



Personalized service from staff will remain a core value in onsite dining in venues where relationships with customers is an important side benefit of the service.

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How onsite dining workforces will have to adapt to a post-coronavirus world

The changes wrought or accelerated by the pandemic in how foodservice is offered in businesses and institutions will have ongoing ramifications for its workers, eliminating some jobs, changing others and putting a premium on people skills and general adaptability.

Mike Buzalka | Feb 09, 2021

Time was, foodservice was a driver of employment for low-skill, inexpensive workers who could efficiently produce and dispense large quantities of food generally intended for service during defined windows of mass demand, such as the lunchtime rush in a company or school cafeteria or the dinner rush in a college dining hall.

That simple model had been eroding even before the coronavirus pandemic changed everything, as growing consumer demands for higher quality, cuisine diversity, customization, to-order options and expanded-hours availability was forcing onsite dining programs to adapt their operations to satisfy the evolving customer expectations. Add in the rising cost of labor driven by factors such as statutory mandates for increases in the minimum wage and requirements for extending benefits like health insurance to employees, and it was clear even before March 2020 that how and where staff is utilized was going to evolve if onsite dining was to remain relevant and viable both operationally and fiscally.

When COVID hit, it accelerated some trends and introduced others, with the result that the composition of, and expectations for, the onsite dining workforce of 2021 and beyond is likely to be quite different from what had gone before even if things return to “normal.”

For instance, in markets where mealtime “rushes” were traditionally handled by large, fully staffed multi-station cafeterias, dining halls and food courts with a combination of counter service and self-serve, a post-COVID evolution toward more decentralization for both safety and convenience reasons will likely mean foodservice employees will have to redeploy from traditional and rote tasks such as mass producing staple dishes and meal components in back-of-the-house production kitchens and then serving it in the front of the house, to more scattered service points where finished—often customized—dishes are offered over more hours.

The cost pressures associated with such diversification will probably force dining programs to seek relief where they can through automation, centralization and outsourcing of certain functions. That will leave in-house staff to perform those

duties that either can't easily be automated, centralized or outsourced, or that add value from a business and/or customer relations standpoint, such as the face-to-face interaction between dining staff and customers in markets like senior dining, K-12 and certain businesses where the personal touch aspect of meal service plays an important role in building community, fostering socialization and strengthening ties with the host institution or business.

Even as some more impersonal and anonymous tasks are automated, outsourced or consolidated, this customer-facing role of dining staff can be expected to retain—or even gain more—importance, making the hiring of individuals with strong interpersonal skills, outgoing personalities and general emotional intelligence even more of a priority.

The impact of automation

However, in environments where the dining service transaction was already largely impersonal—sports venues, airports, retail outlets in locations like colleges with large commuter populations and hospitals with a lot of transient visitor/outpatient traffic—“touchless” technologies developed and refined over the past year as safety measures can be expected gradually to supplant in-person staff at the customer interaction point. These technologies range from high-tech vending units and unmanned micro markets to automated serving stations and A.I. (artificial intelligence) enabled retail outlets, and they have the advantage not only of eliminating the need for onsite labor but also offering round the clock availability to provide added customer convenience—and, not incidentally, additional sales at off hours without any real increase in operating cost.

Photo: Robotic customer service and production such as this automated smoothie making unit are coming at some point, driven by cost-cutting pressures, especially on the labor end.

Credit: Blendid

Even before the COVID era, the classic micro market, the original unmanned round-



the-clock service model, was expanding its market reach from hospitals and businesses into colleges and any other locations where security from theft could be maintained with an enclosed environment and limited access. However, new A.I.-based technologies, such as those pioneered by Amazon with its Amazon Go stores, are making even that consideration less relevant, which means automated service points—full-blown retail stores such as the recently opened

Market Next store at the University of Houston as well as small-footprint outlets like “smart fridges” and even pizza vending “ATMs” —can expect to proliferate to efficiently and safely serve a smaller and more temporally and geographically scattered customer base without requiring the added labor such expansion would traditionally have required.



Aramark

A hybrid micro market concept like Aramark's Best Concept Award-winning True Eats is one way manned and unmanned dining service can be offered over extended hours with modest labor cost while providing personalized service at peak hours.

One other previously developed service model that could possibly get increased play in the new environment is the hybrid micro market, such as Aramark's FM Best Concept Award-winning True Eats concept . True Eats was designed to operate efficiently and profitably in small population B&I environments with a combination of manned service at peak hours and automated operation the rest of the time. As COVID-prompted work patterns likely mean more offices become "small-site" operations with limited populations at any given time, solutions like these, which minimize labor costs while still offering customer-pleasing quality and service, may get an expanded look and further refinement.

Labor-efficient food production solutions

Of course, unmanned service outlets like micro markets and smart fridges still require product to dispense, so there must be meal preparation done somewhere. Currently, unmanned/automated onsite meal service points are generally supplied either by onsite production kitchens, offsite commissaries or prepared meal manufacturers. As unmanned service outlets proliferate, onsite dining programs may find an advantage in keeping the production to supply them in-house in a

central facility that can not only respond quickly to restocking requirements but also can offer freshly prepared foods “made in our own kitchens” that can be marketed as such to customers.



Photo: Even in manufacturing facilities like Ford auto plants, unmanned and automated meal service outlets will become more prevalent as a way to promote safety and convenience in an era when mass gathering venues like cafeterias are problematic.

Credit: Ford Motor

Large institutions such as major college campuses may under this scenario evolve to operate just one or two large dining facilities that offer a campus gathering place and some personalized meal service, while the dining center’s kitchen centrally produces for mostly unmanned retail outlets scattered around the rest of the campus. Labor under this model would be confined to customer-interacting service in the dining hall servery, production in its kitchen and delivery/replenishment tasks to keep the retail outlets stocked.

Where onsite centralization of production isn’t feasible, meal production functions—and the labor they utilize—may migrate to external providers such as commissaries, specialty prepared meal suppliers like Revolution Foods or traditional prepared food manufacturers. Sodexo’s recent acquisition of Nourish Inc. in California’s Bay Area and its extension of its Good Eating Co. (GEC) brand into North America—both with commissary-based premium meal production capabilities—is just the latest sign that major industry players recognize this trend toward such hub-and-spokes production models.

What is also notable about Sodexo's moves is that it comes with a built-in emphasis on producing high-quality—even customized—meal offerings, a necessity in today's environment and one that can't be satisfied with traditional mass-production-style central kitchen operations. Labor in these new model commissaries has to be adaptable to producing customized, to-order dishes—Nourish and GEC as well as other similar platforms incorporate remote ordering of customized meals—rather than simply performing rote assembly line-style tasks repeatedly.



Photo: The fully automated, cashless Market Next that opened at University of Houston recently uses the kind of A.I.-powered system Amazon Go stores use and is a way to operate retail outlet with minimal labor requirements.

Credit: Standard

Encouragingly, the move toward more outsourced production for smaller onsite dining programs may end up being a benefit for operators with existing central

production capabilities—and their employees—by themselves becoming meal production centers for external customers, though some may have to clear legal hurdles before doing so. Nevertheless, programs such as Ohio University and the Norwich School District in Connecticut have already moved into this area, recognizing that excess capacity in existing infrastructure and labor can be leveraged to produce additional revenues for the program while keeping staff busy and employed.

However, looming over the labor outlook on the production end is automation. Currently, burger-flipping and pizza-making robots are curiosities used in a few

niche markets by visionary early adopters, but market pressures—especially from the commercial end—can be expected to push for innovation, refinement and cost efficiency, potentially eroding the market for labor in food production as it already has in many other manufacturing industries as these technologies improve and proliferate.

The end of corporate cafeterias?

Of the major onsite dining markets, corporate dining is likely to feel the greatest impact of COVID-related changes on the dining staff as even the most optimistic scenarios predict significant drops in the number of employees returning full-time to workplaces. And even those that do are not likely to revert to pre-COVID habits that had them crowding cafeterias at lunchtime, putting the long-term prospects for such venues—and their staffing requirements—into question.

"Companies are hesitant to spend millions of dollars to build out a corporate cafeteria when they don't know how many of their employees will be in the office next week. The economics and menu variety of an on-site cafeteria or caterer just will not work in the post-COVID world," commented Ali Sabeti, CEO of online meal service firm ZeroCater in a recent press release announcing his company's expanded foray into the corporate dining market with "a digital app-based cafeteria for companies and groups of any size." The comment, while obviously self-serving, nevertheless highlights the growing trend of outside actors moving into the corporate dining market with services that require less labor than traditional operations, something that established operators will have to deal with.

ZeroCater's new module, called Cloud Café, not incidentally also can deliver meals to employees working from home, an emerging side market of the corporate dining world also being explored by traditional contractors like Guckenheimer, but one that eliminates staffing requirements for any customer interaction as meals are generally delivered by third-party services.

Photo: Ohio University pioneered leveraging its production kitchen capacity by producing for external customers, a potential way for other centralized production



facilities to generate revenue and keep staff employed and busy.

Credit: Ohio University Dining

As for onsite dining services in office environments, Guckenheimer's director of food excellence, Bill Billenstein, notes that he expects an emerging corporate dining world that has employees going in to the office intermittently, during which time they will be more likely to take meals with their immediate teams in designated areas of the building than in the communal cafeteria, an arrangement that requires remote order, menu flexibility

and efficient delivery services in the building from an operational standpoint and different staffing requirements than the traditional model.

Even manufacturing, traditionally the segment of the B&I market with the most fixed high-volume/short-window dining operations, is poising for a more flexible approach that involves automated, scattered service points that can dispense food quickly rather than from a high-volume central cafeteria. Last year, Ford Motor Co. Global Foodservice Strategy Manager Mark Freeman commented that "micro markets may make more sense in this world than to have people line up. In the manufacturing world, it gets to be especially challenging because the worker has 26 minutes to get their food, eat it and get back to the line and so time is of the essence."

College dining spreads out

College dining, as noted above, is moving away from the traditional communal dining focus centered around all-you-care-to-eat residential dining halls to more of an a la carte retail approach that probably will incorporate more automated/unmanned service points fed by central production kitchens. Still, there

is strong institutional preference in this market for maintaining at least some communal dining as a key component of the “college experience” and a way to build campus community, but the COVID environment has undoubtedly made it a much less personalized service with its emphasis on remote order, takeout/grab and go, social distancing in queues and at tables and, not incidentally, the psychological impact of safety gear like masks and plastic barriers.



One critical question going forward for dining programs will be how to balance personal customer interaction with the psychological barriers posed by the wearing of masks and the putting up of plexiglass barriers between staff and customers.

Indeed, one critical issue dining programs across the onsite world will have to tackle going forward is how much of the safety paraphernalia instituted over the past year will be retained, given how they place a barrier—literally—into customer relations. Will masks and plexiglass walls become a standard feature of dining operations going forward as gloves and hairnets have been, and what does that do to customer relations and staff morale?

It's a critical issue for dining workforce relations as interaction with customers—especially the kind of repeat customers seen in onsite environments like schools,

colleges and senior living communities—is part of the intangible compensation package for staff.

As Frederico Tadio, director of dining for high-end CCRC The Clare, noted recently, “You don’t go into this business of food and beverage because you want to work in an office. You want to be with people, you want to hear them and see their faces as they enjoy the food you serve them.”

Hospital dining may see few changes

In hospitals, the traditional cafeteria is more likely than some other markets to return to pre-COVID levels of business once the pandemic ends, especially if/when visitors are allowed to return, because the customer base retains a solid core of in-house staff. Dining operations, and their staffing levels, may adjust somewhat for less self-serve and more grab and go than has been traditional, but the way the business is done won’t be dramatically different.



Staff in venues like Menno Place senior living facility remain an important part of resident life even if they currently have to deliver meals to individual rooms.

In fact, as the pandemic forced hospital dining programs to look for additional revenue in areas ranging from take-home meal kits to delivery services around the complex, the retail business—and hence the staff required to operate it—may actually grow. Patient dining, meanwhile, remains a core responsibility, though the labor requirements of room service programs may become an issue.

For K-12, a possible expansion of meal counts

The COVID experience may least affect K-12 foodservice among the major onsite markets, assuming that school districts will return to full-time in-person instruction sometime this year. While there has been enrollment erosion over the COVID period to home schooling, private schools and other alternatives, the reality is that public school districts will remain the overwhelming choice of most parents for K-12 schooling, which in turn means their meal programs will continue to feed large numbers daily.

In fact, the expansion of school foodservice into areas like supper, weekend meals and even family meals and community feeding during the past year may mean even more volume once in-person schooling—and therefore more typical student meal participation counts—returns, unless Congress and the Administration roll back the program extensions they granted last year due to COVID, unlikely given Democrat control for at least the next two years.

Photo: K-12 meal service is likely to diffuse to more service points to reduce numbers in cafeterias even in the post-COVID environment, which may make vending units that dispense reimbursable meals a more important feature in school dining programs.

Credit: Enlarged City School District of Middletown

Meanwhile, the labor-intensive nature of K-12 foodservice, combined with its historically low adoption rate of new technologies—something even COVID didn't move the needle much on—means that K-12 foodservice staffing will continue with fairly robust employment numbers, especially in unionized districts.



That doesn't mean the nature of the job won't evolve. Even if students return en masse to school buildings, the traditional lunchtime rush through the cafeteria serving line may not return as the lingering effects of COVID will likely force meal programs into more flexibility of service with strategies ranging from more lunch periods and more and more scattered service points such as carts, kiosks and food trucks to expanded grab-and-go choices and lunch-in-the-classroom based on the already established breakfast in the classroom model.

These all require a different kind of labor allocation than the traditional cafeteria lunch line, meaning significant shifts in assignments, skills and responsibilities that may have to be renegotiated in stricter unionized environments

One technology that has made some inroads in the K-12 market is the reimbursable meal vending machine that some schools have already used to boost breakfast sales, reach students dispersed over large campuses and generally provide alternate, scattered points of service, exactly the kind of solution the post-COVID environment will encourage. These units are either stocked with meal packages prepared and assembled onsite by the district dining staff, in which case they are simply an extension of the existing meal program, or they are maintained by external vendors, which cuts into the number of meals sold by the in-house program.

So is the future of the onsite workforce one of downsizing and displacement by automation? Indications are for a qualified "yes," in line with predictions of labor reductions in the commercial restaurant world, especially at its lower end, where demand for cost-cutting solutions is most keen.

Whether that will lead to a proliferation of robotic cafeterias any time soon depends on the pace of technological advance. One thing that remains, though, is that foodservice fundamentally is a hospitality business that will always require a certain level of personal interaction between provider and customer, especially in environments where the interaction is frequent.

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