

## ***Case Study***

# **A Review of 15 Years of Dining Service Solutions**

*One of a series of reports of the results of Clarion projects, illustrating ways in which dining services are improved and new opportunities to increase value are created. Names and identifying details are omitted to protect our client's anonymity.*

*Dining Insights, Summer 2010*

**F**ifteen years and some 200 projects after we began is a good time to look back over some of our accomplishments in improving operations, selecting food service contractors, designing facilities and helping to make campus and company dining services better for organizations and diners.

**ONE OF OUR FIRST** assignments was to help put a new, but faltering, employee dining service back on track. The facility served a multi-tenant, 1,000 population building. We worked closely with the food service contractor's manager and district manager to improve the efficiency of the operation and increase sales, but to no avail. They couldn't reach breakeven, in part because of poor performance and in part because the landlord charged them for all utilities costs.

After a competitive selection process, a local independent operator was selected. He was able to generate a modest profit because he didn't have the overhead of a conventional food service company.

The operation isn't a model of food quality, service or sanitation, but the landlord achieved his objective: a cost-free dining service.

**A FEW YEARS LATER**, we were asked to help improve quality, service and efficiency at a company that had several locations serving management, white-lab-coat researchers and production workers. The contractor was a national company. The company subsidized the service but was dissatisfied with both the operation and the contractor's responsiveness.

We prodded the contractor into introducing a rotisserie into the largest facility, upgrading its deli sandwich line, other menu features and merchandising and improving its sanitation and food safety procedures.

But their heart didn't seem to be in it. We managed a competitive selection process and a regional food service company was selected. They improved services and increased sales. There have been ups and downs over the years, but they're still there.

**Both projects demonstrated** that regional and local operators have roles in the industry that the major companies can't fill.

**COLLEGES RARELY** revert to self-management after their dining services have been contractor-operated, but we helped one to make that move.

The college was increasing its on-campus resident population and needed to reactivate a long-closed dining facility and upgrade several others to meet new demands. It had a separate, substantial catering business in an on-campus facility and its manager was eager to take over all campus dining services.

We designed a new café in the closed facility and converted its kitchen into a commissary to support the other five on-campus food outlets; upgraded the campus center café, and created a new, vending-based coffee kiosk in the library.

We planned the new campus dining service management structure and staffing schedule; drafted the first year's operating budget, and worked with the college's financial vice president and dining service director to see the new program launched.

It was profitable in the first year and still is successful.

**ANOTHER COLLEGE** that had always managed its dining service internally faced a decision. Its long-time director was retiring. Should it continue self-operated or bring in a contractor? We were asked to help with the decision.

We spent three days evaluating the operation and found it had settled into an over-staffed mediocrity. No one worked very hard and “good enough” was the motto.

However, we believed that the dining service could flourish again under a fresh, more enthusiastic manager and that some of its best features would be lost if a contractor was brought in.

We helped select the new manager, who indeed infused the operation with fresh ideas and a new vibrancy, enough to land it in the top ten of *Princeton Review's* list of the nation's best campus dining services.

**A COMPANY** with 2,000 employees asked us to evaluate its service and help bring its operation up to an acceptable level.

We found a badly organized operation presided over by an inexperienced young manager serving “TV dinner” style meals. A national contractor had promised to eliminate the operation's subsidy. It replaced all long-time employees with new people at lower wages and benefits. Costs went down, but so did sales, as employees went elsewhere for meals.

We contacted the contractor's top operations executive, who replaced the manager, district manager and regional vice president. The new team made the changes that turned the operation around.

As we meet new challenges in campus and corporate dining and services, we'll keep you informed with new case studies.

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