

Food & Beverage - Manager Skills in a Recession: Are You Ready? - By Ken Burgin

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Tough times need smarter managers - is your team ready for the challenge?

Financial turmoil has customers worried, sales are down and costs are rising. 'Good-time managers' don't cut it now - you need people who do more than just carry a big bunch of keys.

Key Focus: Managing the staff

The smart manager is even more careful with recruitment: double-checking references, skills and speed so there are no bad hires. Focused on boosting productivity.

She knows how to give a 'pep talk' that doesn't sound like school. This is the time to stand separate from the team, and tough words may be needed.

She can separate staff who need training from staff who need replacing. Everyone needs to work harder and smarter: some can't handle more demands and will have to go.

They can gather facts and figures about cost-cutting and business decisions, explaining them in a way that won't cause confusion.

If needed, they will handle the tough task of staff dismissal, doing it quickly, fairly and humanely. Cutbacks aren't pleasant, and how they're handled will have a big effect on the 'survivors'.

They make sure the free-loaders are the first to go - everyone knows that's fair.

On the positive side, they are training and encouraging the best sales ever - 'have an extra drink, delicious dessert or a second coffee'. No more customers leaving under-served - better per-head sales are part of the solution.

Key Focus: Cutting costs and maintaining profit margins

Recession-smart managers and chefs do accurate food and beverage costings in a flash. No guesswork - using scales and calculators. With recent dramatic price rises, everything needs checking.

They're confident with a PC, finding better deals, emailing vendors or checking results on a spreadsheet.

The smart chef and bar manager know how to create high-profit but lower-priced items that customers love. Meals, function packages and cocktails that have value written all over them, and still make a great profit.

They know how to increase prices when it's unavoidable, and use clever menu design to create a winning 'sales document'.

They search for ways to do the same work with fewer people - cutting fat but not muscle. Looking hard at work processes for inefficiency. Finding equipment that can replace manual processes, and outsourcing time-wasting tasks (like payroll and stocktaking).

They negotiate with suppliers for better terms and ways to take costs out of the business.

They do a Return on Investment calculation to justify essential spending. This is not the time to stop investing, just be more rigorous. Automated espresso machine - yes, second combi-oven - not yet.

Other essential qualities:

They keep a smile on their face, even when sales are down and others are gloomy. Customers don't want to know about your problems, they have their own!

They can explain bad news without panicking staff - team work also focuses on problem-solving.

They keep up with industry news - from the papers, TV or the internet.

They communicate confidently with senior management: the boss, the board or regional HQ. When asked for a report or figures that show a problem and solution, they can state the case clearly.

They are doubling the effectiveness of marketing and promotion, building the customer database and focused on local relationships: high impact at a lower cost. Regular contact is a high priority - email news, text messages and letterbox drops (you know what works with your demographic).

You will find strengths and weaknesses in any management team (or yourself). Where gaps exist, urgent training (or recruitment) is needed: storm clouds are building.

Profitable Hospitality offers management and cost-control systems (Manuals & CD-ROMs) for restaurants, cafes, hotels, bars and clubs. The systems are based on the extensive consulting and operating experience of CEO Ken Burgin, and enable busy owners and managers to set up complete operating and cost-control systems in minutes, not months. Profitable Hospitality also runs regular management training workshops in the areas of kitchen profit & efficiency, restaurant marketing and functions management. A free monthly e-newsletter keeps you up to date on the latest industry management issues. www.profitablehospitality.com.

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