Hey restaurant pros. It's David Scott Peters and welcome to episode 54 of the restaurant prosperity formula. I've been coaching restaurant owner 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 from your restaurant and the financial freedom you deserve the prosperity of the following very specific formula made up of leadership systems bringing accountability and taking action. Hey, I want to talk about why it's important to know when it's time to fire a manager and how to put yourself in a position to easily weather that storm. Let's get started. But first, a word from our sponsor. This episode is being brought to you by repeat returns for 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, grow and retain customers. Then you need to visit repeat returns. Repeat returns as a modern marketing platform created by a restaurant owner for restaurant owners. each customer's habits and patterns predicts the most profitable outcome for your restaurant every single day and deploys a 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. One of the most difficult things to do is let someone in management go. Sometimes these people are like family to you. They help you build your business. They sacrifice their time and their lives to help you grow and other times. There's not a good culture fit no matter the reason, coming to the conclusion that it's time for some manager to be fired. Sucks. Especially when you really care about them personally. What I want to do today is help you with one how to know when it's time to fire a manager to Why would rather run short staffed and have the wrong people in my team and three, what itself in a position that when a manager leaves voluntarily or through disciplinary action, you're not worried about it. Let me share with you a few examples of coaching calls I had recently with some of my restaurant transformation intensive members and my bad three plus members. tell this story number one, the kitchen manager who is good until it gets busy. Well, I have a member who has gone through the program made incredible changes in the business to change the culture round put full management team in place doesn't have to walk in the door if if he doesn't want to is a great leader of people. Learning to market better right in the community. A great all around restaurant owner who has really shown to be very successful in this process of implementing systems and making change Mission Manager Well, while can do the tasks really well and struggled managing people. When it's busy, it's busy he gets the kitchen manager gets upset the kitchen manager gets short tempered the kitchen manager bitches and moans This is a big one. This is a moans to everyone around the leader of the kitchen going oh my god I can't believe it's busy. Oh, this is horrible, blah, blah, blah, when that's what we strive for. The challenges as an owner this person has worked his way up and has done a really good job up until except for And isn't that what we strive for? has been battling. He in the gym had been battling back and forth on how it's been hurting the culture in the kitchen. How certain things are getting done and certain things are not getting done. And they finally came to the conclusion that it's time to kind of let this person go. But the difference is, we're not really letting them go. They've decided not to fire them with this manager. But reposition this manager put them in a position where it's really a production job. Now, I will tell you nine out of 10 times I highly recommend that you don't do this. That often when you demote a manager they don't work out but they believe this is such a good culture fit for their business. This individual is really good person. They care about this person. They've worked to help this person get through difficult times and they feel like this person this kitchen manager might still be an asset for the company if he can handle not being the kitchen manager anymore during the process of repositioning that person as we speak. Let me tell you about story number two, the GM that was full of excuses.

Now this owner when it first came to me, was in a position of I can't get my managers to do anything. I keep asking keep asking keep asking. I need to get financial control of my business. We're wasting money on labor. We're wasting money on food cost. We were just not getting things done. My general manager tells me how things can't be done. My general manager tells me that he's going to do something and just ultimately never does it. What do I do? From the beginning I said to this owner, I said I told her you need to fire this general manager but I need this general manager you don't understand it's a small town I need this person can you relate? I need this person. I don't have enough time in the day I don't want to go back in the restaurant and day to day basis. I want to spend time with my family and friends if you're ultimately gonna put this General Manager Go he's a saboteur. He's yessing you to death and doing nothing. I'm going on week after week after week talking about how this general manager wouldn't do. In fact in my program, we picked an implementer she picked an implementer wasn't even a full fledged manager was a key employee. Because the owner couldn't trust that the manager would get anything done. Then we talked about the importance of teaching what the job is how to do it, how well it should be done more importantly by when ensuring that he understood.

The owner started to hold the general manager very accountable with deadlines and dates and making sure he understood they still wouldn't get it done. Finally, the owner said you got to go. It was very painful, because it pulled the owner back in the business, learning to cook on the line to running shifts, and discovering all the things that weren't happening. And as the owner started to get back in the business, on a day to day realizing all these things that were not happening to her standard, she started to put her her stamp on her restaurant again, raising the standards and a couple other employees were lost at the same time. But all of a sudden the company culture started to lift in the whole restaurant. People were willing to come out of the woodwork to work harder to help. The owner started to feel confident that her business was hers again, and it was going to rerender her standard that all the supervisor types that were coming up behind this general manager who was not doing his job. Were willing and able to follow the new standards wanted to be a part of the solution. Ultimately, it was something that needed to happen. And as soon as it was done, culture change began. Have a one more story story. We'll call it Story number three, the chef that was destroying company culture. Well, this is a high volume restaurant. High High Volume summer business just like unbelievable volumes. And the chef in this restaurant, started actually on the line with the owner at some point in time, literally started their careers on the line together. And as their careers grow, one became a restaurant owner the other one became chef and wildly an incredibly creative individual. And it make pretty food tastes good look good, right just be unbelievable. Great culinary palate, the brain on on how to create menu items and so on. But offload managing people. single handedly destroying company culture in the kitchen, not willing to follow or change standards. And this is somebody who the owner is personally personally close to they started their careers together. They work together it's a small town and how difficult it is to come to the conclusion that all of your challenges in your back house stemmed from one person's lack of leadership, one person, the chef that you hired to do the job. And while not an easy conclusion to come to the truth is every time we had a conversation whether in a group coaching call or one on one and I mean multiple multiple times kept coming back to somebody I care about the owner would say I know it needs to happen. I know it needs to happen. But decided not to to the end of season. Now. I'm not going to judge. I think we all have as owners and managers have made decisions to hold employees a little longer just to use them if you will fulfill a schedule. Knowing the devil I know right I know this person's problems and I'm going to learn to live with it to get through my busy time. But this one individual was literally tearing down the culture in the kitchen. And in all the stories the restaurant owners kept the managers on way too long. The owners should have more of their own personal time and energy. Just the energy alone dealing well the negativity just trying to fix things around these managers and between feeling guilty and the fear of being short staffed. These managers were allowed to continue to do damage in their restaurants, damage their profitability, damage their company culture, drive employees away. See, you know, it's one of those things it's, it's like if you've got an ailment, let's call it cancer, the most awful thing in the world. Often what do they want to do? It skin cancer, they don't cut it out. If it's breast cancer, they don't cut it out. Like as soon as you know you've got an ailment your your best bet is to be aggressive and cut it out to save your body. Well in your restaurant, it's no different. When you have a proverbial cancer, a figurative cancer in your business. It's better to go cut it out to save the restaurant, the team your culture, your business.

Now when only only when each restaurant in the reach their breaking point and that's really what we're talking about is when you finally reach your breaking point. Did they finally take the action to put the restaurant on the path to having a team that wants to do what they want them to do? And create a positive work environment where all the team members feel appreciated. It took a point to a breaking point what do I mean? Well let's go backwards with Story number one. Ultimately, the owner decided to demote the kitchen manager because he's actually still a good company fit. He fit company culture. He did a good job. He just couldn't handle the pressure or manage people. See sometimes we talk people into going to managers and they shouldn't have been there. Good tacticians, they do a great job. They can't manage people, nor do they want to miss Story number two, the general manager was ultimately let go. And the owner again discovered that things were getting done their way and was re energized as she imposed her will, ensuring the restaurant was now going to run to her standards. As well as having team members come out of the woodwork to help because all of a sudden, the Wicked Witch was dead by the way, right this terrible general manager that was destroying the business and finally was Story number three. Well, this one is still playing itself out. Through networking. The owner and the general manager have already found what could be the perfect replacement to appoint they almost have to pinch yourself. Like could this potential chef really be that good? That much of a culture fit? They are literally interviewing over and over and over again invited them in, like really trying to figure out do we take this person on right now? Could we find somebody that fast? I mean, that much of a fit. So this one is still playing itself out, but I'm going to tell you any day now the two things are going to happen. The season is going to end and the chef is going to be given the walking papers. And very shortly thereafter a new chef will be in his place. Now let me be perfectly clear. Nobody likes to fire people, especially when you care about them. We're we're hospitality people. We care about people often to a point where you bleed financially because you give your kitchen people overtime. You give your people the time off they need and go short staffed and put yourself in position because you care about people. So when you care about somebody, and ultimately they're putting you in a position to have to make a decision about their employment. That's really hard. How about this the manager, I would say to you, the manager is the one who put themselves in this situation you didn't make each of these managers the kitchen manager chef that put them in a position to even be considered to be fired. The owner didn't put them in that position. Now could the owner have done a better job of leading them? Yeah. Could the owner have done a better job of training them? Yes. The owner Jeff have done a better job of holding them accountable much earlier on in the situations. Yes But doesn't the employee the manager themselves? Think you have a decision to make do I want to become a change agent be a part of the change help the restaurant continue or is it time for me to move on and find another job? Because often you know we think about you hear about this new phrase called Quiet quitting. Well that's been going on in the restaurant business as long as I can remember. That's when you go I feel so taken advantage of I'm so unhappy here. I'm going to do the absolute bare minimum of punch in and punch out. I'm not doing anything extra, telling me that hasn't been going on in the restaurant business as long as there's been restaurants. Now there's again we label things quite quitting. And I would dare say that some of that quiet quitting or these managers got to this position because you as a leader didn't take care of it early on the situation that allowed them to continue in that role. This the manager may have done a lot of good things for you in the past. Like I talked to my members all the time as we routinely have this discussion. Hey, I think you need to get rid of that personnel but they've done such a good job for me. They helped bring us from point A to point B. They really are good people. Great. What maybe they're not able to or they're not willing to help you go to the next level. There's something called The Peter Principle back in the early 90s. I think it was I cannot remember the name of the book. It might have been driven or Drucker's books but the Peter Principle where you rise to your highest level of competency promoting until we can't do the job anymore.

Sometimes people rise to their highest level of competency in most cases, they're just not into it. You don't wanna make change. They're happy with the status quo. And the most dangerous phrase in your business is that's the way we've always done it on my team who want to go to the next level, unfortunately, that sometimes means we have to make change in personnel. But hey, that happens all the time. If you're a sports fanatic, you know, when you look at professional sporting teams, men's and women's how often do they change the coach? How often do they change the star player? How often do they change the assistant coaches and so on? They need to make change and sometimes change means shaking it up at the top. You never settle. Because if you always do what you always did, you always get what you always got. It takes change. You know, by not taking action by not disciplining these managers, counseling them, ultimately holding them accountable. You're telling everyone around them that there's two different standards, two different performance standards. Two different sets of performance standards. Think about this. You've got the people around who want to do a great job. But there's this other person that who doesn't do a great job and continues to earn continues to be there. It continues to to fight and make things harder for everyone else. Why should I as a good employee continue to work so hard when that person gets away with murder? Because there's two sets of performance standards. This is what happens when you don't take action early. It tells your team members you don't care about them. You're not on the end, you're not on the inside crowd. You're not one of the managers. There's so many things that go wrong when you don't take action. fully answer your question. As you listen to me. Right now. Are you looking for permission to actually fire a manager? You know that? That's what I find happens on a lot of these calls. Like are you torn between letting a Manager Go or wondering how are you going to find the time to take over their job responsibilities or their shifts? And that's often what drives us to keep people too long. Just like the three owners we just talked about. Well, I want to teach you the key to knowing when it's time to pull the trigger. And why I believe it's better to run short staffed and have the wrong people on your team. You heard me I'd rather be short staffed and have the wrong people on the team. Here's the deal. First thing I want to teach you is what I call the three strike approach to management. The three strike approach to management, see if I train you what your job is, how to do it, how well it should be done. More importantly by when and you demonstrate you can do that on your own with me over your shoulder, but especially when I'm not over your shoulder. Now we reach the three strike approach to management. I know that you've got this you will know what to do. So at least I think so. Now all of a sudden, you do something wrong. Well, that's Strike one. And it's got to fit your disciplinary program, whether it's upon the third strike or fourth strike is termination. That is up to you. But upon that first strike. I sit there and I go, okay. If you don't know what to do, that's my fault. I've got to train you again. People learn differently. Auditory or tactile visual best trainings have all three tactile learners. That's who I am. I've got to do it. Visual learners see it read it got it. Audio, they hear it. They can do it. That's training several three but we all learn differently. Again, I'm a tactile learner. I've I've got to do the task over and over again until I make it something I can do. Well upon that first strike it's time for me to retrain them that disciplinary action means I'm going to retrain you come around the corner. You're doing it wrong again a month later. Well, that's Strike two. Again, my fault. I'm very good at how you how you learn. So I'm going to teach you again. There is disciplinary action. Upon the third or fourth strike, we now we've reached something called don't know versus don't care. Don't know is my fault. I haven't trained you. I haven't trained you well enough. I haven't figured out how you learn. I've got to deep dive down deep and figure out how you learn best and provide information systems processes ways. The way you learn to ensure you got it.

So don't know versus don't care. Oh, hey, by week or by the third or fourth strike depending again your disciplinary program. I know you know it ain't me. It's you. You're the manager. You're the employee. Now it's time to where I promote you to customer. I don't snap my fingers say oh you shouldn't know what to do. I still coddled, I trained I coached but I also was willing to be that coach. What do I mean? Well, I was an athlete in high school. I was a rower. Then it was a scholarship athlete at D one school. setting my ass went backwards on the money Charles in Boston, Massachusetts at Northeastern University. Those eight years of my life as a rower. were amazing. Now, I'm going to tell you right now, my coaches didn't hug music DavidI okay. No, they pushed me. They pushed me because when I knew what to do, when I knew we were trying to achieve excellence. I took those beatings in stride. They weren't, you're a bad person. It was, hey, you need to perform better. You need to make a change. I know you're capable, and I'm not going to be easy on you. The same can be held true in your restaurant, when you've got good managers. And when you as an owner, teach your managers your expectations. And you tell them your dream and what we're working towards and how you want excellence and that you're going to push them. They see reaching the conclusion of don't know versus don't care. says I've done everything I can as an owner to help you be successful. You as the manager have chosen not to do the work. So when you reach that, I'm going to tell you that in a perfect world which we don't live in, you're going to know within three weeks when I teach you on a system how to do something and I stay with you 3456 10 days don't care, whatever it takes for you to know. Within three weeks, I'm going to know if you're going to do the job or not. And I know my social working friends your big hearts, you give people three months, but by God was in three months if this person does not step up and make change. It's time to let them go. Now I'm gonna tell you one of the things I love about systems is that there's a system a process a way to doing anything and everything your way in your business. And when I train people to my systems, my process my way they take human beings out of it, meaning personalities, sees why he loves systems. You take the personalities out of it either did your job or you didn't. It's not whether I like you or dislike you. It's not whether you're you're somebody who everybody loves or you're a tyrant as a manager or hopefully you're a coach somewhere in between I don't care where you fall you there did your job or you didn't. I taught you the system. ensured you knew how to do it by when how well you demonstrate you can do it. We're easy we're done. And so here's what happens. You're gonna find this strange to hear out of my mouth unless you've known me for a long time. I think managing people sucks. I don't like it. See, what I want to do is I don't want to manage people. What I want to do is manage systems I want to develop people. See, instead of putting all this time, money and energy into one person who knows how to order, who knows your recipes, who knows how to program the POS system, who knows how to take inventory, just that one person in their brain that if I fire them as a manager, I lose that that knowledge and where will I be oh my gosh, nobody knows how to make anything. Nobody knows the order. Nobody knows how to blah blah, blah. When I have my system my process my way. I have a trained replacement. I've got supervisors and other managers are trained on the same damn systems. And as they move on, they move up that's incredible. By having management, whether supervisors hourly or salaried management, who knows my systems, I'm managing systems, not people, I'm developing people, and that makes coming to work a much a much happier place for you to be. Now to make all this happen. You just can't throw the keys to your restaurant server and promote them to manager, your cook to manager. You can't just take any employing wave a magic wand and bling you're a manager. No way man. You must teach them what their job is how to do it how well it should be done. More importantly by when you've heard that from me over and over again. This is episode 54.

Can you count how many times I've said it in just the past? You know 50 Something episodes I bet this has come up over and over again because I know me I'm a broken record. You probably have a nightmare of me saying teach them what the job is how to do it how well it should be done. More importantly, when this has been a part of my vernacular, my culture, my training my coaching for almost two decades. It's that simple. It's that hard. Say the keys your success, again, is simple. There's a system for everything that you do. There's a system a process away to doing anything and everything your business and there's great training that goes along with it. So you just can't have here's my process. If you don't train people and training means ensuring they understand what it is. We can't go back to the 80s and the early 90s Where you say follow me for three days and good luck. And let me tell you what you've done wrong on a daily basis. You've got to stick with people. You've got to stay with them until they can demonstrate with your over their shoulder that they can do it without asking any questions at least once if not twice. Because now they truly understand then you don't get the excuse. You never told me you wanted it done to that level by this time and so on. Again, I now have a system of process away. And I've ensured they understand. You understand what I'm saying? The system process away. And it's your way by the way.

If you train them and you hold them accountable to your standards you're going to be in a position to always have trained replacements.

Ultimately, you've got to be willing to hold people accountable. What this comes down to is you must be willing to hold people accountable. Be the coach to push somebody to strive to be greater to show the rest of the team, that you're willing to hold everyone to the same standards. You're not special. If you're in management and you're nobody if you're a line employee, everyone's held to the same standards. This is huge for creating a culture that's positive where people feel valued. I noticed a lot to lot to take in and I know that ultimately, it sucks to fire people. But again, I would rather be short staffed and have the wrong people on my team. I've lived it in my life as a manager. I've lived in my life as an owner, as far as an entrepreneur. I walked the walk but I get it. I'm not in your restaurant. I'm not experiencing labor shortage as we speak. I'm not experiencing challenges, but let me be very clear I'd rather be short staffed and have the wrong people on my team. If I have to, if I have to. I'll reduce my menu to almost nothing and tell people how excited we are with the new menu of this coming out. But we've worked it down and this is what we can provide you now due to labor shortage. If I have to I'll remove tables, just like we did in COVID. As we came pick customers came back and we didn't have the staff to handle it. If I have to. I'll get back on the line. I'll get on the floor. I'll do whatever is necessary to make sure my business works. Knowing I'm working towards refilling those positions and put myself on a path to where people are doing it my way that I'm not spending 80 of percent of my time on the 20% of the people that are trying to tear my business down. Instead I'm paying spending 80% of my time on the rest of the team the 80% that want to do good. See, I know either you are right now or have been in the same situations as I described for my three owners as I've described and just all of this, Hey, I've got this person this manager and I'm having struggling whether I should let them go. Just know this. I feel for you. I empathize. I've been there done that but just know this, you created the situation. Yes, it's their decision to either do the job or not. It's their decision to quietly quit, or to actually quit. And quietly quitting means I'm asking you to fire me. But you created this by not being willing to hold people accountable from the get go by training your system, your process your way. This is where systems truly make a difference. Why great training of those systems truly makes a difference why it makes you the leader your restaurant needs but it doesn't matter if you don't hold people accountable. And ultimately if you don't take action, man does that not sound like the restaurant priority formula? Like do you understand how that formula truly shapes? How your restaurant runs? How you are as a leader in your business? This this one topic of when is the time to fire my manager? How do I make sure I'm not in that position? To feel stressed that I'd lost somebody ever again. All stems from the same exact formula over and over and over again. There's nothing new in this business, but you have to be willing to change. More importantly, while you may have created the situation, get yourself out of it. Hey, 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 have 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. 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 persistent, but more importantly become better and help everyone around you become better and your restaurant is going to kick some ass.