A Spotlight on Leaders: Re-Thinking the Retail Food Industry 02/18/2021

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What is the Lean Enterprise Institute?

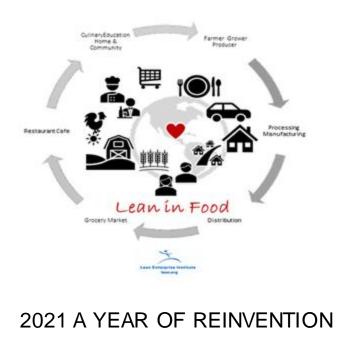


A non-profit education and research institute based in Boston, MA, with 32 global affiliates

Our Mission:

Making Things Better By Advancing Lean Thinking and Practice

Lean in Food



#Think Differently

ACTION RESEARCH



co-learning partners





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A Lean Leaders: Learning Discussion



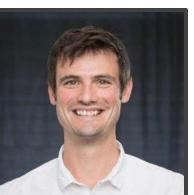
Rob LaTronica *Chef & Co-Founder* Haven Hot Chicken



Steve Crowley *Co-Founder* Service Physics



Etkin Tekin *Co-Founder* Haven Hot Chicken



Brian Reece *Co-Founder* Service Physics



HAVEN HOT FOUNDERS

ROB LATRONICA

 Seasoned Chef – a man obsessed with perfecting hot chicken

CRAIG SKLAR

HOT CHICKEN

• Restaurateur – founder of The Beer Collective

ETKIN TEKIN

• Start-up entrepreneur who also brings corporate experience from AB-InBev

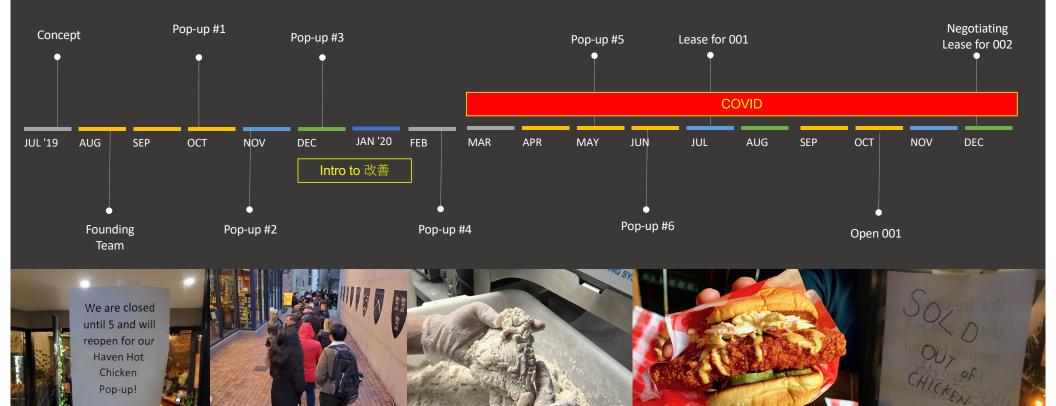
JASON SOBOCINSKI

• 20-year veteran of the food service industry with successful Connecticut destinations such as Black Hog Brewing, Bear's at The Stack, and Ordinary

The Journey of Haven Hot Chicken



Built through experimentation

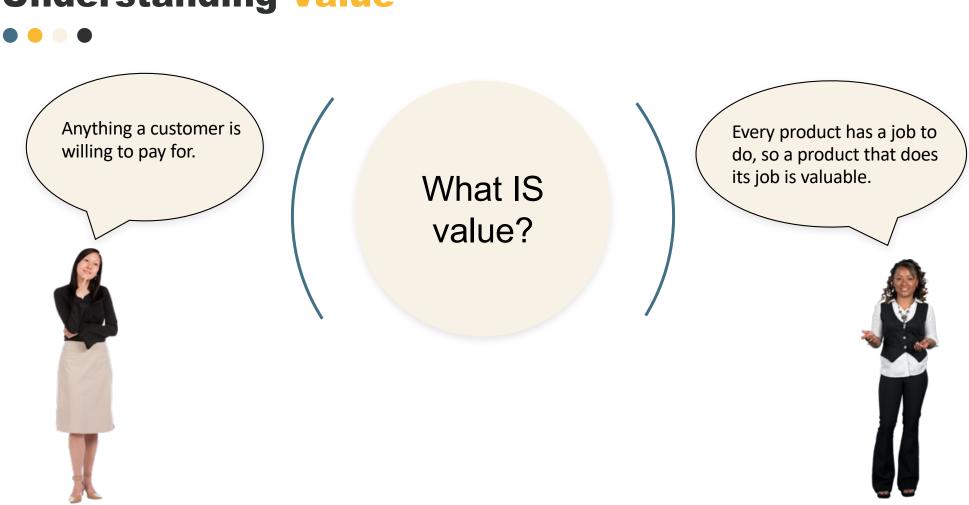


Understanding Value

Lean thinking helps us deliver the most VALUE with the fewest resources....

Understanding Value

What IS value?



Understanding Value

Understanding Guest Values (and a Guest's Value)



Emotionally engaged consumers are 52% more valuable, on average, than those who are just highly satisfied ¹

¹ Leemon, D., Magids, S., Zorfas, A. The New Science of Customer Emotions (2015), Harvard Business Review. https://hbr.org/2015/11/the-new-science-of-customer-emotions

Guest Value

Companies deliver **fundamental elements of value** that address four kinds of needs:

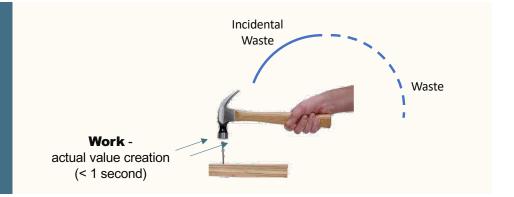
- 1. Functional
- 2. Emotional
- 3. Life Changing
- 4. Social Impact

The more elements provided, the greater guests' loyalty & the higher the company's sustained revenue growth.

SOCIAL IMPACT			Self-			
LIFE CHANGING		1	transcendence	9		
LIFE CHANGING				<u> </u>		
		Prov		elf- lization		
		ho	pe actua	lization		
				ŤŤŤ		
		Motivation	Heirloom	Affiliation/ belonging		
EMOTIONAL	6	Å			<u></u>	
				×		
	Reduces anxiety	Rewards me	Nostalgia	Design/ aesthetics	Badge value	
				\bigcirc		
	Wellness	Therapeutic	Fun/	Attractivene	ss Provides	
		value	entertainment	t	access	
FUNCTIONAL						ģ.
Save	s Simplifies	Makes money	Reduces risk	Organizes	Integrates (Connects
Cinie	1		LISK			
Ę,	(5.8	\bigcirc		\$	
Reduces	Avoids	Reduces	Quality	Variety	Sensory	Infor

Work creates customer value.

Waste destroys it.



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Waste destroys it.



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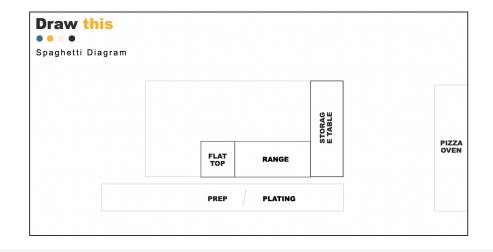
Waste destroys it.



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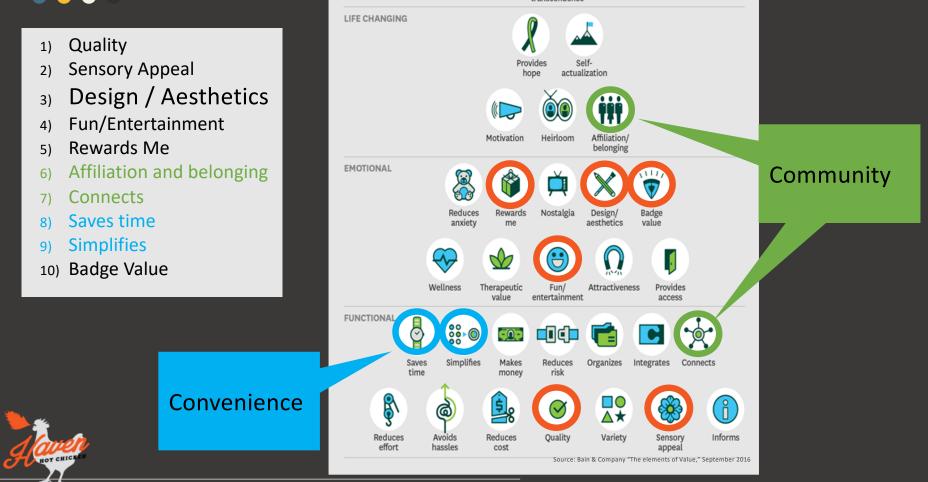
Motion ≠ Work







Top Value Elements From Internal Voting

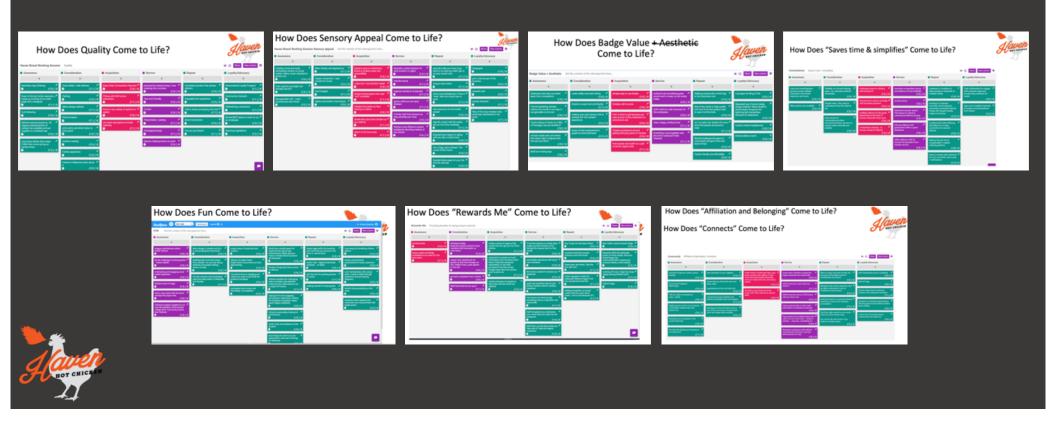


Internal Voting Customer Value HOT CHICL Haven Value Element Voting Results 60 50 3 40 This line 30 how far apart the 20 signaling 10 not be Battle Reduces Ettor aligned Design Asstration Theseenevalue Raduces Risk FunEntertainment Rewardshe von and be on ging Avoids Hassles duces Anxiety Provides Hope MakesMoney Simplifies Reducescost tradiveness wides Access Connects Jailety Integrates Senson Appea Motivation .elf-actualization Nostalojia Organitat. Inform Wellnet . Hanscanden Heitloo Saves

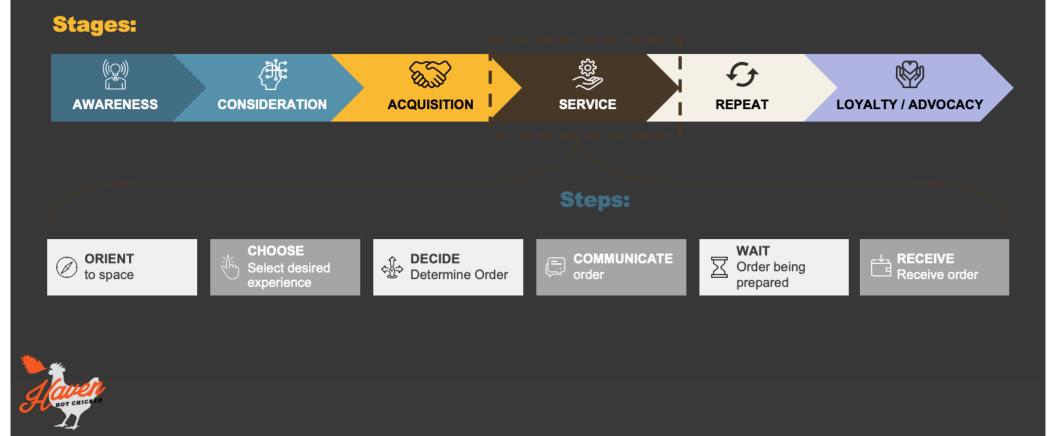
represents votes were, people may

Who are we?

Through the utilization of Retro Boards in team settings, the team was able to define key attributes as well as how they manifest in the brand.

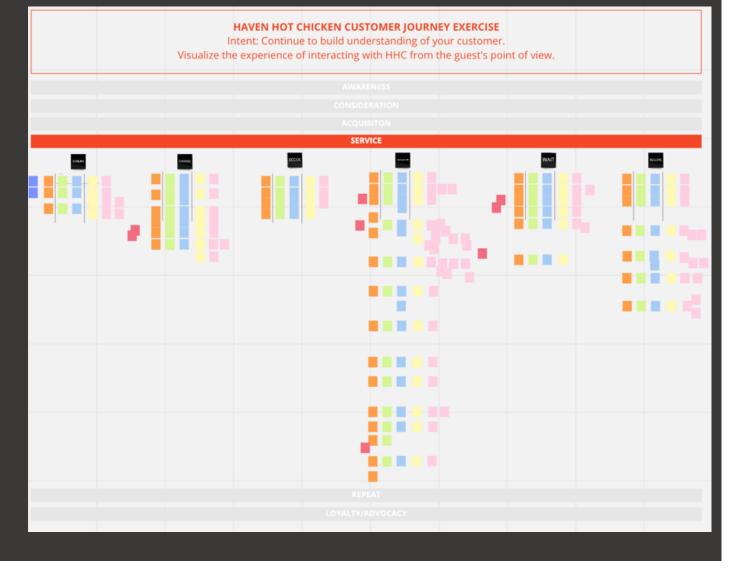


Retail Customer Journey



Guest Journey

Commitment to a great product and a great experience. By breaking down each part of the guest journey and identifying components and variables that we could control, we were able to hone our buildout and interaction with guests with intent.





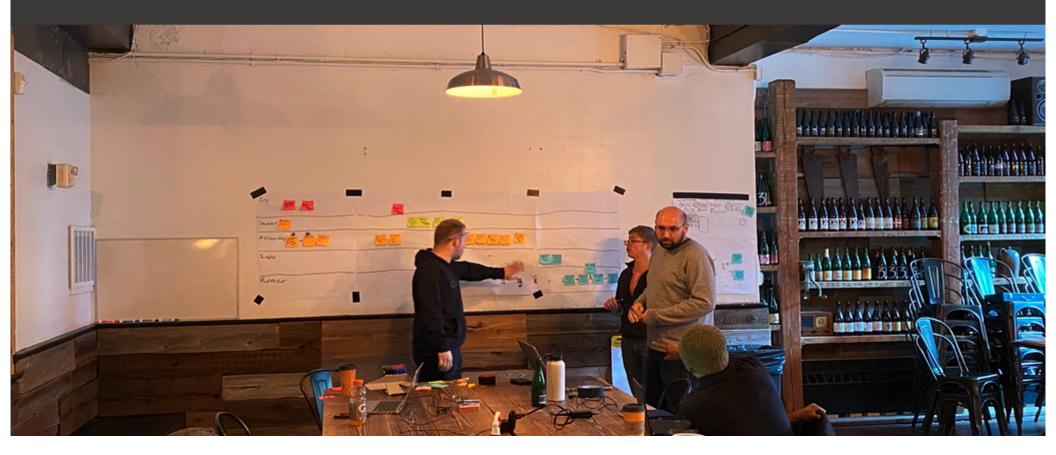
Mission

To satisfy the world's craving for something better

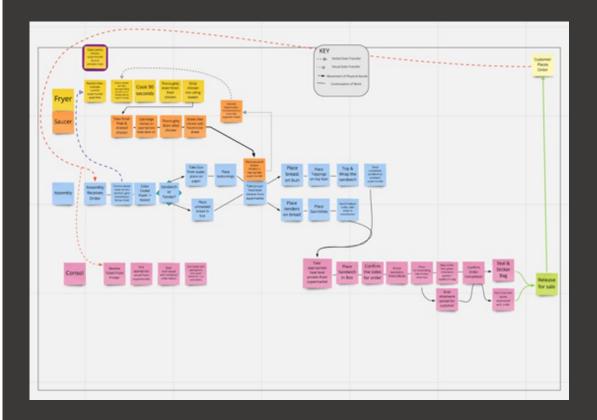
Haven brings great people together over the best food because feeding people is fun and eating happy is for everyone

Application of lean thinking to the assembly of THE Sandwich.

Ticket times in our early pop-ups were > 20 - 30 minutes.



Through many work sessions, the operations team codified, and argued over, every essential and isolated step involved with making a sandwich



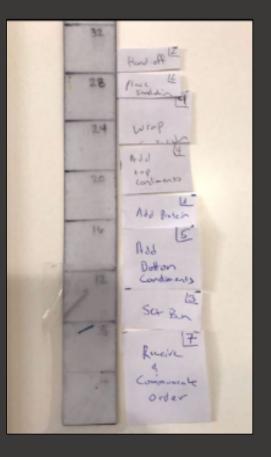
- Mapped the flow of materials and information
- Flipped inventory from batch and push to pulling form a 2-bin supermarket
- **Key insight**: information and inventory are joined at the hip. Working on one means working on the other.



Through many work sessions, the operations team codified, and argued over, every essential and isolated step involved with making a sandwich.

Process Timing Sheet Process: chicken san				wich assembly							Product: The Sandwich Ubserver					
			1	2	3	4	5	6	7							
	Work Element Start / Stop Point		Time Stamp	Time Stamp	Time Stamp	Time Stamp	Time Stamp	Time Stamp	Time Stamp	1	Obser 2 3			6 7	Repeat-	
		Select Time Class:	Printer Buzz	4:17:18 PM	4:25:04 PM	4:28:14 PM	4:32:47 PM	4:35:47 PM	4:42:18 PM	4:47:32 PM						
1	Pull Ticket	Hand	Grab Ticket	4:17:20 PM	4:25:06 PM	4:28:15 PM	4:32:49 PM	4:35:48 PM	4:42:21 PM	4:47:34 PM	2	2 1	2	1	3 2	2
2	Read Ticket	Select Time Class: Hand	Place in slide	4:17:24 PM	4:25:09 PM	4:28:17 PM	4:32:52 PM	4:35:50 PM	4:42:22 PM	4:47:35 PM		3 2		2		3
3	Call Ticket	Select Time Class: Hand									2		2	1	2 2	2
4	Place Paper	Select Time Class: Hand	Touch Paper	4:17:26 PM	4:25:10 PM	4:28:18 PM	4:32:54 PM	4:35:51 PM	4:42:24 PM	4:47:37 PM						
5	Pull and Place Bun	Select Time Class:	Touch Bun	4:17:28 PM	4:25:11 PM	4:28:20 PM	4:32:55 PM	4:35:52 PM	4:42:25 PM	4:47:38 PM	2	1 2	1	1	1 1	1
_		Hand Select Time Class:	Grab Bottle	4:17:30 PM	4:25:13 PM	4:28:21 PM	4:32:57 PM	4:35:54 PM	4:42:26 PM	4:47:39 PM	2	2 1	2	2	1 1	2
6	Sauce Bun	Hand Select Time Class:	Grab Pickles	4:17:33 PM	4:25:17 PM	4:28:23 PM	4:33:00 PM	4:35:55 PM	4:42:29 PM	4:47:41 PM	3	4 2	3	1	3 2	3
7	Add Pickels		Grab Chicken	4:17:35 PM	4:25:20 PM	4:28:26 PM	4:33:02 PM	4:35:59 PM	4:42:31 PM	4:47:43 PM	2	3 3	2	4	2 2	2
8	Place chicken	Select Time Class:	Grab Scoop	4:17:38 PM	4:25:21 PM	4:28:29 PM	4:33:04 PM	4:36:01 PM	4:42:34 PM	4:47:46 PM	з	1 3	2	2	3 3	з
9	Add Slaw	Select Time Class:													4 7	4
10	Wrap Sandwich	Select Time Class:	Touch Sandwich	4:17:40 PM	4:25:25 PM	4:28:34 PM	4:33:08 PM	4:36:05 PM	4:42:38 PM	4:47:53 PM	-					-
11	Place Pick in Sandwich	Select Time Class:	Touch Pick	4:17:44 PM	4:25:29 PM	4:28:38 PM	4:33:13 PM	4:36:10 PM	4:42:43 PM	4:47:54 PM	4	4 4	5	5	5 1	4
		Select Time Class:	Grab Tray	4:17:47 PM	4:25:33 PM	4:28:40 PM	4:33:15 PM	4:36:11 PM	4:42:45 PM	4:47:56 PM	3	4 2	2	1	2 2	2
12	Drop in Tray		Hand-off	4:17:50 PM	4:25:35 PM	4:28:42 PM	4:33:18 PM	4:36:13 PM	4:42:49 PM		з	2 2	5	2	4	2
43		Select Time Class:														

- We broke the process down into discrete steps and timed them
- We visualized the process, representing the work at time
- Applied Training Within Industry (TWI) Job Methods to the process
- ERACS: <u>eliminate</u>, <u>rearrange</u>, <u>a</u>dd/subtract, <u>combine</u>, <u>simplify</u>



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This Routine Delivers:

- Perfect quality
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- Job instruction document for team member training and coaching

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