

FUNWORLD COLLECTIONS

Family Entertainment Centers

VOLUME 2: HUMAN RESOURCES AND TRAINING



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FECs

VOLUME 2: HUMAN RESOURCES AND TRAINING

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Part of the Team

The importance of properly training new FEC staffers can't be overlooked

by Mike Bederka

Rob Thomas believes many FEC managers practice “chuck-and-duck-type training” with new staff. How does he know? On occasion, he does it himself. The scenario is probably painfully familiar: Hire a person, throw him out with the other employees for a night or two, and consider him “trained.”

Guilty no more, says Thomas, vice president of operations for Mulligan Family Fun Center's three California locations. On Jan. 1, Mulligan hired a full-time training manager who now develops and implements the annual training program.

In fact, Mulligan has revamped its entire program so staff has the best opportunity to excel. Each park has a training coordinator who conducts safety meetings, ensures all team members meet certification guidelines, and provides technical input for the standard operating procedure manuals. Certified trainers report to the coordinators, and they train new and existing employees. “I can't tell you how important training is,” says Thomas. “You want to start them off on the right track.”

The First Day

When employees begin working, avoid giving them the “glorified backstage tour,” urges Scott Brown, a Cleveland, Ohio-based FEC veteran, speaker, and author of “Who Cares? Creating a Culture of Service in Your Business.”

“We spend too much time teaching the wheres and whats—here's the time clock, here's how you ring up the cash register,” he says. Soft skills, such as coping with stress and instilling strong customer service, must be addressed from the get-go.

Instructional videos often make up a sizable portion of any first-day orientation, but use them with care, say many FEC managers. The Chuck E. Cheese's franchise limits the number of videos new hires watch, says Karyn Gitler, director of merchandise at Irving, Texas-based CEC Entertainment Inc., which operates the family restaurants. Instead, CEC mixes in more interaction with other employees. “You can only soak up so much information for

so long,” says Gitler. “We try to promote an atmosphere of energy and excitement. You can't really get that from a TV set.”

Brown suggests co-narrating along with videos to keep the content fresh and timely. “I don't rely on the videos to cover all the ground for me,” he says. “It's more like a supplement. If you use it as a tool, not a catch-all, I think it could be very beneficial.”

As operations manager, Mat Senger-Hansen has used training videos at Wilsonville Family Fun Center and Bullwinkle's Restaurant in Wilsonville, Oregon. But recently, he began using the most relevant parts of the video to cre-



New employees get a lesson in go-karts at Mulligan Family Fun Center in California.

ate lively PowerPoint presentations.

Dalen DeMary, attractions manager of Amazing Jake's in Arizona, suggests making the three or four hours of first-day orientation as interactive as possible. In addition to the standard chitchat about tax forms, uniforms, and where to park, DeMary will ask about what activities new employees enjoy away from school or work and even dig a little deeper. For example, if they play a sport, which position?

“When it comes to training, we’re not looking for it to be done quickly. We’re looking for it to be done effectively.”

—Rob Thomas, Mulligan Family Fun Center

“That goes a long way,” he says. “It shows them that we really care about our employees. At the same time, it gets them listening.”

As the day progresses, DeMary will start reviewing more work-related questions already covered, such as what’s the speed limit in the parking lot or the policy on showing up late or calling in sick. “They know right off the bat they need to pay attention,” he says.

Moving Forward

Once past the first day, employees at Amazing Jake's are turned over to staff trainers, where they are trained in just one area, such as redemption or the arcade; for a 30-day probationary period, they only work in that spot. Those who show potential and can handle the job responsibility past the first month will be trained in other locations in the FEC.

However, the training doesn't stop after the initial instruction. Every few months, management reviews with the entire staff secret shopper scores and discusses new policies or those that need a bit of reinforcement.

“If they do something wrong, we just don't write them up and say ‘sign this—you're in trouble.’” DeMary says. “We take the time to sit them down and talk to them. We explain what we expect them to do from here on out.”

At Wilsonville Family Fun Center, new hires

begin with a two-day training session and then generally work a less-intense weekday shift at first. The key, Senger-Hansen says, is following up a few weeks after the start date. During this time, a manager performs a quick 10-minute informal review with the rookie and basically asks, “How's it going?” Also, the manager can address any areas of weakness and offer retraining, if needed.

“You can correct some bad habits really quickly,” Senger-Hansen explains.

The two examples above are the exception, Brown says. To his disappointment, he believes most FEC managers don't implement any sort of ongoing training. “It's more than a good idea,” he says. “If you want to stand out in terms of your park and the services you deliver, it's a necessity.”

Finding Top Trainers

It takes a special person to train new hires, Thomas says—you need an employee who's patient, confident, detail orientated, and methodical. This person must follow a checklist and not breeze over all the important details, he says, but at the same time must make sure the newbie grasps all the crucial concepts.

“A fallacy is great employees make great trainers,” he says. “That's not the case. A lot of times your great employees are the ones who hustle, the ones who have a quick motor. When it comes to training, we're not looking for it to be done quickly. We're looking for it to be done effectively.”

Mulligan Family Fun Center strives to make the trainer a prestigious position. As such, employees earn 50 cents more an hour when they train. “We want them to want to train,” Thomas says.

Since everyone can't be promoted to a supervisor or a manager, Amazing Jake's uses the trainer as a transitional job, DeMary says. It gives young people a chance to prove themselves, and possibly move up in the company when a higher-level position becomes available.

The responsibility of molding new staff shouldn't be solely placed on the trainer, though, Senger-Hansen says. Management needs to play a pivotal role, from the hire's first day, to making sure he's comfortable months down the line. If problems arise, managers always should be accessible and approachable. “Our doors are always open,” Senger-Hansen says. 🌍

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Better Hiring

by Mike Bederka

How to ensure a quality staff for an FEC

Johnny routinely comes into work late, his unbalanced cash register would make a calculator cry, and he has a permanent scowl on his face. But before complaining about his subpar performance, remember this: Most likely, you hired him.

That's why you can't slap a uniform on anyone and assume he'll become employee of the month. Thus industry experts agree: Family entertainment centers must have a structured and thorough hiring process to ensure top-quality staff.

Where to Look?

The best source to find a good employee is another good employee, says Dalen DeMary, attractions manager of Amazing Jake's in Mesa, Arizona. He says friends helping each other out will create more camaraderie in the workplace. As an added perk, though, he'll offer a \$100 referral bonus if the new hire stays for six months.

FECs throughout the country follow this practice with some variation. California's Mulligan Family Fun Centers will offer a \$50 referral bonus, but only if they're in a "real pinch," says Rob Thomas, the facility's vice president of operations. "Just the possibility of having a good friend work at the same location is usually enough [of an incentive.]"

Referral money depends on the time of year at Wilsonville Family Fun Center and Bullwinkle's Restaurant in Wilsonville, Oregon. The FEC doesn't need a lot of people during the winter months, says Operations Manager Mat Senger-Hansen. In the summer, though, staff members will receive \$50 if their friends stay on the clock for at least 90 days.

Managers don't just have to rely on word of mouth for their hiring pool, however. Margaret White contacts the career education office at the four local high schools. The owner of Papio Fun Park in Papillion, Nebraska, aims for hires in this demographic because they generally don't command as high salaries as college-aged students and they don't bolt after one season. "We're looking for kids who will stick around for

three or four years," she says.

Thomas will display a help-wanted banner outside on Mulligan's highly visible street signs, or he'll advertise in the local college publications when in need of older workers.

And before Amazing Jake's opened almost two years ago, DeMary placed a few newspaper ads and participated in a couple high school job fairs with some success.

The Application

Usually the employment application constitutes the first step in any hiring process. For the most part, FECs keep the form fairly basic and straightforward: work availability, previous job experience and skills, school attended, and any sports or clubs.



Employees serve food at Wilsonville Family Fun Center and Bullwinkle's Restaurant in Oregon.

Obvious red flags include a criminal record, multiple jobs in a short period of time, messy handwriting, or poor spelling. But many managers prefer to use the interview as the true way to judge a person.

Scott Brown, a Cleveland, Ohio-based FEC veteran, speaker, and author of “Who Cares? Creating a Culture of Service in Your Business,” understands FECs don’t have the same resources as large parks to screen people. However, including a short cover page to the application can help the candidates weed themselves out and save everyone’s valuable time, he says. For example, the letter could say: “This is a great place to work. We’re glad you’re considering working here, but you’re probably going to have to work some weekends, and drug testing might be part of the job.”

Because of scheduling issues and financial resources, most FECs don’t actually conduct drug testing, says Brown. “I like putting it on the application because it serves the same purpose,” he explains. “If a person is going to fail a drug test, he’s going to think twice before he turns in his application.”

Eric Koplinski is one of the rare FEC operators who threatens to drug test and actually does it. “I was just tired of having to fire people,” says the owner/manager of Magic Carpet Golf in Galveston, Texas. “It’s irritating.”

This past year, he stated for the first time in a newspaper ad that he will drug test and perform background checks. (Magic Carpet had done this for several years prior but didn’t mention it on the ad.) The number of applications dropped from roughly 50 to eight.

Another way to save some of the manager’s time is to have a screener collect the form and conduct a quick pre-interview, Senger-Hansen says. At Wilsonville Family Fun Center, a group sales assistant with experience in operations asks about availability and previous work history as well as why they want the job.

Her general comments, such as “really friendly” or “didn’t smile at all,” and suggestions for placement, like “good birthday server” or “total go-kart guy,” will be passed along to Senger-Hansen for the second interview.

The Interview

During the interview, Senger-Hansen likes to really get to know the applicants. He’ll ask more probing questions, such as: How do they handle stressful situations; do they consider themselves a leader or a follower; and how can management tell if they’re having a good or bad day?

He puts particular emphasis on that last ques-

tion. “So much of their job is dependent on putting that smile on all the time,” he says.

Thomas looks for an employee who comes in for the interview full of energy. Don’t worry if the person is a little nervous and giggly, he says. It shows the applicant has some personality. Thomas avoids hiring people who speak in a monotone voice and only give the basic yes/no answers. “If they can’t engage a manager they’re trying to get a job from,” Thomas says, “what are the odds they’ll engage the guests and have a nice conversation with them?”

Higher-ups at Papio Fun Park believe public speaking skills are so important they even test for it on the final interview. White requires candidates to recite a segment of the go-kart and laser tag guest instructions. “They don’t have to memorize it, but we want to hear the highlights,” she says. “We want to see what they’re like talking to total strangers.”

Another strong quality indicator is appearance on the interview, Thomas notes. He doesn’t expect teenagers to show up in a suit and tie, but they should take the time to wear a pressed, tucked-in shirt. “It’s huge for us,” Thomas says. “Our philosophy is if it’s not important to them to dress well, then the job is not important to them.”


When people come in looking too sloppy, such as wearing cut-offs or a hat on backward, they actually are sent home. “We just know then and there it’s not going to be a good fit,” Thomas says.

Avoiding Mistakes

Don’t forget certain questions should be avoided during the hiring process, DeMary cautions. Religion, sexual orientation, and direct queries on age are off limits.

However, you can ask if the applicant is over 16 or 18 years old because that will have a direct impact on the number of hours he or she can legally work, he says: “Under 16, you have a ton of child labor laws you have to deal with.”

Amazing Jake’s won’t hire employees until their 16th birthday, but they still conduct a full interview with younger kids just to get to know them better. If a candidate shows promise, management will hold onto the application and bring them back in when they turn 16.

DeMary encourages second chances with older kids as well. He tells them to wait a couple months and fill out another application. Then they’ll have the opportunity to go back and fix the things they might have messed up the first time around. “With 16- or 17-year-olds, you don’t want to kill their confidence,” he says. “I’ve hired plenty of people on their second, third, and even fourth interviews.” 

Stickin' Around

How to maintain high employee retention rates at FECs

by Mike Bederka

Despite their different themes, games, and attractions, family entertainment centers share a common enemy: high employee turnover. Often, getting a mere 18 months of service out of a staff member will make managers ecstatic. Many fall well short of that mark, though.

Gordon “Jeep” Osborn calls them “quarter hoppers,” and they’re endemic in the industry, he says. Staff members—namely teenagers—will abruptly leave the FEC, just for the slightest increase somewhere else, explains the regional manager of Craig’s Cruisers. “We struggle with it just like everyone else,” says Michael Brooks, general manager of Boondocks Fun Center in Draper, Utah.

Few FECs can escape the ravages of poor retention. All that time, effort, and money

invested in training go to waste when an employee walks out the front door. Plus, it causes a massive headache to hire a replacement. Think of the work that goes into placing the help wanted ad, going through the interview process, and checking the references.

“You have to start over,” says Gregg Borman, senior vice president of operations for the FEC division of Palace Entertainment. “That’s a big challenge.” Headquartered in Newport Beach, California, Palace operates 22 FECs across the country, and Borman says a change in parental philosophy further puts a crunch on facilities. These days, more moms and dads would rather their children focus on schoolwork than land a job that requires them to work nights, thus shrinking the talent pool.

Therefore, members of management have no choice if they want a tightly run FEC, Borman says: “We have to do a better job of keeping them happy and motivated, so they want to stay with us.”

Money Matters

A person’s paycheck is one of the biggest indicators of overall job satisfaction, Osborn says. At Craig’s, which has four Michigan locations, raises generally occur after a short probationary period, just as long as the new hire earns a positive review. This helps to avoid the “quarter hopping.”

“Don’t underpay good help,” Osborn stresses. “Don’t let them leave.”

Craig’s also likes to promote from within and have a clear career ladder: employees, team leaders, supervisors, and finally managers. Having something to strive for—namely, a nicer title and a larger salary—helps to reduce the turnover



Employees at Boondocks Fun Center are regularly invited to off-site parties, which double as staff morale boosters.

rate. Osborn acknowledges, though, that most younger staff members won't make a career out of the FEC industry: "This is a transition job. This is shopping money."

Palace also likes to dangle the carrot in front of its staff, Borman says. When students go off to college in the fall, they're told if they come back to work the following May, they will have a bump in pay. The opportunity definitely gives them something to ponder during final exams. In addition, Palace offers raises in September to encourage people to stay through the summer. A \$50 bonus goes to an employee who refers someone else who works past the first few months.

Borman doesn't exclusively rely on cold, hard cash to encourage staff, though. Gift cards to gas stations and big-box stores such as Target and Wal-Mart are issued to employees who do well. Staff members at Boondocks earn internal currency if they receive positive guest comments, come in a little early to help out, or generally exceed expectations on a particular day. Dubbed "bravo bucks," the money can be used anywhere in the FEC. "We're looking for reasons to reward employees," Brooks says.

Party On

Margaret White adds some camaraderie to her financial incentives. Each August, the owner of Papio Fun Park in Papillion, Nebraska, holds an employee-only party. The highlight is an "Easter egg hunt" where, instead of candy, staffers search for eggs worth anywhere from \$.25 to \$100 each. "It really is something they talk about all year," says White, who usually invests about \$1,000 in the party.

Management at Craig's turns the tables with its parties: Managers become the ride attendants for staff. "They like us waiting on them," says Osborn, with a laugh. Boondocks holds regular get-togethers as well. Employees love the annual Halloween party where everyone comes dressed in costume, and to further lighten the mood, they bring in inflatables for a good old-fashioned sumo-wrestling showdown.

From time to time, Brooks also will take the staff off site to build morale. Trips to the ice skating rink go a long way to help establish friendships between staff members as well as allow management to mingle with employees on a more personal level. White brings out the entire

staff for a midnight breakfast if they earned a certain amount of money on a given day. "It doesn't matter if you worked that day or not—everyone gets invited because we are a team," she says. "The social bonding that occurs at these breakfasts is phenomenal."

Every few years, White also will take her staff to IAAPA Attractions Expo. Each person pays for his or her own airfare, but she picks up the hotel and all the registration fees. White gives her staff assignments for the trade floor, such as "check out

Palace Entertainment issues gift cards to gas stations and big-box stores such as Target and Wal-Mart to employees who do well.


the climbing wall" or "see what's new in the driving video games." They all meet up for dinner and discuss what they saw and how it could be incorporated into Papio. "They come back with a sense of ownership that is great," she says.

Listen Up

Employee input is extremely valuable, Borman says. When he visits Palace's venues, he always asks the team members: "How's it going?" "Do you enjoy working for us?" and "Is there something that we can be doing better?"

"Take into account what they say," he notes. "If they're unsatisfied and don't tell us, we can't fix it."

Simple gestures go a long way in keeping staff content. For example, if everyone came together on a particularly busy day, the staff should be told what a good job they did. "If you treat people with respect and fairness," Osborn says, "you're going to get that in return."

It can be easy to jump on staff members if they do something wrong, but management must keep calm and act professionally, Brooks says. "We look at them not just as employees, but as friends." 



FEC: OPERATIONS

Perfecting Performance Reviews

Common misconceptions and must-dos for job evaluations

by Mike Bederka

WHEN DONE PROPERLY, A PERFORMANCE REVIEW can be a vital tool to help employees grow and become future stars in a family entertainment center. However, if done poorly, a job appraisal can be filled with anxiety and tension, and perhaps even lead to a lawsuit.

Where do you stand when sizing up your staff?

Setting the Stage

Performance reviews will contain less conflict and become much easier if you spend the time upfront to find the right staff, explains Gregg Borman, senior vice president of the FEC division for Palace Entertainment, headquartered in Newport Beach, California.

Larry Davis, owner of Davis' Farmland and Davis' Mega Maze, both in Sterling, Massachusetts, follows a similar philosophy. His job candidates go through an intense two-day hiring process where they meet all the managers and play all the games.

Davis wants to see how they interact individually and in a

group setting. Then, if they pass those tests, they earn the job and the training begins, he says.

Once an employee gets the thumbs up, management must lay down the groundwork for the position, Borman stresses. This will help to avoid surprises down the line. "It's critical that you give them what the job description is, what the expectations are, and what they're going to be measured against," he describes.

One of the most significant challenges managers, supervisors, and owners have is to define what they expect in behavioral terms, says Sheila Birnbach, president of the human resources consulting firm GB Associates Inc., in Rockville, Maryland. "Too often we define it in terms of telling people what kind of personality we expect them to have and not what we expect them to do," says Birnbach, who has done work for the FEC industry.

Constant Feedback

In many jobs, people only have annual reviews, with little or no feedback in between. Birnbach believes that's a huge mistake. "The more often, the better," she says. "Minimally, it should be quarterly. It's difficult to remember accurately the performance of an employee 10 or 11 months ago."

Plus, the kids of today appreciate jobs where they can develop skill sets, she says. Constant contact with their superiors helps to do that. Borman emphasizes to his managers that staffers should routinely hear what they've done right and wrong—a rule that many FECs don't follow. "We are not honest in evaluating people," he notes. "We tend to not give as much corrective criticism as they should get. And at the same time, we don't always give them as much praise as they should get.

"Sometimes it's just a pat on the back or just telling somebody, 'Really great job today,'" Borman continues. "Simple

words of encouragement can go a lot further than a 10-cent raise. If people are happy and feel they're being treated fairly, they tend to work harder and be a long-term employee."

Davis also strives to reduce employee turnover and always looks for ways to improve staff morale. One way he does this is by starting every day with a "morning gaggle." At these informal meetings, managers and often Davis himself share guest feedback—both positive and negative—with the employees. They give tips on areas for improvement or advice on how to deal with customers.

Reviews Vary

Davis' frontline staff members generally don't have formal sit-down reviews. Instead, new hires undergo a 60-day trial period, where the managers keep a close eye on them. "We hold the fire under their feet," he quips. "If someone is not doing a good job, it stands out like a sore thumb."

Oftentimes, underperforming employees have just landed in the wrong area of the facility for their personality and skills, Davis says; a shift from food services to the gift shop, for example, frequently will fix any problems. "Unless something egregious happens, we will never [abruptly] fire someone," he says. "We have invested far too much in them."

With the review for the managers, though, things turn "sort of corporate," Davis says. At the end of the season, each manager comes in for a full-day formal appraisal. An oral portion takes up the first chunk of the day; topics include strengths, areas of improvement, and allocation of their time. Then, they move on to the written section with questions like: What would you do to improve another area of the business that is not under your control? What do you think other managers would want you to improve? Where do you see yourself in this business in five years?

Discussion about the written review immediately follows. "Ideas are lightly played with, flushing out further thoughts while examining for hidden problems," Davis details. "Over

Quick Tips

1. Take time to find the right employees.
2. Provide a detailed job description; let them know what is expected of the job.
3. Make it clear what kind of customer service and behavior is expected of employees.
4. Praise and encourage exemplary employees.
5. Provide regular feedback on performance.
6. Conduct formal reviews thoroughly and professionally.

the next few weeks, the managers are asked to submit proposals for what they will need in the new season on a status-quo operational level and at a brainstorming, shoot-for-the-future level."

Formal reviews also vary by position at Palace-run FECs, Borman says. For instance, the go-kart operator will be evaluated on coming to work on time, following policies and procedures, adhering to the dress code, having good availability, and showing motivation and enthusiasm. "For managers, it's all that plus how well they performed against the P&L," he says. "A lot of their review is tied to the financial aspects as well as the decision-making processes that they have gone through."

Regardless of the exact position, all reviews should be handled professionally by management, with employees signing off that they played a role in the discussion, Birnbach says. "To protect yourself legally, you have to make sure the performance evaluation is done in an objective, behaviorally focused way," she adds. "If that review is entirely subjective, you may be leaving your organization legally vulnerable if there is a wrongful termination charge." ■

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FEC: LABOR

The Rising Wage

How family entertainment centers can keep labor costs in check

by Mike Bederka

MINIMUM WAGE HAS CAUSED MAXIMUM WORRY FOR SOME. To compensate for the steady rising cost of labor, family entertainment centers across the country have cut hours, increased prices, and reduced staff.

Be careful with the penny pinching, though. Moves too drastic can compromise safety, service, quality, and profits.

For example, if you slash by half the number of kids manning the go-kart track, you won't get as many rides through and people will wait longer in line. As a result, sales will slide. Conversely, shrewd minimum-wage planning will keep business brisk, notes Harold Skripsky, president of the Scottsdale, Arizona-based consulting firm Entertainment Management Services Inc.

"It can be dealt with," he stresses. "You don't go around screaming 'the sky is falling.'"

Smart Scheduling

Darren Harmon, general manager of the Family Fun Center in Wilsonville, Oregon, has felt the effects of minimum wage more than most. Staffers in his state now start at \$7.95 an hour—one of the highest numbers in the country. "It's very tough," Harmon admits.

His FEC partially made up for the increase by shortening

its hours of operation during the week, a traditionally slower time. It went from 11 a.m.-9 p.m. to noon-8 p.m. "During the summer, you can increase the hours, but you have to watch when you close," Harmon says. "Don't stay open to midnight if you're not having the business volume. In the olden days, you would stay open as long as people were coming in."

Olivier Sermet also had to cut back. The Jungle, with three California locations, reduced hours 30 minutes every day of the week and opens an hour later on Saturday, the owner explains. California's minimum wage jumped from \$6.75 to \$7.50 in January 2007 and to \$8 this past January.

Take advantage of your busy-time-of-day reports from the point of sale system, urges Gregg Borman, senior vice president of the FEC division for Palace Entertainment, headquartered in Newport Beach, California. This technology will help to determine hours and staff coverage. "Now, you can plan an operating schedule that makes sense," he says. "You can look back and say people don't really come to my park at 10 a.m. If I open at 3 p.m., I'm going to save five hours of labor."

Managers must use discipline and forethought when creating a schedule, Sermet adds. He doesn't allow his staff to chalk up enough hours to earn overtime. "It forces better and stricter scheduling of your employees," he says.

If someone on the night shift calls in sick, don't let an afternoon staff member cover for him. Instead, have a backup plan and keep another person on call.

Dealing with Raises

With higher starting wages, many FECs have limited the number of merit raises they give. "It's promotions now," Harmon says. "That's the only way you can increase your income."

Management at the Family Fun Center will offer a variety of morale boosters, though. Employees going above and beyond can earn free food at its restaurant, tickets to a local basketball or baseball game, or a gift certificate to the movies. They also

host a few employee parties a year. Sermet's staff members still will be evaluated twice a year for potential raises, but they now receive a lower amount.

Pay increases can be especially "sticky" for those longtime employees earning a few bucks over the minimum wage, Skripsky says. They may feel they should get something extra out of this legislation. In these cases, managers should look at each employee individually to decide what, if anything, he will receive. Several factors can play a role in the decision: How many hours does he put in? How long has he worked for you? How well did he score in his last few performance reviews? Will he be around for a while?

Cutting Costs, Generating Revenue

In these tough times, FECs should examine their whole operation and look for other efficient ways to improve the bottom line. Sermet recommends reviewing relationships with vendors and asking them when possible to reduce their costs. "We have to squeeze them," he says, acknowledging that can be a tough task. Also, turn frontline employees into lead generators, Harmon says. They should see if satisfied customers have any interest in returning for a birthday party or group event and then pass along this vital information to the sales department. In addition, start cross-promotions with one-time FEC competitors like movie theaters and baseball teams, Harmon says. "You have to become their friends."

The Law

On May 25, 2007, President Bush signed a spending bill that, among other things, amended the Fair Labor Standards Act to increase the federal minimum wage in three steps: from \$5.15 to \$5.85 per hour on July 24, 2007; to \$6.55 on July 24, 2008; and to \$7.25 on July 24, 2009.

Many states also have minimum wage laws. Where an employee is subject to both the state and federal minimum wage laws, the staff member is entitled to the higher of the two. To see the minimum wage breakdown by state, visit www.dol.gov/esa/minwage/america.htm.

But beyond anything else, raising prices is probably the best way to deaden the impact of skyrocketing minimum wages, Skripsky says. "This is the perfect opportunity," he says. "You can blame the government. People are absolutely more willing right now to understand why you might do it."

Of course, raising prices must be done in a professional manner. Sit down and see exactly how much the new wages will cost. If it's \$30,000, don't make up for it with a \$100,000 jump "unless there's a good business reason why," Skripsky says. "Recoup your increased labor costs and maybe give yourself a little raise," he concludes. "Don't get crazy." ■

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