



Tenzo

How Tenzo helped Nando's
Singapore improve labour
productivity by 15% and
forecast accuracy by 30%



Who are Nando's?

Nando's is an internationally renowned brand, known for its flame-grilled peri-peri chicken. Founded in South Africa in 1987 by two brothers, the brand now operates over 1,200 locations in over 30 countries. The restaurants are a combination of quick service and fast casual with customers ordering at the counter and collecting their own sauces and cutlery and waiters (Nandocas) delivering food to customer tables.

Nando's Singapore business started in 2010 and now has 8 restaurants across the country with plans to open more in the near future. They have been using Tenzo for over a year, experiencing some truly exceptional results including a 15% increase in labour productivity and 30% improvement in their sales forecasting accuracy.

No centralised processes before Tenzo

Before using Tenzo, Nando's Singapore had a very decentralised forecasting process with restaurant managers (Patraos) creating their own weekly forecasts based on a yearly budget and historical sales patterns. This manager forecast would then be the basis for any staff scheduling, inventory ordering, and production planning on a daily basis.

Unfortunately, on the staff scheduling side this resulted in one of two things. Either a static plan where every Monday through Thursday and Friday through Sunday would look the same regardless of changes in demand, or a plan led by staff availability with no real correlation to sales. Nando's Singapore wanted to improve their labour productivity but had no specific tools to do this.



The problems they were having

Nando's wanted to give their managers more tools and resources to create the most optimised labour schedules based on accurate sales forecasts as well as boosting labour productivity (sales per labour hour). However, they knew that restaurant managers have a lot on their plate and that forecasting was not necessarily viewed as a time sensitive or pressing matter.

To combat this, they wanted to introduce a tool that they could build a process around to help increase understanding and appreciation of the role of forecasting in labour optimisation to get the best possible outcome in terms of both staff and revenue.

They were looking for a tool that could form the basis of a sales forecast but that could also be influenced by the Patraos' on the ground experience and insights.

How Tenzo solved those problems

When looking at technology providers, Nando's Singapore looked for platforms that prioritised clarity and that minimised the number of steps and input required to just the absolute necessary. They wanted something as simple as possible for their Patraos to use.

Their original search centred around labour scheduling, but they quickly realised that they needed a tool that would give them an accurate idea of how many staff they needed based on sales predictions, while still giving managers the freedom to schedule the teams the way they best saw fit.

Tenzo answered all of these criteria and so a pilot to test out the platform was set up.

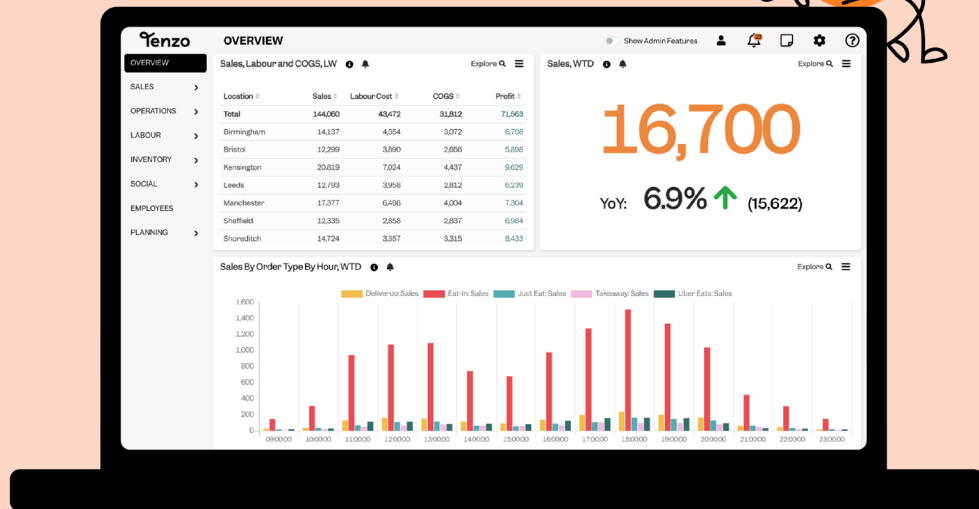
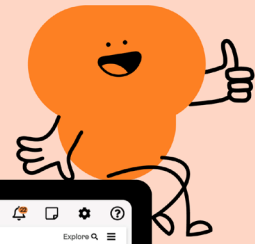


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Tenzo's forecasting solution combines machine learning with an easy to use mobile app for the restaurant managers. This has helped us increase our labour productivity by hour by 15% and has continued to perform well since COVID-19 outbreak.

Moji Neshat

GM Nando's Singapore



A pilot phase

To see if Tenzo was the right solution for Nando's Singapore, a three-month pilot across four Nando's locations was set up. Nando's had two main goals for Tenzo: firstly, they wanted to see if the AI-based forecasts would be an actual improvement over their current sales prediction process. And secondly, they wanted to make sure that Tenzo could be incorporated into their managers' processes without requiring extra time and effort or any major changes.

Throughout the pilot, Tenzo communicated with Nando's to make sure that the managers were filling in their forecast adjustments, as well as having regular reviews to put forward any initial findings. One especially powerful data set Tenzo was able to highlight was a simple graph of labour hours scheduled versus forecast sales, as Nando's had previously been looking at actual labour hours versus actual sales to measure their scheduling prowess.

Actual labour hours and actual sales can be skewed by factors beyond their control (a staff member being ill or a road shut down inhibiting customers from coming to the restaurant), however by looking at planned labour hours versus forecast sales, Tenzo could show where there may be initial over- or under-staffing problems. The key here was to show that they could be starting off in a better place where unexpected external factors would no longer cause as many issues.

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The pilot phase enabled the whole team to understand the benefits of Tenzo and compare against locations not using the platform. This showed us clear results and made us excited to roll out into all of the restaurants.

Vikram Badhwar

Group Head of Operations Technology at Nando's

Getting the team on board

When introducing Tenzo, team buy in was an absolute must. If the team didn't find the tool easy to use and didn't use it when planning their weeks, it wouldn't matter how accurate the forecasts were. To ensure that team members would engage with the platform, Nando's had a multi-faceted approach. First, they set the focus on outcomes (improved labour productivity) and positioned Tenzo as a tool to achieve those objectives.

Secondly, Nando's wanted to make sure that the managers had confidence in the tool. A problem that had occurred with past technology use was a lack of trust in its advice because there was no transparency as to how those numbers were calculated. This meant that the team would not trust a vastly different number than expected because there would be no explanation as to why this was the case. And as such, the manager would disregard the information.

Tenzo was able to provide the confidence in the tool by showing last year's sales figures as well as last week's alongside the forecasted sales numbers so Patraos could understand part of how the forecasts were calculated. Furthermore, Tenzo held dedicated sessions for the Patraos, not to show them how to use the platform (the tool is very intuitive and requires next to no training), but to explain the process behind it, again adding to the transparency and confidence in the tool.

Finally, Nando's were able to gamify the adoption process, having good natured competitions between Patraos competing to see who could best improve on the Tenzo forecast. It was an opportunity to have light hearted conversations about the numbers and encourage the use of the app.

Exceptional results

The results truly do speak for themselves. Since Nando's Singapore started using Tenzo, they have been able to improve their labour productivity by 15%. In simple terms, this means that for every dollar spent on labour, Nando's Singapore is now taking in 15% more in revenue, optimising their labour spend while improving sales.

Furthermore, Tenzo's AI forecasts have improved the accuracy of Nando's Singapore's sales predictions by 25%. After the patroa has input their own adjustments, this improvement rises to 30% proving that the Tenzo-general manager relationship is a symbiotic one.

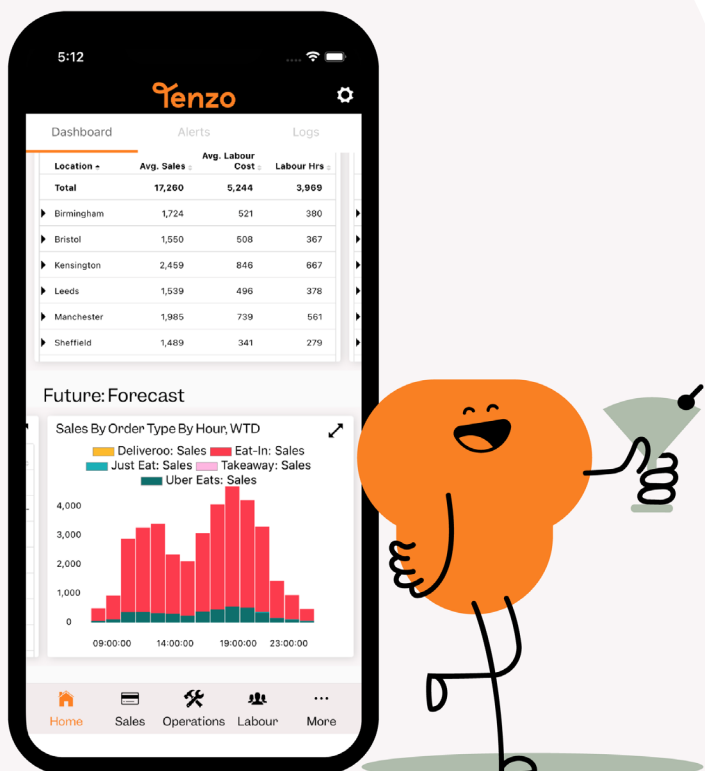
Tenzo alone can get you to a more accurate forecast but that is improved even further by your managers' on-the-ground experience and insight. Beyond the measurable results however, is how Tenzo has improved day-to-day operations for the Patraos, making their lives easier and less stressful. The team is happy to have an easy-to-use tool that integrates with their processes and enables them to do their jobs to the best of their ability.



What next?

Nando's Singapore is set to open a new location in January 2021, specially built with pandemic lessons in mind. This means that there will be a larger focus on delivery and takeaway with the new site featuring a collection hatch outside the restaurant with an order status display system allowing delivery drivers and customers to know when their order is ready. They are also focusing on smaller party sizes, with 6-person tables being their largest. They are looking to further incorporate technology by pushing customer-led ordering as their dominant ordering method as opposed to their traditional cashier ordering system.

In their partnership with Tenzo, Nando's Singapore are now looking at incorporating Tenzo forecasts into their inventory ordering process. Tenzo is also working with Nando's to produce item-level forecasting at an hourly level so that chefs know exactly what to prepare and when. Nando's Singapore will be one of the first businesses in the world to use this new and innovative technology.



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