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Jens Hofma: 'I am allergic to top-down management'

Heart with Smart Group Jens Hofma is a firm believer in giving as much responsibility to frontline teams as possible, in order to create a more resilient and nimble business, which is better positioned for growth.

In fact, Hofma has “an allergy to top-down management”, he told delegates at MCA's Restaurant Conference last month.

Referring to comments made by Mowgli founder Nisha Katona earlier in the day, he said she made a very compelling case for why it's important to have a very humane operating culture in your business but added that he didn't fully agree that a management playing an almost parental role with its teams was the right way to approach leadership.

“Young people who have their first job in a restaurant need that almost parental support, however people also need to be given the opportunity to then grow up, to become their own people and develop skills, to make sure they can stand on their own two legs and can go on to do great things, either within our business or elsewhere,” he said.

This is something Heart with Smart, which operates the Pizza Hut Restaurants and Itsu franchises, has tried to establish within its business, giving staff access to education, to skills and by transferring as much responsibility and accountability as possible down to the front line.

“I feel the more trust and accountability we can transfer to people at the front line of the business, the more worthwhile their jobs become and you end up with a company you are proud of, that is run by thousands of people rather than just two or three at the top,” he explained.

Hofma believes this approach meant the business found itself in good stead during the pandemic.

“We had to adapt very quickly to changing circumstances, but it also creates a foundation for growth that becomes painless if you have people at the front line who know what they are doing and have that sense of accountability and co-ownership of the business.”



For Heart with Smart, the question was then: 'How do we leverage that operational expertise and operating culture we have more broadly, above and beyond our Pizza Hut business?'. The answer was that it felt it needed to add other brands to its portfolio, with the business announcing last year that it was to become the first franchisee of Itsu in the UK.

While Hofma said he is cognizant of the potential pitfalls of multi-brand restaurant operations, due the fact it is a franchise operator with a narrower operational scope, Heart with Smart had more scope to take on multiple brands and have a more hedged portfolio.

It has opened four franchise Itsu sites so far, in Edinburgh, Aberdeen, Reading and Chelmsford, with a fifth restaurant opening in Staines shortly.

He said the experience of operating Itsu had proven that the group's operational skills, systems and platforms “were, in fact, very transferrable”, and it is now looking to add further brands to its franchise portfolio.

“The focus will be on making sure we run a really good Pizza Hut business - that is the mainstay of what we are doing - and to continue to grow our Itsu business, but I would love to have a third or fourth brand.”

However, Hofma said there were not many brands that he believed were really franchise ready, and that they would need to have a sufficiently reliable and proven brand proposition in order to convince him to part with 6% of his top line in terms of royalty payments.

“Secondly, like all of you, I need to watch where I am putting my money - particularly over the next six to eight months.

“I think, to some extent, taking our foot off the accelerator when it comes to capital expenditure, making sure we build a robust cash buffer, and that we don't overstretch ourselves in this environment I think is a key imperative.”

He added: “We are very aware there are huge opportunities right now - there are great sites available and there is capacity in the market. We would love to move forward and plant the seeds of growth at this point [...] but on the other hand if you overstretch yourself you could create potentially a very dangerous situation.

“At times like this, cash, unfortunately, really is king.”

