Case Study: National Restaurant Chain

Ovation Brands Gains Increased Visibility and Vendor Depth While Slashing Costs

Highlights

NEW VISIBILITY into maintenance operations and cost structures
DROVE DOWN facilities maintenance repair costs by 12%, saving over $1.7 million
REALIZED ROI on implementation in less than two months

Quantifiable Results

11.8% REDUCED AVERAGE INVOICE COST
1.7M SAVED OVER ONE-YEAR PERIOD

Customer

Ovation® Brands, formally known as Buffets, currently operates 331 restaurants in 35 states, comprising 331 steak-buffet restaurants and nine Tahoe Joe’s Famous Steakhouse restaurants. The restaurants are principally operated under the Old Country Buffet®, HomeTown Buffet® and Ryan’s® brands.

“Having ease and clarity surrounding real costs and how they associate to the not to exceed numbers is alone worth the cost of using ServiceChannel.”

– Charles Dugo, Director of Facilities
Ovation Brands

For more information visit www.servicechannel.info or call (800) 508-6695
Challenges

With hundreds of buffet-style restaurants across the country, maintaining all its locations in clean, proper operating conditions while getting costs under control was paramount. With limited data and operational visibility, management was challenged in contractor management, facilities spend and maintenance operations:

- Current A/P reporting did not provide actionable details
- No way to benchmark spend against industry competitors
- R&M data specified only at broad category level
- No visibility in total spend or category spend; difficult to track and manage to budget
- Lack of contractor coverage in many geographies
- Difficult and inefficient contractor sourcing and management
- Difficult to know what maintenance measures are needed
- Unable to provide real-time data to facilities managers and generate actionable reporting

With this lack of visibility and actionable metrics, management was unable to operate cost effectively, establish measurable KPIs and manage its pool of contractors efficiently.

Goal

Ovation was focused on driving several key initiatives related to its facilities management process:

- Source quality contractors that meet its corporate requirements in underrepresented regions
- Get actionable data quickly to facilities managers, wherever they are, to improve visibility on emergency issues and overall responsiveness
- Create real-time corporate reporting to track R&M cost data in detail, and manage KPIs to restaurant best practices

Solution

Ovation deployed ServiceChannel's SaaS-based solution and contractor directory to gain operational visibility and effectiveness, as well as reduce costs across its facilities management program:

- **Fixxbook** enabled finding and qualifying industry-proven contractors for all trades across the country that met its corporate requirements
National Restaurant Chain

- Work Order Manager enabled creating and monitoring work orders to better manage critical issues in real-time
- Analytics reporting delivered new levels of analytics and business intelligence to drive down costs and meet KPI goals
- Planned Maintenance Manager boosted visibility into all required services and warranty obligations

Benefits

Ovation gained previously unrealized visibility into its operations and significant cost reductions. Facilities managers could now track unfinished repairs that were impeding locations’ ability to operate as designed. Long-standing open work orders were eliminated. Facilities staff could now manage to KPIs like Average Invoice Amount, Total Time Onsite, Ontime Arrival Compliance and First Time Fix %.

Previously a subjective process, the company now used metric-driven NTE (not to exceed) controls to cut costs dramatically. With newfound insight into average invoice cost per specific trade and repair type, it reduced its NTE amount each month.

Results

By tracking costs and implementing tighter and more accurate NTE controls, the company saw significant cost reductions. Over a one-year period, Ovation:

- Reduced average invoice cost by 11.8%
- Saved over $1.7 million

Contractor management and depth also improved as it could now easily source them anywhere in the country by specific trade, and better manage insurance and licensing. With ServiceChannel, Ovation was able to quickly expand its contractor base by 25% and improve vendor depth per trade by onboarding over 280 contractors in under 90 days. Contractor relations improved as well by improving accounts payable: work orders open more than 365 days have been reduced to 60 days in less than a month.

By centralizing the repair and maintenance process with ServiceChannel, the ROI for the software’s deployment was less than two months. The company is actively pursuing additional cost reduction strategies through greater use of ServiceChannel’s solutions.

About ServiceChannel

ServiceChannel provides facilities managers with a single platform to source, procure, manage and pay for repair and maintenance services from commercial contractors across their enterprise. By delivering unprecedented transparency and data-driven analytics of service quality, across all trades, locations and contractors, facilities managers drive significant brand equity and ROI for their organizations without outsourcing or investing in new infrastructure. The world’s leading global brands use ServiceChannel and Big Sky solutions daily to help optimize millions of transactions and billions of dollars of spend annually.

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