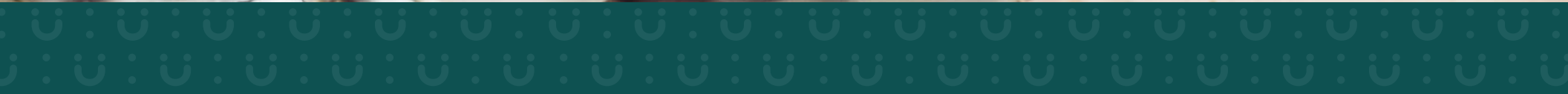# UKG

UKG for Food Service

Solving complex restaurant management challenges

Do you have a technology strategy?

The food service industry is on the verge of a wave of digital disruption, particularly as it relates to its workforce. Traditionally, restaurants have found themselves in a cycle where they look to technology to quickly solve an urgent need in a very siloed area of the business, find a technology vendor that can solve the problem at hand, and then move on without developing a long-term holistic strategy that considers how this new technology could — or should — be integrated with their other solutions.

This has led to a patchwork technology ecosystem where data is kept in silos — and deriving insights from that data is nearly impossible. A disparate technology ecosystem can lead to a number of issues, including:

- Multiple systems

- Redundant systems

- Too many places to access data

- An inability to share data

- Data that contradicts or is inconsistent with other data

- Multiple logins for employees and managers

- Increasing compliance risk due to poor record keeping

- Low user adoption

- High rate of applicant abandonment

- High turnover

All your trusted data in one place

What's one of the biggest challenges of this piecemeal approach? It can lead to reactive decision making that isn't necessarily based on the big picture. At best, long-term strategic decision making using this approach is difficult; at worst, it's impossible. But when all your data is brought together into one core solution, operators gain much-needed visibility into information that can improve efficiency, control labor costs, reduce turnover, increase employee satisfaction, and proactively manage your restaurant.

Build a foundation for the future

There are lots of valuable reasons for developing a long-term technology strategy, but probably the most important one is that it can set your organization up for long-term success. With the right unified solution, you can easily layer in other technologies you want to invest in to run your business — like learning tools, communication tools, guest satisfaction surveys, BOH, POS, etc. — and have them seamlessly integrate with your unified solution. This way, you'll experience zero technology disruption and find yourself in a strong, future-forward position.

A closer look at industry challenges — and how to solve them

The restaurant industry is getting more complex and advanced every day — and COVID-19 has added a new layer of complexity to the equation. Operators are faced with two key challenges that are seemingly at odds with one another. They must attract and retain the best employees they can find while also protecting their thin margins and optimizing their businesses. Couple that with the ever-changing regulations we're seeing and operators must become adept at mitigating compliance risk.

Operators are beginning to understand the need to become more strategic and proactive in managing their restaurants — and the important roles that data and technology play.

Attracting and retaining employees

CHALLENGE:

Prior to the pandemic, restaurant jobs were growing at twice the rate of the total economy, but employee turnover was at an all-time high and employee engagement was low. Now, in a world that has to manage the uncertainty that goes hand-in-hand with COVID-19, there are new challenges: paying well enough to have your employees come back to work and keeping them on staff despite limited work. These challenges can lead to unexpected labor costs, poor efficiency, and customer satisfaction challenges. With razor-thin profit margins in play, restaurants need to put their best foot forward and become an employer of choice.

SOLUTION:

You want candidates to have an easy way to apply for a job, accept a job, and be onboarded with efficiency — taking a lot of the paperwork off the operator's plate. And of course, you're looking for scheduling tools that can ensure you have the right people in the right place at the right time — making it easy for managers to hire and fill shifts.

All scheduling will ultimately have to be coordinated with the needs of your hourly employees, who are looking for greater work-life balance and the ability to plan activities outside work. You'll also have to make sure that all your hiring and scheduling complies with rapidly evolving Fair Workweek Initiative rules. Last but not least, you'll want the flexibility to source tools for communication, training, and same-day pay options that seamlessly integrate with your core solution as additional ways to attract and retain your people.

UKG for Food Service delivers tools and technology that allow you to easily hire and onboard new team members, empower them to have control over their schedules, and enable you to create schedules optimized for restaurant demand and based on preferred times for employees. This kind of win-win situation makes employees happy — and happy, engaged employees are great for business because they lead to happy customers. In addition, the solution's employee-focused tools can help increase engagement and reduce turnover by providing:

Flexibility: Swap, drop, and pick up extra shifts, request time off, and view schedules with ease

Predictability: A predictable schedule lets employees manage their life around their work — and keeps your business in Fair Workweek Initiative compliance

Clarity: Employees can see what their assignment is and what's expected of them

Consumer-grade technology: Employees want the quality of technology that's available to them in their personal lives — easy to use, manage, and train on in a mobile app format

Perspective: Employees can access scores that measure their performance, productivity, engagement, and other metrics as a way to gain insight into areas in which they excel and those that may need improvement

Expansibility: Leverage niche tech partners to streamline communications, training, and same-day pay options to further engage and retain your employees

Instead of calling the office, they can log in. If they need to change their address or W4 withholding, they can update that. They have their schedule. They can swap shifts. They do it all on their phones. We didn't have that before. Now it's accessible to them anywhere they need it.[1]

Hoa Luong
COO, Boba Tea Company

[1] UKG Industry Insights Blog, *3 Lessons Learned from Boba Tea Company* (October 8, 2019), found at ukg.com/blogs/industry-insights/3-lessons-learned-boba-tea-company.

Labor costs in the food and beverage industry account for **22% to 40% of total sales**.[2]

Optimizing business operations

The growth of technology, sales channels like third-party delivery, and regulation changes in the food service industry have pushed systems and processes beyond their limits — which means that operators lack the visibility and accountability that is needed across all aspects of the restaurant. At the end of the day, operators must be able to understand the data and analytics behind their workforce to make the best decisions.

Now more than ever, HR and workforce management are being brought together because forecasting labor is as important as forecasting food cost/inventory. You can't optimize your operations if you can't effectively attract and hire the right people and onboard them. And once those people are onboarded, you must effectively manage your employees while also engaging them. Many operators still see labor as a fixed cost, but this is no longer the case. In fact, if labor isn't managed as a variable cost with a human touch, your establishment is sure to suffer. By rethinking labor scheduling based on effective, real-time labor data, you can drive better-targeted labor hours to maximize sales and the customer experience, as well as increase employee engagement and retain your people longer. Labor is no longer just a number — it's a cost that must be handled with care.

[2] Randolf Saint-Leger, *Labor Costs as a Percentage of Revenue in Food & Beverage*, Chron, found at smallbusiness.chron.com/labor-costs-percentage-revenue-food-beverage-24800.html.

You need a unified solution to easily hire employees and onboard them. And you need real-time access to data, reporting, and dashboards that make it easy to find insights into your largest controllable expense — your workforce. This level of data visibility can provide key information about performance, engagement, food sales, sales per labor hour, sales by day part, and required labor — and also help ensure compliance.

UKG for Food Service can help you gain real-time visibility into your workforce for all regions and locations. By automating manual processes for hiring, onboarding, scheduling, and timekeeping, you can increase efficiencies, eliminate redundancies, and improve productivity throughout your organization. You'll be able to better understand the data and analytics to gain control of costs and turnover. The solution provides:

Employee and manager self-service tools that make it easy for employees to apply and onboard and, once hired, access their pay and benefits and control their schedules. This not only empowers employees to work when they prefer — it drives down absenteeism and eliminates the constant battle operators have of rearranging schedules to handle last-minute call-outs.

Time and attendance tools that offer visibility into employee info such as accrued pay, hours worked, time off, absences, and more.

Advanced scheduling and forecasting tools that eliminate manual processes of bringing sales data from the POS system and labor together and allow you to create predictable schedules optimized for demand. By leveraging machine learning, artificial intelligence, and unlimited key performance indicators, forecasts and schedules are more accurate.

Performance tools that enable you to see in real time how your employees are performing, including whether they're fatigued and more.

Analytics and reporting tools that provide actionable insight into performance by location to manage opportunities for cost savings and productivity gains.

Mitigating compliance risk

CHALLENGE:

There's no way around it. Restaurants are under increased scrutiny for labor law violations — from wage rates and overtime payments to meal and rest breaks and Fair Workweek Initiative legislation. Operators already manage daily P&L in a fast-paced environment. Keeping up with compliance on top of that can be very challenging, especially with a disparate technology ecosystem in place. When different technology systems maintain different compliance-related data points, it can be difficult to spot compliance risks before they become realities. This can also make it challenging to enforce compliance-related policies consistently and fairly across the entire organization.

Restaurants that don't comply with scheduling labor laws **face major penalties**.[3]

[3] Jordan Boesch, *7 Tips to Avoid Millions in Predictive Scheduling Compliance Fees*, Outside Nights (September 2019), found at qsrmagazine.com/outside-insights/7-tips-avoid-millions-predictive-scheduling-compliance-fees.

SOLUTION:

With compliance-related legal cases on the rise, you need user-friendly workforce tools to help ensure you're protecting your employees and your business. The best defense against lawsuits is a combination of data visibility and automation. In fact, the more tasks you can automate — removing human error from the equation — the more compliance risks you can naturally mitigate.

UKG for Food Service helps you create schedules that adhere to all labor laws, track regular time and overtime in real time, show that employees have attested to taking meal and rest breaks, and ensure accurate pay. The solution provides:

Automated compliance tools to proactively manage federal, state, and local labor laws, including Fair Workweek Initiative legislation, the Fair Labor Standards Act, the Affordable Care Act, joint employer standards, and more

Access to real-time, accurate employee data that helps you take a proactive approach to compliance with wage and hour laws, minimum wage, tipping rules, and more

The ability to import hours and earnings information from your POS system

Real-time alerts that are easy to manage and understand so you can make any needed adjustments on the fly to avoid violations and penalties

UKG is amazing. We have never been able to do this. Imagine you are a manager and you are making a schedule based on financials. You have a four-hour slot. If one person comes in and then that person needs a break, when do I bring the second person on? What about the third? How many people do I have on the floor at one time? You get confused. Now, the manager has full access to the data. We made it simpler — that's how many people you should have on each shift based on projected sales. It's super easy.

Hoa Luong
COO, Boba Tea Company

Delivering a comprehensive solution for operators

As a restaurant operator, you're passionate about what you do and the people who help you do it. You know better than anyone that your people are your greatest asset — and you always try to do your best by them. Your goal is to increase productivity and efficiency in your restaurant while ensuring a better employee experience and more consistent customer experience. One way to do this is to coordinate with your HR and IT departments to ensure a unified workforce solution is adopted throughout the entire organization.

UKG™ (Ultimate Kronos Group) technology consolidates your key workforce management functionalities — such as applicant tracking, onboarding, HR, employee performance, benefits, payroll, timekeeping and scheduling — while also allowing you to develop your own technology strategy and integrate point solutions key to your business.

UKG for Food Service is an easy-to-use, unified solution that delivers these benefits:

Unified technology/Platform as a Service

A unified platform streamlines hiring and onboarding processes, enabling operators to easily attract, hire, onboard, and retain new employees. It provides accurate visibility into real-time performance and labor data. And it helps ensure employee engagement and customer satisfaction by providing employees with access to everything they need — including scheduling and communications, training, and same-day pay options, if integrated — with a single login.

Increased employee engagement and productivity

UKG for Food Service can help you simplify your hiring and onboarding processes to attract and retain an engaged, productive, and happy staff — which puts your restaurant in a better position to compete. It also makes it easier for operators to define and track individual employee goals, find areas for cross training, and promote from within.

Better-controlled labor costs

UKG for Food Service can help you better understand the human aspect of your workforce as well as the data and analytics behind schedule effectiveness, employee performance, and forecasted traffic and sales.

Mitigated compliance risk

UKG for Food Service provides effective workforce management strategies that enable operators to be proactive. These strategies are backed by real-time alerts, automated processes, and data analytics that can help minimize the risk of costly penalties, lawsuits, and grievances due to noncompliance.

Put UKG for Food Service solutions to work for you:
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About UKG

At UKG (Ultimate Kronos Group), our purpose is people™. Built from a merger that created one of the largest cloud companies in the world, UKG believes organizations succeed when they focus on their people. As a leading global provider of HCM, payroll, HR service delivery, and workforce management solutions, UKG's award-winning Pro, Dimensions, and Ready solutions help tens of thousands of organizations across geographies and in every industry drive better business outcomes, improve HR effectiveness, streamline the payroll process, and help make work a better, more connected experience for everyone. UKG has more than 12,000 employees around the globe and is known for its inclusive workplace culture. The company has earned numerous awards for its culture, products, and services, including consecutive years on Fortune's *100 Best Companies to Work For* list. To learn more, visit **ukg.com**.

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