



Olive Garden Restaurants Division, Darden Restaurants, Inc.

TEACHING NOTE

Purpose of Case Study

1. To encourage students to think about the role of clear writing in achieving the strategic business goals of an organization.
2. To enhance understanding of the difference between internal documents (memos) and external documents (letters).
3. To focus student attention on the mechanics of clear, concise writing that accomplishes the goals of the writer and serves the information needs of the reader.

Identify the Business Problem

The business problem here is two-fold: how to deal with an angry customer and what to do about the gross employee misconduct at this particular restaurant. When confronted with an irate customer, a business's primary goal is to ascertain the root of the problem and find a solution that will satisfy the customer. In this case, the root of the problem may be poorly trained employees.

Forecast the Most Desirable Outcome

The most desirable outcome would be for Olive Garden Restaurants to convince this customer to try the restaurant again. Additionally, all restaurant employees must be made aware of acceptable customer service behavior.

This teaching note was prepared by Cynthia Maciejczyk under the direction of James O'Rourke, Concurrent Professor of Management, as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

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Identify the Critical Issues

These are the main issues involved in this case:

- Handling an irate customer;
- Dealing with employee misconduct;
- Damage to Olive Garden's image as a quality dining place.

Stakeholder perspectives include:

- Dr. Dalton and family;
- Director of customer service;
- Vice president of sales and marketing;
- President of Olive Gardens Restaurant Division;
- Restaurant employees.

Identify and Discuss Possible Solutions to the Problem

Solutions may include, but are not limited to, the following:

1. Investigate Dr. Dalton's claims with the manager of the restaurant and employees on duty that night.
2. Address the employee misconduct with a definite course of action (firing of employees, probation, retraining, etc.).
3. Publicize this incident within the organization to highlight areas of concern in employee behavior.
4. Immediately write a letter of apology to Dr. Dalton and include gift certificates for another meal at Olive Garden. The goal is to fix the problems at the restaurant and encourage the customer to try it again.

Explain How to Communicate the Solution

The communication strategy memo calls for the students to provide a detailed description of how they plan to handle this case. Their memos should take into account all those who will be

involved in the plan and those who have a need to know. If there are action items involved, who should carry out the actions and when (customer service, restaurant management, training department, etc.)? The memo should briefly summarize the events of that evening, provide an analysis of the situation, and offer recommendations for addressing the issues. A good memo is brief, to the point, and leaves the reader(s) with no lingering questions.

When writing to the customer in this case, the students should take into account the events of that evening as related in Dr. Dalton's letter. How would they feel if they had been treated in such a manner? They can surmise several things about Dr. Dalton from this letter: that he is a frequent diner at restaurant facilities, that he has a high level of education, that he cares about his family, that he prefers to treat people with respect and appreciates respectful treatment in return. The *way* students craft their message to Dr. Dalton becomes important. They do not want to risk further insult by treating Dr. Dalton's claims lightly. The letter to Dr. Dalton should be serious and apologetic in tone and convey the actions that have been taken to address the problems at the restaurant. Additionally, have students discuss whether the letter will have a greater impact coming from the president of the organization or the director of customer service.

Teaching the Case

At the beginning of class

Because this case does not involve complex facts or events, you can distribute the case at the beginning of the class period in which it will be discussed. Give the students 10 minutes to read the case and ask them to think about the issues described above.

For the remainder of the class

Spend the next 5-10 minutes of the class session briefly recapping the facts of the case. Then, for the next 20 minutes, have the students identify the issues.

Some points for student consideration may include:

How valuable is a single customer to an organization? Have students think about the value of customers to an organization. This may lead to a discussion of the company's core values. Does the company truly value its customers or just pay lip service to the concept?

Can one angry customer damage the reputation of a large company? Have students consider "worst-case" scenarios regarding irate customers. Could this customer potentially affect Olive Garden's business by spreading his story among friends, family, and acquaintances?

What, exactly, went wrong in this case? Students should think about whether the treatment Dr. Dalton and his family received that night could have been typical for that restaurant location. Dr. Dalton even states in his letter that he's always enjoyed his dining experience at Olive Garden restaurants in the past. Restaurants survive on repeat business: if this problem existed that night, it potentially exists on other nights and can seriously damage repeat business.

What groups within the company need to be involved in the strategy for dealing with the situation? Ask students to think about who should be involved in dealing with this situation.

Is this an opportunity to educate other employees on the proper way to treat customers? Olive Garden management does not want to confront this problem regularly. Perhaps what happened that night indicates a lack of training or poor management. In any case, management can use this situation as an opportunity to educate others.

Next, identify the stakeholders in this case and their separate interests and concerns:

Dr. Dalton. His interest in this situation is to vent his anger and also to let Olive Garden Management know of the disturbing treatment he received. In writing the response to him, the writer should consider Dr. Dalton's feelings (outrage as expressed in his letter) and use a strategy that will hopefully diffuse his anger (perhaps an indirect approach to the message). The goal for writing is to restore this customer's faith in Olive Garden's restaurants and to encourage him to return.

Director of Customer Services. As the person in charge of this case, the director of customer services must handle the situation thoroughly and well. The original letter was addressed to the president of the Olive Garden division. It's safe to assume that he will be interested in how this case is handled.

Vice president for sales and marketing. Customer Service is part of the Sales and Marketing group, so the VP has a stake in this issue as well. How it is handled will reflect on the leadership of the group.

President of Olive Garden Restaurant division. The reputation of his organization is on the line. The behavior as outlined in Dr. Dalton's letter is cause for embarrassment. Magruder will be interested in getting to the heart of the problem and resolving it to prevent future situations like this.

Olive Garden employees. The root of the problem is poor employee conduct on the night in question. These employees are at risk of losing their jobs. A clear communication strategy will educate the employees as to proper conduct and help prevent this type of behavior in the future.

Last 5 minutes of class

Conclude the discussion.

The key to this case, as with nearly all other management communication cases, is to let the students speak freely, but guide their comments toward the situation facing the company and the communication issues the case presents.