



Golden Chick Increases Insight, Reduces Costs, & Improves Efficiencies with Compeat

Golden Chick, founded in San Marcos in 1967, has grown to more than 180 locations throughout Texas, Oklahoma, South Carolina, Georgia and Florida. Known for using the whole chicken tenderloin or as they like to call it, the filet mignon of chicken, Golden Chick has a rich history dating back to 1967. Since opening their first franchised location more than 30 years ago, Golden Chick has consistently been a leader in food safety and product compliance.

The first restaurant, Golden Fried Chicken, opened in 1967 in San Marcos, Texas. In March of 1989, Golden Fried Chicken was purchased by an investment group which has seen steady growth of franchises since then. In 1993, the group brought new enhancements to the Golden Fried Chicken menu as well as the restaurant appearance and thus was born Golden Chick, the name of all their restaurants opened since 1996.

Challenge

Kelly Creighton, former President of Golden Chick, is no stranger to the successful chicken chain. He started at Golden Chick almost 30 years ago working for corporate before branching out to open his own stores for ten years, then later returning as Purchasing Coordinator.

A lot has changed since running his operation in Lotus 1-2-3. "When I returned to the corporate office in 2015, we were using a software that offered no more than glorified spreadsheets," states Creighton. "We still had to update everything manually each month, which didn't make any sense to me since we had inbound data from Aloha."

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- Kelly Creighton
Purchasing Coordinator

COMPANY OVERVIEW

Golden Chick, founded in San Marcos in 1967, has grown to more than 180 locations throughout Texas, Oklahoma, South Carolina, Georgia and Florida.

BUSINESS SITUATION

Running the restaurants with disparate systems and different nomenclature from each operator, there was no clear view into how stores were performing against each other.

KEY RESULTS

The team at Golden Chick saw an average of 2% reduction in COGS in their corporate locations and discovered over \$150,000 in theft.

Another issue the franchise faced was poor data integrity. Running the restaurants with disparate systems and different nomenclature from each operator, there was no clear view into how stores were performing against each other. Golden Chick franchise philosophy is to maintain personal contact with all of their franchisees in order to help them earn a respectful profit. However, it is impossible to fix what you can't see so they needed better insight to store-level operations.

Solution

Tired of playing “what if” with costing and worrying about data integrity from the POS system, Golden Chick turned to Compeat software to help run their operations. Once they started using Radar, and discovered the power of Business Intelligence, they were blown away by how easily the information could be put into something actionable to increase profitability through cost reduction and labor optimization.

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- **Scott Stevenson**
COO Prosperity Brands LLC

Results

Compeat software offers a comprehensive all-in-one integrated restaurant accounting, back office, workforce and intelligence management software. The more modules used, the more money and labor hours saved. “Being a franchisee myself, I have first-hand knowledge of what our franchisee’s issues and opportunities are,” continues Creighton. “I have seen Compeat software achieve an average of 2% reductions in COGS in our corporate locations and am eager to share how our franchise partners can do the same by taking full advantage of Radar and everything Compeat offers. Two percent is a lot of money to each store’s bottom line!”

Creighton had an “AHA moment” when he was introduced to the dashboards. “The executive level dashboards save me so much time,” states Creighton. “I can view sales, labor, sales per person, promos, and more without pulling a POS report. It’s all right there in graphical format, showing me trends at a glance.” In fact, Creighton was able to uncover fraud in two different locations by noticing outliers in the trends that alerted him of potential threat. One store with approximately \$100,000 and the other store had lost almost \$50,000 due to ongoing theft.

Another “AHA moment” for Creighton is when he viewed an invoice variance reports in the COGs module. This transaction level report would take weeks of crunching numbers if done manually, but now can be real-time in an instant to make food cost decisions and hold employees accountable.

Another multi-unit operator found that he was able to get his food cost from his usual 37-38% to 35% by identifying issues with voids, comps, promos, and theft. “If you are not using Compeat, you are leaving money on the table,” states Scott Stevenson, COO Prosperity Brands LLC, which manages six total Golden Chick locations. “Running a growing business, I need to know how each unit is doing without bugging the manager throughout the day. With Compeat software, I can view various store-level reports from anywhere on any device. Whether on my mobile or tablet device, receiving real-time allows for more efficient and bottom-line decisions”

Stevenson was also very impressed by the precision gained by using the scheduling tool. "Individuals who do not have extensive experience in scheduling should definitely explore this technology," urges Stevenson. "The Compeat Schedule tool provides accurate forecasts and lets you communicate with your team with the click of a button. Managers can create schedules 75% faster."

With advanced overtime warnings, operators can save even more money by ensuring that employees clock in and out on time. "Most managers can overlook it when an employee clocks out 15 minutes late," Stevenson continues. "But when you have eight employees who clock out 15 minutes late several times per week over several locations, it can really add up. Having alerts set up to warn managers when employees do not clock out or before they approach overtime is imperative to the bottom line."

Golden Tree Holdings is the parent company and have many brands under their wing! Other brands within the group – like Heff's Burgers, Texadelphia, Fireside are also experiencing the benefits of using the Compeat suite of modules and tools.

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To learn more about Compeat, please call us at (512) 271-0771 or email info@compeat.com.