

## *Technology Without People Focus*

### *A Recipe for F&B Automation Disaster*

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Automation of the food and beverage operations is a necessary step for clubs intent on minimizing losses due to waste, spoilage, theft and over-portioning incurred by this department. However, technology is the easiest part of the solution. Plenty of software is available to handle even the most complex club F&B setups. The harder part is the people side.

After decades of implementing F&B software for some of the most forward-thinking private clubs – even those with management and boards dedicated to the project, I've learned that getting people to change their ways is by far the most challenging aspect. Strong F&B control requires changes in process flows. These changes include the introduction of requisitions, transfers, purchase orders, receiving practices and culinary controls such as waste tracking and recipe management.

In all cases, the way things were done in the past must change to accommodate an integrated set of process flows more attuned to the requirements of automated systems. In many ways, these disciplines should have been a part of the F&B protocol regardless of the presence of automation. Simply improving receiving practices could lower food costs in most clubs by a full 1-2% of sales. But data collection and disciplines without meaningful and actionable reports to justify the time and effort generally result in either shortcuts or total failure to perform these duties.

Club management must focus on the implementation of these system, not simply the features and benefits if they want to succeed. Unfortunately, this is where developers of these systems fail to adequately perform. Many developers provide software training, but ignore database construction – leaving this critical task up to individuals on club staff without proper background or time to properly complete the task. This is a purely economic decision on the developer's part, due to the added labor cost and resulting higher fees required, which they fear will price them out of the deal. Without the proper database to begin with, the systems are doomed to fail regardless of how willing staff members may be to participate and make changes in their daily activities. The resulting inaccurate reports cause a loss of faith in the system and eventually either abandonment or at best partial use, making the system marginally more valuable than the spreadsheets it replaced.

Success with this type of technology requires three important factors – expert database construction, hands-on training and attention to staff workflow transition. Only then can true success be achieved. An approach where the developer builds the database, prepares the staff for the changes and then trains each affected staff member using their own data in the performance of their new duties, and finally working on-site to help smooth out the first few days of operation under the new system is critical. Of course, this additional labor increases the initial investment for the club, but helps insure the investment is worthwhile and realizes the intended cost saving objective.



From the technology side, there must also be built-in wins for each staff member in order to gain their support and confidence. The use of mobile apps, pads and scanners make data collection easier and more enjoyable and have helped tremendously in this regard. Reports and approvals via e-mail and text messages are another more familiar way for staff to relate to the system. Integration with POS, accounting, distributor and catering systems reduce labor significantly – another benefit for the staff. And the ability of the developer's on-site implementers and web-based trainers to answer questions and ease any anxiety associated with change makes the process far less stressful.

Considering the benefit to the club's F&B financial results – generally savings of 3-6% of F&B revenue, even the club with \$1 million in F&B sales can easily save \$30-\$60 thousand annually, far exceeding the cost of the automation project. In the end, with the focus just as strongly on the implementation as it is on the software itself, even smaller clubs can create a recipe for success and take full advantage of F&B control automation.

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