

Case study

Workforce Management, Store Execution



# Mitchells & Butlers Optimizes Its Workforce Management With Blue Yonder

- Improved labor forecast and significant positive financial impact
- Avoid lost revenue opportunities from understaffing
- Avoid unnecessary expense from overcommitting

## Predictable and reliable forecasts in times of uncertainty and change:

“Rising inflation, COVID-19 and Brexit have caused enormous disruption in the hospitality sector over the last few years, both for the workforce and for demand planning. With 40,000 staff, Mitchells & Butlers were seeking a solution that could help us to manage our workforce, while delivering the best possible guest experience. Blue Yonder’s solutions provide reliable store execution and accurate labour forecasts, allowing us to work within our budgets and creating tangible value.” — **Project Manager, Mitchells & Butlers**

Established in 1898, Mitchells & Butlers plc is one of the largest operators of restaurants, pubs and bars throughout the United Kingdom, including much loved names like Miller & Carter, Harvester, Toby Carvery and more.

## Business challenge:

With over 1,600 properties, Mitchells & Butlers were facing two major challenges that they would need to address to remain competitive and reach the next phase of their growth.

Firstly, rapidly changing market dynamics has put huge pressure on workforce management.

Labour is often the single biggest cost in hospitality, so ensuring you have the right staff, with the right expertise, at the right time can make or break businesses.

“It is critical that workforce management scheduling is managed effectively and efficiently, this includes balancing the needs of your employees with those of your business.”

The second challenge facing Mitchells & Butlers was maximizing / minimizing revenue and waste at the point of sale.

“When a guest chooses a premium menu item, if that is not available, they often downgrade to another item, resulting in a poor customer experience and potentially lost revenue for the business. Just one bad experience and today’s choosy, time-strapped consumers will shop elsewhere. However, by overstocking, you could potentially compromise freshness, resulting in waste and tying up revenue in stock.





Therefore, to best serve our customers, and to maximize revenue there is a large incentive for hospitality businesses to always ensure they are appropriately stocked. This requires real-time visibility, accurate forecasts and auto-replenishment of inventory”.

To achieve this, Mitchells and Butlers would need to review their store execution operations.

With these unprecedented challenges, Mitchells & Butlers was seeking a solution provider that could offer multiple services to remove data silos and provide visibility across the business, so that they could streamline operations and reach the next level of business growth.

### The Blue Yonder solution:

As long-term partners of Blue Yonder, Mitchells & Butlers once again turned to the industry leader to overcome these challenges.

Blue Yonder’s Workforce Management (WFM) is a complete solution that includes everything from time and attendance and daily schedules to strategic employee planning. Using the industry’s most accurate forecast, it generates optimized labor schedules that are compliant with labor laws and corporate policies. Plus, it provides the flexibility to adjust schedules midweek if things change and lets employees swap or bid on shifts as their schedule allows. The solution provides a 12-month outlook on labor needs and recommends cross-training and recruitment opportunities to cover gaps.

“The mobile capability was particularly attractive, as this enabled a high level of employee engagement with self-service tools and more scheduling flexibility.”

Blue Yonder Store Execution can help companies to optimize daily operations, from inventory and pricing to foodservice and the forecourt. This innovative solution

offers a mobile-first design to empower employees, allowing them to spend less time on logistics and more time serving customers and delivering on the brand promise.

### Results:

“By partnering with Blue Yonder, Mitchells & Butlers were able to increase revenue, provide better customer experiences, reduce cost of labor, and reduce waste, all without any disruption to services.

Mitchells & Butlers engaged in an auto scheduling pilot across multiple brands and began rolling this out to the rest of the business in the second half of 2022.

“The pilot program has delivered several tangible benefits. For example it has allowed us to stagger shift starts to avoid overcommitting workforce and therefore unnecessary expense. This has had a significant positive financial impact and enabled us to hit our labour budget forecast accurately.”

Typically, these Blue Yonder solutions would expect to see up to:

- 10% Reduced Labor Expenses
- 25% Increased Employee Engagement
- 60% Reduced Labor Violations

With Store Execution companies can achieve up to:

- 25% Waste Reduction
- 20% Inventory Investment Reduction
- 3% In Increased Sales

Looking ahead, Mitchells & Butlers will continue to work with Blue Yonder on an AI-led labor forecasting initiative, with the objective of improving labor forecast accuracy and further reducing costs.

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