The Big Risk of Staying the Same

By Joie Schoonover

Change is hard for an organization when times are good and there is no compelling motivation. Change is easier to sell when there is an outside threat, like the current economic meltdown. The opportunity this presents is as real as the consequences of inaction. Specifically, almost every food service needs to “do more with less,” which frequently means putting a big chunk of money on the bottom line that was probably not budgeted in the normal cycle. If we agree that change is needed, what is the next step?

Question everything! In our business, this can be a staggering concept. Why? Because of the scale and complexity we manage. Think of the number of transactions that occur in a typical business week on a large campus, and you quickly get into the tens or hundreds of thousands of “things to manage:” sales to customers, orders and receipts of products from vendors, issues of product to production, inventory tallies, production forecast, prep lists, thaw sheets, and we could go on … This is one reason that in good times, there was a tendency to look at the bottom line, ignore the messy details and pat your manager-self on the back. No more. Let go of the notion that “we’re in a simple business” (a common and dangerous misconception rooted in the fact that everyone cooks and eats — how hard can it be?) and dive into the details.

It is easy to be overwhelmed by these details. It’s hard to look at the same thing and see something different, which is what is required in order to change. This is why soliciting “outside eyes” is critical. Gaining the benefit of an outside perspective can be as simple as moving staff from one unit to the next, or as involved as bringing in peer evaluators or outside consultants. The key is that you are asking experienced professionals who do not know what “normal” is to see what opportunities are in front of you but not seen. With the incredibly large number of individual transactions that occur in this business, a very small observation can yield outsized results.

Key areas for your “outside eyes” to review range from the minutia of inventory management and production efficiency to the larger issues of purchasing strategy and menu design. Business results are driven by business practices and these are grounded in your business standards. What typically emerges from an outside review is that the department’s standards need review, and sometimes formalization. The standards are your rules for running your business. If you want to change the business result, you will usually need to review and change your standards and associated practices.

Sometimes simply asking your staff to articulate “why do we take inventory?” or “why do we forecast menus?” yields outsized efficiencies because these activities long ago were separated from their business purpose through repetition. Refocusing your staff on the underlying business standards that require common practices is one of the very positive outcomes from a formal review process. Stated differently, it can be very expensive to run a business where practices are detached from the desired outcomes or standards.

The good news is that as an industry, we have “been there – done that” during the recession/inflation double hit in the late ‘70s and early ‘80s (remember 16 percent adjustable rate mortgages?). Granted, college food service was much simpler then, but it was very tightly managed. For the institutions that never stopped managing closely, this article is stating the obvious and the process of evaluation never stopped. For institutions that dropped aggressive management practices in “the good times,” there is great and productive work to be done. Times of change can be very productive and exhilarating if harnessed correctly. Don’t risk missing this opportunity.

Joie Schoonover is assistant director of housing, director of dining and culinary services, Division of University Housing, at the University of Wisconsin-Madison.
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