

## The foodservice diagnostic

Some companies operate their retail stores with a consistent, seemingly perfect mode of execution. How? Because their core capabilities are centered on operational excellence.

For many best-in-class retailers, achieving excellence at the store level revolves around a diagnostic-review process. This process begins with recognizing what is working and what needs improvement.



Measuring foodservice-operation performance against the same operations on a rigorous, regular schedule creates metrics for targeted performance improvement. This diagnostic process truly takes the pulse of the business and is one of the keys to sustained operational excellence.

### The diagnostic process

Begin by getting the process right.

- ▶ Make sure the commitment to a diagnostic process and being customer-focused starts at the top of the organization by edict and by example.
- ▶ Ensure front-line employees at the supervisory, store management and store associate level have the responsibility and authority to not only identify problems but also to solve them on the spot.

- ▶ Assess your foodservice performance objectively, regularly and comprehensively, and communicate the results.

### Five best-practice tips

Developing a best-in-class diagnostic reporting system for foodservice involves the following key steps:

#### 1] Set strategic priorities

The plan should include a clear definition of the prioritized foodservice initiatives and performance standards from a customer perspective.

#### 2] Involve everyone

Everyone in the organization should be involved in the diagnostic process, from the CEO down to the store cashier. However, it is important to understand the chain of com-

mand and target only those exceptions to the overall corporate plan to be reported upward to successively higher levels in the organization for their resolution.

#### 3] Exceptions, measures and alarms

For each performance standard linked to the strategic plan, define what is an exception. Set measures that can be objectively used to determine if the standard is acceptable or unacceptable. The key to success is setting a “signal level” for every performance standard measured: How far and for how long from this standard level is considered acceptable?

#### 4] Provide a solution

When an alarm for a specific standard is triggered, an action-oriented response should be initiated by the assigned responsible party. It is important to be sensitive to avoid tunnel vision in developing solutions. Always question a solution’s potential ramification.

#### 5] Improve continuously

The diagnostic tool should comprehensively address every area of foodservice. Structuring a core set of questions and a rotating focus section provides variety and ensures special initiatives are also evaluated. Re-evaluate the tool at predetermined intervals to continuously refine and improve its effectiveness and focus on critical areas that historically have been performing well but now show signs of trending downward. Refocusing attention on these areas can have a dramatic impact on results.

### The benefit

An effective diagnostic review process creates a dynamic information highway. The highway’s messages relate to best practices, warning signals of trouble ahead, developing trends and new business opportunities. All of this information is vital in maintaining a fresh, leading-edge retail offering capable of delivering the highest potential for future business growth. ■

An effective diagnostic review process creates a dynamic information highway.

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