Page 18 Food Industry News® May, 2012







The Cedar Grill is located in historic Long Grove, IL housed in a rustic two story building conveniently located near the Stempel Parking Lot. The cozy bar is located on the first floor and features an unusual selection of Belgian and domestic craft beers on tap, and over 50 quality wines. Their second floor main dining room seats 65 and is available for special occasions. The Cedar Grill features high quality steaks and seafood simply prepared. Planked Scottish Salmon is a signature dish as well as high quality steaks. Seafood is never frozen which is Safe Harhor certified





Improve Income and Lower Benefits Cost with Good Communication

By Eric Egeland, CPCU, AU President, Capacity Consulting, Inc.

In my book, *Employees, Kids & Pets,* I talk about how the lack of proper and disciplined communication can lead to unhappy employees and business owners. What I don't talk about is how profoundly that unhappiness can affect your bottom line.

When I say "communicate with employees" I don't mean day to day stuff or even formal "task" training. What I mean is properly communicating your organizational needs and wishes.

For instance, how many of your employees know what your mission or vision statement is? Have you ever specifically stated it to them or do you just assume they know? Here is a good test... pick a handful of lower level employees and ask them to explain, in their own words, what the company actually does. Then ask them who your target customer is? Finally, ask them what is most important to upper management/owners? If they can't answer these questions suitably, then there is an opportunity for improvement.

Teach a Man to Fish

If you explain your expectations, then there are a million other little things employees can figure out for themselves because they know the general direction. For tasks, you can say, "This is the order in which to assemble this car." But with mission and vision you can say, "We do everything here perfectly and we absolutely want to treat our customers better than anyone else. So, when you are building this car, we want to make sure that no customer EVER has a problem and it never has a defect. When you're building it, know that our mission is for it to be perfect, no matter what."

Armed with that communication, those employees are now empowered to deal with all kinds of issues that you could never begin to foresee.

For instance, say a car comes down the assembly line in an auto plant and the employee notices a mistake done by the person before them on the line. Now, let's assume these employees are best friends and the one who discovered the mistake knows the other employees's husband lost his job. Assume they were trained on "how to handle a mistake" but were never given any moral direction on "how to handle a mistake made by your best friend when her husband just lost his job!" What is the line for our torn employee? Maybe she would call attention to the mistake like she is supposed to if her friend's husband still had a job, but that one little detail might make all the moral difference in the world to her.

For Faucets & Toilets

Sales, Service, & Repairs

However, go back up and read the company expectations and tell me you don't clearly know what the company wants and where they stand on this matter or any other number of odd situations surrounding a mistake. Employees of that company know, "This car is going to go down the line with a defect and that's

NOT good! I need to do something about this or it will be my butt."

The same thing can happen to a white collar service business as well, although it tends to be a little more subtle. For instance, I have seen employees block sales because they don't like a salesperson in a company that relies on sales to stay in business; or the employee who purposely treated customers poorly because they didn't like them. The main reason they do this is because no one ever told them that every single sale and customer is important.

How Does it Affect the Bottom Line?

The potential fallout from the assembly line employee making the wrong choice is infinite. The defect could harm another employee down the line and send them out on workers' compensation or disability. If terminated, the employee might get unemployment depending on the circumstances. The defect could end up on the road and cause an injury lawsuit against the company that could result in all your insurance going up or worse.

The white collar scenarios can be even worse. Business can be lost, but poor morale due to factions in a company can severely lower productivity and result in work place violence, harassment lawsuits, and stress related medical issues.

Why is it so Hard?

Communicating in a clear, sensible, and consistent manner is not difficult in theory, but two things tend to get in the way.

The first is the assumption that everyone already knows. "Common Sense" is over estimated. For instance, a scientist might think it is common sense not to mix potassium chlorate and sulfur. A contractor might think it is common sense not to walk a job site with sneakers. A mechanic might think it is common sense not to touch a spark plug wire. But a "common" person would need to experience or be told that potassium chlorate and sulfur explode, nails go through sneakers, and sparkplug wires shock. If you want them to know, be 100% clear.

The second is conflict avoidance. Most people avoid conflict. When an employee who may already have an edge about them does something wrong, the manger or boss might have a tendency to let it slide or "wait to see if they do it again".

Issue with Lack of Consistency

The problem with the above scenario of ignoring bad behavior multiple times is something I call "Now you're the bad guy". When someone does something (whether they know it is wrong or not) and gets away with it multiple times, it becomes okay or standard. So when you finally work up the courage to confront them on the fourth time, they look at you like you're crazy. They think "Why are you being such a jerk, this is the way we always do it".

Don't be the bad guy and don't assume your employees know any more than you tell them. It's not fair to them, your company, or your bottom line.

Eric Egeland, CPCU, AU is the president of Capacity Consulting Inc. He can be reached at ericegeland@capacityconsultinginc.com