

How Pizza Hut Turned its Managers into Business Owners



BUSINESS SITUATION

Pizza Hut, a subsidiary of Yum! Brands, is recognized for its quality products and innovation, and expects to maintain its edge by continuing to execute business plans and marketing strategies effectively. Despite intense competition, Pizza Hut is the world's largest pizza restaurant company with 6,600 units in the United States and more than 4,000 units in 100 other countries.

The proliferation of choices in the pizza delivery business, the constant and growing competition from fast-food and full-service restaurants, and an always-changing mix of customer needs and trends are just a few of the challenges Pizza Hut faces. Meeting these challenges requires the successful deployment of strategies and plans throughout individual restaurants... no small challenge in itself. Because Pizza Hut encourages Restaurant General Managers (RGMs) to operate their restaurants like owners, it became necessary to ensure that the RGMs actually knew what it was like to own and operate their own businesses.

ACTION

The Pizza Hut Corporate Education team designed a three and one-half day Restaurant General Manager University (RGMU). Included were components on leadership, customer focus and business knowledge. Simulations, discovery learning exercises, case studies

and high levels of interaction were key elements of the design. Zodiac®: The Game of Business Finance and Strategy is used to prepare RGMs for analyzing key financial and operational data during the program. "Business Realities," a simulation designed by Paradigm Learning for Pizza Hut, allows restaurant managers to tackle the overall issues involved in operating a pizza business and to draw conclusions about the strategic direction of the company. "SimHut," including simulated restaurant financial and operations reports, was created to provide hands-on experience during the analysis section of the course.

Paradigm Learning, after working with Pizza Hut to tailor the "Connections" component of Zodiac, certified an internal Master Facilitator to train other Pizza Hut associates to deliver the training during RGMU. RGMU has already been conducted more than 20 times worldwide.

RESULTS

During the pilot tests, Zodiac and "Business Realities" were the two top-rated components of RGMU with reactions from learners such as, "Wow—I really do run a business!" and "Now I know why they [the home office] make the decisions that they do." Another training initiative, Area Manager University, also includes Zodiac and "Business Realities." Additionally,

CLIENT STORY

Zodiak has been implemented as part of other courses for crew members and restaurant supply and distribution personnel.

According to Jack Landers, former director of training effectiveness for Tricon Global Restaurants, parent company for Pizza Hut, RGMs have used the “Connections” component following Zodiak to help them identify low-hanging fruit. This has led to profit improvement opportunities ranging between 0.5 percent and 3 percent. Now, it’s up to the RGMs to implement their action plans.



Paradigm Learning is an industry pioneer in adopting games for learning. For more than 20 years, the organization has incorporated gaming elements into the development of award-winning business games, simulations, and Discovery Maps® that engage employees, accelerate learning, increase retention, and drive new behaviors on the job. Recognized as a frontrunner in creating innovative learning designs that are appealing and effective for all learners, Paradigm’s powerful discovery learning programs develop workforce talent in the areas of business acumen, strategic alignment, leadership development, and sales effectiveness.