Matthew Mabel's Toolkit for Creating a Dream Restaurant Business

Learn the 4 ingredients your restaurant business needs to maximize success.

surrender

People often ask me to explain what I look at when I begin to work with a new client.

"What's your process?" they ask.

"What are the many issues that face owners of successful multi-unit growing independent restaurant companies?"

I'm often called in to address one particular need or opportunity.

But while I'm there I can't help myself, and after three decades (almost four decades) of experience, I look around.

If I had to distill all the conversations I've had with restaurateurs over the years down to two questions, my choice would be obvious:

- 1. What's the difference between an independent restaurant company that has *some* success, and one that truly realizes the dreams and plans of its owners? and...
- 2. "Where do I rank and what do I do to strengthen my business?"

If you own a healthy, successful independent multi-unit restaurant company, you may have been wondering the same thing.

What are the factors that will maximize your net worth and the quality of your life?

If you, like many of my clients, started your business from scratch, you did so with the talents that come most naturally to you.

As you grow your business, those talents are typically the root of all of your success. But then... it gets a little harder.

Why? Because it takes an entire array of talents and capabilities to maximize your results and your net worth. When you round out your approach or cover your blind spots or whatever you want to call it, you become more powerful and even more successful.



That's my wish for you.

Your company probably started because you were great at food and drink, hospitality, service, marketing, choosing locations, branding, culture, or business. But you probably weren't great at all of these.

To experience your greatest success and most personal freedom, your company must master them all.

So how do you figure out what you ought to be working on and what talents and capabilities would be smart to add to your company?

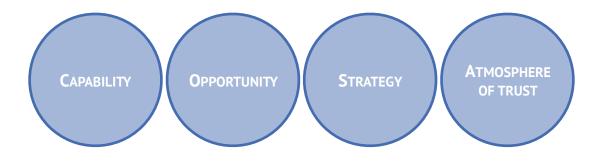
That's what we'll look at in this article.

All my research and experience clearly points to four issues that separate the good restaurant companies from the greatest restaurant companies in America.

Which do you want to be?

After decades of working with people like you, successful owners of multi-unit independent restaurant groups have made it very clear to me what separates the good from the great.

4 Ingredients That Maximize Success



1. Capability

What your restaurant company knows how to do; what makes your concept and business work.

2. Opportunity

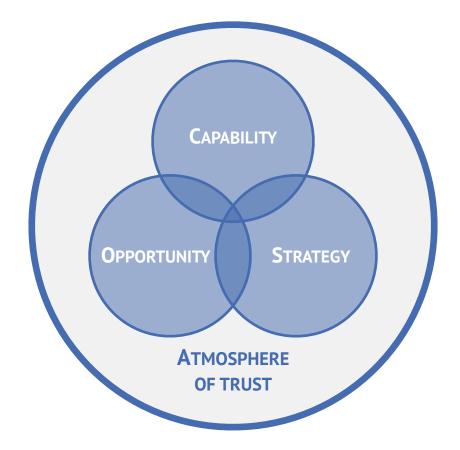
The environment in which you operate; your concept and the markets you occupy.

3. Strategy

Your plan of action; what you are going to do.

4. Atmosphere of Trust

You have faith in the people with whom you've surrounded yourself; you're also comfortable with them... and they feel the same way about you.



When I talk to successful restaurant company owners, they're typically excited and proud because they've built a business that provides an income that, in many cases, is greater than anything they could have imagined for themselves at the beginning, but...

They also have a sense that things could be even better.

Their sales and profits could be greater, their brand could be stronger, their guests and employees could be happier and more loyal, and they could get away more.

There could also be less drama. The restaurant industry is notorious for gossip, drama, highs and lows. I'll leave it to others to talk about why that is.

Instead, I'll tell you what I tell my clients. If you think you must have drama in your work life, you are wrong. If you like drama... stream it on Netflix. At work, replace it with trust.

Like anything in a small or medium size business, it all starts with the owner. Everything is a reflection of the owner. One of my clients told one of his peers,

"When you work with Matthew, your company is going to do even better than it's doing now. But what you're going to find out is that it's really about you, how you show up, how you conduct yourself. Everything comes back to you."

That's a good place to be because it confirms that you have a lot of power.

You are not a victim. You are the master of your own destiny.

My clients ask me where to start.

"What do I focus on first? How should my company be performing? What is the missing piece?"

Sure, it is easy to say "Capability, Opportunity, and Strategy, in an Atmosphere of Trust." But what does that mean?



What are the details?

Click here to watch the video *The 4 Factors that Lead to Your Dream Restaurant Company*

Why All Four are Important

If you have capability and opportunity without strategy, you'll run a restaurant company that's random and unfocused. You'll leave lot of money on the table and waste time.

If you have opportunity and strategy without great capability, you'll have restaurants that don't live up to your guests' expectations. All the possibilities in the world won't allow you to achieve your goals.

If you have capability and strategy without opportunity, you'll have something that not a lot of people want, and your prospects to continue success are limited. You'll have to start again.

And, if you don't have an atmosphere of trust, you are in full-on drama mode. There is a lot of worry, concern, suspicion, and people covering their a%\$s\$%, or not caring the way you would like them to

Your people don't feel supported. You don't feel supported. You aren't a licensed professional counselor (neither am I), but you've inadvertently created a work family that needs a lot of therapy.

Pay Attention to the Signs When Driving Your Company Forward

So how do you evaluate your company? How do you know where to start?

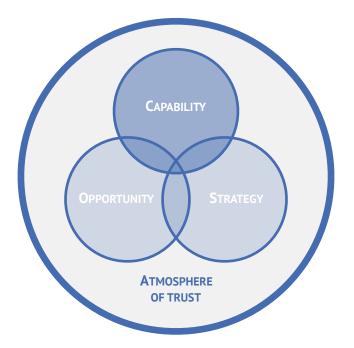
Here's the process that produced great results for my clients.

You'll find four checklists — one each for Capability, Opportunity, Strategy, and Atmosphere of Trust.

Go through them. Be honest about how your company is doing. Then, see where you're strongest and where you can improve.

You'll also find links to some short videos of me talking about this in more depth.

The Top 10 Fundamentals of Capability



There are more than a few restaurants out there that would have higher guest counts, higher sales, greater profit, and a better reputation if only they focused on capability instead of worrying about the labor pool, the "restaurant bubble," the government, or the weather.

What are your restaurants capable of?

When I think of joy and happiness – and the desire and ability to always improve – I think of my client Rex Benson, owner of <u>Ol' South Pancake House and Family</u> <u>Restaurant</u>, who has done amazing things and continues to set records with a 55year-old restaurant co-founded by his father. Rex bounds into the room and booms "How's everybody doing?" and all the people around him anticipate action, fun, and momentum.

When I think of attracting and retaining people, I think of my client Adam Jones, owner of <u>Grace</u> and <u>Little Red Wasp</u>. Adam is one of the best dining room people I've ever seen. He has a keen eye for talent and it's not unusual for his key people to come up through the ranks and stay with him for decades.

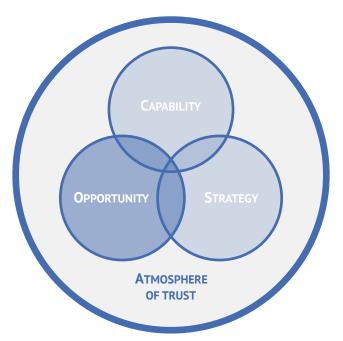
Here are the top 10 fundamentals needed to master Capability:

- 1. You are happy and joyful and your organization prospers without it being a burden to you.
- 2. Your restaurants deliver a consistently excellent experience to every guest, every shift.
- 3. Your culture permeates every interaction and the guest can feel it.
- 4. Your price-to-value proposition is strong.
- 5. Your year-to-year guest count growth outperforms the market.
- 6. Your sales growth outperforms the market.
- 7. You consistently achieve or exceed budget goals.
- 8. You can withstand competition because you are constantly updating your offerings and practices.
- 9. You know how to attract and hire the right people and your retention outperforms the industry average.
- 10. The information your people need to manage is accurate and available in real time.



Click here to watch the video Why Capability is the Cornerstone of Restaurant Success

The Top 10 Fundamentals of Opportunity



Opportunity allows you to have a chance to successfully grow the independent restaurant company you own, building your net worth and the quality of life.

When your organization is surrounded by opportunity, an element of excitement about the future permeates your organization. The best operators can see it and feel it with senior management, unit management, crew, and guests. There's a ongoing sense that the best is yet to come.

When I think of opportunity, I think of <u>i Fratelli Pizza</u> with units in Austin and Dallas — owned by my clients, the four Cole brothers: Darrell, David, George, and Mike. Together, they've developed a unique, high-quality pizza delivery model. They know what they can do and what they can't do... and they don't stray from that. They've gone from 6 to 16 units since I started working with them, and are about to have an even more aggressive growth spurt.

I think of my client Barry Katz and his <u>Katz's Deli and Bar</u> in Houston. Barry has created a modern combination of a Jewish deli, Cheesecake Factory, and TGI Friday's (in the days when it led the pack in culinary). In a world where uniqueness is key, there's nothing like it.

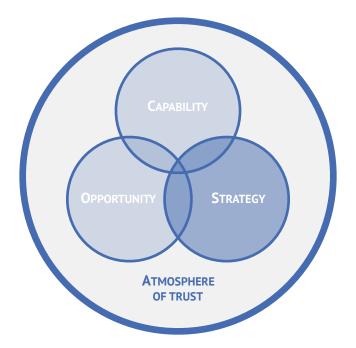
Here are the top 10 fundamentals needed to master Opportunity:

- 1. You have the desire and motivation to grow your business.
- 2. Your brand has clarity and a message.
- 3. Your concept is a leader in an expanding segment or operates in expanding markets.
- 4. There is at least one aspect of uniqueness about your restaurants that you exploit as a differentiator.
- 5. You're an employer of choice and attract talent.
- 6. You have management in training being readied to take future positions.
- 7. You have a training program in place that educates your employees quickly and effectively.
- 8. Your senior management team has the ability to handle additional units.
- 9. Your cash flow gives you the ability to re-invest in your current stores and in your corporate team when necessary.
- 10. You have capital for expansion on hand or know how to attract it.



Click here to watch the video *Create Your Future by Identifying Opportunity*

The Top 10 Fundamentals of Strategy



Not long ago, I had lunch with a respected industry leader who's well known in his market for his career-long success in restaurant ownership over two different brands. Over that time, he's experienced more than his share of peaks and valleys.

We were in one of his most successful restaurants, talking about strategy when he started laughing, almost falling off his chair. He looked at me as if he had a revelation. "Strategy!" he told me as he smiled incredulously. "We don't have any strategy!"

He realized that he signed leases and made deals to open new units on a case-bycase basis without the discipline of a framework to build on – and doing that for a whole career had implications that were huge in terms of unrealized potential.

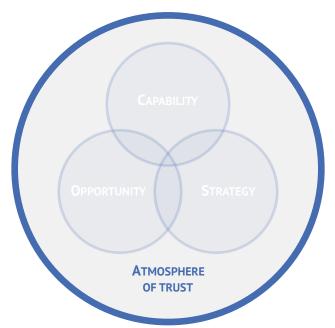
Here are the top 10 fundamentals needed to master Strategy:

- 1. You have the vision to see the potential of your business.
- 2. You have an understanding of the market's future and how your concept will remain strong in changing conditions.
- 3. You understand all aspects of what you will need to realize that potential.
- 4. You have people in place to get your organization where it needs to be to support expanded operations.
- 5. You know how to make people understand your brand to attract new guests.
- 6. You know where your concept fits compared to your competitive set, and you focus on that.
- 7. You know what expansion sites will work for your new units based on the prior two checklist items.
- 8. With your senior management team in place you are ahead of the curve with a platform for growth.
- 9. You're satisfied that you have everything in place to mitigate the risks of growth.
- 10. You understand how to keep your best people motivated, excited, and loyal.



Click here to watch the video Without Strategy You Are Lost

Top 10 Fundamentals of an Atmosphere of Trust



Why is it that the best independent restaurateurs operate in an atmosphere of trust?

They know that operating their business and living their life without a set of great people around them that they trust drains energy away from ownership's creativity, leadership, and personal flexibility and freedom.

Who wants that?

Trust attracts the right kind of people – the ones you want to work with. It retains them. An atmosphere of trust also quickly exposes people who don't have your best interests at heart. They become good turnover, quickly.

When I start working with a new client, I can immediately tell the amount of trust that exists in an organization.

I'm an outsider, and when there's great trust, people accept that if their owner has brought me in, it's for the right reason and the benefit of all. They easily and naturally share information with me which makes it a lot easier to improve my client's condition quickly. When trust is lacking, people withhold information, question motives, protect their turf, act from fear and nervousness, and point fingers. They ask me, "If I tell you about this, are you going to tell my owner?"

"Well, of course I am. That's who brought me here in the first place. It would be unethical to not tell your owner," is my reply.

When I encounter an organization that doesn't have trust, my sole purpose quickly becomes building that trust. Without it, you have one big successful headache of a restaurant company. The only people who are happy there are people who are happy when they have something to complain about. Living that level of drama is not something I enjoy or recommend.

Here are the top 10 fundamentals needed to master an Atmosphere of Trust:

- 1. There's a free and open exchange of information and ideas in your company.
- 2. You operate in a low-drama environment.
- 3. Your people know you have their best interests in mind.
- 4. You know that your people are committed to your mission and each other.
- 5. People and disagreements are treated with respect.
- 6. Your company has anecdotal folklore about teamwork, camaraderie, and culture.
- 7. You can feel the good vibes when you walk into any of your restaurants.
- 8. You can depend on your people doing the right thing which helps you sleep well at night.
- 9. You feel your team can achieve its goals as currently constituted.
- 10. People who are new to your organization notice the difference and want to stay forever.

Click here to watch the video Creating an Atmosphere of Trust in Your Organization



Let's Be Honest...

If you've gone through these four checklists and made an honest appraisal of how your successful company can get even better, you now have a lot to think about.

You can't do it all at once. It's critical to prioritize and identify who can move initiatives forward and assign responsibilities, resources, timelines, and deadlines to people in your organization.

You may want to take advantage of outsiders to move some of these things forward quickly.

There are a lot of people outside of your organization that have experience in making these sorts of upgrades to companies like yours. The benefits of not having to figure these things out yourself are great in terms of speed, time, money, and organizational power.

There was a time when the business model was "your value comes from figuring it out yourself" and some people had shame about having to reach out to outsiders. Today there's an understanding that no one person should know everything, and bringing in experts offers great value, speeds your results and provides outstanding ROI.

Or, as one of my clients who put off working with me for two years before we collaborated on reversing a two year negative guest count and sales trend told me, "I'm no longer in denial that I need a consultant."

Your local restaurant association and its affiliation with the National Restaurant Association has great resources for you. Your vendors increasingly want to add value to their relationship with you and can help you operationally. Just reading the trade press can be a huge impetus to improvement.

Advisors, coaches, and consultants can understand your needs in ways no one else can. They see a ton of similar situations, and the good ones take the time to customize solutions to your needs — not sell you the program they used with someone else.

I've advised numerous companies on how to triumph over all of these issues. It's a great feeling to look back and know the difference I've made for great people who wanted their companies to become even greater

My wish for you is that you use this information to make your restaurant company as strong as it can be. If you're going to work as hard as you have to build your business and take the risks you've taken to bring it to its current level of success, **you owe it to yourself to figure out how to make something that is very good even better.**

Once you do, you have great new options on what the future of your business and your life can look like – a better business, more personal freedom and happiness, a maximized net worth, the ability to serve your guests in a way they deserve, and the ability to give your employees a great experience in working for you .

In the last generation or two, the restaurant industry has been professionalized.

Which do you want to own?

A *good* restaurant company or one of the *best* restaurant companies in the world?

There are still exceptions out there! The other day I had lunch at a restaurant where the host was writing down the waitlist on a pad of guest checks, and when people asked how long the wait was he showed them the list and said, "It's this long!"

I am glad there's not much of this antiquated behavior left out there. As an industry we are proud of that. Those of us who spend or time thinking deeply about the industry have figured out a process to elevate your company.

I invite you to use it.

My daughter is in kindergarten. She gets evaluated on a rating system every day. The ultimate rating is "role model". Use this information to be a role model for your peers in the industry. Build your company so others say "I want to be like them".

The keys to your dream company and restaurant success without drama lie in Capability, Opportunity, and Strategy — all in an Atmosphere of Trust.

You are unique... but your challenges aren't.

I've built a business addressing challenges just like yours — making my clients' lives easier and their businesses better, and I can do the same for you.

To find out how to apply that knowledge to your organization, click the button below to schedule a call.

GROW MY RESTAURANT BUSINESS

Matthew Mabel

What's the point of growing a restaurant company if it doesn't maximize relationships and profits? What's the point of being successful if you can't maximize your net worth while enjoying every minute?

Matthew Mabel encourages successful independent multi-unit restaurateurs to "be as good to yourself as you are to your guests" in everything they do.

"Owning an independent multi-unit restaurant company ought to be a joy. Let's make it that way," he says.

Matthew's devoted to improving the lives and businesses of successful independent restaurateurs.

These owners are devoted to making the most of their businesses – the most profit, units, volume, and value – while also being able to live a flexible lifestyle where they can work when they want to.

They want to choose when they work and when they spend distraction–free time with their families and friends, and pursue their hobbies outside of the restaurant business.

When they do get away, they are confident and trust that their businesses are providing great guest experiences based on outstanding operations and a rate of return well in the excess of above industry averages.

In other words, they want to enjoy all the fruits of their success.

Working with Matthew makes this a reality.

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