

Case Study



Client

Pizza Hut Restaurants UK

Industry

Restaurants

Customers

275+ UK restaurants

People

8,000+

Internal change champion

Jens Hofma, CEO

Heartstyles consultants

Stephen Klemich, Mara Klemich
and Carly Morgan

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Jens Hofma, CEO

“The speed to market with the changes happened with a constructive, effective approach rather than defensiveness, slowing down change.”

Jens Hofma, CEO

The challenge: 2012

Pizza Hut Restaurants UK had been in a decade of decline. Jens Hofma was appointed CEO to turn the business around and knew they could not keep doing the same things expecting different results.

Jens says, “Ineffective behaviour and culture are arguably the biggest hidden cost in business”, so he engaged Heartstyles to measure, manage and facilitate culture change in the business.

Wind the clock forward and the business has had a turnaround with many contributing factors and stemming from an effective culture.

The outcomes: 2015

- 3 years of sustained business growth
- Brand turnaround and 20+% growth with new concept restaurants
- 15 restaurants closed, 27 refurbished
- Annual turnover increase
- Annual profit increase
- High retention of key talent
- Recently ranked #1 UK social media brand
- Voted best Global Pizza Hut Franchisee 2016
- Kath Austin voted best UK HR Practitioner 2016

Discussing the process, Jens stated that, “The speed to market with the changes happened with a constructive, effective approach rather than defensiveness, slowing down change.”

Kate Noakes, Director of Innovation and Change said, “With the Heartstyles model well established in the business, Pizza Hut Restaurants is able to go after desirable business behaviours such as leading a team and thriving in change, using the Heartstyles framework as a vehicle for positioning these desirable behaviours and overcoming mental barriers that exist in bringing them to the fore. We call this ‘Applied Heartstyles’”.

Pizza Hut Restaurants UK

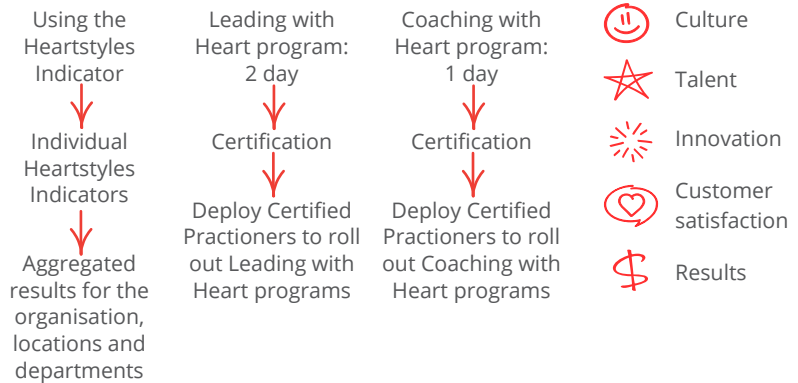


MAC=P explained

The user-friendly design of the Heartstyles model meant that the principles could be shared with ease and at speed to the widest of audiences—a two hour session effectively introducing key Heartstyles principles across layers of the organisation.

The process

Measure → Activate → Cultivate = Performance



MAC=P implementation: 2012-2015

Measure

The first Heartstyles survey was conducted in 2012 with 805 leaders across the organisation. They completed the **Benchmark Indicator**, setting their own culture goals. They then completed a **Self Score Indicator** showing actual current behaviour, and invited others to complete the same survey (**Others Score Indicator**) on them completing the 360 component to the data. Others also scored the leaders on their **effectiveness at work**. The results were used to develop tangible levers and actions for standards and change processes.

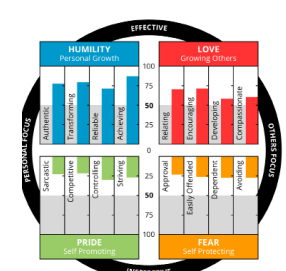
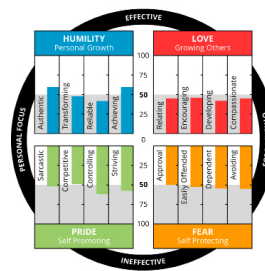
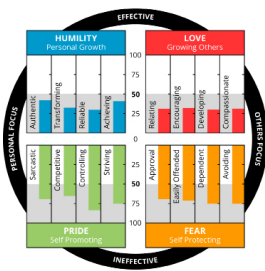
The 2012 Heartstyles measure (right) demonstrated a correlation between being perceived as **effective at work** and **High to Very High results** in the **Above The Line effective behaviours (30%)**. Conversely, those who were scored **Very Low to Low for effectiveness at work** have Heartstyles Indicators with **Below The Line ineffective behaviours (39%)** in the shaded zone—a development opportunity.

2012 results

Respondents who scored others **Very Low to Low** (n=894) 39%

Respondents who scored others **Moderate** (n=722) 31%

Respondents who scored others **High to Very High** (n=686) 30%



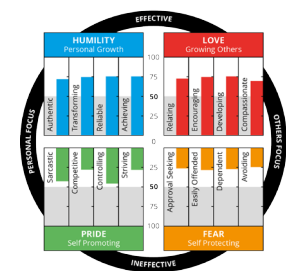
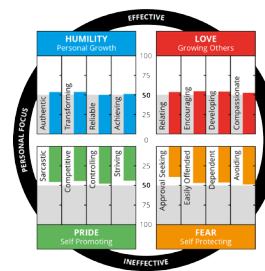
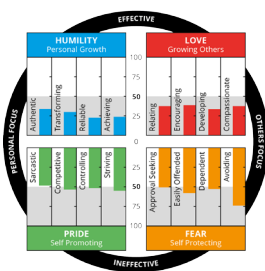
In 2015, 356 leaders were measured. *The data was grouped differently to see the difference between **High and Very High effectiveness at work** results. Again, we see a direct correlation to **effective behaviours and effectiveness at work**. The combination of **High and Very High results** has increased to **85% in 2015**, compared to **30% in 2012**—and the outcome is the performance of the organisation.

2015 results

Respondents who scored others **Very Low to Moderate*** (n=197) 15%

Respondents who scored others **High*** (n=615) 46%

Respondents who scored others **Very High*** (n=510) 39%



Pizza Hut Restaurants UK



What they say

"It gave me perspective on my attitudes and behaviours both inside and outside of work life. Whilst it was an intense two days, it didn't give anyone a chance to hide, shirk or coast along. You simply had to get involved. Once that barrier is broken down, it really makes you question and challenge your behaviours and decisions. I think that is the crucial part. You have to get involved and commit. Only then can you truly benefit from what the course is trying to help you achieve."

Restaurant General Manager

"I found the course extremely beneficial and would recommend all people, if given the chance, to attend."

Restaurant General Manager

Results comparison

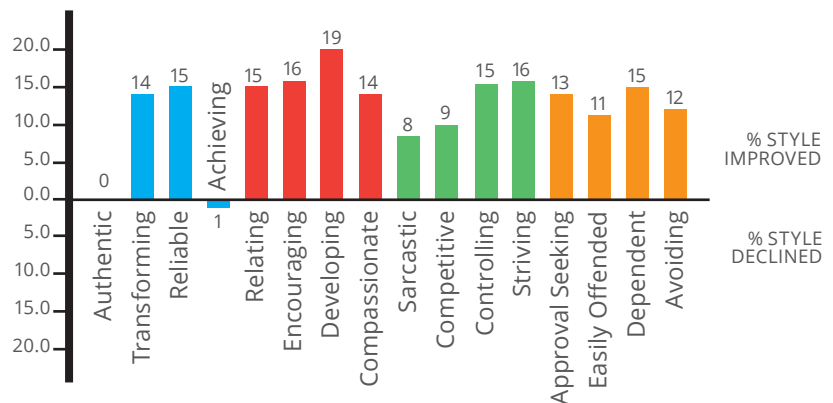
The 2012 and 2015 results were grouped differently however they still indicate a significant perception shift over 3 years.

In 2012, 30% of participants were perceived as High to Very High in their **effectiveness at work** and 70% were perceived as Very Low to Moderate.

In 2015, the Very Low to Moderate score dropped to 15%—a 55% reduction. 85% scored High to Very High in their **effectiveness at work**—a 55% improvement.

The percentage of behaviour style improvement and decline can also be viewed as follows:

Others Score results: 2012-2015



The organisational outcomes speak for themselves, yet there is still a need for higher achievement in the organisation both from an observation of the management team and the Heartstyles Indicator results.

Activate

Post measure, the following initiatives were activated across the organisation:

- Master Practitioners certified within Pizza Hut
- Multiple in-house programs
- Leadership and management team programs
- Leading with Heart program rollout
- Smart skills restaurant handshake (5 competencies for servers).

Cultivate

Heartstyles cultivated the program momentum and impact by providing coaching for leadership and management teams, and organisational support, taking company principles and goals and translating them into accessible models for the business.

As Pizza Hut Restaurants UK looked to align a team of more than 8,000 behind an ambitious business vision of growth and organisational values of **"The best of me and the best of us"**, Heartstyles provided a universal and accessible framework to describe effective thinking, behaviour and language, understanding peoples' diverse upbringing, beliefs and backgrounds.

Pizza Hut Restaurants UK



Heartstyles says

"To be able to serve an organisation, leadership and management teams—and the people of Pizza Hut Restaurants UK who are dedicated to turning a business around through great culture, heartfelt service and innovation—is an honour and privilege."

Stephen Klemich, Founder & CEO

"It's not Heartstyles that really makes the difference—it's the people who embrace the Heartstyles philosophy and apply it to their professional and personal lives that makes the difference."

Mara Klemich, Founder & Consulting Psychologist

"What an amazing team of people they are at Pizza Hut Restaurants UK—so willing to learn, so engaged in the programs and so much fun embracing growth and change within themselves."

Carly Morgan, Senior Designer & Consultant

Other smart initiatives

Pizza Hut Restaurants UK CEO, Jens Hofma, believes Heartstyles continues to be the key to success. The repetition of doing Heartstyles annually has embedded the framework and language of the 4 principles and 16 styles of the Indicator into the culture. The 8 Above The Line styles have become the organisation's values.

Heartstyles is producing significant and sustainable behavioural effectiveness in employees. These additional outcomes show the value achieved across the organisation:

- Stabilised sales performance after more than ten years in decline
- Brand turnaround well underway with new concept restaurants in 20% growth
- Long term improvement in customer metrics and turnaround of operational capability
- High retention/low turnover of key talent
- Speed to market with innovative strategies, e.g. adjusting and transforming interior decor
- Simplifying skill for a frontline server and improving operations and the menu
- Step change in brand social media and digital presence ranked #1 social media brand in UK, and Best UK Website award recipient.

Looking forward

Kate Noakes, Director of Innovation and Change at Pizza Hut Restaurants UK says, "We now have resolute leadership able to articulate the business plan, aligning the whole organisation to an easy-to-understand vision for our people and culture that has grown with the organisation, is easy to describe, has the widest reach and continues to set us up for success in the future." Commenting on the Heartstyles process, Kate notes the following:

- Pizza Hut Restaurants UK is an organisation that has come out of ten years of business decline. It has redefined its business model to achieve three sustained years of business growth
- It has achieved this by reviewing and changing all aspects of its business model—from the concepts we offer our guests to the systems we operate—from the way we lead our teams to the heart that runs through our organisational culture
- Four years ago as part of this total redesign of our business we partnered with Heartstyles. This partnership has been instrumental for our business recovery on a number of levels and continues to set us up for success in the future.

As often as time allows, Pizza Hut Restaurants UK CEO, Jens Hofma, puts on an apron and works in a restaurant serving guests. He is happy to make time with you to discuss how Heartstyles has worked for his people and helped bring the organisation spectacularly out of its decline and into healthy, sustained growth. Contact us for an introduction to Jens.