

Interview with Benjamin Simon - Regional Director, Sodexo HC

My first two years as a regional director have gone quite well. Today we have a 100% retention rate and I get excellent feedback from my clients. However, if we want to grow our revenues we will have to do something differently because we are already the leader in a market that is likely to shrink in the future. We must adapt to the needs of the health care sector, which is seeing some drastic changes: small clinics are merging into bigger ones and large hospitals find themselves in financial distress. How can we make the best of these trends? There must be opportunities in this changing environment and we should be capturing them.

Considering the results of the last three years, a 10% increase in revenues might seem pretentious, but if we look at our ambitions we don't want to be a case of '*petit joueurs, petits bras*'.³⁰ To be the leading player we should aim higher, and I am convinced we are capable of it. To stay ahead of our competitors we must be bold, develop new service offers, partnerships and excellent managers. We must set new trends rather than wait for them to happen. In particular, we have to identify new client needs and invent innovative services.

Our marketing is evolving. We have too many service offers that have not been marketed or where '*on y a laissé les plumes*'.³¹ We need to persist in this activity and get results quickly. We need to anticipate the needs of our clients and propose new services before they ask for them. A good place to look would be those areas where our competitors are performing poorly or where they are unable to deliver. One of the reasons why multi-service is important for us is that we will be much more integrated with our clients; we will know them better, be closer to them and be less likely to be pushed out by competitors. However, in order to be credible we need to break down our image of '*faiseurs de bouffe*'.³² Today, we are still very much seen as a food service rather than a multi-service provider.

There are a number of things we can do to fine-tune our existing service offers or develop new ones. Starting with our core business we must redefine our food service offering in light of patients' reduced average length-of-stay in hospital. Most of our processes are designed for a three-day stay, whereas many people are now treated as outpatients. We should also reflect on ways to service patients in the post-hospitalization period and their dietary needs after they have left the hospital. On the visitor side, we haven't yet developed a specific offer. Should we do so? Some of our competitors are doing so. In general, competitors tend to copy us. So while they spend their time and energy replicating our best practices, we should spend ours developing new offerings and partnership strategies. In addition, we could offer to help our clients get to grips with the legislation on the 35-hour week and its organizational consequences, since we have implemented it rather successfully.

30 *Cela fait petits joueurs, petits bras*: conveys the idea that one is too cautious = 'Nothing ventured, nothing gained.'

31 *On y a laissé les plumes*: literally, "We left our feathers behind", a metaphor for being hard hit by an event or the consequences of a decision. It implies that opportunities may have been overlooked or poorly exploited.

32 *Faiseurs de bouffe*: pejorative slang for 'meal makers'.

However, in order to do this we need to educate and train our staff. Technical capabilities are important so why not put an engineer in a site manager position? A site manager must be capable of understanding, coordinating and even selling our service offers. Many of our site managers have no idea how to sell the offerings, but I think they would if we taught them. Although we do provide some training and support tools for some of them, such as the TV service offering, we mostly leave it to individual initiative.

Satisfying our clients and building a relationship is something that must be done from the very beginning. In this respect, the management of the operation start-up period needs to be improved.³³ In particular, we do not have site start-up specialists and the people on-site already have a hard time handling the increased workload of the start-up phase on their own. If I had more people I could train them, but unfortunately this is not the case today. A less-than-perfect execution of a start-up is risky because the first impression counts a lot. More effort in this field would certainly pay off.

While satisfying our clients is paramount, we need to learn to do so while safeguarding our profit margins. Our contracts clearly state that the service price must be revised and increased periodically but we're somewhat shy in executing this contract clause. I know of some companies where head office sends a letter to the client mandating the price revision. They give the client no opportunity to challenge the process; it is simply implemented. In contrast, our numbers show that year after year *'on baisse son pantalon'*.³⁴ We need contracts that are well negotiated and continuously reinforced, and for this we need to train our managers to carry out the process efficiently and effectively.

Another issue of primary importance is the fact that managers should feel they are part of an organization that shares a common set of values. That is what attracted me to this company. These values should be at the heart of our management practices and efforts. Recognition is one of them – when an employee does a good job, we should show appreciation for the quality of his or her effort. Another is to respect the employee's private life. In practice, this means getting organized to do our jobs while trying to minimize overtime. Staying focused on our values will allow us to implement organizational changes without damaging staff motivation.

Traditionally Sodexo has been a place where people can develop, improve and learn. For example, I know that our employees are not really comfortable with the new developments communicated from the top of the organization. They are afraid that the changes announced might have negative repercussions on their jobs. It is our task to reassure them that we will stick to our values and manage the transition so that they can stay with us and perform the new tasks. This is particularly important with regard to new recruits. If we want them to feel part of this organization and retain the best ones, we should show through our actions what Sodexo is all about.

One area we could probably improve is the career management process. It would obviously pay us to monitor our employee development more closely, and to fine-tune our salary

33 *Site Start-up*: the set of activities carried out at a new site that allows the set-up of workflows, responsibilities, recruiting and launch.

34 *Baisse son pantalon*: literally "We pull our pants down." Conveys the idea of not being sufficiently courageous and too often and too easily giving in to the client.

policies. Our growth has been, and will be, based on expanding our product offerings which has meant hiring people from outside the company. The market price for their skills was high and at times we had to pay them more than people who were promoted internally. Employees understand that this may be necessary in the short term, but uneven salaries can be demotivating in the long run.

Site managers occupy a key position at Sodexo. They are responsible for the quality and efficiency of the service delivery. This task in itself creates considerable pressure, so we should find tools and processes that simplify and shorten the time spent on administrative tasks. We should avoid mistaking delegating for piling up, and the tendency to pull site managers in all directions by making everything a priority, (a problem I experience with head office). I have been regional director for several years now and I really don't feel I'm doing the job I was hired for. My role should be to keep an eye on what is happening on the shop floor, with our clients, and in our business environment, but I never have the time to do that because I have my own big pile to take care of. Having said that, our site managers do appreciate the autonomy they are given, while the shop floor employees appreciate the opportunity to evolve. It is not uncommon at Sodexo for an employee to progress within the firm from cook to site manager, to sector coordinator, and, as in my case, to regional director.