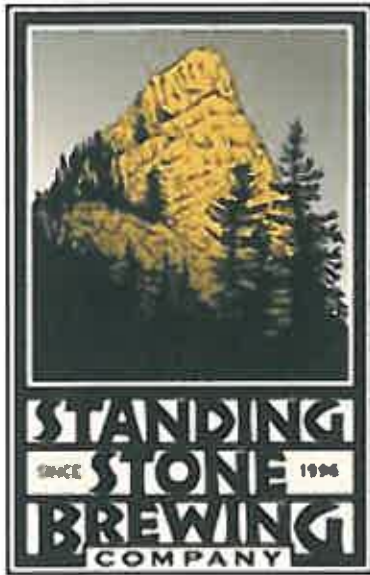




STANDING STONE BREWING COMPANY

PREMIER EMPLOYER
PROJECT
Fall 2012

Funded by
HITACHI
THE FOUNDATION

**FOUNDED BY**

The Amarotico Family

EMPLOYEES

60

LOCATION

Ashland, Oregon

PRODUCTS

Craft Beer

Locally Inspired Food

WEBSITE

standingstonebrewing.com

INTRODUCTION

Standing Stone Brewing Company, located in Ashland, Oregon, is a family-owned business with a strong reputation as a great employer and a sustainable business.



Standing Stone operates in the hospitality industry, which is known for high turnover rates, low wage and skill levels, and an absence of internal talent pool. Many restaurants in tourist destinations like Ashland have simply accepted the “turnover culture” as a part of their workplace culture, despite its high costs.

Since opening in 1996, Standing Stone has been committed to the talent development, improved performance and increased motivation of its employees. Unlike many businesses in the hospitality industry, Standing Stone goes beyond just training and coaching employees to do the jobs for which they are hired. The company invests resources in cross-training employees to keep them engaged and interested in their work, creates opportunities for employees to share their ideas and skills to improve operations, and provides incentives for employees to adopt healthy lifestyle behaviors and practices.

The company benefits from an engaged, satisfied and flexible workforce that provides excellent customer service and can perform multiple positions as needed. Standing Stone also benefits by having higher than average retention rates and an internal labor market for promotions and projects.

RESULTS

Over the past year, Standing Stone’s turnover rate plummeted from 60% to 31%, which saved the company an estimated \$21,000 in

recruitment and training costs. Its sustainability efforts to green its supply chain and reduce its eco-footprint have saved the company in waste removal and has garnered national recognition, including the State of Oregon's *Sustainability Award*, Oregon Business's *100 Best Green Companies* and Sustainable Business Oregon's *Innovation in Sustainability* award.

EMPLOYEE PRACTICES

CROSS-TRAINING EMPLOYEES

Standing Stone has always encouraged employees to cross-train into multiple positions. Adopting sustainability practices in more recent years has given the company the opportunity to engage its employees in new and previously unforeseen ways.

FARM TO RESTAURANT TABLE

In addition to sourcing its ingredients as locally as possible, Standing Stone is "insourcing" its ingredients from its own farming operations. In 2011 Standing Stone leased nearby farmland and is now producing their own eggs and beef as well as raising other animals on the farm.

Rather than hire a professional farmer, the company asked a neighboring farmer to help train their staff. A rotating handful of employees now work at the farm in the early morning hours composting, feeding chickens and cows, moving fences, and collecting eggs for the restaurant. The enthusiasm employees gain from helping to bring organic food from the farm directly onto customers' plates often spills over into conversations with customers, which is great publicity for the company.

THE MORE EMPLOYEES UNDERSTAND THE STEPS THAT GO INTO A MEAL, THE MORE THEY CONTRIBUTE INNOVATIVE IDEAS AND PERSPECTIVES. THEY BECOME MORE INVESTED IN THE SUCCESS OF THE RESTAURANT AND COMPANY.

— DANIELLE AMAROTICO,
CO-OWNER

MELZA Q., EGG FARMER

When Melza showed interest in researching different kinds of chicken breeds and egg laying expectancies, she was given the opportunity to participate in a farming class in Southern California to learn more about raising chickens. Now Melza is responsible for over 250 laying hens that provide farm fresh eggs for the restaurant.

Her responsibilities include ordering eggs that will incubate and hatch, as well as visiting the farm several times a week to check on the chickens. She feeds them vegetable scraps from the kitchen, moves their housing and collects eggs for the restaurant.

While conducting her research and development, Melza's enthusiasm was contagious and she received a lot of support and encouragement from customers and co-workers for her project.

The restaurant now receives four to ten dozen eggs a day, which are used in the daily menu and for specials. Standing Stone is currently working towards expanding its flock to source all of its poultry needs.



DIVERSIFYING ROLES

Standing Stone offers a number of additional training programs to its staff. Every year employees are trained on how to recycle and compost properly to reduce waste. The company also sponsors an annual CPR and first-aid training, so employees are prepared to handle an emergency.



Currently, more than half of employees have multiple job descriptions and some have as many as six. Diversifying their roles gives employees a sense of the business as a whole, rather than just their one part of it, and keeps them

engaged and challenged. Many have developed an owner attitude and take enormous pride and responsibility in Standing Stone's sustainability efforts. By taking on extra responsibilities and projects, they are often able to maintain their hours during seasonal slow periods, while gaining valuable experience and new skills.

TAPPING INTO HIDDEN TALENTS

Standing Stone believes that employees are a rich resource of ideas, innovation and continuous improvement. From pre-employment orientation, which all applicants must attend, to departure from the company, managers make it a point of

highlighting the various areas of expertise employees bring to the company, such as language translation, sewing, grant writing and graphic design.

Recently when the company embarked on a major remodel project, the company enlisted line cooks, prep cooks, bartenders, servers and maintenance staff to help out. Employees tore down walls, laid new flooring and helped transport materials to the company. As business had slowed with the change in seasons, the project allowed employees to maintain their hours and wages by supplementing them with alternative work.

WE PREFER TO ASK IN-HOUSE STAFF TO LEND A HAND RATHER THAN HIRE OUTSIDE CONTRACTORS. WHEN PROJECTS COME UP, EMPLOYEES OFTEN JUMP AT THE CHANCE TO DO SOMETHING DIFFERENT.

—ALEX AMAROTICO,
CO-OWNER

BRANDON S. WASTE MANAGER COORDINATOR

Brandon started with Standing Stone while finishing his college degree. As a server and occasional dishwasher,

Brandon observed the company's day-to-day operations and saw opportunities for improvement. He proposed new practices, including composting and recycle sorting, to reduce Standing Stone's overall waste and environmental impact.



A year after the practices were adopted, overall waste had decreased by 95%, reducing the company's waste removal expenses by \$2,400 annually.

PROMOTING FROM WITHIN

Standing Stone promotes in-house based on an individual's performance and stated interests. Nine out of its current ten managers started as servers or line-cooks at the company. Several department heads created their own job descriptions, including waste management coordinator, events and social media coordinator, graphic designer, and donations coordinator. Of these, several have since been promoted into management roles.

INCENTIVES TO ADOPT HEALTHY LIFESTYLE BEHAVIORS

After 1,000 hours of employment, employees can earn a free bike by committing to ride their new bike to work at least 45 times over the next 12 months. This benefit celebrates a significant milestone of

employment while also inspiring staff to exercise. So far, Standing Stone has bought 52 bikes for their employees over the course of three years. For the month of September, employees have been logging their bike commutes on the BTA's Bike Commute Challenge website, recording over 700 collective miles among 27 employees.

Employees also receive a free meal and beverage each day they work for two or more hours. The benefit costs Standing Stone over \$100,000 annually, a cost they say is insignificant considering the benefits of a well-nourished staff. (The food is valued at \$100,000 based on restaurant prices.)



CONCLUSION

Standing Stone's employee and workplace programs have made a positive impact on their bottom line. Their farm project, for example, enables the restaurant to offer customers locally produced ingredients at an affordable price, while also lowering their environmental impact. Through their sustainability efforts they have created a niche and a strong reputation in their market.



ABOUT THE PREMIER EMPLOYER PROJECT

Northwest Food Processors Education & Research Institute (ERI) received a generous award from the Hitachi Foundation to identify companies that have innovative employee engagement practices, which promote economic opportunities for their lower-income employees. These practices are an integral part of the company's strategy for sustaining and improving their business results. Through this project 12 case studies of Premier Employers from the Food Processing industry have been written and are available at www.nwfpa.org and www.foodinnovationmarketplace.com.



ABOUT THE HITACHI FOUNDATION

The Hitachi Foundation is an independent nonprofit philanthropic forging an authentic integration of business actions and societal well-being in North America. Through 2013, the organization's strategic focus is on discovering and expanding business practices that create tangible, enduring economic opportunities for low-wealth Americans, their families, and the communities in which they reside—while also enhancing business value.



ABOUT THE NORTHWEST FOOD PROCESSORS EDUCATION & RESEARCH INSTITUTE

Incorporated in 2007, Northwest Food Processors Education Research Institute (ERI) exists to enhance the overall economic health of the Northwest food processing cluster and the communities it supports. ERI provides research and support to the food processing industry.

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