5 Practices to Get **Measurably More Value** Out of Your **Restaurant Checklists**

Maximize store and staff efficiencies using inexpensive technology that provides significant returns.

Here's a reality check for your kitchen: paper-based checklists could be costing your organization thousands of dollars annually, per store.

In fact, according to industry analysts at IDC, a paper-based workflow at enterprises with 1,000 workers actually costs $48,000 per week. If you could cut those costs, it would be like printing money.

Amazingly, restaurants can do just that, thanks to modern technology.

Yet many owners and operators still believe a conversion from manual and paper-based processes (like line and safety checks) to a high-tech approach is just a one-to-one conversion in time and money, when in fact the shift *adds* value.

But how does it work in practice?

In this paper, we'll explore five best practices for using checklist technology to manage your store – or your entire operation – smarter, better, and more profitably.

Best Practice #1: Digitize your checklists.

Every week, every store (all 300+) in one nationwide restaurant chain compiles every checklist by hand and manually mails them all to the corporate office.

Worse, the mailing doubles up at the end of each month, when monthly lists are included as well. Corporate staff then go through *by hand* and randomly select some for review, while processing and storing the others for later reference, if needed.

Like many restaurants, this chain uses checklists to ensure continuity and consistency throughout its operations. Like all restaurants that do so, they face enormous costs resulting from a mountain of paper that's monumentally inefficient to manage.

Paper checklists are expensive and time-consuming. Digital is seamless and efficient.

The costs of a paper checklist process probably seem innocuous – just 15 minutes a few times throughout the day. However, for the average kitchen manager earning $16/hour (the median hourly wage of that role[i]) and spending 90 minutes a day completing checklists, the restaurant will end up paying over $6,100 a year per store just in the manger's time alone to complete the paper-and-clipboard lists.

That's before mailing, processing, storage, and information retrieval costs are included. Per consultancy group IDC, a paper-based workflow at an enterprise-size organization with 1,000 workers wastes $48,000 per week – a massive $2.5 million per year.[ii]

Digitizing puts both time and money back in everyone's pocket.

First, kitchen staff can complete a digital checklist via tablet in just 2 or 3 minutes. For a location with six-to-eight line checks throughout the day, that puts over an hour back into the store or kitchen manager's day, every day.

For example, after our major chain with 300+ stores switched to a digitized checklist system via tablet, they collapsed a 75- to 90-minute daily process into just 45 minutes per day – while also completing *more* checklist items than they had been able to accommodate via paper.

Specifically, their line checks incorporated 150 items, including temperature, quality assurance (e.g., shelf life at or under 3 days), visual (see *Best Practice #4* below), and other checks. By moving to a digital checklist, they were able to include every element of meeting their exacting in-house standards, as well as government-mandated safety and temperature requirements, in *less* time than their paper checklist.

These are not isolated results. *QSR Magazine* reports on a (different) company that increased the scope of their HACCP checks by 200% when they switched to a digital process, while only taking about 50% more time than paper-and-clipboard.[iii]

It's even better back at corporate: all of those reports can be accessed online (no more paper!) and searched instantly at will.

In fact, the ROI of a switch to digital can pay for itself.

A study by the Association for Information and Image Management (AIIM), a global organization of information management professionals, found that 59% of organizations achieve payback in under 12 months from paper-reduction projects, including 26% in 6 months or less. Eight-four percent achieved payment in less than 18 months.[iv]

Such results help restaurant brands and organizations of all scopes and sizes. Nationwide franchises can reduce and streamline their mounting mountains of paperwork and information.

Meanwhile, smaller restaurants can compete more effectively with larger restaurants by freeing valuable staff time to focus on revenue-generating activities.

Best Practice #2: Use real-time automated alerts.

Another advantage of a digital system: it can generate automatic alerts that proactively email, text, or call designated parties. Additionally, authorized personnel can also log in via the Web and see all active alerts at any time (in real-time) from a single, centralized source of truth.

Flag anomalies and exceptions.

For example, a digital platform for checklists can offer automated reminders to alert teams to upcoming and/or missed checks to ensure every check gets done. Additionally, a digital system can alert designated personnel with anomaly and exception reports in real-time.

After all, if a temperature sensor goes off, that's a serious safety issue that needs to be dealt with *now.* A good digital system will even generate alerts according to a pre-planned call tree that sequentially notifies the appropriate parties until someone can resolve the issue. For example, the system might:

1. First alert the kitchen manager to a missed check; *and then*
2. If he doesn't respond, it will next alert the store manager; *and then*
3. If she doesn't respond, it will alert the district manager; *and so on*.

Managers and executives can also arrange to see a pre-scheduled, automatically-generated exception report each morning for all of the stores in their district; the corporate office can do the same for all stores nationwide.

Spot misbehavior and fraud.

Such anomaly reports allow restaurants to potentially identify opportunities for re-training among those staff not following policy or even, in some cases, committing outright fraud.

Consider this example: before going digital, the owner of a franchise operation with 12 restaurants told his staff that he was leaving for the weekend. Then he surprised everyone by stopping by late Friday afternoon. Imagine *his* surprise when he found the time and temperature checklists already filled out *for the entire weekend.*

With a digital solution, everything is time-stamped and, furthermore, owners can configure digital solutions to only *allow* checklist completion within specific windows of time. For example, if that checklist has not been done within, say, an hour of its scheduled time, its availability closes. That way, an employee cannot do the nine o'clock check 12 hours later.

At that point, the user gets locked out, and the situation becomes an opportunity for education.

Take corrective action.

In fact, the digital checklist itself can help educate the user. If some aspect of the checklist falls outside of standard protocols (e.g., temperature is too low), the system can prompt for specific corrective actions. The system might offer the option of one or more retries; or if the line check is testing the soup, it might prompt the user to stir in order to better balance the heat, followed by a retry.

This kind of system can help prevent the kind of food safety issues that arose at Chipotle and other restaurants that have faced food-borne illness outbreaks. If people are not doing their checks, or are not serving food within safe temperature range, a digital checklist can recommend appropriate corrective actions. Digital checklists can adaptively, situationally provide all of the steps employees need to follow, customized to the restaurant.

Simultaneously, the system captures the actions completed, so that the brand owners (and any auditors) can know that specific procedures were completed. Thus, such a system allows store managers to hand the checklist off to other employees and still maintain perfect consistency.

Best Practice #3:
Customize the checklist until it's perfect.

Too many checklists rely on generic questions that fail to address true points of vulnerability. For example, yes, you need to know if the floor is clean, but it's more important to make sure staff are following proper hygiene and other protocols in food prep.

With a digital platform, you can add anything that would benefit your situation – and program it to populate in the checklist according to region, season, or situation. For instance, you can target stores in the Southwest with safety protocols on chili peppers, which might not apply to stores in the Northeast.

Best Practice #4:
Add visuals for picture-perfect records.

With a digital (and ideally cloud-based) system, your team can easily upload photos to verify and substantiate the checklist. For example:

- Don't just check off that the kitchen is clean, take a picture of its gleaming surfaces;
- Verify if a dish's presentation meets in-house standards with visual proof;
- Confirm the overnight staff completed their tasks per policy; *and/or*
- Include before-and-after photos (i.e., for the checklists at opening and closing).

Is your kitchen gleaming, or grimy? Pictures prove it.

Best Practice #5:
Dig into the data for improved profits.

Over time, checklists provide an enormous amount of information that executives can use to improve decision-making and profitability.

It's like a NASCAR racing car: owners spend a lot of money to put sensors and telemetry devices in that race car, so they can gain an advantage and win more races. Digital checklists provide such telemetry for restaurants.

That information has a measurable impact. Per a 2016 study by analysis firm McKinsey and Company, analytics programs (like those used to optimize operations) generate "operating-profit increases in the 6% range."[v]

Information isn't merely power in the digital age; it's money. And instead of being trapped on paper forms, digital checklists make that information searchable, reportable, and actionable.

Essentially, digital checklists serve as more than just on-to-spot checks; they create a data collection tool that gives the user a more efficient way to look at data and identify and drill into problems.

- Identify core issues to make restaurants run better and more efficiently. Are problems a staff issue, a training issue, a franchisee issue?

- See performance metrics, like spoilage rate or waste rate.

- Parse the data flexibly: monthly, quarterly yearly; by state, by region, by whole brand; by list item; etc.

- And so much more, with the click of a button.

Are you able to identify and take steps to be safe? Data gives owners and operators that power. If you look at HAACP, the regulations are all about root cause analysis, and that's what this data enables. Your organization can identify what the root-cause problems are and help you understand how to fix it.

Digital checklists: A recipe for success in today's world.

Restaurant reluctance to embrace technology in the kitchen and back-office is certainly understandable; but it's also standing in the way of making modern restaurants more efficient, more customer-friendly, and more financially competitive.

Further, digitization future-proofs the kitchen against the next generation of customer, auditor, and staff member. Millennials will make up 75% of the workforce by 2020-2025[vi] (to say nothing of the younger Generation Z, those born after 1995). Technology, and particularly tablet use, appeals to a generation that has grown up with it. Given that the average Millennial spends 3 hours a day consuming information online already; tapping into that habit makes it easy for a forward-looking workforce to get on board. [vii]

Particularly when paired with other implements of the modern kitchen (such as Bluetooth-enabled temperature sensors and probes), individual stores and nationwide chains have the power to automate essential aspects of their operations, becoming less vulnerable to human error or fraud while simultaneously bolstering their executive decision-making with valuable information about operations and performance.

With best practices like those described above underpinning the use of technology in the commercial kitchen, restaurant owners and operators can streamline operations, reduce safety and policy violations, *and* increase profit to an unprecedented degree.

About ComplianceMate™ & CM Systems, LLC

ComplianceMate™ is focused on developing food safety solutions utilizing technology and cloud computing to help restaurants successfully accomplish "real time" HACCP Compliance and food service safety for you and your customers. ComplianceMate™ successfully launched its first product for use in kitchens in 2001. Incorporating our personal experiences as well as insights from our customers, we have developed a system that is comprehensive in capturing data, is user friendly and "light years" a head of other systems currently offered today.

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