

Deciphering Emerging Restaurant Technology

Bill Lindsey, Chief Growth Officer
Compeat Restaurant Management Systems

The Nature of Intelligence

“There are known knowns.
These are things we know that we know.

There are known unknowns.
That is to say, there are things that we know we don't know.

But there are also unknown unknowns.
There are things we don't know we don't know.”

- Donald Rumsfeld

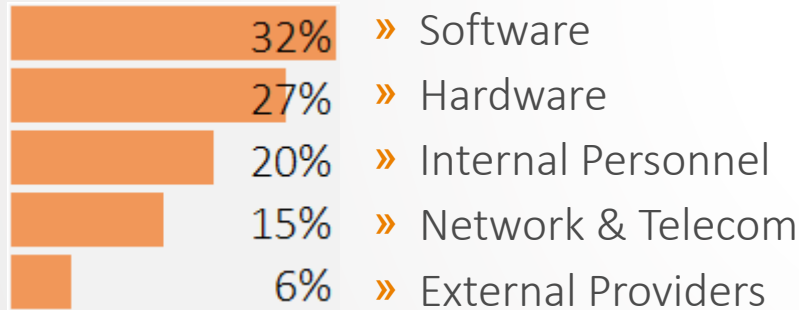
Agenda

- » Statistics & Spends
- » Location, Location, Location
- » Managing Prime Costs
- » Reducing Turnover
- » Recruiting Fundamentals
- » Applicant Tracking & Onboarding
- » Guiding Principles

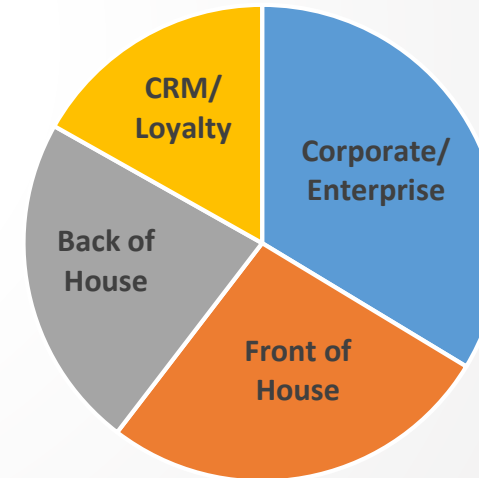
Statistics & Spends

Hospitality Technology Magazine ▪ Restaurant Technology Study 2016

- » Average **2.5%** of revenue on technology
- » 53% of restaurants invest 1.9% or less
- » 47% of restaurants invest 2% - 4%
- » 44% expect to spend 1% - 5% more
- » Budget allocation



- » Software Mix (**projected growth**)
 - » Corporate/Enterprise 34% (**3.4%**)
 - » Front of House/POS 27% (**4.2%**)
 - » Back of House 23% (**4.2%**)
 - » CRM/Loyalty 17% (**5.3%**)



“Location is the new cookie”

- Asif Khan, founder and president of The Location Based Marketing Association

Mobile Presence

- » Manually Prompted
 - » QR Code App
 - » NFC (Near Field Communication)
- » “Check-In”
 - » Open Table
 - » Foursquare
- » Automatic
 - » Geo-Fencing
 - » WiFi
 - » GPS
 - » Beacon (Bluetooth Smart or BLE)
 - » VLC (Visual Light Communication)
- » Sensors: Cava Grill
 - » Cameras, Motion, Light & Sound

Mobile Payment

- » Mobile Wallet & Pay at the Table (Gartner)
 - » Currently 22% of restaurants; expected to be 50% in two years
 - » Expected to be \$721 Billion in 2017
 - » 35% of Restaurant Apps include Ordering
- » PayPal
 - » \$102 Billion in 2016 (+55% over 2015)
 - » Paydiant (QR: Subway)
 - » Venmo P2P \$5.6 Billion in 2016 (+126% over 2015)
- » MyCheck
 - » SDK to integrate with your website
 - » Includes CRM, loyalty, online ordering
- » Starbucks
 - » 27% of all transactions & > 6 Million orders/month
 - » What could go wrong?

Managing Prime Costs

Inventory

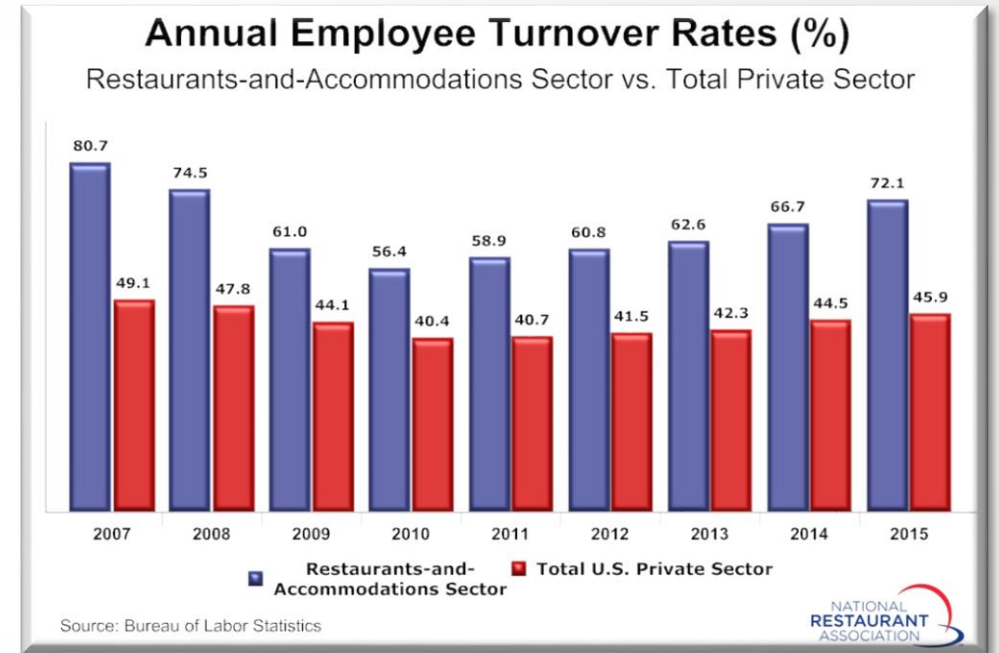
- » Vendor websites (your manpower)
- » Mobile counts
- » Count what you have, not what you need!
- » The case for purchase orders
- » Suggested orders
 - » Par Levels
 - » Usage History
 - » Avoid reordering waste
- » Order guides & pricing
- » Receiving variances
- » By all means – get your credits!

Labor & Scheduling

- » Jurisdictional Rules
 - » Scheduling (proactive)
 - » Time & Attendance (reactive)
- » Wage Calculation
 - » Rule Violations
 - » Rate to Minimum
- » Forecasting
 - » Revenue
 - » Covers
- » Staffing Levels
 - » Templates
 - » Requirements Matrix

Reducing Turnover

- » Turnover rate 72% in 2015 (NRA)
- » Cost estimates range \$2,000 - \$7,000
 - » Cornell CHR: \$5,864 per employee
 - » NRA: \$5,000
- » 500 employees x 72% = 360
- » \$1,800,000 annual cost
- » The best way to reduce turnover is to Hire Smarter!
- » 71% of Best in Class companies use Assessments to optimize hiring and drive performance
 - » 81% of new hires meet performance goals
 - » 85% of employees are highly engaged
 - » 89% new hire first-year retention



Recruiting Fundamentals

- » Applications must be easy to complete (track uncompleted applications)
- » Use tools that screen out unqualified candidates (assessments and structured interviews)
- » You must be Mobile!
 - » 50% of candidates use mobile devices to search for jobs
 - » 52% of candidates use mobile devices to apply for jobs
 - » 90% of people will have a smartphone by 2020
 - » SOURCE: Ericsson Mobility Report, LinkedIn Global Recruiting Trends
- » Younger workers are accustomed to being connected.
 - » According to Capterra, 73% of Millennials find their jobs through social media
 - » 82% of candidates expect to hear back from a prospective employer
 - » 60% of job seekers are less likely to do business with a company they didn't hear back from
- » Applicants are often customers – so treat them like customers.

Applicant Tracking & Onboarding

- » Faster and more efficient process
- » Customized application
- » Schedule interviews
- » Manage offer & acceptance
- » What about rehires?
- » Integrated background checks
 - » Retail or Restaurant?
 - » Management or staff?
 - » Front of House or Back of House?
 - » Bartender or Busser?
- » E-Verify integration
- » I-9 Compliance tracking
- » WOTC credits
- » Certifications
- » Integration & Interfaces
 - » Applicant tracking system (if not the same software provider)
 - » POS
 - » Payroll
 - » Scheduling
 - » Availability
 - » Human Resources
 - » Learning Management
 - » Benefit Administration
- » You should have a single point of data entry
- » The applicant should do most of the work!

Guiding Principles

- » If you're not ready for change you won't.
- » If you continue to do what you do, you'll continue to get what you get.
 - » Maybe that's okay..?
- » First focus on what you need or want.
 - » Then decide what you don't want or won't do to achieve results.
- » You can't change or control what you can't measure.
- » Wherever and whenever possible, avoid automating chaos.



Thank you!

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