I'm David Scott Peters, and a big welcome to episode 40 of the restaurant prosperity formula. I've been working with restaurant owners since 2003. And the restaurant prosperity formula is based on what the most successful restaurant owners I've worked with do on a daily basis to achieve their success. The basic premise of the formula centers around achieving prosperity, freedom for your restaurant and the financial freedom you deserve. To achieve prosperity, you have to follow a very specific formula made up of leadership systems training, accountability. And taking action. Today's topic centers around the importance of having great managers. I'm going to share with you some of the highlights of what we discussed at my mastermind meeting my mastery plus meeting in Las Vegas, Nevada a couple of weeks ago with 27 restaurant owners and managers around a table diving deep into this topic over two days. Let's get started. But first, a word from our sponsor. This episode is being brought to you by repeat returns. If you're a restaurant owner of a medium to high volume, independent restaurant, multi unit or franchise operator and you're looking for a proven and realistic solution to attract and grow and retain customers, then you need to visit repeat returns. Repeat returns is a modern marketing platform created by a restaurant owner for restaurant owners. It studies each customer's habits and patterns predicts the most profitable outcome for your restaurant every single day and deploys the marketing to make that happen. You'll never lift a finger to see if repeat returns is right for you. Visit repeat returns.com forward slash DSP and they both are pros. I want to remind you that your success hinges on having a management team in place that knows what their job is how to do it, how well it can be done. More importantly by when one step above that is you have to be willing to hold them accountable. In other words, you have to lead your management team cultivate coached and correct your management team. And you will only be successful if your management team does their job on a daily basis to your standards. And the key to all that is creating a culture in your restaurant where your managers feel appreciated. They feel a part of the team and they are clear on what is expected of them. In most instances, this is not a reality for many restaurant owners and managers. I want to first talk about what life looks like when you either don't have managers in place at all. Or when you have managers who really you've not given them the tools training or set up the expectations for them. Like they don't know what their job really is. So if you've got no managers in place, let's start with that. Reality may be you're a prisoner to your business. The only one who can write a schedule place in order to do anything in your business, your rent. So you can't leave. Often with no managers you find yourself with a fixed mindset that all these challenges that come come our way from COVID Business restrictions to shortages on product to rising prices, incredibly high minimum wages and wages that are going up all the time the the labor shortage all these things are something to blame. blaming someone else other than you. Because these are the things if these things were fixed around me what my life would be better. You know, if you've got to manage is in place. Your business can only grow if you have time. Because again, you're the only one who can do it. You're the one who can market you're the one we can hire fire train do anything in your business. Now what if you have managers but they're really not doing the job you want them to do because you've not taken the time to train them what their job is, how to do it, how well it should be done. More importantly by when. But you've got these bodies, these people we call managers, but not clearly understanding what those expectations are. Well, nothing gets done. You simply ask him to do something and you get nothing but excuses of why things don't happen. Well, what else? You probably have high turnover throughout your restaurant, because you've got low morale. See when you got managers who don't know what their job is, and you're thinking you're holding them accountable, which was maybe just kind of riding a little bit, but they don't know what they're being held accountable for. They're going to do the same thing to your team members. They're going to favorites, they're going to get away with whatever they can to get through a shift making management system and some people get away with murder. Some people work real hard and somewhere in between. And depending on where you are, if you're on the low end of that spectrum, you have low morale, so you don't want to work here. When you've got these managers who aren't don't know their expectations, you probably have crappy online reviews. Does not matter. Pick a site because they're allowing people to leave your business with a problem.

See, if you worked for me, I want to know that you had a problem, right? I want my managers to know that a customer had a problem right then and there because I have an opportunity to fix it. But there's no interest in doing that. Oh, those people you're probably still a prisoner. You've got managers you think I've been told if I put managers in place that'll free me up? Well, it can if you have the right systems in place and you're leading them, but if you just kind of have them and you're still doing everything yourself. You're still a prisoner. Last but not least, you're probably not making the money you deserve. You might be profitable. You might be getting by and you might be just paying yourself a salary. But the fact of the matter is, when you're focused on doing everyone else's job, you can't focus on leading the business. So if you find yourself in either of these situations, or maybe you've got a good management team in place, but you kind of want a reminder. I'm gonna remind you of something. You selected them, you train them, and you manage them. They're a direct reflection of you and your leadership challenges or successes for that matter. So let me share with you a little bit about a meeting that we had. Okay, I've got a mastermind group, and it's called my mastery plus group. This is a group of restaurant owners who have been through my program, whether my past company or current. And they want to be a part of a group of other restaurant owners who are willing to share too willing to help each other to share their challenges, be open and honest. Take feedback, and go home and make change in their business. These are people who have a growth mindset that yes, they have all these challenges coming at them just like you do. But they don't see them as Stompers of their business instead their challenges they need to out learn outsmart outspend, get around them, because nothing is going to stop them. So it's an incredible group of people. We held the mastery plus meeting in Las Vegas as we always do, we do three times a year. And when I'm recording this, it was really just a couple of weeks ago that we had the meeting. Now once you picture a room, and once you pick a picture all these tables that are set up in a rectangle so that you can see each other there's 27 people around this table. restaurant owners, their implementers general managers chefs truly want to take their business to the next level. Imagine investing on taking your chef or your general manager with you to a meeting a mastermind meeting to learn was all about manager's meeting was about management. I want you to imagine we spent today almost 11 hours specifically and only talking about restaurant managers. We covered a ton of topics what I'm gonna share with you in just a second. And the meeting was actually amazing. Because as we talked about something, it allowed for conversation around the room, brought up questions brought up different ideas, different software's people were using to make managing managers easier and communicating easier and it was just really amazing. And in fact, I think the first two bullets on there were four pages of notes that I gave them the first two bullets we spent four hours on alone. So imagine a lively conversation of freshmen owners and managers just like you and I'm gonna tell you right now, everyone came away from the meeting with a ton of notes with actionable items on their to do list to improve their management team, how they manage their managers, how they get more out of their business, because again, they realize after spending that time together that their success is truly tied to their managers success. We covered a lot during our managers in our meeting talking about management from A to Z. This roundtable was truly lively, where I normally you know, I tend to teach, teach, teach and then we might talk about it. It was truly give and take and there were main points that we covered. In the notes. Again, there were four pages of bullet points that I'd already provided our members before we started was kind of our outline for what we're doing instead of using PowerPoint as the main guide. We talked about scheduling management. We talked about management duties, training the team, managing the floor, cash controls, executing on budget, people management, becoming an employer of choice and your expectations you have for your management team. So there was really not a topic that was not covered. And there were things that were not on that list that were covered because obviously it is such a large topic.

What I'm gonna do with you right now is I'm going to share with you a few highlights of what we talked about and things I want you to think about things that might be AHA and actionable items for you. I certainly can't go through 11 hours of detail. Highlights. One management team. You need dedicated managers slash supervisors. I don't care if they're MIT's hours shift supervisors, key employees. It does not matter to me what they are, must have somebody in charge. Your full service restaurant preferences of plate and plainclothes service. Know the managers are going to be working in the rushes. They're going to be managing on the off hours.

Using a register and telephone or the line. Managers must be trained and able to complete daily tasks. And Equus Backhaus line checks and the matter announcer Backhaus. They need to understand your system or process your way your shifts opening and closing each shift.

Not only making sure the money goes out in the drawer, but it gets back. Not only making sure the restaurant opens up, but that everything's in the right place. clean as can be set up for success. And then every ship you execute for the day. The end of the shift and things like manager logs your DSR tracker, your invoice log paid out tracker, restaurant, checkbook guardian, you're scheduling on budget controlling labor, like there are all these tasks your managers must know how to do. You must have training systems in place for training reshift training happens every day. One of the big lessons to truly understand that we don't train somebody once they got it. You may have training for a brand new menu a new piece of equipment or retraining because somebody's doing something wrong. Training is ongoing and pre shift can be one of those days things that you train on a daily basis. Your managers need to learn when it's appropriate to do the task, assist with a task or command that it gets done. See all too often restaurant managers we come from my employees. I ran away up through the ranks of that just got every job you could imagine. But when I was family way back in the restaurant business, I was a bartender. And next thing you know, I was a bar manager and so you know I'm a front of house manager. Next thing you know, we're busy as hell. I'm the best server host busser food runner barback at the same time than anybody else because I was like, I'm going to show you by leading by example. And I eventually learned that I was the one who was sweating my ass off working my ass off enabling people to do nothing. But there is a time that when your ass is being handed to you so you're in the weeds, that you as a manager you can do you go do the task of so I'm going to clear table 22 But there's a time when you go. You grab a buzzer and say hey, come with me. Let's start on table 22 You do some of it and you leave them when they're ready to go. There are times where it's just your you've got bigger fish to fry and you got to go to the buskers table 22 I needed we've got a four top waiting to be seated right now. So that balance that's not not all lead by example. While that is important, it cannot be the only way you run otherwise you're the best line employee you have. Number five, your managers need to ensure that every penny makes it to the bank every day. So do you have those financial systems in place to make sure we count out a server if you're a full if you're a full service restaurant when server checkout comes in that when bartenders give you the drawer that they can't give it to you You are the only one that can take it out. They can't even run their sub report. And you've got a step by step by step process to make sure every penny is there that your servers or even over your bartenders are within $5 over under percent hands in a drawer that the master bank is accurate that if you have a petty cash drawer, that that's accurate that your deposit is accurate and it makes it to the bank. Your managers are critical to that. Number six, your managers. They're going to ensure that you're ordering and scheduling on budget. The key word here is budget. You as the leader you need to have a budget your plan for success. And you've got to have the systems in place that we can give up ordering without giving up our checkbook. Hey, you can spend this much on your next order. Based on putting all that data in we've already talked about. It can predict how much money you can spend. And oh by the way, you can spend up to $500 More than that number one penny over you cannot please order without asking me for permission. All the sudden you can give up the task and retain control of your checkbook that we're scheduling on budget that we tell our managers not only how many dollars they have, how many hours by position to go into next week on budget, because budgeting is a proactive management tool instead of rearview mirror and looking backwards all last week you're over budget or you know crazy. Instead during the week we can see where we hit or miss and make small changes through the rest of the week to end the week on budget. I need my managers to do that. Number seven, your managers will make sure all the equipment is in good working order. So do you have a system where you've got a sheet on every piece of equipment from who you got it from when you got her from the phone number, serial number? Right? Wherever parts are where you order them from when last time you added service when the next services do

all that information so that you can keep up on the equipment that we don't get to a point where one morning we walk in and the walk in cooler went down. And nobody paid attention through the day before and we're throwing away $3,000 in product instead we can see it. We can proactively manage that equipment to get the most out of it to maintain it. Again, notice proactive management that's the whole part that I need from my management team got to give them the training and the tools to do that. Number eight, your managers will do everything in their power to ensure your restaurant is an employer of choice. So you've got to understand where pay rates are in your neighborhood. You've got to make sure there's management consistent on the floor. That their people are appreciated, that they feel like they're a part of something bigger. There's great training. There's flexibility, right? We can no longer treat people like crap in our industry and your managers. They're the ones who represent you and they set the tone for your culture of your business. They're the ones that ultimately have high turnover or low turnover based on how they manage on a day to day basis. So they've got to keep in the back of their brain. We're going to be an employer of choice because it's competitive out there. So I've got to attract you. This is got to be a place you want to work and when you get here you want to stay number nine, your managers well, they need to understand that they're supposed to create a plan to increase sales. They need to increase sales. They can no longer just accept that people walk in the door and whatever you do are they getting out there and for wall marketing? Are they creating offense? Are they creating server contests? Or they're going out getting catering jobs? What are they doing to increase sales? Now, those are just nine highlights for from a two day meeting. of over 11 hours of talking specifically and only about managers. And while that's just a snapshot, I want to give you some actionable items that you can execute on in your restaurant to start down the path of having a strong management team because it's critical. You need to find your core values are who you are as a person. It almost never changes. But these are important because this is how you want your managers to make decisions in your business based on your core values not their own. You need to ensure your team is executing on restaurant one on one hot food hot cold food cold clean, safe work environment, the guest employees Wow customer service incredible product and now to go right that the products that are leaving your door get to somebody else's door in a quality fashion. Do you have those systems in place to ensure that because that's what we were put on this earth to do? create incredible memories for people great hospitality. You need to focus on checklists and cash controls. See after restaurant 101 before all the big systems we go right to checklist and cash controls. We create a culture where the details matter. See checklists allow us to impose our will without being there, ensuring your restaurant runs your way when you're there, but especially when you're not in the cash controls. Like bottom line is if you don't care about a penny. You don't care about a guest experience. You don't care about fingerprints on a dish when you care about every single penny you care about all the details. These two foundational areas checklist cash controls set you up for success after you take care of the guests. Because now we have a culture where the details matter. Now my chef cares about taking inventory accurately on time on a Sunday night. My managers are cutting labor to make sure we get back on budget without giving up on guest satisfaction. You get the picture. You need to define and train your systems your process your way. See there's one way to do things in your business your way and everything is a system of process way doesn't matter if it's counting out a bar drawer the same way every single time. Or it's doing something like dollars per labor hour work. A more advanced system, ordering recipe cards inventory one system one process one way your way. Define your systems train your systems. Last but not least, you need to be willing to hold your management team accountable. Now if you listen to past podcasts, I'm sure you've heard me talk about holding your management team accountable before I've devoted a complete a complete episode just to holding your management team accountable. But as a refresher, I'm gonna remind you that if you train your managers on what their job is how to do it how well did you be done more important than by when they demonstrate they've got it back to you?

I'm not holding him accountable as a negative. I'm gonna hold them answerable see they know what their jlb is their job. They make a decision to do their job or not. And they're answerable for resulting consequences, positive or negative. But if you don't hold your managers accountable to the systems you put in place, what you train them on, then you've got nothing. They're doing whatever they want that takes you back to oh, I've got managers but nobody seems to do what I need them to do. That starts with you. You need to lead your business. You need to put these things in place. Because I want to remind you of one very important fact it's extremely important it's one I've already shared with you. Your success is 100% dependent on the management team that you assembled. He that was an awesome episode. I want to thank you for taking the time to take action on building a better, more prosperous restaurant. Before you go. I want to give you these three thoughts one by combining leadership and taking action with systems and training being checked by accountability. You are on your way to creating prosperity for you and your restaurant to buy something I need from you. Please leave a review on Apple podcasts, Spotify or wherever you happen to listen to podcasts by leaving us a review other restaurant pros seeking out this information are able to find it. I read the reviews and hearing how this information has benefited you but does wonders for me. And three, if you find any of the discussions helpful share them, the more restaurant pros who have access to them, the better we become as an industry for more restaurant resources or to get in contact with me. Connect with me at David Scott peters.com Be passionate about what you're doing be present, but more importantly become better and help everyone around you become better and your restaurant is going to kick some ass.