The Challenge of Foodservice Consulting in Turkey

By Serdar Sağlamtunç, FCSI

The Turkish market and the behavior of the local investor, owner, operator and construction sector may be unique or it may have identical and/or similar features with the rest of the world. It is my hope to provide a taste of the challenges entailed in future possible projects in this area.

In the final analysis, it is not numbers, but quality that should be the determining factor in every project.

onsulting is a business and generally considered a division of engineering in the hospitality and healthcare sectors. The fact is known by us, the professionals, but does the industry and does the investor know this? What is the best use of consultants in a project? Is the support and value added to projects by using consultants clear to the industry? How does an investor reach a consultant and how do you describe the credentials needed for the work to be performed? What are the criteria to select and hire a consultant?

Is the industry aware of consultants?

"Consulting" is not common in Turkey, and especially in the hospitality field, it is easily neglected. Each year there are many new hotel projects, most of which are 5-star properties, but sadly, while the customer side can be very costly, the back of the house is often rather poorly executed. There are some solid reasons for this.

Most investors have little idea about the hospitality sector. They may assume that

whatever the concept, it will offer immediate returns. So investment planning is ignored. The interesting thing is that they do not care how much is involved from the start. For budget planning, it is customary for one investor to ask another how much he spent, and by making some comparisons, he decides how much he will spend on his own project. This process might be one of the market research tools one could use, but its effectiveness as the basis for decision making is questionable.

All investors aim to have the best, most functional and most unique building – with the smallest possible capital budget. But he starts the construction and spends most of the money, and when it comes to the foodservice department, he is out of both motivation and cash. That is the weak point in our market as the resulting limited budget limits the foodservice.

The investor then calls for the distribution companies to tender on equipment and designs. When he has three or four designs in hand, none of which are comparable, the decision is made based on the



bottom line price alone. By that time, he has had some freelance, free service "consultants" around him from whom he collects many different ideas about the process and the equipment. If he starts to feel overwhelmed at this point, he might finally call in a professional consultant.

After two or three such projects, the investor might consider himself competent to be his own consultant. Even if some of his purchases of equipment or materials don't fit the requirements of the hotel, he keeps silent and buys similar products to cover his errors. He will seldom call a consultant. There is rarely any budget at all for consulting services on a project, and when one exists, it's very small. Understandably, this creates severe problems.

In most cases, the investor buys equipment based on the suggestions of close friends around him, not considering if it fits the requirements of the concept. It's not unusual for the professional manag-

ers they hire to run the ill-equipped kitchens and restaurants, to leave after a year. They are simply unable to make the place work efficiently.

It's surprising how many projects start without a feasibility study and no project management is applied in the beginning. In this case, the size of the building, the material and budget are only estimations and do not have a concrete base. You may notice that I did not mention the "specification" yet.

Here, too, there is no technical study. The description of the materials to be purchased are, "similar to the hotel next to us", "similar to the restaurant in the town", etc. Such technical specifications result in poor quality at best and disasters at worst. The cost is usually more expensive than it appears to be. If the investor is a construction company and has some idea about buildings and construction, the problems are worse as they tend to evaluate the values according to

Large scale feeding of customers without regard for quality seems to have become the order of the day in all-inclusive operations.

2012 Issue Two 55



This elegant building has remained uncompleted for two decades. It's surprising how many projects start without a feasibility study, says Sağlamtunç.

cement, sand and iron. Again, with no budget for consulting, the lack of information about management of a hospitality installation results in poor installations.

There is another problem for professional consultants; some individuals, mostly retired hospitality personnel, call themselves "consultants" but have only limited or inappropriate knowledge about the hotel, restaurant or hospital operation itself. They accept a small amount of cash as they do not have a company and don't declare the income. But they shape the construction in ways that may prove hopeless.

While many investors and construction companies understand that consulting is a profession and the knowledge and experience should cost an amount commensurate

with their professionalism, it is difficult to get them to actually hire professionals. They want the services of someone whose designs will result in an efficient operation that will continue working 24/7 without interruption, but in our region, there are many buildings having huge problems due to this type of service being provided by incompetent people.

Some foreign chains or franchise brands hire professional consultants for their projects in Turkey, but sometimes they leave it to the local investor to make the decisions. Unfortunately, some chains do not emphasize the importance of hiring consultants though this should be considered seriously if for no other reason than to ensure the branding is maintained.

Properly done, the consulting work consists of a feasibility study, layout planning, technical specification, tender documentation, bid evaluation, project management, coordination, construction management, and supervision of installation and training. This is known but not popular, simply because the investor thinks that the process will take place without his control and he will lose his power over the project! It sounds funny, but this is a fact.

You may wonder how projects survive under such conditions. About one decade ago, they brought the "all inclusive" system into the tourism market. As a result, the hotel service function has been downgraded dramatically. The sad fact is that they receive bulk customers - hundreds and thousands at a time – then serve the same food each day, without quality consideration. The most popular service type is the "open buffet" where many foods are displayed without any criticism or concern about the taste, nutrition, freshness, etc. There are many hungry customers waiting in a queue so no one is able to have enough time to make any comments about the quality; instead they just consume in big portions.

Quality

The world has gone crazy in recent decades, with the "global" way of thinking. Economies are corrupted and the resulting downturns are challenging for organizations like FCSI. We, as professionals, do our job properly and ask for no more than our fee.

56 the consultant

Some investors may not pay for professional services but they will pay for equipment. The model promoted by some pseudo-consultants is that the more you spend on fancy equipment, the more prestigious you are. So they have to find ways to have the customer spend as much as possible. If there is a need for a cooking appliance why buy only one? They may not use all of them but who cares because they are talked into spending much more than the original quote.

The announcement of huge expenditures for a project creates prestige. The cost of similar buildings have doubled and even tripled over the last decade or so. Why? The construction cost can be calculated, the ingredients can be detailed but when the total is calculated, it never comes up to the announced amount. So there is something either embedded or concealed. In engineering, we learned that it is an engineer's duty to solve the things in the most sound and economical way. You can consider many different options but there are a limited number of real solutions from the engineering aspect. This fact is often neglected.

In our region, the lack of engineering results in heavy losses of both property and human life. There are many examples of poor construction in buildings that are quickly destroyed in even a medium sized earthquake. Less dramatic are the huge material and energy losses due to lack of engineering. We are told that the green philosophy is too costly, but we how do we construct our buildings. If we follow the construction methodologies which are taught in engineering faculties, these problems could be overcome.

The weakest point is the quality itself, the interpretation and practice. There is always a conflict between the sluggish demand for consultancy and the proper way of conducting business. As a rule of thumb, one may predict that every investment should look for quality technical services, but this is not always the case. If there is no value in the minds of those initiating projects for such service, it is very difficult to create the demand. Quality covers everything from the design to the operation and needs careful study and consideration so that the best, most effi-

Power Soak

1/2 island

4.625" x 7.625"

cient and technically sound solutions can be reached. In the final analysis, it is not numbers, but quality that should be the determining factor in every project.



Serdar Sağlamtunç, FCSI, is a mechanical engineer serving the hospitality, health and education markets; delivering value added solutions to inves-

tors and construction companies. A professional member since 1998, he designs kitchen and laundry for prestigious projects in Turkey, Russia and EAME region countries. He can be reached at info@dm-consultancy.com

2012 Issue Two 57