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Books or Knives? The Proof in the Pudding!

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This research aims to analyze the effects of post-secondary business education, post-secondary culinary training, and/or personal characteristics on the success level of restaurateurs. This study attempts to give insight as to whether formalized business education and/or culinary training translates into higher performance when compared to enterprises where management develops on-the-job learned behavior. To achieve this objective, a qualitative case study was conducted on five local restaurateurs in one Southeastern market. Results show successful restaurateurs effectively management human resources, have prior industry experience, and outsource and/or automate processes to achieve work-life balance.

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Introduction and Literature Review

In 2005, one research study of restaurant failure concluded that thirty percent of restaurants fail in their first year (Parsa, Self, Njite & King, 2005). Conventionally, however, financial institutions have thought this number to upwards of eighty percent, and thus, bankers and loan officers have looked unfavorably at the prospect of pursuing restaurant ventures (Parsa, Self, Njite & King, 2005). Loan applications for individuals in pursuit of starting a restaurant are guaranteed an automatic denial based hugely on the perceived risk of failure. Unsupported claims and misinformation have steered many risk averse prospective owners from the kitchen and onto other pursuits for fear of financial loss (Parsa, Self, Njite & King, 2005). For instance, in the summer of 2003, American Express aired an advertisement warning that restaurant ownership leads to failure for ninety percent of entrepreneurs who follow their culinary dream in their first year of business. However, this advertised failure estimate was not in agreement with the projected growth estimates of three to four percent a year as presented by the National Restaurant Association (Parsa, Self, Njite & King, 2005). Additionally, it also did not mirror the actually cyclical phasing of restaurant ventures in the marketplace, but rather speaks to the preconceived notions that many individuals have concerning restaurant ownership (Parsa, Self, Njite & King, 2005). In an August 2005 article published by the Cornell Hotel and Restaurant Administration Quarterly, Dr. H.G. Parsa, along with a number of his colleagues, investigated this cyclical phasing and its root causes. They discovered that only about a quarter of restaurant start-ups fail in their first year. This study identifies the primary internal factors related to restaurant management and subsequently failure or success is management's inadequacy, incompetence, inefficiency, and inexperience.

This dictum that management is the cornerstone of organizational effectiveness and ultimately financial performance has been explored in prior research that has focused on the performance effects of firm leaders. El-Nahas et al. (2013) identify, "a positive relationship between leadership behavior style and employees' job satisfaction." As reported in a 2006 Academy of Management Journal article, "[E]ffectively cloning long-term managers who run profitable restaurants should lower management turnover rates, which will ultimately increase performance through lower crew turnover and shorter wait times" (Kacmar, Andrews, Van Rooy, Steilberg & Cerrone, 2006). In other research published more recently, researchers concluded

[T]hree managerial characteristics that signal the ability and willingness to engage in change—management team change orientation, manager participation in decision making, and manager access to organizational resources—moderate the unit-level relationship between voice and exit: Employee voice is positively related to turnover when each of these factors is low and negatively related to turnover when each is high. (McClellan, Burris & Detert, 2013) Climatic conditions vary with elevation

Researchers Datta and Guthrie conducted a research study to uncover the organizational antecedents of CEO demographic characteristics based on 195 secession events in Business Week 1000 firms and discovered that "R&D intensity is associated with the selection of CEO's having technical functional background and higher levels of education." (Datta & Guthrie, 1994). Considering that the restaurant sector is an industry characterized by product and service differentiability, demand instability, fewer legal constraints, and a competitive industry structure, the effects of managerial decisions will be more evident in the performance of the enterprise (Goll, Johnson, & Rasheed, 2007, p.203). In the context of the restaurant industry, this conclusion posits that leaders with higher levels of education and more sophisticated technical skills have the tools and/or cognitive ability to generate innovative solution to business problems. This conclusion is marginally supported in Yang and Wei study of 231 Chinese firms where they discovered that CEOs' education levels were positively related to Entrepreneurial Orientation or entrepreneurial endeavors toward the pursuit of new entry opportunities (Yang & Wei, 2013, p.356).

Linking these more general findings about leadership aspects and organizational processes and success to findings about restaurant managers and venture success, one aspect that has not been fully explored in research to date is whether a restaurateur benefits from post-secondary business education or culinary training. To state the research thesis clearly, this research investigates whether post-secondary instruction increases the likelihood that a restaurant owner will be successful and, if so, what type of instruction is more valuable—formal business education or culinary training. In his third study dedicated to the subject of restaurant failure, Parsa identifies entrepreneurial incompetence or lack of proper business acumen as one of the contributing factors to failures (Parsa, Gregory, & Terry, 2011). Thus, in this honors thesis project, I will examine the role that education plays in developing proper business and culinary acumen to meet the challenges of restaurant start-up and management while also seeking to uncover other major factors that contribute to restaurant success.

The above research questions are addressed through interviews and exploratory analysis of the interview text. I chose to use qualitative field methods because of the lack of published background data on many local restaurateurs and their start-ups. However, my primary motivation for taking this approach was my interest in understanding the early start-up experience through the lens of the restaurateur. Next the methods—data collection and analysis—are explained. This is followed by identification of the three themes that emerged from these interviews. Finally, limitations, future research ideas, and practical implications are discussed.

Methods

This research builds on previous studies which focused primarily on factors contributing to restaurant failure, but, in this study, I focus exclusively on post-secondary education and/or training. In other words, the aim of this project is to understand how the interviewee's education and training prepared the participant, if at all, to meet and overcome the challenges of owning and managing a restaurant. This research question is explored through in-depth, inductive interviews with owners, partners, and general managers of stand-alone restaurants, multi-concept franchises, and family-owned businesses in one Southeastern city. The five in-depth interviews address open-ended questions with the goal of delving into the subject of post-secondary education and its role in enterprise success. Interview details are included in Table 1 and specify the length of each interview and the titles of the individuals. Because of IRB stipulations, names of the interviewees and participating restaurant have been concealed and a pseudonym developed. These pseudonyms are used in the findings.

Each of the five interviews includes ten to twelve open-ended questions along with one question measured on a Likert scale which addressed the restaurateur's satisfaction with his/her restaurant at the time of the interview. Interviewees were encouraged to talk at length on challenges faced at the establishment, how those challenges evolved over time, and personal characteristics and/or background experiences and training that enable successful restaurateurs to effectively meet those challenges. The fieldwork was conducted over a one month period, and each participant was contacted primarily through personal connections. The questions, provided in Table 2, highlight some of the main discussion topics, though each interview varies and questions change for different enterprises and participants.

Each interview was audio recorded. Soon after each interview, the interview was professionally transcribed. After reading over the interviews, I found that several themes became apparent. To ensure consistency of the findings, reviewing the interviews included writing thorough notes to determine if the same themes were found across all organizations. Below are the key themes that emerged from all institutions. These themes are mentioned in at least four of the five interviews and were on the front of each participant's mind (i.e., a significant amount of

time was dedicated to the topic of discussion during the interview). Each theme is described below and substantiated by quotes from the interviews.

Findings

Three themes emerged from the analysis of interview text. Most prominently (and surprisingly), I found that restaurateurs whom I interviewed discussed the need to understand human resource management and develop HRM skills. Second, I found that the five restaurateurs in my study all leveraged prior industry experience. Third, the interview text provided ample evidence of the pursuit of work-life balance by these successful restaurateurs. These three themes did not connect directly to their prior education, which was surprising to me. Yet, these themes seem to resonate with informal conversations with restaurateurs since this resource was completed. Below, I flesh out each of these three themes, supported with specific quotes from the interviewees.

Successful Restaurateurs Understand Human Resource Management

The first and most prominent theme that emerged from the interviews centered on the recruitment and development or training of high-quality employees and managers. Employees are the agents that execute all major operational responsibilities of the enterprise, and employees often have varying objectives that contribute to their decision to work in a restaurant. Thus managers and owners must develop and continually communicate an inspiring vision for the enterprise and adopt a management style that reinforces the employee's individual commitment as well as teamwork with other employees. The theme of effective human resource management was identified in all five restaurants and was mentioned 61 times across all interviews. For instance, when asked about the biggest challenges owners face in the restaurant industry, the co-owner at Mark Anthony's replies:

I guess it would be finding good people and then the people basically jumping on board, because we're going to grow, and so I have to put a ton of stuff in place. Really, the hardest thing is getting everybody on board with the new systems. Basically, running a real restaurant...In probably every restaurant you probably ever talk to, finding great people and having them stay is the hardest thing you'll ever have to do. (Partner/Co-owner, personal communication, April 8, 2015)

Whoever's working extra cares about your product and cares about your things, not just when you are there, but when you are not there also. That's the kind of employee you want to stay loyalty to. You give them everything they want and then you can keep them and let them run it. But to find that kind of employee is really hard. (Owner, personal communication, March 25, 2015)

The co-owner of the Scotched Egg, the restaurant most highly rated by interview participants, champions employee empowerment. He also believes the key to a successful enterprise lies in recruiting employees who are willing expend extra effort on behalf of the firm.

First of all, we don't start at minimum wage, and we don't want people that want to work for minimum wage. We don't have a standard raise or anything like that. It is all performance-based. When you perform better, we reward you. (Partner/Co-owner, personal communication, April 6, 2015)

While employee recruitment was a major concern for all interview participants, employee retention was an even more noteworthy human resources concern. This conclusion is apparent in

the creative methods of compensation employed by owners and managers to retain top talent. Because of the low skill level requirement of the family-style, fast-casual sectors of the restaurant industry, employees typically are subject to similar pay-scales across employers excluding the occasional outlier. Thus, the differentiating factor for employer selection is usually cultural fit and interpersonal connections to the enterprise, as identified by the owner of the Oxenberg Charcuterie who stated:

A lot of times restaurants generate a lot of friends together. They say, 'Hey, why don't you come work over there with us?' And that actually works pretty well. It's a good attractant. (Owner, personal communication, April 6, 2015)

This restaurateur was particularly concerned with the relational tactics that other owners and managers practice to recruit talent. To address this concern, he utilizes a combination of monetary compensation and public recognition of service professionals who deliver exceptional customer experiences to create an engaging workplace atmosphere. Mark Anthony's also offer an incentivized compensation plan inclusive of staffing trips to national attractions, gift cards, and higher monetary compensation, among other incentives. As subtly eluded to in the statement above, employee retention is largely dependent on the enterprise's employee intrinsic rewards. Employees that feel their contributions will be valued are more likely to stay with the enterprise. The co-owner of the Scotchd Egg commented on the benefits of having an inclusive management style in the workplace and offers this as advice to other restaurateurs:

I let them do what they want, but in my way. This shows I appreciate their ideas. They are happy because they have input. And I know they care...We are almost like a family as one unit as a whole. (Partner/Co-owner, personal communication, April 6, 2015)

While restaurant ambiance and operating philosophy can act as pre-screening filters, restaurants in these sectors attract a wide range of applicants across various demographics. As mentioned earlier, the challenge that owners and managers face is rallying employees around a common purpose and instilling a cooperative culture within the enterprise. The manager of Annandale's Garden reinforced this theme:

Let me tell you the biggest challenge in this industry... It's the different levels of people that you have working for you...I'm talking about our staff, professional people, people that are doing this as a job to get through school, you're dealing with people ... some educated and some uneducated. So, we're dealing with all different facets... You've got so many people that have different goals in life. (General Manager, personal communication, April 4, 2015)

Personality differences and varying education and professional training levels combine to create a diverse and complex landscape of employee objectives. The role of the owner and/or manager is to effectively communicate the concept of the enterprise, while also inspiring and guiding employees to properly execute in their respective areas to manifest the aspiring vision for the enterprise. The owner of the Oxenberg Charcuterie describes the role of the manager as follows:

You don't work for your customers; you work for your employees in the restaurant business. I say that because they need a coach. They need somebody that supports them, that gives them feedback, that is involved. I'm doing the manager thing here now. You have to figure out a way to take care of them; make [the restaurant], you know, a pleasant atmosphere for them to work in. (Owner, personal communication, April 6, 2015)

This conclusion suggests that the owner must have a clearly defined concept as well as a clear understanding of how each employee in his/her respective roles fits into the enterprise. In the case of Annandale's Garden, this understanding is used to develop a performance standard with which weak areas within the enterprise are assessed:

That's where it comes into managing your people and knowing what people are capable of and what they're not capable of. I mean, sometimes you've got to hurt some people's feelings because everybody wants to work hard and everybody wants to do it, but sometimes they're just not ready to work at that level and they still need more training in that particular situation. (General Manager, personal communication, April 4, 2015)

In keeping with the above statement, training plays a central role in maintaining the integrity of the enterprise's concept. All five restaurateurs pointed to their training programs as being key to ensuring satisfactory customer service and controlling costs. The co-owner of Mark Anthony's speaks to this fact when asked how she ensures exceptional customer service for her customers:

Training. It's how I train my people. Always. We have another saying that we say; we go to 11. There is a scale of 1 to 10; we actually go to 11. Always. It's training people. It's again getting them on board with your vision. You know, happy people create happy customers. (Partner/Co-owner, personal communication, April 8, 2015)

The owner of Oxenberg Charcuterie made clear the ramifications of ineffective hiring and training practice and how these consequences can be avoided:

The cooks have a different mentality than the servers. Servers can be grumblers; you need somebody to straighten them up...unfortunately, when they have a really bad attitude, they need to go! If the whole morale of your staff is, say, a B, and you bring in two or three C's, everybody is going to end up being a C in the very short order. Bring in three to four A's, everybody is lifted up by people who are positive. Leaders have some leadership skill and [leadership] makes [management] much easier. (Owner, personal communication, April 6, 2015)

Of course, ineffective hiring practices can also lead to a host of security concerns. One empirical review cited a research study conducted by Ohio State University identifying employee theft as a primary cause of restaurant failure. (Parsa, 2011, p. 10). The owner of Lady Helen's Tea Room understands this concern and has implied various measures to guide against this possibility:

Why do we have to have a camera and watch them all the time? It's so sad that we have to do that, but we are human beings. You trust your employees but with both eyes blind...I've heard a lot of people say, "I want to find good people and let them run it and collect the money." That's not wise in my opinion. It always leaks somewhere... If you take that approach, you most likely will fail. You always have to guide your employees. It does not mean you don't trust them. You just have to guide things all the time. (Owner, personal communication, March 25, 2015)

During these conversations, managers highlighted the dual role training programs play against improper food preparation and in safeguarding the enterprise against health code and other safety procedural or legal statutes and regulations while also maintaining the integrity of the concept. The owner of the Lady Helen's Tea Room stressed the importance of having monitoring controls in place to mitigate the risk of employee theft. However, owners and managers employ a number of various techniques to safeguard their assets in conjunction to training programs. For example, the co-owner of the Scotchd Egg uses preventative controls around inventory requiring

managerial authorization to make changes. The statements given reinforce the importance of understanding and upholding the integrity of the concept of the restaurant and how human resource management translates into a successful enterprise. As mentioned above, employees act as the agents of execution and without the proper vision, a conducive workplace environment and coach, the enterprise cannot adequately deliver on its value proposition to create an experience that meets or exceeds the expectations of the customer.

Thus, I propose that:

Proposition 1: Human resource training and education will enhance the survival and success of start-up restaurants.

Successful Restaurateurs Leverage Prior Industry Experience

Considering the dynamics of both business and culinary attributes that create a successful enterprise, one would assume that the owners and managers of these enterprises would have obtained some form of formal post-secondary education or training in order to more effectively address challenges in managing a restaurant. One study that addressed restaurant failure identifies entrepreneurial incompetence or an entrepreneur's lack of understanding of the intricacies of marketing, accounting, finance, legal matters, human resources and other business functions as one of the causes of restaurant failure (Parsa, Gregory, Terry, 2011, p. 10). When examining the five interview participants, I found that only one of the five interview participants obtained a post-secondary business degree while none of the participants obtain any post-secondary culinary training. Four out of the five participants, however, mentioned that they had some form of prior industry experience before taking ownership and/or stepping into a top management role. This finding aligns with prior research that connects the lack of experience to venture failure (Parsa, Gregory, Terry, 2011, p.10). The owner of the Oxenberg Charcuterie explained the management of the restaurant and the advantage that prior industry experience brings to the table:

You need two hats really—culinary and business...I don't have a true culinary background, but working in restaurants like I did, I was interested in it, so you study them. If you are in the car rental business, you study the competition. Just like you are in this business...You know, nobody has a patent on a hamburger... You see what works in other restaurants and it helps guide you. You think, "Well, that chain is doing well. What are they doing?"...You see they're slow and again, maybe this is good but that's not...It kind of all needs to go together. (Owner, personal communication, April 6, 2015)

Another key finding was that while these owners and managers understood the importance of financial management and the role it plays in the enterprise, all of the interview participants delegated this task to an employee or outside professional with more expertise in that area. In the case of the multi-concept franchise, the manager reports the financial position via an income statement for each location to the entity's corporate headquarters. The manager of Annandale's Garden was the only interview participant who obtained a post-secondary business degree and credited most of the success to conducting proper cost analysis and designing effective cost controls. In another example, the co-owner of Mark Anthony's was thankful for the practical financial advisor within her spouse, noting:

I think when you start a restaurant you can't just love the food. Like I said, there are two sides—numbers and creativity. If you have the creativity, you need to find someone that is that [numbers]. (Partner/Co-owner, personal communication, April 8, 2015)

The dynamic of the Scotched Egg is similar in that the interviewee played the role of general manager while his partner acted as the financial overseer of the enterprise given his partner has a Master of Business Administration (MBA) degree. The owner of Lady Helen's Tea Room recommended using the services of a licensed Certified Public Accountant (CPA):

You've got to find a good CPA. Your CPA will be there when you need help...Most likely, there are a lot of things you do not know [financial management, taxes, etc.] that you need to know. You need to have a good CPA and be willing to talk to your CPA about everything, all of your problems and circumstances. Ask for best practices on what to do with your money, how to withdraw, how to pay your employees, all of that...That's the kind of CPA you want. If you don't have a good CPA, you most likely will not make it. That's for sure. (Owner, personal communication, March 25, 2015)

Aside from ongoing financial management, start-up capital was another concern that emerged when interview participants were asked about challenges faced during the start of their respective enterprises. Prior research has identified that the consequences of a small capital investment can be mediated by proper financial management (Parsa, 2005, p. 316). Consistent with this conclusion, there was one account of a restaurateur with a small capital investment achieving financial success. However, most owners in this study met the threshold of capital investment via personal funding and real estate development investments. This supports the conclusion that owners with larger capital investments are more likely to become successful.

Considering the significance of proper financial management on the vitality of the enterprise, one would anticipate the owners and managers would prefer to take additional business courses prior to starting a restaurant versus obtaining additional culinary training. While there was consensus that business classes would be a valuable addition to an entrepreneur's repertoire before entering the industry, the participants seemed to hold culinary training in higher esteem during the interview referring to culinary skill as a rare find in employees, managers and partners. The co-owner of Mark Anthony's gave this reply when asked what additional training would have been beneficial prior to starting the enterprise:

Probably accounting...Yeah, because the restaurant is half accounting and half creativity and customer service, so if you don't have a partner that knows money, then you will fail. If it were just me, I would spend money and not pay attention. I would say if I didn't have an amazing accountant that will call me and say, "What are you doing?"... You know, there's food cost; there's labor cost. It's all numbers. (Partner/Co-owner, personal communication, April 8, 2015)

In contrast, the co-owner of the Scotched Egg replied in this fashion, emphasizing the advantages of culinary training:

Yes. How you make things more flavorful. I would love to study another culture's style of cooking and bring it here because chances are nobody knows about it, but everybody will like it. You know? Maybe I would take an international culinary course or something to that effect. (Partner/Co-owner, personal communication, April 6, 2015)

The manager of Annandale's Garden presented a balanced opinion in relation to the importance of the two constructs. However in light of this interviewee's business background, emphasis was placed on understanding one's culinary perspective as business functions are standard across of the board of entrepreneurship in this manager's view:

I guess what would be more beneficial in that situation is taking some business classes and then really taking some culinary classes...The culinary [training], that kind of helps you as far as being able to pair foods up with different foods and tastes. As far as a business standpoint, this is like running any other business. We're basically sales just like a salesman going out and selling door to door. (General Manager, personal communication, April 4, 2015)

It appears that this study exhibits what an entrepreneurial researcher identified as a “shedding” process in which owners “shed” or delegate responsibilities to other employees in order to focus on other strategic leadership functions and to grow the business (Mathias, 2014). The first responsibility that is shed is the culinary function which is typically managed by the employee with the most culinary intuition and training. Employees are given some creative license in this area, and interviewees noted that new culinary creations are encouraged. Of course, the owner/manager acts as the final arbitrator to ensure the integrity of the concept is upheld. The interview responses suggest that the financial management function can be delegated to other employees or outside financial advisors with that agent reporting to the owner on a regular basis to present the current fiscal performance and possibly offer suggestion for improvement.

As alluded to in the section above, the theme of understanding and managing the business concept was central to the success of the enterprises. All interview participants were able to explain the concept of their respective enterprises in detail and were able to link strategic choices back to the concept. In prior analytical studies, researchers have concluded that having a well-defined concept that provides a clear culinary perspective and operating philosophy is paramount to a successful enterprise and can be an indicator of enterprise vitality (Parsa, 2005, p.314-315). The participants of this case study serve as examples of this conclusion. While a clear concept is an integral component in the fabric of the enterprise, participants in the interviews did not highlight this as important, being referenced approximately 20 times across all five interviews, compared to other themes. This finding could reflect industry awareness of the need for a well-defined guiding concept when starting an enterprise. Considering four out of the five interview participants had at least two years of experience in the industry before starting or taking over their respective enterprises, observation of industry norms and factors of success such as clarity of concept would explain where and how this construct originated as a component of the entrepreneur’s vision.

Thus, I propose:

Proposition 2: Gaining prior restaurant experience is associated with the survival and eventual success of a start-up restaurant.

Successful Restaurateurs Pursue Work-Life Balance

A third theme that emerged from the interviews concerned balancing the demands of the enterprise with familial and other personal obligations. As mentioned in previous sections, the continual mitigation of perturbing abnormalities and crises in the business is an owner’s primary responsibility, especially during the early developmental stages of the enterprise. This managerial aspect can consume much of an entrepreneur’s time if not properly attended to. However, the challenge in managing this balancing act is inherent in the unpredictable nature of the start-up venture. Each of the interviewees spoke to this critical balance and mentioned the subject approximately 31 times across all interviews. The manager of Annandale’s Garden explained the difficulty of mollifying the unexpected, stating:

I mean, you can’t map it out, and what I do today, it could help me tomorrow, but every day is different. I can prep items, but I never know what situation I’m going to get in from day to day to day. All I can do is concentrate on what I’m doing today to make the day better and hopefully help tomorrow, but you never know what tomorrow is going to bring. (General Manager, personal communication, April 4, 2015)

Because of the consuming nature of owning a restaurant, restaurateurs usually either generate spousal and familial support by getting family members and friends involved in the operational processes of the enterprise and limiting familial sacrifices by allocating time to nurture those relationships or restaurateurs cut ties from unsupportive members of their inner circle researchers have found (Parsa, 2005, p.315) Regarding work-life balance, the manager of

Annandale's Garden commented, "I mean the quality of life, it can be challenging. It's really more challenging for your significant other than, say, the person that's in the business."

Maintaining priorities can become extremely difficult when members of the inner circle are not supportive of the vision and goals of the enterprise. The owner of Lady Helen's Tea Room recalled how pursuing dreams of owning a restaurant can put strains on her marriage, stating, "my spouse didn't want to start a restaurant and that was the cause of our divorce."

Interestingly enough, married interviewees either worked as a member of the enterprise or owned a separate venture. This suggests that in order to ensure a successful marriage and family life it is best that both individuals have an entrepreneurial drive. The co-owner of Mark Anthony's spoke to this conclusion, noting, "the biggest thing we have to do is put our phones away. Sometimes, you don't have good work-life balance...If I didn't have a great marriage, I wouldn't have a life."

Managing an enterprise is challenging not only because of the amount of time dedicated to "putting out fires", but also because of the "lumpy" timing at which restaurants see most of their business. Owners and managers are continuously at the mercy of the enterprise during times of the day, week, and year when most other family members and friends are at leisure. This constant occurrence strains personal relationships with family members, friends, and other members of the entrepreneur's support network. The manager of Annandale's Garden continues:

You know, you get into this business and it becomes your life. You're working the hours. I mean, I'm working the hours when the majority of the public is off. You're taking a lunch break. I'm working lunch. You come in, and I'm working dinner. I'm working the weekends. You're not working that nine to five job that everyone else is and basically you're open seven days a week and you need to be available, especially the general manager. You've got to be available at all times. You never know what's going to happen. You've got to be ready for the unpredictable. Sometimes, the quality of life is hard as far as family life. (General Manager, personal communication, April 4, 2015)

Despite these challenges all of the interviewees spoke to the need for restaurateurs to make efforts to "have a life" outside of the enterprise.

A critical finding in relation to this theme was that all of the interviewees worked to semi-automate the operational processes of the enterprise via functional systems and controls resulting from the shedding process. The owner of the Oxenberg Charcuterie makes a key distinction between general management functions and personal functions as owner of the enterprise where the manager acts as the overseer of day to day functions and the owner sets the strategic direction of the enterprise:

But I tell you one of the challenges in the restaurant business is most of the days you are putting out fires most of the day and not able to spend time growing your business just due to the nature of it. Things are always breaking. You need systems in place to take care of themselves so you can be free to think and keep an owner's hat on and not your manager's hat on all day. That's a hard thing. You've got to manage the restaurant at all times. Then you have to change into an owner. (Owner, personal communication, April 6, 2015)

Most owners of stand-alone enterprises function as both owner and manager. Even in the case of multi-location restaurants, it takes time and experience to obtain the necessary expertise and intuition that leads to the design of effective systems of control. Coupled with the time allowance needed to train employees, designing and implementing functional systems can take years to develop. The co-owner of Mark Anthony's has the most industry specific experience amongst all interviewees and confirmed this conclusion in saying:

It takes a lot of time; six years for you to be able to go to the beach for a month...It's

definitely an evolving thing. The people that think they can take a month vacation at year one, their restaurant doesn't end up making it...the restaurant business, it's nonstop. (Partner/Co-owner, personal communication, April 8, 2015)

Even amidst the challenges of balance work and life, the interviewees expressed a deep sense of enjoyment in their position and the industry. A passion for the product, enterprise and industry work together to outweigh the difficulties that interviewees encounter in managing their respective enterprises. The fulfilment derived from managing the enterprise fuels their ability to power through the challenges and stay faithful to the fulfilment their vision.

Thus, I propose:

Proposition 3: Outsourcing and automating processes are associated with restaurateur's seeking work-life balance, identified as critical to venture success.

Next, I broaden the discussion of these three themes by discussing the practical implications, limitations of the current study's findings, and future research which might build on the findings.

Discussion and Conclusion

This research provides insights about the initial focus of this research—the significance of post-secondary business education and culinary training on the success level of restaurateurs. Surprisingly, the role of education and training did not emerge as an important theme in the success of local restaurants. Rather three salient themes emerged as important for restaurant success from my interviews.

First, successful restaurateurs understand the importance of effective human resource management. Considering that employees have varied objectives that motivate their performance, restaurateurs, need to subscribe to an inclusive leadership style that champions teamwork and communicates a clearly defined concept to increase their chances of enterprise success.

Second, successful restaurateurs have some form of relevant background knowledge and work experience within the restaurant industry. Even in the case of one owner who had no such previous experience, the partnership was balanced in that the other partner had worked in restaurateurs and other successful enterprises for many years. As a result of the lack of formalized education and training and/or intimate understanding of the details that comprise financial management, this financial function was usually delegated to a trusted advisor or reporting employee and communicated to the owner or partner on a regular basis.

Third, successful restaurateurs balance the demands of work alongside responsibilities for and relationships with family, friends, community and other aspects of life. All participants identified the necessity of incorporating other aspects of life into the constant grind of ownership and management.

From these in-depth interviews, I have identified preliminary characteristics needed to own and operate a thriving small restaurant enterprise. Restaurateurs have to fully understand how to manage human resources and communicate a clear vision; they need relevant industry-specific experience; and they need to pursue work and life balance. These three themes, uncovered in this study, provide additional factors for future researchers to consider.

Throughout this project, themes have emerged that hopefully shed light on some of the challenges faced by restaurant owners and managers in the family-style and fast casual sectors and how these professionals have prepared themselves to meet those challenges. Future and current restaurateurs can take some advice in gathering a clear understanding of human resource management and developing interpersonal skills, gaining early exposure of the industry by working within other enterprises, and maintaining a balance between work and other priorities.

There are, however, a number of limitations inherent in this project. Only five individuals participated in this study, and all five of these participants owned enterprises located in the same

medium sized market. By selecting interviewees based on the outcome (a successful restaurant), we do not know which of the themes can distinguish between those restaurateurs who have exited the industry and those who have survived and thrived. As well, all data was collected from one source—the interviewee—and there is not a way to substantiate either their responses to the closed ended question about organization success or their narrative about their start-up and subsequent management experience. Thus, results and findings may not apply in their entirety to other restaurants, in other regions or industries.

Future research is needed to fully understand the significance of these themes in the restaurant industry. A longitudinal survey of restaurants in various markets centered on the role of education and themes uncovered in this study would yield richer insights as to the impact of post-secondary education and training, human resource management, previous work experience, and work-life balance on the success of a restaurateur.

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