

## 1

## Leading the Foodservice Team

### What You Will Learn

- 1) Why Foodservice Operators Must Be Effective Leaders
- 2) How Operators Best Serve Guests and Employees
- 3) Important Leadership Practices
- 4) Special Concerns of Foodservice Leaders

### Operator's Brief

Foodservice operators invest significant money and effort as they develop and maintain their organizations. However, they may sometimes face significant difficulties in recruiting and retaining qualified foodservice employees. Sometimes operators are unaware that one reason this situation occurs is that the work atmosphere does not help the staff to attain their own financial and other career goals.

In this chapter, you will learn that the best foodservice operators ensure that the work culture addresses their employees' concerns as well as those of the guests.

As a foodservice operator, you will be the leader of your organization and there is no one leadership style that works best for every operator. Instead, experienced foodservice operators consider leadership style alternatives as they interact with their staff members. They also develop mission statements and implement them by demonstrating their core values whenever possible.

Guests are concerned about the quality of products and services they buy. Employees are concerned about fair compensation for the work they do and about receiving personal respect from their leaders. The list of staff concerns can be long and addressing them requires a strong foundation of information incorporated into planning, organizing, staffing, directing, controlling, and evaluating employees' work activities.

In this chapter, you will learn why foodservice operators must be effective leaders, how you can successfully address both your guests' and employees' concerns, and important leadership practices to employ as you do so.

## CHAPTER OUTLINE

- Foodservice Operators as Leaders
- Serving Guests and Employees
  - Leadership Styles
  - Mission Statements and Core Values
- Important Leadership Practices
  - Act the Way Employees Should Act
  - Share Mission Statement and Core Values with Staff Members
  - Challenge Existing Processes and Procedures
  - Enable Employees with Trust and Delegation
  - Show Appreciation for Individual Excellence
- Special Concerns of Foodservice Leaders
  - Employee Empowerment
  - Employee Team Development
  - Benefits of Effective Teamwork
  - Characteristics of Effective Team Leaders
  - Cross-functional and Self-directed Work Teams
  - Ethics

## Foodservice Operators as Leaders

The best foodservice operators know they must effectively lead their work teams as they manage their businesses. What is **management**? A simple definition suggests that “management is the process of using available resources to attain desired goals.”

A special concern about an organization’s resources is that they are almost always limited, and few, if any, operators have all the resources that are desired as operating goals are prioritized and pursued.

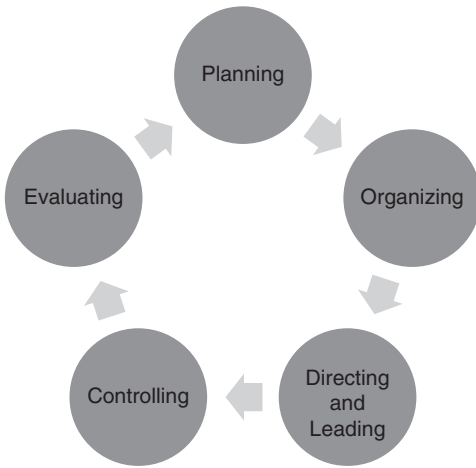
Examples of resources in a foodservice operation include money, facilities, equipment, employees, available time, and the work procedures that are in place. Other resources may include energy, inventories, and specialized items such as recipes and even specialized cooking techniques. Since resources are limited, however, foodservice operators must make good decisions about how they will be used.

There are numerous ways to view the principles of good management and the management process. One way is to consider the five primary functions that are essential to effectively manage an organization. These are shown in Figure 1.1.

**Planning:** This initial step in the management process addresses the creation of goals and objectives. This is the first step in the management process because it

### Key Term

**Management:** The process of planning, organizing, directing, controlling, and evaluating the financial, physical, and human resources of an organization to reach its goals.



**Figure 1.1** The Management Process

identifies precisely what an organization wants to achieve. It is important to use current and pertinent information and, when possible, the participative input from staff members who are affected by the plans. Plans must be flexible, and they must be implemented, evaluated, and changed when appropriate.

**Organizing:** After its objectives have been identified, an organization must ensure it has the funding, staff, equipment, and raw materials needed to achieve its objectives. These business **assets** must then be arranged (organized) in a way that optimizes the organization's ability to achieve its objectives.

**Directing and Leading:** This important management function addresses the task of telling and showing all staff members exactly what is expected of them. When given clear directions, all staff members will know the important roles they will play in helping the organization achieve its objectives.

The best foodservice operators strive to be good leaders. While this is an easy goal to state, it is often much more difficult to achieve. What makes a good leader? While entire books (and bookshelves!) address this key question, a short list of effective leadership traits for foodservice operators can be developed, and they include:

- ✓ Having a good understanding of the operation's values and being able to translate these values into effective practices.
- ✓ Having an objective and measurable "picture" of the desired future of the operation.

### Key Term

**Asset (business):** Property that is used in the operation of a business including money, real estate, buildings, inventories, and equipment.

- ✓ Helping others to develop the knowledge and skills needed to attain the operation's vision. This is done, in part, through effective employee selection, orientation, training and follow-up evaluation, and coaching activities.
- ✓ Developing a team of staff members who are committed to the operation's success.
- ✓ Achieving a reputation for quality that enables the foodservice operation to increasingly meet, and exceed, their guests' expectations.

**Controlling:** By continually assessing the work processes and procedures they have implemented, foodservice operators can better identify situations that might prevent their organizations from meeting objectives. In the foodservice industry, important processes that must be controlled include those activities related to purchasing, receiving, storing, preparing, and serving menu items.

Control is an important responsibility of every foodservice operator. This task enables an operator to compare planned financial results with actual operating results. This analysis helps to indicate where, if at all, corrective actions might reduce variances between planned and actual financial results.

There are several steps involved in the control process, and each step can help ensure that the financial goals of an operation will, in fact, be attained. Operators forecast their sales levels, and then they develop cost control systems. This several step process can be summarized as:

- 1) Forecasting expected revenue and costs
- 2) Measuring actual operating results
- 3) Comparing expected and actual operating costs
- 4) Taking corrective cost-related actions as needed
- 5) Evaluating the effectiveness of the corrective actions

#### Find Out More

Many of the goals foodservice operators have for themselves and their businesses involve the effective control of operating costs and optimizing operating profits.

The effective control of costs in a foodservice operation requires extensive knowledge and skill in a variety of areas. While the final chapter of this book addresses the control of costs related to the staff that are needed to serve an operation's guests, there are other costs that must be controlled including the costs of food and beverage products, preparation costs, and guest service costs.

While there are many publications addressing "Cost Control" in foodservice operations, one of the best and most up-to-date cost control resources available to foodservice operators is *Cost Control in Foodservice Operations* written by Drs. David Hayes and Jack Ninemeier and published by John Wiley.

To learn more about the content and availability of this extremely valuable publication, go to [www.wiley.com](http://www.wiley.com), enter "*Cost Control in Foodservice Operations*" and review the results.

**Evaluating:** This final management activity requires an organization to assess its current performance and compare that performance to that which was planned. If significant differences exist, the organization must determine the reason for the differences and then either change its objectives or revise the methods used to achieve them.

Although this book addresses each of the five key management processes, its primary focus is on directing and leading. Specifically, it addresses the directing and leadership skills foodservice operators must know and apply as they obtain, train, retain, and motivate outstanding work teams.

## Serving Guests and Employees

Foodservice operators must be knowledgeable about many things. However, some critically important issues can be addressed in similar ways because they benefit both guests and employees.

Figure 1.2 shows a planned activities model that illustrates foodservice operators must focus on both guests and employees to achieve their organizational goals. Both guests and employees are important **stakeholders** of a foodservice operation, and it is critical that operators know and can address the major concerns of these two groups.

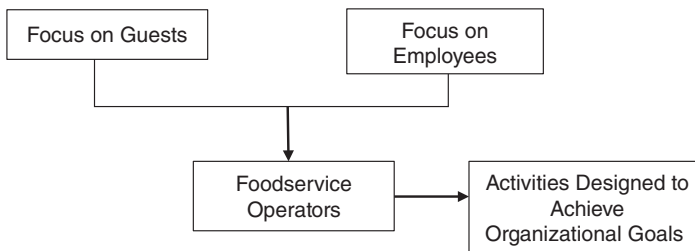
What do guests and employees expect from their interactions with a foodservice operation? One basic issue of concern to guests is their desire for **value**. In addition, guests want to know that their food safety concerns are addressed, that they will not be injured or become ill during their dining experience, and, increasingly, that the menu items they purchase are healthy and nutritious.

### Key Term

**Stakeholders:** Groups, individuals, and organizations that have a vested interest in the decision-making and activities of a business or organization.

### Key Term

**Value:** The amount paid for a product or service compared to the buyer's view of what they received in return.



**Figure 1.2** Foodservice Operator's Activity Planning

What concerns are important to employees? While they vary between specific staff members, examples of employee-centered needs typically include fair compensation including benefits for the work that they do, personal respect from their supervisor, and potential job advancement opportunities. Other employee-specific interests may include a flexible work schedule, a positive team atmosphere (employees helping each other!), job security, and, increasingly, diversity/inclusiveness.

The best foodservice operators know that while they must properly serve their guests, they must properly serve their work team members as well. It is easy to understand that, if guests are not properly served, the operation will not remain in business and employees will lose the opportunity to work!

Alternatively, if enough highly trained and professional staff are not available to properly service guests, an operation may not be able to achieve the revenue levels needed to stay in business. Increasingly, in today's labor market, foodservice operators are finding that obtaining and retaining qualified staff is just as much of a challenge as is attracting guests.

While there is a great deal of material available about how foodservice operators can best attract guests, the focus of this book is on how foodservice operators can best recruit and retain a highly qualified workforce.

## **Leadership Styles**

The best foodservice operators lead their work teams. A leader is one who “gets things done by working with people.” Anyone who manages or supervises people must possess leadership skills to be successful. In the not-too-distant past, leaders could simply tell staff members what to do. Then, when the assignment was successfully completed, the supervisor was “successful” and was considered to be a good leader.

Today, this strategy is much less effective, and a leader's ability to dictate has been replaced with the need to influence employees and to facilitate required work. The role of a foodservice operations leader has changed from one of being a “task master” to one of facilitating by providing employees with resources, guidance, and direction.

It is important to understand that there is not one “best” type of leadership style. In fact, those who study leadership have identified several different leadership styles, and their findings suggest that the best leaders can modify their leadership style to the appropriate situation. While there are several ways to define leadership styles, one good way is to classify basic leadership styles as one of the following:

- Autocratic
- Bureaucratic
- Democratic
- Laissez-faire

**Autocratic**

Autocratic leaders like to make decisions and solve problems without getting information from affected work team members. They give instructions unilaterally and expect employees to follow them. Sometimes these supervisors use a structured set of awards to encourage employees to follow orders and then discipline employees when orders are not followed.

Foodservice team members working under these supervisors can easily become dependent on their autocratic leaders. They may act only under the leader's supervision and direct instruction and have little opportunity to make decisions in the normal course of their work.

Autocratic leaders may demonstrate a genuine concern for guests that is exhibited in their concern for food and beverage production and service methods, but most often demonstrate a lessened concern about the needs and desires of their work team members.

**Bureaucratic**

Bureaucratic leaders “manage by the book” with an emphasis on enforcing the rules. Problems not addressed by the rules are typically referred to higher levels of management or ownership.

The bureaucratic leader is many times more of a police officer than a leader because the emphasis is on rules—not cooperation. As a result, following the rules often becomes more important than the team members' feelings and work results.

**Democratic**

Democratic leaders want to include team members in the decision-making activities that affect them. These leaders focus on subordinates and the role they play in the foodservice operation, and democratic leaders search for ways to help work team members find satisfaction in their jobs.

Democratic leaders are typically well-liked by their team members because they exhibit true concern for the team members. There are, however, some potential disadvantages to the democratic leadership approach. For example, decision-making is likely to take longer and mistakes are more likely to occur. Also, once this style has been used in a foodservice operation it may be difficult for team members to accept another leadership approach (e.g., when a new team leader displays a different leadership style).

**Laissez-faire**

Laissez-faire is a French term that translates to “leave alone.” Laissez-faire leaders use a “hands-off” approach and do as little supervising and coaching as possible. Their foodservice team members make decisions with little input from their leaders. This approach can be successful but typically only with highly motivated and experienced foodservice staff members.

Figure 1.3 provides a summary of the leadership styles of various foodservice operators and the targeted team members for each style.

| Type of Leadership | Leadership Overview                                                                                                                                                                                                                                                       | Target Team Members for This Leadership Style                                                                                                                                                                                |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Autocratic         | This leader retains as much power and decision-making authority as possible. The leader makes decisions without consulting work team members. Orders are given to, and must be obeyed by, workers without allowing for their input.                                       | New team members who must quickly learn work tasks; difficult to supervise employees who do not respond to other styles; and temporary employees.                                                                            |
| Bureaucratic       | This leader supervises “by the book.” The emphasis is on doing things specified by rules, policies, regulations, and standard operating procedures (SOPs). This leader relies on higher levels of ownership or management to resolve problems not addressed by the rules. | Team members who must follow set procedures and those working with dangerous equipment or under other special circumstances.                                                                                                 |
| Democratic         | This leader involves work team members in aspects of the job that directly affect them. Team members’ input is solicited and encouraged. Team members participate in the decision-making process and are delegated the authority to make some decisions.                  | Team members with high levels of skill or extensive experience; employees who need to agree to significant changes in work assignments; team members who want to voice complaints; and employee groups with common problems. |
| Laissez-faire      | This leader maintains a “hands-off” leadership approach and delegates much decision-making authority. They give little direction and allow extensive levels of work team member freedom.                                                                                  | Highly motivated work team members and specialists with high levels of experience and/or technical skills.                                                                                                                   |

**Figure 1.3** Leadership Styles of Foodservice Operators

### Technology at Work

Every foodservice operator is a unique individual, and many foodservice operators find that their own leadership style is a blend of styles with a specific style being used in specific situations.

Most leaders have a dominant leadership style that they are most comfortable using. As a result, it can be a good idea for you to identify your basic, or dominant, leadership style.

Fortunately, there are numerous free-to-use leadership style self-quizzes on the Internet that can help identify the style you will naturally lean toward, and that you might find helpful in understanding your own leadership characteristics.

To take one or more of the free leadership style tests available on the Internet enter, “free leadership style quiz” in your favorite search engine and take a quiz.

After you have finished taking the quiz, consider the following:

- 1) Were you surprised by the results?
- 2) Do you feel the quiz accurately assessed your leadership style?
- 3) Would you like to make any changes to your basic leadership style?

Ideally, a foodservice operator will likely know the best way to direct and lead the efforts of each staff member. However, this becomes very difficult when, for example, there are high-**employee turnover rates**, and many employees are replaced. As this occurs, there is likely to be an insufficient number of previous interactions to understand the best approaches to manage specific employees.

Experienced operators know they can best direct employees in different situations if they have some knowledge about how an employee will react to different leadership styles. Without this knowledge, an operator may only utilize the leadership approach with which they are most familiar, and this may or may not yield successful interactions with the staff member.

It is unlikely that any operator consistently uses one of the above identified leadership styles in every situation and with every staff member. The decision of

### Key Term

**Employee turnover rate:** The proportion of total employees in an operation replaced during a specific time period.

The formula used to calculate employee turnover rate is:

$$\frac{\text{Number of employees separated}}{\text{Number of employees in workforce}} = \text{Employee turnover rate}$$

which approach is appropriate is ideally made based on a leader's ability to recognize and use the "best" leadership approach based on the situation.

For example, a new employee trained for an inadequate time before being left alone without any assistance would likely become frustrated with a "hands off" leadership approach. A very experienced staff member, however, who is consistently and harshly "reminded" by their supervisor about how to perform simple job tasks would likely become frustrated as well. In both situations, the best leadership approach involves providing a foundation of job-related information, respecting employees for the questions they ask, and thinking about the importance of both guests and employees as leadership decisions are made.

## Mission Statements and Core Values

Regardless of the leadership style utilized, a foodservice operator must first understand their organization's **mission statement** and its core values to effectively lead a work team. A mission statement answers questions such as "Why do we exist?", "How will we be successful?", and "How will we be able to add proper value to our guests' interactions with us?"

Practical and valuable mission statements are critically important, and they do not need to be complex. For example, a foodservice operation's mission statement might be stated as:

*We are dedicated to providing exceptional service for our guests and a professional and respectful work environment for our staff members. Our guests will benefit from the excellence of team members who consistently address the challenges and demands of our dynamic and remarkable foodservice operation.*

Note that this sample mission statement mentions employees in two different places. This is reasonable because qualified employees are necessary to deliver the products and services that will yield an exemplary experience for the guests. Unfortunately, some foodservice operations do not have mission statements. Further, many of the properties that do have these tools do not mention employees even though the employees are those who will best ensure that the mission statement goals are addressed and attained in the interactions with the operation's guests.

### Key Term

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**Mission statement:** A concise explanation of the organization's reason for existence that describes the organization's purpose and its overall intention.

### Technology at Work

Regardless of the specific language used, a mission statement should always be an action-based statement of an organization's purpose and how it will serve its guests and employees. This most often includes a short description of the company (what it does) and its objectives. Therefore, a mission statement is actually a short summary of the foodservice operation's purpose.

Despite their importance, some foodservice operators have difficulty developing a useful mission statement because they simply do not know where to start. This problem is common enough that many entities now provide templates for mission statements that can be adapted for use by foodservice operators who want to create this important tool.

To view information about mission statement development and to see some samples that can be adapted for your own use, enter "sample mission statements for restaurants" in your favorite search engine and view the results.

**Core values** represent the fundamental beliefs held by a foodservice operation. These planning tools help implement mission statements because they suggest how all owners, operators, and employees should act and what behaviors are important. They can also specify a foodservice operation's morals, priorities, and commitments.

Core values should be adopted by every member of management and every employee at every organizational level within a foodservice operation. As a result, employees will know their roles in the organization's present and future, and every employee should understand that "It is not I or me; rather it is us!" Sample core values directly impacting employees might address topics such as:

- ✓ All decisions will be made in the context of the highest level of professional ethics.
- ✓ We will genuinely respect our employees through all our words and actions.
- ✓ Our emphasis on quality will be never-ending.
- ✓ All employees are eligible for additional training that is available.
- ✓ Our operation promotes from within.
- ✓ Employees will be empowered to make decisions that yield products and services that consistently provide excellent value to guests.

### Key Term

**Core Values:** Deeply ingrained principles that guide an organization's actions. They are fundamental beliefs about a foodservice operation that dictate behavior and help its members understand what is considered right or wrong.

**What Would You Do? 1.1**

"I'm not saying you should say anything, I'm just saying they're making me very uncomfortable," said Gina, to her supervisor Ray.

Gina was a young female server at Spagnola's Italian restaurant. The Spagnola's operation consisted of a 125-seat dining room and a 45-seat cocktail lounge. Gina was the server working tonight in the lounge, and she was talking to Ray about a table of six young men who were in the lounge waiting for their table in the dining room.

"How are they making you uncomfortable?" asked Ray.

"It's their comments," replied Gina, "They keep commenting on my uniform and telling me how good I look in it. One of them also asked me what time I was getting off tonight. They haven't actually touched me or anything, but their comments have gotten more personal and suggestive over the past 15 minutes or so that I have been waiting on them."

**Assume you were Ray. What would you think about Gina's suggestion that you should "not say" anything to this group? What message would you be sending Gina and the rest of your service staff if you elected not to talk to the group? What message would you likely be sending to your service team if you did elect to talk to this group?**

## Important Leadership Practices

Foodservice operators should consistently practice several important leadership principles as they direct and lead staff members. These principles relate to sharing and strengthening an operation's core values, and they represent an integral way that an operator should interact with staff members. Some important leadership practices for leaders in all foodservice operations are addressed in the following sections.

### Act the Way Employees Should Act

The actions of a leader are far more important than words, and these actions are judged by employees when they consider how serious their leaders are about what they say. Obviously, a leader's words and actions must be consistent.

There are no unimportant tasks in an organization's efforts at attaining consistency between words and actions. To consistently meet this standard, leaders must be sincere about what they say. They must also pay attention to details and remember that simple actions can make a difference.

Consider, for example, a foodservice operator who is working side-by-side with an employee discussing how core values must dictate decision-making. What

would that employee think if they walked past the operator's office with an open door and hears the operator instructing the operation's buyer to start purchase more products from a specific vendor because the vendor "will give me a nicer holiday gift than competitors!"

It is important to recognize that foodservice operators earn their right to lead by direct involvement and action. It is true that "people first follow the person and then the plan." A leader's personal and business behavior wins respect from staff members, and leaders gain commitment and achieve higher standards when they model the behavior expected from others.

### **Share Mission Statement and Core Values with Staff Members**

The best foodservice leaders imagine exciting and attractive futures for their organizations. They have an absolute and total belief in and are confident that staff members also have an interest in and the abilities to make extraordinary things occur. They know that one cannot "command" commitment but, rather, operators can only inspire it.

Operators should also clearly understand that their employees also have personal dreams, needs, values, hopes, aspirations, and interests, and operators should attempt to merge these interests with those of the foodservice operation.

For example, a talented employee may want to own their own foodservice operation someday. An operator who knows this can, on an ongoing basis, discuss current challenges addressed by the operation and offer suggestions to the employee. Would sharing this information create future competition? Maybe, but it is also possible that the operator's mentoring will preface a promotion for the employee who might someday become the manager of the operator's second property!

### **Challenge Existing Processes and Procedures**

Experienced foodservice operators recognize there are almost always better ways to do things. Therefore, they continually seek and accept the challenge of "changing for the better," and they are alert to ways that will help to innovate and improve. They know that positive change comes more from "listening" than from "telling."

It is important to challenge the system to adopt new products, processes, services, and systems. Operators should recognize that change normally arises through small steps and successes, and problem solutions can help to improve operations. Successful operators foster collaboration with staff members by seeking their ideas and by promoting cooperative goals and building trust. They understand their staff members interact with other stakeholders including fellow

employees, guests, and vendors, and all parties can often help to identify challenges and offer solutions to address them.

## Enable Employees with Trust and Delegation

Effective leaders foster collaboration by promoting cooperative goals and by building trust between themselves and their individual team members. As they do this, they share power and decision-making and successful leaders say “we” more often than “I.” They also recognize that leadership is a team effort, and they enable others to act because they foster collaboration, build trust, and engage all staff members as they make process changes and revise applicable operating procedures.

The best leaders **delegate** tasks to staff members who are prepared to assume them. These successful employees are made to feel strong and capable, and they become committed to the foodservice operation. Those who are trusted are given more decision-making opportunities, power, and information, and they are those most likely to use their creative energies to produce positive results.

### Key Term

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**Delegate:** To assign authority to subordinates to do work and make decisions normally made by someone higher at a higher organizational level.

## Show Appreciation for Individual Excellence

Personal credibility is the foundation of leadership, and operators should recall two relevant old sayings: “If you can’t believe the messenger, you won’t believe the message” and “Leadership is a relationship between those who want to lead and those who choose to follow.”

Encouragement, including recognition, can motivate many employees. This might come from a dramatic gesture (for example, a special article posted on an operation’s website discussing a new menu item suggested by an employee). Alternatively, only a simple action (for example, thanking an employee at a meeting for a suggestion to revise the inventory process) might be involved, but both of these actions can motivate team members.

Many management observers have noted that the primary success factor in leadership is the operator’s relationship with staff members. Leadership can be a “back-and-forth” process between those who aspire to lead and those who elect to follow. When those who aspire to lead address their employee’s expectations, staff members are more likely to recognize their leaders to be credible, and then staff are more likely to show and tell others they are part of the team.

Motivated employees generally have a strong sense of team spirit. A leader’s credibility also improves when employees believe their own personal values are

consistent with those of their employer. These employees feel attached and committed to the organization because they have a strong sense of ownership with it. When leadership is a relationship founded on trust and confidence, employees are more likely to take controlled risks, make changes, and help to ensure a foodservice operation remains able to take the steps necessary to properly service its guests.

In contrast, when employees perceive their leaders to have low credibility, staff are more likely to produce only to the extent they are forced to. They are also more likely to be motivated primarily by money. Also, if staff members speak positively about their employer in public, they may still criticize the foodservice operator privately. These staff are among the employees who will continually look for another employer because they feel under-supported and under-appreciated in their present jobs.

## Special Concerns of Foodservice Leaders

Foodservice operators continue their employee-related concerns as they plan empowerment programs and form employee groups into organized teams and manage them, and they also address important ethical implications common to their positions.

### Employee Empowerment

Employee **empowerment** involves authorizing employees to make discretionary decisions within their areas of responsibility. Empowerment results from a leader's efforts to fully involve team members in the decision-making process if they (the team members) wish to assist with this process.

Many experienced operators will remember that it was once customary for management to (a) make all decisions regarding almost every operational aspect of its organization and (b) present them to employees as facts to be accomplished. Instead, an alternative approach occurs when employees are given the "power" to get involved.

Employees can be empowered to make critical decisions concerning themselves and, most importantly, an operation's guests. Many foodservice employees work closely with guests, and numerous problems are more easily resolved when employees are given the power to make it "right" for the guests. In most cases,

### Key Term

#### **Empowerment (employee):**

An operating philosophy that emphasizes the importance of allowing employees to make independent operations-related decisions.

empowered employees yield a loyal and committed workforce that is more productive, is supportive of management, and will “go the extra mile” for guests. Doing so helps reduce labor-related costs, builds repeat sales, and increases profits.

Employee empowerment also improves interpersonal relationships since the emphasis is on the foodservice operation’s team members and guests rather than on its products and services. Other benefits of employee empowerment include an increased opportunity for synergy: the outcome that occurs when several persons working together achieve total results that are greater than if the persons worked independently of each other. Empowerment also places the proper emphasis on a foodservice operator’s results rather than on processes, and it increases the satisfaction of guests and employees.

Operators should recognize that some employees resign from a foodservice operation thinking “they didn’t quit the company; they quit their manager.” Lower and unacceptable levels of respect and appreciation may be a silent reason why some employees leave a foodservice operation or work only to the required minimum performance levels. Empowered team members, however, typically have increased levels of **morale** that, in turn, can lead to reduced absenteeism and low-employee turnover rates.

Several leadership approaches can help maximize opportunities for empowerment within a foodservice operation:

- ✓ The best leaders know that decision-making authority (power) can be given away because power is not a fixed sum (when an operator has more power the employees have less power). Instead, these operators understand that power is expandable and that trust between leaders and team members is increased when power is shared.
- ✓ Leaders who empower their team members give them the discretion to make decisions. They ask for suggestions and allow staff members to exercise judgment. Can employees respond to unique expectations if they must always follow **standard operating procedures (SOPs)**? The proper response is “they can’t,” and many excellent ideas are not considered because they have never been stated or considered.

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### Key Term

**Morale:** The feelings including outlook, satisfaction, attitude, and confidence that team members have at work.

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### Key Term

**Standard operating procedure (SOP):** The term used to describe the way something should be done under normal business operating conditions.

- ✓ Those leading foodservice operations recognize the need to invest in training, coaching, and other professional development activities (see Chapter 8). When this is done, staff members can be prepared for how things should “normally” be done. This, in turn, reduces the need for discretion and maximizes opportunities for SOPs to be followed.
- ✓ Empowered team members take personal responsibility for their actions. Foodservice operators should allow and encourage them to take ownership of their output as they assume work responsibilities. The concept of **accountability** applies to all team members because team members are accountable to each other and to the foodservice operation.

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### Key Term

**Accountability:** The term used to indicate that employees take responsibility for both their performance and the results of that performance.

How can foodservice operators prepare employees for empowerment? First, they should consistently share a core value that leaders help individual team members to better do their jobs. Leaders should also clearly define the boundaries of responsibility that staff members should assume as decisions are made to help move toward attainment of an operation’s mission. Operators should explain their expectations and empower employees with important (not just unimportant!) responsibilities.

## Employee Team Development

Foodservice operators typically lead several different teams within one operation as they direct the work of their staff. For example, all foodservice employees, whatever their position, represent a team. Within that group, there is a team that typically comes in direct contact with the guests (**front-of-house staff**) and another group of staff members that typically does not (**back-of-house staff**).

It is possible that several persons in the front-of-house are food servers (another team) and yet another team is a group of bartenders. Back-of-house personnel may include a team of cooks and others responsible for food production, and another team of workers responsible for facility clean-up.

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### Key Term

**Front-of-house staff:** The employees of a foodservice operation whose duties routinely put them in direct contact with guests.

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### Key Term

**Back-of-house staff:** The employees of a foodservice operation whose duties do not routinely put them in direct contact with guests.

Since each team member's work should relate directly to that done by others, all employees must understand the importance of teamwork. Those who cook, for example, may depend upon others to provide clean service ware, and servers require properly prepared menu items if guests are to be consistently pleased when they receive their ordered items.

Employees in different teams must work together to ensure the guests receive the best possible service. If one staff member does not perform required work correctly, negative consequences can occur and create problems ranging from food-borne illness to negative reviews posted online. What one team member does, or fails to do, can impact the work of the entire operation's team, and the success or failure of the operation.

### **Benefits of Effective Teamwork**

Effective teamwork benefits a foodservice operation in several ways. For example, it can increase guest satisfaction and improve productivity because staff cooperate with each other, and there is reduced interpersonal conflict and competition.

Those who have been a member of a properly functioning team know that work is most often more fun when working with others than when working all alone. Teamwork allows more opportunities to celebrate success together and feel encouraged about the work that is accomplished. Each team member may have different tasks and responsibilities, but any progress made toward common goals can be cause for shared celebration.

Effective teams reduce the burnout of their individual members. Burnout is typically the result of prolonged stress that can be caused by overwhelming responsibility. The mental, emotional, and physical exhaustion that can come from working very hard may cause talented individuals to quit their jobs. Effective work teams reduce stress and can improve individual employee retention and performance.

Meaningful and positive workplace relationships are most often the result of effective teamwork. The more team members trust one another to reach common goals, the more opportunities are presented to relate to one another positively and to form close relationships. An improved work environment will exist when employees feel more comfortable working with each other, and being part of an effective team allows them to experience and build those relationships.

Effective and successful teams typically share many key characteristics. The first and, perhaps, most important characteristic is that group members trust each other. This often yields common goals that are defined and accepted by all team members.

## Characteristics of Effective Team Leaders

Effective team leaders consistently demonstrate several important traits. First, they have strong interpersonal (people) skills. These leaders allow team members to make decisions and, when appropriate, share important responsibilities with team members who have appropriate knowledge, skills, and experience. They also freely allow team members to establish or, at least, contribute to planning goals for the team. They also solicit input for improving work methods, productivity, and other issues affecting operational goals. These leaders may also serve as the link between the team and other managers.

Effective team leaders practice the “art and science” of leadership to maximize morale levels, and they try to make the best use of the limited resources that are available to them. Finally, effective team leaders inspire active participation in problem-solving and decision-making, and they encourage the presentation of creative work ideas and alternative ways of achieving team goals by all team members.

## Cross-functional and Self-directed Work Teams

The use of **cross-functional teams** is one good way to get a group of employees from different work teams together to resolve problems. For example, a concern about slow service for a specific food item ordered by a guest in a table-service operation may be blamed on slow kitchen production by those taking the guest's order. At the same time, food production personnel in the kitchen may blame order takers who fail to mention that there is at least a 15-minute wait for that specific item because of its complexity and extended preparation time. Use of a cross-functional team can likely resolve this problem and generate a preferred method to address the issue.

In some operations, work teams become strong, and the use of **self-directed work teams** is possible. Self-directed work teams are a natural extension of empowerment because they allow affected employees to experience team empowerment.

This type of team requires little on-going direction from a supervisor, and the team is responsible for making many decisions impacting the team. For example, team members may determine the job

### Key Term

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#### **Cross-functional teams:**

Groups of employees from different operating teams within a foodservice operation who work together to resolve problems.

### Key Term

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#### **Self-directed work**

**teams:** Groups of employees who combine their talents to work without the influence of traditional manager-based supervision.

assignments for the group's members and/or develop their own work schedules. The hospitality and other service industries have not extensively utilized self-directed teams in the past. In the future, these highly skilled and motivated teams may be utilized to address challenges that are now managed with more traditional procedures as they seek to become the **employer of choice** in their own business communities.

## Ethics

It is essential that foodservice operators be ethical. The concept of **ethics** relates to what individuals should and should not do in their interactions with others. It is important to recognize that ethics are not the same as feelings, religion, the law, cultural norms, science, or values.

Ethics are important because they provide structure and stabilization for society.

The headlines in daily news sources regularly reveal stories about the conduct of individuals holding elective offices and top leaders in corporations, and they frequently reveal practices that may be unethical and/or illegal.

Unfortunately, perhaps, there is no standard definition for what is right or wrong behavior in a foodservice setting. Instead, individual foodservice operators, based on their background and personal experience, make their own ethics-related decisions numerous times every day. Many of the most critical issues impacting the foodservice industry relate to ethical concerns. These may include wages paid and benefits granted, hiring and firing decisions, fairness to workers, professional development opportunities, discipline, and other concerns. As a result, the question of what is and is not ethical behavior can sometimes be unclear.

Some reasons why ethical problems can occur include:

- ✓ Greed
- ✓ Pressure to meet unrealistic expectations
- ✓ The belief that “everyone does it”
- ✓ No organizational “checks and balances” on ethics-related decisions
- ✓ It is sometimes easy to cheat and not be caught
- ✓ There may be little punishment for unethical behavior
- ✓ An organization’s reward system encourages success without concern about the ethical tactics used to achieve success

## Key Term

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**Employer of choice:** A company whom workers choose to work for when presented with other employment choices. This choice is a conscious decision made when joining a company and when deciding to stay with the employer.

## Key Term

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**Ethics:** Standards that help decide between right and wrong and influence behavior toward others.

A foodservice operation's ethical culture begins at the top of the organization as operators develop and discuss mission statements and core values with their staff. The concept of proper ethical conduct, like other factors in the mission statement, should be driven down throughout all levels of a foodservice operation.

Effective foodservice operators must be concerned about ethical issues when they make major decisions affecting their organizations and more routine day-to-day operating decisions. Foodservice operators seeking to determine whether a course of action is, or is not, ethical can ask themselves several key questions:

- ✓ Is it legal?
- ✓ Does the action negatively affect anyone?
- ✓ Is the action fair?
- ✓ Am I being honest?
- ✓ Can I live with the action without being bothered by it afterward?
- ✓ Would I be willing to share my actions publicly with others inside and outside of my organization?
- ✓ Would it be okay if everyone did it?

The leader of a foodservice operation will routinely make numerous decisions with ethical implications. Therefore, it is a good tactic to add the question, "Is it ethical?" along with other factors normally addressed such as "What is best for our guests?", "What will my employees think of me if I do this?", and "How much will it cost or save?"

Ethical conduct should be required of all foodservice operators; however, the difference between right and wrong behavior can sometimes be viewed from different perspectives. For example:

- ✓ An employee whose responsibility involves purchasing attends a vendors' "Showcase" that offers new products of potential interest to foodservice operators. In addition to special low prices, purchase of these new products provides "points" to purchasers who buy the products that evening. Based on the total "points" given to the purchaser, the employee can select complimentary items such as a smart tablet or expensive sunglasses. Is this acceptable, or should the buyer choose only items that their operation already uses? If acceptance of the gift items is acceptable, who owns them?
- ✓ A foodservice operator develops a budget for the following year that provides an increase in employee benefits. They then compensate by eliminating some full-time positions and utilizing more part-time employees who do not qualify for these benefits. Is this ethical?
- ✓ The chef of a foodservice operation is planning a new menu and requests samples from alternative vendors. One vendor's representative delivers the products to the kitchen and provides a special package to the chef with the

comment: “Here are some steaks like we delivered here and you can take home to try on your grill. Let me know what you think.” Should the chef be allowed to keep the steaks?

Examples such as these indicate the importance of developing a **code of ethics** designed with input from employees, and it provides needed information about what high-level operators feel is and is not ethical conduct.

The purpose of a code of ethics is to help identify what an organization considers to be acceptable and unacceptable behavior. Action steps that can help establish and emphasize proper ethical conduct include:

- ✓ Having a mission statement and clearly understanding what the organization stands for.
- ✓ Being aware of the operation’s professional and community image.
- ✓ Involving everyone who will be affected in the development of the code of ethics.
- ✓ Implementing organization-wide training and communication as the code of ethics is implemented.
- ✓ Using specific “ground rules” to define behavior related to issues that are most likely to create problems and ensure they are addressed in the code.
- ✓ Being ready and willing to enforce all elements of the code fairly and consistently.

Developed correctly, a code of ethics is an excellent tool for identifying how foodservice operators and their employees should interact with, and relate to, all, stakeholders they serve.

### Key Term

**Code of ethics:** A guiding set of principles intended to instruct professionals to act in a manner that is honest and beneficial to all an organization’s stakeholders.

#### Find Out More

The McDonald’s corporation is one of the most successful organizations in the history of the foodservice industry. It is unique in many ways, but one area in which it stands out relates to the development and enforcement of its code of ethics.

The code of ethics that McDonald’s employees are expected to follow is covered in the corporation’s Standards of Business Conduct document. Each year, all employees must sign a document certifying that they’ve read the information and will consistently follow it.

Since its inception, McDonald's has recognized the relationship between ethical behavior and business success. This was stated clearly by Ray Kroc (1958\*), the founder of the McDonald's corporation:

*The basis for our entire business is that we are ethical, truthful, and dependable. It takes time to build a reputation. We are not promoters. We are business people with a solid, permanent, constructive ethical program that will be in style . . . years from now even more than it is today.*

The McDonald's code of conduct is a document of 40-plus pages and covers major themes including ethics. To review the information in it, enter "McDonald's Standards of Business Conduct" into your favorite search engine and view the results.

\*<https://corporate.mcdonalds.com/corpmcd/investors/corporate-governance.html#:~:text=In%20short%2C%20what%20Ray%20Kroc,We%20are%20not%20promoters;> retrieved October 10, 2023.

As this chapter has indicated, leaders of a foodservice operation are unique individuals charged with a variety of important responsibilities, and leaders may exercise their leadership in many tasks that they feel are best for their organizations. There are, however, laws and regulations that apply to foodservice operations that must be followed by all leaders. Knowing and understanding what these laws are and how they apply to foodservice operations is very important, and they will be the sole topic of the next chapter.

### What Would You Do? 1.2

"I can't believe I missed it, . . . and the delivery driver missed it too! But I've counted three times, and we got an extra case of steaks!" said Jonna.

Jonna, the purchasing and receiving agent at the Big Wheel Steakhouse, was talking to Eric, the steakhouse manager.

"So, it was kind of busy when the meat delivery arrived," said Jonna, "the driver and I counted all the boxes of product, and I signed the delivery invoice. But when I started putting the boxes away, I found out we actually had one more case of steaks than was listed on the delivery invoice. So, we got a free box of steaks!"

**Assume you were Eric. What would you think about Jonna's comment that your operation received a "free" box of steaks? What message do you think it will send to Jonna and others in the operation with whom she might discuss this event if you decided to keep the steaks? What message do you think it would send to your work team if you decided to notify the meat vendor that you had received, but not been charged for, an extra box of steaks?**

Key Terms

|                        |                    |                          |
|------------------------|--------------------|--------------------------|
| Management             | Delegate           | Front-of-house staff     |
| Asset (business)       | Empowerment        | Back-of-house staff      |
| Stakeholders           | (employee)         | Cross-functional teams   |
| Value                  | Morale             | Self-directed work teams |
| Employee turnover rate | Standard operating | Employer of choice       |
| Mission statement      | procedure (SOP)    | Ethics                   |
| Core values            | Accountability     | Code of ethics           |

Operator’s 10-Point Tactics for Success Checklist

Evaluate your need for, and the current status of, each of the following operational tactics. For those tactics you think are important, but not yet in place, develop an action plan for its implementation including who will be responsible for the tactic’s completion and the target date by which it should be completed.

| Tactic                                                                                                                                                           | Don’t Agree (Not Done) | Agree (Done) | Agree (Not Done) | If Not Done         |                        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------|------------------|---------------------|------------------------|
|                                                                                                                                                                  |                        |              |                  | Who Is Responsible? | Target Completion Date |
| 1) Operator understands that the management process involves planning, organizing, directing, controlling, and evaluating how organizational resources are used. | _____                  | _____        | _____            |                     |                        |
| 2) Operator recognizes that both guests and employees are important stakeholders of a foodservice operation, and both have key needs that must be met.           | _____                  | _____        | _____            |                     |                        |
| 3) Operator can identify the key differences in four major leadership styles.                                                                                    | _____                  | _____        | _____            |                     |                        |
| 4) Operator recognizes the importance of developing a mission statement and of clearly articulating their organization’s core values.                            | _____                  | _____        | _____            |                     |                        |

| Tactic                                                                                                                                                                     | Don't Agree (Not Done) | Agree (Done) | Agree (Not Done) | If Not Done         |                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------|------------------|---------------------|------------------------|
|                                                                                                                                                                            |                        |              |                  | Who Is Responsible? | Target Completion Date |
| 5) Operator understands the need to consistently practice important leadership principles as they direct and lead staff members.                                           | _____                  | _____        | _____            |                     |                        |
| 6) Operator recognizes they are addressing special employee-related concerns as they plan empowerment programs, form employee teams, and address important ethical issues. | _____                  | _____        | _____            |                     |                        |
| 7) Operator realizes the advantages that accrue from developing work teams with optimal levels of employee empowerment.                                                    | _____                  | _____        | _____            |                     |                        |
| 8) Operator understands the importance to success of effective employee team development principles.                                                                       | _____                  | _____        | _____            |                     |                        |
| 9) Operator recognizes the importance to long-term success of ethical behavior in all their dealings with guests and employees.                                            | _____                  | _____        | _____            |                     |                        |
| 10) Operator has developed and utilizes a code of ethics for their organization.                                                                                           | _____                  | _____        | _____            |                     |                        |