

Case Study

Rail Trail Flat Bread Co.

Location: Hudson, MA

2018 Revenues: \$4.4 million

Employees: 65

The Critical Number™: Revenue

2019 Highlights



Challenge

While the company experienced some early success and rapid growth, the founding partners quickly realized that if they wanted to scale, they needed a system that could better engage their employees in running the operation.



Solution

After learning about The Great Game of Business® (GGOB) from Rethink Restaurant Group, a consultancy, the partners applied for a state-funded grant to begin implementing a vigorous financial literacy program—conducted in both English and Spanish—to educate their employees about how the business makes money and generates cash.



Results

Thanks to opening up the business, Rail Trail has seen impressive financial results, which include a 30% increase in revenue coupled with a 30% reduction in cost of goods sold. Perhaps more importantly, playing Great Game™ has impacted its community in many ways. “Hudson is a blue-collar area and previously did not attract much younger talent,” says Jason Kleinerman, one of the founding partners. “The Great Game has helped our team open up possibilities of a strong workforce that has control over their own financial destiny. We found that opening our books and leading our team with education, financial literacy classes, and a game culture helped to solidify our team and business in our downtown. We are fostering a culture of leaders in order to be a place that innovates and leads.”

“What open-book management means for me overall is empowering people both personally and professionally through financial literacy. But it goes far beyond that. It means reducing the divide between the front of the house and back of house by creating a ‘one team’ mentality. It means giving people a stake in the performance of the business that we are all building together. It means harnessing the brainpower of 100 people instead of just a few at the top of the organization. In short, it means a better way of doing business.” ~ Luke Doherty Monroe, Bar Manager



Company Background

Built up by a team of five partners on December 12, 2012, Rail Trail began as a family friendly restaurant that serves flatbread pizza and other American classic dishes. The company has more recently expanded by opening a micro-creamery and a speakeasy-style bar.

“OBM for me has really established a great management system for us. It has developed myself and the team into forward and upward thinking individuals. OBM has created a language for our company that I believe is groundbreaking. It’s a truly remarkable thing to be part of.”

~ Thomas Kepner, Executive Chef

MiniGame™ Spotlight

The Rail Trail team has found great success in playing MiniGames built around hiring, cost of goods, and guest check averages. With one game, the team increased sales 2%, and in another, they significantly reduced waste in a trackable way.

“Authenticity! Being transparent about our business, the trends, the wins, and the struggles creates a feeling of connectedness. I relish the resulting “little moments” when a non-manager offers a business thought, such as saying: “Shouldn’t we make a special with these so that it doesn’t go to waste?” Those little wins are big emotional wins for me.” ~ Jeff Senechal, General Manager

What’s Next?

While the initial focus for the Great Game was on the original restaurant, Kleinerman says the team plans to continue rolling out a similar plan inside their sister establishments: The New City Microcreamery, which sells gourmet ice cream, and Less Than Greater Than, the speakeasy which has expanded to include an event room and a restaurant. The continued rollout of GGOB includes augmenting the bilingual financial literacy programs that will continue to empower and engage the entire team. “Continuous improvement is part of our culture,” says Kleinerman. “We like to see what’s out there, analyze it, and then improve it.”

“To me, open-book management is a way to engage, educate, and empower all employees of the business to not only be aware of the financials of the business, but also make meaningful changes to impact performance. By engaging all employees by providing incentives, OBM creates an incredible framework for teamwork and encourages the sharing of ideas.” – Kevin Popovich, Sous Chef
