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## Quandary at Kai's Kitchen: A Staffing Crisis<sup>i</sup>

"It has just been three months since I've opened, so why are my employees leaving? What did I do wrong? What could I do to improve employee retention?" Kai Fuentes, owner and manager of the Iligan City, Philippines-based Kai's Kitchen, was full of questions as he sipped his afternoon coffee, in deep thought as a heavy rain fell outside the restaurant.

"I'm sorry, Kai, I can't work at the restaurant anymore. I've helped enough already. I need to focus on my full-time job now," Mimi said.

His sister's words stuck with Kai the whole afternoon. "Mimi had to pick *this* time to stop helping me out — just when things are so volatile," he muttered to himself as he went back to making a list of the necessary kitchen supplies for the following day.

To make matters worse, another worker at Kai's Kitchen, Larry, had unexpectedly taken a leave of absence a week earlier, which eventually turned into a resignation. Kai learned about the resignation two days ago. Larry had been in charge of most of the dishes, especially the pasta bestsellers: Luscious Lasagna and Creamy Carbonara. The past week had been excruciatingly challenging for Kai since he only had one kitchen staff member left, Arn. Arn could not replicate Larry's recipes and this did not escape the overindulged palates of Kai's regular diners.

<sup>i</sup> This case is written based on primary information. The author is the sister of the protagonist and worked at the restaurant. She goes by the nickname, Mimi.

## The Food Services Sector in the Philippines (in 2012)

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Many entrepreneurs — among them Kai — had noted the promising prospect of becoming a restaurateur in the Philippines. The industry had consistently grown at an average of 7.06% from 2009 to 2013.<sup>1</sup> In 2012, there were 26,557 businesses engaged in accommodation and food service activities. Of this number, restaurants and mobile food services dominated the sector. In Iligan City, 9.7% of the 8,532 registered businesses in 2012 were food services establishments (e.g., restaurants, snack bars, food stalls, etc.).<sup>2</sup> This group earned 70.3% of the total income of the accommodation and food services sector, or Php 254.2 billion<sup>3</sup> (USD 6.03 Billion).<sup>ii</sup>

In the same year, the country's total employment for the sector was 422,551, 96.8% of which were paid employees while the remainder were either working owners or unpaid workers. A closer look at the employment statistics indicates that restaurants and mobile food services had the highest employment incidence in the accommodation and food service activities industry at 68.8%.<sup>4</sup>

Total compensation for the sector in the year 2012 was reported to be at Php 50.6 billion (USD 1.2 billion). Of this amount, 63.6% was remunerated to employees in the restaurant and mobile food service group, the highest share among employees in accommodation and food services.<sup>5</sup> In Iligan City the prevailing minimum wage of employees working in non-agriculture sectors in 2012 was Php 286 (USD 6.78) per day.<sup>6</sup>

## Origins of Kai's Kitchen

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It all started in February 2012 when newlyweds, Kai and Marzy started receiving orders from friends. Orders were for Marzy's cakes and pastries and Kai's baby back ribs with a special sauce, among other favorites. Because Kai's older sisters, Mimi and Emyle, were also fond of cooking and baking, the baked goodies and delectable dishes available for order increased in variety. The kitchen in their parents' house became increasingly busy during weekends when all of the siblings were around.

Believing in the power of social media, Mimi decided to set up a Facebook page in October 2012. Thus, the name Kai's Kitchen came to be. In the next six months or so, followers of the social media page of Kai's Kitchen increased steadily and orders started to come in through the page.

One summer day in April 2013, Kai proposed his plan to develop a small restaurant near MSU — Iligan Institute of Technology (see **Appendix A**) to his mother, who had just retired from more than 30 years in secondary level education. After much convincing, Kai's mother agreed to finance the start-up from her retirement savings.

The business was registered in June 2013 under the name of Kai Fuentes, who, with a business degree, experience and training in cooking, and experience with an international shipping company, had decided to scale up the home-based food business.

Kai's Kitchen was a relatively new player on the local restaurant scene in Iligan City. It started out as an informal home-based food business. A little more than a year after its first order, Kai's Kitchen opened its doors on July 8, 2013.

ii The prevailing exchange rate on June 30, 2012 was Php 42.16 = 1 USD based on the published historical exchange rates of [exchange-rates.org](http://exchange-rates.org).

Contributing to the restaurant's menu were Marzy, Mimi, and Emyle. Marzy had studied baking and cooking under the government's Alternative Learning System (ALS) program. It was agreed that she would take charge of desserts at Kai's Kitchen, which she would bake and prepare at home and deliver on specific days during the week. Mimi, who was Kai's oldest sister, was working as an instructor at the university. Since the early days of Kai's home-based business, Mimi had taken charge of made-to-order themed cakes and pastries. At Kai's Kitchen, she continued to do this and helped out at the counter. Meanwhile, Emyle, Kai's second oldest sister, was the assistant manager of a local bank and had extensive social and professional networks. During the first week of the restaurant's operations, she helped out in the kitchen with pasta dishes. She also helped out at the counter handling cash and worked on the restaurant's social media page.

### The Search for Staff

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On a Friday afternoon in June 2013, while Kai was busy overseeing the finishing touches of the restaurant's interior, three young men came looking for him. "Sir, we are the applicants referred by Ma'am Kate, the co-teacher of your mother, Mrs. Fuentes," one of them said. Kai took their applications and informed them that they would be notified if they passed to the next phase of the selection process — the interview.

"What do you think about the applicants?" Mimi asked Kai when she arrived at the restaurant from purchasing some decor.

"Well, all three applicants have finished a certificate course in hotel and restaurant management and apparently they are friends since they come from the same vocational school," Kai replied from behind the counter. Kai also told Mimi that the three applicants had won competitions for fruit carving and bartending. "I'll invite them over during the weekend, have them come with me to the market, and later cook some dishes, so I can check out their skills," Kai said.

"It seems you are close to making a hiring decision. Please let me know when you are going to interview them and I will craft job descriptions. Then if you decide to hire them, you can immediately provide their work assignments and have them sign-off on the descriptions to signify their agreement," Mimi offered.

"Great, thanks!" Kai answered.

By Sunday, Kai had formally hired the three applicants. The first, Jun, was designated Commis<sup>iii</sup> II and assigned to the kitchen because he had strong cooking skills. Larry was designated as Commis I and assigned to the dining area. Arn, also designated as Commis I, was assigned to assist Jun and Larry, helping whoever needed him the most at any given time. Kai would be preparing the main dishes. Their respective job descriptions are shown in **Appendices B-D**.

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<sup>iii</sup> A commis is a junior or basic chef assigned in a larger kitchen and works under a chef de partie (station chef) to get a good grasp of a station's or range's responsibilities and operations. Most often these chefs have recently finished formal training in culinary arts or are still undergoing training.

## The First Month

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On July 8, 2013, Kai's Kitchen opened its doors to its first dining patrons. Everyone was excited. Kai, Jun, Larry, and Arn looked professional in their white chef uniforms, and were sporting the improvised, pirate-inspired apron and head scarves that Emyle designed.

The rest of Kai's family showed support for Kai's Kitchen. Mimi took a break from working on her research project to work at the counter. Emyle took one week leave from work to take care of customer relations and social media network engagements.

One week after the opening, Kai decided to transfer Jun to the dining area as Kai noticed his strength with customer relations. He transferred Larry to the kitchen as, in the past week, he had exhibited commendable cooking skills. This reassignment proved effective as Larry's Luscious Lasagna and Creamy Carbonara became the best-selling items at Kai's Kitchen. Larry's performance had also relieved Kai of some of the duties in the kitchen.

On July 27, 2013, about three weeks after opening day, Jun asked permission from Kai to go on leave to accompany his aunt, who was travelling to Dumaguete City. He would be absent for two weeks starting July 30, 2013.

"Your notice is too late. How can we manage the operations of the restaurant if we are one man short?" Kai asked with a heavy but controlled tone. "I have a classmate back in school, Sir. His name is Amer. He is available to temporarily take my place," Jun offered.

Without much choice, Kai called Amer to report to work on July 30, 2013 as Jun's replacement. He was assigned to the dining area.

When Jun returned, Kai had already decided to take in Amer as part of his kitchen team. "Kai, having four employees is too much. We cannot afford it," Mimi said to Kai upon learning of his decision.

"Don't worry, Jun has tendered his resignation effective August 10," Kai replied.

On August 16, 2013, however, Amer also tendered his resignation. He told Kai that he had just been hired to work on a cruise ship and would have to leave the following week.

## There Goes Larry

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At 10 a.m. on August 26, 2013, Kai found Arn in the kitchen alone and nervous. "What's the matter?" Kai asked.

"Sir, Larry called and said he couldn't come today because he's sick," Arn reported.

"Don't worry, I'll be the one to cook if we have customers," Kai assured Arn.

Two days later, Kai received a text from Larry saying that he would not be returning to work. When Emyle learned about it, she decided to investigate the reasons behind the resignations and spoke with Arn.

With some hesitation, Arn shared, "Ma'am, Larry said he found it difficult to work when there seemed to be more than one boss." He then went on to say that Larry had mentioned that Emyle and Mimi sometimes gave instructions to the staff that contradicted Kai's instructions. "We understand that you and Ms. Mimi are older sisters of Sir Kai and you just want to put things in order here in the restaurant, but Kai would also check in on us based on his instructions," Arn disclosed.

## A Staffing Crisis

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"This lasagna tastes bland, don't you think?" Kai overheard a woman sitting at the table by the staircase whisper to her friend.

It was certainly not the first time he had heard those kind of whispers. Nevertheless the smirk on the woman's face bothered him.

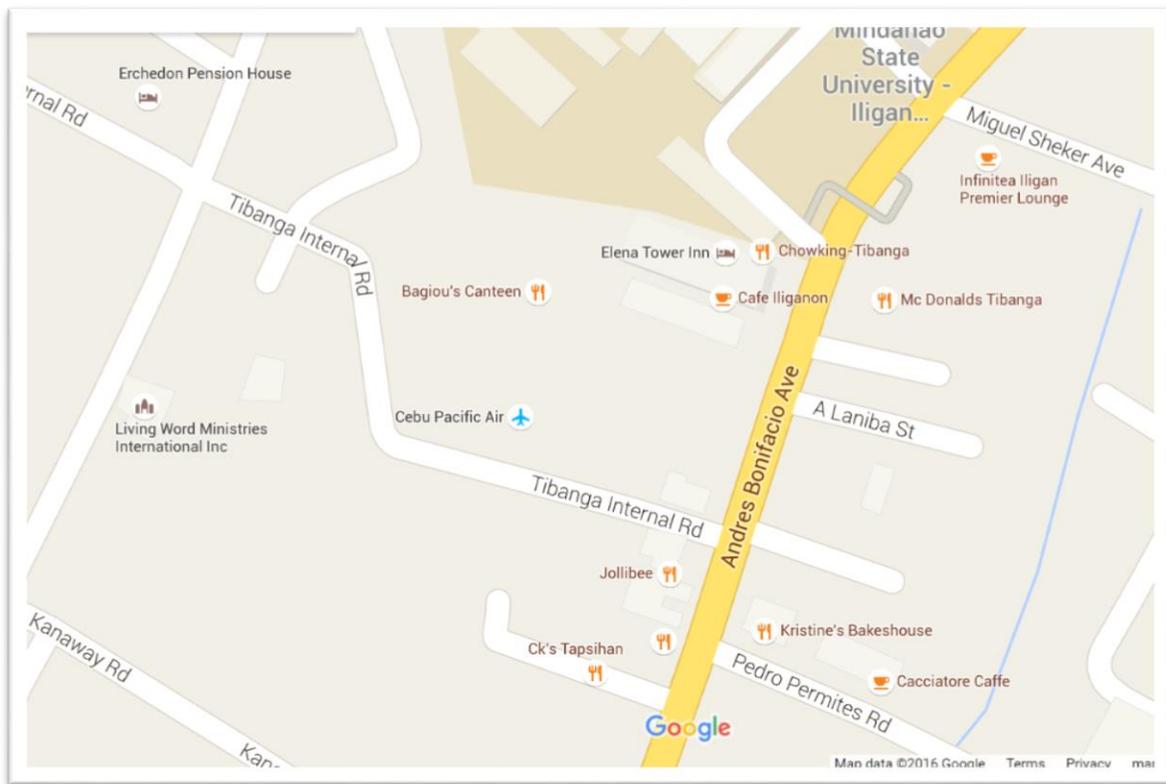
Traffic in the restaurant that week was far from what it had been during the first month. With only one staff member left, he could not help but think of his mom's investment of her retirement savings. He could not let her down. He had to get his act together.

The more he thought about the restaurant's short journey, the more he came to the conclusion that the next few months would be crucial. He had to find a way to solve the staffing problems facing Kai's Kitchen. He was also aware he could only do so if he understood why his employees were leaving.

As Kai locked the restaurant's front doors, it was clear to him that the staffing crisis at Kai's Kitchen needed urgent attention.

## Appendix A

### Vicinity Map of Kai's Kitchen and Competitors



Source: Google Maps. 2016. Accessed 16 June 2016. <<https://www.google.com.ph/maps/@8.2387789,124.2440119,18.16z?hl=en>>.

**Appendix B**

Job Description of Commis I Assigned to Kitchen/Dining Area (Arn)

	<p><b>KAI's KITCHEN</b></p>	<p><i>Job Description</i></p>
<p><b>Job title:</b> COMMIS I</p>		
<p><b>Work Location:</b> Kai's Kitchen, Unit No. 5 Chelina Arcade, A. Bonifacio Ave., Tibanga, Iligan City</p>		
<p><b>Division/Department:</b> Kitchen/Dining</p>	<p><b>Reports to:</b> Manager</p>	<p><input checked="" type="checkbox"/> <b>Full-time</b> <input type="checkbox"/> <b>Part-time</b></p>
<p><b>Essential Duties and Responsibilities:</b></p> <p>The incumbent is responsible for promptly responding to the needs of our patrons and customers and ensuring that they are satisfied with their dining experience by providing excellent and delightful customer service and delicious food. The Commis I acts as an ambassador who represents our establishment to our customers.</p> <p>Specifically, he or she is responsible for the following, to wit:</p> <ul style="list-style-type: none"> <li>• Providing excellent customer service</li> <li>• Greeting customers at the door</li> <li>• Greeting patrons once they are seated</li> <li>• Seating patrons</li> <li>• Presenting menus to customers</li> <li>• Explaining menu items to customers</li> <li>• Answering questions from patrons about food and beverages</li> <li>• Taking food and drink orders</li> <li>• Up-selling additional food and beverage products to patrons</li> <li>• Verifying age of customers who order alcoholic beverages</li> <li>• Communicating customer orders to kitchen staff</li> <li>• Sharing information with customers about the status of their orders</li> <li>• Refilling customer drink orders throughout the meal as needed</li> <li>• Delivering orders to customers</li> <li>• Finding out if customers need additional items</li> <li>• Verifying that customers are satisfied with their orders</li> <li>• Removing empty plates, used silverware, and soiled napkins from tables</li> <li>• Determining when customers have completed their meals</li> <li>• Accepting payment for the meals</li> <li>• Attending scheduled team or shift meetings</li> <li>• Compliance with all relevant health department rules and regulations</li> <li>• Assisting with preparation of some food items</li> <li>• Preparing table for the next guests once a party has departed</li> <li>• Presenting a dessert tray once the main course is finished</li> <li>• Working with other wait staff members to provide team-oriented service</li> <li>• Determining if a guest is celebrating his/her birthday</li> <li>• Serving a complimentary birthday sweet treat for the birthday celebrant with birthday candle</li> <li>• Keeping the restaurant location clean and tidy</li> </ul>		

<ul style="list-style-type: none"><li>• Restocking salad bars or buffet lines as needed</li><li>• Encouraging customers to complete customer service surveys</li><li>• Folding napkins</li><li>• Arranging table settings</li><li>• To perform such other functions or tasks as may be assigned to him or her by the Supervisor or Manager.</li></ul>
<b>Education and/or Work Experience Requirements:</b> <ul style="list-style-type: none"><li>• Good verbal and written communication skills</li><li>• With relevant work experience</li><li>• Must be able to work under pressure, maintaining a positive attitude and providing exemplary customer service</li><li>• Ability to work independently and to carry out assignments to completion within parameters of instructions given, prescribed routines, and standard accepted practices</li><li>• High school diploma; Diploma in Hotel and Restaurant Management preferred</li></ul>
<b>Physical Requirements:</b> <ul style="list-style-type: none"><li>• Must be physically fit, particularly having no communicable illness</li><li>• Must be able to lift and carry up to 50 lbs.</li><li>• Must be able to communicate</li></ul>
<b>Print Employee Name:</b>
<b>Employee signature:</b> <span style="float: right;"><b>Date: July 7, 2013</b></span>

Source: Kai's Kitchen

Appendix C

Job Description of Commis I Assigned to Dining Area (Larry)

	<h1>KAI's KITCHEN</h1>	<p><i>Job Description</i></p>
<p><b>Job title:</b> COMMIS I</p>		
<p><b>Work Location:</b> Kai's Kitchen, Unit No. 5 Chelina Arcade, A. Bonifacio Ave., Tibanga, Iligan City</p>		
<p><b>Division/Department:</b> Kitchen/Dining</p>	<p><b>Reports to:</b> Manager</p>	<p><input checked="" type="checkbox"/> <b>Full-time</b> <input type="checkbox"/> <b>Part-time</b></p>
<p><b>Essential Duties and Responsibilities:</b></p> <p>The incumbent is responsible for promptly responding to the needs of our patrons and customers and ensuring that they are satisfied with their dining experience by providing excellent and delightful customer service and delicious food. The Commis I acts as an ambassador who represents our establishment to our customers.</p> <p>Specifically, he or she is responsible for the following, to wit:</p> <ul style="list-style-type: none"> <li>• Providing excellent customer service</li> <li>• Greeting customers at the door</li> <li>• Greeting patrons once they are seated</li> <li>• Seating patrons</li> <li>• Presenting menus to customers</li> <li>• Explaining menu items to customers</li> <li>• Answering questions from patrons about food and beverages</li> <li>• Taking food and drink orders</li> <li>• Up-selling additional food and beverage products to patrons</li> <li>• Verifying age of customers who order alcoholic beverages</li> <li>• Communicating customer orders to kitchen staff</li> <li>• Sharing information with customers about the status of their orders</li> <li>• Refilling customer drink orders throughout the meal as needed</li> <li>• Delivering orders to customers</li> <li>• Finding out if customers need additional items</li> <li>• Verifying that customers are satisfied with their orders</li> <li>• Removing empty plates, used silverware, and soiled napkins from tables</li> <li>• Determining when customers have completed their meals</li> <li>• Accepting payment for the meal</li> <li>• Attending scheduled team or shift meetings</li> <li>• Compliance with all relevant health department rules and regulations</li> <li>• Assisting with preparation of some food items</li> <li>• Preparing table for the next guests once a party has departed</li> <li>• Presenting a dessert tray once the main course is finished</li> <li>• Working with other wait staff members to provide team-oriented service</li> <li>• Determining if a guest is celebrating his/her birthday</li> <li>• Serving a complimentary birthday sweet treat for the birthday celebrant with birthday candle</li> <li>• Keeping the restaurant location clean and tidy</li> <li>• Restocking salad bars or buffet lines as needed</li> </ul>		

<ul style="list-style-type: none"><li>• Encouraging customers to complete customer service surveys</li><li>• Folding napkins</li><li>• Arranging table settings</li><li>• To perform such other functions or tasks as may be assigned to him or her by the Supervisor or Manager.</li></ul>
<b>Education and/or Work Experience Requirements:</b> <ul style="list-style-type: none"><li>• Good verbal and written communication skills</li><li>• With relevant work experience</li><li>• Must be able to work under pressure, maintaining a positive attitude and providing exemplary customer service</li><li>• Ability to work independently and to carry out assignments to completion within parameters of instructions given, prescribed routines, and standard accepted practices</li><li>• High school diploma; Diploma in Hotel and Restaurant Management preferred</li></ul>
<b>Physical Requirements:</b> <ul style="list-style-type: none"><li>• Must be physically fit, particularly having no communicable illness</li><li>• Must be able to lift and carry up to 50 lbs.</li><li>• Must be able to communicate</li></ul>
<b>Print Employee Name:</b>
<b>Employee signature:</b> <span style="float: right;"><b>Date: July 7, 2013</b></span>

Source: Kai's Kitchen

Appendix D

Job Description of Commis II Assigned to Kitchen (Jun)

	<h1>KAI's KITCHEN</h1>	<p><i>Job Description</i></p>
<p><b>Job title:</b> COMMIS CHEF II</p>		
<p><b>Work Location:</b> Kai's Kitchen, Unit No. 5 Chelina Arcade, A. Bonifacio Ave., Tibanga, Iligan City</p>		
<p><b>Division/Department:</b> Kitchen/Dining</p>	<p><b>Reports to:</b> Manager</p>	<p><input checked="" type="checkbox"/> <b>Full-time</b> <input type="checkbox"/> <b>Part-time</b></p>
<p><b>Essential Duties and Responsibilities:</b></p> <p>The incumbent is responsible for promptly responding to the needs of our patrons and customers and ensuring that they are satisfied with their dining experience by providing excellent and delightful customer service and delicious food. The Commis II acts as an ambassador who represents our establishment to our customers.</p> <p>Specifically, he or she is responsible for the following, to wit:</p> <ul style="list-style-type: none"> <li>• Assisting with preparation of main entrees</li> <li>• Preparation of beverages</li> <li>• Providing excellent customer service</li> <li>• Ensuring that customer orders are assembled properly in the kitchen</li> <li>• Delivering orders to customers when needed</li> <li>• Attending scheduled team or shift meetings</li> <li>• Compliance with all relevant health department rules and regulations</li> <li>• Working with other wait staff members to provide team-oriented service</li> <li>• Preparing cocktails when needed</li> <li>• Keeping the restaurant, especially the kitchen, clean and tidy</li> <li>• Arranging table settings when needed</li> <li>• To perform such other functions or tasks as may be assigned to him or her by the Supervisor or Manager.</li> </ul>		
<p><b>Education and/or Work Experience Requirements:</b></p> <ul style="list-style-type: none"> <li>• Good verbal and written communication skills</li> <li>• With relevant work experience</li> <li>• Must be able to work under pressure, maintaining a positive attitude and providing exemplary customer service</li> <li>• Ability to work independently and to carry out assignments to completion within parameters of instructions given, prescribed routines, and standard accepted practices</li> <li>• High school diploma; Diploma in Hotel and Restaurant Management preferred</li> </ul>		
<p><b>Physical Requirements:</b></p> <ul style="list-style-type: none"> <li>• Must be physically fit, particularly having no communicable illness</li> <li>• Must be able to lift and carry up to 50 lbs.</li> <li>• Must be able to communicate</li> </ul>		
<p><b>Print Employee Name:</b></p>		

**Employee signature:**

**Date: July 7, 2013**

*Source: Kai's Kitchen*

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## Endnotes

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1 Jagger, Stephen. "The Philippines Restaurant Industry at a Glance." 15 November 2013. Payroll Hero. Accessed 30 May 2016. <<http://blog.payrollhero.com/2013/11/15/the-philippines-restaurant-industry-at-a-glance-food-and-beverage-stats-manila/>>.

2 Business Permits and Licensing Office. List of Registered Businesses as of December 31, 2012 taken from the BPLO Database. Iligan City, Philippines.

3 Philippine Statistics Authority. "2012 Census of Philippine Business and Industry - Accommodation and Food Service Activities for All Establishments: Final Results." 12 November 2014. Accessed 30 May 2016.

<<https://psa.gov.ph/node/49112>>

4 Philippine Statistics Authority.

5 Philippine Statistics Authority.

6 Regional Tripartite Wages and Productivity Board. "Wage Order RX-16." Republic of the Philippines Department of Labor and Employment. Accessed 31 May 2016.

<<http://www.ilo.org/dyn/travail/docs/1184/Minimum%20Wage%20Order%20No.%20RX-16%20-%20Region%20X.pdf>>.