

ANATOMY OF A DECISION

HARRI'S CONSULTATIVE, COLLABORATIVE APPROACH EQUIPS RESTAURANTS TO MANAGE GROWTH AND SUPPORT EMPLOYEE EXPERIENCE

What You Need to Know

Growth and expansion are priority goals for restaurant owners. With these goals come many questions about how to grow. How do I manage multiple locations? How do I communicate directly with employees? How do I streamline employee onboarding? How do I remain compliant with labor regulations in each state? How do I make it easy for employees to see schedules, trade shifts, and communicate with managers?

Finding efficiencies and creating repeatable processes for performance management contribute to answering all of these questions and to driving a restaurant business toward future growth. 3Sixty Insights' discussions with users of Harri show that the vendor and its HCM software suite help keep restaurants running smoothly and consistently from one location to hundreds and from a handful of employees to thousands. 3Sixty Insights spoke with leadership at Savory Restaurant Fund and Cafe Rio Mexican Grill, delving into their decisions to select Harri. Both organizations overcame significant challenges by integrating Harri into their people management processes. Furthermore, Harri has become indispensable for them as they manage growth.

About Harri

Harri is a next-generation frontline employee experience platform that drives operational and financial excellence for restaurants (and other service-based employers) by empowering them to focus on their greatest asset — their people. The Harri suite of talent attraction, workforce management, employee engagement, and compliance technologies enable restaurants to intelligently manage, engage, and retain talent.

Harri's end-to-end HCM suite helps restaurants streamline operations and overcome challenges such as labor cost management, compliance with wage and hour laws, and scheduling conflicts. Harri's solution empowers managers with real-time data analysis, which helps them make data-driven decisions that improve employee productivity and engagement. With Harri, managers optimize scheduling processes, automate time and attendance tracking, and improve communication across teams.

An artificial intelligence-based functionality, Harri is good for the kind of WFM and HCM that restaurant HR managers, from fast casual to premium casual to fine dining, must contend with to manage volatile scheduling, employee turnover, and hiring for transactional-skill jobs.

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AT A GLANCE

Solution

Harri

Research Participant

Cafe Rio Mexican Grill
Savory Fund

Synopsis

For this report, 3Sixty Insights spoke at length with C-suite leadership at Savory Fund and at Cafe Rio Mexican Grill to learn what drivers led their organizations to select Harri to help them manage the employment of frontline staff for extensive restaurant networks. Operational cost savings were a strong rationale compelling them to deepen their respective relationships with this HCM software provider. Expected (and later realized) improvements in the employee experience further galvanized their decision-making in favor of Harri.

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Savory Fund

3Sixty Insights spoke with Josh Boshard, chief operating officer at Savory Fund, a private equity firm that combines over \$650 million in assets under management with a growth playbook and expertise that has been developed over 15 years of operating in the restaurant industry. Savory partners with high-potential, profitable, emerging restaurant brands to deliver financial capital, industry

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expertise, growth and revenue opportunities, profitability enhancements, and new location development. The Savory team contributes directly to all aspects of growth and replication by using a proven playbook and methodology. Founder involvement in the expansion of a brand is a central theme

of the Savory approach as founders carry the tribal knowledge around the uniqueness that has energized early success and is essential to future growth. The Savory Fund has invested in 10 brands: Swig, R&R BBQ, Pincho, Via 313 Pizzeria, The Crack Shack, Mo' Bettahs Hawaiian Style Food, 86 Repairs, Saigon Hustle, Hash Kitchen, and The Sicilian Butcher.

Key Challenges—Gaining Perspective on HCM Systems

Similar to Jersey Mike's experience, the speed of business necessitated Savory's move away from paper forms and Excel spreadsheets to digital onboarding, scheduling, and compliance tools ([3Sixty Insights 3SIAD2373 - "Frontline Employee Experience Platform Harri Drives Operational and Financial Excellence for Jersey Mike's Subs," July 2023](#)).

Savory has an uncommon perspective on the various cloud software options available for HCM. In the business of acquiring existing businesses (i.e., restaurants) with contracts for existing tools, Savory takes on all those contracts as part of the acquisition — i.e., to fulfill the personal guarantees of each acquired restaurant's founders. Once these contracts expire, they integrate the preferred technology that all Savory establishments use.

Working in a variety of restaurant environments, these transitions have given Savory a clear vision of what's out there in the industry and direct experience with systems that manage processes well vs. systems that are efficiency killers. Since 2014, and because of this, Savory has cycled through several solutions — a who's who list of many well-known platforms, all incumbents already in use at the various restaurants they have acquired. The experience ultimately led Savory to land with Harri.

"We know exactly what can be done across all those other platforms. And now being able to move forward with the latest Harri system, we

About Harri

A technologically advanced solution, Harri provides a broad suite for human capital management well-suited to supporting a topnotch Frontline Employee Experience. The Harri platform is built for companies that have service at the heart of their business and believe that the customer experience will never exceed the employee experience. The Harri suite of talent attraction, workforce management, employee engagement and compliance technologies enable organizations to intelligently attract, manage, engage and retain the best talent to run and improve their business. With emerging growth in retail and healthcare, Harri already serves more than 22,000 restaurant and hotel locations and four million hospitality employees globally.

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know exactly what we want,” says Boshard. “That has made it easier for our implementation, execution, and rollout.”

Harri: Hands-On CEO, Consultative Approach

Boshard first met Luke Fryer, Harri’s CEO, in 2017 and has been working directly with him to influence Harri’s toolset to include the functions that Savory needs for its restaurants. In Savory’s experience, Luke and the Harri team are hands-on and very engaging. They listen to understand what Harri’s current and potential customers want and need.

“The good thing about that is I personally have the ability to go to Luke and say, here are some of the things that I think are missing,” Boshard said. “I bring Luke real scenarios based on looking at 150 stores across different segments of the restaurant industry in different areas of the U.S. We talk about what we could improve in the system and what I’d like to see the system do for Savory’s restaurants. The reality is Luke actually executes on a lot of the things that are suggested, or he adds it to the roadmap for future development.”

“We’re to a point where, when we buy a new brand, we deploy Harri on day one,” says Josh Boshard, chief operations officer of Savory Fund, a private equity firm that combines over \$650 million in assets under management to comprise 10 restaurant brands.

to optimize a good system. To ensure it could do everything Savory needed, this team scrutinized Harri and pushed the system to its limits. Following that successful pilot, Savory deployed Harri across all its eight brands. All continue to use Harri to this day.

“We put Harri in place, and it’s been pretty fantastic for us,” says Boshard. A seven-person team at Savory uses Harri exclusively for recruiting, for example. This team has been able to push the system to its maximum capacity and prove that it works, ultimately a benefit for both Harri and Savory.

Cafe Rio Mexican Grill

3Sixty Insights spoke with Cortney Worle, chief people officer of Cafe Rio Mexican Grill, a restaurant chain founded in 1997. First opened by Steve and Patricia Stanley in St. George Utah, Cafe Rio quickly grew to six locations. In 2004, Bob Nilsen purchased the restaurants with the idea of spreading the love of fresh Mexican food to everyone in Utah and beyond. The mantra “fresh food, made fresh” is at the core of the brand — no freezers, no microwaves, and nothing premade. Now run by a team of quality-obsessed leaders, Cafe Rio has grown to 159 locations across 11 states.

More Time To Be Strategic With the Workforce

The Harri system gives Savory Fund enough detailed data to better understand its employees and leaders. The system helps them dial in how a district manager works and whom he makes successful within his GMs at each store, and then how those GMs perform with their employees. Harri has all of that data and it shows how the behaviors of its leaders affect the stores. Utilizing the dashboards Savory quickly sees the turnover rate at a store based on its leadership. How a GM influences those numbers creates a clear picture of who the winners are, and who needs investment of time and training. Harri helps Savory leadership have more time and a better perspective for their strategic management.

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Key Challenges: Improving Responsiveness to Employees

At the beginning of looking for a new system, Cafe Rio discovered that one of the resounding frustrations voiced by employees was their inability to look at their schedules without either physically going into the restaurant or calling on the phone. For Cafe Rio, a labor management system with a mobile app that would enable employees to see their schedules and switch shifts became priority number one to improve the employee experience.

Priority number two for the business was compliance and keeping up with the various labor laws in each state where Cafe Rio operates. A third priority was labor efficiency. From the operational side, Cafe Rio was looking for better labor metrics and the ability to create schedules based on those metrics, not just sales volume; instead of allocating a flat 1,000 hours this week for a store, for instance, they sought to allocate hours based on labor needs — e.g., 500 hours for to-go service, then 400 hours for in-restaurant service and an additional 100 hours for catering.

Deciding on Harri at Cafe Rio

For any restaurant of Cafe Rio's caliber, the employee experience is a top priority. An established path to get there is to create a seamless process all the way from sourcing, onboarding, compliance, timekeeping, scheduling, shift changes, and time off requests — all

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under the aegis of one system, Harri, Cafe Rio's goal. The intent is for Harri to become the system of record that communicates to the other systems, such as point-of-sale (POS) and

payroll, thus minimizing the number of different systems in the restaurant's enterprise software stack. Working toward this, Cafe Rio will commence implementation of Harri for labor forecasting and scheduling, plus employee communication, in fall 2023.

Regarding Harri's communication module specifically, "As a restaurant company, with a dispersed workforce that doesn't have individual email addresses it's always a challenge to communicate updates and messages and make sure everyone receives them."

Beyond this, Cafe Rio, unhappy with the string of applicant tracking system (ATS) providers it had deployed previously, was in search of an ATS with features to give the employer a competitive advantage in recruiting. As it turned out, Worle and her team determined through their research that Harri was working on developing much of the functionality to meet their needs. Urgently in need of something new at that time, however, Cafe Rio selected a different ATS. Fast forward three years later, the restaurant remained dissatisfied with its ATS and began looking again. Resuming conversations with Harri, Cafe

Words of Wisdom

From Savory's perspective, preparing your team for implementation is a key component to making a new system work. The more people who buy into the transition and dive in, the better the system works for everyone. Savory also finds it important to invest in the time it takes to properly set up a new system. Carefully consider all of the processes and connections across all of HR so that it can scale and grow along with your business. "We've been able to do that. But it does take a lot of time to make that work well, especially at our size," says Boshard. "You know, that might not be the case for one store or five stores. But we're to a point where when we buy a new brand, we deploy Harri on day one."

The biggest impact is going to be on your managers, highlights Cafe Rio's Chief People Officer Cortney Worle. For Cafe Rio, it's important to consider the magnitude of change management. Even when a new system is going to make things easier for the managers, they still need the grace and time to learn and adapt to the new toolset. Help your managers get on board and embrace the change by detailing the benefits of the new system, she emphasizes: explain the why behind the change and highlight how the system makes their jobs easier by eliminating tedious operations tasks and opening up their workloads for more valuable aspects of their jobs.

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Rio learned that Harri had indeed deployed most of the functionality previously shown on the product roadmap. With this, the decision was straightforward.

"I had a lot of assurance that the things Harri said they were going to do when we first looked at them, they actually did," says Worle. "That made me feel like they were going to continue to innovate, move forward, and do things differently. Probably ninety percent of the things that we wanted a system to do, Harri did. For example, Harri's chat app was a big appeal for us. That we could have someone start talking with an applicant via text and have that act as a virtual assistant, is a huge time-saver for my recruiters."

Success

"I've found that Harri is quite agile, and they innovate for specific business needs," says Worle. To the extent it has already been deployed there, the Harri system is working to Cafe Rio's liking. There are certain features that Harri customized for the employer. One example is that Cafe Rio, as does any restaurant, sees a lot of minors applying for work. The rules are different depending on the state where a restaurant operates, and Cafe Rio needed the system to identify and disallow hiring of minors where doing so

Harri Impacts Portfolio-Wide Improvements, Cost Savings for Savory Fund

Savory Fund owns and operates 120 restaurants across 8 brands. Savory partners with restaurant founders, takes majority control, and puts systems and processes in place that allow for scale. They are a curator of best practices for restaurant management and make their people a priority.

Josh Boshard, chief operating officer at Savory, initially sought a system that enables employees to have a positive, streamlined onboarding experience. After working with many different systems, Harri has become Savory's system of record with any other systems built onto Harri.

Harri presents Savory's leaders and managers with a quick view of same-store sales growth trends, year-over-year results, sales activity, cost of goods, hourly and salary labor amounts, and turnover percentages in a customizable dashboard. This gives the employees on the front line a clearer picture of what's going on in their stores.

Boshard believes Harri is a crucial element of Savory's success. Each quarter, Savory conducts a net promoter score (NPS)-based employee survey to understand how well staff feel about the culture, their managers, their shifts, the time-off request system, and the onboarding process. Savory then overlays the resulting NPS scores with performance data from Harri, key performance indicators (KPIs), and P&L. This yields a clear view of each store's performance, and Savory can then take all the NPS scores, read through every survey response, and immediately address any HR issues that arise.

Implementing this strategy per store, per district, and per brand, is how Savory wins. "If your employees can onboard, access all of their documents, view and change their schedule, and receive communication from managers all in one place, you've won because no other restaurant group has one single system enabling employees to do what they need to do," Boshard said.

Savory has integrated Harri across all eight brands, all disparate brands under the broad restaurant category, from quick serve to drive-through to fast casual to counter service to fine dining. When Savory installs Harri, the company layers in two things — a system that works and a process on the backend that also works. This transition results in a quantifiable 1 percent to 2 percent reduction in HCM-related costs per brand. "Ultimately, the results from implementing Harri are lower labor costs, easier onboarding, and a better employee experience," says Boshard.

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didn't fit labor rules. Harri responded to the need by helping Cafe Rio come up with a solution that blocks any non-compliant hiring activity whatsoever. For other situations that Cafe Rio has identified, Harri has done the work to develop custom solutions and innovative workarounds.

Positive Results for Restaurants

Cafe Rio has noticed that Harri is a contributing factor to their locations doing better than their competitors when it comes to staffing. Harri has removed complications and roadblocks for applicants and their hiring process. It's also given Cafe Rio more resources to go out and mine for people. Harri has contributed to combatting the problems they experienced in the past with hiring and retention. The system as a whole has created efficiencies for the applicant experience.

As for Savory, the Harri system makes it easier for the HR team to monitor, use, and document what's actually happening in each restaurant. This translates to easier HR practices and faster speed of service when it comes to the disposition of employees with critical violations and better access to performance-based data and the feedback they are receiving. "It's our ultimate goal at Savory to never fire anyone. We want to get them to the next level and move them into a position that allows them to win," says Boshard.

As Savory wraps up Harri implementations across all of its brands, the company is looking for what it can improve next with the Harri toolset. Savory seeks ongoing improvement and sees Harri as a strategic partner in that process. As for Cafe Rio, as it deploys the communications hub across all restaurants the employer looks to Harri as another culture builder.

It's taken a bit of time for Savory to deploy the whole Harri suite across all of its brands. At the very end stage with the scheduling piece for its bigger brands, the company implemented the system in stages. Over time, in doing so, Savory has experienced an optimized labor schedule that's based on historical sales and key data points that are helping the company to put

the processes in place that lower labor costs. Interestingly, Savory has noticed that its brands that have not yet integrated Harri continue to struggle in ways those that have, don't. "When we get a brand onto the Harri scheduling system, all of a sudden things become much easier and better for them," says Boshard.

Savory has also noticed an improvement in employee retention. The HR department spends less time chasing after operational tasks and has turned its focus to working more with leadership and employees. Now able to act at a store management level, the HR team can devote more attention to understanding what's happening at an employee level. HR has gained a better perspective on the whole employee experience and is looking at how to optimize that.

Harri's Communications Hub; Communicating with Staff at Cafe Rio

"The best way to communicate with employees is where they clock in and out" says Worle. "Employees don't have to go on the training system. They don't have to go on the payroll system to look at paycheck stubs. There isn't a mechanism that compels them to engage with any other system unless they choose to. But employees can't get paid if they don't clock in and out. And that's where we hope that the communications hub can help us out from a cultural standpoint. Harri is also going to help us with compliance by keeping communications to when an employee is on the clock."

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"If five employees are all saying an assistant manager is having issues, our HR team can now go in and say, 'We have a learning module for that employee because they're missing these key characteristics of leadership,'" says Boshard. "The most important piece to all of this is following up with the employees. We let them know that we listened, we acknowledge what's been asked, and we share our response with them."

Looking Ahead

"We see Harri as one of the most important systems that we have," says Boshard. As Savory wraps up Harri implementations across all of its brands, the company is looking for what it can improve next with the Harri toolset. Savory seeks ongoing improvement and sees Harri as a strategic partner in that process.

As for Cafe Rio, as it deploys the communications hub across all restaurants the employer looks to Harri as another culture builder. "As we are able to get messages out and help people understand what's happening with the company, what their role is, and communicate all of the things that we know are super important to employees nowadays, we see this messaging filtering its way all the way down so that every employee feels informed," says Worle.

For both Savory and Cafe Rio, Harri is a strategic partner willing to work closely with them to understand and solve their business needs. Invested in the success of each business, Harri's consultative, collaborative approach has led both Savory and Cafe Rio to see the employee experience and productivity soar at every store.

3Sixty Insights Inc. Navigating the Information Technology Buying Process.

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