FasterLines

2023

Watching the line helps move the line: Results and Findings

FasterLines is all about time! There is truly nothing more valuable than the gift of time. Giving customers back time by not waiting in line as long is our mission and passion.

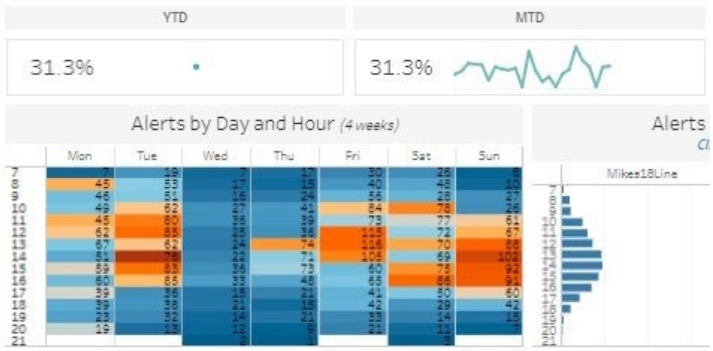
At FasterLines, we track lines of cars and people, identifying each time there is a delay in a client's line of service. FasterLines constant analysis of lines of service and customer delays, identifies and alerts when they are not moving to your time standards, allowing you to find:

Scheduling Mismatches - Training Opportunities - Process Improvements

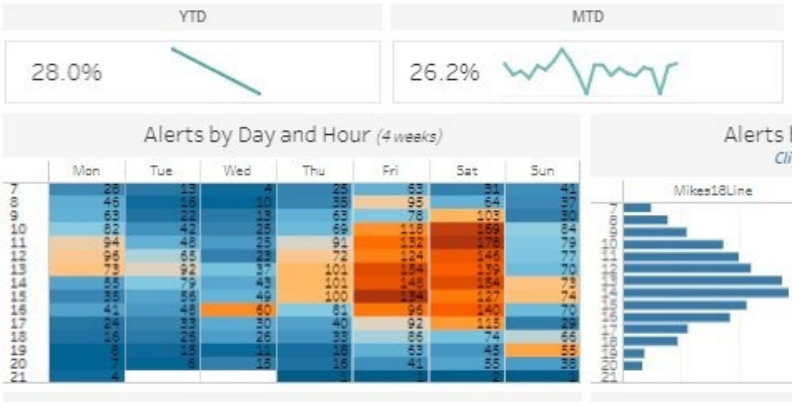
Watching the line moves the line: even before you implement changes to scheduling, training, and process, improvement is possible. Just letting your team know they are being measured, and sharing the data, moves the line faster.

This white paper will show examples of our client's experience, discuss unintended consequences of management measurements, and then dig into the Return On Investment (ROI) of our solution.

Looking at one of our clients in Ohio, we measured their customer que prior to service. They expected that they would have some alerts, but nowhere near 30% of volume. This client had a goal time of 30 seconds and we alerted when a customer had not moved in the line for 40 seconds. ***Over 30% of customers were taking longer than 40 seconds.***



This data was collected during our Status Quo period measuring service levels before we start informing the local team of the data we are collecting. We then started to inform the local team when there was a cluster of alerts (more than 3 in 20 minutes) plus sending mid-day and end of day reports to stakeholders. The results were quick, a 5% drop in service delays in less than 4 weeks. The manager motivated the team throughout the day as the alerts came in (helping with focus and performance) before any scheduling or process adjustments were made. Later they identified a clear issue when an employee was at the same task for a certain amount of time, their productivity dropped. They started sending team members on breaks earlier and shifting them to a different job function after the break. ***This made a huge impact, driving alerts below 20% per customers served.***



Our next example is from our oldest client, in the Carolinas, where we started measuring cars in que prior to service over 14 years ago. We now help them manage the line at more than 85 locations.

Looking at the numbers, for one of their locations …

You can see from the data measured that they had 43.4% alerts on customers served for the week and 38.7% alerts on volume for the month. This is a typical starting point for our clients. They realized quickly that they were not hitting their time standards. This location had a 48 second service time goal and we alerted at 63 seconds. That means every 4th alert could have been another customer served.

5 months later, the manager is aware that the line is being measured, has focused on this area of their business, and made a big impact reducing delays. *Alerts per cars served was cut by over 40%... Imagine that extra revenue!* *(You don't have to imagine; we calculate the ROI on page 6)*

This was accomplished by identifying high alert hours and adjusting scheduling to insure the right team members are in the right space.

For another client, a national burger chain, we measured the line in 3 places: before the window, before the order speaker, and at the pull forward area. When we started measuring order alerts where about 10% of customers served, window alerts started above 30%, and pull forwards below 10%. Overall more than 50% of the time they didn't meet their time standards. This was the Status Quo data collection, where we measured but did not share the data with the local team. A little over a month later, you can actually see where we started to share the data with the team. The manager is aware of the alerts and again the improvements are almost immediate! ***A drop in over 10% in week over week numbers of customers not being served on time!*** **The order line and pull forwards both dip, so over all the line is moving faster! Almost a year later they have cut the window delays almost in half but they are still dealing with peak time order issues and as they get busier they are pulling more customers forward. This is not necessarily bad behavior, but must be watched to insure we are not driving an unintended consequence. In all, line speed is way up, alerts are down, and customers are being served closer to company time standards.** ***Less delays = faster lines = more revenue!***

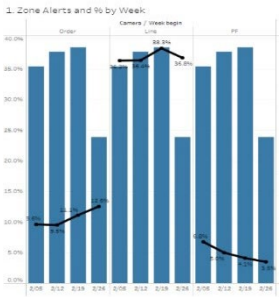
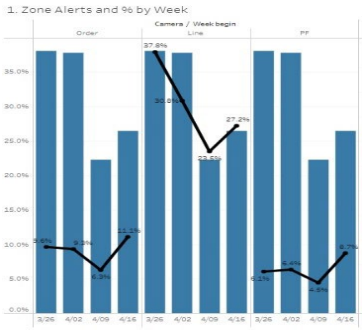
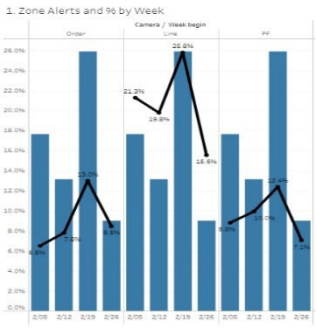


Figure 3 Footnote





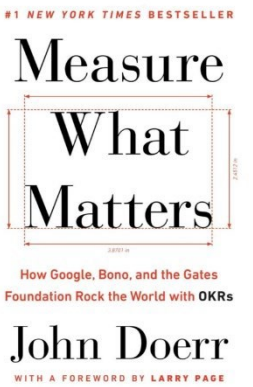
Unintended consequences of measurements; be careful what and how you motivate.

From our last example of measurement, unintended consequences need to be considered as we manage through new measurements. There is always a draw to "game the system" and try to win by manipulating a measurement vs just improving service times. Almost all of us have been at the drive thru and asked to pull forward to a designated spot until are food is ready. If you are in a van full of people ordering a dozen burgers, that makes perfect sense, and probably a good example of using a relief valve. But if you are just waiting for one order of chicken tenders, there is a good chance the team is trying to game the timer.

Our Chief Data Officer experienced this firsthand at his first job at a famous So Cal burger brand. This operator measured the line with a magnetic loop, and the entire team was aware that if they went over the time, how far over wasn't measured. Once a customer was "in the red" they would let that customer sit and use the time to prepare for the next several customers, making the next 5 to 6 cars look artificially good. We combat this issue by measuring a broader area, capturing all cars, and having a true time standard of stopped in line, vs a nebulous total time of service. Our delay metric is easier to understand and communicate with the entire team.

We also identified a different issue with one of our largest clients. For years they have given a bonus to their site managers for meeting their man hour goals. Our solution identified a HUGE jump in delays the last week of each month as the location went to "skeleton crew" to make sure the manager met bonus requirements. Alerts went up, revenue and customer satisfaction went down, but the manager ALWAYS got their bonus. Our solution became a balancing data point to this schedule manipulation and helped move the line every week, helping drive up revenue, productivity, and correct staffing. This resulted in managers meeting their bonus goals WHILE serving customers better. More revenue, better customer satisfaction, and bonuses for good activity/leadership.

Our last point: there is not a better Objective to be measured by Key Results than moving the line! How do you keep your teams on track while encouraging employees to be fully engaged, even in times of stress and challenge? The Objectives and Key Results system, pioneered at Intel and perfected at Google, gives a team timely and highly relevant data to track their progress. We see in the book by John Doerr, communicating focused objectives to your team helps drive performance and success. I highly recommend the read. https://youexec.com/book-summaries/measure-what-matters-by-johndoerr



So what is the outcome of our Objective of moving the line that is measured by the key result of lower alerts? Let's study the revenue gained using FasterLines.

From our first example in Ohio, with a goal of 30 seconds per customer served, the maximum throughput is 120 cars per hour. At 32% alerts on volume at 40 seconds, your

maximum drops to 108, you just can't get to those last 12 cars. Over a year of these lost opportunities 3 hours a day, this location is missing out on over $160,000 in revenue (@ their $16 avg). By reducing the number of alerts to 23%, we are able to win back 5 more of those customers during their busy hours, reducing the loss to just over $60,000 and *winning back over $100,000 in revenue at this location per year!*

This is a very similar story with our last case, our national burger chain client. The adjustment is with the average ticket from $16 to $9 and the numbers go to a $97k loss and an over $40k per year win back per location!

Our largest client with a goal of 48 seconds per customer served, the maximum is 75 cars per hour. At 38% alerts at 63 seconds, maximum drops to 65, you miss 10 cars on daily golden hours. Over a year of these lost opportunities, this location is missing out on over $108,000 in revenue. By reducing the number of alerts to 24%, we are able to get back 3 more of those customers during their busy hours, reducing the loss of revenue to just over $75,000; an increase of $30,000 in revenue at this location per year! And now that customer is pushing their service time goals down to 40 seconds, and alert times to 48 seconds to drive even more revenue growth!

The one thing our clients tell us that we can't measure, but where we are making a positive impact, is on customer satisfaction. How often customers are coming back sooner because they were impressed with our clients new speed of service? Building brand trust and perception of convenience are additional inherent benefit of measuring the line and MOVING the LINE!

We hope we have given you a new perspective on a new measurement. Even more we hope you will take the time to do a 10-minute ROI assessment with our team, using your numbers, and let us help you MOVE the LINE! We look forward to helping you soon!

FasterLines