**Best Practice Sharing – 4-16-18 – Mystic Lake Hotel**

Jason Zakaras led the exercise. We are going to use a method we learned from the Harman Organization to gather great ideas that have worked for all of you. Everyone numbered off 1-8 and then moved to the section with their number so they could discuss in groups each question after submitting their “DBP” Demonstrated Best Practice. Then a spokesperson from each group told what they had been discussing. This first part is my notes from the discussion and then there is a list of all the BDPs that were posted.

First question is, “What DBP have you done in the past year that benefited you most **financially**?”

Go Large suggesting – add a side and larger drink for $X

Schedule execution- not allowing extra hours to be used.

Overseer and video integration – let Overseer find the issue and use Envysion to see the video for that transaction.

10 for $10 (4L/4T/1W/1B) – addressed weekend high end using POP only. 18% of sales. Was initially worried about trade-down but it wasn’t an issue. People go ahead and add sides and they have an add-on. Really takes advantage of lower cost dark meat.

Buffet removal – if Buffet is doing 15% or less of sales its worthwhile to take it out. Mike pulled a buffet that did 25% of sales when he completed ASAP – sales are up and making more money.

Noah said there is talk about a decoupling incentive, or the possibility to add a buffet when you take out an LJS etc. KFC is talking about buffets as an option now. KFCC has a team working on that, looking at a new buffet model to add when taking out another brand.

Add-ons and suggesting - $1 go large, $2 add-a-side or $2 add a family drink. Get prompts added in Merit to remind cashiers.

Follow-up on Overseer – say something to the store or employee and most of the time the problem will go away or decrease. You can email the ticket to the restaurant and drill down.

Envysion – Jason is doing a test with them and it tracks trends by employee where you can really drill down and see tremendous detail.

Overseer has a feature now that will generate letters for employees that have issues asking them for an explanation and a signature.

Derrick does a boot camp or extra coaching for employees with issues, so they can’t say it was a mistake the next time.

**Communication –**

Pick one item and talk about it endlessly until you get it fixed.

Redbook – iPads usage.

Quarterly commitments from RGMs on various KPIs.

Completing Learning Zone as soon as they can.

Shift huddles – goals and contests

Bonus plans for Hot-Fresh-Available – Team members get bonuses every week for perfect attendance and at least 65 on HFA. $10 if work at least 20 hours and $5 if less.

Pick out top performers in certain areas and have them mentor the ones who struggle. That has helped a lot. Upper Management picked out the top performers and paired them with the outliers. Areas include VOC, Labor, Culture, F&P, etc. Sometimes it’s weekly phone calls and sometimes it’s going to a store for a shift or a day. Set goals. Really good managers understand how what they do helps the company and helping another manager helps them as well.

Re-Certifying chicken mastery every quarter.

Changing shortening polishing time so that day cook does it both times.

Build the culture of “customer is king” and not an inconvenience.

Implemented the iPads so the AC’s can check on completion. New feature allows stores to compete.

Gene says new Velocity fryers use less shortening and have saved them on maintenance. The shortening quality is amazing.

We use the ROCC self-inspections every week so that they are more than ready for their audits.

Train people about ROCC.

**Culture –**

Using Crew/Slack apps – greater communication. Private - Not like Facebook. Personalized to your company or restaurant. If you terminate someone you need to take them off the app as well. Some restaurant teams picked it up very quickly. Others not so much. Really depends on RGM (like everything) No cost for basic Crew app. There is a paid app as well with many more features. Slack is similar – Parapet employees use Slack.

Orientation packet – make sure everyone gets a great orientation. This is what is available from KFC, but you can customize it. Sets the standards day one. Goes into heritage and culture and REACH. Uniform standards. Splits out for cashiers and cooks. Training plan. Card for family to come in and eat.

Expect 100% training certified.

Create competition among your restaurants on different categories by doing rack and stack so they can see where they stand.

Remembering birthdays – getting a cake and card and have all TM sign the card. How do you drive the family/team atmosphere?

Team Member contests- based on OSAT or other factors. Engage the entire team in taking care of customers. Also do suggestive sell contests.

Recognizing the teams and having team building parties – Christmas, etc.

Recognition with pins and awards.

Do a special event like taking RGMs to a stage show or dinner show.

Taking advantage of the REACH program.

Jason talked about taking advantage of the Family Hardship program for funeral expenses for two team members killed in a car accident. We should take advantage of all those programs. That is a huge advantage.

The Foundation now has an app that anyone in the system can use which allows you to do a budget and by hitting a button a financial counselor will call and give advice.

KFCC now has money for ideas to improve. Up to $10,000

Centralized Orientation – works in an urban market. Gets their uniform. They are paid for it but not counted against store labor.

Career day – held at their office. Receive a development plan individualized for them.

Two weeks of support for a new management person.

Culture is all about the people. Chic fil A has the best people. If you want to be best on the block you need those people and to do that you need to be the best place to work. How am I building my culture, my crew, my people to build my business long-term? Everything becomes easier with great people.

The next part of the meeting is about what your largest issues are. What are the 3 biggest problems you are trying to solve.

1. Staffing and recruitment – development and retention – doing bench plans and the Rising Star program. Community outreach for recruitment. Culture makes them stay. Recruiting McD managers is easy because they have to deal with the 24-hour environment. Also, Culver’s Assistants can’t grow any higher, so they are also a good target. Sometimes the problem is the management when you can’t staff or retain team members. Need good interview questions to separate the best applicants. There are standard interview guides on TeamKFC. Everyone should have a standard interview process. When you are using onboarding it automatically categorizes them green, yellow and red. Best RGMs do not have staffing problems. Sometimes the bold move is to change RGMs and that solves the problem. Sometimes your processes are the issue and retention is the problem. Look through the lens of the Team Member and you may see what the problem is in that restaurant. Do they get the training? Do they have the tools?
2. Controlling labor while maintaining speed and VOC
3. Getting remodels done.

We also wanted to show all of you a new way to do brainstorming sessions. We call this the power of the post-it notes. By getting them to write down their ideas first, and then discuss them as a group, you get much more participation from each participant.

Jason said that ideally this would happen in smaller groups once a quarter or twice a year. Don’t be afraid to reach out to your neighbors and sit down and discuss what you’re working on and what’s working for you. We would like this process to take place all around the region with franchisees and ARLs getting together.

Below is a list of all the items that were put on the Post-its during the session as BDPs. Like items have been consolidated.

 **Financials BDPs:**

* Go Large $1.50
* Buffet items low food cost items only on line
* Using a Check Book style budgeting system @ store level
* Parapet / Delaget / Envysion / Merit “3rd Party Loss Prevention” tools
* Training Workshops for ARL/RGM/AUM for Labor management
* Add-ons - $1.00 side / 2.00 Large Side / 2.00 “family drink”
* Have Merit download “Prompts” on register for CSTM to upsell
* 10 pc (8 dark 1 breast 1 wing) for $10.00
* Merit Self-maintenance
* Regular Conference Calls on Margins
* Loss Prevention (LP) tied directly to surveillance system (ie Envysion)
* Heavy Incentive Based Pay @ lower “base pay” rate to drive performance
* LED Lighting
* Drive Catering – promotional elements at store level plus brochures
* Sales Competition at store level

**Ops BDPs:**

* RTI – Restaurant Technologies – Oil Reporting Process
* Communication Boards Posted with Key Performance Metrics
* Monthly Management Meetings – reviewing KPI’s
* Single Sided Deployment
* Future Leadership Group – Next Generation Management Mentoring Groups
* Re-Certification of Chicken Mastery per Quarter
* Polish Oil Cycles at Open and Mid-day vs end of day to allow for 1 person accountable versus 2
* Change mindset of CSTMs and Management on Guest Forward Hospitality
* Food Safety Checklist via CHECK App
* RVCL/ROCC monthly MOCK inspections
* Deployment “Stations” Mindset
* HFA Bonus Weekly for Team Members
* Simplified Side Item Choices – remove BBQ Beans or other less ordered items
* Figure 8 / Top 10 ARL Visit Routine
* Team Nominated Employee of the Month
* Using Turnover as a function of proper staffing – Assume turnover as NEED
* Projections retraining
* Verify proper pack line set up
* Ready4Revenue process set up per location
* Quarterly Stewardship meetings
* Redbook for iPads

**TECH BDPs:**

* Envysion in restaurants with Overseer to get full picture of transactions and keystroke
* Time Tag Printers
* Digital Redbooks
* Cash counters to save time and accuracy on cash counts

**Culture BDPs:**

* Recognition with Food
* Provide incentives that cost little or nothing – ie baked goods / wash their car … etc
* Engage team members family through company events ie company picnic
* TM sales contests
* Anniversary Cards and Cakes for Birthdays
* Career Days POSTED for guests to attend / Centralized Orientation
* New RGM support via RGM mentoring programs
* Team outings
* Team KFC $10K “reward” and other KFC focused activities like GED/Scholarship program and financial hardship programs
* Financial Education programs via KFC
* Suggestive Sell report to find best CSTM for add-ons and drinks
* Instore VOC contest for friendliness goal 80%
* Use KFC products for Orientation (pre made kit)
* VOC Pins for Celebration alerts
* Take Managers out for events… Play as a group to build a family culture.

**Top 3 Biggest Opportunities:**

* Better Culture
* Staffing/Hiring Protocols
* Cultivate Friendliness of Staff
* Counteracting the cost of Min. Wage spikes
* Mediocracy of Management
* Flat Sales
* Aging Facilities
* Cost of Tech. Upgrades
* Turnover increasing due to generational stigmas
* BOH Ops Complexities
* Competition for staff and management
* Execution of “processes”
* Training on the Job needs more focus
* 30-day retention
* Equipment maintenance i.e. fryer checklist = $