

# Finer Dining at Denny's

with **Envysion**



## Challenges

- Identifying areas where service is lacking and reducing customer complaints
- Rescuing lagging sales by applying employee training standards
- Protecting good managers and employees from the bad performance of others
- Eliminating employee theft and fraud and reducing operating costs

## Solution

RJC implemented Envysion's Managed Video Solution to capture real-time video and audio footage of customer interactions and employee behaviors to improve training, identify bad behavior and theft, fill service gaps, and create a better dining experience overall.

## Business Outcomes

- Set coaching and training standards to meet and exceed brand expectations
- Gained the insights needed to resolve several incidents per week and continually improve back-end processes and front-of-the-house interactions
- Safeguarded profits and reduce theft and fraud across 33 restaurants in 5 states
- Reduced unauthorized comp or discounts by 1.2% across the business
- Conducted employee theft investigations in a fraction of the time as previous methods

Famous diner-style chain uses Envysion's Managed Video Solution to improve training and service, identify employee theft, and reduce fraud

## ► HOLDING THEIR OWN IN A WORLD OF FAST-CASUAL RESTAURANTS AND ONLINE ORDERING

Whether it's the famed Grand Slam or the venerable Moons over My Hammy, Denny's has cemented a legacy in Americana with iconic dishes in its diner-style restaurants. Now, with over 1,700 locations, Denny's has come face to face with many of the same challenges as other chains: protecting their business model, maintaining sales, and retaining happy customers.

As the restaurant landscape shifts to fast-casual, walk-in/walk-out dining, online ordering systems, delivery services, and other convenience-driven innovations Denny's restaurants and their franchisees have continued to hold up alongside changing trends and passing fads. Specifically, they've remained competitive by taking new approaches to loss prevention, employee engagement, and enhancing the customer's dining experience.

*“The restaurant industry still requires some specialization—employees to master their craft—and it’s getting harder to come by as the shortage of skilled, trustworthy employees grows,” Sean Morris, Chief Operations Officer at Denny’s franchisee RJC, explains. “Rather than wasting more time and resources on turnover, we wanted to establish stronger employee training along with stricter standards for preventing loss and fraud. We found the answer to both in Envysion.”*

## ► AN EXPENSIVE PROPOSITION

Like many restaurant operations, employee theft and unauthorized transactions cut deeply into the company’s balance sheet. “Discounts are an easy way for servers to steal. They have someone paying cash and then before closing the tab, they apply a meal comp despite having already received the cash,” Morris says. “They can just take the comp off and pocket a extra few dollars. It might not seem like much on a per-transaction basis, but added up over 33 restaurants and it becomes very expensive.”

Other, less visible, forms of unethical practices such as manipulating order entry and ticketing systems also became a prevalent issue. Morris says that the potential for unauthorized team financial incentives in individual locations could lead to employees to doctor orders to falsely improve ticket response times, which both erodes the service standards of the Denny’s brand and adversely and directly impacts the customer’s experience.

More concerning is that despite knowing these activities—theft, unauthorized transactions, or even ticket systems manipulation—are happening, Morris’s team could take only a reactive approach to resolving them because of the company’s geographically dispersed locations and a heavy reliance on manual loss prevention processes.

“In the past, we’d learn about some sort of loss either by reviewing reports or by responding to a complaint from a manager or employee,” Morris says. “We’d had to come in, do an investigation, talk to a few people, and make a decision largely on instinct and an assumption about who was telling the truth. It was a long, slow process and not one that instilled confidence or trust in management or staff, so we needed something different.”



“Having a system like Envysion in place is a huge help in quickly identifying and addressing negative trends or areas of our operations that could use some help. We’re able to uncover theft from team members, understand why a particular location’s sales might be lagging, and even reduce the number of fraudulent worker’s comp claims in ways we never could before. Envysion’s video solution provides those big moments of self-reflection and enables us to establish and follow a coaching and training standard.”

*Sean Morris, Chief Operations Officer, RJC*

## ► RAISING THE STAKES AGAINST LOWER STANDARDS

Success in today's restaurant business requires striking a balance between maintaining a strong commitment to outstanding customer service and minimizing unnecessary losses on the balance sheet. To accomplish both, Morris turned to Envysion to give him and the RJC leadership team complete visibility and insight into every element of the company's operations, no matter the location or time.

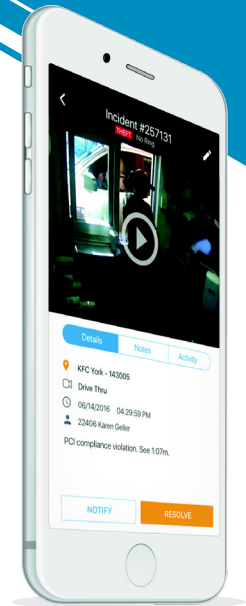
At a time when the restaurant industry has been forced to lower service and hiring standards, Morris wanted to reverse the trend and set his business apart. He selected Envysion Managed Video to be the cornerstone of his team's efforts to ensure that food preparation and customer service met brand expectations and that all business operations from both the front and back of the house were carried out ethically, legally, and to RJC's ideals.

The cloud-base Envysion Managed Video platform features unobtrusive high-def cameras and microphones to capture true-to-life activity in any scenario, enabling local managers to keep tabs—remotely or in-store—on customer interactions and in-store activity in real time. Meanwhile, audio and video from every vantage point is recorded and securely stored, making it easy for Morris or other authorized users to recall footage from any timeframe to compare every point of sale (POS) transaction with related and time-stamped video or closely observe a multitude of back-end activities where loss and risk frequently occur.

Whether it's too-slow food preparation, skimming discounts or comping guests without approval, or other risks like fraudulent complaints, accidents, or worker's comp claims, Envysion provides the clarity and visibility RJC leaders need to take decisive and appropriate actions quickly.

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The system enables company leaders to actively review in-store operations and employee behavior from any internet connected device. Then when problematic behavior or service issues occur, managers instantly receive an alert to stream the video, assess, and then resolve situations that would have previously required a long, drawn-out process of investigation.



*“Envysion has helped us identify many theft issues that we would not have caught even using our auditing process and have led to saving us thousands of dollars in losses. Our Comp/Discount percentage alone has dropped by 1.2% across the board by utilizing their loss prevention software. It's not only a tremendous immediate impact on the business, but it's also a proven foundation for how we manage operations and continue to improve in the future.”*

*Sean Morris, Chief Operations Officer, RJC*



## ABOUT DENNY'S

Denny's is America's diner where guests have come for over 60 years to sit back, relax, and enjoy delicious, hearty meals 24/7, every day of the year. From breakfast anytime to satisfying lunches and dinners, Denny's is always open, always welcoming, and always serving up hearty diner food along with a mug of fresh hot coffee. Originally founded in 1953 as a donut stand, Denny's now operates diner-style restaurants in over 1,700 locations across the U.S.



"Video allows us to skip the excuse stage and go straight to the solution stage of any issue," Morris says. "And it also protects managers from false HR complaints made by disgruntled employees or guests who make inaccurate claims during service. In essence, we've been able to keep the good employees and get rid of the bad ones, which cuts costs associated with training time and turnover while having the added benefit of maintaining an outstanding customer experience."

## ► EMERGING AS A SERVICE LEADER WITH GREATER VISIBILITY AND INSIGHT

Growing a restaurant franchise demands a certain level of agility and flexibility. For Morris, having 33 locations spread across five states means that not every restaurant has the same set of concerns. Whereas one store might be dealing with POS theft, another might be grappling with an uptick in fraudulent workers' comp claims.

Envysion's Managed Video Solution can be configured for each store to allow Morris and his team to handle several incidents per week at various locations with confidence and efficiency. Being able to pivot and quickly address new claims or incidents is essential to preventing further loss while empowering both HR teams and regional managers to take a more proactive approach to employee development and engagement.

"It is true that a picture is worth a thousand words. If you really want to be able to drive home service standards and make your mark as a leader, having video is invaluable," Morris affirms. "Envysion's Managed Video Solution for the restaurant industry has allowed us to see and know everything that's going on, reduce costs, and change our attitudes about the kind of service we want to provide."

Ultimately, of course, there's a bottom line implication as well. And according to Morris, Envysion has played a crucial role in improving the business's overall financial health by reducing costly losses. "Envysion has helped us identify many theft issues that we would not have caught even using our auditing process and have led to saving us thousands of dollars in losses," he says. "Our Comp/Discount percentage alone has dropped by 1.2% across the board by utilizing their loss prevention software. It's not only a tremendous immediate impact on the business, but it's also a proven foundation for how we manage operations and continue to improve in the future."

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