Either there restaurant pros It's David Scott Peters and welcome to Episode 60, a restaurant prosperity formula. I've been coaching restaurant owners since 2003. And the restaurant prosperity formulas 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 vendors around achieving prosperity, Freedom your restaurant and 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 I focus on five topic categories, sales success, boundaries, accountability and strategic planning and the advice I share on a daily basis with restaurant owners just like you. Let's get started. But first, a word from our sponsor. This episode has been 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, 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 customers 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. Look I don't want to tell you how challenging it is to own and run a restaurant. I can also tell you that it's not an overstatement when I tell you I talk with restaurant owners on almost daily basis whether it be on Discovery calls one on one direct access coaching calls group coaching calls are late night or weekend oh shit I need some advice on an emergency cell phone call. My world is all about helping independent restaurant owners with a sprinkling of franchisees and it's done via zoom my office line or my personal cell phone. With all that said today I want to share with you some of the most common issues and advice I share with my members and non members. I'm going to break them down into five topic categories. These categories are sales, success, boundaries, accountability and strategic planning. Let's start off with sales, shall we? Right everybody wants to increase their sales. Sales are sexy. Well, I need more sales. Well, I'm going to tell you I talk to people with sales volumes that are very low, medium and extremely high. Now there are sales volumes that I deem too low. When you start doing anything under $500,000 a year in sales that's too low. When you're doing 200 300 Even $400,000 in sales. It's very difficult to make money in the restaurant business. And I can tell you I'm not the right person for you to help you in 99.99% of the time. Because why I can't save you a ton of time. I can't help you implement the systems as quickly as anybody else because often you don't have managers or even key employees at that level. So there is a sales volume that is too low. And often that 300,000 others or or under can often be a very expensive hobby. It's not an enterprise that can make you money to give you freedom from your business. So I want you to really check yourself and say am I in this category? Now the minimum to really start to make money to have managers in place to make change in your business is about $850,000 a year in gross sales. But I will tell you that you really want more. But that's about the cusp of where you can afford a full management team and make the money you deserve to have some freedom. I will tell you, the old David Scott Peters if somebody were asked me 10 years ago, hey, what would you look for in a restaurant if you were open restaurant like hey, man, I'm not opening a restaurant at least it does. $1 million dollars a year in sales because the truth of matter is, it takes the same amount of effort to run a $300,000 business than it does a million dollar. If you were to ask me today, I would tell you that if I were opening a restaurant, I'm really looking for a restaurant that's going to do $2 million or more. Again, it takes the same amount of effort to operate a business that has $300,000 That's $2 million. Why $2 million? Well, one we've increased our prices so high due to inflation and rising costs from labor to cost of goods sold to you name it. And so average tickets aren't running 10 bucks anymore. They're about $20. So our customer accounts aren't that large when you start thinking about $2 million in sales. But again, the other part is with $2 million in sales versus 1 million to 2 million. Not only can I have a full management team in place, but I start seeing some efficiencies in labor. I don't need that many more managers. I can start making real money without having to be there. So put it in perspective, where are you where you need to get now I can tell you that I'll talk to you in just a little bit about some advice. I give people who the sales are a little bit too low. How about the next category? Excess. Often restaurant owners feeling that they failed? Because they're not making the money they deserve? Or what they think they should be making or they're not making money at all. You see making money is a measurement of success in the restaurant business. Because you didn't open your restaurant to create a charity you didn't open a restaurant to be a prisoner to it and not make money little and feed the damn business. But the truth is, some people have that reality. But I want you to understand that doesn't mean you're not successful. It does not mean you're not successful. I want you to think about if you're operating today and you've been open for last three years, you just made it through the COVID 19 Business restrictions and the shortage in labor and the increased prices and now inflation Dare I say recession and you think about the last three years. The 123 knockout punch is our industry is taken and if you're still operating, you are ingenuitive you are you are somebody who is a survivor. You can make anything work. Often we look backwards. We look at what our successes were. See all too often we focus on all the challenges that are in front of us. There's challenges every single day. This is a tough business but when was the last time you took an inventory of where you come from and what you've accomplished year to date. And I think many of you will find that you've had some success. What about boundaries? This is a big one. All too often restaurant owners are solving everyone's problems enabling them not to say Hey, where's the plunger text message? Oh my gosh, let me run into the restaurant and show you where it is. Hey Cisco didn't show up with XYZ us foods Benny Keith insert broadline distributor name here.

There have been distribution challenges. Oh my gosh. We need the product up. See stop what you're doing you go fix it.

So you fix all the problems with your cell phone blows up with text messages, phone calls, when you're in the restaurant, you're forever interrupted in the office because you You are God's gift to your restaurant. So you need to have managers and supervisors on every shift to give them permission to give yourself permission to create boundaries, that it's okay to say hey, go see somebody else. I'm in the office. I'm busy Do Not Disturb. Let's see when you don't have managers when you don't have supervisor types and you are the manager you've created a situation for yourself about accountability. Look, you can't expect to have your managers implement the systems and stay on them on their own human beings and we want the easy road. And when you have a j ob when it's not your restaurant, I'm not gonna care about your restaurant as much as you do. I may care about you. I may care about the other team members. I may care about the restaurant, but not to the level of you as the owner and I think it's unrealistic for you to think that way. You're not going to love your place. The way you do. So you must lead your team you must become the leader of your restaurant needs.

You have to say I'm going to get my managers the training they need. I'm not going to abdicate the responsibility to get it done. abdicate accountability to them. I'm going to make sure

that I'm going to tell them what I want done. Basically what the job is how to do it how well it should be done more importantly by when I'm going to give them the tools and systems to be well capable of running the restaurant my way allowing me to impose my will without being there. And in doing so you as the leader of your business must be willing to hold them accountable. Now, let's change that word around. If you've been following me for any length of time, you know that I take I change the word accountability to answerability right because we teach people what their job is how to do it, how well it should be done. More importantly by when Now, what does this all mean? It means answerability My definition David Scott Peters definition answerability Is the acknowledgement of responsibility for your obligations, decisions and actions. And how you're answerable for the resulting consequences. What does that mean? obligations? Well, are to perform your job to a specific list of expectations. That's your gob take inventory, place an order, write a schedule on budget. Then when I've taught my manager what their job is how to do it how well it should be done. More importantly by when they demonstrate back to me they can do that. I can hold them accountable because now it's answerable. See, they get to make a decision since they know what their job is. They get to make a decision. It's based on their obligation, do my job or don't do my job. Then the action part actions are what you do as a result of your decision. I decide to do my job or not, which, well, you're ultimately they're ultimately the basis for what you'll be answerable for. You understand, like when you go through all the challenges of training your people so specific and clear on what your expectations are. You're not holding people accountable like something negative it's answerable. said when they don't do it, say hey, man, you didn't do that. They call man I'm so sorry. What about strategic planning? This is a big one. Often overlooked as restaurant owners. You cannot move your business forward if you're doing all the jobs, if you're placing the order. If you are cooking the food, if you are hiring the people, if you're scheduling if you're running the shift, if you're doing all the people's jobs, and if you've been listening to me for any length of time, you know, I talked about instead of working down 80 to work up so if you're working down doing your line employees and managers jobs, you don't have the time to run your business to lead your business to move it forward. All you're doing is killing snakes. The the crisis situations that pop up one after another after another, never seen the forest and the tree. See, you've got to identify as the operator, as the owner, I should say, of your business you need to identify all the tasks that you do. Now let me be very clear. If you're placing an order it's a task. If you're creating a catering video, that's a task. If you're counting money and take it to the bank, that's a task. You're typing in numbers in your DSR tracker on a daily basis. That's a task if you're writing down what's on your waste sheet that's a task. Get the picture. Almost everything you do in your business as a restaurant operator if you're working down is a task. See the magic isn't typing the numbers into the spreadsheet the numbers into the software. The magic isn't doing the tasks. The magic is interpreting those numbers, working on budgets, marketing, developing your managers, leading the team holding them accountable moving the business forward, right from the 30,000 foot view not the right in the trenches view. Because you as an owner can take all this data that people when they type it into the spreadsheets or the software, taking that data and using it to run your business and move it forward to improve every single day. Now remember those managers we talked about managers and supervisor types to start working on your business rather than in it. You have to have managers and supervisors who are able to run your day to day in your restaurant. Do you understand that you have to be able these managers. They're so important and I don't care if they're hourly supervisors key employees don't care what you call them. Someone has to be able to run that shift in the place of you. And by having your systems in place by training them by holding them accountable, you're imposing your will to have things done your way when you're there, but especially when you're not. And when you can do that. We talked about strategic planning and thinking then you must spend at least two days a week just working strategically on your business, if you hope to have any chance of moving it forward. When you can take all that data and focus every single week, especially if partners, whether they're related as a husband, wife, a grandparent, a father, a mother, or just a friend does not matter. You have to be together and think about how you're going to move your business forward looking at last week's data and seeing where we go wrong. What are we going to do this week that we're on a well, a unified direction that no matter which owner walks in the building, every manager every employees hears the same thing, that your managers are moving forward that no matter what manager walks in the door, we can measure success. Now let's look at the benefits of following the advice I just shared with you. One you start to feel competent yourself and realize that you my friend are the proverbial shit. You own a restaurant you created a dream out of nothing right? Your dream became a reality. From that cocktail napkin to the I was talking with a friend to that burning desire to have your own place. Whether it started the way you wanted to, or where it evolved to where you are today. Doesn't matter how you got there. You my friend took a risk. You're an entrepreneur, in the toughest business I know. This is because I consider you the shit because this is because you've already had a great restaurant. You're open to make your dream a reality. And oh, by the way, that's the hard part. All you have to do now is focus on making the money you deserve. So if you've created the sales you desire, lead or just solid sales. That was the hard part getting the good Yelp reviews, putting out a great menus service the ambiance the experience people have creating memory. This helps many of you drop what I call or I shouldn't say I call what the industry or all the the other business coaches called impostor syndrome. All that bullshit floating in your head that you're not good enough that you didn't succeed that you did. See when you audit your success and you realize I've got you are the shit, own it and what competence you bring to your business. The leadership you bring to your business, instead of operating in fear number two, by training and developing manager types against supervisors, hourly supervisors, key employees, MIT's Managers and Training, salaried managers. I don't care what the titles are. Anybody can help you run your business on a day to day basis, no matter what this allows you to not have to be there in your restaurant, because it operates the way you want it to when you're there, but especially when you're not. You'll be able to virtually stop all the dumb ask questions that arise from being the only one who can make a decision in your restaurant. Because you've empowered people they know what they can do what they can't. They realize they can't find the plunger they need to go find it themselves. But if the air conditioner fell through the ceiling, to break the roof right down into the restaurant, they know they got to call you they know the level of responsibility that they can make the decisions on their own. Because you were clear about it. Number three, your stop feeling like every time you talk with your managers, all you're doing is worrying. Oh my gosh, am I going to walk into some confrontational situation? Because they know they know what their job is how to do it, how well it should be done more important by when we no longer have to worry about oh my gosh, I'm gonna have a confrontation with somebody because they're doing something wrong. See, accountability will no longer be a dirty word. You don't have to worry about conflict. Because you're so clear on what you want from your people you've trained them. You've ensured they understand how to do it on their own and man, you're in a much better situation. About four. You'll be able to strategically work on your business and explode your sales, your bottom line and opportunities when you can focus on moving your business forward. opportunities all around you. You can say oh my gosh, here's some ideas. I'm increasing our sales from marketing ideas, to catering opportunities to different revenue streams, because you're not clouded by just Johnny didn't show up. Sally didn't do this. Jose didn't do that. And all of a sudden you're just like oh my gosh, all I can think about is the whirling bullshit in my head of all the crises I had. Instead you're like a somebody else's got that. I know it's operating. How can I increase my sales? How what systems do I put in place when I look at my budget to change my bottom line? What kind of opportunities are there from second, third locations, to catering and so on? This allows you to become the leader your restaurant needs.

Know that you're not alone. Know that I work with restaurant owners every day and help them overcome these challenges. The reality is, you can have the same success my members achieve everyday by reading my book restaurant prosperity formula, what successful restaurant tours do by attending my two day seminar in Las Vegas restaurant transformation seminar or by joining my group coaching program, restaurant transformation intensive. We're finding the resource or the restaurant coach that works best for you. And while there are more and more restaurant coaches popping up every week, I can tell you that with 100% Certainty no one does what I do. Just listened to my podcast episodes where I interview my members and they talk about their success, where they work and how quickly they change their lives. I don't have to tell you, they will. And I'm not going to lie. I truly am as you're a listener my podcast. I'm hoping someday, that one day, I have the privilege of working with you. Now look if you want to learn more, go to my website, David Scott peters.com and in the upper right hand corner, click on the link that says watch my free video series and opt in. That's it no strings attached. A fear with you video lessons with the most successful restaurant owners I've worked with they do. And then I'll give you an opportunity to jump on a very easy phone call with Ryan James, one of my member mentors, a member who changed he and his wife nearly changed their life in their restaurant from running everything themselves, cooking on the line and doing those things working on their business, not in it and what have changed. So you can talk to Brian for 15 minutes where you can learn more about your business. what your challenges are. Tell you about his experience in restaurant transformation intensive and talk about whether or not it's a good fit or a possible fit for you. And then we'll get you on my calendar. There's no strings attached and if you get on a call with me no matter what I'm going to do my very best to make sure it is the best hour you spend all year on your business. Because whether we work together or not. I will identify what your challenges are and I will give you concrete solutions you can take action on today. To make a change. There's no risk. If you do decide not to work with me, that's okay. Keep listen to my podcasts, go to my YouTube channel. Go to my site, read the blog. I have plenty of information that can help you as well as other resources that are out there on the web. If we do work together, and I do have the privilege need to be ready to take your life. It's gonna be hard work. And you'll never go back. 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 buy something I need from you. Please leave a review on Apple podcast Spotify or wherever you happen to listen to podcast. By leaving us 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 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.