

Sustainable Development in Central America and the Dominican Republic

Company: RESTAURANTE PALADAR

Country: Nicaragua

Project: Programme Poverty Reduction and Improvement of the Environment:
An Integral Sustainable Development Strategy.

The Company

Paladar restaurant is located in Managua, Nicaragua. This restaurant specializes in the making of traditional Nicaraguan cuisine. Since its foundation, its owner - Egda Vélez – has cared to keep high levels of quality both in the service as well as the products. This is why quality and reputation are identified as the company's success agent.

Currently, the company employs 37 people and results in approximately 20 indirect positions.



MISION

"We offer our clients a wide variety of dishes at reachable prices prepared under excellent quality standards and served with the best attention in an ambiance to enjoy".

"We organize client's events providing exquisite dishes and personalized service distinguished by professionalism and quality".

SERVICES

Currently, the Paladar company offers the following services:



- Restaurant at its Managua location, where it offers a table area in different pleasant and welcoming ambiances. The restaurant serves a buffet, and offers a great variety of hot dishes, different types of meats, salads, desserts, natural refreshments, breads and other types of garnishings. The restaurant is oriented towards middle and upper class markets, but keeps competitive prices with the local market.
- Catering service for special events such as conferences, weddings, social activities and others. Food is prepared at the restaurant's kitchen and transported to the agreed locations.
- Rent of furniture for events.
- A cafeteria located in La Unión Supermarket. This sales spot was recently opened.

PROJECT DESCRIPTION




The methodology to implement the Sustainability Strategy in the company started with the conceptualizing of the sustainable development system –at which stage an internal and external organizational analysis took place to determine its sustainability profile, as well as its options for improvement in the environmental, economic and social dimensions.

Later on, a sustainability strategic work frame was established; here the organization's strategy – which includes Mission, Vision, organizational values, strategic objectives in the three mentioned dimensions, and the company's commitment to sustainable development.

Based on the strategic work frame, the action plans were defined in each dimension; and the monitoring mechanisms and indicators were established to guarantee the fulfillment of the established strategic objectives. Later on, training and technical assistance were provided to support the company in implementing the action planes. This way, it was intended to fulfill the transfer of knowledge to the organization; also, the follow up oriented towards the achievement of the expected results was developed.



MAIN OBTAINED RESULTS

Starting diagnosis	Achieved Improvements
ECONOMIC DIMENSION	
1. Value Drivers	
<ul style="list-style-type: none"> - Lack of indicators to monitor the company's financial results to make decisions about it. - Need to improve some aspects related to the accounting system (profitability control by sales point, stock control, and the register for receivable and payable accounts). 	<ul style="list-style-type: none"> - A strategic plan was developed as well as indicators to follow up on established objectives. - Personnel were trained on Economic Value Added (EVA), and on the different value drivers activities which are part of the company's financial results. - A tool to monitor the main indicators related to value chains (growth, profitability, work capital, investments and financing) was implemented. - An action plan was defined to improve the company's value chains. - An analysis on the company's relevant accounting elements was done and recommendations in that regards were given causing substantial changes in the accounting records. - The handling of the accounting per business unit will be implemented. - Recently, a cafeteria was opened in La Unión Supermarket allowing the improvement of marketing opportunities for the company.
2. Good Manufacturing Practices and HACCP (Hazard Analysis and Critical Control Point)	
<ul style="list-style-type: none"> - Improvement needed in infrastructure, warehouses, hygiene, process and product.  <ul style="list-style-type: none"> - Lack of some written procedures and controls registers. - Lack of a Risk analysis and Control Point (HACCP). - Topics of food safety and innocuousness not included in the personnel's induction programs. 	<ul style="list-style-type: none"> - Plant personnel were trained on Good Manufacturing Practices – emphasizing hygiene topics. - Recommended measures were done to improve hygiene in the production area. - In the restaurant's remodeling, recommendations made regarding infrastructure were taken into account to comply with Good Manufacturing Practices (GMP) as a starting step to implement HACCP. These measures are: building of cold rooms, separate sinks for washing greens and tableware, a warehouse, the use of metal tables and dressing rooms for employees. - Procedures and recipes are registered in writing and are kept visible for all employees through acrylic boards throughout the plant.  <ul style="list-style-type: none"> - Personnel's induction plan will include food safety, innocuousness, GMP and HACCP. - Toilets for employees will be installed outside the plant's production building. This measure will be fully implemented by May 2005.

ENVIRONMENTAL DIMENSION

1. Efficient use of raw materials and prevention of solid waste production

- Production of organic waste from vegetables in bad conditions (lack of cooling equipment for it).
- Production of ordinary solid wastes, mainly from raw materials packing materials.



- Organic and inorganic wastes are classified and separated. Organic ones are given out to pigsties.
- The FIFO (first in, first out) system is used to prevent vegetables from spoiling. Currently, six buckets of solids are collected daily – depending on production.
- In the remodeling, which is taking place, cool rooms will be conditioned to expand raw materials' life span.
- The possibility of doing a compost project using organic waste materials is being studied. The project would include the vegetable supplier.
- Raw materials and articles to be used in production are being delivered and measured out in reusable plastic boxes to diminish the amount of solid wastes.

2. Efficient water use and prevention of wastewater production

- Lack of monitoring of water consumption.
- Water consumption in several processes in the company.
- The washing sinks are used indistinctively for fruits, tableware and others.



- Water consumption is being monitored and controlled in the food production plant.
- The implementing of some measures are being studied – like the standardization of the amount of buckets to be used for general washing; regarding linens, to hand wash only stain spots in napkins and tablecloths, and to change faucets to high pressure ones in the sinks to wash tableware and vegetables.
- Vegetable washing is being done separately. In the remodeling it is being taken into account the location of separate sinks to wash vegetables and tableware.



3. Energy efficiency

- Lack of monitoring of electric consumption.

- It was recommended to do the analysis and control of high electrical consumption equipment – like the ice machine and the oven.

4. Adequate handling of chemicals

- Inadequate storage of chemicals.

- Space was arranged for the storage of chemicals – most of them cleaning supplies.

SOCIAL DIMENTION

1. Occupational Safety

- There is no labor risks identification plan.



- Company's risks were identified; the main one is explosion or fire due to butane gas use to cook. Therefore, fire extinguishers were installed and it was recommended to train personnel in such type of emergencies; as well as giving preventive maintenance to valves and gas tanks. There are also the normal risks in a kitchen like cuts and burns.
- A first aid kit was installed in the production plant.



2. Social Projection

- Lack of a well-structured social projection plan which involves all the company's personnel.
- Need to improve internal communication, define roles and involve the company's Human Resource.
- Need to strengthen the personnel's sense of belonging to the company's image.



- At the managerial level, it was accomplished awareness of the need of a well structured social projection program directed towards the community and which involves employees and fosters their identification with the company. This was achieved through workshops like: Social Entrepreneurial Responsibility, Social Management, and Change Management.
- A guide which permits to improve Human resources Management will be prepared. It will be oriented towards internal communication mechanisms, employees' involvement in achieving objectives and development opportunities, as well as personnel's personal improvement.
- A tool which allows customer's satisfaction assessments during events and at the restaurant was designed with the objective of giving feedback to the employees about the success and opportunities to improve. This contributes to strengthen the sense of belonging.

**Comment by Egda Vélez Lacayo
Manager-**

"We are very pleased to have participated in the Program because many an opportunity to improve has opened up thanks to the assistance and training received. Currently, we continue to work in the aspects of Cleaner Production, and Good Manufacturing Practices. We were able to understand the need to work hard to achieve employees' change of attitude for which the motivational and incentives aspect are very important – taking into account the country's living conditions. Also, the support given in the accounting department was very important since that was one of the company's biggest weaknesses".

