

## Local Restaurant Helps Employees Make the Difference

**We walked into the Longfellow Grill on a cold winter night, and were welcomed warmly by both a host and a server, each conveying their genuine pride in the establishment, and their enthusiasm for sharing the experience with us.**

Our server knew the menu, and had thoughtful opinions about both food and wine. She checked back, and seemed genuinely pleased when the food was to our liking. It was another very positive dining experience at a favorite neighborhood spot.

After many similar experiences at the Longfellow Grill, and at Highland Grill their sister restaurant in Saint Paul, I had come to expect a very high level of service. When I thought about this in terms of the Hill Center's mission, I became curious about how the leaders of that organization have created and maintained such an exceptional experience for customers, and how that has impacted their business.

To find out, I interviewed David Burley, co-owner of Blue Plate Restaurant Company, parent company of both restaurants, at the Highland Grill. He seemed pleased, but not surprised, to hear from me. "When you walked into the restaurant this morning," he said, "I suspect that

at least one person greeted you, and probably two. Customer service is a full-contact sport." The role of leadership, as Burley sees it, is to hire, teach, and motivate people to play that sport full-time, and win.

### ***Investing in the Employee Relationship***

Hiring is typically done by the restaurant managers, but before an employee completes initial training, he or she has an initial "welcome meeting" with Burley or his partner, Stephanie Shimp. The owners use those meetings to welcome employees to the organization, to share expectations, to answer questions, and to begin an ongoing relationship with each worker. Many of those relationships have lasted for more than 10 years, some since the team took over the first restaurant.

Employees receive training every two weeks, on topics that include menu items, specials, and announcements, as well as processes, techniques

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and tips for improving customer service. The managers and owners share customer feedback, as well as data from “secret shoppers,” who evaluate all aspects of the customer experience. Specific employees also receive feedback from this process, both positive and negative.

Employee compensation includes health insurance and 401(k) plans, along with occasional performance bonuses. Hourly wages are competitive, as are management compensation packages. Burley pointed out that offering these benefits is particularly challenging in a value-priced restaurant. I spoke informally with a few employees; all cited the collegial environment and the organization’s commitment to being “the kind of place where the neighborhood meets” as major drivers of their satisfaction. “We treat our employees the way we expect them to treat our customers,” said Burley.

### **Measuring Impact**

Blue Plate carefully monitors each store’s profitability as well as waste; these measures drive menu adjustments, process changes, and employee training. The company also uses extensive “secret shopping” as a leading indicator of business

performance. Each restaurant is evaluated 4-6 times per month. The qualitative input from that ongoing research drives employee training and performance evaluation.

### **The Payoff**

In just over 10 years, Burley and Shimp have grown their company from their first property, the Highland Grill, to include the Edina Grill, the Longfellow Grill, and the Groveland Tap. They will open their fifth restaurant, currently the subject of a naming contest, in spring of 2008. While they carefully plan and execute all aspects of their menus, the management team agrees that the differentiating feature of each restaurant is the customer experience, delivered by all employees working together. As a result of their efforts, the company continues to expand and to improve profitability.

The benefits extend beyond the shareholders. During a recent visit, I asked my server how a side dish was prepared. “I’m not sure, but I’ll find out,” she said. She returned with the chef, who gave our table a quick, cheerful, and very informative primer on risotto cakes. It was clear that they both really enjoyed their jobs.

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#### About the Ethical Leaders in Action Series

The Ethical Leaders in Action Series is a service of the Hill Center for Ethical Business Leadership. The Hill Center’s mission is to help organizations prosper through a strategic commitment to ethics and social responsibility. Each edition of this series tells the story of an organization that is succeeding by investing in one or more critical stakeholder relationships. For more information and other stories visit [www.einsight.org](http://www.einsight.org).

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