

REDBANK HOUSE, DUBLIN, IRELAND

“If we get a complaint or something wasn’t what a customer expected it’s nearly like a death in the family”

Introduction

In 2006 Terry McCoy the owner-proprietor of Redbank House - a man passionate about hospitality - managed to reduce his working hours to between 10 and 15 hours per week. However, the recession has now put paid to his retirement plans and he is once again working 50 – 60 hours per week. However, this gregarious Irish hotelier does not put the ongoing success of the business down to his hard work but to a solid policy of empowerment, which has enabled the business to grow rather than decline in hard times.

Terry, and his late wife Margaret, began Redbank Skerries as a restaurant in 1983. Terry, who trained in hotel management and as a chef had worked in a number of European countries and in America he had become a chef of some renown. The Redbank won many awards and citations for fine food including the Egon Ronay Seafood Restaurant of the Year. Terry has represented Ireland at many international competitions. Margaret was also experienced in hotel management and was particularly skilled in managing front of house.

Terry and Margaret met while both working in a Galway Hotel and soon after their marriage began to plan to start their own business. Redbank Skerries is based in an old Allied Irish Bank Building and quaintly still has the Leinster and Munster Bank signage engraved on the restaurant windows. Initially the whole operation was run by Terry and Margaret and in time, they were joined by one other person. Today Redbank House employs 12 staff, rising to 18 during peak periods. In 1997, the McCoys added the five bedroom Redbank House to the restaurant and over the years this has grown incrementally to the current 18 bedroom accommodation. In addition to the main dining room which can seat 60 guests, the restaurant also has a number of smaller intimate rooms that can be used for private celebrations or meetings. While in Terry’s estimation, most hotels operate with 75% of their turnover coming from accommodation; only 25% of the overall turnover at Redbank House comes from accommodation with the remaining 75% coming from the restaurant.

This case study looks at the importance of empowerment at Redbank House. A policy of staff involvement and participation has led to a low level of staff turnover, high levels of job satisfaction and a commitment to customer service. The case study indicates a high level of commitment to employee training and an emphasis on multiskilling across the organisation. Finally, some insights are provided into how the organisation is dealing with difficult trading circumstances brought on by the recession.

People

Terry may be passionate about hospitality, but you only have to be with him for a few moments to understand that he is also passionate about people. Empowerment is at the heart of the Redbank management philosophy. However behind that philosophy is a commitment to people that is quite exceptional.

Staff turnover at Redbank House is low, with no more than 2 or 3 employees leaving in any year (less than 15%). Once recruited, people seem to find a home in this establishment. The senior staff have been employed by Terry for a long time. The restaurant manager and head chef have worked at Redbank house for eight years; the housekeeper has been in place for 14 years and the assistant restaurant manager has been engaged by Redbank House for the last 5 years.

Redbank House management are committed to providing good on-the-job training with an hour and a half training made available to all staff each week. This may take the form of the bar manager teaching bar staff about the various intricacies of the sherries on offer and how to serve them or the chef instructing staff on how to prepare a special dish or showing housekeeping staff how to prepare a full Irish breakfast for guests - a task which at Redbank House, housekeeping staff traditionally do before commencing room preparation. All staff will at some point be taken to the farmers market and other suppliers to learn where the food served in the Restaurant comes from.

In addition to the training provided, the annual staff Christmas party underscores the importance the company attaches to each individual. Terry, dressed as Santa, with no need of an artificial beard presents staff with a range of gifts chosen specifically for the individual. Some of these have to do with work: a cocktail waiter might get a book on cocktails; other gifts are to remind staff of a particularly humorous incident. Overseas staff is sometimes presented with something to remind them of their time in Ireland. As Terry explains:

"If staff hadn't lived in Ireland for very long, I would select nice glasses from them that maybe had an Irish coffee recipe on them or something like that - so that, when they went back to their own home country they would always remember the Irish coffee they got that at Redbank House".

This love of people is carried over into a passion for ensuring that the customer leaves the restaurant happy. A key driver for Terry is to keep complaints to an absolute minimum.

"If we get a complaint or something wasn't what a customer expected it's nearly like a death in the family. You know, everybody will be very concerned and for example, say somebody is not really enjoying their food on table 4 - well it's not about how the customer's wrong but it's about how the customer can be pleased. We look for an answer to the question: What are we going to do to solve this?"

Empowerment

The decision to delegate responsibility and empower employees is at the heart of Terry's approach to managing the establishment. Appointing 3 department managers (restaurant, kitchen and housekeeping) was the beginning of a hands-off approach but giving employees the authority to make on-the-spot decisions for the sake of the customer was also an important outcome. Empowering staff that directly interface with the customer to make small changes or take action to resolve occasional complaints is an essential ingredient to dealing effectively with operational issues.

"They would observe people and if you saw that a girl was about to get engaged or something like that, they would certainly make a great sort of fuss about it. There are special things they could do such as offering drinks on the house and the information should be communicated to the kitchen staff. I would certainly receive the information, so that the dining room staff are aware of it – so if the couple were staying overnight, we'd be inclined to do champagne and orange juice for them at breakfast time".

This kind of thing lends itself to the hotel getting a good reputation - so much so that once when an American couple got engaged at Redbank House, they were so impressed that they decided to have their wedding there some 18 months later. As Terry puts it:

"They were so determined to come back to Skerries that they wanted us to organise a wedding on the beach where they got engaged at sunset. Finally, they did get married on the beach. However, it wasn't too easy and it gave us a lot of problems in that clergymen or priests weren't too inclined to do it. They wanted it done on consecrated ground, but we actually were able to get a priest - a young man - who was able at least to give them a blessing on the beach. When we knew it was happening, we actually tipped off the local newspaper and there were maybe thirty-five or forty people who came down to see it because they've never seen a couple get married on the beach. And they had quite a celebration down there and they were delighted and they came back up here with about six to eight of their friends and had dinner afterwards and stayed a couple of nights".

At a departmental level empowerment has meant that the restaurant and kitchen co-operate closely on changing menus - sometimes without Terry knowing the details until final approval is required. It also means that most of the recruitment process is carried out by managers and Terry will only meet the person at the managers request for a few minutes prior to the final hiring decision.

One area where Terry has experienced difficulty is over the wine list. Many of the wines he chose 10 years ago are now unavailable. Now he finds that from time to time there is a change he did not know of.

"Sometimes I can be a little bit precious about that because I've chosen ten years ago some of the wines that are on the list and they have been particular favourites of mine or I think they go with a

certain dish but now I have to pinch myself and say look the staff are making this vision happen ... sometimes I'll ask where is that wine gone and they'll come and say no it wasn't selling and you know we replaced it with this and this is selling like hotcakes so I have to bite my lip ...there can be aspects to this which can be a little difficult for me but I have to try to remember where I want this place to go so therefore I pinch myself and bite my lip".

Empowerment Comes into Its Own

The Redbank House policy of empowerment and employee involvement came into its own in late 2008. With the recession beginning to bite and people eating out less, Terry anticipated there would be hard times ahead. True to his philosophy of involving staff in the business he outlined the problems to them and indicated he believed that from January they would have to cut back and perhaps put everyone on a three day week.

Managers and other staff members got together without Terry's presence and came back to him with a suggestion. An existing "Earlybird" three course menu for 25 Euro should be changed to four courses for 25 Euro and should be marketed in the local area. Creating leaflets in-house, the staff went out and posted these in the letter boxes of every house in Skerries and some other nearby villages.

The resulting increase in business has not only meant that everyone is still on full-employment, but Redbank House now plans to recruit more staff. As Terry explains:

"When staff considered the economic situation, they came up with this plan. So I just had to go with it. There was a serious threat to the business and they responded and, through empowering them to make decisions themselves, they actually became masters of their own destiny and they are getting us through this recession".

Conclusion

Terry McCoy is indeed a man who is passionate about hospitality and he is a person who is passionate about people. Where many talk the talk about empowerment, this owner proprietor has not only spoken the words but has encouraged and enabled his team to be accountable for the business they are part of. Commitment to people whether customer or employee is at the heart of hospitality. Employees at Redbank House feel motivated and valued and this is reflected in the satisfaction of both customers and guests. The low turnover of staff and particularly the longevity of the senior staff would certainly indicate this is a good place to work. In conclusion, a policy of empowerment has been central to the success of Redbank House and is a cornerstone at the heart of the future development of the business.