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How the
Akwesasne Mohawk Casino
dismantled the F&B
loss-leader myth

A STEP UP & A STEP AHEAD



All pictures: Sticks sports bar at Akwesasne Mohawk Casino. Courtesy of The Innovation Group.

By Robert Kelly and Quint Hanson

Up until a few years ago, the Akwesasne Mohawk Casino in upstate New York was one of countless gaming entertainment facilities with a common amenities challenge: They had a proven management team with exceptional leadership skills and industry awareness, but few individuals had extensive exposure to food and beverage operations.

Recently, as the St. Regis Mohawk Tribe prepared to embark on a major facility expansion of their Akwesasne property, they utilized the development process and an external consultant team to take advantage of a long-overdue opportunity to reassess and overhaul the goals of its F&B operations. The tribe applied a “Step Up” program — a staff training guide and measurement tool to raise the level of performance of the entire department. As a result of the management team’s unwavering commitment to improve F&B, the positive outcome is one that should serve as inspiration to any owner or operator in

Indian Country who has struggled to establish its F&B identity.

The Biggest Leap: Changing the Mindset

A year and a half ago, the food and beverage operations of the Akwesasne Mohawk Casino were leaps and bounds from the program-appropriate revenue generators they are today. For many years the tribe and casino management team settled for the (incorrect) perception that F&B amenities are acceptable as loss leaders for gaming operations. As you would expect, this mode of thinking meant the Akwesasne property was not investing appropriately in staff, training, venue design or food product. Since you can’t have a successful department without happy, well-trained people who feel comfortable in their environment and understand what is expected of them every day, by not investing in improvements they were ensuring — albeit unintention-

ally — the negative F&B revenue cycle.

The owners and management team concurred that the time was right to look at the food and beverage department as a stand-alone revenue-generating entity. Innovation Project Development (IPD) had been engaged as the owners' representative for a major construction project at the referenced property, and the program discussions of the expansion team brought to light the true extent of the F&B questions. With IPD already in an advisory role to the owners, the extended opportunity to consult on the planned F&B department improvements was a natural choice.

"We were 100 percent committed to obtaining the skills and training needed in order to maintain internal management of our F&B amenities," said Akwesasne Food and Beverage Operations Manager Phil Sawyer. "The goal was to encourage our long-term independence as an operation, and the immediate impact approach we took with IPD was very well received by management and staff."

Quint Hanson, director of food and beverage for IPD, complimented the tribe and casino representatives for their open-mindedness to the process. "While we are of course proud of the guidance and the recommendations we made, the key to success was without question the owners' willingness and commitment to improve their food and beverage operations," he said. "The reinvention worked because they wanted it to and because they put forth a significant effort. There was an obvious desire on their part to be successful."

Stepping Up

The team realized that the only way to turn around the department's revenue was to track the entire process from dock delivery
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through the presentation of the meal to the guest. Akwesasne applied IPD's Step Up program to determine where both immediate and long-term training and other investments logically needed to occur. The Step Up program included employees (both front-of-house service staff and back-of-house culinary/kitchen staff) and management, leading them through a series of training steps and directions, as well as implementing follow-up measurement tools to identify performance progress. Through the Step Up program, every aspect of the existing food and beverage operations was assessed, including kitchen layout, food preparation, menu options and price points, among other considerations.

"With some straightforward observations and prompting, we realized very quickly that we were missing out on an incredible opportunity to reposition our property, diversify our overall product offering for patrons

reception/pick-up spaces that were not generating adequate revenue with the current functions. It was Sawyer who first suggested opening a new sports bar in the underutilized charter bus reception area. IPD took the concept, assisted in strategizing the menu, ambiance and space layout, and helped guide Akwesasne through the design and construction of the space.

Rebuilding the Team While Rebuilding the Kitchen

The ability to make improvements rested squarely on the shoulders of the people involved with the day-to-day operations. From the dishwashing staff to the chef, the entire kitchen staff received extensive training from qualified culinary experts regarding food quality, storage, preparation, line presentation, recipe generation, sanitation and other operational improvements. Additionally, short-term and long-term training programs were set up for senior managers regarding staff, scheduling, budgeting, establishing price points, menu selection and diversity, and pricing.

The Step Up program set in motion a morale-boosting cycle that inherently fostered additional improvements and established F&B as a major revenue driver for the casino and a vigorous focus of patron interest. Akwesasne Mohawk Casino CFO Brian Fent was among those pleased with the rapid results. "This project is proof that targeted investments can bring widespread return," he observed. "We made calculated decisions on how best to devote our renovation dollars, and then made the deliberate choice to invest the balance into training. We bought into the vision to simultaneously rebuild the team while we rebuilt the kitchen, and the results are clear. The overall mindset of the department has changed, the food product is better and more diverse, our price points have increased accordingly, and the bottom line has improved. The outcome has exceeded all of our expectations."



All pictures: Sticks sports bar at Akwesasne Mohawk Casino. Courtesy of The Innovation Group.

and generate revenue," Sawyer recalled. "Once our eyes were open to the possibilities, it was easy to get everyone on board with the physical improvements, training programs and operational modifications that were recommended."

As one would expect, kitchen functionality was a primary consideration of the Step Up assessment and resulting implementations. For example, critical functions were relocated and additional space was provided to support expected menu expansion and diversification. Supplementary storage, cleaning, scraping, food preparation, and other support areas were required and provided in the redesign.

Similarly, in the public areas, two new food outlets were added (a Grab 'n Go and a new sports bar, Sticks), which were the result of taking over gift shop and charter bus

The results will likely impress you as well. In a year-over-year comparison from the launch of the improvements, aggregate F&B costs at Akwesasne decreased by 48.7 percent, payroll decreased by 10.9 percent and supply costs were reduced by 26.2 percent. With these decreased expenses and the additional revenue the Step Up program generated, the bottom line went from negative to positive for the first time since the property opened.

A Good Problem to Have

As with any gaming facility transformation, the tribe and casino management team at Akwesasne Mohawk Casino recognize that their recent achievements in F&B will take significant investment and effort to maintain. They appear to be on track in maintaining their enhanced level, with ongoing training programs to support both existing operations as well as to prepare them for the new outlets the current expansion will be adding.

Meanwhile, the revised popularity of their existing F&B facilities has generated a new set of challenges to address... one Sawyer and his food and beverage team are glad to have.

"We have succeeded at driving increased traffic to our bars and restaurants, but this now means there is an unprecedented spotlight on the quality of our solutions for customer service. Our latest undertaking is a revamp of our Guest Service programs to make sure we keep these patrons entertained and coming back."

If the past year is any indication of what the Akwesasne Mohawk Casino can achieve, Sawyer and his team are already a step ahead. **NAC**

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