

The New Decade

Adapting Dining Facilities to Meet the ‘New Reality’

Dining Insights, Summer 2011

Second in a series on the role of dining and hospitality services in the post-recession era.

While the economy may be improving, albeit slowly, the multiple pressures to improve sustainability, conserve resources and improve customer satisfaction have not decreased and have, in fact, increased.

There is much that can be done operationally to improve sustainability through more efficient systems, conservation and selective purchasing, for example. But the most substantive improvements, both in “greenness” and cost reduction may be in the dining facilities themselves.

Replacing old equipment with more efficient, Energy Star units will reduce energy consumption. The biggest single improvement may come through an investment in the facility itself.

Many older facilities were built in an era when concerns for efficiency were far lower than they are now. In some instances, kitchens were overbuilt or facilities were designed for a larger population than is available today.

Employees and students have many new alternatives to the on-site dining center and will use them if they perceive the café isn’t meeting their expectations for imaginative offerings and healthy foods.

Conduct an Assessment

It will be worthwhile to take a careful look at your facilities and their ability to serve your current population – both from the viewpoint of meeting customer expectations and improving overall performance.

- How many people does it take to operate the service? Can fewer provide the same service during slack times?
- Do employees have to keep going back and forth from one place to another to serve a customer?
- Have you audited your energy consumption lately?
- What do customers gripe about in focus groups or surveys?

Cost vs. Benefit

The answers to these questions will tell you whether it will be worthwhile to conduct a feasibility study to determine how the facilities and operation may be improved and operating costs reduced.

The study should include estimates of the cost of various renovation options and a cost-benefit study. How long will it take in savings from reduced labor, utility and other costs to pay off the investment in the renovation?

Can the dining center be reduced in size? What is the value in utilizing the space gained for other purposes?

How much can be gained from increased sales if the servery includes more contemporary features, like cooking to order at the counter or a rotisserie showcasing luscious roasting chickens?

If the renovation cost is recovered in less time than the depreciation period, then the project may be well worth undertaking.

Clarion can conduct a feasibility study and cost-benefit analysis that will help you decide whether to renovate your facilities. Contact Tom Mac Dermott, 603/642-8011 • TWMM@clariongp.com, Angela Phelan, 973/544-6223 • ALP@clariongp.com or Ernie Wilder, 703/282-3030 • EWW@clariongp.com