

Is This a Good Time to Change Food Service Providers?

The operator's performance, not the economy should drive the decision

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Customer complaints are rising and so are costs. Catering service has gotten sloppy. Your manager and the district manager seem unaware, or indifferent. Maybe a different company will do a better job. Is now a good time to find a new food service contractor? **Answer:** Definitely maybe.

Maybe another company and a new management team will bring fresh eyes and new energy to the dining service – increase sales, reduce complaints and sharpen catering services . . . or maybe not. Every food service company has its share of failures, no matter what the sales rep and the website say.

There are two aspects of the situation to explore before making a decision to invite proposals from other companies.

Inside and Outside

Inside: What's going on in your organization that may be affecting the operation? Have layoffs or a budget squeeze affected morale, so that the dining service has become a safe target to kick around? Have requests from the operator for, for example, equipment repair or replacement been sidelined?

Outside: Maybe the problem is more with the manager or district manager. Try bringing the regional vice president – or a higher-level executive – into your office to hear about the problems first-hand.

Typically, the RVP or a more senior manager will take action. Even a small client is too valuable to lose these days. The company will send in its specialists – a troubleshooter, executive chef, merchandising manager or whomever else they think will get the service back on track.

They may replace the manager and/or district manager, if either of these is the source of the problem. If all this doesn't work, or if the effort to retain your business is half-hearted, then yes, it's time to look elsewhere.

Finding Alternatives

If yours is a major university, your choices may be only among the three national companies: Aramark Corp., Compass Group and Sodexo, Inc. Large companies have a fourth national choice, Guckenheimer (which does not compete in the education market).

Commuter colleges and those with about 2,000 or fewer residents and companies with 5,000 or fewer employees at a site can consider regional or local contractors. If your population is small, it may be worthwhile to look at a competent local restaurateur or caterer. Some Clarion clients have found this to be a successful choice.

Don't Wait

If you are becoming dissatisfied with your operator's performance, don't wait until your patience is exhausted. It costs nothing to talk to contractors and check their references with nearby clients. When it's time to issue a Request for Proposals, you'll have a list of viable operators to invite. Permit the incumbent to participate. You'll ensure their interest in your operation remains high during the process and, who knows? They may turn out to be the best alternative.

Clarion will evaluate your dining service, identify the sources of problems and work with your operator to implement solutions. If that doesn't work, we'll prepare an RFP and help you select a new vendor. To learn more, contact Tom Mac Dermott, president, 603/642-8011 • TWM@clariongp.com or Angela Phelan, vice president, 973/544-6223 • ALP@clariongp.com