Hiring

Hiring well is an important **discipline** in any successful business. Jim Collins, in his groundbreaking book *Good to Great: Why Some Companies Make the Leap . . . and Others Don't*, said “getting the right people on the bus” was an essential discipline of great companies. Dr. Bradford Smart, author of *Topgrading*, said that in his experience 50% of all hires are mis-hires. This miserable success rate is no better than flipping a coin—and gambling is exactly what a club does every time it hires without the basic requirements of Disciplined Hiring.

Dr. Smart recommends a “structured, chronological” interview where the interviewer reviews the candidate’s entire education and work history chronologically and in detail to understand the candidate’s personal and professional growth in the context of expanding responsibilities, accomplishments, lessons learned, and work skills and habits. While such a thorough process may be excessive for line employees, it is an excellent discipline for hiring managers whose efforts have much greater impact on the club’s success.

## Type of Interviews:

- Telephone interviews are screening interviews and are designed to reduce the hiring focus to a smaller number of qualified applicants. These interviews can be delegated by the hiring manager to properly trained subordinates or the human resources office so long as the interviewer has a clear understanding of the experience and skill set the hiring manager requires.
- Face-to-Face interviews are more in-depth and are reserved for final candidates. These interviews must be conducted by the hiring manager to ensure she takes full responsibility for the hiring decision. Face-to-face interviews require careful preparation including reviewing the candidate’s resume or application, developing a series of questions that focus on the necessary experience and skills for the position, and the determination to pursue an understanding of the candidate, particularly when responses to questions are vague or evasive. Ultimately, the hiring manager needs to understand who the candidate is, what her values are, how she approaches her work, that her work experiences are valid and relevant, and that her personality fits the culture of the club and the necessities of the position.

In both types of interviews, thorough notes should be taken of questions asked and responses given. These are useful when reviewing the candidates after the interviews and in making the final decision.

# Reference Checking

The responsibility to check references is an essential part of **due diligence** and may not be delegated or passed off to others. Without checking references, there is no way to check the veracity of the applicant's claims about education, experience, and accomplishments.

While many people claim to have almost psychic skills when it comes to sensing the integrity and character of applicants, it must be clearly understood that scam artists and others who lie pathologically often seem to be the most genuine and convincing of people. In other words, the person most adept at being sincere and in giving the answers you want to hear is quite possibly the applicant with the most to hide. The rule must be: Don't ever accept an applicant at face value. Do your homework and check references carefully!

Reference check requirements and techniques:

- Reference checks must be conducted by the hiring manager.
- Conduct reference checks after you have completed the final interview.
- Contact the applicant's supervisors from at least the past five years, if possible. For line employees, you may use a shorter period.
- Get the applicant's written permission to check references during the interview. Verify the name, title, location, and contact information of each listed reference and any others you may wish to talk to.
- Ask the applicant to contact each desired reference, asking if it would be all right to accept a reference call from the hiring manager at a time of his or her convenience.
- Contact each reference. Promise absolute confidentiality and make sure you keep that promise.
- Create the tone of a trusted colleague, a fellow professional who knows the applicant well, who might hire the applicant, and who will be better able to manage the applicant if the reference will share certain insights.
- Contact the current supervisor (if applicable). Some applicants may not desire this until they have an offer that is formally accepted. If this is the case, ensure that the applicant understands that the hiring offer is contingent upon receiving a clean bill of health with no surprises from the current supervisor.
- For supervisory positions, the hiring manager may want to check references with current and/or former peers and subordinates
- Take notes during all reference checks using an Applicant Reference Check, [PCPM Form 108](#). Keep notes for at least six months so you can refer back and see how your interview impressions and the references disclosures dovetail with your actual experience with any hired individual.



# The Value of a Super Service Employee

For those of us who eat out with any regularity, we've all had the experience, unfortunately too rarely, of being waited on by what we call a "super server." From the moment she approaches the table we know we're in for a treat. Sparkling with personality, she overflows with knowledge about the food, beverages, and accompaniments. She immediately sizes up our interest in engagement and calibrates her contacts accordingly. She speaks with confidence and authority, questioning us regarding our preferences and without hesitation recommending what she thinks we'll enjoy. The best of the best can even unerringly take and serve orders without benefit of pen and dup pad—an ability that never ceases to amaze.

Such extraordinary individuals are worth their weight in gold. Not only do they serve with flair and expertise, but they suggest and sell, thereby increasing the average check, while making a distinctly favorable impression of competence and professionalism that brings diners back again and again. This is true in restaurants as well as private clubs where members appreciate the recognition and special touches that a super server adds to the dining experience.

Far more frequently, we've experienced the norm of service—undertrained, inexperienced staff who may understand the basics of service, but little more. Often lacking in knowledge, personality, and attitude, their service may meet minimum expectations but seldom inspires the diner to sample the extras—appetizers, desserts, and specialty drinks—that the kitchen works so hard to create and which enhance the dining experience. If truth be told, these employees are doing no service to their employers and, in many cases, do outright harm by driving diners away.

The often-repeated maxim for employers to hire for personality and train for technique and competence encompasses a basic truth. Confidence, personality, and engagement seem to be inborn skills and are difficult to teach. While training can provide service skills and knowledge, thereby increasing a server's confidence and maybe even engagement skills, the best service employees possess an indefinable quality that is difficult, if not impossible, to replicate.

Given the dearth of these extraordinary service employees, they should be recognized and compensated for the rare skills they possess. Too often though, their presence on the club's staff is viewed as simple good fortune with little or no effort made to differentiate them from the common herd. The result is, that in short order, they move on to greener pastures where their talents are more fully appreciated. When this happens, the loss to the club is often more than can be appreciated. Not only has they lost a super server, but a money-maker, an ambassador, and an example for other less accomplished servers.

So why don't we recognize and reward super service employees for their special abilities? We suspect it's a combination of cost consciousness, an unwillingness to go beyond the status quo, and a fear of exchanging known costs for unmeasured benefits.

# How to Attract Super Service Employees

By analyzing and considering the wants and needs of super service employees, it is possible to set up programs to attract and retain them. In particular we would focus on the following:

- **Establishing consistent Service-Based Leadership** at your club. The underlying premise of Service-Based Leadership is leaders at all levels who recognize the essential task of serving all constituents, including employees. Weak or self-serving managers will drive them away.
- **Implementing employee empowerment** which is a natural extension of Service-Based Leadership. Empowered employees are enlisted as partners in the club's effort to improve the operation and provide high levels of service. Super service employees want and need this enhanced participation and contribution.
- **Improving communications with employees.** All employees, but especially the super service ones, want to know what is going on and how the operation and direction of the enterprise affects them.
- **Mentoring employees.** Curious and intelligent, super service employees appreciate the time and effort made in giving them the big picture and a deeper understanding of the workings of the operation.
- **Creating master service positions** that recognize higher skill levels and greater knowledge. The job descriptions for these positions must clearly lay out those distinguishing skills, characteristics, and duties that warrant more responsibility and higher compensation. Such master positions can then become the aspiration of new or less accomplished employees.
- **Assigning master level employees the task of teaching and training** those who aspire to the higher level. Such tasking serves the super service employees' need for participation and contribution while improving the overall skill level of other employees.

- **Challenging super service employees** to engage in creative project work such as taking a larger role in training, creating more effective training programs, formulating and executing **member relationship management** strategies, and establishing a **wow factor** program.
- **Recognizing and rewarding super service employees.** Ensuring they know they are appreciated. This not only serves their needs, but demonstrates to other employees their value, thereby motivating others to follow their example. Rewards should also be tangible, such as:
  - ❖ Higher pay based on their higher levels of performance and contribution.
  - ❖ Incentive based on clearly defined performance benchmarks.
  - ❖ Preference in scheduling.
  - ❖ Educational opportunities to further enhance job skills, knowledge, and opportunity.

As an industry we can no longer view employees as a disposable asset, which is what we do when we view ongoing turnover as a cost control measure. Operating small, stand-alone hospitality organizations with multiple businesses, high levels of service, and lean management staffs covering long hours and weeks is too difficult a task to do without a stable, competent workforce. When we view labor as a disposable, easily-replaceable commodity, we condemn ourselves to high levels of turnover with its attendant training costs, turmoil, and loss of organizational continuity. High levels of turnover must be viewed as a critical organizational and leadership failure that is damaging in all ways to the enterprise's mission and operation.

None of these solutions is easy to implement and will certainly add costs to the club, but we believe the current employment paradigm is far more damaging to success and remains a significant hidden cost of operations.

# Give Them More Than Just a Paycheck

Over the years we've too often heard managers complain about the labor pool, the lack of work ethic and sense of responsibility among workers, and the constant headaches that came from their human "resources." The overwhelming sense from these managers was, "we pay too much to these people whose only interest is collecting a paycheck."

Yet at the same time and in the same or similar markets, there were other managers who did just fine in finding and retaining good people who made a real contribution to their clubs. What then made the difference? The answer is quite simple—good leadership! So instead of just providing your employees with a paycheck, consider giving them the following:

- **Respect.** The life of all human beings is important to themselves, yet too many people are treated by their bosses as if they didn't matter. This maltreatment is not necessarily by design; it's the byproduct of busy bosses too focused on themselves or the many challenges they face in busy operations. But every employee deserves to be treated with the utmost respect and the common courtesies of human interaction. When consistently and sincerely given, this respect will transform any work team.
- **Responsibility.** Placing responsibility on your work team demonstrates your trust in them. Trust given returns trust. In contrast, when you treat your employees like children, many will respond by acting out like children.
- **Recognition.** Every day your employees do hundreds of things right. Make sure you recognize that essential contribution to the success of your operation. When sincerely given, a simple thank you or handshake of appreciation has a profound impact on morale, commitment, and contribution.

- **Responsiveness.** Leaders must engage with their employees every day and respond to their issues and concerns. In any group of people working in a complex, fast-paced, and detail-intensive business there will be conflict and turmoil. Without the leader's guiding hand, this turmoil can consume the operation. Leaders must stay engaged, be approachable, and respond to concerns.
- **Example.** Someone once said, "A leader leads by example, whether he intends to or not." The leader's example is paramount in setting the standards of the operation. If the leader doesn't seem to care about his employees, they won't care about him or his initiatives and agenda.
- **Training.** Most people want to do a good job and appreciate when they are properly trained to improve their knowledge, skills, and job performance. Lack of training leads to a chaotic and confusing work environment, the loss of conscientious employees, and a staff dominated by people who couldn't care less.
- **Removal of Roadblocks.** Leaders should be hyper-sensitive to anything in the workplace that inhibits efficiency. Do whatever is necessary within reason to identify and eliminate anything that makes employees' jobs more challenging, time consuming, and frustrating. Not only do you gain speed, efficiency, and improved productivity, but your employees will understand that you are dedicated to improving the operation and you care enough about them to address legitimate concerns.

In contrast, when you give your employees no more than a paycheck, you shortchange them, the club, and your members.

# Comprehension Reinforcement

Why is <b>disciplined</b> hiring so important to any operation?
Describe the potential damage of hiring the “wrong” employees.
Name the two types of interviews.
Who should conduct face-to-face interviews?
Who is responsible for checking references of a potential hire?

What is a “super service” employee?
Why should you make special efforts to find and retain such employees?
List five things you should give your employees beyond a paycheck.

# A Discipline of Planning

Alice came to a fork in the road. “Which road do I take?” she asked.  
“Where do you want to go?” responded the Cheshire cat.  
“I don’t know,” Alice answered. “Then,” said the cat, “it doesn’t matter.”  
*Lewis Carroll, Alice in Wonderland*

Managing a food service operation without a plan is like exploring a foreign country without a map. Given the size, complexity, and money invested in making a club successful, why would anyone consider operating it by the seat of one’s pants? Yet, this is exactly what managers do when they fail to establish a discipline of formal planning. And make no mistake about it, it is a **discipline**—requiring managers and supervisors at all levels to conceive and document their plans for upcoming periods and specific events.

Every enterprise demands a plan. Without a formal, written plan to focus attention and action upon the completion of specified goals within a specified time period, the operation will lack clear direction and purpose. By putting plans in writing, the responsible manager formally commits to its accomplishment. Further, there is a common understanding on the part of both the subordinate manager and the general manager of what will happen and when. Often, the planning and execution of one department will impact other departments or the club as a whole. Written plans ensure that all managers and department heads are fully informed about where the club is going and when things are supposed to happen. Taking all this into account, planning is not a luxury; it is a necessity for efficient operations.

Planning is necessary at all levels of the club. Using the club Strategic Plan and Club Annual Plan for guidance, the department head should create:

- A Departmental Plan for the 12 months covered by the Club Annual Plan. This plan lays out the goals and objectives for the coming year.
- A **Work Plan** for themselves and each key departmental manager for the same 12 months.
- Plans for major projects and events. These are plans developed for specific major tasks or activities such as purchasing new furnishings for the dining room, renovating a facility, or preparing for the member-guest tournament.
- In a food and beverage operation, the manager in overall charge, in concert with other key managers including the executive chef, the catering director, and the activities director, should plan out a robust schedule of activities, dining events, and parties, as well as specialty nights, ongoing buffets, fine dining events, and any other creative ideas that will bring members to the club for dining. By doing such planning in advance, the food service operation will have a well-conceived and organized schedule of activities and events to delight members and increase patronage.

The importance of disciplined planning cannot be overstated. Haphazard planning results in haphazard operations and equally haphazard performance.

*What I Expect from My Club Management Team*

# Special Occasions

Most membership databases have considerable information of value for the conscientious manager. Take for instance birthdays and anniversaries. These celebratory occasions are a real opportunity to improve the club's bottom line.

- The food and beverage manager should design special celebratory packages for anniversaries and birthdays.
- Customize birthday packages by gender and age for adults and children.
- Packages should include a cake or special dessert and, in the case of anniversaries, a bottle of champagne or favorite wine.
- Price the packages aggressively to ensure perceived value. The benefit of this program for the club is not in margin per meal, but in increasing the overall food and beverage volume, especially during slow periods.
- The general manager should send a special congratulatory card to the celebrants, inviting them to the club.
- If available, the general manager or clubhouse manager should stop by the table to wish the party a happy anniversary or birthday.
- If servers are going to sing Happy Birthday, make sure they can sing, are properly rehearsed, and on key.
- Children's birthday parties also offer a special opportunity for a Birthday Bash, possibly at the pool during the swim season or a themed party in some other club venue. This is a great opportunity for the club's activities staff to use their ingenuity and creativity to do something memorable.

The potentials are significant for the effort expended. Consider a club of 900 memberships with an average of 3.2 family members per membership. This translates to 2,880 birthdays a year. At a conservative capture rate of 25% of the birthdays and an average check of \$75 per birthday celebration (and much higher for Birthday Bashes), the potential could be as high as \$54,000 in additional food and beverage revenues. With add-on opportunities, the number could be significantly more.

The same membership with 700 couples could yield an additional \$21,000 in anniversary revenues with a 40% capture rate and a \$75 average check per couple.



# Make any Day a Special Occasion

Most people don't need much of an excuse to go out to eat, especially if they have a little jingle in their pockets—as we trust our club members do. The reason to go out doesn't even have to be particularly important because who doesn't enjoy a celebratory occasion?

While every club recognizes and celebrates the standard holidays for its country and locale—as in the U.S. we celebrate New Year's Eve, Valentine's Day, Easter Sunday, Mothers' Day, etc.—every day of the year is celebrated somewhere for some reason; and in many cases there are multiple occasions for each day. Some are wild and crazy; others are traditional, national, and even local to their state, county, and town.

By using any one of many websites listing celebratory occasions, you can create your own reason for bringing members to the club to dine. Many international holidays can be tied to a specific cuisine as in Cinco de Mayo, which has now become a commonly-celebrated holiday in the U.S. with Mexican food, beverages, décor, music, and traditional costumes. Mardi Gras is another example of a party just waiting to happen, complete with New Orleans gumbo, jambalaya, étouffée, beignets, and Sazerac. Such holidays present a perfect opportunity to market your food service to your membership. You just need to do a little research and get creative.

Even the weird, wacky, and unusual commemoration can be made into a fun, celebratory occasion that members will enjoy. Consider that in 1968, students at the University of Colorado at Boulder named their new cafeteria grill the Alferd G. Packer Memorial Grill with the slogan "Have a friend for lunch!" in commemoration of the prospector's conviction for cannibalism. Today students can enjoy the meat-filled "El Canibal" underneath a giant wall map outlining Packer's travels through Colorado. Even the National Press Club in Washington D.C. offers an Alferd G. Packer burger on its menu.

For starters, search Google for the following terms:

- Everyday is a Holiday
- Holidays for Every Day
- Holidays – Daily, Weekly, Monthly, Bizarre, Crazy

So, get busy and have some fun creating special occasions for any occasion. Not only will you make some money doing so, but you may create a new club tradition and have fun doing so.



# Managing Your Boss

Just as a leader must manage available human, capital, and material resources to accomplish the mission, to be truly successful you must also manage the perceptions of superiors, particularly your immediate boss. Why is this important? Shouldn't the boss be able to clearly recognize a subordinate's performance and progress? Not necessarily so. The boss:

- May have mistaken impressions based upon limited, partial, or biased perceptions.
- Is certainly busy with her own priorities.
- Is often focused on problems and underperforming areas, not on those operations that are running relatively smoothly.
- Can't be expected to be aware of all you are doing unless you tell her.

Ultimately if the boss has a bad impression of your performance, you have no one to blame but yourself. So why leave it to chance? As a leader you must be as proactive about managing your boss as you are with other important areas of your life. So how should you manage your boss' perceptions of your performance? The short answer is information, but for practicality's sake, here are five sure fire ways to make a favorable impression:

1. Give your boss an honest, critical "State of the Union" report outlining the current realities of your operation. Never be afraid to confront the brutal facts as Jim Collins says in his book, *Good to Great*. Support your analysis and the report with current operating benchmarks.
2. Present your plan for improvement. We prefer to do this as an Annual Plan that will be updated each year as the state of the operation changes.

3. Provide brief monthly reports that update your boss on progress toward Annual Plan objectives and milestones. While you can do this orally at the **Monthly Review of Financial Statements Meeting**, We also recommend a one-page written report with key performance indicators (the **Monthly Departmental Summary Report**), benchmarked trend lines, summaries of accomplishments, and progress toward goals. Not only is this tangible proof of your performance, but it also serves as a written reminder of performance when it comes time to prepare annual reviews.
4. Develop, track, and present your boss with meaningful **benchmarks** and analysis that demonstrate trends. Obviously, positive trends should be discussed, but negative ones also warrant discussion of planned corrective action.
5. When presenting or discussing problems in reports or in person, always present proposed solutions and plans of action at the same time. A boss who continually receives a subordinate's problems without proposed solutions may eventually realize he doesn't need the subordinate.

Managing the boss is a skill like any other. Each boss may be a little different in how he or she wants information presented. Ultimately, a leader's job is to make a boss' job easier. To the extent that you manage your operations successfully, make continual improvements, and provide her with meaningful, timely, and useful information, you will relieve some of the burden of her job while making her look good. The usual outcome of doing this is to gain your boss' trust and support for all that you do—and this is a great boon to a successful career!

*Leadership on the Line*



# Discipline of Reports



Imagine a pilot of a commercial airliner. At any moment of the flight from pre-flight preparation, take off, cruising to destination, to approach and landing, he has a host of dials, gauges, and indicators that keep him informed of the status of all operating systems and external factors affecting the plane, thereby assisting him in taking the appropriate action to assure the safe and timely arrival of plane and passengers.

It may be argued that club operations are just as complex with thousands of details that must be attended to daily (though without the serious safety implications of flight). Yet the person with overall responsibility for club operations—the general manager—has limited mechanisms to gauge the health and vitality of the enterprise in real time. In some clubs the only indicator of developing problems is the monthly financial statement that becomes available weeks later. Even then, the summary information in the club’s operating statement provides only a limited assessment of performance at best.

Modern club management software systems have come a long way in providing the underlying detail of the operations with drill-down capabilities and custom reporting, yet how many general managers avail themselves of this trove of information or make a formal effort to analyze the detail in the longer-term context of goals and budgets?

This brings us back again to reports. A **discipline** of formal reporting can and does provide a means of monitoring specific information on a regular basis. As such, reports are an important mechanism for the general manager, as well as department heads, to monitor performance in a timely and efficient way. For the department head tasked with preparing the report, it is a **disciplined** means of focusing on the important details of departmental operations while creating a record of ongoing initiatives, progress toward goals, and departmental performance. Once established, the discipline of routine periodic reports is the best way for a subordinate manager to influence the boss’s perceptions about his or her performance.

For the general manager, regular reporting of key information from department heads is the best way to monitor departmental performance with the least investment of time. For department heads, once the initial decisions about what to report and reporting formats are made, completing the reports will take but a short time to prepare.

# Essential F&B Reports

Here are some essential food and beverage reports:

- **Informal daily P&Ls.** These “dailies” show key revenues by category, estimated cost of goods sold based on historical food and beverage cost percentages, actual labor cost, and estimated other operating expenses based on historical levels. The importance of the daily report is that it pinpoints the absolute importance of revenue generation and the impact of labor on the department’s bottom line daily.
- **Weekly Revenue Report.** This report shows key revenues, as well as the key underlying volume and average sale benchmarks, by day of week and summarized for the week and compares them to a year-to-date budget target. Food service managers should review this report carefully and file it away for future use. It’s an excellent tool to help budget revenues in future years. If your controller does not prepare such a report, with a little ingenuity food service managers can prepare this report themselves (see next topic for an example).
- **Departmental Payroll Summary Analysis** that details payroll hours by category (regular, overtime, holiday, vacation, and compensated sick time) and cost for the department. As with the Weekly Revenue Report, this report provides detailed payroll numbers for the food and beverage department that are useful in future period budgeting. File these reports for easy access when needed. Again, if your controller does not provide this, arrange to get the information from her and prepare it yourself (see topic 76 for an example).
- **Monthly Benchmarking Report.** Key benchmarks provide important detail about departmental operations. Prepared by department heads, they not only provide the general manager with underlying detail, but they also assure department heads are paying attention to these numbers. Tracking the underlying volume of sales

by category and average check (or member spend) and payroll hours, total payroll, and average hourly wage by position, are critical numbers to benchmark for food service managers. Not only will they make you smarter about your business, but they will be invaluable when it comes to preparing next year’s budget.

- **Monthly Departmental Summary Report** prepared by department heads covering basic monthly performance, problems and issues, projects and initiatives, and progress toward annual department goals, as well as the department head’s work plan. This short summary report (usually no more than one page) is brought to the **Monthly Review of Financial Statements Meeting** (see topic 97) and presented to the general manager.
- **Weekly Catering Sales Report** prepared by the catering director and presenting catering event and revenues for the most recent week, key benchmarks, prospecting efforts, call reports, and 90-day rolling forecast of upcoming events and anticipated revenues.

While this list may seem like a lot of work, once the **discipline** of preparing these reports is established, food service managers will discover that they are just part of operational routine. On the other hand, the benefit of everyone paying attention to **key performance indicators** is well worth the effort. For clubs with enough resources, an alternative is to employ a food and beverage analyst (see topics 95 and 96).

# Sample Weekly Revenue Report

A Weekly Revenue Report of some sort is an excellent way to record daily sales and cover counts by meal period by day of week, catering sales by type and day of week, and daily alcoholic beverage sales by day of week.

The benefit of tracking these key F&B benchmarks by day of week lies in the fact that the weekly numbers are the basic cyclical and comparable pattern of sales in a club food service operation. When tracked this way, you end up with a week-by-week record of your F&B activities throughout the seasonal variations of the year.

By keeping each week's report in both paper and digital format, you have an excellent tool for building next year's F&B budget.

With a little effort this report can be set up to compare the year-to-date actual volume (# of covers) and average check with the year-to-date budgeted amounts and this is a great way to monitor your progress in meeting budget throughout the year.

Lastly, if you're missing your target numbers, you can see if its because of not enough patronage or if members are not spending as much as you anticipated during each visit to the club.

Weekly Revenue Report											Food and Beverage				
OAK HILL COUNTRY CLUB											Week #: 43		Dates: t 20 - 26		
Day/Wk Date	F 20	S 21	S 22	M 23	T 24	W 25	T 26	X	X	Wkly Total	Daily Avg	X	Actual YTD	Budget YTD	Surplus Shortfall
<b>Dining Room Covers (#)</b>															
Lunch/Brunch	72	89	129	Closed	44	58	61	X		453	76	X	21,487	20,000	1,487
Dinner	89	101	42	Closed	52	64	61	X		409	68	X	39,874	40,000	(126)
Total	161	190	171	Closed	96	122	122	X		862	144	X	61,361	60,000	1,361
<b>Dining Room Sales (\$)</b>															
Lunch/Brunch	489	612	1,789	Closed	299	398	422	X		4,009	668	X	192,457	172,800	19,657
Dinner	1,489	1,687	642	Closed	228	319	530	X		4,895	816	X	502,164	498,000	4,164
Total	1,978	2,299	2,431	Closed	527	717	952	X		8,904	1,484	X	694,621	670,800	23,821
<b>Dining Room Avg Chk (\$)</b>															
Lunch/Brunch	6.79	6.88	13.87	Closed	6.80	6.86	6.92	X		8.85		X	8.96	8.64	0.32
Dinner	16.73	16.70	15.29	Closed	4.38	4.98	8.69	X		11.97		X	12.59	12.45	0.14
Total	12.29	12.10	14.22	Closed	5.49	5.88	7.80	X		10.33		X	11.32	11.18	0.14
<b>Catering Covers (#)</b>															
Sit Down Meal	24	42	120	Closed	0	30	151	X		367	61	X	18,974	17,750	1,224
Buffet/Reception	0	320	0	Closed	0	0	0	X		320	53	X	16,540	16,500	40
Coffee Brkl/Contl Bkfl	0	0	0	Closed	20	12	0	X		32	5	X	1,019	1,000	19
Total	24	362	120	Closed	0	42	151	X		719	120	X	36,533	35,250	1,283
<b>Catering Sales (\$)</b>															
Sit Down Meal	489	987	2,134	Closed	0	623	2,119	X		6,352	1,059	X	426,915	408,250	18,665
Buffet/Reception	0	9,241	0	Closed	0	0	0	X		9,241	1,540	X	478,668	453,750	24,918
Coffee Brkl/Contl Bkfl	0	0	0	Closed	200	100	0	X		300	50	X	5,340	5,000	340
Total	489	10,228	2,134	Closed	200	723	2,119	X		15,893	2,649	X	910,922	867,000	43,922
<b>Catering Avg Chk (\$)</b>															
Sit Down Meal	20.38	23.50	17.78	Closed	#DIV/0!	20.77	14.03	X		17.31		X	22.50	23.00	(0.50)
Buffet/Reception	#DIV/0!	28.88	#DIV/0!	Closed	#DIV/0!	#DIV/0!	#DIV/0!	X		28.88		X	28.94	27.50	1.44
Coffee Brkl/Contl Bkfl	#DIV/0!	#DIV/0!	#DIV/0!	Closed	10.00	8.33	#DIV/0!	X		9.38		X	5.24	5.00	0.24
Total	20.38	28.25	17.78	Closed	#DIV/0!	17.21	14.03	X		55.56		X	24.93	24.60	0.34
<b>Total Food Covers</b>															
185 552 291 Closed 96 164 273 X 1,561															
<b>Total Food Sales</b>															
2,467 12,527 4,565 Closed 727 1,440 3,071 X 24,797															
<b>Overall Avg Chk</b>															
13.34 22.69 15.69 Closed 7.57 8.78 11.25 X 15.89															
<b>Beverage Revenue Sales (\$)</b>															
Beer	96	76	164	Closed	72	248	964	X		1,620	270	X	29,782	30,829	(1,047)
Wine	216	184	120	Closed	43	186	165	X		914	152	X	34,567	32,239	2,328
Liquor	350	472	111	Closed	37	44	45	X		1,059	177	X	23,458	25,831	(2,373)
Total	662	732	395	Closed	152	478	1,174	X		3,593	599	X	87,807	88,899	(1,092)
<b>Other Income</b>															
Service Charge	232	152		Closed	98	302	731	X		1,515	253	X	62,487	61,157	1,330

# Comprehension Reinforcement

Why is a <b>discipline</b> of planning so important in private clubs?
How can you put members' celebrations to work for your bottom line?
Why should you manage your boss' perceptions of your performance?
List some things you can do to manage your boss.

How can reports help the general manager?
Why are reports beneficial to the preparing department head?
List and describe three essential F&B reports.

# Storerooms and Par Stocks

All storerooms used for storage of resale and consumable inventories must be properly secured and organized. It is also important that managers establish par stock storage areas to provide ready access to reasonable levels of inventory for daily operating needs.

## Storerooms

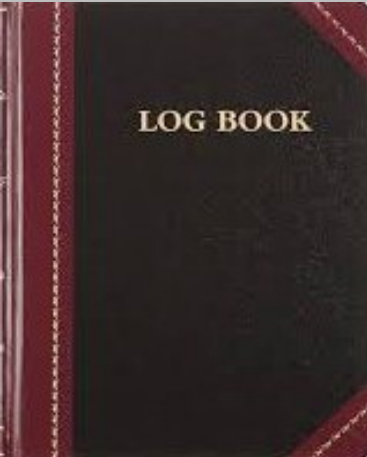
- Proper storage of inventories reduces damage and spoilage of stock.
- Proper organization (appropriately labeled shelving and inventory lists in same order as items stocked on shelves) will reduce the amount of time needed to conduct inventories. Cases of product should not be opened until previously broken-down cases are fully consumed.
- To reduce spoilage, stock should be rotated so that older stock is used first.
- Inventories represent assets of the club and must be safeguarded.
- Access must be limited to as few employees as possible.
- Doors to storerooms must always be closed and locked.
- Keys to storerooms must be assigned to specific individuals by means of a key register and a key control plan must be in place to ensure proper issuance and recovery of keys. Lost keys must be reported to the general manager immediately. Keys to these areas must be closely controlled.

## Par Stocks

- Consumable items of inventory must be available to line employees, but only in sufficient quantity to meet daily needs.
- These stocks should be established at pre-arranged (par) levels and replenished daily by supervisors using inventory and issue forms. Such par stocks might include restaurant paper supplies, alcoholic beverages, sodas, snack mix for the bar, and other items consumed during normal operations.
- Par stocks should be kept in secured lockable closets, drawers, cabinets, and other easily accessible locations for use by line staff.
- When par stocks are significant, they should also be counted during month-end inventories to properly compute the cost of goods sold.



# Shift Log



Because clubs are open 6 or 7 days a week for extended hours, it is a challenge for supervisors to consistently communicate important information to employees working varying shifts. In addition, things that happen on one shift frequently need to be passed on to those working later shifts. Too often someone doesn't get the word resulting in service breakdowns, missed instructions, and the perception that service employees don't know what they're doing.

All of this can be avoided by using the simple expediency of a **shift log**. These are nothing more than a notebook where the supervisor or employees record information that must be passed on to each other and to later shifts. Entries can include:

- Information or instructions from the supervisor that all staff need to know, such as a new policy or procedure, announcements of a departmental meeting or training session, or reminders to close out all point-of-sale charge tickets before leaving.
- Information that needs to be passed from one shift to another, such as Mr. Smith's party coming in tonight has ordered a special birthday cake, or Mrs. Jones called to say she left her umbrella in the ladies' lounge and will be by to pick it up tonight, or John can't work his Friday night shift and can anyone cover for him.

- Information that employees need to pass on to their supervisor, such as Dr. Williams stopped by to say that he is now expecting 18 people for his private dinner tomorrow night, or Mary called in sick, or a package was delivered for the supervisor and is in the admin office.

The key to success in using a shift log rests on the following practices:

- The logbook must always be kept in a designated location where the supervisor and all employees can find it quickly and easily.
- Supervisors and all employees must read and initial all entries in the log since they last worked.
- While the log is not an appropriate place to complain about management, members, or other employees, problems encountered by employees should be recorded so that the supervisor can contact upset members, discuss matters with involved employees, take care of any unresolved issues, and design policies and procedures to systematically address problems. Often, it is a great source for issues that need to be discussed at departmental or shift meetings.

Formatting the shift log is simple. Enter today's date on the first page. The supervisor and employees make any necessary entries on the page. The next day, the first person to open the logbook draws a line across the page under the last entry from the previous day and enters the new day's date. After reading all entries since last working, the supervisor and employees initial each day's entries to indicate that they have read the material. This pattern is repeated until the notebook is filled and replaced by a new book.

# Pre-Shift Meetings

Compare a pre-shift meeting with the habits of professional athletes whose jobs require peak performance, both individually and as a team, in an environment where “winning isn’t everything, it’s the only thing!” Without fail, these athletes huddle for a few moments before every game to remind themselves of their commitment to each other and their mission to win. In the service business the game is every day, every shift, and the need for success is just as important. Here are some of the things that can be covered in a food and beverage pre-shift meeting:

- **Proper Dress and Grooming.** Is everyone in proper dress or uniform? Do they have the right footwear and their nametags? Does everyone meet the club’s grooming standards? These basic standards are critical to a professional operation. What gets checked gets done!
- **Reservations.** Who’s coming in for dinner tonight? Do you know their likes, dislikes, and preferences? Have they made any special requests? Is it a celebratory occasion? Double check the member profiles database and see if the meal could be for a birthday or anniversary.
- **Special Parties.** Are there special parties scheduled for tonight? Have they made any special requests? Do they have a limited or set menu?
- **Daily Specials.** What are tonight’s specials? Go over the **Menu Item Selling Sheets**, [PCPM Form 484](#), (see topic 178), for those items. Will the chef do a tasting and explain items and recipes? Cover any wine pairings with specials. Are there special appetizers, desserts, specialty drinks, wines by the glass, wines by the bottle? Review pricing for these, which point-of-sale key to ring them on and discuss ideas for suggesting.
- **Review Pronunciation** of any unfamiliar or foreign food terms or product names.
- **Upcoming Club Events.** Review details of events such as Sunday Brunch, Fine Dining Nights, Wine Tastings, Luau at the pool, etc., so that servers can provide information and promote to diners if asked.



- **Review Daily Sales Targets** so everyone knows if the club’s on track to meet budget. Review any ongoing contests or sales incentives.
- **Kudos, Recognition, and Complaints.** Review any positive feedback to celebrate successes and extraordinary service by individual servers. Cover any complaints received with lessons learned or to brainstorm solutions.
- **Membership Familiarization.** Include a short, ongoing review of members’ preferences and special occasions. Show pictures, if available. If data is reviewed incrementally each day, servers will have a greater familiarity with the full membership. Importantly, cover information on new members or members who frequent the club.
- **Basic Service Focus.** Cover any specific items servers should focus on such as getting member numbers on charge slips, quicker pick-up of hot items from the line, not over-stacking the dish wash station, etc. By focusing on one basic item each day, servers are continually reminded of the basics of the business.
- **Questions, Comments, Feedback.** Servers should always be made to feel comfortable in asking questions, making suggestions, and providing feedback from their serving experiences.

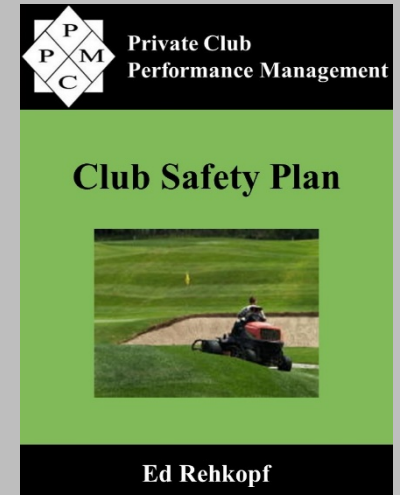
# Safety

Club managers are responsible for the health and safety of their members and employees while at the club. To meet this responsibility the club must take steps to ensure employees:

- Work and act in a safe and healthful manner;
- Conduct their work in compliance with all applicable health and safety rules;
- Use all means and methods available to work in a safe and healthy manner;
- Not remove or disable any safety device, guard, notice or warning provided for use in providing safe working conditions; and
- Are informed about any known health hazards to which they are exposed, the measures which have been taken for the prevention and control of such hazards, and the proper methods for utilizing such control measures.

While the general manager has ultimate responsibility to ensure that the club provides a safe environment for members, guests, and employees, individual managers and supervisors have the following responsibilities regarding safety:

- Be familiar with the Club Safety Plan and Identify any safety hazards in their areas of responsibility.
- Analyze departmental positions for inherent safety hazards.
- Modify work practices or workspaces to reduce hazard risks.
- Ensure proper training of employees in all matters relating to safe work practices and work environment.
- Cooperate with the club's safety director in conducting routine safety inspections.
- Correct all deficiencies noted in such inspections in a timely manner.
- Investigate and analyze accidents to determine unsafe conditions and causes of accidents.
- Promptly and properly complete Accident Reports, [PCPM Forms 111 and 124](#), when necessary.
- Train employees and enforce safe work practices, special safety requirements, and the use of safety clothing and personal protective equipment.



[Club Safety Plan](#)



# The Heimlich Maneuver

Choking, respiratory distress, and lack of oxygen can quickly ensue if a small object, such as a piece of food, becomes lodged in the throat or windpipe, partially or totally obstructing air to the lungs. Usually, a good strong cough releases whatever has stuck, and the person is left somewhat red-faced, teary-eyed, possibly with a sore throat, and perhaps a little embarrassed. But sometimes coughing isn't enough to dislodge the object and death from choking can quickly follow if the airway is completely blocked.

Within minutes the choking person can become unconscious and suffer cardiac arrest. Although the heart may still be resuscitated, the person may be left with mild to severe neurological damage. Brain damage from lack of oxygen will follow in four to six minutes if the airway remains completely obstructed. Survival depends on immediate first aid to get oxygen to the brain.

Recognition of choking is the key to saving a life. A large proportion of choking deaths occur because, prompted by good manners and social conditioning, the choking person seeks privacy while trying to clear the airway. A choking person needs immediate first aid and should never leave a room where others are present. But, if the person does leave, the potential rescuer should follow to give first aid if necessary. If the choking person can still breathe and make sounds, leave him or her alone and encourage vigorous coughing to expel the object. If the person cannot speak, has a weak cough, blue-ish face, or finds it hard to breathe, try the Heimlich maneuver, which will often clear the obstruction with three to four thrusts.

Emergency help should be summoned if a choking person can't speak, is making a high-pitched wheezing noise, and most urgently if the person becomes unconscious. Dial 911 immediately for emergency aid if a choking person loses consciousness.

Before performing any lifesaving technique on a conscious person, the rescuer must obtain consent. Ask the victim: "Do you need help?" Once consent is received (a nod will do), the Heimlich maneuver can be performed while the choking person is standing or seated. The four basic Heimlich steps used to clear the airway are:

1. From behind, place your arms around the victim's waist.
2. Make a fist with one hand and place the thumb side of the fist against the choking person's abdomen, well below the rib cage and just above the navel.
3. Grasp your fist with the other hand and press into the victim's abdomen (just above the navel) with quick upward thrusts.
4. Repeat thrusts until the object is expelled.

If the airway is not cleared, the choker may become unconscious. If this happens, try to make the person's fall to the ground as gentle as possible to prevent injury, especially to the head. An ambulance should have been called since brain and heart damage can quickly follow loss of consciousness.

While awaiting emergency medical help, a trained rescuer can perform the Heimlich technique on an unconscious person who's placed on his or her back. Although the principle is the same when lying down, the technique varies slightly. The rescuer kneels astride the person and body weight is used to produce quick upward thrusts.

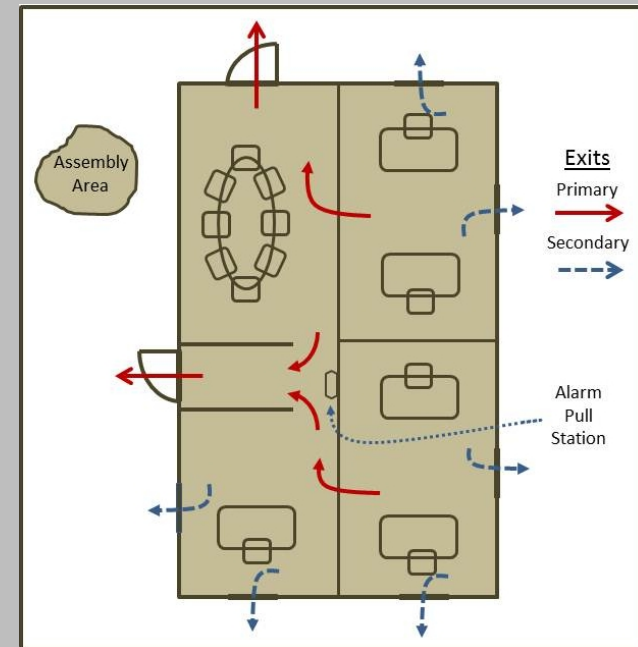


# Fire Safety Training

Given the distinct differences between club departments in terms of facilities, work practices and processes, hours of operation, staffing, presence of members and guests, and fire hazards, each department head must develop a departmental Fire Safety Plan. Once drafted this plan must be reviewed by the club safety director or general manager to ensure it is integrated with the larger club Fire Safety Plan.

At a minimum the departmental plan must address the following:

- Listing of potential fire hazards.
- Specific fire safety, prevention, and evacuation responsibilities.
- Emergency services notification responsibilities.
- Location of fire alarm pull stations.
- Location and types of fire extinguishers.
- Location of all fire exits.
- Evacuation routes for different parts of the facilities, including identification of primary and alternate exits.
- Description of any fire suppression systems, if any, and their methods of operation.
- Designation of exterior safe assembly areas.
- Safe evacuation procedures for members, guest, and employees.
- Identification and specific requirements of any individuals with special needs.
- Fire safety training for employees.
- Scheduling and rehearsing fire evacuations (fire drills).
- Routine reporting of fire safety training and evacuation drills to safety director or general manager.



The ultimate responsibility for fire safety rests squarely with each department head and the club's general manager. Fire safety planning and rehearsal of all aspects of fire emergencies saves lives and must be a top priority.

# Emergency and Evacuation Simulations

Given the difficulties of scheduling emergency evacuation drills and the resulting disruption to members and guests, club managers must use other means of training and testing employees on their responsibilities and actions during an emergency evacuation. Such an alternate means would be the use of departmental Emergency and Evacuation Simulations. These routine periodic simulations would consist of a variety of cards describing simulated emergencies for each area of the operation and the supervisor questioning employees what their actions would be when handed the card.

Simulation cards would be readily identifiable by design and color. Each card would:

- Describe an emergency scenario.
- Require the employee to describe his or her actions, including:
  - ❖ Notification of the emergency.
  - ❖ Location of emergency exits.
  - ❖ Primary and alternate evacuation routes.
  - ❖ Procedures to evacuate members, guests, and other employees.
  - ❖ Location of exterior assembly area.

Require the employee to describe:

- ❖ Appropriate life safety actions in the presence of fire, heat, and smoke.
- ❖ Steps to fight or slow the spread of a minor fire.
- Require the employee to:
  - ❖ Point out the location of fire pull stations.
  - ❖ Point out the location of fire extinguishers.
  - ❖ Explain the types of fire extinguishers and their respective uses.
  - ❖ Simulate the use of a fire extinguisher, while describing the necessary operating procedures and techniques.

The supervisor presenting the simulation card would grade the employee responses and point out any incorrect actions or answers. The whole exercise should take no more than ten minutes and can be executed without disturbing normal service routines.



# Comprehension Reinforcement

Describe necessary par stock disciplines.
How can a <b>shift log</b> help you communicate with your staff?
Why is a pre-shift meeting so important?
List and describe three things you should cover in a pre-shift meeting.

List and describe three safety responsibilities of a manager.
What is the Heimlich Maneuver and why is it so important?
List four things that should be included in fire safety training.
What is an emergency and evacuation simulation?

# Cleanliness and Sanitation

When one considers all the things that go into making a club distinctive and appealing to its members, one of the most visible is its cleanliness. Whether a club has its own housekeeping staff or contracts with a cleaning service, cleanliness is an essential element of a quality operation. As with any other aspect of quality, **standards** must be defined and ensured. The following list includes some of the essential areas that must be monitored for a high level of cleanliness:

**Entryways** are one of the most visible areas of the club through which every member and guest will pass and make the first impression on any visit to the club. Sidewalks and pavers must be constantly blown or swept. Cigarette butts must be policed continually; trash or butt cans must be cleaned and emptied frequently. The entry door must be appealing. Smudges and handprints on glass doors or sidelight windows are unsightly and require constant attention. The doorsill or plate has edges and grooves that collect dirt and debris and is often overlooked. Entry walk-off mats need to be checked daily and removed for cleaning as necessary, particularly during periods of inclement weather.

**Restrooms** are areas where members expect the highest level of sanitation and cleanliness. They are used constantly and need constant attention. Sinks and counters need to be wiped down. Mirrors get splattered and must be cleaned. Trash cans, particularly on busy occasions, can overflow with hand towels and waste. Supplies must be checked and replenished as usage levels dictate.

**Dining Rooms and Bars**, because of the food and beverages served, must be kept clean and appetizing. Trash cans must be emptied frequently, wiped down, and sanitized to avoid offensive odors. Carpets around tables and chairs receive spills and dropped food items. They must be vacuumed thoroughly daily and shampooed with some frequency. The furniture itself must be cleaned daily to prevent food buildup. Young children can make a mess of highchairs with each use. These must be cleaned and sanitized after each use. Menu and covers can quickly get smudged and grimy and should be cleaned or replaced often.

**Lobby or Seating Areas** often have large overstuffed furniture. These should be vacuumed daily, particularly the cushions which collect dust, as well as debris under cushions and along raised seams. Tables and bookshelves need to be dusted daily.

**Picture Frames, Paintings, Window Molding, and Air Handling Vents** need frequent dusting and are often overlooked, particularly if high on a wall.

**Windows** allow light to enter and **Mirrors** reflect light. Often one doesn't notice how dirty they can get until light hits them in a certain way.

**High Ceilings, Chandeliers, and Ceiling Fans** give dramatic effect, but are the perfect place for cobwebs and dust to collect. Inspecting with a keen eye and the use of a telescoping duster should be a daily habit, particularly in dining areas prior to opening.

**Verandas and Porches** require the same discipline, but even greater vigilance given their exposure to the elements.

While not as visible, **Sanitation** is of even greater importance given the health and hygiene implications. Disinfectant cleaners must be used on any surface touched by human hand such as door handles, stair railings, and toilet flush handles.

# Personal Productivity

Food service management is a demanding and time-consuming profession. Managers and supervisors too often find themselves reacting to events and constantly responding to the crisis of the moment.

In order to stay ahead of the never-ending press of daily operations and to attend to the many important issues of member service, managers must be well-organized and highly productive. Below are some of the strategies and habits that can improve your personal productivity.

- **Annual planning.** Have an annual plan and timelines for your department or section. Put it in writing to commit to its accomplishment and review it on a regular basis.
- **Work planning.** Your personal work plan will include what steps need to be accomplished to meet your departmental goals, but will also have personal goals, such as developing your professional skill set.
- **Use a Day-Timer** to better organize yourself, your schedule, and your daily tasks. Use it to look and plan ahead as well as to keep a record of your daily and weekly goals, activities, meetings, and tasks completed. The same can be accomplished with smart phone applications, digital tablets, or a personal digital assistant.
- **Make lists and prioritize.** Priorities change frequently—even daily—so keep a list of priorities (1. Critical – must be accomplished as soon as possible; 2. Priority – must be accomplished in the near term; 3. Routine – will be accomplished as time and resources permit).
- **Develop and use checklists.** These pre-prepared lists for project work, such as organizing storage areas or deep cleaning workspaces, can be used to assign your employees recurring tasks when business is slow, but you are not yet prepared to send anyone home.

- **Plan ahead.** The planning horizons may vary from department to department, but you should always be looking ahead at least one month (and often 2 to 3 months) for special events, seasonal activities, increasing or decreasing business levels, vacation scheduling, and any other events or activities that require advance planning.
- **Use a personal computer, laptop, or digital tablet.** The PC is a great productivity tool and standard word processing, spreadsheet, and graphics software, such as MS-Office, will allow you to create professional-looking documents that can be stored for future use or modification, such as written **standards, policies, and procedures**; training materials; budgets and **benchmarks**; and room diagrams. Having these skills will not only make you more productive and help you communicate more professionally but will significantly enhance your career prospects and advancement.
- **Organize and save your work.** As you produce written standards, policies, and procedures; training materials; various communications; specialized spreadsheets; and any other intellectual material on the computer, save them for future use. Most of what you spend time to create you'll use again as you advance through your career, but you must be able to find it.
- **Benchmark your operation and forecast business levels.** Benchmarking will give you a deeper understanding of your business and its seasonality and will help you budget more accurately for future years. It will also allow you to formally forecast upcoming business levels, allowing more efficient staffing. Both these **disciplines** will help take some of the guesswork out of your business decisions.

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# Routine and Habit

Routine and habit are the basis of professional discipline and personal productivity. Organize yourself, set up your operational areas, and train your employees to complete routine tasks routinely.

- **Master and delegate routine tasks.** Routine tasks such as setting schedules, ordering consumable supplies, **benchmarking**, formal forecasting, and others can and should be delegated to competent and conscientious employees. You must still supervise the work and check its accuracy on a regular basis, but you'll save your own time while helping develop the confidence and abilities of one or more of your staff. Be sure the selected employees are also benefiting by the arrangement through genuine learning opportunity or possibly additional compensation for the tasks. Also, before you delegate any task to another, make sure you have mastered the task yourself, have a complete understanding of any issues involved, and train the selected employee thoroughly—not just by showing how, but by explaining why at the same time.
- **Establish daily, weekly, monthly, seasonal, and annual habits.** The above disciplines will be far easier to implement if you establish regular schedules to do some of the following.
  - ❖ Daily – Benchmarking, staff communication, continual ongoing reviews of your operation, timekeeping, monitoring payroll hours.
  - ❖ Weekly – Payroll verification, forecasting, staff scheduling, reviewing and planning for upcoming events, **real time accounting**, coding invoices, ordering supplies and inventories, ongoing staff training, preparing reports, as necessary.

- ❖ Monthly – Inventories, real time accounting summaries, **monthly review of operating statements** and **work plans, continual process improvement**, summarizing benchmarks, reports as necessary, **Monthly Departmental Summary Report**.
- ❖ Seasonal – Event and activity programming, seasonal hiring and terminations, ordering seasonal supplies and inventories.
- ❖ Annual – Planning, budgeting, asset inventory.

The efficiency of your operational area and your employee work habits will reflect your personal productivity. To the extent you are disorganized, undisciplined, and work without a plan, your area of the operation will follow suit.

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“Excellence is an art won by training and habituation. We do not act rightly because we have virtue or excellence, but we rather have those because we have acted rightly. We are what we repeatedly do. Excellence, then, is not an act but a habit.”

*Will Durant, summarizing Aristotle in The Story of Philosophy*

# Time Management

In the often-hectic environment of food service management, managers must use their limited time efficiently. But you must understand that time management is not about managing time. It's about identifying time-wasting personal habits and changing them to be more efficient. Here are some disciplines that will help:

- Ensure your department or section is well-organized with detailed operating systems, **standards**, **policies**, and **procedures**. Without these, employees “freelance,” requiring continual supervision and intervention to do things properly. This will eat up more of your time than anything else.
- Plan ahead. Always be looking ahead for upcoming activities, events, projects, and tasks. Planning is near impossible if a manager always has her head down. By identifying upcoming tasks, the manager can review what needs to be done to prepare.
- Make to do lists. Not only do lists help on a day-by-day basis, but they should be made for upcoming events and tasks.
- Establish priorities and continually review them.
- Develop routines. Daily, weekly, and monthly routines help sort out what must be done and when.
- Use **checklists** for routine tasks. Tasks such as monthly inventories, new hire onboarding, and **benchmarking** summaries should be detailed on checklists that can be used as necessary.
- Develop and use meeting disciplines (see topic 144) when planning and holding meetings.
- Delegate routine tasks to properly trained subordinates.

- Organize workspace, files, and records. An immense amount of time can be wasted by looking for misplaced items such as:
  - ❖ Personnel files.
  - ❖ Departmental benchmarks.
  - ❖ Contact information for frequently contacted individuals.
  - ❖ Training materials and checklists.
  - ❖ Room and space diagrams.
- Set office hours to avoid excessive interruptions.
- Set and keep a routine schedule as much as possible.
- Keep track of those things that waste time. Review this list periodically and brainstorm ways to avoid time wasters.





# Meetings

There are four basic types of meetings that serve the need of improved communications:

**The Update Meeting.** This meeting is used by managers to update bosses and peers on their initiatives and progress. The primary example of an update meeting is the general manager's weekly meeting. Its purpose is to allow the department heads and the general manager to bring each other up to speed on various projects, issues, and efforts of general importance. Its purpose is general in nature and it should not be used to solve complex problems or address controversial issues that cannot be resolved quickly or easily. The central elements of the update meeting are brevity and generality. The valuable time of a lot of very busy people is being used in this meeting and everyone has a responsibility to arrive on time, be brief in their presentation, and cover information that is general and broad-based in nature.



**The Employee Meeting.** This meeting is used by managers to communicate information of importance to his or her staff. Such information can include new or changed policies and procedures, discussion of new initiatives, ongoing or refresher training material, and anything else of importance to the department. As with the Update Meeting, controversial issues or issues affecting only a small number of employees should be tabled and dealt with in another meeting called solely to deal with that issue or with the few employees involved. Every employee meeting should include ample time for employee questions. Allowing employees this opportunity will allow the manager to take the pulse of the department's attitude and morale, may uncover previously unknown issues, defuse potential blowups, and foster better understanding and teamwork in the department.

**Issue Resolution Meeting.** This type of meeting is called specifically to resolve an issue. Only those individuals who are directly involved in the matter are invited to the meeting and its sole purpose is to solve the problem. In some cases, the problem cannot be solved in one session and may have to be continued to a further meeting with the possibility of other staff being included.

**Coordination Meeting.** This type of meeting should be held whenever there is the need for close coordination between various club departments. A good example of a coordination meeting would be a weekly food and beverage meeting with the front and back of house supervisors that covers all catering events for the coming period. Another example would be a meeting called to cover the particulars of a large or important club event such as the member-member tournament or a major wedding.

As with anything else in business, the efficiency of the meeting is only as good as the effort put into it by the person leading the meeting.

# Meeting Disciplines



The success of any meeting is dependent on the preparation of the person responsible for calling or running the meeting. Here are various tips for running effective meetings:

**Establish the Purpose of the Meeting.** When calling a meeting, the person responsible should, in addition to setting the date, time, duration, and place, make it clear what the meeting is about, who will be attending, and the type of meeting to be held (update, informational, issue resolution, or coordination). Participants should also be told of any information, research, presentation, or materials they are responsible for bringing to the meeting.

**Set an Agenda for the Meeting.** Given that every meeting should have a purpose, the person calling the meeting should prepare an outline of the discussion points to serve as an agenda for the meeting. The agenda should then be provided to each participant so they may better prepare for the meeting. The format for an agenda is simply a listing of the topics to be covered or addressed. Regularly scheduled update meetings of standard format usually do not need an agenda so long as all participants are familiar with the format and requirements of the meeting.

**Time Management.** Long, pointless meetings are detested by everyone. Setting an agenda will focus the meeting on a specific topic or issue, but unless the person calling the meeting exercises leadership and control, the meeting can easily be sidetracked into tangential issues. While always sensitive to participant's input and feelings, the leader should intervene when discussions get off topic or wander into irrelevancy. In some cases, such as update meetings, participants should be given time limits to update their areas; but recognize that time limits may inhibit issue resolution meetings and should be used with care in that setting.

**Meeting Minutes.** Minutes are required anytime an important meeting is held where committee decisions are made. The prime example of this would be in member-owned clubs where various committee meetings make decisions regarding how the club operates. The minutes serve as a record of discussion and voting and may be used to inform the membership of important decisions. Minutes are not usually required in managers' update meetings, employee meetings, coordination meetings, and issue resolution meetings unless a higher authority desires that minutes be prepared. For instance, a general manager planning a vacation may direct subordinate managers to solve an issue while she is gone and provide a record of the meeting. In the absence of minutes, all participants are expected to bring pen and paper and to take notes on any important matters covered.

**Summarize Decisions and Action Items.** In any type of meeting where decisions are made, the meeting leader should summarize what decisions have been made. This is important because often the discussions leading to a decision are far-ranging. Without a clear statement of what course of action has been determined, some participants may leave without an understanding of what was decided. Similarly, if participants are assigned specific tasks to complete, they also must have a clear understanding of what they are to do and when it must be accomplished.

# Delegation

Delegation can be an effective training tool for individuals who want to learn and do more. Delegating duties to employees makes sense for three reasons:

- ❖ It frees up a manager's time for other matters,
- ❖ It develops employees to take on broader responsibilities, and
- ❖ It prepares others to step into a position should the incumbent move on.

Practice delegation by selecting one or more employees who show both the aptitude and the interest to take on expanded duties. The manager's role towards these individuals should be that of a mentor.

When mentoring staff, in addition to showing them what to do, the manager needs to explain in depth the reasons behind various duties. If employees are to grow into broader responsibilities, they will need to have knowledge, not just experience. Employees will appreciate both the interest and effort devoted to their development and the manager's career and personal development will be advanced by the additional time she has to focus on other issues and projects.

Cautions:

- ❖ Unless the manager makes a concerted effort to provide employees proper direction, feedback, and ongoing growth opportunities, delegating may alienate them. In other words, don't use them. The manager needs to put effort into their growth and make it worthwhile for them as well.
- ❖ If employees are put in a supervisory role, pay close attention to how they interact with other staff. The critical aspects of supervision are directing and motivating employees. Many first-time supervisors have difficulty with the more subtle aspects of directing employees and may end up alienating the rest of the team.
- ❖ When authority to do something is delegated to a subordinate, the manager still retains the responsibility that it is done correctly. A manager must never use the excuse that she told a subordinate to do something and it wasn't done.

Delegating requires extra effort on the part of a leader, but ultimately it is one of the most rewarding things she can do. Not only will the manager have more time to focus on larger and more important issues, but she also helps others grow personally and professionally—a win-win scenario for everyone.

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# Professional Development

Use the influence of your position to encourage subordinate managers to improve their professional development and career skills. Your active involvement in such a program will foster improved commitment to you and your agenda as your team recognizes your interest in their development.

**Leadership.** Encourage subordinates to embrace **Service-Based Leadership**. Make sure they understand the benefits to this powerful approach to leadership in club operations.

**Human Resources.** Make sure they are educated in the basics and underlying rationale of human resource policies, practices, and techniques. A better understanding of these will not only enhance your operation's HR disciplines and practices but will add to each of your team member's leadership and management skills.

**Employee Development and Disciplinary Guides.** A better understanding of how to motivate staff, improve communication and morale, as well as guidance for counseling, disciplining, and, if necessary, discharging problem employees will prove invaluable to both your operation and the individual manager.

**Accounting and Financial Management.** A thorough understanding of financial responsibilities and disciplines will help your operation and make your team members better all-around managers.

**Legal and Liability Issues.** Every manager must be familiar with the basics of these issues, including Equal Opportunity, Food Sanitation and Safety, Occupational Safety and Health, and a labor laws regarding employment and employee compensation. They are at the heart of liability abatement at your operation and a critically important knowledge base for any manager.

**Organizational Values and Culture of Service.** The foundational importance of organizational values and culture are essential to any organization intent upon engaging staff and providing high levels of service. Every manager must recognize and embrace the need to define and consistently reinforce values and culture through both word and example.

"The recipe for perpetual ignorance is to be satisfied with your opinions and content with your knowledge."

*Elbert Hubbard, American writer and philosopher*

**Training.** Managers must understand the challenges and opportunities of formal training programs for managers and employees. Recognizing the importance of training in a detail- and people-intensive business, as well as the experience of developing training material, is invaluable to the operation and managers.

**Professional Reading List.** The general manager should make a reading list available to the management team, provide a club professional reading library, and make reading certain leadership and management books a requirement of annual work plans.

If you take a hands-off approach to your team's professional development, only a few will seize the opportunity for self-improvement. On the other hand, when you are directly involved, engaged with your team on the subjects involved, and set both the example and requirement of professional development, your team will embrace the opportunity you are providing. On many levels, such encouragement to learning and developing is one of the most important and personally satisfying things you can do to improve your operation and develop your staff.

# Comprehension Reinforcement

Why is cleanliness and sanitation so important in a food service operation?
List three things you can do to improve your personal productivity.
Why are habit and routine so crucial to your productivity?
List and describe two personal productivity <b>disciplines</b> .

Discuss two meeting disciplines and why they are helpful.
Why does delegating make sense?
List four areas of professional development for a club manager.

# Detailing Your Operations

“It's not the will to win that matters...everyone has that. It's the will to prepare to win that matters.”

*Paul “Bear” Bryant, Legendary College Football Coach*

Who is responsible for delivering **quality and service**? Ultimately, it's the general manager, though the authority to do so is delegated through the club's department heads and managers to the employees who deliver the service. But delivering a consistent level of service and quality requires that a vast amount of knowledge, information, guidance, and ongoing training be provided to employees by perhaps 12 to 20 managers and supervisors. This is easily said, but far more difficult to create and sustain in the dynamic and fast-paced environment of club operations. Clearly the solution is to build as much of the details of service as possible into the structure and routine of the organization. Here are the necessities:

- Understand the **expectations** of your members. Without a basic understanding of what they want and desire, you may miss the mark and all your efforts will be for naught.
- Ensure consistent and unimpeded communication (see topic 110) of **organizational values** and **culture of service**. There is so much for service employees to know and understand that any impediments to the open flow of information will defeat your efforts from the get-go.
- Identify, prioritize, and focus on the details of departmental **touch points** (see topic 166). These are the logical starting points for all your efforts to improve quality and service. As these are mastered, continue to uncover and address deeper levels of organizational detail. Provide thorough and consistent training of all employees. Understanding the touch points of your operation does little good if that understanding is not passed on consistently to each new employee and generations of employees.

- Foster **employee empowerment** to deal with the unscripted moments and challenges of service. Management can never foresee all the contingencies of service. Employees, with the full backing and support of their supervisors, must be encouraged within the parameters of their training to use individual initiative to overcome any service challenges (see topics 33-35).
- Utilize organizational structure to institutionalize consistent service delivery. Help yourself and your employees by structuring the routine to happen routinely. This takes both the organizational **discipline** and **will to make it happen**. When 80% of the details happen routinely, everyone can focus on the 20% that will wow your members.
- Institute a robust process of **continual process improvement** to analyze and enhance service and service delivery, task by task, and detail by detail.

While many business owners and managers will say their success is dependent on location, location, location, in the demanding world of private clubs, it's how you handle the details that determine your level of service and success.

# Lists of Ten

David Letterman was famous for the Late Show Top Ten, a humorous compilation of 10 items usually relating to some prominent topic of the day.

Club managers can also use lists of ten to uncover issues and opportunities as part of **continual process improvement** in their operations. It's a simple matter of asking employees to list their top ten "whatevers." Recognizing that employees are often the people most familiar with an organization's challenges due to their intensive laboring in the details of the operation, we have found that asking for anonymous submissions will yield the most truthful and helpful information about what needs to be fixed or improved.

Managers must make it clear that it's not required to list 10 items. The purpose is not quantity; it's to get answers regarding what's troubling staff or members. Here are some lists of ten examples:

- Ask food servers for a list of their top ten complaints from members.
- Ask the concierge for the top ten questions from members and guests.
- Ask housekeeping and maintenance staff for their top ten obstacles to completing their tasks efficiently.
- Ask all employees for their top ten frustrations about working at the club.
- Ask employees for their top ten ideas to wow members.
- Ask turn house and beverage cart attendants for the top ten snack items requested by golfers that aren't carried in inventory.
- Ask the accounting and HR staffs for their top ten frustrations with employee and departmental submissions.



As can be seen, the list of ten questions can be far-ranging and cover any aspect of employees' jobs and the challenges of service and service delivery. The real benefit in posing such periodic questions to employees is that they often reveal unspoken issues and obstacles that make their jobs more frustrating. It's a simple matter to take the submitted lists, collate the results, and review for any consensus of opinions. Often some of the issues raised are easily solved by a change in policy and procedures or some minor purchase.

Managers must always thank employees for their input and get back to them about any proposed action to address issues raised or ideas given. It's also important to let employees know if any of the issues will not or cannot be resolved and, if possible, to let them know why not.

The ultimate purpose of the lists of ten is to discover issues and opportunities in the operation. Using periodic lists of ten and acting on the responses sends a powerful message to employees about the club's focus on continual process improvement and that their ideas and concerns will be listened to and, if possible, addressed.

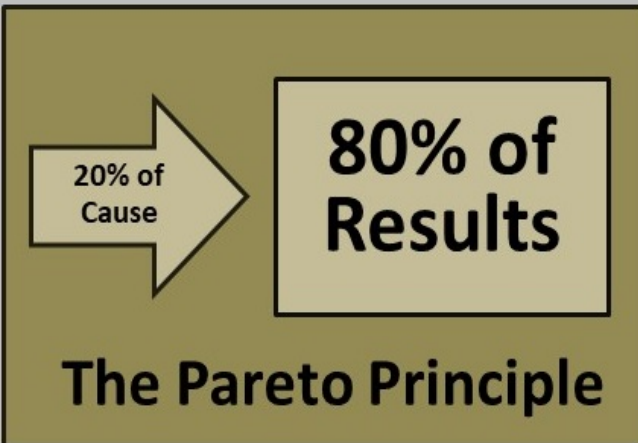
# Priorities for Prioritizing

In our business there is always more to do than time or stamina permit. Setting priorities, then, is a necessary **discipline** for all club managers. But when much needs to be done, how should we set our priorities? There are three principal priorities to get the most done:

1. **The Low Hanging Fruit.** Do the easy things first. The sense of accomplishment from these simpler tasks gets the ball rolling and gives you and your work team a sense of accomplishment.
2. **The Biggest Bang for the Buck.** Another means of setting priorities, especially in a tough economy, is to go after those things that don't cost much, thereby allowing the greatest accomplishment at the lowest cost. As with the Low Hanging Fruit, making progress and checking off accomplishments will create momentum and enthusiasm for more challenging tasks.
3. **The Pareto Principle.** Also known as the 80-20 rule, it says that for a wide range of events and activities, 80% of the results comes from 20% of the causes. This principle is named after Italian economist Vilfredo Pareto who observed in the early 1900s that 80% of the land in Italy was owned by 20% of the population. Other observations over the years, such as 80% of crime being committed by 20% of the criminals, 80% of a company's business coming from 20% of its customers, and 20% of a hospital's patients using 80% of healthcare services have further reinforced what has become a common rule of thumb.

Busy managers should recognize and apply the rule to their operations. By focusing on the 20% cause, you can influence the 80% of effects. As an example, if 80% of your food and beverage sales comes from 20% of your members, you and your staff should make special efforts to service the needs of this group. If 80% of your overtime comes from 20% of your team's tasks, focus on finding a less costly solution to completing those tasks. If 80% of your time is taken up with 20% of your work tasks, find another means of addressing those tasks, such as more efficient ways of completing them or delegating them to a properly trained employee.

Setting priorities will always be part of every manager's responsibilities. Using these three simple means to establish priorities will allow you to get the most done in the quickest manner with the least effort.





# Implementing with Incremental Progress

Club managers involved in turnaround or renewal situations have a lot on their plates. Whether they are intent on the implementation of the full infrastructure laid out in [The Remarkable Service Infrastructure – An Overarching Plan for Club Excellence](#) (see topic 23) or want to begin club-wide **benchmarking**, institute **real time accounting** in their departments, or develop more formal training programs, there is much to do. Factor in the efforts involved in any new initiative with the already busy pace of ongoing operations and they certainly face a major challenge, but also one that is too often used as an excuse not to press forward.

What strategy can be adopted that will allow progress toward ultimate goals without degrading operations, member **engagement**, and service delivery? A proven strategy is that of **incremental progress**.

Incremental progress allows forward movement on any significant plan by means of small steps taken daily or weekly that will ultimately bring you and your team to the desired goal. But to be successful there are some specific things you must do:

- Call a meeting of affected managers to lay out your agenda. Explain the benefits of the initiative and the desired completion date. Allow them to offer suggestions and alternatives, as well as express concerns or objections. Engage them in discussion to fully explore any opposition and the exact reason for the opposition. Take bona fide concerns into account and adjust your plan or desired completion date accordingly.
- Explain the necessary steps to implementation and require your management team to provide you with a detailed plan and schedule of milestones for their tasks to be completed.
- Appoint a project manager to the overall implementation or reserve this task for yourself. Plot all tasks that have required antecedents (such as the controller preparing and organizing binders for all departments as an initial step to real time accounting), develop a master timeline with actions steps and milestones for each affected manager.

- Schedule a series of meetings to monitor progress toward completion of individual tasks.
- Encourage your subordinates to accomplish their action requirements in small steps—that is, accomplishing something every day. If you sense anyone is waiting until the last minute to complete an action item, counsel them that this approach often leads to sloppy, poorly executed implementation and, in fact, may jeopardize the timetables of other managers or the whole project.
- Use weekly meetings for quick updates on project progress, thereby continuing to monitor the project momentum. Work with or counsel lagging subordinates, as necessary.

Once your team has completed a significant project using the concept of incremental progress, they will find it much easier to tackle other large projects. Recall that Jim Collins in *Good to Great* spoke of the need to push persistently in “*a consistent direction over a long period of time*” to build momentum and achieve breakthrough.

With everything else your busy management team must focus on in daily operations, addressing your large initiatives in small, contributing steps is the only logical way to move forward with new initiatives.

# Mastering the ABCs



As children, we all mastered our ABCs, the basic building blocks of language and learning. The term “ABCs” has long since come to signify the basics of any endeavor.

All of us who work in our industry recognize that the profession is made up of mastering the many basics of hospitality and service. Even in an enterprise as seemingly complex as food service, it is the execution of the basics that underpin all our efforts and ultimately leads to success.

Of all the things I’ve learned in my hospitality career spanning over 40 years, the ultimate discipline of success is the necessity of executing the basics well.

While there are many innovative, cutting-edge ideas to improve the products, service, and performance of your operation, you must build these enhancements on a foundation of the basics.

With these thoughts in mind, I’d like to commend to you the most basic, yet ultimate **discipline**—that as you contemplate the many ways to add service and value to your club and members, you must always focus your attention and that of your entire staff on the ABCs, that is . . .

**Accomplish the Basics Consistently**

# Comprehension Reinforcement

Why is it important to listen to your employees?
Explain how Lists of Ten is an effective way to get employee feedback.
Given how much is on your plate, why is prioritizing so important?
What is the concept of <b>incremental progress</b> ?

What is the <b>Pareto Principle</b> and why is it effective in setting priorities?
Why is executing the basics well such an effective concept?

# Reflections

This section of the book covered the importance of being highly **disciplined** to succeed in detail-intensive and people-intensive complexity of food service management. Think deeply about the various disciplines we've discussed. You should not be surprised to find that many of your managers and supervisors are fairly disciplined in their job, but the larger question is how many of your line staff are. If they aren't, why is that? What is the cause? Has it to do with the larger organization of the department or the failure to adequately and consistently spell out **standards** and **expectations**? Could it be that it's related to the failure to develop and use thorough and consistent training materials? Might it be a failure of **accountability** somewhere in the execution? Given the fact that you are only as strong as your weakest link, it could be some, all, or any of these reasons. The ultimate question, then, is what will you do about it?



# What Price Poor Service?

“Although your customers won’t love you if you give bad service, your competitors will.”

*Kate Zabriskie, President and CEO, Business Training Works, Inc.*

No two people would describe **service** in the same manner, as like beauty and **quality**, it is in the eye of the beholder. Yet, there are certain terms that are routinely used to describe the expected norms of service in private clubs. To name a few they include: adhering to commonly accepted standards of etiquette, prompt, courteous, alert and aware, knowledgeable, engaging, responsive, consistent, anticipatory, effortless, and friendly.

We’ve all experienced poor service in restaurants or retail establishments and will seldom return to the places where service does not meet our **expectations**. After such experiences we’ll warn family, friends, and acquaintances to avoid such businesses. On the other hand, when we come across outstanding service, we’ll return often to spend our money and sing their praises from the mountaintops to anyone who will listen. But these experiences are in public establishments that serve the wider public.

How about the service members might experience at a private club? What are their expectations from a place where they are known and where they regularly pay dues? What happens when a member or members are dissatisfied with the service received from club employees?

**First**, they are offended, sometimes deeply, that their own club performs so poorly, and their disappointment is compounded by a monthly reminder when they pay their dues. Often, they’ll come to the club less frequently and will feel the value of the club is not worth the expense. In the dining room, this is made even worse by the seemingly coercive nature of minimums.

**Second**, they complain to other members, some of whom may have experienced similar service breakdowns. Individual complaints when repeated widely can quickly develop into an undercurrent of dissatisfaction particularly when there are repeated service failures.

**Third**, in focusing on past service issues members can become hyper-sensitive and critical of even the smallest service faults.

**Fourth**, negative comments about service at the club are made to non-member friends and acquaintances in the community making it harder to attract new members, particularly those who may be on the fence about the value of joining, thereby obstructing the continuing lifeblood of the club.

**Fifth**, members are less inclined to bring their guests to the club out of fear that they’ll be embarrassed by service failures. This can impact the club’s revenues significantly in all areas—golf, food and beverage, catering, activities, and club events. Declining revenues in many clubs are met with staff cutbacks, which only make service levels worse.

*(continued)*

# What Price Poor Service, continued

**Sixth**, members begin taking their complaints to board members and when sufficient similar complaints are heard, the board can become fixated with solving service issues, even to the exclusion of other important club business.

**Seventh**, when board and member concerns about service are not quickly addressed, it's not unheard of for some members to take it upon themselves to address these issues directly with department heads, or even line employees. This latter involvement is seldom helpful in fixing the problem, and in many cases, only makes matters worse.

**Eighth**, when service is sufficiently bad or uncorrected over time, some members may resign, further damaging the club's finances.

**Ninth**, the club's outstanding employees—those who take pride in their work and their place of employment—become discouraged by the failures around them and morale suffers. Reduced morale is the start of a downward spiral that is challenging to turn around. In the worst case, good employees leave for greener pastures. There is great cost in such turnover, including lost continuity and knowledge of members' preferences and habits.

**Tenth**, members pick up on the declining morale which only compounds their unhappiness with the club and its service. This is especially critical when long-term employees who are well-known and beloved by members let their sagging morale be known.

**Eleventh**, influential or vocal members begin calling for the replacement of certain department heads, or the general manager.

**Twelfth**, at this point the focus of member dissatisfaction, whether general manager or department head, is so severe that it is difficult to turn around. Many members and even the board will conclude that the only solution is a change in management staff.

The above scenario usually plays out over a period of many months and creates havoc in the smooth functioning of the club. The turmoil and emotion impacts all involved in a profound way and can be avoided if management simply recognizes that, despite all the other management disciplines necessary for success, service and service delivery are first and foremost in the service business.

As the first principle in Principles of Service (see topic 158) states, *"Service is our only product."* Everything else is just the details of how to consistently make it happen. To paraphrase the old safety slogan, *"Service is job one!"*



# The Foundation of Service

In constructing a dramatically appealing clubhouse, the finished structure is built upon a solid foundation. When building high levels of member **service**, this analogy could not be more appropriate—first you must build the foundation!

**Leadership.** Nothing happens without strong, consistent club-wide leadership. The mass of detail and nuanced complexities of providing service to a large group of members, each with their own **expectations**, can only be achieved by **Service-Based Leaders** who provide the tools, training, resources, **engagement**, and daily example to the employees who deliver service to members.

Beyond this service commitment of leaders, it takes a strong and persistent **will to make it happen** from leaders at all levels. Like pushing on the giant flywheel of Jim Collins' good to great companies, *"it takes a lot of effort to get the thing moving at all"* and requires *"persistent pushing in a consistent direction over a long period of time"* to build momentum and achieve breakthrough. This persistence to push in a consistent direction can only come from the organization's leadership.

**Values.** Recognizing that service is, first and foremost, an attitude or state of mind, it takes well-defined **organizational values** and a **culture of service** that are consistently and continually reinforced in both word and deed by the club's leadership team. But leaders must realize that the development of this culture is not some organic entity that arises on its own or from the inherent values of a diverse workforce. To ensure it meets the needs and desires of members, it must be defined and modeled by management. When employees see their leaders living the values they preach and supporting the employees in their daily efforts, service becomes second nature to all.

**Organization.** A major obstacle to providing service is poor organization. Without ongoing efforts to set up the workplace for efficiency and to seek out and remove obstacles to the smooth functioning of all areas of the operation, line employees quickly become frustrated and disheartened.

When unaddressed this frustration quickly turns to cynicism, which will defeat any efforts to provide service. Poor organization is not just found in the physical layout of facilities, but also includes misguided or ever-changing **policies** and **procedures**, lack of **standards** and **discipline** of fellow workers, and weak or non-existent training. To be efficient, management and staff must be constantly focused on how to do things better and with less effort and frustration. This focus is commonly called **continual process improvement** and should be an integral part of the club's **organizational values**.

**Training.** But having an organization with strong leadership, a well-defined culture of service, and efficient organization is of limited value if those qualities cannot be consistently passed on to the line employees who must deliver service daily. This requires a well-planned and executed training program that delivers all essential values, knowledge, information, and service techniques to employees in manageable doses on a continuing basis. Without thorough and consistent training, service execution is dependent upon **oral history** and the attitudes, abilities, and personalities of individual employees. Some will do well, many won't!

**Personalized Service.** Once the foregoing foundational elements of service have been firmly established, everything is in place to take service to the next level—rendering personalized service to individual members. While such service is often the stated intent of club managers, it's unrealistic to expect that any service teams will be able to focus on such a detailed endeavor while struggling under weak leadership with poorly-defined values, disorganized operations, and lack of training.

# The Principles of Service

The following are the basic principles of the **service** a club wishes to offer:

1. Service is our only product. We aim to provide the highest possible level of service to our members and their guests.
2. Attitude and a sense of enthusiasm are important ingredients in providing high quality service.
3. The first step in providing service is to anticipate the needs and desires of our members and their guests. To do this we must examine every area of our operation in detail to determine how we can give more and better service and value.
4. To provide high quality service, we must know what our members want and expect. Therefore, we should constantly seek their comments, criticisms, and opinions about our operation.
5. If a member perceives a problem, there is a problem. It makes absolutely no difference whether we think there is a problem or not. Furthermore, the problem is ours, not the member's. The burden rests entirely with us to change the member's perception.
6. We should never be defensive when a member comes to us with a problem. He or she is doing us an immense favor by bringing the problem to our attention. We must listen carefully to make sure we understand the nature of the problem and take action to correct it.
7. Every problem has a solution. Placing blame for problems is not our concern. Solving problems and analyzing them to ensure they don't happen again is our paramount concern.
8. The service profession is a demanding one, but one that offers many rewards. There is nothing more demanding or more satisfying than accepting the challenge of turning someone's unhappiness and dissatisfaction into a smile.
9. A true service attitude involves sincerely caring for our fellow man. The good feeling we get from helping others is proof positive that when we give to others, we give to ourselves.
10. A sincere smile is the smallest yet most important element of service. Though smiles are formed with the mouth, when sincerely given, they come from within. Smiles are more than just lip service.





# The Service Profession

*One of my first line supervisors was a banquet manager at a large metropolitan hotel. Ben was older, had a large family, and was a proud and loving father. Despite his busy life, he always had time for his guests and his large banquet staff, whom he treated like family.*

*Though he supervised more than fifty people, he not only knew us all by name, but he was aware of our individual circumstances—if we were students, where we lived, what we did in our spare time. By taking the time to know each of us as individuals, he was able to connect with us in ways few other managers could.*

*For over a year, I watched him deal with guests, hotel management, and a large, boisterous, and diverse staff. He made those of us who worked for him understand that service is not just a part-time pursuit—it's a way of life. It was obvious that Ben was universally respected by all who knew him. I had seen him greet many dignitaries and celebrities by name and was even amazed to see a U.S. Senator stop by to say hello to him.*

*When Ben died a couple of years ago, more than three hundred people attended his funeral. He was eulogized with warmth, humor, and emotion. The clear lesson I learned from this great man was that the love he put into service was returned to him a hundred-fold.*

Today, many of the conventions that marked social intercourse in the past are seen as outmoded. Yet civility, good manners, and a desire to be of service to others remain important qualities of life. This is particularly so in situations where you are seeking the goodwill of others.

The need to attract and retain customers has given rise to the term “service profession” to classify those who work in jobs whose primary purpose is to serve customers. But what does it mean to be in the service profession? A traditional approach would be to consider those who work in a service profession as servants. For the time they are being served, customers are temporarily one's superiors and should be deferred to as a sign of respect.

The word servant does not sit well with some. Other titles such as associate, server, wait staff, host, or assistant are widely used to denote food service employees. Whether these titles convey the appropriate attitude required for quality service is open to debate, and ultimately that debate is immaterial.

Service employees are people who choose to serve others as a means of earning a living and building a life. What they are called is unimportant so long as they are imbued with a strong service ethic—the desire to creatively help and serve. Understand that this desire is never inconsistent with the desire to improve oneself and one's options in life.

Establishing and maintaining this ethic is the shared responsibility of the club and the supervisor. The club establishes its standards of service, but it is up to the supervisor to teach and inspire employees in their individual pursuits of success.

Service standards are much more than just the technical aspects of delivering service; they encompass employees' attitudes and sensitivity to the needs and desires of others, as well as their own desires for future success.

Teaching these more abstract and nuanced standards to employees is at the heart of establishing a strong service ethic.

*Leadership on the Line*

# A Service Attitude

While each person brings his or her own attitudes to the workplace, the club expects employees to be indoctrinated into a culture of absolute dedication to **service, quality**, and the **expectations** of members.

Your emphasis as a leader and all the training focus for your employees is on learning how to say YES to members. If this attitude is kept foremost in mind, it will help you and your employees handle any unusual requests or difficult situations with members. This indoctrination is the ongoing responsibility of leaders at every level and can best be accomplished by your wholehearted support, daily reinforcement, and personal example.

Equally important, this attitude should characterize your work team's relationships with fellow employees—their **internal customers**.

Everyone who works for the club is a member of a team trying to accomplish the same mission. Cheerful and complete cooperation with one another makes work easier, more meaningful, and fun. Every team members' first thought when approached by a customer, external or internal, should be "How can I help this person; how can I be of service?"

Attitude is the major determinant of success in any endeavor. Our thoughts color everything we do. Each person has a filter through which all sense perceptions pass. Since the conscious mind can only process so much information, perceptions are screened and only those supporting our belief system, biases, and views are accepted. All others are rejected. Stated another way—since our brains interpret sensory information to support what we already believe—WE ARE WHAT WE THINK!

If you believe yourself to be a failure, misunderstood, or mistreated, you will seek every piece of evidence to support this belief. If you are optimistic and determined to succeed, you will select every perception that supports that determination and optimism. The process is self-reinforcing and reciprocal. If your thoughts tend to the negative, you will see only the negative. If a person is a liar, he or she will assume that everyone lies and will go through life never trusting anyone.

The implication is that you create the world you want through your thoughts. People who are upbeat and look for the good in everything know that, while they cannot control events, **THEY CAN CONTROL THEIR REACTIONS TO THOSE EVENTS!** Simply put, you can make whatever you want of any situation.

Attitudes are clearly infectious, and you owe it to others to be as positive and cheerful as possible. One defeatist, grumbling, negative attitude can ruin the day for many others. The sad thing is that we allow the negative person to do this. When one considers the uproar in society over the danger to people's bodies from toxins, poor nutrition, and stress, it is surprising that we aren't just as adamant about the threat to our psychological health from passive bad attitudes. So, don't tolerate employees' bad moods. Confront them; shock them back into an acceptable frame of mind. The requirement must be:

## **Be of Good Cheer or Don't Be Here!**

As a leader you are responsible for building morale within your team. Protect your employees from people with negative attitudes and sour moods. Don't permit one employee to drag down an entire operation. Confront, counsel, and, if necessary, discharge such employees.

*Leadership on the Line*

# The Club's Mental Environment



Every space has a mental environment made up of the attitudes, moods, activities, and pace of the people occupying that place. Compare the mental environment of a happy well-adjusted home and one that is in the midst of marital strife. Even the same place can have a different feel at different times. Consider the camaraderie in a busy bar on Friday night after work versus the same bar that morning when it had one patron. The natural environment is not only a reflection of current occupants and activity, but it also affects everyone who enters. Walk into that same bar on Friday night and you'll soon join in with the good time.

In some dining establishments the prevailing mental environment is one of horseplay and a compelling sense that the restaurant is there for the amusement and pleasure of the employees. Certainly, it's not a mental environment of service and caring for the customer; and it's especially inappropriate for a private club.

What is the mental environment of your club? Is it one of service? Is there a sense among all employees of dedication to helping and assisting not only members and guests, but also each other? If not, what are the factors that contribute to your club's mental environment?

- **Values and Service Culture** – all employees must understand the importance of your **organizational values** and **service culture** and demonstrate it in all they do.
- **Attitude and Mood** – it is up to managers to insist upon basic requirements of positive attitude and good mood. Say to everyone, “Be of good cheer, or don't be here.” Employees should reinforce this good cheer among themselves. Members should never be subjected an employee's bad mood or sour attitude.
- **Standards of Decorum and Demeanor** – as a fundamental requirement everyone must understand club etiquette and appropriate behaviors. Working quietly, efficiently, and with purpose sends a powerful message to all who witness it.
- **Organization and Efficiency** – a sense of order and efficiency says a lot about your operation. Everyone needs to know what to do and when and how to do it.
- **Controlled Pace** – while hustle is an important quality in any operation, having a well-organized and efficient operation results in fewer chaotic moments with people rushing wildly about—which doesn't inspire confidence in anyone.
- **Helpfulness and Good Cheer** – your service teams create this by their absolute dedication to members and each other, but it must be directed and reinforced.

Your club and all aspects of its operation are a reflection of everyone who works there. Make sure your club's mental environment is appropriate to your membership and you'll see the results in member satisfaction and your bottom line.

# Rules of Engagement

While many members appreciate and enjoy their interactions with service staff, even engaging in playful banter, chit-chat, and teasing with their favorite employees, there are also those members who expect a more formal level of **service**. It is also often the case where the member who likes to “play” with employees when in the bar after a round of golf, does not want the same level of **engagement** when family and friends are present. The challenge then is to assess each service situation and gauge the member’s mood and interest in engagement. Here are some of the factors involved:

**Time of Day and Day of Week.** The time of day can have a great deal to do with a member’s interest in engagement. Some members are not morning people and don’t appreciate noise, exuberance, or conversation early in the morning. If a member has his nose in the paper, he probably doesn’t want any more than polite and efficient service. On the other hand, Friday night cocktail hour is a time of conviviality and sociability and you might expect a more playful interaction.

**Occasion.** Dr. and Mrs. Jones celebrating their anniversary will probably appreciate discreet service with as few interruptions as possible. Service should still be prompt and attentive, but servers should take their cue from the intensity and privacy of the couple’s conversation. Conversely, a group of ladies coming in for lunch after a morning of tennis are probably keyed up and looking forward to a fun time together. The same group while entertaining a renowned speaker for their lecture series would expect a more distant and detached approach. The businesswoman entertaining clients may want formal, correct, and efficient service with as few interruptions as possible so she can conduct her business in a manner that reflects well on herself and her club.

**Members in the Party.** The makeup of a member’s party will have a lot to do with the level of engagement. A group of members and guests just off the golf course are probably more ebullient, particularly if someone shot his low round, had an eagle, or sank a thirty-foot putt to win the match. On the other hand, a member hosting her aged parents for Mother’s Day Brunch is not there to engage with employees. It is also possible that a member who comes in alone for a drink may interact with staff very differently than when his or her spouse and children are present.

**Past Experience.** There is no better predictor of the future than experience. If a member has always been reserved and formal, with little or no personal engagement with staff, employees can expect that he will continue to be so. However, John, the single junior member, is casual, relaxed and always enjoys playful repartee with the bar staff. No doubt he will be that way when he stops in after work for a few drinks. However, should John arrive with a date, he may not want the same level of engagement from the bartender.

As can be deduced from these examples, there is no hard and fast way of knowing how a member will act, react, or interact with the friendly engagement of employees. Therefore, it’s up to the employee to assess the mood and manner of the member. Most people have a good sense of when someone wants to interact with them. Employees should always hold back until a member makes it clear by initiating a greater degree of contact. When in doubt, an employee should go no further than being courteous, polite, and friendly.



# Service Awareness and Responsiveness

There is no better way to demonstrate the club's dedication to the welfare of its members than to be aware of and responsive to their needs. This means that you and your staff are always alert for ways to serve and assist.

Part of awareness and responsiveness is anticipating members' needs. This means servers need to know where members are, what they are doing, what their habits are, and try to put themselves in their place. What might they need or want next?

This means that servers should constantly survey the dining room, as well as their sections, to see if a member is signaling for assistance or looking around for her server. They should not congregate and socialize with co-workers during meal service—it absolutely detracts from their awareness of and responsiveness to members and their needs. This is just as true in the pantry and kitchen as in the dining room itself.

When employees congregate and socialize among themselves in view of the members, it gives the impression that there is not enough to do or that the dining room is overstaffed. This may or may not be the case, but it certainly seems so to the casual observer. Such impressions of your staff will complicate your already challenging job in countless ways.

It also means that your staff should show hustle. A person who shows hustle is actively and energetically involved in whatever he or she is doing. It is important because it demonstrates effective use of time and a willingness to do whatever is necessary to get a job done. The opposite—slow-moving and dawdling sends a message of inattention and laziness—certainly not something to inspire confidence in those who witness it.

But while your staff should always demonstrate hustle, they must never let members see them breaking a sweat. Good **service** is a form of theater and your team should always give members the impression that what you do on their behalf is effortless—that everything is well-planned, organized, and well-executed.



# Teaching the Subtleties of Service

High levels of **service** in a food service operation are so much more than knowing service techniques, smiling, and greeting members. To do service well requires people who are sensitive to the needs and desires of others and who understand a wide range of the customs and courtesies of human interaction. They need to recognize the subtleties of service. But what do we mean by subtleties?

*Subtlety is the awareness and ability to make fine distinctions in how one engages with others or a well-calibrated sense of how to respond to or engage a person in a particular situation.*

So, as a leader how do you go about teaching employees the subtleties of service? It certainly takes more than telling them to smile and be nice to members. They need to have a basic understanding of the underlying customs and practices of service, manners, and gracious behaviors, as well as an awareness of the signs and signals of unspoken needs. Not only do they need to know what to do, but they need to have the sensitivity and perceptiveness to recognize members' needs even before these are expressed.

Such sensitivities improve with knowledge and experience, but unless a new hire naturally possesses these abilities (which experience has shown that only a few do), food service managers must start somewhere in training employees in the subtleties of service. Here's a list of requirements:

- The club must have well-defined **organizational values** and a constantly reinforced **culture of service**. When employees are immersed in such a culture, service becomes second nature to all.
- Daily **engagement** and consistent example of **Service-Based Leaders**.

- **Empowerment** training that spells out the limits of employee initiative and discretion in resolving issues and problems.
- Etiquette training—employees must understand the appropriate behaviors for a private club setting and the complex and extensive etiquette of gracious dining.
- Make employees aware of the rules of engagement. Different members will want to engage differently with employees at different times and in different settings. Understanding the issues of engagement is critical to service and service delivery.
- Ensure that all staff are aware of the mental environments for each area of the operation. Different areas have different mental environments at different times of the day.
- Teach service recovery and how to apologize (see topics 187- 189). This is so basic it hardly needs stating, but experience has shown that a consistent approach must be taught to ensure employees understand the importance of recovering from bad situations and the need for a sincere “we accept all responsibility” apology.
- Make sure employees understand the importance of the Three A's of Service—that is:

Be **Alert, Aware and Anticipate** member needs.

As with everything else demanding **quality**, service behaviors and delivery must be defined and taught consistently to all employees . . . otherwise how would they know what you and your members expect?

# Comprehension Reinforcement

List and discuss two of the foundations of <b>service</b> .
Why must we never be defensive when a member brings us a problem?
Why are attitude and mood so critical to service?
What is a club's mental environment?

List and discuss three factors that contribute to a mental environment.
What are rules of <b>engagement</b> and why must they be understood?
What do we mean by the subtleties of service?
Why are awareness and responsiveness so important to member service?

# Touch Points

The term **touch point** refers to those critical events that shape and define a member's impression of service and service delivery. Also called **moments of truth**, touch points are defined as “a critical or decisive event on which much depends; a crucial action.” But no matter what they are called, if your club is to be a service leader, it must consistently get the touch points right, and it's up to the club's managers to work with employees to identify, plan for, train, and flawlessly execute each of these service opportunities.

Most club departments have a limited number of touch points, probably less than ten. The food and beverage department has considerably more due to the intensive interaction with members during food service. Regardless of number, it's up to service teams to identify and establish standards for each touch point—even to go so far as scripting and rehearsing employees' touch point roles.

What are the steps in planning touch point tactics? Here's a basic list of requirements:

- Identify members' needs and **expectations**.
- Carefully review member interfaces and identify all touch points.
- Prioritize touch points based on service impact and impression.
- Spell out in detail the optimum manner of executing each touch point.
- Script, train, and rehearse to consistently execute touch points.
- Revise and refine touch point execution based on employee feedback.

Points of caution:

- Avoid robot-like, lockstep execution. Your employees must be comfortable enough in their service role to improvise according to the dictates of the moment and situation. Everything they do must be comfortable and personal—that's why **employee empowerment** is so important and powerful.
- Managers must encourage and act upon feedback from employees. The people who have direct service contact with members are in the best position to determine what works and what doesn't.





# Managing the Dining Flow

As every club food service professional knows, a culture of “drop by” dining only makes a difficult business more challenging. Even a highly disciplined food manager who has a long historical record of dining patterns and who practices the discipline of formal forecasting knows that any number of factors can throw a monkey wrench into the most professionally-run operation.

So, what can the conscientious food and beverage manager do to protect herself, the club, and member service from the daily unpredictability of business? In looking at food service operations, there are a variety of disciplines to help manage the flow of a club’s *à la carte* dining. But first let’s look at the many aspects of the challenge. Ultimately, dining flow is an issue of timing, but there are multiple moving parts, each with its own pace and impact. Consider that on any given day, dining can be impacted by:

- **Parties with reservations arriving on time, early, or late.**
- **Walk-in parties of varying size.** When few or during slow periods, these present no problem and should be immediately seated. It only becomes an issue when large numbers of parties arrive in short order or at the same time.
- **Large parties (more than 10 or 12) arriving and wishing to order off the menu.** Typically, such parties would be made by reservation so tables can be combined, and a set or limited menu arranged. When they arrive unexpectedly or during a busy rush, they can create a cascading series of events that impacts service throughout the dining room.
- **The number of servers and sections open in the dining room.** Just because the dining room has 50 tables, and a hundred and fifty seats doesn’t mean the club is properly staffed to serve all available tables and chairs. A properly run food service operation will staff both the front of house (dining room) and back of house (kitchen prep staff) based on forecasted business, but sometimes the actual business is unexpectedly higher by a significant margin.

- **The “service intensity” for each seated table** depending on where in the sequence of service the table is. Service intensity varies for each table based on the number in the party and the courses of food and drink ordered. Typically, service intensity is highest just following seating, when menus and wine list are handed out, drinks ordered, specials explained, and food orders taken. Thereafter, the intensity and pace of service will depend on the individual party and what was ordered.

A table celebrating a special occasion and ordering all courses, plus cocktails, wine with the meal, desserts, and after dinner drinks with coffee service will be far more intensive than a family of four coming in for burgers, fries, and sodas before heading out to the movies. Other moments of service intensity occur during the serving of various courses, clearing the table, and taking orders for dessert and after dinner drinks. All would be simple if servers had only one table, but they typically have multiple tables at different points of service sequence.

- **The moment-by-moment arrival of diners and seating pattern** in the different “open” sections of the dining room. Too many tables seated in the same section in close time proximity can overload the server with the service intensity of multiple tables at the same point in the sequence of service.
- **The possibility of banquets being plated in the kitchen.** Many small operations will prepare and serve banquets from the same kitchen space that is being used for *à la carte* dining. While the chef may take steps to lessen the impact of banquet plating in terms of timing, scheduling extra staff, and setting up a separate plating area, the kitchen staff is still at the mercy of the banquet—whether it starts on time and its pace is on schedule. Large or multiple banquets unfolding off-schedule can interrupt the smooth flow of *à la carte* food preparation at the most critical of moments.

(continued)

# Managing the Dining Flow, continued

With all these variables to manage, it can be a significant challenge to provide the smooth and gracious service that members expect from their club. Having thus described the issues, let's discuss some strategies to minimize the negative impact on dining flow.

1. Create written dining **policies**, get the buy-in and blessing of the club's board, and make sure the membership is aware of the policies and their necessity to provide better **service** to all members. Periodic reminder notices or articles in the club newsletter will help everyone understand that the policies simply codify basic courtesies that enhance everyone's enjoyment of the club.
2. Use a host stand as a control point to manage seating in the dining room. This allows the seating of members and guests in a manner to ensure no individual server section is overloaded and seating timing and service intensity issues do not overwhelm the staff's ability to smoothly handle the level of business. The host or other persons controlling the seating must be trained and prepared to tactfully explain that forecasted staffing levels determine the capacity of the dining room, not the number of open tables.

To diffuse potential issues at the host stand, the club should have a policy of requesting those parties without reservations that cannot be immediately seated to wait in the lounge until tables are available. Spelling out options for the host to offer complimentary drinks or *hors d'oeuvres* under certain circumstances may also help to lessen any member dissatisfaction. An important point, though, is to be able to give waiting parties a realistic wait time for a table. This is not the time to over-promise and under-deliver!

3. In addition to the host stand, the other location critical to smooth dining room flow is the order pick up line in the kitchen. On most occasions when the dining flow is smooth and orderly, servers can handle their own order pick-ups. However, when it gets busy, it is essential to have an expediter on the server side of the line to organize and prioritize orders, tell the cooks when to fire the orders for individual tables based on their pace of dining, and ensure each server gets the right order for his or her table. Like an air traffic controller, an expediter's purpose is to bring order to potential chaos. When done properly, having an expediter ensures the smooth ordering, prepping, cooking, and pick-up of the many orders the kitchen has received.

While the challenge of ensuring a smooth dining flow is significant, the consistent application of proven **disciplines** will improve the situation. Food service managers must recognize, though, that there will always be circumstances beyond their careful planning and control that result in service breakdowns. But the more they know about their operation, coupled with their willingness to closely examine failures, will bring about continued improvement, as well as a great deal of personal satisfaction.



# Wow Factors

None but a few creatures of inviolable habit like the “same ol’, same ol’,” yet that’s what many clubs serve up month after month, year in and year out. Why not try a different approach that will wow your members? Make **wow factors** a part of your club’s traditions.

What is a wow factor? It’s anything, usually unexpected, that causes members to say or think, “Wow, that’s really fantastic!” or “Wow, I didn’t expect that!” or “Wow, that’s impressive!”

Wow factors are characterized by their unexpectedness and as such, any wow factor should not become part of the club routine. They are executed for one-time or short-term effect. They are also characterized by being unusual—either cutting edge or just out-of-the-ordinary. They can be extravagant and expensive, but these should be few and far between. Most wow factors should be small scale, inexpensive, and momentary, that is, of short duration as in one day, one evening, or one event.

The key to making wow factors is to challenge club employees to devise a specified number of wow factor ideas for their areas of the operation—say 10 new ideas for the coming busy season. Each idea should be briefly described on paper—what it is, how it will be done, what items need to be purchased, any outside talent that needs to be contracted, any associated labor cost, and an overall estimated cost. Then all department heads should meet with the general manager in a brainstorming session to discuss, settle on, and schedule the roll out of each wow factor.

Here are a handful of ideas to give you a sense of the program:

- Complimentary mini-trio sampler of desserts or appetizers for all diners on a given night—this is also an excellent way to test, preview, or market new menu items.
- Flowers for all the ladies dining on some non-special night just for the surprise effect. Google search “special days” for calendars of unusual celebrations and holidays.



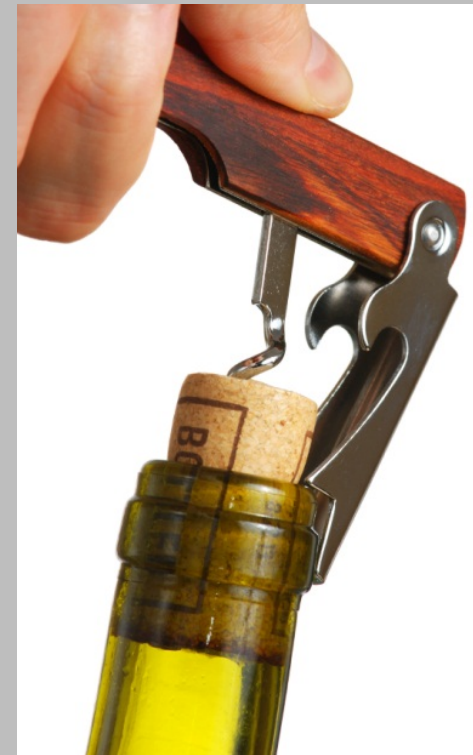
- Free ice cream or smoothies for the kids (of all ages) at the pool on a hot summer day. An alternative would be to arrange for the local ice cream truck to pull up in front of the pool with music playing. Everyone gets their specialty ice cream treat and the club pays the bill.
- A giveaway of a sleeve of golf balls to each golfer on a busy Saturday morning, handed out by the head golf professional on the first tee for maximum effect.
- Free mini-pizzas in the lounge on an unexpected evening.
- A themed ice carving for a ladies’ luncheon.
- Complimentary and unusual *hors d’oeuvres* for the weekly card game in the men’s lounge.
- Face painting or a clown or a balloon artist at the next children’s event.
- Complimentary wine for no special reason. A great way to clear out dead stock or showcase new wines.

# Tips for Executing Wow Factors

Here are some tips to make your **wow factors** most effective:

- Execute wow factors where they will have the most effect—food and beverage areas, golf areas, locker rooms, spa and fitness areas, special events, activities, aquatics, tennis.
- Plan, budget, and schedule. Formalize the program enough so that the wow factors are spread out and spread around. Always have a budget. Say you budget \$1,000 per month for club-wide wow factors. The cost to the club is \$12,000 per year—not an inconsequential amount—but think of the benefit to member pleasure and even employee morale.
- Wow factor ideas are everywhere. Borrow from other establishments or something you saw on vacation. The Internet is a treasure trove of ideas. Google search words or phrases such as “Fun Dining Activities,” “Fun Ideas,” “Fun Activities,” “Fun Recreational Activities,” and “Inexpensive Activity Ideas” and you’ll get a sense for how many resources are out there.
- To keep your costs down, get together with vendors for freebies. Many would be thrilled to get some exposure to your members for their products and services. Just make sure you prominently give them credit for their donations.
- Once you’ve used a wow factor, save the concept for some future time. Avoiding routine doesn’t mean never doing it again, just doing it again when unexpected. Over time, you’ll develop an extensive list of wow factors that can be deployed for maximum effect at some future moment.
- Keep your wow factor strategy, plans, and schedule under tight wrap. Don’t ruin the surprise with “loose lips.”
- Let your members do the talking about the wow factor, not you or the club staff. Act like nothing special is going on while the members “buzz” about the unusual and unexpected. Certainly, you may acknowledge a wow factor when asked about it, but act like it’s no big deal, just some little thing that happened spontaneously.

There are hundreds of websites offering unusual and fun ideas. Get your department heads and fellow employees excited by searching out the most unusual activities, events, or ideas. Your members may still ask, “What have you done for me lately?” but they’ll be delighted by the unexpected moments and you and your fellow workers will be energized by the fun of giving these special gifts to your membership.



# Comprehension Reinforcement

What are <b>touch points</b> and why are they critical to member perceptions?
List and discuss three steps to enhancing member touch points.
List three things that can impact the dining flow of service.

Why is it important to evaluate each meal periods dining flow?
What are <b>wow factors</b> ?
List and discuss two tips for executing wow factors.

# Suggesting with Knowledge and Enthusiasm



Some years ago, my boss and I were on a trip to Nevada to visit our newest club under management. During the visit, we had an opportunity to eat at a cozy Italian restaurant by the name of Luciano's. While the food was great, it was the service that blew me away. Let me tell you why.

After we were greeted and seated, our waiter, a middle-aged man, approached the table. He immediately sensed our good mood and engaged us in pleasant and humorous banter. While presenting the menu, he described the daily specials in a graphic and mouth-watering way with excellent Italian pronunciation and ended by suggesting as an appetizer the mussels that came in fresh that afternoon. Of course, we bit and ordered a couple of dozen steamed in wine, garlic, and butter. After taking our dinner order, he suggested a wonderful Chianti that was the perfect complement to the meal.

As I observed our waiter, he moved from table to table with a wonderful ease, engaging the patrons in conversation, suggesting appetizers, entrees, and wines. He seemed to wait on every table and was supported by a crew of young assistants. He was so good at what he did and seemed to know so much about the restaurant's offerings that I assumed he must be the owner. Certainly, he took a proprietary interest in every table, and his many tempting suggestions probably boosted every check by 30-40%—what better way for an owner to ensure his restaurant's success!

After dinner, he again worked his magic by suggesting and describing the fresh, made-from-scratch Cannoli. His *coup de grâce* was to suggest Lemoncello as an accompaniment for the dessert. Thankfully, my boss was picking up the tab!

As we left, I complimented him on his service and asked his name. It turned out he was Irish and was a waiter, not the owner. I was stunned, not just that an Irishman could be so Italian, but that he was so effective based upon his knowledge of the restaurant's offerings and his obvious interest in and enthusiasm for the food.

# Suggesting and Describing

Every food professional knows that the primary way to increase revenues short of increasing the number of diners is by increasing the average check. This is particularly significant in the club business where there is a finite number of members and cannot attract the wider audience of the general public. But the idea of suggesting and describing, when properly done, also increases the members' appreciation of their meal and the club's food service.

While most menus offer a choice of appetizers, entrées, desserts, wines, and specialty alcoholic drinks, most diners go out to eat with a particular entrée in mind. What they have not thought about, and will not think about until they sit at the table, is what might go well with their entrée? Here is where the astute server can suggest this or that accompaniment to enhance the members' dining experience.

But as any veteran salesperson knows, you can't "sell" what you don't know! Given that clubs hire bright, outgoing, but often young and relatively inexperienced people to work as servers, how do you give them the necessary knowledge to suggest the chef's offerings? Further, recognize that food and beverage is an inexhaustible body of knowledge not easily mastered in a lifetime of learning. While this presents a challenge, it is not insurmountable with a little organization and effort. The following steps, if implemented and persistently practiced, are guaranteed to provide members with a richer and more diverse culinary experience while increasing your club's revenues through higher average checks (see topic 199).

- **Benchmarking.** Break your revenue projections for food and beverage down into volume and average sale. For example, if you know from history that your average check for dinner is \$18.53, you can divide your projected revenue for dinner for a given period by the average check to see how many dinners you will have to sell. If your sales projection is \$25,000 for May, then you must sell 1,349 dinners to reach your goal. You can further break down the goals into weekly or daily targets. By benchmarking your appetizer, dessert, wine, and specialty drink sales, you can likewise determine the current average sale for each and compute a target figure for the number of each you must sell in a given period. If you've not previously benchmarked, your first few months' targets may not be very accurate or realistic, but you can adjust them as you gain experience.

thru yesterday 1/5/2008	Daily Goals		Daily Actual		MTD Goals		MTD Actual	
	#	Avg Chk	#	Avg Chk	#	Avg Chk	#	Avg Chk
Appetizers	8	\$6.80	8	\$6.72	48	\$6.80	45	\$6.82
Desserts	12	\$4.75	10	\$4.64	60	\$4.75	62	\$4.71
Wine, btls	7	\$18.00	4	\$21.65	52	\$18.00	56	\$19.45
Wine, gls	15	\$5.00	17	\$5.03	135	\$5.00	145	\$5.10
Specialty drinks	4	\$6.25	5	\$6.15	36	\$6.25	38	\$6.31

Sun, Jan 6	Daily Goals		Comments / Specials
	#	Avg Chk	
Appetizers	8	\$6.80	Chesapeake oysters on the half shell, doz. - \$9.25
Desserts	12	\$4.75	Crème Brulee, fresh made - \$5.75
Wine, btls	7	\$18.00	J. Lohr Cabernet on special at \$22.50
Wine, gls	15	\$5.00	Firestone Merlot and Chardonnay - \$5.25
Specialty drinks	4	\$6.25	Courvoisier cognac - \$6.60

- **Establish Realistic Goals and Track Results.** Use your benchmark numbers to establish goals for future operating periods for appetizers, desserts, wines, and specialty drinks. Post those goals prominently in the pantry or other central location for your servers to see. Break down your monthly goals for each category into daily goals. Then challenge your servers to surpass those daily goals. Every day post the previous day's and the month-to-date results so every server can monitor their progress toward the goal.

*(continued)*

# Suggesting and Describing, continued



- **Teach Servers to Suggest.** Use your pre-shift meetings (you should always have a pre-shift meeting!) to continually train your servers about the food and beverage products you offer. This means appetizer and dessert tastings; teaching them about wines, liqueurs, and spirits in general; and introducing them to those that you carry in stock. Equipped with this knowledge they will be far more comfortable in suggesting accompaniments to members. Coach them in appropriate ways to use their new knowledge to make suggestions to members.
- **Provide Servers with Product Knowledge.** Use **Menu Item Selling Sheets**, [PCPM Form 484](#) (see topic 178), prepared by the chef to educate servers about all items on the menu. These selling sheets should include ingredients; flavorings (herbs and spices); cooking times; portion sizes; special distinguishing characteristics such as vegetarian, organic, farm fresh, kosher, heart healthy; country or locale of origin; presence of dairy products or possible allergens such as peanut oil, gluten, shellfish, etc.; method of preparation (e.g., sautéed, pan fried, roasted, deep fried, etc.); types and preparations of sauces; and any other pertinent information of interest. Lastly, the chef should

suggest wine accompaniment for appetizers, entrees, and desserts. Servers should also be coached as to the timing and best tone as well as ways to deliver suggestions.

- **Continue Tracking Daily Sales against Goals.** Design contests or offer prizes to those who sell the most. At minimum, publicly recognize those who are most successful and share the methods of their success with others.
- **Continue Benchmarking Your Sales.** Not only is this historical data helpful in setting goals and projecting future business, but the detailed benchmarks you keep this year will help you budget your sales for next year. Lastly, there will be a clear record of the progress made in increasing sales—certainly, a nice thing to have when you meet with your boss at your next performance review.

Suggesting and describing the foods and beverages that your kitchen provides enriches your members' dining experience. It is also an effective way to increase your average check and your food and beverage bottom line. The additional revenue helps overcome the high fixed cost in food operations, will bring more margin to the bottom line, and most importantly will enrich your members' dining experience. When done properly, suggesting and describing is a win for both members and the club.



# Enriching Members' Dining Experiences

Dining offers many opportunities to offer suggestions:

**Beverages.** Offering beverages is the usual way to start a meal. In addition to offering non-alcoholic beverages such as water, tea, lemonade, and sodas, many diners will want an alcoholic beverage, so make sure your service team knows your members' beverage preferences or is prepared to suggest a wine, beer, or cocktail.

**Cocktails.** There are a host of creative cocktails for any taste and occasion. The heyday of cocktails was in the 1940s and 1950s, but these retro drinks are making a comeback. Many times, the person who would routinely order a vodka and tonic might be induced to try a refreshing Tom Collins, Sea Breeze, Banana Daiquiri, or other mixed drink. Have the bartender make suggestions to your servers. If they learn about a new cocktail each shift or week, in no time they'll have a large repertoire to suggest.

**Wine by the Glass.** Many diners who wouldn't want a full bottle of wine for either cost or consumption reasons, can easily be tempted to have a glass of wine. In addition to house wines, many clubs will offer upscale or premium wines by the glass. Make sure servers are familiar not only with what wines are available by the glass but are able to entice members by knowing about the wines, where they come from, what they go with, their flavorings and aromas, sweetness or dryness, and reputation for quality.

**Appetizers.** Appetizers are a great way to start a meal, usually taking less time to prepare, allowing diners to snack on something while thinking about what entrée they want, and they go well with cocktails or other beverages. As servers are taking drink orders, they should suggest appetizers to go with them. Another great way to sell appetizers is to offer a medley or sample of several appetizers that the entire table can share with their drinks.

**Soups and Salads.** Most clubs will offer a variety of soups and salads, with light, refreshing soups in hot weather and more hearty offerings in the winter. Many diners will opt for just a soup or salad or maybe a soup and

salad combination. Often, if your soup, salad, and dressing offerings are unusual or innovative, servers can interest diners in a cup of soup or a salad by using creative descriptors and providing wholehearted recommendations.

**Desserts.** Your club will offer a variety of desserts for those with a sweet tooth. Like appetizers, they are often shared. Your service team should be prepared to tempt diners with mouthwatering descriptors, and they shouldn't forget everyone's often overlooked favorite—ice creams.

**Liqueurs.** Club bars carry a wide assortment of liqueurs (cordials) that make wonderful after-dinner drinks. Many are world-famous for their proprietary flavorings and recipes, and have been around for decades, even centuries. They are great served neat, on the rocks, or even over a scoop of vanilla ice cream. Make a point of familiarizing your team with these; just make sure they pronounce the names properly.

**Cognac, Brandies, Ports** make great after-dinner beverages. Again, familiarization with those your club carries and a timely recommendation after dinner with coffee may seal the deal.

**Espressos, Cappuccinos, Specialty Coffee Drinks.** Many clubs will offer specialty coffees and after dinner drinks made with coffee. Servers should suggest these to those diners who want to linger at the table over conversation.

**Sparkling Wines and Champagnes.** These wines are usually associated with celebratory occasions, so always be aware if someone is celebrating a birthday, anniversary, or other occasion.

# Be Prepared to Suggest and Describe

Here are five things your servers must do to confidently and enthusiastically suggest various food and beverage items:

- 1. Know the Menu and All Beverage Offerings.** They can't suggest what they don't know. They must take it upon themselves to learn as much as they can about each menu item. Have the chef or food prep staff talk about the food, how it's prepared, what ingredients are in each item, and what their favorite items are. Do the same with the bartender. Make sure servers know the house and premium brands of liquor, as well as all the beers the club carries. Educate them about wines. Have them read and study bottle labels—often these have descriptive terms they can use to help suggest wines or beers.
- 2. Pay Close Attention During Pre-Shift Meetings.** If the club is not using **Menu Item Selling Sheets**, [PCPM Form 484](#), start using them to better educate staff (see topic 178). Make sure they know everything about each menu item, so they can creatively describe them to members.
- 3. Record and Rehearse.** Servers must take notes and ask questions. They must ask the chef for creative adjectives and descriptors for menu items and daily specials. They must take notes and create phrases to use when describing items. They must rehearse these so that they come easily to them when reciting specials at tableside.
- 4. Show Excitement and Enthusiasm when Describing Items.** Excitement and enthusiasm sell. Servers must put some enthusiasm into their descriptions by voice inflection and body language when presenting to members. They should, at all cost, avoid deadpan delivery and a monotone voice. They should practice their delivery with fellow team members. They should take their cue from professional broadcasters—note how they move their heads for emphasis and modulate their voices when presenting.
- 5. Be Prepared to Make Recommendations.** A diner will sometimes ask, "What looks good tonight?" Make sure your servers have several recommendations for appetizers, soups, entrées, and desserts, as well as beers and wines. Even if they haven't tasted all the items on the menu, they should ask other servers and the kitchen staff what they like best and then never hesitate to offer their recommendations. The worst answer they can give is "I don't know." It indicates a complete lack of interest in the club's food and their job as a server.



# Tips for Suggesting

Here are a few tips to help your team successfully suggest to diners:

**Proper Pronunciation.** Nothing identifies your staff as rookies more quickly than mispronouncing food and beverage terminology. Many wines, proprietary liqueurs, and cooking terms are European and in the language of origin. Pronouncing these names and terms properly marks servers as professionals and inspires confidence in the diner when a recommendation is made. If servers are unfamiliar with a name or term, they should check with fellow servers or supervisors. If they have a smart phone, use the pronunciation feature on various online dictionaries for a digital example.

**Suggesting is a Numbers Game.** Not every member your team suggests to will agree, but the more suggestions they make, the more members who will, particularly if the word gets out that servers are knowledgeable about food and beverage. Let's just say that one out of every ten members says "Yes." Let's also say that in a given month your team serves 3,000 meals, so 300 say yes. Let's say the average increase in each diner's check is a conservative \$5—that's \$1,500 in increased sales every month, or \$18,000 a year. Then let's say your team gets so good at suggesting that they get 2 out of 10 who say yes. You do the math; it's impressive!

**Suggesting is not Just about Numbers.** Suggesting additional and alternative choices to members is not just about increasing revenues for the club; it's about enhancing diners' experiences by getting them to try new things, by exposing them to the richness and variety of culinary tradition. Most, if not all, diners appreciate the suggestions of knowledgeable, imaginative, and enthusiastic servers. Very few would ever be offended, and the reason any might take offense probably has more to do with the individual server's methods and delivery than the fact that a suggestion was made.

**Never, Ever Hard Sell.** If servers recognize that the most important thing they're doing is providing members and guests with a richer dining experience, not selling cars on commission, they'll never offend diners. Make a suggestion. If not accepted, move on. Servers will quickly learn who is open to suggestions and when someone is set on their own choices.

**Sensory Descriptions.** Servers must come up with a repertoire of adjectives that augment the menu descriptions. Examples include "freshly-made," "made-from-scratch," "farm fresh," "chef's own," "fresh-baked," "locally grown," "just in today." "Refreshing" works for light, cool, summer fare; "hearty" fits for winter soups and chili, "tender" for steaks and chops, etc. The only requirement is that descriptors be accurate. Have them check with the kitchen about each item and then get creative.

**Geographical Descriptions.** Certain geographical regions are known for their products such as Wisconsin cheeses, Vermont maple syrup, Virginia hams, Chesapeake Bay oysters, Maine lobsters, Napa Valley wines, etc. When appropriate, let people know where their meal comes from. Even if a particular product is not famous, using its locale of origin gives it a cachet. If the chicken is free-range from Mr. Jones' Windsong Farm, they should describe it by name—"free-range Windsong Farm chicken."

**Don't Forget the Kids.** There are also opportunities to suggest for children, though the suggestion should be to the parents; many parents are particular about what their children eat. Also suggest other entrées besides those on the kid's menu. Serve smaller portions of regular entrées at a lower price; suggest specialty kids' non-alcoholic beverages, and, of course, desserts.

The Menu Item Selling Sheet is used to educate servers about the menu items offered in the club's dining room. The more information and knowledge servers have about the food and beverage items offered, the better able they are to suggest options and alternatives to members and guests, as well as to increase average checks.

**Menu Item: *Wine Braised Veal Shanks***
**Main Ingredients:**

*Veal shanks, bacon, butter, onion, carrot, celery, garlic, white wine*

Flavorings (herbs and spices): *Garlic, bay, thyme, sage, salt and pepper, white wine*

Portion Size: *1 Veal Shank*

Cooking / Prep Time *10 minutes:*

Special Characteristics:  None

- Vegetarian       Locally Grown  
 Organic           Heart Healthy  
 Kosher             Other:

**Accompanying Sides:**

*Garlic Mashed Red Potatoes  
 Fresh Greens du Jour*

Possible Allergens:  None

- Dairy               Gluten  
 Peanut Oil         MSG  
 Shellfish           Other:

**Cooking Method:**

- Sautéed             Roasted  
 Pan Fried           Boiled  
 Deep Fried         Smoked  
 Steamed             Other: *Braised*

**Product Origin:**

- Country: \_\_\_\_\_  
 State: *North Carolina*  
 Locale: *Creekside Farms*

Sauces:  None, or Main Ingredients: *Cooking reduction, flour, white wine*

**Suggested Descriptors:**

*Bone-in Richness of Flavor, Fall-off the Bone Tenderness,  
 Melt-in-Your Mouth, Glazed with White Wine Reduction,  
 Complex Flavorings of Braised Veal, Vegetables, and  
 White Wine*

**Suggested Wine Pairings:**

*Cavallato Barolo  
 Chateaufort du Pape  
 Any hearty red wine – Bordeaux, Cabernet, Merlot*

**Suggested Appetizer(s):**

*Gorgonzola and Pâté Medley*

**Suggested Dessert(s):**

*Drambuie Bread Pudding or Crème Brûlée*

**Chef's Notes:**

*Veal Shanks is a great opportunity to sell a body of hearty red wine!*

**Server Notes:**

# Menu Item Selling Sheet

We talked of the importance of servers being able to describe the club's menu offerings. Not only does this help in suggesting dining options to members, but it also provides servers with enough information to answer specific questions about the item relating to sauces, possible allergens, and methods of preparation.

Any time the chef prepares a new menu item, he or she should prepare a Menu Item Selling Sheet, [PCPM Form 484](#), or some similar presentation of information about the item. This can then be provided to the service staff to assist them in providing a higher level of professional service to diners.

Since many menu items may be used again on seasonal menus or as daily specials, all selling sheets should be organized and saved for future use. In time many selling sheets will be available at little or no further investment of time.

As noted in the sample selling sheet at left, the chef has also provided suggested descriptors, other dining suggestions, and possible wine pairings to help the service staff in their interactions with members. The ongoing use of this food service best practice will enhance the professionalism of the service staff, increase the club's average check, and provide a richer, more enjoyable member dining experience.

# Suggesting Alcoholic Beverages

Alcoholic beverages present a wide variety of suggesting opportunities, but your staff must be prepared:

**Know Your Premium Brands.** One of the easiest ways to enhance a member's dining experience while increasing the average check is to suggest premium brands of alcohol. Not only must servers know and correctly pronounce brand names, but they should know what makes them special. Things to know include: the age, such as a 12-year old Scotch; proprietary flavorings, singular tastes as in peaty single malt Scotches; the ingredients (there are 10 in Bombay Sapphire gin); or quality of production and distillation such as Belvedere vodka being distilled four times.

**Beers.** For many years, there was a great consolidation of local and regional breweries that resulted in a handful of dominant companies offering very similar products. In recent years, though, there has been an explosion of small, niche breweries offering well-crafted, artisanal beers of unique tastes and exceptional quality. The more your team knows about beer varieties, such as stouts, ales, lagers, and pilsners, and the specific brands you carry, either bottled or on tap, the better able they are to suggest a special beer with a particular meal. When a diner asks what beers you carry, servers have a perfect opportunity to ask them whether they like a light, clean tasting or more robust beer, and then suggest one of your premium brands. The key to success is knowledge. Servers should talk to your bartender for ideas, search online for information, or buy any one of many recently published beer guides.

**Liqueurs.** The terms cordial and liqueur are synonymous. There are many opportunities to suggest liqueurs. Cordials are alcoholic beverages prepared by mixing and redistilling various spirits (brandy, whisky, rum, gin, or other spirits) with certain flavoring materials: fruits, flowers, herbs, seeds, barks, roots, peels, berries, juices, or other natural flavoring substances. Cordials differ from all other spirits because they must contain at least 2½% sugar by weight. Most cordials contain up to 35% of a sweetening agent. Liqueurs can be consumed straight up, on the rocks, diluted with water, mixed with sparkling water as a spritzer, or served over ice cream. Make sure your team knows the major brands and flavorings of each.

**Cognac, Brandies, Sipping Whiskeys, Ports.** All of these make superb after dinner drinks. These are best suggested when it's apparent that the diners are going to linger at the table over coffee or conversation. Make sure servers know what brands you carry and that they learn as much as they can about each.



# Suggesting Wines

Suggesting wines requires employees who are knowledgeable about wine. This fact plus the often youthful and relatively inexperienced labor pool available to many clubs, particularly those located in small towns and rural settings, means that clubs must prepare their service teams by intensive training to suggest wines to a more sophisticated club clientele.

While this task seems daunting given the nearly limitless body of knowledge associated with the history and diversity of the international wine culture coupled with the inability to provide underage servers sampling experience of a club's wine list, there is still much that can be done. After all, servers aren't expected to be professional *sommeliers* (French, wine steward), rather they must know the basics of wine service and food pairings while making sensible suggestions to diners.

Here's a list of the wine basics that your servers should know about the wines your club stocks:

**Grape varietals.** The names of the most popular and common grape varietals, e.g., Chardonnay, Cabernet Sauvignon, Merlot, Pinot Noir, Riesling, etc.

**The Vintner.** Knowing and using the name of the winery provides cachet to any wine suggested.

**Wine origin.** The wine's origin including the country, state or region, district or locale. This information is available from your wine purveyors or is often listed on the wine label.

**Wine descriptors.** A handful of descriptors for each wine such as dry, full-bodied, hints of flavors, etc. Descriptors are often listed on wine labels but can also be obtained from vendors or vintners' websites.

**Wine terminology.** While this list is extensive, managers should focus on teaching the most common terms. By using **incremental progress** and constantly reminding and reinforcing terminology during pre-shift meetings, a more expanded familiarization can be provided over time.



**Pronunciation.** Servers must not embarrass themselves by faulty pronunciation. While managers and supervisors can usually teach appropriate pronunciation, there are many websites that can provide phonetic or even audio pronunciations of common wine types.

**Awards and recognition.** Servers should be familiar with any awards or special recognition for a specific wine and use this information to recommend the wine to diners.

**The proper steps, sequence, and techniques of wine service.** The presentation and service of wine should be seamlessly professional. This requires intensive training, rehearsal, and reinforcement of basic techniques.

# Basic Wine Pairings

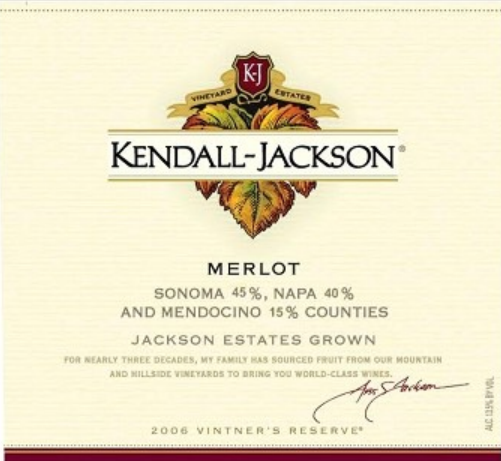


Certain wines go best with different foods. The basic rules are:

- Sparkling wine and Champagne – appetizers, wild game, caviar, roasted almonds, oysters, and fruit;
- Rosé wine – ham, turkey, sausages, and pork;
- White wine – seafood, poultry, shellfish, veal, cream sauces, mild cheeses, and light dishes such as salads;
- Medium-bodied red wine – pork, wild game, lamb, blackened fish or poultry, pâté, mild cheeses;
- Full-bodied red wine – steak, roast beef, blackened red meat, heavier dishes, cheeses from mild to sharp;
- Dessert wines – fruits, pastries, simple desserts;
- Dry sherry – appetizers and soups;
- Port and sweet sherry – after dinner and with cheeses.

The Wine Selling Sheet is used to educate servers about the wines offered in the dining operation. The more information and knowledge servers have about the wines offered, the better able they are to suggest options and alternatives to customers/guests/members, as well as to increase average checks.

# Wine Selling Sheet

Wine Category:	Red	Wine Label
Wine:	2006 Vintner's Reserve Merlot	
Vintner:	Kendall-Jackson	
Grape(s):	Merlot	
Country:	United States	
Region/State:	California	
District/Locale:	Sonoma County	
Bottle Size(s):	750 ml	
Descriptors:	dry, rich, smooth, hints of cedar, herbs, black currants	
Price:	\$62	

## Suggested Menu Pairings

Aged Angus Sirloin  
 Charbroiled Ribeye  
 Petite Filet Mignon  
 NY Strip Steak  
 Rack of Lamb

## Awards & Recognition

San Francisco Chronicle Wine Competition, 2010: Bronze  
 Los Angeles Wine & Spirits Competition, 2009: Bronze  
 San Francisco International Wine Competition, 2009: Bronze  
 San Francisco International Wine Competition, 2009: Silver

**Wine Selling Sheets**, [PCPM Form 485](#), will provide important information to servers to help them suggest wine accompaniments for members' food selections and are an essential part of educating the service staff on the club's wine selection.

Though it takes both time and effort to compile Wine Selling Sheets, the resulting information will do wonders for the professionalism of your staff while dramatically increasing wine sales.

Food service managers can delegate the task of preparing the bulk of a club's Wine Selling Sheets to a conscientious server during the off season or during slower periods. As new wines are added to the club's offerings, sheets can be prepared for these items.

Over time the use of Wine Selling Sheets will dramatically enhance your servers' knowledge of the wines you offer.



# Comprehension Reinforcement

List and discuss two steps to improve suggesting and describing at your club.
List four items that can enhance a member's dining experience.
List two things to prepare employees to suggest dining enhancements.
List two tips for suggestive and describing.

Why is a <b>Menu Item Selling Sheet</b> so critical to making suggestions?
List three dining enhancement opportunities.
Why should employees know basic wine pairings?
Why should the chef suggest wine accompaniments for each menu item?

# Dining Service Tips

Here are some basic *à la carte* dining service tips for servers:

**Station Cleanliness.** Even if others are responsible for cleaning the dining room, double check the floor, tables, and chairs to make sure they are clean for members and guests, as you would in your own home if entertaining important guests. Take action, as necessary.

**Table Settings.** Double check your tables to make sure the previous shift set the tables properly and all settings are complete, tableware wiped clean, glassware clean, napkins properly folded, salt and pepper shakers wiped down and full, sugar caddy clean and stocked, and any other table details checked.

**Highchairs and Booster Seats.** Make sure they are clean and ready to go during service. When you are seating a party is not the time to discover they're not properly cleaned and sanitized.

**Work as a Team.** Servers can accomplish so much more when working as a team than they can individually. Think of your co-workers whenever you do something. If something needs to be done, just do it regardless of who is supposed to do it.

**Clean Up Spills and Clean as You Go.** Spills must be cleaned up immediately as they present a slip and fall hazard. Keep your stations clean as you go. If you make a mess in the kitchen or pantry, clean it up.

**Use Serving Trays.** Use serving trays when serving cocktails and beverages. This applies to alcoholic drinks, coffee, tea, and any other beverage where the glass or cup is not preset on the table. When serving beverages on tables without tablecloths, place a Bevnep or coaster on the table first. Never touch the rim of a glass or cup.

**Learn Member Names.** Check reservations so you can match names with faces. Whenever members sign charge tickets, again reinforce your memory by matching names to faces. Ask co-workers who a member is if you don't know—somebody will!

**Critical Information.** Never approach a table without knowing daily specials, how they're prepared, and prices; appetizer(s) of the day; soup(s) of the day; wines by the glass; special desserts; specialty drinks; and any other detail of the day's offerings. Without this information you'll surely embarrass yourself.

**Carry the Necessary Tools.** Always carry a pen, dup pad, daily food notes from pre-shift meeting, wine key, and a clean service cloth. Even in non-smoking establishments, matches are necessary for those members who wish to step outside for a smoke, as well as coming in handy for lighting candles and Sterno.

**Side Work.** Make sure you fully complete all necessary opening and closing side work. The idea is to be completely ready for any service needs during the meal. Likewise, your closing duties will prepare the dining room for the next shift and ensure the cleanliness and sanitation of the dining room and pantry.

**Check Linen.** Make sure table linen does not have a sour smell. If so, replace it and notify your supervisor. Also ensure there is an adequate supply of clean linen to meet expected levels of business.

**Responsible Beverage Service.** It is against the law to serve underage individuals or to over-serve anyone. Be aware of anyone who is drinking heavily. Watch for slurred speech, inability to focus eyes, loss of motor skills, or blank expressions. Alert managers to any potential problem.

**Condiments.** Before the meal period check any condiments that are served to tables in their original containers to ensure they are clean. If not, wipe down with a clean damp cloth. This applies to various condiments such as ketchup, mustard, A-1 Sauce, hot sauces, etc.

**Dish Wash Station.** Do not over-stack dish wash station. This will result in breakage and spills. Try to help if possible or make your supervisor aware of the developing problem.

# Dining Service Tips, continued

**Music.** Music can be a pleasant accompaniment to any meal, but it can also be a source of irritation if played too loudly or the music is inappropriate for the audience, the mood, or the occasion. Most clubs subscribe to a music service that provides a wide variety of music. Selecting the most appropriate music for each meal period is an important element of establishing ambience. Classical or contemporary jazz is often a good mix for evening meals, while lunch music can mix more-popular and light. Regardless of selection, playing the music at an appropriate volume is of absolute importance. Managers should establish guidelines for musical selections for each meal period and stress that music is background for members dining, not entertainment for servers.

**Lighting.** Setting the appropriate lighting level is another important element of establishing the ambience in the dining area. The lighting level will be determined by the time of day, outside weather, ambient light from the windows, the meal period, the mood you are trying to achieve, or whether candles or votive lights are used on the tables, and any additional lighting, such as wall sconces, etc. Most dining rooms are equipped with rheostat switches for their lights so that the lighting level can be adjusted. Check the lights before each meal period to make sure the lighting level is appropriate to the occasion.

**Sun Glare.** Many clubs have dramatic views from the dining room, sometimes overlooking the 18th green or a lake. While these views add much to the diners' experience, they can also be a source of irritation when the bright sun shines into their eyes. So, when the sun gets low, pay attention if it is shining in anyone's eyes. Close the blinds or drapes until the sun sets lower; then reopen them so members and guests can again enjoy the view. Your consideration will be greatly appreciated.

**Table Clearing.** While it's impossible to clear tables noiselessly, it is the hallmark of a quality establishment to clear conscientiously, taking the time and care to remove dirty dishes and flatware quietly and purposefully

instead of slinging them around. Whenever you clear a table, focus on what you're doing and be aware of the noise you are making. The care you take will enhance your members' dining experience.

**86'd Items.** When the kitchen announces a menu item as "86'd," i.e., runs out of an item, servers must pass the word to other servers as quickly as possible. It is disappointing to a diner to order a menu item, only to find out that is no longer available. Spreading the word allows a server to mention such items when announcing and describing the day's specials to a table.

**In the Weeds.** Getting "in the weeds" can happen anytime without warning no matter how prepared a server is. While experienced servers know how to kick into overdrive and dig themselves out, it's also important to let your supervisor and fellow servers know. While you may think they should be able to see when you need help, don't make this assumption. They're focusing on their own tasks and may not notice. Everyone is part of a team—and teammates are there to help. Usually, being in the weeds passes as quickly as it comes, and often all you need is a helping hand for just a few minutes.

**Be Alert.** Always keep an eye on your tables. You can usually tell if a diner needs something as they will be looking around or trying to get someone's attention. Observe or check back with your tables frequently to see if everything is all right or if you may get them something else. Be sensitive, though, to diners who are engaged in deep discussion or are enjoying a romantic evening together. They may not appreciate ongoing interruptions. Always take your cue from diners.

**Ordering by Memory.** While it's impressive when a server takes orders by memory, not everyone is able to do this. Usually, a server will not have the confidence to do this until she's been working at the club for awhile and is thoroughly familiar with all aspects of food service. If one is comfortable enough to try, start small by doing it with tables of two. Once your confidence is up, try it with larger tables.

# Engaging Members with Confidence

Front of house food service employees have intensive interactions with members and there are a variety of things they must do to ensure they engage members properly and successfully:

- **Be Prepared.** No matter what their job is, they must be prepared to meet, greet, and serve members professionally and efficiently. This requires that they be prepared for each member encounter. For food servers this means that they know and efficiently execute all requirements of their positions and that they are thoroughly familiar with service techniques, as well as all F&B items the club serves.
- **Mental *Mise en place*.** *Mise en place* is a French phrase defined as “everything in place.” The phrase is used in a culinary sense to refer to organizing and arranging all ingredients required to prepare menu items. In a broader sense it is taken to mean that all employees, both front and back of house, have done the work necessary to be ready to prepare and serve food. But being prepared mentally is just as important as gathering all ingredients and completing all side work. Mental *mise en place* means that servers are familiar with all F&B products offered and have the right attitude and enthusiasm to deliver high levels of service to members.
- **Smile and Desire to Help.** A winning smile and desire to help are bedrock requirements of service.
- **Know Names and Preferences.** As we have said repeatedly, knowing members' names and dining preferences is a major reason people join clubs. The theme song lyrics for the sitcom Cheers as a place “where everybody knows your name” should certainly apply to a private club.
- **Stand Erect.** Posture and body language say a lot about employee confidence and service attitude. When interacting with members, they must stand confidently erect with head held high. Providing quality service is something they should be proud to do.
- **Be Confident.** Members are not impressed by retiring, servile, subservient, fawning, obsequious, toadying (look these words up in the dictionary) people. They'd much rather interact with confident and competent individuals who take professional pride in what they do.
- **Make and Keep Eye Contact.** Servers must make and keep eye contact while speaking with members.
- **Speak Slowly, Distinctly, and Confidently.** When speaking with members, particularly when reciting daily specials, servers must speak slowly, distinctly, and with confidence. While they may refer to notes, they should not read them verbatim. By spending some time rehearsing the particulars of each special, they can describe them confidently while making eye contact with everyone at the table. Speaking too fast is a clear sign of nervousness and will often require members to ask servers to repeat what was said because they didn't understand.
- **Gauge Level of Engagement.** Servers should always take their cue from members as to how much engagement they want. Servers should never presume familiarity no matter how often they've served a member.
- **Demonstrate Knowledge and Competency.** When servers demonstrate both knowledge and competence in all they do, they favorably impress those with whom they interact. This is true not only at the club, but also in life.

# Service Recovery

Despite your best efforts, situations will inevitably arise when members are dissatisfied with **service** and/or products offered. Whether you feel the problem is legitimate or unwarranted is of no consequence. The member is not satisfied, and your only concern is changing the outcome by making a speedy and gracious recovery to the member's complete satisfaction.

To better aid you in making a recovery, we offer the following Seven Step Process, which can be divided into two distinct phases. Steps 1 through 4 constitute the **On-the-Spot Fix**, while steps 5 through 7 make up the **Long-Term Repair** aimed at correcting the underlying cause of the service failure. Therefore, when a member makes a complaint or expresses a concern, here's what you do:

1. **Focus** – stop what you're doing and focus entirely on the member and what he is saying.
2. **Listen** – carefully to fully understand the nature of the problem. Recognize that the underlying problem is not always the one that is being brought to your attention; for example, the complaint may be about the food, but the real issue is slow service. Sometimes you must read between the lines or recognize the issue is larger or maybe different than the one being brought to your attention. Ask questions to seek clarification.
3. **Apologize** – a sincere apology is an absolutely necessity. The club and you personally are sorry for any service failure, so you should never be shy about or slow to fully apologize. After apologizing, tell the member what you are going to do to correct the problem. If the member still seems dissatisfied, enquire what you might do to make it right.
4. **Make It Right** – quickly, efficiently, and discreetly to avoid any possible embarrassment to the member.
5. **Assurance** – after the situation has been made right, approach the member when convenient and let her know that the matter will be addressed formally by management.
6. **Notification** – if the failure is serious enough or the member does not seem fully satisfied, notify your supervisor, department head, or manager on duty so she can also approach the member to discuss the situation and apologize.
7. **Report** – When you have time, but no later than the end of your shift, fill out a Service Issue Resolution, [PCPM Form 180](#) (see next topic), describing the situation, your assessment of the underlying cause, your efforts to recover, and the member's mood after recovery. This form is used to more formally address the problem and gives the F&B director, clubhouse manager, or general manager an opportunity to call the member after the fact to apologize again and discuss the issue further.



Unfortunately, there will always be mistakes and failures, but what has gone wrong is not nearly as important as what you do next. Staff should discuss recovery techniques frequently and share stories of both successful and unsuccessful recoveries so that everyone can learn from your experiences.

# Service Issue Resolution Form

Name: *Jennifer Hansen* Department: *Food and Beverage*

Job Title: *Server*

Date/Time of Issue or Incident: *Sat, 8/16, 6:20 p.m.* Location: *Main Dining Room*

The Service Issue Resolution form is to be used to learn lessons from service issues involving customers. The form must be filled out anytime an employee uses his authorization to spend money to resolve an issue, whether by "comping" a meal or service, providing a token or apology, or doing something special for a customer. It may also be used anytime an employee witnesses a potential service problem or has an idea to improve service or service delivery.

Name(s) of Customer(s): *Mr. and Mrs. Robert Jones and two children*

Describe Service Issue or Incident:

*Mr. Jones ordered his NY Strip Steak rare. When Mr. Jones cut into his steak, it was cooked medium. In checking with the kitchen I discovered that John Thompson picked up the wrong plate and served Mr. Jones' steak to one of his tables. It took the kitchen ten minutes to prepare another steak. Mr. Jones was not happy since they were on their way to the movies.*

Continue on back if necessary

Contributing Factors to Issue or Incident:

*As busy as we were Saturday night, we did not have an expediter. At the time I picked up my order there must have been six other orders in the window. An expediter may have prevented the problem.*

Resolution of Issue or Incident:

*I "comped" Mr. Jones' meal and brought complimentary desserts for his children while he was finishing his dinner. I overheard Mr. Jones tell his wife that this was the second time in the past month that his steak had not been prepared as he ordered it.*

Recommend Follow-up Phone Call:  Yes  No by whom:  GM  Dining Room Manager

Suggested Process Improvement to Avoid Future Issues:

*In addition to an expediter on all busy nights, why don't we order some plastic markers to put into the steaks to indicate the degree of doneness? It might preclude servers picking up the wrong orders.*

Employee's Signature: *Jennifer Hansen* Date: *8/16/18*

Supervisor's Signature: *Michael Rienzi* Date: *8/17/18*

Always learn from mistakes and share what lessons are learned with everyone on the service staff.

Service Issue Resolution, PCPM Form 180, is available [here](#).

# Are Your Service Apologies at Risk?

In Service Recovery (see topic 187), we outlined a method by which employees can make a gracious and effective recovery from any service failure. Step 3 of this process is the apology. Both the club and the employee are sorry for any service failure, so we should never be slow to offer a sincere apology.

While it never occurred to us that employees need to be taught how to apologize, we caught two items some time ago—one on television and the other on the Internet—that made us realize that there are “apologies” and then there are “effective apologies.”

Here’s the detail: Laurie Puhn, a relationship mediator, appeared on a cable news network to critique Steve Jobs’ apology for problems with the newest Apple iPhone’s signal reception. In her comments, Ms. Puhn said that there are four elements to an effective apology:

1. Don’t minimize your failing or error. Make a big deal out of it—as it is to the unhappy member. Say something like, “Mrs. Smith, I realize how much our slow service delayed you . . .”
2. Apologize for the inconvenience caused. “. . . I’m so sorry we have inconvenienced you and your guest.”
3. Offer something to make amends. “As a further apology, I won’t be charging you for your orders.”
4. Say that you hope to have the opportunity to re-earn their trust. “I hope you’ll come back after your tennis match so I can serve you properly.”

A few days later an Internet headline *The Perfect Apology—The ONE Word That Destroys It!* caught our eye. We followed the link to Kate Nasser’s *The People-Skills Coach*. Here’s what she had to say:

“As The People-Skills Coach, I start this post with the assumption that you are willing to take ownership of the impact your actions and words have on others. You are ready to deliver the perfect apology!

Well, the perfect apology is found in simple sincerity and the ONE word that destroys it is . . . IF

- I am sorry IF I hurt you. IF? Do you own it or not? Do you care to rebuild my trust or not?
- I am sorry IF that came across as . . . IF? You are aware that it came across badly so why waver?
- We are sorry IF we have not met your business needs. IF? We wouldn’t be discussing it otherwise.

Your intentions don’t matter much if a team member or a customer is offended by what you have said or done. Rebuild the trust with a sincere apology as soon as you are aware of his/her reaction.

Replace IF with THAT or FOR and see the difference.

- I am sorry FOR the impact this had on you.
- I am sorry THAT came across as . . .
- We are sorry THAT we have not met your business needs. We will . . .

Why does this little change make a big difference to others? Because it is clear that you are putting their needs ahead of your pride. Simple sincerity makes for the perfect apology.”

It’s clear from these two news items that apologies may not be the simple matter we imagined.

# Comprehension Reinforcement

List and discuss three dining service tips.
List two things your servers can do to better engage with members.
Why is service recovery so important?
Why is a sincere apology always necessary in recovery situations?

Why should employees be empowered to make service issues “right?”
What is the purpose of the service issue resolution form?
List the four things your staff must do to offer an effective apology?
How does the word “IF” destroy an apology?



# Reflections

This section is about your reason for being—the **quality** of **service** you render to your members. All your leadership skills, the values you subscribe to, the organization of your operation, your accounting practices, and your management disciplines are only important to the extent that they enable you to better serve your members. Given all that you must do, it is sometimes all too easy to lose sight of this core responsibility of everything you do. Spend some time thinking about the percentage of time devoted to **member relationships** and service compared to all the other fundamentals of your jobs. Here is the most important application of the **Pareto Principle**. You should organize your operations so that the basics happen routinely, as if on automatic pilot; this allows you and your staff to focus 80% of your efforts on your relationship with members. Consider the techniques covered in this section and how they might assist in those efforts. Note any ideas or thoughts you may have on the subject.



# Training

While many managers find it difficult to devote the time, resources, and effort to proper training, they miss the forest for the trees. When a club has a well-trained staff, more problems are avoided, the quality and quantity of work is better, problems are solved more easily at lower levels, member complaints are minimized, and time spent to correct errors decreases. As a result, management has more time for organizational issues, planning, **continual process improvement**, taking advantage of opportunities, and member relations.

A prevalent method of training in the hospitality industry is called “trailing.” This takes place when the new employee follows a long-term employee around. The idea is that the new employee will learn all the right things from the veteran. This, of course, assumes that the veteran was properly trained, knows what she is doing, is conscientious, and so forth.

While there is nothing wrong with appointing individual employees as departmental trainers, they should be selected based on knowledge, teaching ability, patience, conscientiousness, and quality of work. Still, the trainer must have a well-organized, fully-prepared training program to ensure that the necessary information is passed on to each new hire thoroughly and consistently. Finally, the supervisor must monitor the process to ensure the new hire receives correct and consistent information and learns all the right skills.

Determining what skills and knowledge are necessary for each position is easy if the supervisor has created thorough job descriptions. For instance, if one of the principal duties of a server is to be familiar with the club’s food and beverage offerings, then the trainee needs to know about all the items on the menu, what the major ingredients are, how they are prepared, any potential allergens, etc.



Formal training should be conducted in frequent, small blocks of time and material. Do not expect a new hire to grasp the multitude of details and instructions received in the first few days of training. Plan for appropriate breaks and intermix instruction with tours and demonstrations.

The best way to teach someone a new skill is to tell him how to do it, show him how to do it, allow him to do it, and constructively critique his effort. Not everyone has the same comprehension skill. It may require several sessions to teach a particular skill. Supervisors should also create a list of the competencies that must be learned for each position and check them off as employees master them.

Finally, department heads should never assume that others will do the necessary training of their departmental new hires. While the HR manager and others may provide certain training, it is ultimately the department head’s responsibility to ensure that employees are properly trained.

# Types of Training

There are significant benefits to a well-trained club staff, but proper training requires well-organized and disciplined management to undertake the challenging effort.

There are a wide variety of topics that must be taught to both managers and employees to fully prepare them for their jobs.

1. **Leadership Development Training for managers and supervisors** – designed to promote consistent, club-wide leadership skills which are the driving force behind the club’s success.
2. **Club Culture Training for all employees** – designed to foster a thorough understanding of the club’s values and service culture.
3. **Organizational Systems Training such as Personnel and Accounting Standards, Policies, and Procedures (SPPs) for managers and supervisors, as well as departmental SPPs for employees** – all designed to teach the underlying requirements and expectations that permit the club to operate efficiently.
4. **Legal Compliance Training for managers, supervisors, and employees** – designed to provide all required training in matters with legal implications for the club, such as Equal Employment Opportunity, Fair Labor Standards Act, Sexual Harassment, and others.
5. **Liability Abatement Training for managers, supervisors, and employees** – designed to limit the club’s liability exposure for occupational safety and health, food sanitation, public health, and responsible alcoholic beverage service.
6. **Departmental SPPs, Organizational Systems, Job Skills and Service Technique Training for employees** – designed to give each employee the knowledge and skill set necessary to perform his job and meet standards of service.

Items 1 through 5 above should be developed by the club and provided club-wide for consistency sake; item 6 is specific to each department and should be developed and taught by individual department heads.

*Leadership on the Line – The Workbook*

# Etiquette Training

To expect that a wide assortment of employees with diverse backgrounds and socio-economic life experiences will have an appropriate understanding of the expected behaviors and decorum for a private club is unrealistic. They must be trained!

Forty plus years in hospitality management have proven to me that etiquette is a basic training requirement for all club employees. Like any other management expectation of its employees, such as dress and grooming standards and the requirements and rules of conduct, club etiquette must be taught consistently to all employees. Topics to cover include:

- Respect for others, both members and fellow employees.
- Common courtesies such as attitude, mood, and smiles; using names and titles when addressing members; using please and thank you, yes ma'am and no sir; interrupting personal conversations; stepping aside and holding doors; offering assistance; the inappropriateness of personal habits such as smoking, drinking, eating, and chewing gum in the presence of members; and the need to take breaks out of view.
- Appropriate and inappropriate words and phrases, as well as the need to act naturally and sincerely in all dealings with members.
- Body language and how it can convey unintended messages.
- The importance and impact of tone of voice.
- Alertness and responsiveness to members.
- Focus on the task at hand and satisfying members.

These topics should be designed as a basic introduction to appropriate behaviors, **demeanor**, and **decorum** in the club, but managers and supervisors must continue to reinforce and expand upon the concepts of club etiquette in all they say and do. Most importantly, club etiquette should be continually discussed in pre-shift meetings where actual service situations and issues are reviewed.

The result of basic club etiquette training and ongoing discussion of appropriate behaviors and decorum are employees with a uniform understanding of the finer points of service in all their interactions with members and guests.

# On the Go Training

Given the amount of training that must be done in the detail-intensive club environment and the high cost of training, managers should use the “On the Go Training” concept to develop short lessons that can be used in the spare moments of every shift.

Clubs face a challenging training burden if they are to deliver the service levels expected by their members. Yet with tight budgets how can managers meet their training obligations while controlling costs since every hour of training is a payroll hour for each employee being trained? Add to this the difficulty of getting all departmental or section employees together at one time for a formal training session. And of course, ongoing turnover requires continual and consistent one-off training for new hires.

The answer to these challenges is to build training programs around the [On the Go Training](#) concept where material is formatted in brief—no more than five to ten-minute sessions. In every shift, in every club department, there are spare moments, time when employees have finished their shift preparations, time when employees are socializing among themselves or awaiting instructions from supervisors. Since the club is already paying for this time, put it to good use.

In every department there are hundreds of operational details that employees must learn and be reminded of with some frequency. This is just as true in food and beverage, as it is in golf operations, golf course maintenance, aquatics, and activities. All that is necessary is for the department head to outline training requirements in brief doses and format them so they can be pulled out at a moment’s notice for either group-led or individual self-instruction. One manager who used Food and Beverage Training on the Go found that the most effective way to use this material was to assign employees the task of teaching each other specific on-the-go topics (see topic 199).

With today’s ability to find anything on the Internet with just a few keywords and keystrokes, all the information needed to teach employees values, etiquette, product knowledge, safety, security, sanitation, HR requirements, responsible beverage service, or how to operate and maintain any piece of equipment is readily available. It just has to be formatted for easy use.

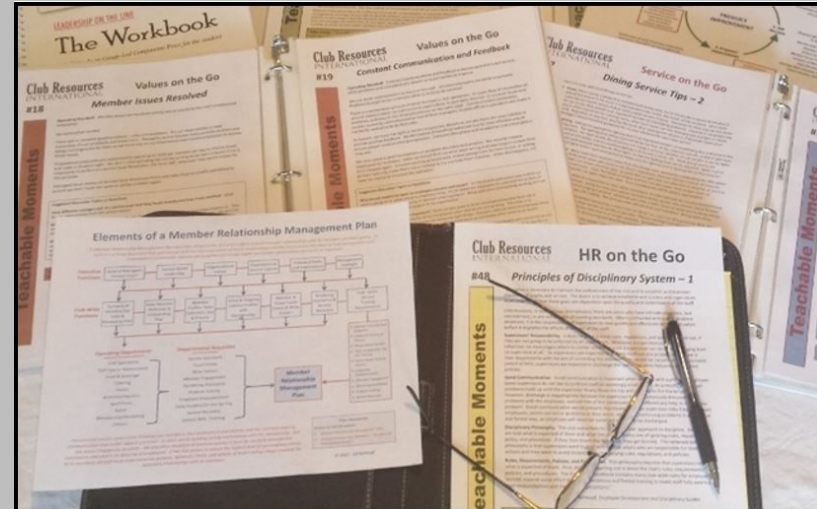
# Training Requirements and Principles

Before establishing training requirements, the club must determine in great depth its operating **standards, policies, and procedures**. They are, after all, the backbone of any organized system of training. But there are certain things necessary for a training program to be successful:

- Leadership – the **will to make it happen**.
- The necessary focus and attention.
- Designated responsibilities and **accountabilities**.
- Established training objectives, standards, guidance, and budget.
- Curriculum development for each position.
- Administrative system or software to monitor and track training compliance.
- Training **benchmarks** and reports to track time and costs of training effort.
- Standardized list of teaching aids and equipment to facilitate training.

There are a number of principles which affect the development and implementation of a club's training effort:

- Not all employees learn equally well or fast; and not all employees find the same teaching methods conducive to learning. Therefore, there is a need to develop training formats that meet the needs of all learners. Such formats might include self-study manuals, **checklists**, handouts, quizzes, YouTube videos, Power Point presentations, **On the Go Training** material, scripting of key member **touch points**, and ongoing discussions at staff meetings.
- Training employees is not a one-time task. New employees must receive initial training, but the amount of material that must be mastered requires that initial and refresher training be given in most topics and job skills on an ongoing basis.
- Some sort of pre-shift meeting should be used by every department every shift to inspect staff, remind them of important service details, provide On the Go Training, and ensure every employee has the proper mind-set and enthusiasm to deliver high levels of service.



- Some training, such as the topics of sexual harassment and safety, is required by law. Because of legal and liability issues, such training must be consistently taught throughout the club and thoroughly documented.
- All individuals tasked with training responsibilities must be trained. Completing some form of a *Train the Trainer* class should be a prerequisite to training other employees.

# Initial and Ongoing Training

The Ritz-Carlton hotel company, known for its “legendary service,” believes initial training to be so important that new hires are not allowed to interact with hotel guests until they’ve completed their basic training. As they say, they don’t allow their employees to “practice” on their guests.

There is much that new hires must learn in the detail-intensive club business. We have also said that the sheer amount of material that must be learned by new employees is difficult to absorb all at once. Finally, we have pointed out that different people learn in different ways and that training material must be provided in various formats to meet the needs of all learners.

What all this means is that the training needs and materials for the club and for each position in the club must be carefully identified, designed, and deployed. In the broadest sense, the club must decide what training topics and skills are considered critically important, what skills new hires must learn immediately, and what topics must be taught in the initial period of employment. Beyond this, there are important topics that require ongoing review, as well as required training that must be given and documented on a regular basis (usually annually) such as sexual harassment and safety topics.

Given these needs, the club and department heads must design new hire orientations, both club and departmental respectively, to cover and reinforce critical information and skills that employees need to know. Then each department head should design his or her department’s initial training requirements based on the necessary curriculum for each position. These topics should be documented for each new hire as they are completed.

Finally, recognizing the need to continually reinforce key **standards, policies, and procedures**, as well as to meet legal requirements and avoid liability issues, refresher topics must be scheduled, taught, and documented on an ongoing basis.

# Training Curriculum by Position

## General Knowledge

- Food
- Alcoholic beverages
- Tableware familiarization
- Food service policies
- Service protocols/sequence
- Service etiquette
- Uniform/dress code
- Personal hygiene
- Dining room familiarization
- Kitchen familiarization
- Location of supplies and stocks

## Point of Sale Training

- Opening ticket
- Ordering/changes to order
- Closing ticket/member charge
- Adjustments/voids

## Club Fare Familiarization

- Lunch/Dinner menus
- Menu selling sheets
- Dessert menu
- Beverage selection
- Beer selection
- Wine selection
- Spirits/Cordial selection
- Specialty drinks
- Daily specials
- Condiments

## Pre-Shift Setup

- Table settings
- Section prep
- Dining room sidework
- Kitchen prep
- Reservations
- Pre-shift meeting

## Meeting/Greeting/Seating

- Table/Section #s
- Reservations
- Table selection
- Seating and assistance
- Highchair/booster seats
- Menu presentation
- Wine list presentation
- Daily specials

## Table Service

- Beverage order
- Food order
- Food service techniques
- Wine service
- Beverage service
- Clearing courses
- Dessert service
- Coffee service
- Presenting charge ticket
- Table resets

## Special Service Issues

- Differently-abled patron
- Children
- Elderly
- Responsible Beverage Service
- Resolving complaints
- Difficult member/guest
- Slow service
- Adjustments

## Member Service

- Greeting
- Engagement
- Inappropriate words/phrases
- Body language
- Tone of voice

The first step in preparing a curriculum is to analyze any position in detail and develop an outline of the knowledge, information, and skills that employees in that position must master. Most of the knowledge and information can be read, studied, and reviewed by the new hire, but many of the service techniques and skills will need to be demonstrated by the supervisor and then practiced by the employee to ensure proficiency.

The sample listing of topics at left is for a dining room server. This list is necessarily abridged for space considerations but gives some idea of the level of detail that must be mastered.



# A Direct Line to Food Service Profits

Some years ago, our club was selected to field test the **Training on the Go** program (see topic 208 for further information). Initially, the program was met with some resistance from the front of house staff. They felt that the program was another monotonous program whereby the dining room managers preach F&B mechanics to them for what seemed like hours. Upon the staff's recommendation, I changed the program's delivery and made it involve the servers and bartenders more than the dining room managers.

In this new delivery, the servers studied a pre-determined module and then they were charged with presenting it to the rest of the staff. This was the key to making the program work. Now, servers would become teachers and would instruct their "class" in the pre-shift meetings. There was no way to avoid having to teach a module as we required busboys, hostesses, servers and bartenders alike to instruct a class twice a month.

At first, the food service staff was enthralled by the alcoholic beverage information, especially the histories of liquors and wines. This is the easiest part to teach because young servers seem to have an interest in learning about alcohol. After they taught the beverage portion, we focused on foods and specifically our restaurant's menu. With the help of our chef, we were able to discuss the history of our menu choices, which wines would complement which entrées, and how to sell the daily features. After the beverage and food modules were taught, we moved on to other important issues such as the steps of service, flow of the dining room, recovery techniques, etc. In the end, 94 modules were taught over a 16-month period. Some of the more important modules were repeated. After completing the modules in order, we have now begun to teach them in random order and allow the staff to choose the module they wish to teach.

Once the *On the Go Training* program was instituted and the bugs were worked out, several amazing things happened in our restaurant. The first noticeable change was in the demeanor and confidence of the front of house staff. Almost instantly, they became more comfortable discussing foods and beverages with members and guests and with making recommendations. Their newly gained knowledge of the preparations and histories of the food and beverages helped them to become more confident in their ability to answer members' questions. They looked forward to being asked about the history or preparation of certain items and the social interaction that was created when these questions were asked.

The second noticeable change was that our front of house staff turnover rate declined. Our servers enjoyed coming to work and were not as apt to move on to other restaurant opportunities. The staff felt more a part of the club and they enjoyed getting to know members more personally through their social interaction. The staff no longer felt they were going through the motions while waiting for the next new restaurant to open in the area.

The third and most noticeable change was in the number of appetizers, desserts, and after-dinner drinks sold during the dinner shifts. Just by gaining knowledge of these items, servers were able to discuss daily specials, make suggestions at every table they were serving. The increase in the *à la carte* average check was immediate. The servers' confidence created an aura of professionalism and tapped into our restaurant staff's competitive nature. Personal bets were being made to see who could sell the most wine or desserts. Managers started offering a complimentary dessert to the server who sold the most after-dinner drinks. The front of house staff loved the competition and it drove our sales to levels not seen in the past.

*Chris Conner, CCM  
formerly GM, The Peninsula Yacht Club;  
currently COO, Cullasaja Club*

# Reminding and Reinforcing

Given the immense amount of information club employees need to master, there is an ongoing need to continually and consistently remind employees of basic workplace knowledge, skills, and attitudes. The problem for managers is the sheer size and scope of undertaking a thorough training regimen for employees.

Recognizing this challenge, here are some tools and ideas that will help teach and reinforce key information:

**Checklists.** Checklists provide a reminder to employees of tasks to be completed during a work shift or on a periodic basis. They also ensure accountability for completion of key tasks by employee signature on the checklist. Examples are Opening Checklists, Closing Checklists, and Daily, Weekly, and Monthly Cleaning Checklists.

**Service Pocket Cards.** Some clubs provide pocket-sized summary of **organizational values** to be carried by employees while on the property. The pocket cards serve as a constant reminder of basic values.

**The Daily Tip** are daily pointers or quotes to reinforce service principles and techniques. These brief reminders are printed on 8½ by 11-inch card stock, placed in document protectors, and posted by time clocks, on e-boards or bulletin boards, or any other prominent location.

**On the Go Training materials.** These are short training topics on a variety of subjects. They can be pulled out by managers to review with employees whenever a brief period open up, during pre-shift meetings, and other opportunities when employees gather.

**Notable Quotables.** Ultimately, teaching and training is about getting managers and employees to think about the many facets and nuances of leadership, organizational values, management disciplines, and service. This can be done effectively by providing constant reminders of key points. What could be simpler than printing out and posting or discussing any one of the over [550 Notable Quotables](#) available on the Private Club Performance Management Marketplace store.

“The three keys to inspiring . . . service – Reinforce, Reinforce, Reinforce.”

*Mac Anderson*

**The Year of . . .** Taking a cue from the United Nations and other large organizations, select an important topic or task and focus the entire staff on it for a year. Focusing on a topic for a full year takes some effort and should be reserved for major campaigns of strategic value for the organization. Examples might include The Year of Personalized Service, The Year of Formal Training, or The Year of Improved Safety.

**The Weekly Focus.** There are fifty-two weeks in a year and literally hundreds of details and tasks in any service business. By focusing on one specific detail or task for a week, such as suggesting and describing or operational policies, management can give detailed standards, instruction, and emphasis for a specific item. When the employee moves on to a new topic the following week, they will still retain much of the previous week's emphasis.

**The Monthly Focus.** This is the same as the Weekly Focus but stresses a larger and more important issue to the success of the business, such as employee courtesy or getting orders from the kitchen to the table quickly.

The result of these initiatives is to bring values, organization, discipline, and execution to an enhanced state. Over time, the consistent focus and repetition will institutionalize key success factors.

# Comprehension Reinforcement

Why is training so critical in club operations?
What training must be developed by departmental managers?
List three types of training that managers should receive.
Why is etiquette training important in clubs?

Explain the concept of <b>On the Go Training</b> .
List and discuss two training principles.
Why is it important to outline a training curriculum for each position?
Why is it important to remind and reinforce key service requirements?



# Food Service Disciplines Summary

Most club managers would agree that food service is the most challenging part of their operations, but recognizing that knowledge is power, this summary of **disciplines** will enhance any operation's bottom line.

- **Benchmarking revenues, cover counts, and average check by day of week and meal period.** This will help you schedule staff more efficiently, monitor sales trends, and allow you to track the success of new menus and efforts to suggest and describe menu items.
- **Benchmarking payroll cost, hours worked, and average hourly wage by pay period.** This essential discipline will allow you to stay within budget, monitor overtime, and control your most significant expense.
- **Formal forecasting** by using historical cover benchmarks and knowledge of upcoming events, external factors, and optimum staffing levels, you can ensure expected service levels in the most cost-effective way.
- **Timely and accurate inventories and benchmarking of inventories.** This will ensure budgeted cost of goods sold and identify any adverse outliers or trends for investigation. A further discipline that will yield significant benefits is to identify and inventory high value items weekly.
- **Sales mix analysis.** This discipline will help you understand your members' dining preferences while protecting profit **margins**.
- **Basic dining policies.** Well-thought out and promoted dining policies will give all members an equal opportunity to enjoy the dining services while ensuring the highest service levels for all.
- **Consistent pre-shift meetings** with a purpose and continual **On the Go Training**. There is no better way to prepare and train your staff for service.



- **Product knowledge and suggesting and describing training** for servers. They can't promote what they don't know, and servers well-trained in these techniques will enhance your members' dining experiences, while increasing your operation's average check.
- **Suggesting and describing feedback.** If servers are provided daily sales goals and feedback on their efforts to suggest and describe, they will be far more engaged, enthusiastic, and effective in increasing their average checks. You just need to provide the numbers to them daily.
- **Real Time Accounting.** This powerful discipline of tracking revenues and expenses in real time will ensure your bottom line, make you more knowledgeable about your operation, and make preparing future budgets a breeze.

Food service managers should make these **disciplines** part of their daily and weekly routines. Once these disciplines are instituted and mastered, many of them can be delegated to properly-trained and motivated subordinates. When consistently applied, these basic and commonsense disciplines will enhance both profitability and member service. What more could you want for your operation?

# In Closing

We have covered a lot of ground in this book on food service operations in private clubs, much of it basic, but also some innovative best practices. The purpose in covering such a wide range of material is to spell out in greater detail the breadth and depth of necessary leadership and management disciplines so that you may assess your own practices.

No doubt you already do many of them in a disciplined fashion. But there may be areas where you can add to or enhance your best practices for improved results. The necessity and means to do this will vary from club to club and operation to operation. So, it's up to you to evaluate your own needs and consider what practices and programs you might like to implement in your club. In the process of doing this, some things may be easy to add—the low-hanging fruit. Others may represent a bigger bang for your effort and cost. Some will undoubtedly call for using the **Pareto Principle** in that a smaller effort will yield the biggest results.

However, you decide to proceed, we strongly recommend that you lay out a reasonable plan of improvement and accomplishment along with assigned responsibilities, timelines for accomplishment, and milestones for deliverables. In some cases, you'll need to prepare cost-benefit analyses to justify added staff or increased budget. Understand that sometimes you may need to spend some money to get better organized—for instance on the one-time cost of developing or purchasing departmental **standards, policies,** and **procedures** or detailed training materials.

In seeking additional resources, you will need to justify your plans to the general manager or club board. Through logical argument and, in many cases, just plain common sense, you must demonstrate the validity of your ideas and the benefits to the club and its members of your proposed course of action. We hope and trust that you will find the materials in this book helpful in those efforts.

We strongly believe that the concepts and principles in this book transcend food service operations and will serve you well in any number of organizational leadership positions. As a refresher, we suggest you retain and periodically review the material in this book.

Finally, we wish you the best of luck in all your endeavors.

*Ed Rehkopf*









# Operational Resources

Throughout this book we have referenced various club operational resources and shown samples of specific forms.

These materials can be found on the [PCPM Marketplace Store](#).

To further assist you in your quest for **quality** and **service**, here are some of the specific resources you might find helpful:

[Leadership on the Go](#) – 53 topics that can be used for discussions at staff meetings, as reading for managers, or to explain the organization’s leadership style to newly hired managers and supervisors. The perfect tool for teaching consistent **Service-Based Leadership**.

[Organizational Values on the Go](#) – A proven training tool to constantly and consistently remind your management team of **organizational values**. These 53 values topics in a wire-bound book can be used for discussions at staff meetings, as reading for managers, or to explain values to newly hired managers and supervisors. Includes topics on **Mission, Vision**, Guiding Principles, and Operating **Standards**.

[Service on the Go](#) – The 54 topics in the Service on the Go book cover such topics as The Foundation of Service, Principles of Service, Attitude, Basic Service Issues, Teamwork, Etiquette, Common Courtesies, Appropriate and Inappropriate Language and Phrases, Body Language and Tone of Voice, The Challenges of Food Service, The Pre-Shift Meeting, Suggesting and Describing, Member **Engagement**, Dining Service Tips, Service Recovery, **Wow Factors**, and more. Taken together they form an incredibly effective tool for training new employees and reminding longstanding employees of the basics of service and service delivery.

[Accounting on the Go](#) – The 37 topics in this book are a perfect tool for training and reviewing critical accounting and financial management **best practices** with managers and supervisors. Each topic is designed to cover essential information in 5 to 10 minutes.

[Management Discipline on the Go](#) – 124 topics covering management best practices. A perfect tool for training and reviewing critical best practices with your club management team.

[Food Service Management on the Go](#) – Another On the Go Training tool in a spiral-bound book containing 133 best practice topics to remind and reinforce the necessary **disciplines** in running a high-quality and high-performing food service operation. In addition to well-known practices, this collection contains a number of innovative ideas to improve and transform the most challenging part of your hospitality operation.

[Alcoholic Beverages on the Go](#) – 136 training topics covering beer, wine, and spirits to help train your servers to suggest and describe.

[The Power of Employee Empowerment](#) – This 27-page wire-bound guidebook explains the concept of **employee empowerment** and what it takes to achieve it. A great training tool for managers at all levels and a perfect complement to Service-Based Leadership training.

[Leadership on the Line, A Guide for Front Line Supervisors, Business Owners, and Emerging Leaders and Leadership on the Line – The Workbook](#) – These two classic books that describe Service-Based Leadership are written specifically for the hospitality industry and are the perfect tool to bring your management team to a common understanding and application of leadership.

# Key Terms and Definitions

- **100/0 Principle** – title of a book by Al Ritter advocating that if you want any relationship to be successful, you must take 100% responsibility for the outcome while expecting nothing in return; a particularly important counter-intuitive concept for leaders.
- **Accountability** – the obligation to accept responsibility for one's actions, specifically for the performance of an operating unit for which one has authority and is responsible.
- **Benchmark(s) (ing)** – the act of measuring and analyzing operating performance.
- **Best practice** – a method or technique that has consistently shown results superior to those achieved by other means.
- **Bottom line responsibility** – responsibility for the financial performance of an operating unit; figuratively: responsible for the performance of all aspects of the operation.
- **Brand** – a name, term, design, symbol and methods of operation that distinguishes one commercial enterprise from others. Brands are used to readily identify and market one's company or product.
- **Chart of accounts** – a chart of the numerical codes identifying the ledger accounts in an accounting system.
- **Checklist** – a list of steps to be followed in any set of procedures; used to remind and as a tool for accountability when dated and signed by the completing individual.
- **Comprehension** – the act or capability of understanding something.
- **Constituents (cies)** – those individuals or groups who depend on you and for whom you must provide leadership and service.
- **Continual process improvement** – the discipline and methodology of constant review of all aspects of operations to include work processes, standards, policies, procedures, organizational systems, programming, training, and administration to ensure they attain a new level of performance that is superior to any previous level.
- **Culture of service** – the total ways of working and interacting built up by a group of people within an organization and transmitted from one generation of employees to another; the attitude, commitment, and methods of providing service to members.
- **Daily huddle** – a habit of employees meeting briefly at the start of each shift to review a wide variety of topics and issues impacting their performance; also, pre-shift meeting.
- **Decorum** – proper and polite behavior.
- **Demeanor** – a suggestion of one's attitude toward others as expressed in outward behavior.
- **Discipline** – any activity, exercise, or regimen that develops or improves a skill.
- **Disciplined** – working or behaving in a highly purposeful manner guided by personal standards and habits.
- **Disciplines, management** – those prescribed management practices that contribute to the performance of an organization or enterprise.
- **Due diligence** – measure of prudence, responsibility, and care that is expected from a reasonable person in evaluating associated risks in all transactions.
- **Economies of scale** – the cost advantages that enterprises obtain due to size, output, or scale of operation.
- **Employee empowerment** – the perception and understanding by employees that they can, within defined limits, use their own initiative and ideas to solve organizational problems with the support and backing of their leaders.
- **Engagement** – involvement; in this instance, leaders involved in the efforts of their followers and employees in their work and service to members.
- **Expectations** – clear statement of standards and expected performance.
- **Expense dictionary** – an alphabetical listing of which general ledger accounts individual expenses are charged; used to promote consistency in coding invoices.
- **Fair Labor Standards Act** – a 1938 Act of Congress, establishing the forty-hour work week, a national minimum wage, overtime pay for certain “non-exempt” jobs, and prohibition of some types of employment and work by minors; amended many times over the years to add new protections and raise the minimum wage.
- **Freedom to fail** – the acceptance of failure as a necessary risk in innovation; allowing subordinates the latitude to exercise, within established limits, their own initiative and innovation in solving problems without fear of punishment.
- **Generally Accepted Accounting Principles (GAAP)** – the standard framework of guidelines for financial accounting used in any given jurisdiction.
- **General Ledger** – the book of final entry summarizing all a company's financial transactions, through offsetting debit and credit accounts.
- **Hedgehog Concept** – according to Jim Collins in his best-selling book *Good to Great*, “the piercing insight into how to most effectively generate sustained and robust cash flow and profitability”; an essential focus in Good to Great companies.
- **Holistic** – encompassing the whole of a thing, and not just the part(s).
- **Incremental progress** – the process of taking a large or long-term goal and segmenting it into a series of steps to complete the larger whole; continual progress toward a goal.
- **Insight** – the ability to gain an accurate and deep intuitive understanding of a person, thing, or idea.
- **Internal control** – the systems and procedures established and maintained to safeguard a club's assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies.
- **Internal customer** – anyone within an organization who at any time is dependent on the work or efforts of anyone else within the organization.
- **Job description** – a listing of the principal duties expected of a certain position in an organization.
- **Key performance indicators (KPIs)** – those business operating statistics and benchmarks that are significant in measuring and revealing the performance of the enterprise.

# Key Terms and Definitions, continued

- **Margin** – the net left after all expenses have been deducted from sales; denotes the remainder left after usual expense deductions.
- **Member preference and feedback form** – form designed to be used by employees in private clubs to capture and record member preferences or comments; an essential step to knowing members' needs and desires and providing personalized service.
- **Member profiles database** – a club database to compile information and preferences of members in order to provide them with a more personalized experience.
- **Member relationship management** – those actions and practices that contribute to the enhancement of a club's efforts to provide quality and service to its members.
- **Menu item selling sheets** – a tool for providing food servers with information about the menu items offered in a food service operation.
- **Minimums, food** – base amount of required food spending by members in private clubs.
- **Mise en place** – a French culinary term meaning "set in place;" describes the necessity of having all ingredients and preparations complete prior to preparing a food order.
- **Mission** – the purpose of an organization; spelled out in a concise mission statement.
- **Moments of truth** – a critical or decisive event on which much depends; a crucial action; service "touch points" in hospitality operations.
- **Monthly departmental summary report** – a summary report highlighting departmental accomplishments, performance benchmarks, progress on goals, etc.
- **Monthly Review of Financial Statements Meeting** – a monthly meeting for the purpose of reviewing departmental financial performance and to update the General Manager on other departmental initiatives and issues.
- **On the Go training** – a training concept whereby learning material is presented in short, easy to utilize lessons; an excellent method to provide ongoing training.
- **Oral history (or tradition)** – a term used to describe an organization that disseminates its values, standards, policies, and procedures by easily-corruptible word of mouth, as opposed to in writing.
- **Organizational values** – the moral and ethical standards that guide an organization's managers and employees in their relationship with all constituencies.
- **Operations plan** – the fully-integrated and detailed description of the organizational structure, systems, and processes that enable the multiple operating departments to deliver a seamless, consistent, and high-quality private club experience to its members.
- **Pareto principle** – an observation that for a wide range of events and activities, 80% of the results come from 20% of the causes; also known as the 80-20 rule.
- **Performance management** – management disciplines used to ensure the optimum performance of an enterprise.
- **Personalized service** – the efforts of a club to tailor service to individual members.
- **Point of sale (POS)** – computerized terminals and software that permit a business to capture sales data during the sales transaction.
- **Policies** – a set of basic rules and associated guidelines, formulated and enforced by an organization, to direct its actions in pursuit of goals.
- **Postmortem** – a term used to describe the practice of reviewing organizational actions and events to learn lessons and improve practices; after-action reports.
- **Procedures** – the specific how to's of performance.
- **Production schedules** – assignment of daily food preparation tasks.
- **Prix Fixe** – a complete meal offered at a fixed price.
- **Quality** – a characteristic or property that signifies relative merit or excellence.
- **Reflection** – thought or consideration; contemplation.
- **Real time accounting** – the practice of tracking revenues and expenses daily as opposed to waiting for monthly financial reports; a binder to keep all required real time accounting documents.
- **Service-Based Leadership** – a style of leadership focused on service to all constituencies described in *Leadership on the Line* by this author.
- **Service** – the act of helpful activity
- **Service ethic** – a set of principles, relating or affirming a service standards.
- **Service pocket cards** – pocket-sized summaries of organizational values carried at all times on duty by service employees.
- **Service touches** – unusual service actions designed to impress members.
- **Shift log** – a communication tool by which supervisors and employees record information that must be passed on to each other and to later shifts.
- **Soft stuff (the)** – the interactions between an organization and its people.
- **Staffing guides** – determination of departmental staffing needs by employment categories; used to staff efficiently based on expected business cycles.
- **Standalone operations** – small enterprises dependent upon their own limited resources to execute a wide range of business best practices.
- **Standards** – the established method and means of performance.
- **Touch points** – those critical events that shape and define a member's impression of service and service delivery; also called "moments of truth."
- **Vision** – an aspirational description of what an organization desires to be.
- **Will to make it happen** – intent, focus and determination to accomplish a task or goal.
- **Wine selling sheets** – a tool for providing food servers with information about the wines sold in a food service operation.
- **Work plans** – written listing and timing of a manager's proposed accomplishments.
- **Wow factors** – unusual and unexpected activities and events executed to impress members.
- **Zero-based budgeting** – the act of building budgets from scratch.



### About the Author

Ed Rehkopf is a graduate of the U.S. Military Academy and received a Master of Professional Studies degree in Hospitality Management from Cornell's School of Hotel Administration. During his long and varied career, he has managed two historic, university-owned hotels, managed at a four-star desert resort, directed operations for a regional hotel chain, opened two private golf and country clubs, worked in golf course development, and launched a portal web site for the club industry.