

## ***Case Study***

# **How Quality Assurance Audits Affect Performance**

*Dining Insights*, Summer 2020

*One of a series of reports of the results of Clarion projects, illustrating ways in which dining and hospitality services are improved and new opportunities to increase value are created. Names and identifying detail are omitted to protect our clients' anonymity.*

**T**he company's proposal and presentation of imaginative and innovative programs and the enthusiastic management team won the prestigious research and education institutions' dining service operating contract. Great things were expected.

The result was different. From opening day, service was slow, lines at counters and cashier stations were long and customers were irritated. A senior executive was angry. This can't continue. Do something!

**THE SITUATION:** Clarion had been performing quarterly quality assurance (QA) audits and financial reviews of the previous operator's performance for four years.

The Director of Facilities and Services asked us to perform weekly QA audits and identify and resolve the service issues. The project would last three months.

**Our QA audit** program rates each aspect of a dining service on a point scale – two points for dessert display, for example, to 50 points for food safety performance. The total point score is calculated as a percentage of total possible points.

The minimum acceptable score is 85%. A good operation will score in the mid to upper 90s. Over more than two decades of performing QA audits, the highest score ever achieved was 98%, and that only two or three times.

**WHAT WE DID:** For this project, we modified the QA format to focus on the core issues – service, food quality, menus, management, food safety and sanitation.

Just observing and reporting results to our client wouldn't work. The project needed the full buy-in and participation of the company. We discussed it with their senior management and actively engaged with the on-site manager and district manager, both long-experienced professionals.

**The first audit** showed what the problem was and its causes. A customer could wait for five to seven minutes to be served at stations where food was prepared to order – the deli and grill, for example. Even at the peak of the lunch period, only one attendant was at each station. The manager was at a cash register and the executive chef was serving hot foods. The only other manager was busy with the extensive catering services.

**Most of** the former hourly staff had left. The new employees were un- or marginally trained, didn't know each other and couldn't effectively coordinate. The operation was short-staffed by two full-time positions. No one was minding the store. There were no effective procedures for safe food handling. Although we discussed the issues with the manager and sent the report to the company's management, nothing happened. The second week's score dropped to 86% from 88%.

**By the fourth week**, there had been some improvement in service. We noted, "The overall operation is good; food quality is high; menus are varied and interesting; the facility is clean, neat and orderly, and service is good by generally competent employees. Delays and slow service are occasional incidents, not endemic."

But, "although there is no comprehensive [food safety] program in place, there were no

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**The project** was successful because we engaged the operator in finding and implementing solutions.

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observable serious incidences of poor food handling; just no procedures to prevent a potential foodborne illness incident.” Poor food safety practices offset high scores in operational performance. Score: 85%.

**That week** marked a turning point. A new cashier was hired, freeing the manager to manage. The staff coalesced and ways were found to add an extra server to key service stations at peak times – for example, the catering chef came out to help, if only for 15 or 20 minutes at the busiest moments.

The week five score was 96% and remained above 90% for the rest of the project.

By week six (94%), we could add, “The innovation of offering fresh salmon, shrimp, other seafood and halal beef at the grill, where burgers were the primary product, has proven popular with customers and profitable to the operator.”

**THE OUTCOME:** Subsequently, our quarterly audits over the past year have resulted scores consistently above 90%.

Prior to the Covid-19 crisis shutdown, café retail sales rose steadily from 12% under prior-year sales at the start of its service by 22% a year later. The company’s catering business soared to 1.5 times sales under the former operator, to the benefit of both the client (better service, lower cost than outside alternatives) and the operator’s bottom line.

How this performance will play out as the client’s facilities reopen can’t be forecast, but the company has proven to its client and customers that it’s resourceful, competent and a benefit to the organization.

**CLARION’S ROLE:** Our consultants’ long experience as operators meant we could discuss the issues in the contractor’s language and ensure they did what was necessary to improve performance. We continue to work closely with the institution as plans are developed for the reopening.