

Hospitality with a Heart and Soul: Jack's Bar and Grill*

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Acknowledgement

The authors would like to acknowledge the help of Spencer McIntire, Sheridan Sleeper, Spencer Herbert and Jessica Levine, students from the sustainability class of Winter 2014, University of Denver, Denver, USA, in collecting the data for this case study report. Our sincere thanks to Jack and Athan Miller, owners of Jack's Bar & Grill, and their staff for their generous help in developing the case study report.

Introduction

On a frosty morning in late January, Jack Miller opened his eyes slowly. He looked around his room and with a feeble voice he asked, "Where am I?" The Olympic alpine ski racer had survived a deadly accident on the Colorado mountain slopes the previous evening, where he was struck by lightning on a ski lift. His wife, Athan Miller, assured him in a gentle voice: "Darling, you are in the hospital for observation. You were struck by lightning yesterday, but you are fine now." That was the lightning rod for Jack's life! From the hospital bed, he called his parents thanking them for their love and support and did not miss the opportunity to say, "I love you both." Then he wanted to know how Benny was doing. Benny was their neighbor's son, who was developmentally challenged. He was Jack's biggest fan. Growing up, Jack knew Benny well and developed a special bond with him; he treated Benny as his own younger brother. As Jack and Athan left the hospital in January 2007, Jack resolved to make a difference to people like Benny by creating employment opportunities for the disabled in Colorado. The rest is history.

Seven years later, in January 2014, Jack and Athan were forced to take a detour on the highway due to poor weather conditions and happened to drive past the same hospital where he was hospitalized. He turned toward his wife and with the same urgency that he had felt on the day he woke up in that hospital room, he said: "Hey Athan! Let's talk about our plans for the second restaurant this afternoon. I would like to get that going soon. We have been thinking about it long enough and I would like us to move ahead quickly." Athan knew her husband well. He had the resolve of steel. They were contemplating the question of how to grow their restaurant business so they could



Jack and Athan Miller in their restaurant

help train, retain and place a higher number of developmentally challenged individuals in the workforce.

Jack's Bar & Grill

Jack and Athan Miller opened Jack's Bar & Grill (Jack's Place, hereafter) in 2010 in Denver, USA. However, the concept took root in 2007 with Jack acquiring ownership of Steamers Coffeehouse (the Coffeehouse, hereafter). The Millers exemplified a pioneering entrepreneurial spirit. They set out to operate the newly acquired coffee house as a neighborhood restaurant, which provided quality food and service at reasonable prices. As noted on the restaurant's website:

"Jack's Bar & Grill and Steamers Coffeehouse are truly unique. We opened in March 2007 with a vision that it is possible to run a for profit business which is sustainable, successful, and employs people with developmental disabilities, while offering our community a high quality product."

The original Coffeehouse opened as a simple café and initially struggled to maintain a profit. Despite lower than desired earnings, locals in the area supported the business. This inspired Jack and Athan to press onward. After two years, the Coffeehouse began to outgrow its location, and a decision was made to move into a larger space to accommodate their growing business. After six months, it outgrew its second location and the Miller's decided to invest in the construction of a new building. Their vision was to locate the Coffeehouse as well as the newly established Jack's Place in the same building.

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* First Place Winning Case Study



Jack's Bar & Grill in Arvada, Colorado



A busy day in Jack's Bar & Grill

The idea for the new restaurant came from a spin-off of Jack's menu modeled after the original Coffeehouse to serve smaller entrees, such as soups and sandwiches. As the enterprise continued to expand, Jack applied for a liquor license allowing them to open a small bar area within the new restaurant. Jack's Place and the Coffeehouse were located in the Five Parks Plaza in Arvada, Colorado. The new operation included 2,200 square feet of restaurant space and a patio that seats twenty-five. Since the expansion in 2010, there was a 269% growth in revenues. The success of the organization could mainly be attributed to a sound management team, a realistic vision, an indelible commitment to their employees, and a dedication to the community.

The restaurant presented a casual and comfortable environment. It included a bar area, an ice cream area, a dining section, a coffee bar, and a lounge on the second floor. The layout offered an attractive and comfortable customer experience. For example, the ice cream area was located on the opposite end of the restaurant away from the bar. The Millers felt that it was best that the children enjoy their treats in a dedicated area for youth. The overall atmosphere within the restaurant was very low-key. Although there were many diverse dining experiences in the restaurant, all sections fit together harmoniously. Guests had the option of quickly purchasing food, coffee, ice cream, or a drink with limited service or choosing to sit down with their families and friends for a traditional full-service dining experience. Due to the various offerings and the reasonable prices at Jack's Place, it attracted a diverse clientele.

Grand Vision

The Miller's grand vision for their restaurant was inspirational. Their goal was to delight their guests with great food, a welcoming atmosphere, and excellent service which led to repeat business. Yet, their commitment to their special workforce was genuine: "We have a job that needs to be filled; we have work that needs to be done. There are workers who can do it, and they just happen to have a developmental disability."

What made Jack's Place unique was their dedication to employ developmentally challenged individuals. Jack noted:

"Current statistics show that almost 98% of develop-

mentally challenged individuals in the United States are unemployed even though they are capable of contributing to society. We began with one developmentally disabled employee and now we proudly count over 40 with developmental disabilities among our employees. They are about 50% of all our staff and they help run the restaurant as well as any employee we have on our payroll. They make us proud!"

The Millers spared no time and resources in training and helping all their employees to be effective contributors to society. The process of helping individuals with special needs had unforeseen side effects; it improved the quality of life for their non-disabled employees, as well. The latter learned to be patient, compassionate, and innovative in making tasks simple and user friendly. Everyone at Jack's Place operated in a continuous improvement mode.

History of Jack's Place and the Coffeehouse

Jack Miller was on the U.S. Olympic Ski Team for eight years. With a marketing degree from Regis University, he owned Action Getaway (where he planned and developed worldwide ski packages) and also was the national pacesetter for NASCAR Racing in the United States and Canada. At the conclusion of his athletic endeavors, Jack began a career in real estate and led a real-estate firm with 125 agents. After several years in the real estate industry, and a life threatening incident, Jack decided to make a career change.

Athan had pursued a career in social work. Together, they decided to incorporate Athan's passion for social work along with Jack's desire to open a restaurant. Thus began a concept to differentiate their business by incorporating developmentally challenged individuals into their business model. With Athan's support, they purchased a struggling coffee shop in 2007. They intentionally chose not to spend any money on advertising. Instead they invested that money in projects that supported their commitment to social responsibility such as sponsoring local farmers' market, local fund drives, special events supporting local athletics teams etc.. Even though Jack and Athan had no previous restaurant experience, they had many friends, family members, and employees

willing to support and sustain their unique business model.

Jack ran the real estate and facilities side of the business, while Athan oversaw operations and personnel matters. Athan's degree in social work provided her with exceptional skills in effectively managing people in their venture. Together they complemented one another. By doing so, they created and sustained an environment unique to the restaurant/hospitality industry.

The original standalone Coffeehouse was a small café that offered Jack and Athan significant potential to make their vision a reality. Throughout the first three years, Jack expanded the Coffeehouse by adding soups and sandwiches to the menu. In 2010, Jack decided to invest in the construction of a new building that included a large restaurant space. Based on his real-estate experience, Jack realized that owning the restaurant space would help to minimize the operating costs of the establishment while controlling rent and related real-estate expenses. In 2010, Jack's Place opened in the Five Parks Plaza in Arvada, Colorado and incorporated the café concept from the Coffeehouse into the new operation. With the expansion, Jack was able to maintain a café flair within a full-service restaurant setting. The restaurant was organized into various specialty sections with a goal to improve efficiency, product offering, and customer, as well as, employee satisfaction. The Millers, while relocating the restaurant to a new and imposing building, maintained its neighborhood ambience with skiing photos, race bibs, and various pictures of locals, employee biographies and artwork from the local school children. As a result, Jack's Place had a homespun atmosphere and a neighborhood feeling where guests were served in a comfortable and inviting setting. The Millers valued their local guests, who shared an affinity for the restaurant's culture, visited the restaurant regularly to eat, drink, have a coffee, and socialize.

Through careful menu design and planning, the various dishes offered featured a diverse set of items appealing to a wide variety of audiences. The menu selections included soups, sandwiches, unique sliders, salads, and well known pub food selections. They were reasonably priced, thereby attracting a larger and diverse customer base. One of the most popular menu items was the sliders, which came in sixteen different varieties and included three separate burgers as well as fries. Sliders were half price on Wednesday nights as well as on special days, such as Super Bowl Sundays and New Year's Eve. The food was made with fresh local ingredients. Jack proudly boasts:

"90% of our menu preparation is in-house. We promote sustainability within the restaurant by using local ingredients and suppliers. Although this results in the item prices being slightly higher than products we might source from larger national suppliers. We also own the land where a local farmer's market occurs on weekends, and we have access other nearby farmer's markets from where we buy our products; we are keen on giving back to the community."

Care was taken to personalize the menu and the various menu

items were displayed on a single piece of paper. The menu presentation accurately depicted the food and its ingredients, as well as, provided interesting facts about Jack and Athan's commitment to their local community, their coworkers, and their valued customers. The customization of the menu is another way they helped their customers feel a genuine sense of connection and affiliation to the restaurant and to one another.

"Changing lives...one customer/ employee at a time," was the Miller's mantra

It succinctly portrayed their commitment to social, human, functional, and financial sustainability. Both Jack and Athan believed in a mission focused on social responsibility while running a for profit business that would be sustainable and successful at providing high quality products and service. In Athan's words:

"We envisioned a commitment to our community that will fulfill Jack's and my dreams of sharing the success of the restaurant's operations with a diverse set of employees and customers. The way we differentiate ourselves is to help our community in a different way! We always thought: "Let's do something we love and fulfill our commitment to our corporate responsibilities. Regardless of what we do, we want to help other people's lives."

The reality of their commitment manifested in their dedication to hire developmentally challenged individuals, who were active staff members and viewed as coworkers. It is important to note that the Millers pursued this goal with no intention for notoriety or special recognition. Their intent was to merely fulfill their personal dedication to "help others and their community in a different way."

The Heart and Soul of the Community

As is true with many community-based initiatives, the energy behind the desire to lend a helping hand to others came from a silent, yet enormously significant individual. In this case, the strength and commitment of Athan to help others was the momentum behind their passion to provide a productive environment for individuals with developmental disabilities. Jack's Place and the Coffeehouse had a social sustainability strategy that was simple. That strategy was "to care and share." "To care" enough to do whatever was necessary to implement the needed changes for their vision to come to life. As a former social worker, Athan was aware of the dire need for the disabled community to acquire vocational skills. Many physically-challenged or autistic individuals with whom she worked with as a social worker, were highly capable, but significantly unskilled. Athan came up with a solution to this real problem. She envisioned a retail enterprise that could provide a for-profit workplace that trained and employed capable disabled individuals that might otherwise not be recognized as ideal candidates for traditional employment due to a lack of vocational skills. As a result, Jack's Place became the place to train these productive individ-

uals with great care to become skillful in the culinary arts. The Millers proudly boasted that much of the food they served was “hand-crafted.”

Behind the restaurant scenes, there was a commercial kitchen project in the works. Another Bean Corporation, also owned by the Millers, was engaging in the construction of a fully equipped commercial grade food preparation facility. While the facility would have space available for rent, it would also be used to train disabled employees in food preparation. As Athan eloquently stated:

“People with developmental disabilities have a lot of work skills, and working is a very important part to everybody’s life... Some of the other things that I would like to see happen with the kitchen in the future... it is going to be more of a training facility where we train people, and then the hope would be that those people then could go out and get a job in any restaurant in the city...and that we would be able to change more lives.”



Jack Miller working with employees in the kitchen

The Millers believed in training employees to have a welcoming and rewarding career at Jack’s Place, and to prepare them for positions in other establishments. With a conscious effort, they sought to build an entire workforce comprised of individuals with special needs and help to change the myth surrounding the capabilities of autistic and developmentally challenged worker that these individuals were not capable of living productive lives. Their goal was to affect the employment or workforce composition ingrained in the restaurant segment of the hospitality workplace.

Approximately, half of the staff had physical impairments while and the other half were traditional employees. The Millers were happy to provide opportunities for quality employment to those with or without disabilities. The developmentally challenged employees were contracted through Parker Personal Care, and one of the employees, Danielle, acted as a day-today liaison between Jack’s and Parker Personal Care. Every person, who worked with Athan and Jack,

were encouraged and taught how to monitor, mentor, and teach one another in the art of being successful. Yelling in the kitchen was discouraged, and individuals were taught how to communicate with respect for one another. The Millers believed in constructive criticism, and in teaching all individuals involved in the operation to understand that people could make honest and inadvertent mistakes. Employees felt empowered at work due to the opportunities for personal growth that were presented each day. They noted:

“I like working at Steamers because it is such a diverse work environment.”

“It’s exciting to watch our employees learn new skills and grow.”

“I love the concept, the customers, and the chaos!”

“I like working at Steamers because I make money and I can be myself here.”

“I like the whole program.”

“I love working here because I’m constantly learning and teaching.”

“I love working here because of the program, and I love my customers.”

“I love working here because it’s fun.”

“I like working here because it’s different than most restaurants, more relaxed and more fun.” Jack’s Place promoted a working environment of innovation and growth. It was of little surprise that the turnover rate in the back-of-the-house was minimal in an industry notorious for underpaying staff and servers¹. Athan said:

“From experience, we realize that the disabled employees are some of the best employees on our staff. Each person is trained in a caring manner for many months. They are taught how to cut vegetables and how to do the prep work, among other aspects of running a kitchen. After the training period, they are hired, as part-time staff and receive a weekly paycheck... There are forty employees with disabilities on staff, and all receive a wage and full health benefits, whenever eligible. In addition, those who are full-time are offered a 401K package... We believe one of the most rewarding aspects of our work here is observing the positive changes in our employees, both disabled and non-disabled, as they work together hand-in-hand helping each other.”

The Millers epitomized a commitment to human and organizational sustainability through their day-to-day actions by modeling the right behaviors with their coworkers, customers, suppliers, and community. They had the passion to support one another and their employees, whom they referred to as business associates, and were champions in the development of the human equity by nurturing the ongoing suc-

¹ For a candid account of the plight of workers in this industry, see Saru Jayaraman, “Behind the Kitchen Door,” ILR Press, 2013.



Employees pictures at Jack's Bar & Grill

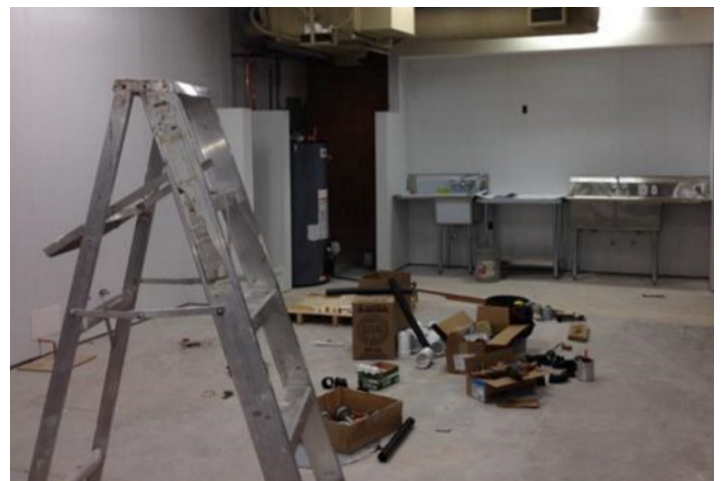
cess of the organization. They chose to be very selective about how and where this message was communicated, because they did not want to exploit their genuine commitment to their community or employees. Employee photographs were proudly displayed on a brightly colored wall. The core idea of working with developmentally challenged employees was to institute and sustain a program of vocational development. Athan's dedication to the disabled and to community was genuine. Their goal was to expand further so they could hire sixty employees with disabilities, whom they could train and ultimately help find employment within or outside the organization.

Innovation was at the heart of Jack's Place, and in 2014, a 1400 square feet prep kitchen facility was built across the street from the restaurant. The goal was to have a multi-functional location, where the staff could do prep work at night for the upcoming day. The city of Arvada provided funding for this development plan acknowledging that there was a need for commissary kitchens in Colorado.

The Millers' commitment to their community had contributed to their success in many ways even though Jack and Athan openly admit to their initial naivety of the industry. Jack stated: "Sometimes not knowing is better than knowing, and that knowing too much can foster an environment of bias and unfounded notions. Our limited knowledge about the restaurant industry proved to be beneficial in the short and long run, as this lack of bias helped us begin this undertaking without any preconceived ideas. Both of us had our "eyes and ears wide open" and were willing to take risks. Our path in this industry is rather unconventional."

Similar to other start-up ventures, Jack and Athan have faced several challenges along their journey. Some of these challenges

were the result of their commitment to working with developmentally challenged employees and the necessary extra hours involved. Other challenges resulted from construction processes, transitions between locations, and difficulty in managing implementing change on behalf of their 80 employees. The Millers handled each challenge with poise, compassion, and tenacity. One could only imagine the challenges associated with implementing change within their restaurant business model due to the added time it takes to train their employees. It was normal to take months to train disabled individuals to perform one specific task flawlessly. To uproot their employees from their traditional routines to step to the next level of performance required a significant commitment on the part of the owners.



New kitchen under construction

Sustainability and Financial Performance

A stable balance between sustainability and financial performance was essential for the restaurant's sustainability in the long-term. The Millers gave careful attention to labor and associated costs, as they significantly impacted the bottom line. Revenues increased approximately 42% from 2011 to 2013. Yet labor costs, including benefits, remained high. Labor costs were 40% higher than an average restaurant; affecting their year-end profitability.

Jack continued to focus on improving the financial results with sound business practices. The Menu Engineering worksheet is displayed in Exhibit 1. Despite successful growth there were areas requiring continuous attention and management. Jack emphasized that the restaurant would always be in a growth stage.

A Vision for the Future

In 2014, Jack placed the final touches on their new prep kitchen along with the necessary procedures to obtain the required approvals from the Board of Health. Athan focused on maintaining consistency and continuity with the employee population. One challenge involved the process of transporting the food from the prep kitchen to the restaurant across the street. Their business model was so unique that expansion could pose challenges for creating standard practices and procedures.

The Millers started a wholesale jelly business with distribution through farmer's markets, Christmas markets, and other venues. This was a direct result of the dedication of their employees, who took great pride in making the various flavors of jelly. The jelly was also sold in the restaurant, and each jar had a label with the name of the

employee who made that specific batch. One plan for the future was to use the new kitchen space to streamline the process of jelly making and ultimately to make larger batches. "One of the things that we sell at the farmers' markets is our handcrafted jelly. We make jelly and jam in small batches, maybe six jars at a time, and they are a popular item." In addition, some of the staff also made handmade greeting cards for sale at the Coffeehouse counter. Annie, a member of the local community, makes the cards herself. The cards covered a variety of occasions from "Get Well Soon" to "Happy Birthday."

Community Involvement

The Millers made a conscientious effort to maintain a feeling of community within and beyond its walls. The location, the décor, the round tables, and the local coffee shop ambience all contributed to a home-away-from-home environment. Jack's Place was intentionally kid friendly and kid-proud with displays of children's artwork on the walls. The adult-friendly bar and the pool table upstairs were welcoming. The ski memorabilia displayed tastefully conveyed Jack's athletic accomplishments. Athena reminisced:

"When we opened we didn't even have a menu, I didn't even know what we were. We didn't know what we wanted to be or what we were going to be, and looking back at it...I think that was the smartest thing that we did because we didn't paint ourselves in to a corner. We evolved to what the community wanted us to be...so we're a good fit here."

Jack's Place doubled as a venue for local community events. Members of the community could rent space at the restaurant to host a variety of events and functions. The restaurant often held fund rais-



Farmers' Market organized by the Millers and employees of Jack's Bar & Grill

ing activities for local social causes. The Millers planned to improve their event traffic in the future by offering the commercial kitchen to the public for event rentals. There was also a plan to renovate a private room upstairs at Jack's for special functions. Jack's Restaurant had gradually become a local gathering place. Most customers frequented the establishment more as a social gathering place than as a restaurant. Some customers were 'regulars,' visiting three to four times a week. It was common for customers to gather to watch a ball game, enjoy a cold beer, or eat pizza in the back room while families enjoyed their quiet time together in the front room. Jack's events manager, Heather Manzanares, was excited at the possibilities.

"We are such a big family. Jack and Athan have really just changed many people's lives. Not only the people with disabilities, but everybody else that works here, and the customers... just what a difference they've made! We're just a small neighborhood restaurant, and I can't believe how many changes we've made and how much we've grown."

During the warmer summer months, Jack's Place hosted a farmer's market outside of their facility. There were many homegrown and hand-made products for sale. Many of these fresh ingredients were also used in Jack's kitchen. As an example, Jack and Athan grew lavender in their garden and used this herb in several of the Coffeehouse beverages.

Employee Empowerment

At Jack's place, new employees were empowered to explore all available job positions until they found their niche. Athan was a firm believer that given the opportunity, everyone excelled at something. To make that a reality, she tirelessly developed unique training methods that were specific to the employees she trained. She was very patient with her Autistic employees. At the same time, she had to retrain her traditional employees to work with those that had special needs. In the process, Athan faced numerous human resource challenges, and she has to react quickly by applying her conflict resolution skills to avoid issues between employees. The Millers shared several stories of their staff's personal accomplishments.

In 2013, a young woman with severe autism was hired at Jack's Place. On her very first day, she happened to pass by a table of patrons that were laughing and talking rambunctiously, while enjoying their meal. The commotion was too much for the young woman to handle at the time and she was found hiding underneath a table. After months of training and working with Jack's staff, the same woman became one of Jack's best servers. The Millers noted that the change was unimaginable for some to comprehend. Even the young woman's mother commented on the notable change. Her mother came to the restaurant to thank the Millers for giving her daughter the opportunity to work at Jack's Place. The mother stated:

"I could have never imagined my daughter would be able to work in such a public and open environment. Not only

did her position at Jack's change her life for the better, but my life was changed for the better, as well. Employees that helped train my daughter were proud of her, the customers that she served felt the impact. Others saw how hard she worked to become a productive worker."

Noteworthy is how a blind and deaf worker had come up with his own system for washing dishes. The staff also included a blind baker. Jack and Athan were excited to enhance the baker's work experience with the new kitchen across the street. Due to the sheer size of the kitchen, the baker could not be working during the busy hours. Jack's Place provided these individuals with an opportunity to demonstrate that they were as capable as the next person. The new kitchen facilities would serve as a hands-on educational facility for people with developmental disabilities to learn skills needed to work in a food service operation. In an effort to create a user-friendly environment for a legally-blind employee, they explored new ways to organize kitchen tools by using puff paint to create braille wording on the kitchen utensils. This puff paint initiative led to color-coding the kitchen, making the kitchen easier to navigate for persons who were unable to read.

The Future

In addition to providing educational opportunities, the second kitchen would provide Jack's Place new revenue opportunities that were once out of reach due to the lack of space in the original kitchen. The new operation had the ability to make larger amounts of baked goods, jams, and jellies, thus helping the restaurant fulfill the growing demand for these items. At the same time, other local restaurants with limited kitchen space could rent the second kitchen, as a prep area. Renting the space to local groups such as women's groups, Boys and Girls Scouts of America, and other community organizations to host cooking classes was another idea to increase revenues.

As the Millers reached Jack's Place, Jack parked their car, and entered the restaurant. The telephone rang and it was an investor from out of state who happened to be in Denver for the weekend, and he wanted to visit the restaurant because he was interested in franchising Jack's concept. Franchising had the promise of replicating the Miller's commitment to corporate social responsibility in communities throughout the country. It would be a significant source of revenue for them while they continued their dedication to growing opportunities for the many special needs individuals they employed. Many thoughts raced through Jack's mind. His personal preference was to perfect the business model and standardize operations by opening a few more restaurants, but he was acutely aware of Athan's need for spending more quality time together. He took his wife aside and said, "Athan, there is an investor in town who would like to franchise our concept and he wants to visit us tomorrow. We need to decide soon what is right for our business and for us."

Exhibit 1

Menu Engineering Data from Jack's Bar & Grill

Menu Engineering Worksheet

	B	C	D	E	F	G	H	L	P	R	S
	No.	Menu	Item	Item	Item	Menu	Menu	Menu	CM	MM	Menu Item
	Sold	Mix	Food	Sales	CM	Costs	Revenues	CM	Category	Category	Classification
Menu Item Name	(MM)	%	Cost	Price					\$ -		
French Dip	56		\$2.68	\$9.95							
Sliders	75		\$2.52	\$8.95							
Buffalo Chicken Wrap	24		\$2.16	\$8.95							
Grilled Cheese	24		\$1.57	\$7.95							
Cajun Po'Boy	12		\$2.55	\$8.95							
Soft Taco Platter	13		\$4.06	\$10.95							
Chicken Salad Sandwich	24		\$2.32	\$7.95							
Fish and Chips	33		\$3.49	\$10.95							
Breakfast Burrito	76		\$1.45	\$5.95							
COLUMN TOTALS	337	100.00%				0.00	0.00	0.00			
ADDITIONAL COMPUTATIONS						K = I/J		O = M/N	Q = (1/number of menu items offered) x 0.70		
								0.00			