

A restaurant company that has achieved a significant reduction in the turnover rate with employee education through the "Ho-Me-I-Ku" system, which educates staff members by "praising", and has created many thriving restaurants.

SUNPARK Co., Ltd.

There is a high-profile company that is using "Ho-Me-I-Ku" as a core part of their employee education, in other words, education by praising, to control the turnover rate and create a number of thriving stores.

The company is SUNPARK, based in Suita, Osaka Prefecture, and operates a restaurant business both in Japan and overseas. As of the end of March 2019, the company had 60 stores in Japan and 40 overseas, bringing the total number of stores to 100.

In the previous fiscal year, restaurant sales grew steadily, totaling 7 billion yen (Up 5.9% from the previous year), with domestic sales of about 9 billion yen and overseas sales of about 2 billion yen. The group's annual sales from recycling shops, fitness facilities and other businesses total about 9.2 billion yen (Nearly 46% increase over the last 3 years), and is expected to reach 10.6 billion yen (Increase by about 15%) this fiscal year.

Along with that growth potential, the company has some noteworthy points. One of them is the strength of individual stores.

SUNPARK started out as Sun Oil Company, Ltd. in 1966 and opened a combined stores of gas station and restaurant in Suita City the following year. Since 1992, the company has actively expanded its business by joining popular franchise chains (FC) such as Yomenya Pietro, Bikkuri Donkey, and Marugen Ramen.

Among them, there are many super thriving stores that even FC headquarters is surprised by. For example, "Bikkuri Donkey Kobe Harborland store" a large restaurant with a total of 184 seats, was often ranked 1st in monthly sales among more than 330 Bikkuri Donkey restaurants nationwide. During this year's Golden Week holidays, the store sold 2.28 million yen in 1 day, the highest daily sales of any store.

SUNPARK currently operates 12 stores of Marugen Ramen, and among approximately 140 stores of Marugen Ramen nationwide, surprisingly, these stores occupy the top 5 in sales.

SUNPARK's stores are performing prominently in a crowded market of major franchisees. As a result, people in the restaurant industry often visit the stores.

Ho-Me-I-Ku, mentioned earlier, is one of the key drivers of this strength. It's literally a way of nurturing talent by praising partner staff (Part-time employees). Since 2014, SUNPARK has received guidance from consultant Kunio Hara (Representative director of SPIRALUP Inc. and of Ho-Me-I-Ku General Incorporated Foundation) once a month at all branches.

"These efforts don't work under the direction of top management. At that time, however, there were voices from the field saying that they wanted to incorporate Ho-Me-I-Ku into their education. So we decided to do that," says Ken Takagi, representative director of SUNPARK.

Takagi himself was skeptical at the time, thinking, "I wonder if sales will go up just by praising staff." After a while, however, the performance gap between the store manager who worked hard on the Ho-Me-I-Ku and ones who did not work at the Ho-Me-I-Ku became



President Ken Takagi, who succeeded the founder and became his son-in-law. When he was a Keio University student, he worked part-time at about 40 restaurants. The experience is reflected in current management.

wider and wider. He said he was surprised that Ho-Me-I-Ku is "effective" unexpectedly.

The number of energetic workers has increased.

The primary tool used in Ho-Me-I-Ku is "Ho-Me-Sheet" which Hara invented. "Even if you don't know how to praise others, you can understand the main points and increase sales," he says.

On the Ho-Me-Sheet, managers and other superiors write messages praising their subordinates and hand them to the employee. The contents of the three items on Ho-Me-Sheet are as follows:

- ① Gratitude
- ② Growth, noteworthy, and likable points of staff
- ③ What the store manager expects from staff

③ is divided into "What I want you to achieve next month" and "I want you to be like this in the future."

Mr. Hara teaches managers to write more than 50 letters for each of the above 3 items. That's because when you write that many words, you have to be specific about your partner staff, and that's why you start to look at them seriously.

Ho-Me-Sheet can be delivered in a variety of ways, either by hand or by email. Also, if you hand it over at the morning meeting, you can motivate other partner staff even more.

At SUNPARK, there are quite a few stores that post all the members' Ho-Me-Sheets in a place where the partner staff can see them because the preparer can choose the way to give them. As noted in the comments by the managers, they were initially dubious or unsure of their approach. Therefore, it was difficult to practice smoothly.

But as they worked on it, they began to see changes, including partner staff talking to them more actively than before. The store managers themselves started to take note of the great things that partner staff have. As a result, the number of active workers increased, the number of people who left their jobs decreased, and the performance of stores improved.

"At stores that put Ho-Me-I-Ku into practice, partner staff became more motivated and their retention rate increased. And because we were able to deploy people when and where they were needed, we ended up doing better," says Shigeru Higashiguchi, executive director, Food Services Division 1.

Since SUNPARK began working on Ho-Me-I-Ku, some stores have seen a 15% increase in sales. The Bikkuri Donkey Kobe Harborland store mentioned earlier is one such store.

The store was in the red when it opened, but sales gradually increased and eventually rose to 30th and 40th place in the country. From there, Ho-Me-I-Ku made the store even more powerful, eventually becoming the No. 1 restaurant in Japan and setting a record for the highest monthly sales.

"The store manager focuses on Ho-Me-I-Ku as instructed, and when the results are achieved, it becomes fun and everyone's motivation increases. This virtuous cycle has led to improved results," says Takagi.



"I want to recognize the daily brilliance of our employees," says Shigeru Higashiguchi



Mr. Kunio Hara, representative director of SPIRALUP Inc., providing enthusiastic guidance on "Ho-Me-I-Ku"



Masayuki Matozaki, Division 1 Manager (Joined the company in 2007)

When the company started Ho-Me-I-Ku, I was the manager of the Marugen Ramen Tarumizu Myodani store, but I was able to accept it honestly from the beginning. However, I didn't take action right away, and after a while I was instructed by the company, I wrote Ho-Me-Sheet. When I read out the sheets and handed them one by one, there was an unexpected reaction and I felt that this was effective.

Many said, "I understood what the manager thought," and some were moved to tears. This is because everyone realized that the manager was watching them. No one can talk about their problems at work to the store manager who doesn't know how they feel. Since then, I have had more opportunities to talk with partner staff. There were no cases of staff resigning unexpectedly, and the turnover rate decreased greatly.

As a manager, I currently provide guidance for six stores. I sometimes talk to store managers about my own successes, but first I want them to be aware of how they interact with their partner staff. Once you know that, you can take action immediately.



SUNPARK gathers all store managers once a month and gives them guidance on “Ho-Me-I-Ku”

The result is that the partner staff will be more motivated to achieve the record such as the number of customers per hour. They also saw a female partner staff student happily report, “Manager, we renewed the maximum daily sales.”

The company still has all store managers gathered and Hara gives them guidance once a month. The company gives them assignments every time, such as just before a busy season. “The important thing is not only to praise the employees, but to do what the store manager should do first,” says Hara.

“The manager himself may not be motivated because of physical problems. But I don’ t think you can do it because you are motivated, but you will be motivated by working.”

So, he says, the unmotivated store manager is just not working. He believes that it is important to continue to do things such as greet customers when they come to the store.

To motivate their partner staff, SUNPARK holds an annual contest for hospitality and cooking skills. Every year from September, discussions are held for various types of stores. Then, those chosen from the discussions will attend an award ceremony in early November, which will ultimately determine the highest award and the excellence award.

The award ceremony will be held at prestigious hotels such as Ritz-Carlton and Conrad. Being able to attend the ceremony itself is a great honor and a key to motivating employees.

“I started this contest because I wanted to recognize the brilliance of people working in the field,” says Higashiguchi.

The company also has highly motivated employees at its overseas offices. A 28 year-old Singaporean woman, for example, who is fluent in 5 languages and has a high level of practical skills. She is currently in charge of development and is engaged in hard negotiations with developers.

Some stores open overseas before opening in Japan.

At the overseas stores, Hara gives guidance once a year. The local manager will act as the “evangelist” of Ho-Me-I-Ku for day-to-day instruction at overseas stores. Asian people are not used to being praised, so they are very happy to be praised.

On the other hand, the uniqueness of the strategy of opening stores overseas is one of the noteworthy points of SUNPARK.

As a franchisee, the company had been developing many stores, but in 2005 it opened the “Okonomiyaki & Boiled Yakisoba-Kangeki Tanuki Senri store” and began to focus on opening original stores. What is noteworthy is that the company suddenly opened its first store of “Tonkotsu Kazan Ramen,” the original new store developed in 2012, in Singapore (July).

The FC store Chateraise opened 10 stores in Singapore (as of the end of the previous fiscal year) and 1 store in Indonesia. The FC store Beard Papa also opened 10 stores in Thailand and 1 in Hawaii. These stores are not affiliated with FCs in Japan.

It is very rare for a restaurant company, whether it is an original store or an FC store, to open a store exclusively overseas. The company has 18 stores in Singapore. In other words, it has the largest number of stores in Singapore compared to any other country.

“Reasons for doing so include Singapore being the hub of Asia, being able to do business with 100% foreign capital, being able to compete at the same price as Japan, many people eating out 3 times a day, and being able to add 10% service charge. This 10% is pretty big,” says Takagi.

It may be Takagi’ s management style that he is not bound by the common sense of the industry and that he makes decisions and takes action as soon as he senses the possibility. The successful introduction of Ho-Me-I-Ku to all stores is one of the examples of such decisions.



Bikkuri Donkey Kobe Harborland store with the highest sales in Japan

Shintaro Fujita, Division 1 Manager (Joined the company in 2012)



When I was the manager of Bikkuri Donkey Senri store, Ho-Me-I-Ku was introduced, and I realized that it was a very understandable initiative.

Soon after that, I was transferred to Kobe Harborland store, which was too busy for partner staff to settle down. It was exactly the store that needed Ho-Me-I-Ku. Therefore, I worked on implementing the action practice of the spec-up list (Table ①). I posted the list where it was easy to see. At first,

partner staff didn’ t see the list so often, but over time, conversations like “〇〇, the manager praised you” increased. When I noticed, the retention rate of partner staff increased, and the recruitment cost decreased by half. The sales of this store was originally high, but the double-digit increase was common at that time.

Even now that I am managing 4 stores, my focus is on thorough implementation of the spec-up list. I have each store manager submit a list every week. If you do this every day, you’ ll have more conversations in the store, so you’ ll be glad you did.

Spec-up List 5/7 to 5/13 BD Harborland store									
This table is a checklist of the actions to be taken and priority items selected from the list of actions and practices. Please be aware that the following actions are directly linked to sales and practice them properly. [May 2019] Checklist ※Enter a number of points on a scale of 1 to 5									
Action Items	[1] Worst [2] Little Bad [4] Little Good [5] Perfect								Total Points
Category	Items	4.15	4.16	4.17	4.18	4.19	4.20	4.21	
First Impression / Final Impression	This item accounts for 90% of the impression of the store. ① You greeted the guests (or saw them off) at the entrance with the best smile (within 5 seconds of entering). ② You said “WELCOME!” and “Thank you.” with a sense of unity. ③ You said “Please come again” when the customer left the store. ④ You usually bow after greeting at the cash register.								
Efforts to make customers remember our shop	85% of customers say “forgotten” or “I don’ t know” about the stores they visited. Score your behavior every day. ① You always make eye contact for two seconds with the best smile. ② When you passed a customer, you stopped and talked to the customer. ③ You always repeat orders with a big smile, leaning forward (at the time of order).								
Priority Items	The purpose of employees’ work is to “embody their mission” . Link your missions and actions. Score your behavior every day. ① You served meal in such a way that customers would say “It looks delicious” ② You served meals without waiting for the customer (Lunch 10 minutes or less, dinner 12 minutes or less) ③ You served cold water before being called by customers. ④ Has 1-Way 2-JOB been implemented?								
(Special Instructions) About the names and behaviors of the partner staff that the manager thought worked hard in the past week.									
Name:		Behavior:							
Name:		Behavior:							
Name:		Behavior:							
Next Week’ s Goal									
Comments									



Mr. Asuke ,Mr. Nishio,Mr. Ueda

Shinsuke Nishio, Manager of Bikkuri Donkey Kobe Harborland store

When I was promoted to store manager two and a half years ago, I began to practice Ho-Me-I-Ku. But until then, I was a type of person who scolded and encouraged others, so I didn’ t know how to praise the partner staff at first.

So I tried to use tools like Ho-Me-Sheet and spec-up list. I used to focus on scolding two years ago, but now I do a lot of praising, so the partner staff has come to understand my feeling.

As a result, the turnover rate has decreased and the recruitment costs have fallen to less than half of the previous level. The shift and operation became stable, and the daily sales reached 2 million yen for 4 days in a row in Golden Week this year. Stores with high sales recorded a significant 120% year-on-year increase during the Golden Week period.

Yoshinori Asuke, Manager of Hachikian Kyoto Takashimaya store

For a while after I became a store manager, I was often finding fault with partner staff rather than seeing the good things about them. In the meantime, I ran into difficulties. So, I followed Mr. Hara’ s Ho-Me-I-Ku guidance, and I tried to see the good points of the partner staff as much as possible in my daily life.

I was a bit skeptical about its effectiveness for about a year, but in the second year, people started moving lively and talking to me again. At Hakata Motsunabe Yamaya Abeno store, which I was in charge of at that time, sales increased by 20% in the second year.

I didn’ t think partner staff would grow up just by praising them before. But now that I’ ve done it myself and got results, I feel that there is no better way to develop human resources than this.

Ryohei Ueda, Manager of Marugen Ramen Itami store

As a store manager, I have been using the Ho-Me-Sheet for a long time. In my 10 years as a store manager, I also experienced the manager of original stores. But these stores have only about 20 partner staff, so it’ s easy to keep an eye on them. It is not always the case in large FC stores, so I distribute Ho-Me-Sheet a few times a year before the busy season. That’ s what I keep doing the most. While many restaurants are struggling with job openings, I took action with Ho-Me-I-Ku. Last year, when I was the manager of Marugen Ramen Ibaraki store, I tried to decrease the turnover rate and achieve the highest sales in New Year. It is hard to schedule shifts every year on New Year’ s Day, but as a result of working on Ho-Me-I-Ku from April of the previous year, we have a little extra staff this year. Thanks to that, employee satisfaction increased during the New Year. My focus on Ho-Me-I-Ku is to continue anyway. I kept writing about 60 Ho-Me-Sheet in the Ibaraki store.