

# 7 ways we've got better

How one pub team is astounded at the impact BIIAB training had on their business

## Aged only 20, Jenna Halliday has the skills to lead the front of house operation at the Michelin-starred Trouble House in Tetbury, Gloucs.

She puts a lot of her confidence – and the pub's increased profitability - down to her taking BIIAB's Profitable Business Portfolio (PBP).

The pub, on the busy A433 to Cirencester, is a Wadworth tenancy taken six years ago by Michael Bedford and wife Sarah, who also took PBP units with Jenna.

Almost all PBP candidates remark upon the change of perspective gained from 'stepping out of the business and looking in' that the course forces them to do, and Jenna and Sarah are no different.

Jenna says: "The starting point is identifying a business vision which in our case is to serve rustic, traditional food and drink in a relaxed setting."

The Understanding Your Market unit invites candidates to walk the 'customer journey' and a key area identified as a major weakness was the Trouble House website. "Sarah and I were cringing with embarrassment when we returned and visited it – it was advertising Valentine's Day 2004 and had very outdated opening hours."

A £500 spend with local website developer Cox Computers ([www.coxcomputers.co.uk](http://www.coxcomputers.co.uk)) led to the current site [www.troublehouse.co.uk](http://www.troublehouse.co.uk) which just a few weeks after launch was attracting 20+ enquiries per week. Jenna had been at the business three and a half years and only remembered four previous customers mentioning the website, so the benefits to the business were immediate. With Michael changing the menu regularly there is a facility for this to be changed online by the pub rather than having to go back to the website developer each time.

Throughout the business there is far greater attention to detail. "We check absolutely everything – even down to the log baskets, if they aren't filled regularly or the pictures dusted it gives people the impression that we don't care."

## Staff motivation

The motivating your staff module was very important to the business as Jenna explains. "We returned from the course and set-up staff appraisals, the results of which surprised us.

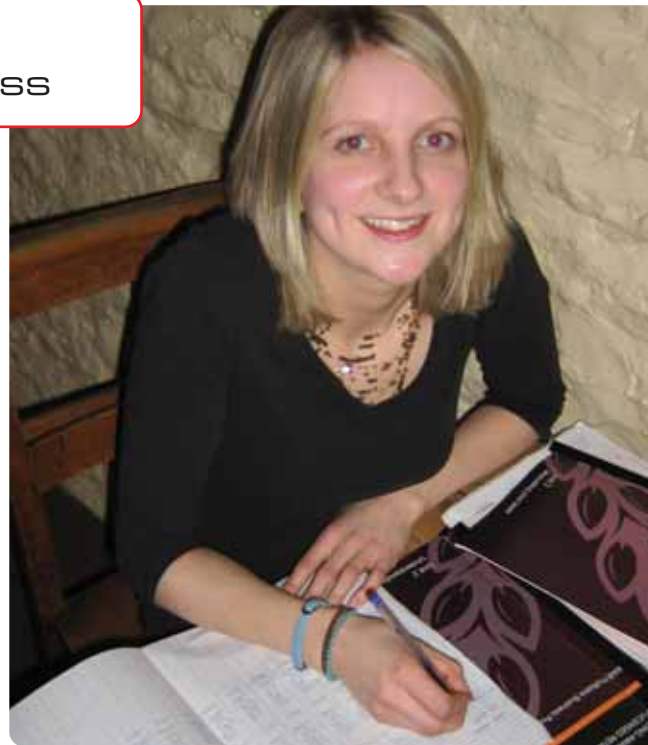
"For example, everyone mentioned that they would like some type of uniform so we now have an informal black top and jeans style which customers say looks great," says Jenna. "There was also a huge change in attitude among the staff. Some of them have been here a long time and there was a definite division between them and the new members of the team who were not as skilled, which led to criticism.

"Simply giving the experienced staff the responsibility of mentoring and coaching the newcomers changed this virtually overnight," Jenna says. "They relish the challenge and everyone now works as a brilliant team. It has also taken some of the pressure to train new staff away from Sarah and I which is also a bonus. It also highlighted areas where staff felt they needed more training in order to perform better."

Having well-trained and motivated staff has had a positive effect on the business's wage percentage which has dropped from 27% to 22%. Jenna estimates at least £4,000 has been added to the Trouble House bottom line.

Jenna says that the PBP helped Sarah and her retain control while involving their team in decision making.

Sarah and Jenna's view on training staff has also altered significantly. "Our course tutor dismissed the argument that it's pointless to train staff only for them to leave. He said 'what happens if you don't train them and they stay,' which is a bit of a no-brainer."



## Controlling the money

The P&L and Budget Control units of the PBP appears quite daunting to some candidates and Jenna admits she felt the same but was amazed the effect it had on profitability after she and Sarah designed a spreadsheet identifying every product item sold at the Trouble House, its cost price and selling price.

Target food GP is 65% with a wet of 60% which Jenna says wasn't always being achieved

Wet GPs have increased 7%

as suppliers' price rises were not always factored in to the price customers paid.

Now every invoice is checked and target GPs analysed on a daily basis which has increased wet GP by 7%. "We had to produce a trading account which means that now I've got a thorough understanding of the figures surrounding the business, which can only make us more profitable."

After this module Sarah admitted she'd been working out the VAT 'slightly wrongly' – not an uncommon thing for licensees to do. Former Licensee of the Year Ali Carter F&I admits to forgetting to add it to the retail price at all during her early career.

Jenna says she now adopts a much more analytical approach to ordering. "If we sold say 15 bottles of a certain wine per week we'd put in an order for a couple of cases but now I'm much more discerning which has reduced the stockholding at any given time and improved cash flow. Our laundry service charges us extra if we send over a certain amount which was pretty uneconomical – we either hold over the extra items until the next week or wash them ourselves which saves us a significant amount."

Similarly, a major national supplier the business used had a £120 minimum order value which Jenna admits made her order plenty of things she didn't need. Simply changing to a local supplier with no minimum order has also added to bottom line. Looking at suppliers in more detail has also helped. "I noticed that Coffeeman also sells crisps so we order from them which is more efficient and cuts down on paperwork," she says.

The most significant effect on profitability was brought home to the pair by their course tutor at Worcester College of Technology, Peter Scouler, who said that if the business could save just two staff hours per day at £5.50 per hour the saving over a six month period would be £2,002. At 10% net profit the business would need to take an additional £20,020 across the bar to achieve this. "That really made us think," says Jenna, who ultimately wants her own business with Robin.

"Not yet though, I'm still young and I've got a huge amount still to learn." You wouldn't bet against her being an industry star of the future in her own right.



see page 10 for more information on Wadworth opportunities

- ### Main benefits
- 1 Increased wet GP by 7%
  - 2 Wage percentage which has dropped from 27% to 22%
  - 3 Savings on wages is equivalent to an extra £40,000 of sales annually
  - 4 Much staff training taken on by senior staff
  - 5 More professional appearance of staff and pub
  - 6 Website is now a strong marketing tool
  - 7 Jenna is putting into practice skills which will allow her to start her own business

## LICENSEE Q&A



Mike Hoyles AMBII runs the Admiral Taverns leasehold, The Forest Heath Hotel, in the New Forest with wife Annie

The best idea we've brought to the business recently has been to take Sky out and introduce things to bring the community together:

- 1 When we came in 20 months ago there were just 10 regulars and we've started quiz nights organised by a company called Red Tooth ([www.redtoothquiz.co.uk](http://www.redtoothquiz.co.uk)) which costs us £4 per week. It's early days but this brings us in around 30 customers each spending around £10
- 2 Sunday darts competition between 3pm – 6pm. A local club closes at 4pm so this keeps us busy between lunchtime and evening. We get around 24 people playing who are drinking for three hours which ensures continuity between the sessions
- 3 We've started curry nights which have already been successful but we'll also offer a take-away service as there are none in the area and there's a big campsite up the road which we'll bombard with flyers

My biggest mistake was being talked into a scam regarding advertising and losing around £4,000 when we first came into the pub. I now know that licensees are inundated with people offering the world and I determine who is genuine now by saying that I'm recording the phone call and may get my solicitor to have a listen

I'm most proud of increasing trade by around 50% since we've been here and bringing a run-down village pub back to life although there is a lot more still to do. One customer recently said we'd given the pub back its heartbeat

Our business is distinguished from others in our locality by being a village community pub with a large child-friendly garden offering value for money. Many pubs around us are really restaurants now but we'll stay a pub

I'm inspired by Winston Churchill, his leadership, spirit and 'never say die' attitude give me a lift when things seem bleak

If customers were to criticise our business at the moment it would be the front of the building and garden need renovation, we're slowly getting through it funded by profits

We intend to minimise any negative effects of the smoking ban by fortunately our garden is large enough to have a kids' play area, BBQ pit and a smokers' area which we'll light and heat during winter

The best idea we've nicked off another business recently the Sunday afternoon darts competition means we're busy from opening to close with no drift away after lunch

My personal/business motto is keep strong in self-belief and spirit and the business will work out

The phrase I most overuse is 'it costs nothing to acknowledge customers entering and leaving the pub'. The latter is the thing which most staff forget to do which is daft as it's customers' last impression of you

My greatest extravagance is a Southampton season ticket for my son Thomas and I. it gives us the chance to have some quality time together

The business idea which didn't work was we tried a themed Trafalgar Night and while wet sales were good, very few people took us up on the food offer. Theme nights have taken off now as we market them on our website ([www.forestheathhotel.co.uk](http://www.forestheathhotel.co.uk)) but we get the best results from putting posters up above the gents' urinals and by the full length mirrors in the ladies' loos as we have their undivided attention.