

# Hire, Train, Retain, Discipline: Restaurant Management for Success



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## Introduction

# It's all about the team.

The secret to opening a successful restaurant isn't only about the food. It's really about managing people. Restaurant owners must relate to and accommodate all types of people every day — and not just customers. Suppliers, corporate partners, equity partners, accountants. Everyone that touches your business, really.

Above all other responsibilities and relationships, it's crucial for you as a restaurant operator to build and maintain a capable staff. These are the people into whose hands you entrust your investment, your assets, and your passion.

Yet, according to the National Restaurant Association, the restaurants and accommodations sector saw a turnover rate

of **74.9% in 2018**. As the NRA noted, turnover rate in our industry hasn't been that high since the Great Recession.

It's not just the disruption that kind of turnover causes in your processes, in the morale of your remaining staff, and for the experience of your diners. Hiring also takes time away from other things that demand your attention as an operator.

In the next four chapters, we walk through how to hire, train, reward, and discipline staff to make your restaurant the type of place where employees will appreciate coming to work.





## Chapter

# Hire

The time needed to find new staff can have a negative impact on productivity for restaurant owners. That's because the pace of your establishment doesn't slow down just because you're short a person on the floor. Hiring quickly — and mindfully — is essential. Here are five of the most effective (and fastest) ways you can ensure you're getting the best person for your team in the shortest amount of time:

### 1. Advertise the right way.

Take a look at how you're advertising job openings. Do you have a sign in the window that says, "Now Hiring" or "Help Wanted?" If so, you may be sending the wrong message, and not just to potential employees. Diners who see these messages may be inclined to

believe you're understaffed, and that their experience will suffer for it.

Instead, try using recruitment materials that include the phrase "join our team." This avoids giving the impression that you're in a desperate situation, and also emphasizes the importance of teamwork in your workplace culture. Anyone can run a generic text ad, but putting a bit of your business personality into the advertisement will attract an employee who loves your brand.

Ultimately, though, the best advertisement for a new employee is your existing ones. If you have hard-working and enthusiastic employees, that energy is going to draw in like-minded servers, kitchen staff, and management. But if you have a number of long-term, less-than-stellar employees on

your payroll, consider what effect that may have on your recruiting effort. Rock stars won't want to work alongside lip syncers just going through the motions.

## 2. Don't throw softballs.

Establishing a formal interview process is another way to weed out potential pitfalls to your bottom line. A lot of businesses, whether they realize it or not, have very subjective hiring systems that don't spend enough time on skills and behavior-based questions. Most candidates will possess qualities that leave the interviewer with a positive impression during the initial interview. Every prospective employee is going to possess some likable traits that might make you inclined to say, "You're hired" to the first candidate. But if you stop there, you may risk making an uninformed choice. Instead, it should be mandatory that more than one person interviews each candidate separately to help even out personal preferences and provide you with alternative perspectives on their suitability for the position.

Stick to a predetermined plan with every interviewee, asking the same questions every time. Role play to observe how an employee would react in a tense or troubling situation. For example, every applicant is probably going to say they would never condone stealing. Instead, ask if they had ever witnessed another employee stealing and what they did about it. You will likely get a more telling answer.

No matter what you encounter in an interview, be sure to treat every applicant with respect. They may not be the best fit for the job, but they could be your restaurant guest one day. Even an unsuccessful interview can be a positive, loyalty-building experience someone shares with their family and friends.

## 3. Look for the three Cs.

The reality is, by the time you hire an employee, there's no changing who they are. No employer is going to be able to change a working adult's personality or attitude. The best you can hope for is that your passion for your business

## The Three Cs of Hiring



Competent



Character



Culture

will be infectious to those who are already passionate about other things.

With that in mind, there are three core qualities you can identify in a potential employee that will build your team into a powerhouse crew over time:

- They are solidly **competent** (as opposed to just experienced).
- They exhibit strong **character** (don't judge anyone simply based on looks).
- They will represent your **culture** appropriately (i.e., that elusive thing called "fit").

It's important as well to not evaluate candidates solely on experience. For example, just because a potential employee may have experience working at a well-known restaurant doesn't necessarily mean they are the best choice for you. Questions you should be asking yourself include:

- Will they adapt well to my way of running a restaurant if it's different than what they're used to?

- Do they speak positively about their last employer(s) and their previous experience?
- How will they mesh with my existing staff?

## Engage your current employees as part of the interview process.

### 4. Get a peer perspective.

Introducing new team members to your staff can be difficult at times, so it's as important to get their buy-in on a new hire as it is yours. Of course, the decision of who will work at your restaurant is yours to make, but it's never a bad thing to let employees feel like they are contributing to maintaining your business' success.

Engage your current employees as part of the interview process by arranging a facility tour for each applicant with someone in their peer group. Not only will you get additional feedback that will go a long way toward ensuring a positive culture fit, but you may even get a few tidbits out of the interviewee that they wouldn't feel comfortable sharing with an authority figure. And the more invested your current employees are in maintaining what they believe to be a positive environment, the more likely they are to help identify potential risks to workplace harmony.







## 5. Find out what motivates the best workers.

In today's competitive environment, it's not enough to offer a steady wage. It's also important to think about what other benefits, both tangible and intangible, that you can offer potential employees.

It's difficult to be the employer that always pays the highest wage, so understanding what motivates your ideal team player (in addition to money) is key. Your clarity on expectations, opportunities, and the culture you want to build can go a long way toward assuring someone that your restaurant is the right choice for them.

Now, what's the best way to find these gold-star employees? Employing a recruiter or making use of a social media service to reach out to potential employees may be a timesaver and can unearth possibilities you wouldn't come across otherwise. It's important to stay ahead of the curve as every single one of your competitors has the same laundry list of needs and challenges regarding turnover that you do.

But even after you've gotten a new staff person hired, the hard work of keeping them has just begun. Read on for tips on **how to train** employees once they've accepted a position with you.



## Chapter

# Train

So, what's the secret behind training a new employee that won't just leave you high and dry at a moment's notice? It's all about developing a robust concept of your corporate culture for them — and you

### What is your culture?

Your biggest concern about training new employees shouldn't be how long it will take to learn a particular task, no matter how important it might be. Teaching steps, building muscle memory, and decoding systems may seem like an arduous process, but they're really simple compared to figuring out how to get your staff to live and breathe your company culture. After all, even the slowest-to-adapt employees can become

superstars if they learn to internalize your restaurant's key mission and values.

When we talk about culture, we don't mean the building, the food, or your policies and procedures. Your people shape the culture. It's the staff and ownership you have right now, and it's the behavior of each one of them individually and in tandem. Herb Kelleher, the former CEO of Southwest Airlines, **had a motto** that reflects this reality: "Competitors have tried and failed to copy us because they can't copy our people."

Culture is also not about heritage or legacy. In many cases, relying on the past to determine your future can make training new employees more difficult. If there is a disconnect between what you say to a new



hire in orientation and what they experience from their peers in the workplace, it's fair to say that employee is not going to get off on the right foot.



Your team needs to speak with one voice and share a mindset about what it means to be successful at your restaurant. Culture dictates that you pick up that piece of trash off the floor, because everyone who works with you would pick it up.

This may mean including co-workers in training procedures, so that it's not a single manager responsible for imparting everything a new hire needs to know. This keeps your existing staff energized, lets them feel like part of the process, and makes the transition from training to every-day business that much easier for the new hire.

And who knows? You may be developing your next great manager in the process.

It may also be necessary to retrain long-term employees who are having trouble seeing the changes that are evolving from the culture in which they were initially hired. For example, behavior that was considered acceptable in your business five or 10 years ago may no longer be viewed that way today. Give your people the chance to adapt to changes in your culture, but not at the expense of developing better habits for newer employees. Because, ultimately, sustainable growth for your restaurant only comes when everyone is headed in the same direction.

**Involve staff in training new employees so they feel like part of the process.**

It's the simplest way to explain how important your training procedures are to the health of your establishment. Without the methodology in place to reinforce your culture, there's no guarantee that the food (or hospitality) you put out into the world will reflect positively on you. Here are three easy ways to get that sense of culture built into the fiber of your entire training regimen:

## 1. Always speak in terms of “we.”

Don't talk about things; talk about people. And always include yourself in the conversation. A good manager will exhibit the culture he or she wants to sustain in every communication or activity, whether it's related to training or not.

If you are constantly saying, “This is how I do it” or “This is how you do it,” you're missing the point. “This is how we do it” exhibits a sense of communal culture that can't be beat. It seems simple, but it's a powerful statement to make about how team members have to work together toward a common understanding.

## 2. Make it memorable.

Anyone can hand new hires a training manual outlining how to greet a customer, but it may not make much of an impact. Instead, make sure your training materials are as energetic and unique as the culture you want it to reinforce.

Guides featuring photographs or instructional drawings are a great way to keep new hires engaged in training, even if they learn in non-traditional ways. Rather than expecting your team to memorize scripts, roleplaying scenarios can unearth the most positive answers to frequently asked questions — and sometimes uncover new solutions your current staff might not have come up with on their own.

Whatever you do, the important thing is that your training feels authentic to your business and it permeates everything and everyone — at every level — throughout your restaurant.

## 3. Keep it going.

For too many businesses, training is treated as a one-and-done proposition once a new employee acclimates, but it's important to maintain touchpoints throughout the entire employee life cycle.

Setting meetings to discuss reality versus expectations is one way to revisit some of the material included in an employee's initial training, but larger employee circle meetings or “lunch and learns” can also be great ways to make sure the culture you are promoting as a manager is sticking.

How do you know how often to schedule these kinds of check-ins? Take the average turnover duration for your employees today and make sure the check-in period is considerably shorter than that.

Next up, we expand on **how to retain** valuable employees with this and other methods.



## Chapter

# Retain (and Reward)

If you're constantly focused on refilling the ranks, it can feel like you never get to the fun or important stuff about your business. How do you take care of your customers and run a business if you're constantly being pulled away to find new employees?

Retaining high-quality staff for the long haul is a top priority in an industry that not only has a high turnover rate, but also has an unprecedented amount of competition within its ranks. One way you can instill loyalty and drive retention of your organization's best employees is by offering rewards.

But how do you put a successful program into place? You can't, without considering these five factors.

### 1. Focus on accomplishment, not just longevity.

Most companies honor anniversaries in some way. Whether it's bagels and a greeting card on their first hiring anniversary or a gold watch on their 30th, employees are accustomed to having their loyalty appraised in terms of years. What this process often overlooks, however, is that it doesn't necessarily take a decade with a company to make a substantial contribution. Focusing solely on rewarding duration with the company may not be the best method for recognizing those employees who are really giving you their best effort.

Some restaurants have begun to move away from annual recognition of longevity to on-the-spot rewards given for actions that



reflect the company's mission and values. This way, employees are more inclined to exhibit the positive behaviors that upper management is looking to foster.

But these changes should be no surprise. Five years of service can seem daunting to a server or member of your kitchen staff. But if there were something positive you could do to stand out today (and be rewarded for it), wouldn't you be inclined to do it?



## **2. Offer the incentive employees actually want.**

The goal of rewarding positive behavior and values in the workplace is not to bribe employees into doing what you already pay them to do. It's about encouraging your staff to go above and beyond the norm, maybe even in ways you can't predict. Conventional wisdom says that an employee is more willing to give their all to something if it involves getting something they really want in return. And, believe it or not, what they want isn't always more money.

Kudos or points that can be accumulated and cashed in for extra days off, dinners, or gift certificates have been very productive for some brands, which have reported both lower turnover and increased productivity at restaurants that embraced the program. And these types of programs can also be beneficial when offering team rewards.

Working toward a mutual target — like an early close or incentive pay — can help teams come together, but it also creates a self-policing system. It can be difficult to incentivize everyone in your roster, but that added bit of peer pressure from colleagues can go further in some cases than demands from the top of the management structure.



## **3. Start planning tomorrow today.**

No matter how busy we become, we can't just focus on today. The future of your restaurant is coming faster than you think, and if you have high-functioning, motivated individuals on your team today, you're more

likely to keep them if you invest in their future as well.

Developing your staff can take time and patience, but it ultimately reaps great rewards. Mentoring each one of your employees and developing action plans for their move up the ladder isn't just about making sure you keep them happy within your organization. It's also about building up your internal resources. How much easier is it to promote an exceptional employee from within than to search for an external applicant who already fits your specific needs? If all you're ever doing is recruiting from the outside, there may be a significant piece missing from your leadership.

**Developing staff takes time and patience, but reaps great rewards.**

Mentorship and succession planning can be scary for managers, too, as the ultimate goal is to create more leaders and more staff worth promoting — essentially putting your best employees on the path to take your spot.

Some of those people may end up finding their opportunities elsewhere — although often long after they would have left had they not had the opportunity to grow and develop under your guidance. But others may end up waiting in the wings as

opportunities for growth come to you. In the best of circumstances, everyone moves up together.

#### **4. Encourage employees to stay inside their circle of influence.**

One of the most frustrating things for an employee (or manager) is coming up with big ideas (or recognizing problems) that are larger than their ability to affect. It can lead to resentment, particularly when it involves other teams or management, not in their direct line. The key to keeping your staff on a positive track is helping them recognize the difference between their circle of concern and their circle of influence.

The circle of concern is anything you care about, but can't necessarily do anything about. This could be things as common as the weather or the economy, or as close to home as your parent company or even some co-workers.

The circle of influence, in contrast, is the area you can impact, such as personal behaviors, team morale, customer experience, and project goals. This is where productivity thrives and employees can build up wins and see real change happen — ultimately leading to a more satisfied, recognized workforce.

The reality is, the better an employee is at affecting change in his or her circle of influence, the larger that circle grows. But if you allow your team to get lost in the circle of concern, that opportunity may never happen.

## 5. Make daily deposits into employees' emotional bank accounts.

In most cases, nothing means more to people than being appreciated and treated well. Listening to your staff, saying “thank you,” keeping promises, and recognizing good work — every day — builds trust that pays dividends in years of hard work and dedicated service. The more deposits you make in the form of affirmation, the better the health of that “emotional bank” account.

It's important to keep those deposits coming, because inevitably, every manager will need to make a withdrawal. A change in plans, an unexpected shift, or a large scale shake-up could be devastating to the trust of a team if you don't have the “available funds” to cover it. Too many repeated withdrawals against a failing account, and you'll lose that employee.

It's not about keeping a running tab, but establishing a culture of appreciation and trust that works to everyone's benefit. You'll have happier employees who want to stay with your restaurant (and you) longer, and they'll have a manager or owner whose employees are considered the best in the business by everyone they meet. Everybody wins, including the most important person — your customer!

However, not every employee-employer relationship is without hiccups, so when the time comes to address problems, you need to be prepared as a manager. Read on for tips on **how to discipline** your employees fairly and without malice.







## Chapter

# Discipline

One of the most difficult parts of managing staff is the disciplinary process. No leader wants conflict on their team. But the reality is, at one point or another, disciplinary action for a workplace infraction will be required of you. Are you prepared to see it through?

Whether it involves a minor warning or a final termination, the disciplinary process needs to be handled with care and without fear. What follows are five guiding principles for maintaining your authority and a positive working environment in the wake of having to discipline an employee.

While these are helpful “guiding principles,” the particular circumstances of your business, your employees, and the situation may necessitate a different course of action

or a consultation with an outside advisor such as an employment attorney in your state.

### 1. Don't make it personal.

First, you should know that this is going to be very difficult, particularly for small business owners. Your personal, financial stake in the day-to-day operations of your restaurant means that every employee loss is also a loss to your own bottom line. Despite that, it's important to keep your handling of the situation factual and reserve your emotion. **Never yell.** Be respectful, even when you feel a staffer has, in your opinion, disrespected you or your business.

Contrary to popular perception, the goal of any disciplinary process is not to punish. It's to correct behavior and give the staffer in question the opportunity to be a stronger employee. The employee then needs to make a choice as to whether they are open to improving or not. Remember, employers don't fire employees. Employees fire themselves.

## Employers don't fire employees. Employees fire themselves.

Ensure that the individual is in the right mental space to hear what you have to say when you schedule the discussion. If you drag them out of lunch or right after a breakup call, the conversation is not going to be very productive. Give yourself the best chance for success by structuring the conversation in a way that leads to a breakthrough. Don't surprise them with a formal discussion unless the infraction is so severe that it must be resolved immediately. Give them a chance to prepare their thoughts while you simultaneously take time to prepare yours.

Of course, if the infraction involves a threat or danger to co-workers or the individual themselves, removal from the premises immediately with the intention to address the problem shortly thereafter is absolutely recommended.

## 2. Have a defined process.

What kind of discipline process do you have in place? If you don't have something formally documented for your employees, now is the time to put it in writing. Having a detailed plan to follow when inappropriate behavior occurs can help ease the discomfort in confrontation and disciplinary action on both sides.

Is your process progressive or single? It depends on the infraction. According to the [Society for Human Resource Management](#) (SHRM), different types of misconduct should be addressed progressively, using some or all of the following steps:

- 1st offense: Documented verbal warning.
- 2nd offense: Documented written warning.
- 3rd offense: Three-day suspension.
- 4th offense: Termination of employment.

It's important to determine the severity of a problem and define that clearly in your employee handbook for your staff. Disregarding dress code or abusing lunch periods may warrant all four of the above steps.

Violating safety rules is serious enough that it warrants, at a minimum, a documented written warning and potentially more serious steps such as suspension or termination. Violence or theft, on the other hand, should result in immediate termination. No matter how you define your process, once you have a formal plan in place, stick with it.

The other upside of having (and keeping to) a defined process? It gives your lawyer an opportunity to review your plan to ensure that it adheres to any relevant federal and state employment statutes, as well as any union agreements your business may need to honor.



Ultimately, discipline (or in extreme cases, termination) should never be a surprise, either because the proper process wasn't followed, or because expectations of employment standards weren't clear from the get-go. Make sure that timing is also a clear aspect of your process. The amount of time between reviews, as well as the time at which an employee is officially out of "probation" and back at square one, are important to define. It will set expectations that everyone — including yourself as a manager — can live up to.

### **3. Document appropriately and consistently.**

Be clear and specific about feedback and expectations. Record dates, times, and

instances of every infraction and subsequent discussion in writing. Compiling all your information in one place not only puts everyone on the same page in discussion but can help serve as your road map to facilitating the conversation. While noting an employee's infraction in writing may seem negative, it also helps ensure that your concerns, as well as those of the employee, aren't lost in the shuffle of the busy restaurant environment.

Writing everything out might also illuminate patterns that would otherwise be overlooked. For instance, if the discussion involves a third party accusation or concern, seeing the details delivered in an objective format can help you determine the differences between standard workplace conflict and harassment.



If you suspect any of your verbal discussion could be questioned down the road, include another manager-level employee in the conversation to serve as a witness. And be sure to have the disciplined employee sign and retain their own copy of any document



you've discussed together for their own records. Doing so can avoid questions after the fact about who said what.

#### **4. Be consistent.**

As a manager, it's important to maintain consistency in dealing with individuals over time — and in the way you deal with problems between one individual and another. This is the value of a defined process: an expectation of consistency across all management (and over time) in how they execute disciplinary measures.



Knowing what to expect can help your employees maintain some sense of morale in an otherwise troubling situation, even if they are on the receiving end of a disciplinary measure. And the benefit of consistency is not just for the employee receiving discipline either. If those affected by the inappropriate behavior of a co-worker have faith that their concerns will be taken seriously by

management, they will be happier and less likely to stray from your expectations.

We get it. No day is a good day to disrupt your staff when you run a restaurant. There is no downtime. No slow periods. It's easy to want to ignore infractions or problems when your staff is busy, but all that does is fracture the confidence of everyone you rely on to be productive. There need to be real consequences for bad behavior, no matter how difficult it may make a particular day or week's work.

You should never make ongoing employment decisions based on your staffing needs. If someone should be disciplined or terminated, do it. To avoid properly disciplining staff could prove to be even more detrimental in the long term than the short-term inconvenience of having to hire someone new for the vacant position.

#### **5. Understand the impact.**

The employee facing disciplinary action or termination is not the only one affected by this process. You can be sure that if something is happening behind closed doors (as every disciplinary process should), your other employees have some idea of what is going on regarding their colleague—even if they're mistaken on the exact details. That's the nature of working in close quarters and in as personal an environment as a restaurant.

In the aftermath of a termination, provide clarity to other employees while being careful not to expose any private information, for your terminated employee's

sake and your own. Don't leave them hanging with an irrational fear that "they could be next."

A general staff meeting in the wake of a termination to address the division of responsibilities and the plan for staff replacement is a great idea, but don't forget to remind those still with you why you value their dedication and exceptional performance. And offer anyone who has a concern the opportunity to speak with you one-on-one to quell doubts or raise issues of their own.

All of these suggestions are based on the assumption that your small business doesn't have the benefit of an in-house human resources department or officer. Suffice it to say, if you do, use them! Never attempt a disciplinary process on your own without their involvement.


But if you don't have those kinds of resources on the ground — and things feel a little too dicey for you to handle on your own — there are outside HR and legal services available that you can purchase on a limited-time basis.

Just like most people pay a professional to cut their hair, it's always a good idea to pay an expert to consult on employment matters if issues become severe enough. The long-term legal benefits can definitely outweigh the short-term cost.



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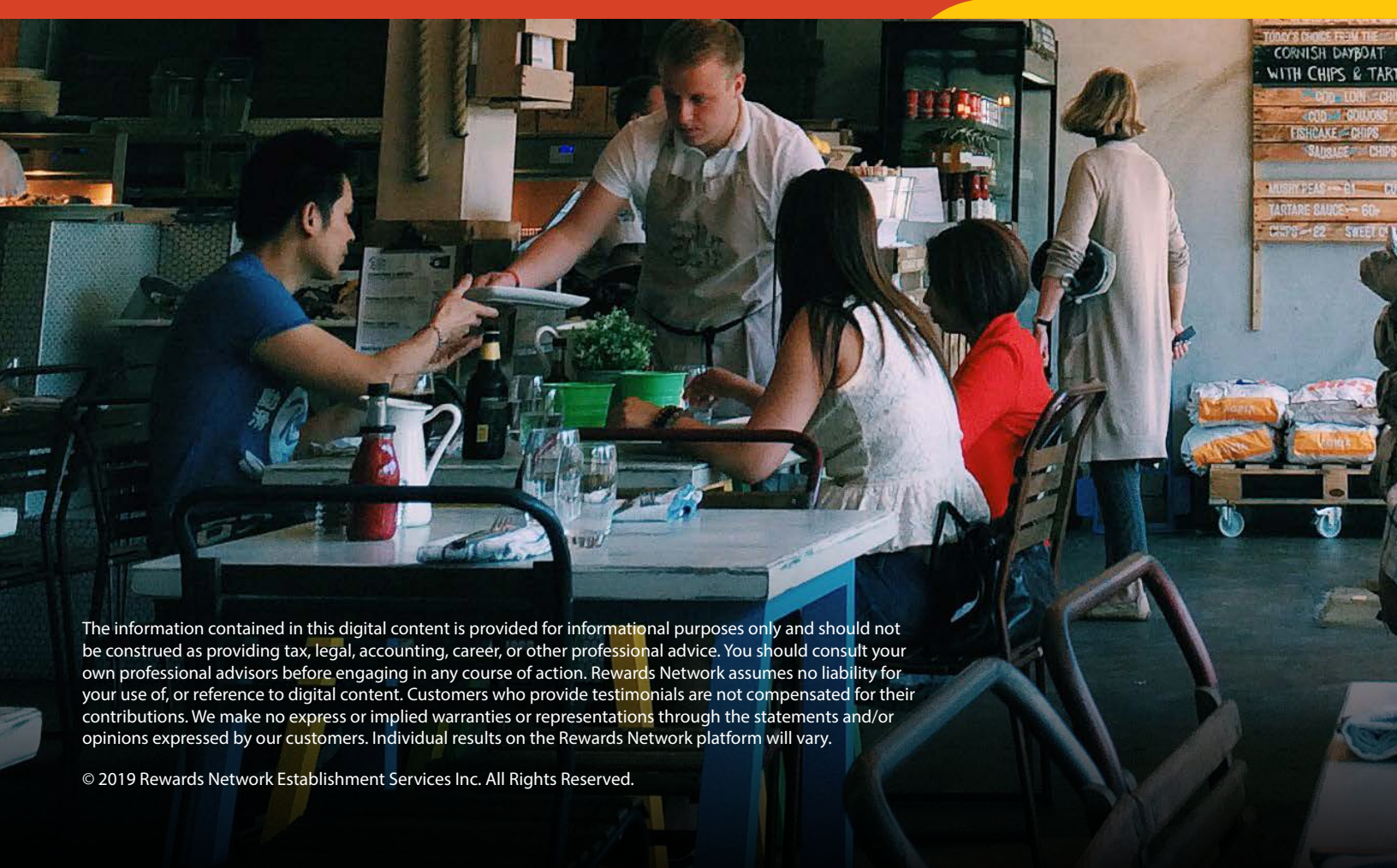


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