

Operators Return to Checklists, Staggered Starts and More

Nearly 45 years ago, Jeff Rosati's uncle started a mom-and-pop pizza restaurant. Since then, the family operation has grown to 170 stores. About half are franchised; the rest belong to 40 to 50 family members.

In that time, Rosati's Pizza flourished. Employees made everything by hand; toppings sometimes were more generous than they needed to be.

No more. Last year, the Chicago-area chain experienced its first downturn in 45 years. The customer count fell 5 percent.

"Now, we weigh everything," says Rosati, chief financial officer of the Chicago-area chain. "There's no room for error."

Like many National Restaurant Association members, Rosati is using the economy as an opportunity to improve the business. He's operating leaner, going back to basics.

That's the approach Santa Clara, Calif., restaurant consultant William Bender suggests to his clients. When sales are down, operators sometimes lose focus, he said. The NRA member advises his clients — small and large, established and new — to do a better job at training their staff. Proper training can help improve performance, he says.

Get tips to go back to basics:

- **Implement checklists for all fundamentals** in the front and back of the house, as well as weekly audits of the building and property. Owners and operators should set targets and train employees on the new checklists. "You can get fantastic results," Bender says.
- **Manage labor daily and stagger schedules.** Instead of scheduling four employees at the same time during dinner rush, Rosati's Pizza managers stagger

start times. One employee might start at 5 p.m., the next at 5:15 p.m., and so on. That way, the restaurant is covered at both edges of the rush, Rosati says.

- **Brainstorm ways to increase sales.** Recently, Rosati's Pizza has been promoting value. "You can feed your family for \$3 or \$4 a person on pizza," Rosati says. So the company puts that message on point-of-sales displays, pie charts and box tops.

- **Look for ways to keep prices steady.** Although pizza traditionally is a coupon-driven business, Rosati is reluctant to offer greater discounts. "At some point, you're giving away the food," he says. Instead of increasing coupon discounts, he offers a little more food. For example, a customer could choose a half-price appetizer or free small cheese pizza with the purchase of a large pizza. Customers get a \$10 value that costs Rosati's \$3.

- **Look into refinancing.** Bright's Restaurant in Ephrata, Pa., recently cut more than three percentage points from its mortgage. The 43-year-old family business had a mortgage from a \$300,000 expansion three years ago. When interest rates started going down, John Bright Sr. looked into

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refinancing. Two banks bid on his loan, resulting in a rate under 5 percent and big savings. Although the restaurant's sales were up last year, January has been slow. Guests are redeeming the gift cards they bought or received in December, Bright says.

- **Cooperate with your colleagues to attract customers.** The New Jersey Restaurant Association recently launched an innovative educational campaign to increase restaurant traffic — and stimulate the economy. The campaign includes \$10,000 of radio ads, a new section on its Web site and bumper stickers and decals. The Web site and ads describe the industry's importance and its impact on the economy. The stickers state, "Dine out often — you deserve it."