Success Story: Mint Julep Restaurants
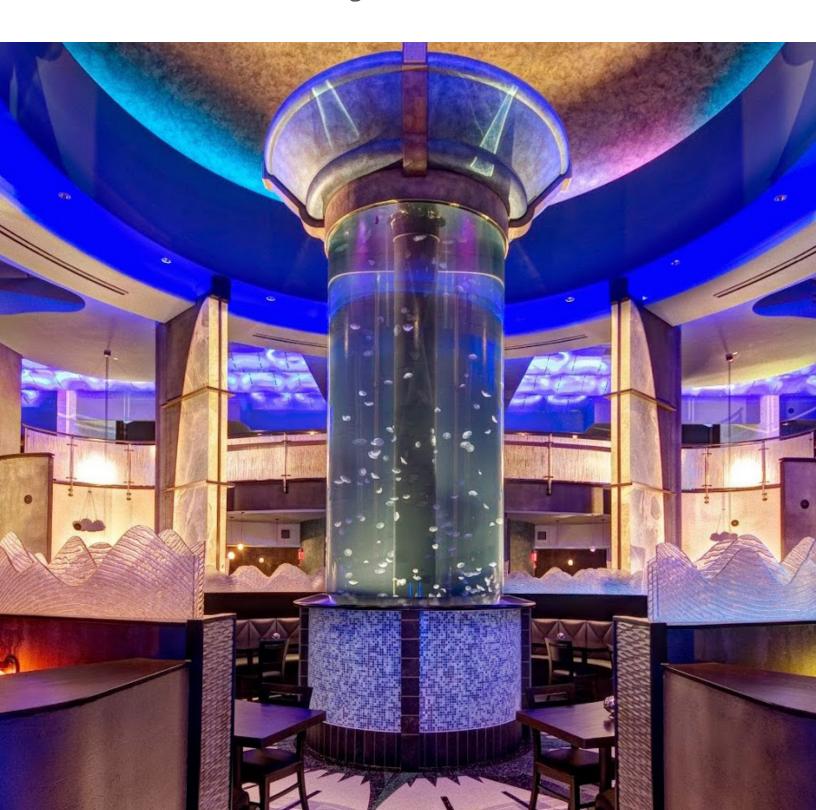
Multi-Unit Casual Dining Chain Gets in Mint Condition, Saving 4.1% on Labor Costs Using HotSchedules

MINT JULEP
restaurants

A homemade meal is delicious, but when someone else prepares it and does the dishes for you, it's even better. This is the idea behind neighborhood restaurants that offer handmade, high quality food at reasonable prices—a place where guests feel valued and respected. While this is a simple concept, it is a powerful one that has caught on and found a market.

Mint Julep Restaurant Management Group certainly agreed with the philosophy. Opening their first franchise in 1996, they now own and operate 25 locations and are focused on delivering a great customer experience at each one.

The Mint Julep team is also focused on sales growth and labor cost control—and in the restaurant industry, who isn't? Nathan Aukerman, Director of Training at Mint Julep, quickly realized that streamlining the labor management processes was essential to their continued success. At the time, the Mint Julep locations were managing these processes manually, using spreadsheets for the schedule and in-store bulletin boards to communicate important announcements. True sales and labor forecasts and historical trending reports were non-existent, and most managers based their scheduling on intuition instead of hard numbers. The results were inconsistent. Experienced managers made better schedules, while new managers were spending a lot of time creating schedules and were doing it with blinders on.

Jim Beaucham, manager of the Lexington Man O'War store explains that "writing the schedule was an extremely tedious process. It was a job within a job. Requests got lost, team members missed important messages, and shift trades were a nightmare. Managers were approving shift trades and not really paying attention to how it would affect the business,

In a Snapshot

Their Story

After years managing schedules from a spreadsheet, Mint Julep Restaurants found labor savings and operational efficiency using HotSchedules' labor management solution.

Challenges

- Schedules created based more on gut than intuition.
- Large inequities between schedules produced by experienced vs. less-experienced managers.
- Many lost requests and missed messages.
- Complicated and ineffective shift-trade process.

Products

- HotSchedules

Results

- 4.1% reduction in labor costs, with sales increase of 15.58% at one location.
- Cut 1,980 labor hours, including 753 hours in overtime.
- At another location, cut 936 total labor hours, including more than 108 hours in overtime.

4.1% in labor savings with better insight into overtime.

15.53% increase in sales at one location.

Slashed 861 hours of overtime in one year across two stores.

including if that employee was going into overtime. The way we did things then was from the Stone Ages."

Powerful Proof

Fortunately, Aukerman had the opportunity to speak with a former employee, who told him about a program she was using at her new job at Bonefish. Aukerman happened to know the GM at the same location, so he gave him a call and learned about HotSchedules—a web-based scheduling, forecasting and communications solution that promised a number of eye-popping benefits.

Having never heard of HotSchedules previously, Aukerman was hesitant to make a business decision based solely on a friend's recommendations. He did some digging to see what else he could find out, and was impressed by the wide array of businesses who were already HotSchedules customers, as well as in the functionality the tools appeared to provide.

"When I began seriously looking at HotSchedules and doing my research, one thing that stood out was the number of big players HotSchedules already has. One concept that really impressed me was Cheesecake Factory. They do a lot of things right and are successful as a result. If they, along with many other successful brands, chose HotSchedules, there has to be a reason." Ultimately, Aukerman decided to pilot HotSchedules in one of his locations.

Change is Good

After a few weeks, it was clear that HotSchedules was a huge success and, along with the full support of the HotSchedules Training team, they rolled out HotSchedules' POS integrated solution across all 24 locations. "Our team, in particular, was really committed to it and dug in early. I've found that's the way to be the most successul. Some of our locations were intimidated by the technology and just the change in general, but now that they've seen our numbers— never mind how much easier it is to write schedules— they just look at the numbers and realize they want that change too."

And change is indeed good for Beaucham. Comparing year-over-year sales and labor costs from August through December, Beaucham's location decreased total labor by more than 936 hours, including more than 108 hours in overtime. In addition to reducing unnecessary overtime, punch adjustments also proved to be a powerful feature. Thanks to the integration

of HotSchedules' and their Squirrel POS system, schedules are automatically pushed into the POS, and managers are able to ensure team members aren't "riding the clock." Repeatedly shaving 10-15 minutes off of several team members' work hours had a tangible cost benefit. "After implementing HotSchedules at Beaucham's location, total labor costs went down by 1.4% and sales went up by 5.9%. You just can't argue with those numbers. The fact that we are able to lower labor costs while still taking great care of guests and building our sales is just amazing!"

Shift Communication Covered

Since the Mint Julep rolled out HotSchedules, communications in general, as well as communications specifically about the schedule and shift trade requests, are much easier to manage. Previously, team members were trying to communicate in a number of disparate ways—a cork board with handwritten notes, phone numbers listed on the schedules, and individual calls or texts to get shifts exchanged.

"HotSchedules enables the team members to send the shift change request to the full range of available replacements, and that's key," says Beaucham. "Before, people would go to their friends one-by-one and then give up if none of them could take the shift. Now, with just a couple of clicks, they can send out one message to a specific category of team members and they have a much broader pool to alert. This means that the chances of someone being able to help them out are much greater."

Because the shift swaps are all in one system, managers are able to see the experience level of the person taking the shift. "Instead of just grabbing any available body, managers can now pick which person is right to go on the floor. This is especially important for house shifts," says Beaucham.

For Aukerman, the HotSchedules Preload is a particularly valuable communications feature. Preload messages are essentially "splash pages" that allow HotSchedules customers to alert their teams of important messages and information before they are allowed to view their schedule in the system. "Communication is vital in this industry, and we have so many people to reach. The HotSchedules Preload gives me an outlet to get the word out, and we know everyone is getting the same message, whether it's about a focus for the week, a pre-shift meeting alert or information about a new contest."

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>
> -Nathan Aukerman,
> Director of Training,
> Mint Julep Operations

A Matter of Time

Time is hard to find in a restaurant. The more time spent on schedules is less on other equally important tasks. Beaucham notes that "Before HotSchedules, managers had to keep track of bits and pieces of information in all sorts of places. Each manager was taking about an hour on each schedule—I mean each one for the servers, the cooks, the hostesses, and on and on. It was a very time-consuming process."

With HotSchedules, managers and team members have more time to focus on the customers. The staff also appreciate how much faster and easier the processes are and how much more effective HotSchedules has made them. "I've found that if you take care of your team, they want to take better care of our guests."

Uncovering Success

HotSchedules has become an integral part of the Mint Julep team's strategy and focus. Especially with the help of reporting tools such as the Labor Proforma.

"HotSchedules took the blindfold off. We were writing schedules based on what we thought we needed instead of what we actually needed. This is what has allowed us to drastically improve our labor percentage. With HotSchedules, we're able to see what we are going to run next week before we even post the schedule. As a result, we've gone from running above budget to running well below budget using just one tool. And I'm speaking of just my one location. All the locations have their own story."

Indeed they do, "One of our locations was really struggling with their labor costs prior to rolling

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> -Jim Beaucham, General Manager,
> Mint Julep Franchise, Lexington Man O'War

out HotSchedules. When I look at them now, again comparing the timeframe between August and December 2010 to August through December 2011, this location decreased total labor by nearly 1980 hours by switching to HotSchedules. Of those hours, they decreased overtime by more than 753 hours."

"This location is really enjoying spectacular results with HotSchedules. Even in this flagging economy, their labor percentage dropped 4.1% and sales went up 15.58%. They've been open eight years and this is the most dramatic change we've ever seen at this location."

Delivering More Control

Because HotSchedules is delivered via the Cloud, the toolset can be accessed from any internet-connected computer, and that too is an important feature to the Mint Julep team. "HotSchedules delivers more control so that people can do what they need to do from anywhere," says Auckerman. "They can use it from their couch, or at Starbucks, or wherever. They don't have to wait to work on schedules at the restaurant, where interruptions are constant and it's a real challenge to focus."

For those who aren't as computer savvy, or don't have access to a computer on a regular basis, HotSchedules' Support team is available 24/7, 360 days a year. Whether a manager or team member needs help with a feature or can't access their schedule for any reason, the Support team is available seven days a week in both English and Spanish.

"We call in for help sometimes—more so in the beginning when we were first setting it up. The HotSchedules Support team is always really helpful. We also provide the toll-free number to anyone on the team who might need it to get their work schedule or for questions."

Beaucham believes the easy access and convenience of the HotSchedules mobile app is crucial. "My team members love the app because they know their schedule is at their fingertips as soon as I post it. It's super convenient for me too. For example, if a team member is late, I just pull out my iPhone, click the name of the person and it calls them immediately. That's cool."

Improving Work Experience

The locations owned and managed by Mint Julep operations have prospered, both fiscally and in terms of manager and team member satisfaction. They believe the addition of HotSchedules has played a big role. As Aukerman notes, "For a long time, none of us knew of any other way. But to knowingly deprive your team of HotSchedules is really doing them an injustice."

Beaucham adds that, "HotSchedules is probably the best tool I've seen, and I've been in the restaurant industry for a while. I can't put a value on it, and can't imagine not using it going forward. I'm thankful for what HotSchedules has helped me do."

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