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Sanitizer Centerpieces: Concerns for Restaurant Operations in MA

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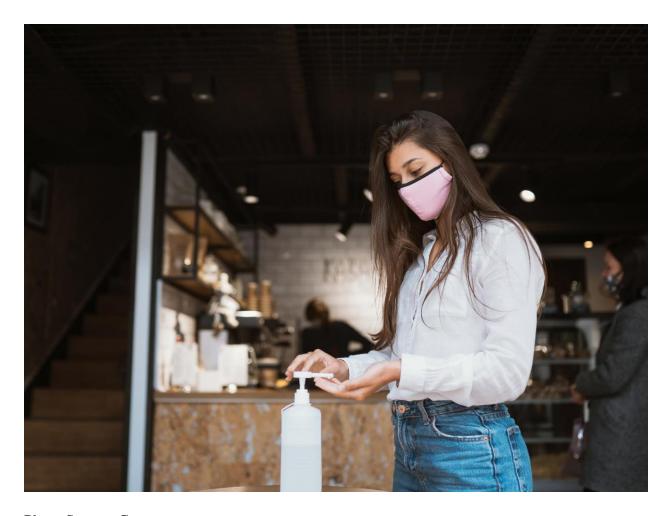


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By Drs. John Palabiyik, Suzanne Markham Bagnera, and Brendan Cronin

The COVID-19 virus arrived as an unidentifiable shock to the restaurant industry. The whole hospitality industry was unexpectedly crippled by an issue that it has never experienced in its prior history. Once operators got over the antecedent trauma, they immediately looked for an opportunity to adjust their operational plan. The response was varied based on their business model. As management expert Leon C. Megginson said, "it is not the strongest of the species that survives, nor the most intelligent, but the one most adaptable and responsive to change." The operators knew change was inevitable, they had to pivot their operation to adopt the new standards swiftly. They had to look at the operations from scratch (going back to basics). As an immediate response to remain in business, pivots had to be made, including offering or enhancing take-out service, creating curbside delivery and/or home delivery options.

Currently, Massachusetts restaurants are open with restrictions, including the number of persons seated inside, CDC recommended cleaning protocols, social distancing guidelines and the requirement to wear a facial mask. Operators have a greater sense of confidence compared to the first couple of months of the COVID-19 pandemic, however, they remain in uncharted waters

resulting in a stressful uncertainty for the future. Moreover, conditions and regulations change very fast requiring operators to operate differently every day.

Operational Pivots

Massachusetts restaurant operators discovered that establishing delivery or take-out protocols was an immediate response required, however it will not be a permanent business operation solution as the sole source of revenue moving forward. For that reason, they are taking different paths while constantly seeking a better solution to return to a pre-COVID-19 era.

1. Reservations

This might be the utilization of a "reservation only" system. This would force guests to make advance reservations and means not accommodating walk-in guests. This can include having a timed seating approach (e.g. service at 5 pm, 7 pm, and 9 pm). Additionally, they can enforce limitations on the length of time for the dining experience (e.g one hour for 2-top and an hour and a half for a 4-top).

2. Outdoor Space

For those operators who felt their ventilation system was not adequate, they have decided not to open their indoor dining areas. In some instances, the outdoor dining area might be greater in size compared to their indoor space. Each town or city has had to approve or license the operation to have an outdoor space. One such north shore restaurant obtained the required licenses, invested in the tent equipment, to only be shut down by the town due to lack of parking for other businesses.

3. Collaboration

Others have created a collaborative venture opportunity by operating independent businesses together. For example, a Middlesex county brewery and pizza restaurant have created a collaborative whereby the pizzeria, not having enough seats inside or space outside for dining, can provide the food for the brewery, who has the outdoor space but doesn't have the kitchen equipment ability to cook food. An order by Governor Baker's administration as of August 7th mandates that any establishment serving alcohol must serve food that is prepared on-site (DeCosta-Klipa, 2020).

4. Closures

Sadly, for the restaurant industry, some owners have decided to close some locations in order to focus on the larger or more well established or flagship sites. One of the more compounded challenges is the expense of rent, whereby some landlords have been flexible, is problematic. Approximately 126 owners have had to unfortunately decide on a permanent business closure (Blumenthal, 2020a, 2020b, 2020c; Gardizy, 2020; Tiernan

& Kashinsky, 2020). These closures are listed in Tables 1-3 by county and visualized in the state map in Exhibit 1.

Table 1. Smallest Massachusetts County Restaurant Closures

Bristol	Barnstable	Hampden	Nantucket	Plymouth	Worchester
Raynham	Barnstable	Springfield	Nantucket	Hull	Westborough
the Cake Diner	Hyannis' Seaside Pub on Main	Chef Wayne's Big Mamou	Bean on Nantucket	the C Note	The Chateau
	Sandwich			Plymouth	
	Owen's Ice Cream			Isaac's Restaurant	

Table 2. Massachusetts County Restaurant Closures

Essex	Norfolk	
Danvers	Brookline	
Osborn Tavern	O'Leary's	
Gloucester	Canton	
Halibut Point Restaurant & Pub	Blue Hills Grille	
Market Restaurant		
	Dedham	
Lynn	Aquitaine	
3 Yolks	Joe's American Bar & Grill	
Lynnfield	Franklin	
Gaslight	British Beer Company	
Newburyport	Norwood	
Andiamo Restaurant & Bar	BonCaldo	
	Olivadi	
Peabody		
Bancroft & Co. (In Northshore Mall)	Stoughton	
	Stoughton House of Brews	
Salem	Stoughton Diner	
Scratch Kitchen		
	Weymouth	
Saugus	Main Street Grille	
Hoya Chinese, Sushi & Teriyaki		
The Tumble Inn Diner		
Wenham		
Wenham Tea House		

Table 3. Largest Massachusetts County Restaurant Closures

Middlesex	Suffolk
Arlington	Aliston
Adventure Pub	Deep Ellum
Tango Restaurant	Great Scott
•	
Toraya	Regina Pizzeria's
Abilyn's Frozen Bakery	
	Back Bay
Burlington	Bar Boulud (In Mandarin Oriental
Shotcakes	Whiskey's
Cambridge	Boston
Au Bon Pain	Artu
Brit Bakery	Au Bon Pain
•	
Burkowski Tavern	Battery Park
Café Pamplona	Boston Cheese Cellar
City Girl Café	Dick's Last Resort
Cuchi Chuchi	Explorateur
Flat Top Johnny's	Fleming's Steakhouse
Haue Coffee	Jimmy John's
Legal Sea Foods	Kamakura
Parsnip	Les Zygomates
Restaurant Dante (in Royal Sonesta)	Love Art Udo
The Automatic	Meritage Restaurant + Wine Bar (in Boston Harbor Hotel)
the Cantab Lounge	Pret Manger (all locations)
the Field	Sakurabana
The Table at Season to Taste	Sojuba
Wit's End	Top of the Hub
WILS EIIU	Wheelhouse
Framingham	Wifelifouse
Beer Works	0.1-1
	Brighton
El Mariachi	Lincoln Bar and Grill
Godavari	
Sofa Café	Chinatown
The Melting Pot	Abbott's Frozen Custard
	New Saigon Sandwich
Malden	
Kreyol	Fenway
	Bar Louie
Marlborough	Conor Larkin's Grill & Tap
Joy Asia	Craigie Burger (in Time Out Market)
•	Eastern Standard Kitchen & Drinks (in Hotel Commonweal
Melrose	Fenmore Grill
Gabriella's Italian Pizza	Saltie Girl (in Time Out Market)
Gabriera 3 Italian Fizza	Uno Pizzeria & Grill
Natick	Olio Fizzella & Oliii
	Fort Bolist
the Met Natick	Fort Point
Wasabi (in Natick Mall)	Barlow's
Newton	Jamaica Plain
Anthony's Coal Fired Pizza	Bella Luna & the Milky Way
BOKX 109 (in Hotel Indigo)	The Frogmore
Comedor	
Lumiere	South End
Morano Gelato	Coda Bar & Kitchen
Rox Diner	Stella Restaurant & Bar
	Cinquencento
Somervile	Muscarella's Market
Bergamot	Masa
Bow Market	ZC Boston
MidiCi	ZC DOS(OI)
	Couth Porton
Somerville Brewing	South Boston
	Backyard Betty's
Waltham	
II Capriccio	West Roxbury
Peter's Greek Kitchen	Lenny's Tropical Bakery & Restaurant
	The Squealing Pig
Watertown	
Miller's Ale House	
Wellesley	

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Exhibit 1. Massachusetts Restaurant Closure Map

MASSACHUSETTS CITIES AND TOWNS

Key. Yellow is 1 or 2 closures; Green is 3-5 closures; Blue is 6-10 closures; Pink is 11-20 closures; Purple is 21+ closures.

Note. Data for restaurant closures obtained from Eater, Boston Globe, and Boston Herald. Map sourced from State of Massachusetts Secretary of the Commonwealth.

The operators find that due to the restrictions such as social distancing, the restaurants are working at best with 50% capacity now, there is minimal catering, and business activities are gone. The restaurant industry is financially struggling like nothing before because their sales are 80% lower than normal for this time of year, yet their cost has increased by more 50%. The catering business is close to zero, with the exception of a few customized and very restricted events. More importantly, catering owners do not expect to see a full opening in the near future; they think phase four, which may take another year, may be where the change happens. Their best hope is a cure for the virus sooner than later otherwise they may have to fold their enterprise.

Cost Control

Controlling costs is becoming more critical for the operation due to increased costs for labor, cleaning chemicals, PPE, and disposable paper supplies. Businesses are typically scheduling additional employees, despite the reduction in business, to ensure the dining room is

cleaned with increased frequency. The cleaning becomes much more important for open kitchen concepts. Due to the increased new operating costs, a reduction in inventory is one strategy being implemented; this in turn leads to a very simplified menu. Price adjustments or an extra charge, labeled as "sanitation fee", "PPE fee", or "no-show charge" is also on the table.

According to operators and employers, they are not only cleaning the restaurant, they are also trying to ensure the customers see the cleaning process. While it is not required by law, they are taking extra steps to convince their customers that their business is safe and clean. Some strategies include:

- The creation of a new management position entitled "Hygiene Supervisor" is responsible for checking the dining room, kitchen, and the most used areas by customers and employees, to ensure compliance with company hygiene policies.
- Setting a timer to make sure employees wash their hands every 30 minutes.
- Restrooms require the highest level of attention because customers are most commonly
 convinced a restaurant practices good sanitation if the restrooms are often and properly
 cleaned.
- Sanitizer is the newest centerpiece for the dining room experience. Not only is a station available at every entrance, in the kitchen, and in all restrooms, it is now placed on the table as a centerpiece.

Personal Safety Measures

All operators, employees, and customers think "safety" is the number one concern. Some of the restaurants are taking employee temperatures on a daily basis along with a self-attestation of symptoms and travel verification. Some restaurants not only check the employee's temperature but also the customers. In order to be compliant with tracing for notification of a positive case for employees, guests, or vendors, recording customer contact information is another time consuming but a necessary tactic.

It is an unspoken expectation that every single person who works or comes to a restaurant must wear a mask without exception. Everybody should follow the social distancing policy and respect each other.

Rule Respect Safety

Both operators and employees are having issues with a small group of customers who fail to abide by the rules. Some are not wearing masks, some come too close to employees. Employees and managers find that it is not easy to warn the customer of the infraction without the customer arguing about the policy. Now, that wearing a mask is considered law in the state, it does make it easier to have the regulation on their side to support them; "no mask, no service." Employees find it much harder to work with a mask and making sure all restrictions are followed. While wearing a mask, it is easy to misinterpret body language and hard to demonstrate a smile.

Another challenge operators are experiencing is when guests, who observe other guests not wearing masks, fail to connect with the restaurant manager. Instead, they circumvent the manager and going directly to the local Board of Health to file a complaint. Some employees have been warned by their managers to remain in compliance so they are not video recorded by customers for social media exposure. Consequently, employees are stressed to ensure constant compliance so they will not be posted on social media platforms by customers. Employees seem worn out by wearing a mask all day and being on alert (or on stage) all the time to make sure the restrictions are followed by all parties.

While employees are constantly informed about changes and restrictions few have received formal training about COVID-19 and the proper practices they must adhere to. The industry does not have a formal training certification program. Some employees do not know how their company will handle a positive COVID-19 exposure. Open communication and training are critical for having employees being on the same operational page.

Tip Pooling

Employees have expressed concern with tip pooling systems and difficulties with satisfying customers with the implemented restrictions. Typically, a restaurant server will share a portion of their earned tips with a busser, a food runner, and a bartender or bar back. However, many operations are changing the gratuity format considering there are fewer employees working. For example, since bars are not allowed to be opened in the state, a bartender's expertise is needed to make the drinks, but they aren't making the volume as accustomed. A bar back is also not necessary at the present moment. The use of a food runner can be used to deliver the food and keep exposure rates lower in the kitchen by keeping the front of house employees out of the kitchen. In turn, everyone must work together as a collective team and therefore, the pooling of tips has been an implemented practice. Some servers believe they work hard for their gratuity and don't want to share it in a tip pool manner, hence they have to decide do they want to return to the operation, find another restaurant or leave the industry altogether.

The Future

Unbeknownst to many, the majority of restaurateurs do not have reserved funds for rainy days; they have a cash flow only to run their day-to-day operations. The confusion about the PPP loans only compounds not having enough operating capital to pay staff when rent is due. The operators believe one of the unfortunate results of COVID-19 is losing good staff, which will take time and money to obtain good team members again. Since employees are not optimistic about the industry's future, they are seeking industries which are less fragile. It is expected to see a considerable career change in the industry.

Restaurant operators would be out of business if they did not receive any government support. However, an additional influx of government financial support is required to resume businesses at a pre-COVID-19 era. Without this support, owners are not sure for how long or if they can stay in business. Operators are passionate that as an industry they need to speak up and come together.

While COVID-19 hit the industry as a health-related issue it quickly became an economic survival concern. The combination of both health and financial matters will force operators to find agile and innovative business models in order to survive. The new models also will require changes in policies and regulations. Industry organizations, universities, and the local representatives should discuss operations in the "new normal" since there is neither a local nor international accepted solution for the future of operations. The authors have created a research team combining their academics research background with extensive industry experience. The researchers will continue to focus on research and discussions which will lead to change and innovative practices in the restaurant industry.

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Bio



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