



WHAT MATTERS MOST



Power of Prevention

Lack of good preventative maintenance in a down economy will ultimately cost operators more. By Nick DiIullo

Before Peter Riggs became a vice president with the 173-unit franchise Pita Pit, he was a franchise owner. Starting out in the business, Riggs thought he knew what to look for when it came to preventative maintenance and workplace safety. He watched for spills on the floor. He made regular equipment service appointments. He did all the things an owner-operator should do to ensure his location is in top working order. But one day a chair broke, and he realized he still had a lot to learn.

"The chair got old and one of its parts just came loose and broke," Riggs says. "There was no particular reason beyond wear and tear. You know stuff like that happens, but you really don't think about it in relation to your own business unless someone tells you to watch out for it."

Fortunately, no one was injured, but Riggs still likes to tell the anecdote because he says it illustrates an important point when talking about site maintenance: Attention to detail is everything. And as owners and operators look to save money during the troubled economy, it's the small, preventative particulars that often get lost in the mix. And it isn't just a matter of safety; it's also a matter of profitability.

"If a table or chair breaks," Riggs says, "you have to replace it, which is more costly than taking five minutes to regularly inspect these things."

Eric Lane is director of operations for the School of Hotel, Restaurant and Tourism Management at the University of Denver's Daniels College of Business. He says because customer volume is often down during trying economic times, owners and operators have a natural tendency to look for ways to make a little bit go a long way. But this means they're often too quick to cut back on preventative maintenance and safety concerns in their work for a better bottom line—and they do so at their own peril.

"It's one of the areas I wish people would not cut when they're struggling, but they usually do," Lane says. "In the short term, it may work, but in the long term it's going to cost you."

Like Riggs, Lane says owners should pay attention to the details, such as drafty windows and doors, frayed wiring, or loose carpet corners that may be a tripping hazard. He says he can always tell a restaurant is struggling when he walks in and finds a multitude of maintenance issues.

But it's not always the perils of low customer volume that cause operators to cut corners. Lane says bursts of high volume during an economic downturn can also lead to sloppy facility maintenance as



managers feel they can't be bothered to slow down and make the usual maintenance checks and repairs.

In addition to sweating the small stuff, owners and operators also have to remain mindful of the big-picture items—for example, crucial equipment like fryers, refrigerators, and ovens. Jim Miller, president of the industrial specialty and service sector at Ecolab, says he's noticing more operators trying to get longer life from their equipment. This can make smart business sense, as long as it goes hand-in-hand with meticulous care.

"Operators are holding onto equipment longer than its lifespan, given the financial pressures they're under," Miller says. "This creates a real need to maintain that equipment so you can start to see the benefits of deciding to repair versus buy."

Ed Randall is vice president of operations for Charley's Grilled Subs. He says the economy brought about a pressure to make sure Charley's franchisees were not falling behind in maintaining their most crucial pieces of equipment.

"In our business, there is no more important piece of equipment than our grill," Randall says. "If that grill goes down for a day, I can lose three times the amount of money it would have cost to conduct

the proper preventive maintenance to keep it from shutting down."

While it might seem like a separate issue, workplace safety is inextricably linked to preventative maintenance, considering most accidents are avoidable when a location implements a well-executed upkeep and awareness strategy.

Don Wilson is a risk-management consultant for Lockton Companies and has been advising big-name players in the quick-service industry for 25 years. He says that slip-and-fall accidents not only remain a restaurant's greatest safety concern, but also its most avoidable risk.

"Ten percent of slip-and-fall injuries are a result of the physical condition of the store, but the rest are usually the result of unsafe behaviors and people taking short cuts," Wilson says. "You can't let maintenance items go neglected. Those frayed edges of your carpet may cost money to fix, but it's going to save you money in the end."

Just consider the numbers: The average slip-and-fall accident costs a restaurant about \$12,000, and since most locations will experience between three and five of these per year, anything that can bring those figures down is good for the bottom line.

Like most experts and analysts, Wilson says a large part of the prevention equation comes down to better training of, and communication with, employees. Tough times sometimes mean that budget cuts are made to training programs, but that's no reason employees shouldn't be schooled in proper maintenance and safety procedures. This can mean everything from emphasizing safe mopping techniques to constantly reminding employees to lift their feet when they walk through the restaurant.

"A good, comprehensive safety program starts with a management culture that keeps everyone accountable," says Woody Hill, vice president of loss control for the workers' compensation provider EMPLOYERS. "Without the leadership involvement and a commitment from the top, none of this works. It works on paper, but that's not enough."

The bottom line? Take care of it now.

"When the budget's lean, owners often look at a growing problem and say, 'We don't have the personnel or money to fix this right now,'" Riggs says. "But preventative maintenance is always easier than trying to fix a catastrophic problem after something's been neglected." 