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Success Story: Krystal





Krystal has been an institution in the South for more than 80 years. Founded in Tennessee in 1932, the quick-service brand serves freshly grilled burgers (as well as hot dogs, chicken, fries, milkshakes and more) in more than 350 stores across 11 states.

Now based in Atlanta, the company's rich history has produced a wealth of loyal customers throughout the Southeast. If you're a fan of Krystal, odds are it's because of their burger — a sizzling beef patty, onions, mustard and pickle on a steamed, square-cut bun. It's nearly impossible to eat just one.

But in the modern restaurant landscape, customers have more options than ever. That's why Krystal is undergoing a corporate revitalization spearheaded by Chief Executive Officer Paul Macaluso, who joined the brand in 2018. In order to capitalize on changing consumer demands, Krystal has greatly expanded its third-party delivery presence and has plans to redesign 75-100 restaurants over the next five years — approximately 40 percent of the corporate portfolio.

The brand's revitalization also puts a focus on the most crucial area of all — its team members. In an effort to drive performance and engagement among employees, the Krystal training and development team has transformed its employee training program with the help of **Schoox**.



In a Snapshot

Their story

Founded in Chattanooga, Tennessee, in 1932, The Krystal Company is the original quick-service restaurant chain in the South. Its hamburgers are still served fresh and hot off the grill on the iconic square bun at over 350 restaurants across 11 states. Krystal's Atlanta-based Restaurant Support Center serves a team of 7,000 employees.

Challenges

- Turnover rate above the industry average
- Unengaging, outdated paper and laptop-based training
- Diverse, multi-generational workforce
- Major corporate revitalization effort over the next 5 years

Products

- Schoox

Results

- A 30% increase in employee retention
- A 5% boost in overall customer satisfaction scores
- 11,800 hours of training completed in 2018





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Choosing a Learning Management System

Before investing in Schoox, Krystal administered employee training using paper workbooks and laptops, an approach that was no longer sustainable, says Richard Fletcher, Krystal's Director of Training and Talent Development.

"What they had before was laptop-based training, and the courses took an hour," he says. "They didn't work. Our employees hated it."

Fletcher and his team needed a tool that could fit the needs of Krystal's diverse workforce.

"When you combine our rich history with the fact that in 2019, the workplace is really quite different, that means that we have five generations of employees — anywhere from a teenager to a 70-year-old," Fletcher says. "We have a lot of people who have been here 10, 20, 30 years. A one-size-fits-all training plan no longer works."

When it came time to choosing an LMS, Fletcher knew the solution had to meet the following criteria:

- Consistently deliver brand-acceptable content to a wide variety of devices
- Easy for employees to use
- Help employees learn and manage their career paths
- Highly customizable

"We found that Schoox was a good match for the team, allowing us to create content easily with subject matter experts, in short, small pieces that are relevant, that we can act on quickly," Fletcher says.

For Krystal, the easily customizable interface was particularly valuable.

“It has to be easy for us to use, and it has to be easy for us to customize,” he says. “Branding is very important. A lot of other LMS options don’t allow easy customization.”

After a successful integration with UltiPro, Krystal rolled out the learning management solution in phases, first to managers and then to the brand’s 7,000 crew members.

“If I could get buy-in from our managers and they already know how to use it, I knew it would be easier to get buy-in from the rest of the hourly employees,” Fletcher says.

Krystal managers have taken to the LMS quickly. In Fletcher’s words, they love how “nimble” the tool is.

“Managers love that they can report on completion, they like the mobility of the tool, they like that the content is short and easy to access,” he says.

A Focus on People, A Reduction in Turnover

Krystal’s implementation of Schoox is part of the company’s People First culture, helping each team member achieve greatness through growing talent and career paths.

“Our promise of developing people and delivering training to them and making them better delivered a result of reduced turnover”

**Richard Fletcher,
Director of Training and
Talent Development**

In fact, Krystal has replaced annual performance reviews for its employees with the goals module functionality in the LMS.

“Performance reviews are old. Nobody uses them anymore and nobody should use them,” Fletcher says. “They don’t work.”

But with the performance management features in Schoox, Fletcher and his team to more effectively maximize Krystal’s talent pool.

“It allows us to not only enter individualized goals for each of our staff members but to cascade those goals directly from the company’s strategic plan where we set a company goal in each unit and track measurements based on the goal,” he says. “The new process will not only force alignment of performance management with the overall company strategy but will allow us to further our goal of keeping People First as we ensure the maximum uplifting of each other together.”

And this People First foundation has produced



results — since fully deploying Schoox in April 2018, Krystal has seen a 30 percent reduction in turnover among its employees.

“Our promise of developing people and delivering training to them and making them better delivered a result of reduced turnover,” Fletcher says.

Training on Consistency for Higher Customer Satisfaction

Krystal’s training and development team also used their new learning management system to support another key 2018 business goal focused on how customers feel about the Krystal experience and the brand’s food itself. This training program focused on Krystal’s two main food items — the hamburger and the french fry.

Fletcher and his team created self-paced training courses within the LMS, as well as on-location training support with regular reporting to leadership and a multi-state tour to promote the new initiative. The program resulted in improved consistency and quality of Krystal’s two main menu items.

“We saw a 5 percentage point boost in overall customer satisfaction scores,” he says.

Opportunities for Ongoing Development

Fletcher is also excited to use the LMS on an initiative to develop shift leaders within the Krystal family in hopes that they can one day be future leaders for the brand.

In many cities, Krystal is a 24-hours-a-day, 7-days-a-week restaurant. Shift leaders are

hourly employees who have stepped up to lead a shift if a manager is unavailable — an overnight, for instance — and who want to do more.

“They want informal learning to happen, and they want development. I’m excited to start using more of the group functions, more of the social aspects within the tool,” Fletcher says. “We’ve got to connect these people between stores. That’s what going to make us different. It’s not just about completing a few courses and going to work. It’s about the company showing an interest and having them say ‘Yes, my manager cares about me.’”

