



McDonald's Canada Case Study How Panasonic's Clearview back office software helps McDonald's improve efficiency

⊕ CHALLENGE

As owner/operators of McDonald's franchises took on more stores, there was a need to compile data from several locations without travel. To manage these, data owners were looking for user friendly solutions to help them make better-informed decisions in labor and food management, and to save costs and boost efficiency.

⊗ SOLUTION

McDonald's first enlisted Clearview's web-based Human Resources Information System that provided the opportunity to manage labor costs across all restaurants from a single cloud-based program. In addition, when the inventory program was made available to McDonald's in 2015, owners were given the opportunity to manage their food costs across all locations more closely.

✓ RESULT

For franchisee Bill Chao the result was an immediate increase in the ability to manage labor and employee information through Clearview's web-based Human Resources Information System and a reduction in the time it takes owners to analyze business information. The introduction of the inventory management program gave McDonald's the ability to better manage the chain's two largest operating costs – labor and food – and provided an average savings of 2 percent in operating costs over the first year at any given location.

Panasonic



Looking Ahead

Back in 2009, McDonald's Canada franchisee Bill Chao saw a promising opportunity, and a problem. McDonald's Canada, under new leadership, wanted to incentivize successful franchise owners to open more restaurants.

The target: owner operators like Mr. Chao, who had a handful of restaurants and wanted to expand.

Looking forward to the possibility for expansion, Mr. Chao was concerned about their outdated information management system. Back office operations relied on old software and that made management of multiple restaurants tricky. The back offices of his restaurants, similar to other franchisees in Canada, ran on a DOS-based software that held data on individual restaurants on independent systems, which could not be accessed without traveling to each location. There were workarounds, but nothing comprehensive.

Because data was stored on individual computers, the owners were also running up against memory limitations. Mr. Chao recalls huge binders of paper

reports that had to be printed at month's end. "There was a lot of paper cost and storage issues."

And lack of connectivity made things like forecasting difficult. Mr. Chao saw consumers in the future seeking mobile ordering, and knew the DOS system would fail to handle those changes without significant cost.

Meanwhile, around the same time Mr. Chao grappled with software challenges and considered promising restaurant expansion opportunities, Danny Shulman joined the technology team at McDonalds Canada. Mr. Shulman, who now serves as Manager of Application Development at McDonald's in Canada, quickly saw the challenge: "With those types of activities, having a back office application that provides data from anywhere at any time is obviously useful," he said.

Mr. Shulman would go on to collaborate with franchisees as they modernized back office operations over a period of several years using Clearview by Panasonic. Built for the food service industry, Clearview is a highly flexible and scalable web-based solution for financial management, food cost management and labor management. Working with owner/operators as they implemented Clearview for their own restaurants helped Mr. Shulman develop a model to implement Clearview for McDonald's Canada corporate owned locations.

In 2012, Mr. Chao implemented Clearview's Human Resource Information System under a corporate initiative, which allowed restaurants to move from reporting their labor statistics on paper to the computer. This enabled them to digitally manage employee's timecards and hours and integrate the payroll system. Mr. Chao saw two quick benefits: Labor control improvements and the ability to more accurately manage employee information. That meant cost savings and other benefits such as employee satisfaction growth.

Three years later, McDonald's franchisees also started tracking inventory using the Clearview solution, and quickly found they could more easily compare and analyze food costs across all locations,

and make smarter decisions. Mr. Chao said the software allowed him to rapidly zero in on anomalies and figure out why one restaurant was performing better than another. The Clearview platform also helped him reduce administrative costs, including a decrease in the time it took for administrators to perform their duties.

Today, Mr. Chao has four McDonald's restaurants. Since implementing Clearview, he has seen an annual cumulative average of a 2 percent reduction in operating costs per restaurant and a reduction in the time it takes owners to analyze business information. Meanwhile, he said his restaurants are seeing a revenue growth of about 7-8% per year.

McDonald's Canada application expert Mr. Shulman has also seen major changes since implementing Clearview across all corporate owned locations including a decrease in service desk calls about software. From January to May of 2018, when the company fully implemented Clearview across locations, compared to the same period a year earlier, Mr. Shulman said there is a 28 percent decrease in service desk calls. Translation: roughly 715 fewer calls per month.

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My team is now concentrating on other things, such as moving the needle forward on business analysis, and our strategic roadmap.

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Danny Shulman
Project Manager,
McDonald's Canada

