

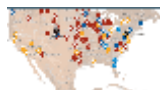
## Situation

- 104+ chain franchise and wholly owned restaurants, brewery restaurants and entertainment venues with different performance levels
- Value Creation Plan: Improve Production, reduce ticket times, reduce wait times, reduce food cost, and improve the customer experience



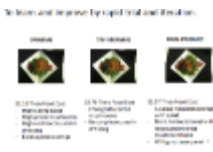
## NLP Task

- Increase EBITA through Lean Transformation
- Build internal capability to rapidly deploy Lean to all restaurants – hub and spoke approach
- Ability to grow faster with minimal capital investment



## Results (1<sup>st</sup> 12 Months)

- NLP Investment \$416K
- \$5.2M Annualized Labor Improvements
- \$1.4M Annualized Inventory Improvements
- \$570k Annualized Food Cost Improvements



LEAN Dashboard - Initial

Month	Launch	Month 2	Month 3	Month 4	Month 5	Month 6
Month 1	Launch					
Month 2		Kaizen				
Month 3			Kaizen			
Month 4				LCM		
Month 5					Kaizen	
Month 6						Kaizen



## Approach

- 6 site pilot followed by 9 regional site launch deployment plan
- By site: 1 week needs assessment visit & rollout plan development
  - Educate site Leadership
  - Align to stretch goals
  - Quantified, prioritized roadmap-tracker
  - Develop capability building plan
- Create a Kaizen cadence with governance to track execution and results (1 NLP Practitioner 1-2 weeks/month)
- Daily Management Process (Metrics, Review Cadence, and Problem Solving Structure) to drive sustainability and day to day performance improvement
- Develop hub & spoke Bootcamp Rollout Plan to Execute Value Creation Plan by Executive Team



**NEXT LEVEL**  
Partners®, LLC.

# ***Lean Transformation Case Study***

\$500M Restaurant Company Lean Transformation

# Situation

- Background
  - Private equity client with \$500M in Revenue
  - The nation's leading operator and franchisor of brewery and craft beer-focused casual dining restaurants. They operate a combined total of over 200 restaurants, brewery restaurants and entertainment venues
- Primary Deal Thesis
  - EBITA Opportunity Through Lean Transformation and Supply Chain Improvements

*104+ sites in US*



# NLP Task

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## Kitchen Execution Standard Work



Demand Based Playbooks for Kitchen Execution

Kitchen Deployment Playbook	
1-12 Entrées every 15 Minutes	2 Team Member Playbook (Pg. 8)
13-19 Entrées every 15 Minutes	3 Team Member Playbook (Pg. 9)
20-24 Entrées every 15 Minutes	4 Team Member Playbook (Pg. 10)
25-34 Entrées every 15 Minutes	5 Team Member Playbook (Pg. 11)
35-39 Entrées every 15 Minutes	6 Team Member Playbook (Pg. 12)
40-47 Entrées every 15 Minutes	7 Team Member Playbook (Pg. 13)
48+ Entrées every 15 Minutes	8 Team Member Playbook (Pg. 14)

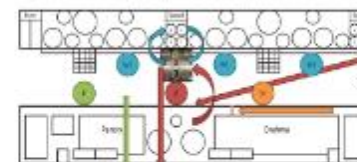
Playbook development for all levels of demand



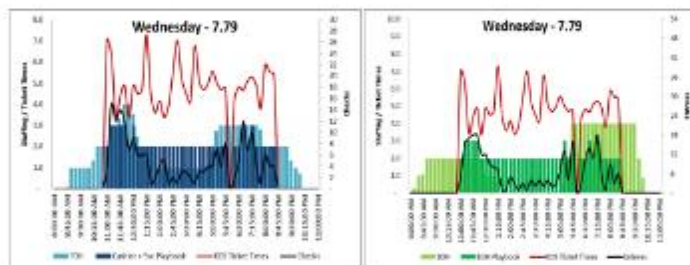
## Kitchen Execution Standard Work Example



6 Team Member Deployment, 25-30 Entrées in 15 minutes



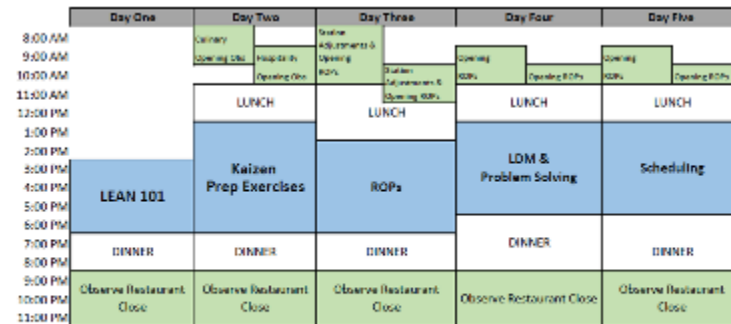
## Labor and Ticket Time Management



Dark bars = Schedule to demand  
 Light Bars = Actual labor  
 Black line = Actual 15 minute demand profile  
 Red line = Average 15 minute ticket times

# Approach: Site Deployment

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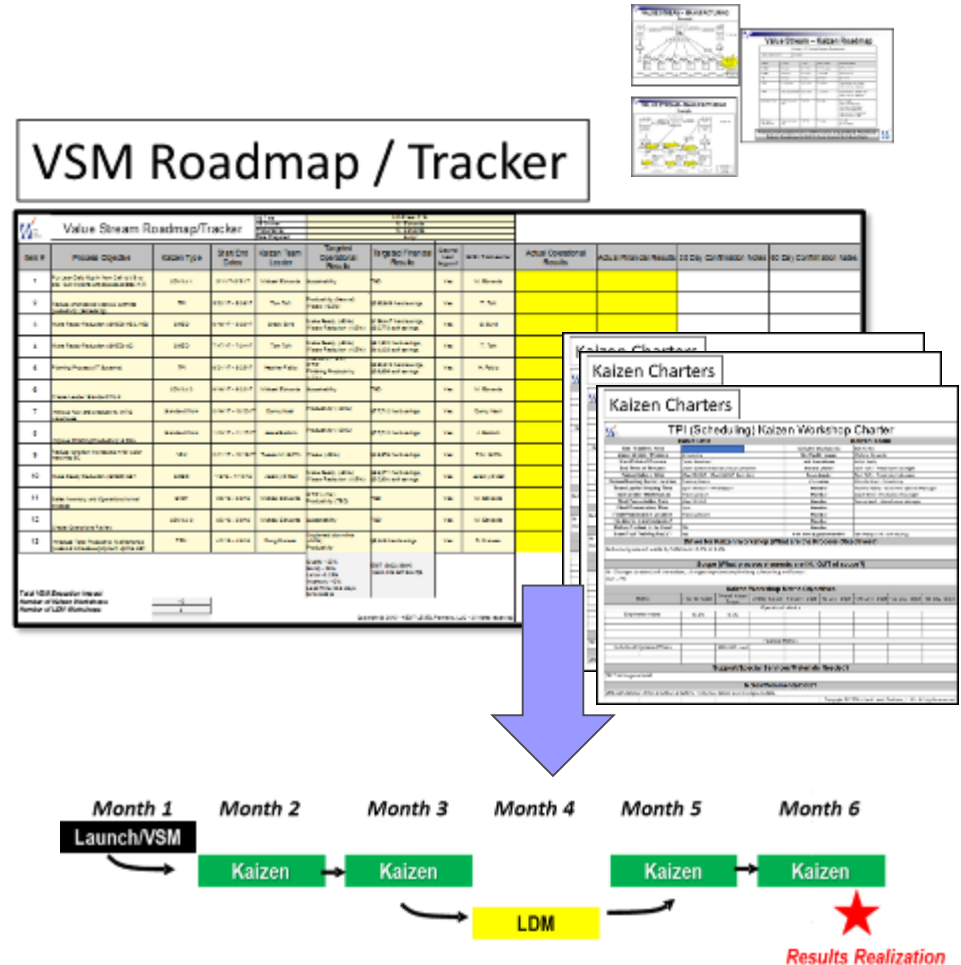


Stakeholder	Name	Role/Responsibility	Major Interests
Business Lead	<<Name>>	Business Lead / Identifying all requirements are defined and process changes meet expectations. Holding restaurant partners accountable to the successful implementation of LEAN within their respective markets. Responsible for the overall success of the LEAN project implementation.	Working with PM on scope, schedule and costs – approving all changes. Manages the implementation and sustaining of the LEAN program. Mentoring Facilitators on LEAN implementation from pre-work through post audits and final certifications. Advisor when "Get Well" plan is needed.
Training Lead	<<Name>>	Operations Lead/ Assuring support materials are provided for project success.	Scalable processes, schedule, Change Management process.
Training Support	<<Name>>	Training Leads/ Assuring support materials are provided for project success	Scalable processes, Facilitator support.
Culinary Lead	<<Name>>	Operations Lead / Culinary management to ensure project success	Culinary SME.
LEAN SME	<<Name>>	LEAN Subject Matter Expert/ Part of LEAN Implementation Leadership Team	LEAN SME expert, supporting the management of continuous change. LEAN rollout facilitator/support. Mentoring Facilitators on LEAN implementation from pre-work through post audits and final certifications. Advisor when "Get Well" plan is needed.
LEAN Culinary SME	<<Name>>	Culinary Subject Matter Expert/Part of LEAN Implementation Leadership Team	LEAN SME expert, LEAN rollout Cul. Facilitator/support for rollout, Mentoring of MCs/MPs on pre-audit standards and Culinary Fac. role. Advisor when "Get Well" plan is needed.
Finance	<<Name>>	Financial reporting to evaluate project success	Measurable program deliverables and objectives.
Facilities	<<Name>>	Facilities Lead for any restaurant R&M that is identified	R&M identified during the LEAN audit that occurs pre-Kaizen.



# Approach: Sample Savings Tracker

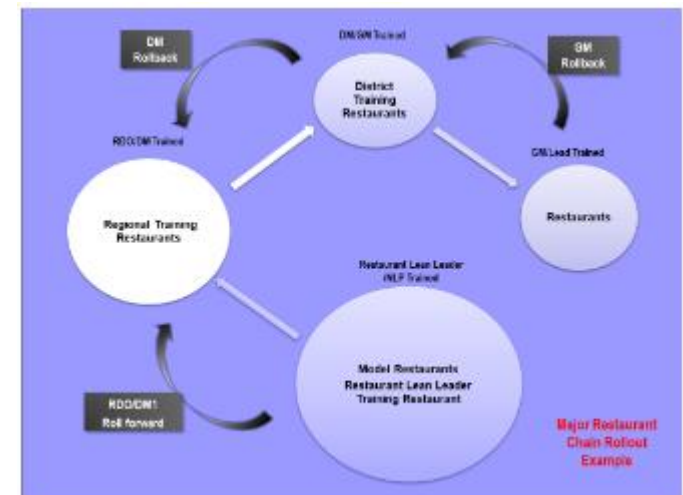
- Roadmap Tracker Files Created for Each Site – Looking Out 8-12 Months
- Quantified Estimates of Savings
- Charters – Leader, Team, Targets, Scope
- Kaizen Cadence Drives Execution



# Approach: Governance / Execution Management

- Executive Boot Camps for Rollout
- Steering Committee – Monthly Review
  - Execution to Plan, Results, Capability Building
- Kaizen Workshop Leadership Support
  - 5-10 Minute Daily Status Call
  - Weekly Report Out – Shared Best Practices and Results – Encourage Teams
- Board / PE Lead Updates – Management Engagement, Progress
- Areas improved:
  - VSM, Prep, BOH, FOH, Warehouse, Bar, Layout, Theo Food Cost, Ingredients Strategy, HR, Marketing, LDM

## Lean Ops Hub and Spoke Rollout Cascade



# Results (First 12 Months)

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- Reduced Ticket Times from an average of 9.5 minutes to 5.5 - a 42% reduction
- 15% productivity improvement through better alignment to demand and clearer prep, execution, and open/close expectations
- Kitchen staff less reliant on “talent” and more on process, making training, retention, and management simpler and easier
- 25% reduction in “remakes” due to one ticket flow, sequencing of entrees, and less “waiting” time in the window
- Frees up Management staff to coach their team, touch tables, and work on the business and not in it



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\$1.4M Annualized Inventory Improvements  
\$570k Annualized Food Cost Improvements



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Presented By:

