CONNORS GROUP

CASE STUDY

Scale-up & Growth Without Compromising Performance

THE CHALLENGE

Jack in the Box Inc. is a leading Quick-Service Restaurant chain with over 2,200 locations primarily across the U.S. west coast and southern states. Known for its innovative approach and diverse menu offerings, Jack in the Box Inc. aims to optimize operational efficiency while maintaining its brand promise of offering its full menu all day.

As with other brands expanding in a highly competitive industry, Jack in the Box Inc. faced opportunities with its next-generation restaurant prototype primarily centered around reducing the total capital investment which is necessary to support attractive returns. This included optimizing the overall kitchen footprint as well as preparation and workstations within the kitchen engine, and right-sizing frozen, cold, and dry inventory storage space. The current prototype kitchen design was based on aspirational target volume and theoretical throughput capacities that did not always align with actual performance metrics. Addressing these opportunities was critical to support better economic returns for franchise investors and the brand's expansion into new markets.

PROJECT OVERVIEW

Jack in the Box Inc. collaborated with Connors Group to reduce capital expenditure required for new restaurant construction while simultaneously optimizing kitchen operational efficiencies. It involved two primary phases:

Phase 1: A "Design to Investment" (DTI) initiative focused on reducing total building costs to improve financial metrics for franchise investors. This phase engaged multiple cross-functional teams, including architecture & design, construction, equipment purchasing, operations, culinary, and food safety.

Phase 2: To support the rollout of Phase I and ensure labor productivity matched the more optimized designs, Connors Group proposed a systemwide labor model refresh that pivoted the project from a pure capex reduction exercise to a more holistic evaluation of capex and opex impacts.

CONNORS GROUP'S APPROACH

Connors Group deployed its Blue-Sky Iterative methodology with an on-site, data-backed approach that blended industrial engineering with restaurant operations expertise.

Phase 1 Highlights:

- Conducted extensive Gemba walks to identify kitchen inefficiencies, equipment utilization, and labor impact.
- Collaborated with cross-functional teams as described above to identify and evaluate more than 70 improvement ideas.
- Developed value engineering modifications to improve the existing kitchen configuration while still preserving brand standards.

Phase 2 Initiatives:

- Utilize Connors Group's proprietary LaborPro™ software to modernize the Engineered Labor Standards system to optimize workstation labor allocations and identify opportunities to enhance overall productivity.
- Develop dynamic backroom and point-of-use inventory levels to save time, enhance productivity, and optimize utilization of storage capabilities
- Review ideas identified during Phase 1 related to kitchen workstation equipment positioning and space allocations to further develop them into configuration changes.

IMPACT & RESULTS

This strategic redesign positioned Jack in the Box Inc. for the potential of more balanced growth, better unit economics, and an optimized kitchen configuration supporting operational excellence.

Meaningful reduction to the total estimated new restaurant construction cost, derived primarily through the elimination of approximately 175 sq ft from the back-of-house footprint along with associated fixtures & equipment.

Optimizing inventory storage and reducing total allocated space by up to 25% for dry and cold storage contributed to overall space savings, enhanced operational flow, and improved labor productivity and processes within affected areas.

Facilitated collaborative working sessions building on iterative feedback, engaging all cross-functional departments which fostered a strong commitment to innovation, optimization and continuous improvement.

Developed dynamic backroom and point-of-use inventory levels to optimize utilization of storage capabilities.

LET'S BUILD A BETTER-PERFORMING RESTAURANT OPERATION.

See how Connors Group can help improve productivity, service, and profitability across your organization. Visit connorsllc.com or call (800) 813-7028 to learn more.