Honest to Goodness: Inside Honest Hospitality's growing restaurant empire

By Craig Manning

When Honest Hospitality got its start in 2016, with the opening of a modern-day taco shop called Mama Lu's in downtown Traverse City, Adrienne Brunette says the name of the company was nearly as important to her as all the specifics of the actual restaurant.

"We really wanted to create this hospitality company to make sure that people understood what our values are and why they should work for us," Brunette said of how she and her three business partners – her husband John Larson and their collaborators Heather and Dallas Dziedzic – hit upon the name for their company.

"We knew that this was an industry where a lot of businesses were struggling to find employees, so we wanted to build a hospitality company that really valued its employees," she said.

Just seven years later, Honest Hospitality has grown from one Traverse City restaurant to three – Mama Lu's, The Flying Noodle, and The Burrow – with the possibility for a fourth on the not-so-distant horizon. The company has pulled off that growth in the midst of an immensely trying time for restaurants – one not only plagued by a global pandemic, but also by historic employee churn across all industries and by general inflation rates that have resulted in many Americans eating out less frequently.

How did Honest Hospitality grow so fast, and what can other restaurants – or perhaps just other businesses, regardless of sector – learn from this homegrown success story?

For Brunette, the secret to success is no secret at all, but is rather baked right into the name and values that Honest Hospitality adopted on day one. The goal, she said, was always about creating a place where employees felt supported, respected and nourished in a kind and forthright fashion.

"We worked backwards from that end goal," Brunette said of the process for designing the Honest Hospitality mission and values set.

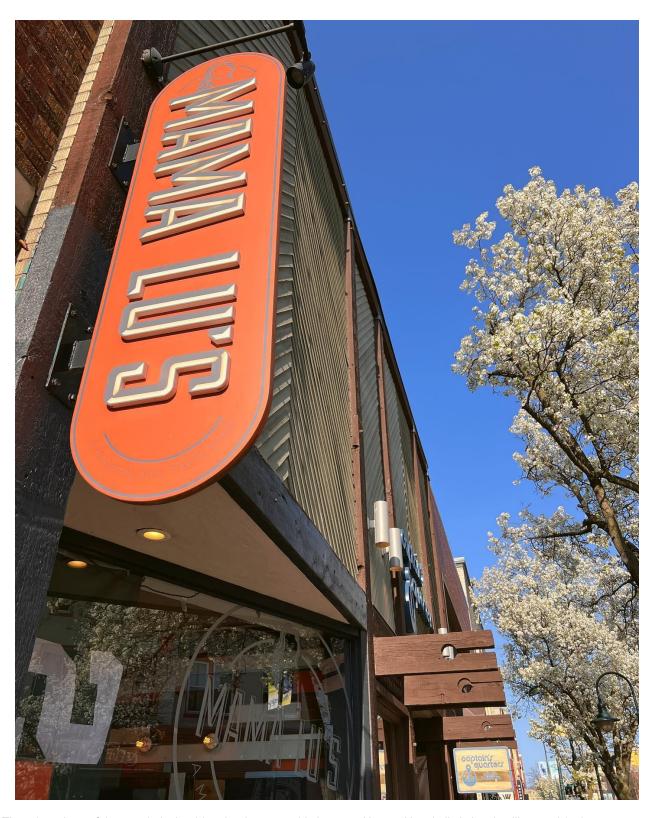
Brunette and her partners had always worked as frontline employees. She started as a busser at the Riverside Inn in Leland when she was 14; John started as a dishwasher at a pizza place in Pennsylvania.

"So we've worked every position, we've worn every hat," she said, adding that that work experience helped them understand what their own values were.

"So, we asked, 'If I were someone on this team, what would I want out of this job?'" she said. "And then we took that idea, of what we think is the perfect place to work, and we worked backwards to make sure that we checked all those boxes."

Right at the center of the Honest Hospitality values system are two tenets that Brunette considers particularly vital. The first is an extremely team-oriented mentality.

"We don't consider them employees," she said of the people who work at the three restaurants. "We don't even use the word 'employee,' or the word 'staff.' We're really a family, and everybody's in it together. We're all on the same team, so the question becomes how can we make it good for everybody involved?"



The other piece of the puzzle is the thing that has arguably become Honest Hospitality's local calling card (at least beyond its food) and the thing that has allowed the business to open a trio of restaurants so quickly. Where many

people think of restaurant work as a summer job or a stopgap way to make money on the way to doing something else, the Honest Hospitality restaurants work on a system of professional development and growth.

There are no dead-end positions, Brunette said. Instead, every worker who is interested in working their way up is given the opportunity to do so.

"We really want people to know that working in hospitality is a profession and not just a job," Brunette said. "Not everybody knows what it takes to be a chef, or what it takes to be a restaurant owner, or a manager, or even a server. Those positions can be career and lifelong. We want to emphasize that."

That approach has created quick advancement pathways for Honest Hospitality team members, which in turn has become a centerpiece for the company in terms of employer branding. In a time when many local restaurants are facing staffing shortages, Brunette said all three Honest Hospitality restaurants are fully staffed.

In its first year, The Burrow – which opened its doors on West Bay Shore Drive in June 2022 – saw an employee retention rate of more than 70%, and that number didn't even include employees who moved over to other Honest Hospitality restaurants. For reference, the average restaurant experiences 51-75% annual turnover, according to data from Toast, a company that makes cloud-based restaurant management software. For most restaurants, turnover has skewed toward the higher end of that range since the start of the pandemic, but not for Honest Hospitality's brands.

"We don't have a ton of new faces this year," Brunette noted. "This time of year, we always get new faces, just with being a seasonal industry. But we really just have a core group of team members at each restaurant."

In a business where team members stick around due in part to the promise of advancement and growth, the model only works if there are higher-level positions for employees to move into. That reasoning explains why and how Honest Hospitality has opened three restaurants since 2016.

"We started with great talent, and then it just snowballed," Brunette said. "I didn't think that we would be opening a third restaurant as soon as we did, but we really needed a place to put these people that want a career in hospitality and that are growing with us."

The first big growth spurt happened at an inopportune time: *TCBN*'s sister publication broke the news in February 2020 that the Honest Hospitality partners, after a year-long search for the right location, would soon be opening their second restaurant, the pasta-centric Flying Noodle. The plan at the time was for the restaurant to open in April of that same year. But March brought COVID lockdowns and delayed those plans. The Flying Noodle didn't end up opening until July 2020, and wasn't able to have a day at full capacity until June 2021.

Despite the pandemic setback, Brunette said Honest Hospitality was able to retain its talent and stay true to the promises it had made its team members. Keeping that promise ultimately meant opening a third restaurant – The Burrow, which specializes in California-inspired American cuisine – in June 2022.

"The pandemic brought a million different facets to the industry, but one of them was that the people that really wanted to be in hospitality hung on for dear life," Brunette explained. "And so we had this core group of really talented

people, and they were ready to do bigger and better things, and I wanted to make sure it was with us. So I said, 'Okay, give me a minute to come up with a plan.'"

That plan was The Burrow.



The "add restaurants to provide advancement opportunities" approach has created some notable success stories among the Honest Hospitality team. One is Austin Burt, who started as a dishwasher at Mama Lu's in 2016 and who

now oversees the bar programs at all three restaurants as Honest Hospitality's beverage director. Another is Lauren Fraser-Lee, who moved to Traverse City in 2018 and took a job at Mama Lu's as a server and bartender; she's now the company's director of catering.

Those types of quick career progressions, Brunette said, aren't something people often expect in the restaurant business, but are a top priority for her and her business partners.

"Again, it's working backwards from a goal," she said. "So when we learn, 'Oh, Austin wants to run bars for a living,' our mentality is 'Let's figure out how we can do that and keep him on our team."

Of course, the big question then becomes this: If keeping members on the team means constantly opening new opportunities for them to grow into, does that mean another Honest Hospitality restaurant could be coming sooner rather than later?

"There's always a next step," Brunette said. "I have an entire folder I call my 'Someday, maybe' box. But being that we're a growth company, it's part of our strategy to give people those new opportunities, and that really only comes from new ventures. It's a little too soon to talk about any specifics yet, but 2024 will be a good year."