

A Profile of Norman Brinker

by Clayton W. Barrows, Ed.D.

Introduction

There have been several foodservice “pioneers” over the last 75 years whose ideas and concepts helped establish the industry as we know it today. Their names are well known to all of us - some of them have been profiled already in these pages. Often, their names are associated with a particular aspect of the business or they are credited with introducing a particular management activity to the restaurant industry (such as franchising). Such luminaries include Ray Kroc, Howard Johnson, Harland Sanders, J.W. Marriott, Dave Thomas, Vernon and Gordon Stouffer, and others. It is no coincidence that many of these names are also associated with the quick-service segment of the industry that saw its origins in the early part of the twentieth century. It (quick-service) is also the segment of the industry that, arguably, has continued to drive the foodservice industry for much of the past 75 years. Indeed the quick-service industry continues to garner much of the attention that the foodservice industry receives, sometimes at the expense of other equally deserving segments.

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Lest we forget, there are many other segments of the larger restaurant industry in addition to quick-service. Specifically, one other segment of foodservice that came of age in the latter part of the 20th century, and is currently undergoing more change than any other single segment, is the casual dining sector. Having received far less attention than quick-service over the years, many students of the foodservice industry are probably not as familiar with the names associated with it but, rather, are probably more familiar with the names of the restaurants themselves (companies such



as TGI Friday’s, Applebee’s and Chili’s readily come to mind). One name with which most people should be familiar though is “Norman Brinker.” It is safe to say that the casual dining segment would not be what it is today had it not been for the efforts of Brinker. In fact, Norman Brinker is considered by many to be the “father” of the casual dining industry simply because of how instrumental he was during its early stages of development - having influenced the shape of the industry itself as well as having mentored many other managers and executives who themselves continue to influence the industry.

Brinker either started or was instrumental in the development and growth of several well known chains including Steak and Ale, Bennigan’s, Chili’s,

and the other casual dining chains under Brinker International (On the Border, Romano’s Macaroni Grill, Rockfish Grill, etc.). His influence extends even further than is indicated here, when one considers all the other foodservice leaders whom he is credited for having mentored. These include executives with Outback, Houston’s and Applebee’s, to name a few (Bernstein & Paul, 1994). Brinker does, however, have a link to Kroc, Sanders, Johnson, et al. when one considers that he too started his career in the quick-service segment and even opened a coffee shop under his own name early in his career. His career in the foodservice industry is a fascinating one deserving of attention. Brinker is an accomplished restaurateur, entrepreneur, journalist, athlete, author, good corporate citizen, community activist and a man of many interests. This article provides a profile of Norman Brinker and his career in the restaurant industry.

The Early Years

Norman Brinker was born in 1931 to Eugene Brinker and Kathryn (Payne) Brinker in Denver, Colorado. Like many other foodservice pioneers born in the early part of the last century, Norman Brinker grew up under very unassuming conditions. In fact, he has said, “I was raised on a farm by wonderful parents. I was an only child. We were extremely poor. In my senior

year in high school, I earned more money than the two of them combined and both of them worked” (Hume, 2004, p.21). His mother was very involved with the church and her community. His father was a farmer. He has stated that his father taught him “independence and self reliance” while his mother taught him about music, literature and serving the community. He has repeatedly stated that they were both supportive of him in his various endeavors.

After a short time in Colorado, his family moved to rural New Mexico when he was still young. It was this environment that allowed him to learn about raising livestock at an early age. His father raised cattle (with which Brinker helped out) but Brinker’s first foray into raising animals occurred when he ventured to raise rabbits as a way to make money. He recounts that this is probably the last venture in which he was not entirely successful and where he lost money. This experience with rabbits, however, led to a lifelong passion for raising and riding horses, one that continues today (he is an accomplished polo player and was a member of the 1952 US Equestrian Team). Among other things, he learned that horses do not multiply as quickly or as unpredictably as rabbits. Other early business ventures included a 120-mile long paper route, working at a riding academy, working at a kennel, and selling cutlery (Brinker & Phillips, 1996). He even worked as a journalist while he was in the US Navy. Among other things, this position allowed him to travel to athletic events to compete. Like many other early restaurant entrepreneurs, he worked in some very different types of jobs before discovering restaurants.

As a result of his stint in the Navy (and after a brief time enrolled at the New Mexico Military Institute), Brinker enrolled in a university at a slightly advanced age - entering when he was 23. After having to convince the university admissions committee to accept him, he graduated with honors at the age of 26. (It should be noted that Brinker graduated with a major in Marketing. His alma mater, San Diego State University has since established a hospitality program). It was upon graduation that he first entered the restaurant industry, accepting a job with Bob Peterson who was the owner of a chain of coffee shops called Oscar’s as well as a newer concept, Jack in the Box. The rest, as they say, is history.

Brinker’s Early Restaurant Career

Brinker started with Oscar’s as a busboy in 1957 (he was presumably being tested by being asked to perform tasks for which he was clearly overqualified). He was then put in charge of the fledgling Jack in the Box after only a short time with the company. After taking the time to learn about the company and the industry, Brinker began to capitalize on the opportunities that he saw in the market. Brinker has since indicated that it was at Jack in the Box that he learned about restaurant operations, lessons that he was able to draw on his entire career (Bernstein & Paul, 1994). After some initial difficulties, Brinker was able to grow Jack in the Box to a sizable company, targeting markets with potential including San Diego, Phoenix and Houston.

His ability to grow Jack in the Box was perhaps the first evidence that showed that he had the knack to identify and capitalize on opportunities that the market offered. He eventually became a general partner with the company, leveraged his initial investment, and left in 1964 to open his own restaurant, Brink’s Coffee Shop (in Dallas). The restaurant was only open a short while before Brinker determined that “he would need something with shorter hours and a higher ticket average.” (Brinker & Phillips, 1996, p. 81). This led to his eventually founding Steak and Ale in 1966. Interestingly, in his published interviews, his experience as an independent restaurant owner is often given much less attention than his other accomplishments. One must assume, however, that he was able to take lessons from that experience just as he has in all of his other leadership roles.

It is safe to say that Norman Brinker’s reputation as a leading foodservice operator began to escalate with the founding of Steak and Ale. Based on a restaurant concept that he had discovered in Arizona (called the Cork and Cleaver), Steak and Ale is credited with being if not the first, then one of the original “casual dining” concepts in the US. It paved the way for many more restaurant concepts including steak houses.

Among other things, Steak and Ale distinguished itself from the competition by opening only for dinner (a trend that seems to have been rediscovered in recent years), offering a salad bar, offering a limited menu, and having the servers introduce themselves by name (“Hi, my name is...”). The restaurant filled a void in the market and customers flocked to it. He has since said, “Understand that, Dallas in 1966, had only seven or eight upscale full-service restaurants. They all had starchy service and high prices. I said I wanted something that is reasonably priced and a hell of a value.” (Hume, 2004, p. 21). The chain became very successful in a short period of time (it went public in 1971, five years after he founded it).

It was also during his time at Steak and Ale that Brinker began to develop and practice certain management beliefs - such as surrounding himself with good people and allowing them to thrive by cultivating an entrepreneurial culture within the company. Time and time again, Brinker was able to put this belief into practice in the numerous companies that he oversaw during his career (Sheridan, 2001).

Brinker is also known for his tremendous energy - no matter the job, outside activity or personal interest, Brinker is said to bring a high degree of energy to whatever it is he is committed to. In fact, Brinker is said to have been full of energy ever since he was a young boy (his autobiography describes several incidents which frustrated his mother). Even colleagues who worked with him during his later years at Chili's (later Brinker International) marveled at his level of energy. Charles Bernstein noted, in a 1995 interview, that Brinker "at half speed is more energetic, enthusiastic and innovative than most of us at full speed" (Bernstein, 1995, p.74). What has made him so remarkable, however, is that he has been able to harness that energy and combine it with good timing, common sense and calculated risk.

Brinker is also credited with being one of the early practitioners of Management By Walking Around (MBWA) in the chain restaurant industry. He is known to have spent a great deal of his time walking around his restaurants talking with both guests and employees, and many articles that have been written about him comment on this characteristic. References to this trait invariably paint a picture of a man who is quite comfortable in his restaurants and mingling with guests. This is one of the traits that has contributed to his reputation as an effective leader. In the seminal book entitled "Winning the Chain Restaurant Game" by Charles Bernstein and Ron Paul (which focuses on the management and leadership of successful companies and their executives), Brinker receives more mentions than Ray Kroc.

Not one to rest on his laurels, or to allow an opportunity to pass him by, Brinker conceptualized a new restaurant chain in 1976 - Bennigan's, which was to become the other half of his S & A restaurant company. The Bennigan's chain was able to take advantage of changing customer demographics and was, among other things, able to provide a new and stylish meeting place for singles. Bennigan's really introduced an entirely new restaurant genre that has now become a permanent part of the industry.

Brinker's ability to gauge the needs of the dining public, identify demographic trends, and to take advantage of voids in the marketplace has been a constant theme throughout his career. Brinker grew both the Bennigan's and Steak and Ale chains to the point that they were merged with Pillsbury (which owned Burger King and Poppin' Fresh at the time that they hired him). At the time of the merger, there were over 100 restaurants in the S & A chain. He came to the company when Pillsbury was having a challenging time with Burger King.

A few years after the merger, Brinker was named Executive Vice-President of the Pillsbury Restaurant Group where he continued to oversee the S & A chains along with Burger King and Poppin' Fresh. With Pillsbury's backing, he was able to continue growing both concepts within S & A as well as provide a more strategic direction to Burger King. Brinker was able to create such change within Burger King that it was able to compete much more effectively with McDonald's - its chief rival at the time. Brinker was able to re-direct Burger King toward these key values and help them re-establish themselves as a major competitor to McDonald's. It was during Brinker's tenure that Burger King began to directly challenge McDonald's with direct, head to head taste comparisons. Brinker has been quoted as saying that by the time he left the company, he had doubled their earnings and that Burger King's sales were almost equal to McDonald's (McDonald's has since grown several fold.).

One of the stories underscoring Brinker's level of commitment concerns one of his actions during his first month in his vice-president's role with Pillsbury. During this time, he personally visited each of the Burger King regions (ten at the time), talking with customers, employees and company directors. His own accounts of this period indicate that he succeeded in getting at the real issues and concerns within the company this way.

Over the years, Brinker's efforts to personally connect with these three constituents (employees, managers and customers) has been instrumental in his success. Time and time again, he was able to get everybody "on board" through direct contact and personal connection. Among the themes that emerged in his discussions with Burger King directors was the importance of quality and value.

During his time with Burger King, Brinker also developed new ways of viewing organizations, while at the same time continuing to practice some of his key management philosophies. One management practice that continued to serve him well was hiring competent people and serving as a mentor to them. Also, running the Pillsbury Restaurant Group allowed him to develop his skills running a large company while coming to the realization that each chain within a company portfolio is unique and should be operated as a separate unit. This is the philosophy that he adopted while with Pillsbury and continued to heed when he joined Chili's. He has since emphasized this principle as being critical when attempting to manage a sizable portfolio of diverse restaurants. He has said one of the reasons that he left Pillsbury was to see if his leadership style would be effective with a smaller company (Brinker & Phillips, 1996).

Chili's and Brinker International

If Norman Brinker's name had not yet entered the consciousness of North American diners by the time he finished his stint with Burger King, it certainly did so when he linked up with Chili's. The story

behind Brinker's initial involvement with Chili's is a fascinating one, if only because his involvement with the company started in a much different way than it did with his previous restaurant companies. It should also be noted, that Brinker's time in the restaurant industry had been divided, until this point, between the quick-service sector (with Jack in the Box and Burger King) and the casual sector (with Steak and Ale and Bennigan's). Beginning with Chili's, Brinker seems to have made a total commitment to the casual dining sector and one can see his own personal trademark being stamped on the company.

At the time that Brinker became aware of Chili's restaurants (he did not found the company), it was a 23- unit chain based in Dallas and specializing in hamburgers. He first noticed it while still with Pillsbury and, in fact, tried to convince the larger company to buy Chili's believing that the concept had tremendous potential. When Pillsbury declined, he ended up leaving Pillsbury and joining the company as a part owner. In his first meeting with Chili's executives (which was held in a hospital room where Brinker was recovering from a polo accident), Brinker used the same strategy that had served him so well at Burger King - he asked a lot of questions about the company, where they were and where they were headed. In doing so, he let others identify potential areas to focus on. This led to the company positioning itself for a growth mode, revamping its menu and eventually going public. In fact, as he had done before, Brinker wasted no time in taking the company public, the year after he joined them.

With Chili's, Brinker established joint ventures with local partners as a vehicle for growth, always focusing on long- term growth (Brinker & Phillips, 1996). During the early expansion, it was not unusual for the company to open 30 new restaurants or more in a single year. Over the years, even as Chili's was expanding beyond the southwestern region of the US where it began, Brinker acquired additional restaurant chains - the first being Grady's American Grill (a company that has since been divested). Additional companies that Brinker developed and/or purchased include Romano's Macaroni Grill, Spaggedie's, CozyMel's and EatZi's. Over the years, helped by the numerous concepts held by the company, Brinker was able to establish "restaurant rows" (where customers had numerous choices of restaurants), partner with other restaurant operators (including Richard Melman of Lettuce Entertain You Enterprises) and generally adhere to the management principles that he has developed over the years.

Management and Leadership Principles

Brinker has been singled out as a key leader in the industry many times. In a leadership survey conducted by Heidrick and Struggles (of other restaurant executives), he was listed as one of the top three restaurant CEOs in the US by 88 % of respondents.

One of the things that has made Brinker successful is that he seems to see things differently than his counterparts and competitors. For instance, he has been quoted as saying that he focuses on his restaurants' operations first, and only then will he focus on the financials. In the day and age of short- term financial goals (particularly with public companies), that outlook is unique. Perhaps this single quote best expresses his views of running restaurant companies "Lots of companies teach how to keep places clean, how to close down restaurants. I teach philosophy" (Ruggless, 1995, p.33).

A few of his management and leadership principles were identified during one of his many speeches while accepting a major industry award recently:

- "Leaders are grateful for what they can accomplish. They care about others and their successes and they actively work to support that stance.
- Good leaders are keenly perceptive and visionary. They begin with an end in mind, one that they envision as a sought-after goal, and then create a clear and logical pathway to arrive at that set point.

- Leaders are mentors and teachers; they quietly give guidance from the sidelines instead of always seeking the front and centre for themselves. With their integrity and dogged determination, they motivate and inspire others to greater levels of accomplishment and success." (Dailey, 1995, p.12).

On occasion, his principles and strategies have been questioned - taking companies public prematurely, certain questionable restaurant acquisitions, and his decision to own and operate so many different chains simultaneously (Brinker International has sometimes been referred to as a virtual mutual fund of restaurant chains). But through it all, he has developed concepts, grown chains, mentored numerous protégés and been successful despite his critics. At one point, an article in the New York Times questioned whether Brinker International could succeed with five different concepts (New York Times, 1992). The company has since operated successfully with that many, and sometimes more. His continuing philosophy has been to operate each concept virtually independently while constantly working on developing new concepts.

Activities, Influences and Awards

A profile of any leader would be incomplete without mentioning some of the people, the events that influenced them, and the awards and recognitions received. Any discussion of Norman Brinker has to make mention of his passion for horses, polo and his sports-related accidents. Sports have

always been an important part of his life and in fact, his first marriage was to a professional tennis player. As was mentioned earlier, he was an Olympic rider in 1952 as well as a participant in the 1954 World Championships. His autobiography chronicles his extensive involvement with the game of polo including tournaments that he has participated in, polo courses that he has helped develop, and his many accidents. A brief recount shows that he had polo/horseback riding accidents of some severity in 1954, 1976, 1983, 1989 and most recently, in 1993. Many of the accidents came at times when it would appear he would be kept from his work. Time and again he was able to surprise doctors and colleagues alike with his resilience, determination and shorter than expected recovery times. His accident in 1993, which left him in a coma for three weeks, is the one that is most documented since it came at a time when he was heading up Chili's and it was the most serious. Once again, he confounded doctors by beating every expectation surrounding his recovery, including walking and rejoining Chili's. While he was in a coma, doctors even questioned whether he would survive a full week. Today he is fully recovered, although he reportedly no longer plays polo. His recovery is a testament to his determination, although Brinker, himself, has said that the 6,000 personal cards he received after the accident also helped with his recovery (Bernstein, 1995).

Finally, no one can achieve what Brinker has achieved without accumulating awards and recognitions along the way. To list them all here would be impossible but a few

that he has received in recent years include:

- Horatio Alger Award
- Leadership Roundtable Leadership Award
- Entrepreneur of the Year from Venture Magazine
- IFMA's Silver Plate Award
- An honorary doctorate from San Diego State University
- Statesman of the Year from Harvard Business School
- Elliot Mentor Award from the Elliot Group at the Elliot Leadership Conference

This is just a short list of honors that he has received. The various honors and awards are in recognition of his lifetime of service to the restaurant industry, his success as a restaurateur, his work as a mentor, his work in community service, and his commitment to education.

Norman Brinker Today

Brinker turned over the leadership of Brinker International in 1995 but remained involved with the company in various capacities until 2000 when he was named "Chairman Emeritus." Brinker International continues to follow the management principles and corporate culture that Brinker established while he was there.

His post-Brinker International life seems to indicate that he is as engaged in various endeavors as ever. Among other things, he has been a major donor to San Diego State University and has been a supporter of the Susan G. Komen Breast Cancer Foundation. He also conducts numerous speaking engagements.

The restaurant landscape has changed dramatically since Norman Brinker first entered it in 1957. In 1957, quick-service was just becoming established (for example, McDonald's was established in 1955). Brinker took a quick-service chain, Jack in the Box, and was instrumental in its growth and success. He has since opened and operated his own independent operation, been executive vice president of a major company overseeing several restaurant brands, been at the forefront of the casual dining segment and established Chili's (and the rest of the Brinker concepts) as some of the leading restaurant concepts today. He has seen many new chains emerge during the last nearly 50 years. In an interview several years ago, he indicated that he understands that the casual dining segment,

indeed, just like the rest of the industry, continues to undergo change, that chains will come and go and that the companies that lead today will not necessarily lead tomorrow (Alva, 1995). His leadership and commitment to the industry though, will continue to shape and influence the way that restaurant companies are run for at least the next generation.

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