

Au bon pain essay



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Au Bon Pain opened its first up-scale fast food cafe in 1977. Since that time, Au Bon Pain has grown at a successful pace within the quick food service industry. It presently has 230 company-owned and franchised restaurants in the US and Asia. Back in 1986, the management of the company recognized that they were not performing as effectively and efficiently as they planned with over 11 years of operating experience. Furthermore, Ron Shaich, Au Bon Pain's co-founder, felt the company was in the midst of a " cycle of failure".

Attracting and finding new employees was becoming difficult on the staff level of operations. Pleasing and keeping manager qualified and dedicated professionals was becoming an even larger problem. As a result, customer satisfaction was declining and thus sales were decreasing. The owners of Au Bon Pain knew these human resource issues needed to be addressed before this downward spiral took over the entire company's success. In response to this threat of failure, Au Bon Pain recruited Len Schlesinger to join their management team. With the addition of Schlesinger's experience in organizational behavior, Au Bon Pain was hoping to establish a system within the organization to increase sales and at the same time " improve quality throughout Au Bon Pain by increasing employee ownership -both financial and psychological- in the organization".

With this primary focus in mind, Schlesinger and Shaich developed the Partner/Manager program. They chose to experiment the program on a trial run basis with two of Au Bon Pain's stores. One store was located in a mall atmosphere outside of Boston and the other was a busy office building location in downtown Hartford, Connecticut. They chose these two different

scenarios so they can be confident that the system would work in all types of establishments. The program would last for six months and compensation was primarily based on incentives relating to controllable profits.

The experimental program would appoint a partner/manager and an associate manager to each store who would operate and oversee all responsibilities of the restaurant. The two appointed would be in charge of all operations from ordering products and supplies, cleanliness of restaurants, hiring and retaining employees, to customer satisfaction. In essence, the partner/manager had complete control of the destiny of his establishment. The Partner/Manager program brought value to the Au Bon Pain compensation system within the organization for high level management. First and foremost the program increased the pay of those promoted to managerial positions. The compensation included a fixed weekly pay and a percentage of controllable sales of their store.

Clearly the more sales the store earned monthly the higher the pay was. Upon this incentive, motivation escalated and the managers were engaged. The managers, however, were then faced with the challenge to aligning the other key elements of their particular store. They had to devise a plan to increase customer attractiveness, retain a good working staff, amongst many other operating controls. They had to in essence maintain this level of passion obtained with this initial attraction. This may be difficult to achieve when, according to the article Six Dangerous Myths About Pay, “ many studies strongly suggest that this form of reward undermines teamwork, encourages a short-term focus, and leads people to performance at all but the “ right” relationships and an ingratiating personality”.

The Partner/Manager program gives managers the opportunity to extend their leadership roles. They are given the freedom to devise a business plan to accomplish their personal assessments of how an Au Bon Pain cafe should be. It is up to the new owners to grasp the concepts of the head and the heart, Professor Northcraft illustrates in class. Success will depend on if they can guide the resources available to them rather than control them.

They have the chance to use their creativity and expertise in trying new methods and ideas while achieving the results they needed from these resources. They have the ability to take this ownership and make it their own. Many of the managers promoted to this level of ownership will accept it willingly and find acceptable solutions for the issues that arise. On the other hand, some will not be able to adjust quickly enough to the roles undertaken by the changing circumstances they are placed in. They may not be able to fulfill the agility that arises within the quick food industry. The demands brought before them may be too great.

They are faced with the challenge of reorganizing their thought process and further finding ways to enhance the environment around them. They are at risk of losing their motivation and at the same time losing their sense of direction. The Partner/Manager program also diminishes the value of open communication. Communication is an essential ingredient in all relationships. By instituting the district managers' roles " as coaches, rather than as policemen -and they would supervise 8 to 10 stores rather than the traditional 3 or 4", the program is deluding the vision of working together to succeed.

The Partner/Managers are missing a meaningful piece of the pie. The Partner/Managers are losing the experience and information that the district managers possess and could share if a more inclusive relationship is integrated. While doubling the responsibility of overseeing more stores, district managers lose contact with the individual store partners/managers' unique issues. These partners/managers are left with the challenge to survive on their own. The loss of the talents and ideas of this next level of command could hurt the organization rather than make it more successful.

Although the district managers will still serve as consultants to the partners/managers, the greater responsibility of more stores will most likely exhaust the consultants' enthusiasm and personal attention. Positive results are better accomplished if all layers of management of a company work together for a common goal. Each person brings different ideas and thoughts to the table. As in our "how many f's in the sentence" example in class, everyone looks at the same thing but everyone sees something different. With this barrier on communication, we are deprived of the experiences and unique perceptions of others.

This divisibility of levels of management also may alienate the partner/managers as a sign of weakness if they were to ask for help. A break in the communication system may further hinder the teamwork of members within each distinct store. Dunn had suggested that "an associate manager's greatest fear will be that everything that he or she can make or lose hinges on the partner/manager they're working with. The partner/manager calls the shots, that's the bottom line, even though you've got your money tied into this thing too". The associate managers may begin

the program with great enthusiasm but if the two managers do not connect or one is not having the opportunity to contribute and get involved in decisions, this manager will get discouraged.

Dunn statement noted above characterizes this loss of hope and his motivation is slowly moving down the spiral of despair. The ending results of the tanagram assembly activity highlights the importance of working together. The earlier a channel of communication between the manager team and later the project team, the more effective both teams worked together to accomplish the assignment. Knowing what role each member of an organization is expected to perform and the members involved being comfortable with these roles is an essential factor in the journey to true success.

Upon reaching the point of complete understanding of the functions within the organization, the unit as a whole will accomplish a greater degree of productivity and thus greater results.