

Stella Wong

9474 Needs Assessment

Executive Summary/Organizational Description:

A needs assessment was conducted recently for Company X. The assessment examined current systems, processes and organizational culture to identify areas of focus and refinement. Founded in 1988, Company X is a privately held, for-profit restaurant group headquartered in San Francisco and operates 20 stores in the San Francisco Bay Area, Seattle and Chicago. There are approximately 200 employees working at the store level and 35 people in the home office supporting their efforts. They are entering a period of rapid expansion with the goal of tripling in size over the next few years and going public. The company is currently transitioning out of being a "Mom and Pop" run organization as they work to secure investors and funding for anticipated growth. In the past 8 months, they have brought on board several key people to the management team and have overhauled their Operations, Procurement and Training department.

Using the Performance Pyramid as the basis for analysis, six key support mechanisms: Knowledge and Skills, Motivation and Self Concept, Performance Capacity, Expectations and Feedback, Tools, Environment and Processes, and Rewards, Recognition and Incentives, were explored to see how they functioned to achieve company objectives. A wide variety of tools were used to gather the data used to support the findings and recommendations given in this report.

Problem/Opportunity Statement:

In order to grow, Company X must focus on creating systems and processes that can be replicated in all stores. This will lead to consistency in products served to guests and contribute to a positive work environment where expectations are clear and attainable. Currently product quality varies and is most evident when visiting different locations.

Audience Analysis:

The General Managers (GMs) were the target of the needs assessment as they are directly responsible for running the store operations. This includes hiring, managing and developing their staff and managing store financials. All company initiatives are executed by the GMs. General Managers are managed by Regional Managers who directly report to the Executive Team (Decision Makers). There are a total of 20 GMs, one for each store. 7 of them are located in San Francisco, 4 in San Jose, 8 in Seattle and 1 in Chicago. The GMs all have prior restaurant experience whether it be working through the ranks with Company X or working for a competitor prior to taking on the role.

Data, Techniques and Instruments, Data Gathering and Analysis Process :

The following is a list of data sources used. Most sources are included in the appendix and contain the data summary gathered for the activity.

PRIMARY DATA SOURCES

The following primary data sources were used to examine the Knowledge and Skills, Performance Capacity and Motivation and Self Concept section of the Performance Pyramid.

Appendix A

-Survey: In order to gather information regarding the process of becoming a GM, and how they are prepared for their role, an anonymous survey was conducted to gather information regarding the current Manager – In – Training (MIT) program. The MIT program is the primary skill building and only formal tool used to develop GM skills. Surveys were used for this portion of the needs analysis because it allowed me to include GMs outside of my geographical area to increase the data pool.

The surveys were sent via USPS to 8 GMs who had all been through the MIT in the last 18 months. This time frame was selected because the MIT program has only been in existence that long. Out of those 8, 5 responded. This represents 62% of the GMs who completed the MIT program and 25% of the total GM population. The survey was structured linearly based on the process an MIT goes through from recruiting and hiring, on through the different components of the training.

After the survey's had been collected, responses were totaled up and categorized into areas of strength (4 or more GMs ranked it in the top two sections) or areas of weakness (4 or more GMs ranked it in the bottom two sections).

Appendix B

-Observations: To learn more about how GMs perform their daily job function, observations were conducted with 6 Bay Area GMs. This represented 30% of the GMs and may or may not be the same ones that responded to the survey conducted earlier. Seattle and Chicago GMs were not used due to lack of proximity. For consistency, all observations were conducted at the same time, 7:30am-10:30am. The observation guide used lists activities observed in a linear format and the goal was to observe similarities in how the job was carried out (i.e., did all GMs structure their time the same way, was there a process to organizing the day, etc.).

Appendix C

-Interviews: A 15-20 min interview was conducted with the GMs used for observation. When possible, the interviews were conducted directly following the formal observation period. Two interviews had to be conducted in the afternoon and one was conducted via phone the day after. The purpose of the interview was to probe GMs thoughts on all six areas of the performance pyramid in order to help confirm or deny hypotheses made based on the secondary data analysis and survey that had already been conducted.

SECONDARY DATA SOURCES

Secondary Data was used to explore the Tools, Environment and Processes, Expectations and Feedback and Rewards, Recognition and Incentives section in the Performance Pyramid. The secondary data sources were all found on the company intranet which is accessible by GMs. The secondary data was used to explore two things: 1) What the expectations are of a GM, both individual performance and store operations and 2) What

are the existing tools used by employees to carry out their responsibilities. During the analysis, items such as: clarity of expectations, consistency in message and discrepancies were examined. If possible, items evaluated are included in the appendix. Items marked with an * are items that for security purposes, could not be replicated and put into this report.

Access to financial data and store performance could not be accessed; therefore, a correlation between items such as growth and sales could not be tied to corresponding GEE/Mystery Shopper scores.

GM EXPECTATIONS:

The following tools were used to examine what is expected of the General Manager.

Appendix D

-GM Job Description - expectations of GM role, lists skills & requirements

Appendix E

-Annual Review – Formal evaluation form used for GM Reviews which occur once a year in January.

The annual review rates the GM on 11 different categories. The tool does not contain any quantitative evaluation measures and is based on subjective standards (eg, "produces high quality results", "is sufficiently concerned about costs", "assumes responsibility for own decisions"). In addition, the evaluation criteria does not necessarily support the financial goals of the store or tie in with the GEE and Mystery Shop forms that are used to evaluate store/GM performance. Annual review criteria seems to be a disconnect with other evaluation criteria.

Appendix F

-Mystery Shopper Report – rubric used to evaluate the guest experience.

Conducted once a month by an outside vendor and used as an evaluation criteria for the GM bonus

This tool focuses strictly on the customer experience including their perceptions of the quality of food, cleanliness of the facility and attitude/presentation of the employee serving them.

Appendix G

-Guest Experience Evaluation (GEE) – rubric used by the Regional Manager to evaluate store performance. This is conducted once a week and is also used as a criteria for the GM bonus

The GEE is broken down into three categories: People and Training, Sales and Marketing and Profits and Cash control. Though the objective and the structure of the GEE are good, a lot of the evaluation criteria is vague and hard to measure also there are tools the GEE references that do not exist. Out of 91 total items, 18 or 20% of them are unclear

Appendix H

-GM Incentive Program Guidelines – outlines the incentive program and GMs must do to qualify for the financial incentive

Appendix I

-Good to Great – Tool used by stores to evaluate own performance. The expectation is that using Good to Great consistently will lead to a good GEE score

Good to Great is broken down into 5 areas: Have a Passion for our business, our products and our services, Act with Integrity and Show Respect, Be Accountable, Strive for Improvement and Cultivate Success. Similar to the GEE, the evaluation criteria is vague and unclear. 26% of the areas listed are subjective, difficult to measure or do not reflect current practices. Criteria on Good to Great is also not aligned with the Annual Review or the GM bonus program

JOB AIDS: The following is a list of most common used tools to aid employees in performing their job.

-*Recipe Cards – A recipe card exists for every product made and gives the team members step by step instructions on how to make it (production only, does not include baking guidelines if applicable).

Format for recipe cards is not uniform. Most recipes were updated roughly 1 year ago and conform to a standard format. However, many recipes were not updated and can cause confusion. For example, a master index was created categorizing all food items and all categories were designated by a particular color. Recipes were then printed on cardstock that matched their category color. This was done to aid in recipe filing and product identification. Out of roughly 300 recipes, 78 or 26% were not converted and color coordinated.

In addition, errors were found in many recipes including, discontinued packaging, incorrect pictures associated with the product and missing steps.

-*Product Cutting Guide – A book describing how finished products should look. Includes a picture of the product, dimensions, specs and flavor/tasting notes

Product Cutting Guide contains errors in product dimensions and were measured at a 1" starting point (see example below)



Potato Cheese Roll

Weight: 5 oz.

Minimum Dimensions:

W 5" x L 5" x H 2"

VISUAL

100% of visible surface heated

In addition, the product cutting guide is missing all new items rolled out after 12/06 and contains discontinued items. In total, there are 9 missing and 7 discontinued items.

-*Checklists (Position Training Checklists) –Primary tool used to train new team members.

Checklists were revised 1/07 but still contain outdated information. In addition, not all positions have a checklist. Out of a total of 11 positions, 3 or 27% of them do not have training checklists (Driver/Courier, Guest Service Team Lead, Kitchen Lead). This means when they are hired, their training is unstructured and may lead to skill and knowledge gaps.

General Data Summary and Interpretation

The information uncovered during the needs assessment points to two primary break downs in the Performance Pyramid infrastructure: Expectations and Feedback and Tools, Environment and Process. There is a lack of clear expectations from the Company to the General Managers. The tools used to evaluate performance (GEE, Annual Review, Mystery Shop Report, Good to Great) are not always clear and written with subjective language. Such tools can lead to a variation in performance standards. In addition, the incentive program which motivates the GMs, is tied several financial goals but these goals are not reflected in the Annual Review template or the GEE. This creates a disconnect between expectations and desired outcome.

The existing job aids used by GMs to manage employee skill development and production of food items are incomplete. Recipe cards contain errors and references to discontinued items. Training checklists do not exist for 27% of the positions and the ones that do exist also contain outdated company information. The lack of proper tools leads to gap in Knowledge and Skills. Without a way to systematically build knowledge and skills, it will be difficult to replicate the business model during a period of rapid growth.

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Knowledge/Skill Needs and General Recommendations

If Company X wishes to achieve its goal of tripling in size in the next few years, it will need to focus on aligning all areas of the Performance Pyramid to work harmoniously. The following recommendations are based on the findings of the needs assessment:

Knowledge and Skills

- Develop management and leadership skills of the GM Team. Skills such as Coaching, Motivating and Inspiring, Writing Performance Reviews and Conducting Interviews can lead to a decrease in employee turnover and increase GM job satisfaction.
- Circle back with all GMs to ensure they have covered everything presented in the Management – In – Training Program. Most GMs did not complete this and skill gaps may exist or need to be optimized
- Update and/or create training checklists for all positions. In order to manage their staff towards the right goals, these tools must be revised to ensure GMs can work with employees to comply with company expectations.
- Examine skill level of upper management (RM and above). This group of people directly affect the GM performance and poor skills at the leadership level will negatively impact the GMs ability to perform

Tools, Environment and Processes

- Revise job aids related to production of products (recipes, product cutting guide) to reflect how food should be made. GMs understand that following the recipe is expected of them, but they will not be able to perform unless they are clear on what is being asked of them
- Create a process for updating recipes and delivering them to the field. When the company adds more stores, it will need strong communication and distribution system to ensure all locations can comply
- Conduct an equipment audit for all older stores and update them to current standards. Having the same equipment will aid significantly in producing consistent products.
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Expectations and Feedback

- Revise current tools used for evaluating store/GM performance (GEE, Annual Review) to clarify expectations and desired outcomes. Evaluation rubric should contain observable and measurable criteria and align with company goals.

