

**IMPLEMENTED RESULTS**  
**SCORECARD**

# MGM Grand Hotel and Casino

## Las Vegas, Nevada

**M**GM GRAND LAS VEGAS is a hotel casino located on the Las Vegas Strip, which opened as a Hollywood themed resort. The MGM Grand Las Vegas is the third largest hotel in the world and second largest in the United States. It also houses numerous shops and night clubs, 16 restaurants, two food courts, and the largest casino in Clark County, which occupies 171,500 square feet.

### THE CHALLENGE

A balanced focused on profitability, product and service is the leadership philosophy at the MGM Grand Hotel and Casino. For a hotel of its size, it's critical that this world-renowned operation delivers an outstanding guest experience, as well as strong financial performance. Upon determining that an improvement to profitability would be possible, the Food and Beverage division invited Carpédia to begin work in its high volume outlets. These outlets included: the Studio Café, the Grand Buffet, Room Service, Floor Beverage and the Conference Center.

Carpédia was brought in to work with the Food and Beverage executives along with the leaders of each area with the mission of improving productivity, reducing costs and improving service to guests. The objective was for each area to contribute to a division-wide annual savings of \$3.97 million with only a positive impact on the guest experience.

### THE RESULTS

The project is tracking to generate annualized savings which is equal to 100% of the original objective and will provide a 3.6:1 return on the project investment.

**Some of the method changes put in place to achieve the results included:**

- Adjust server section sizes in front of house operations based on cover forecast.
- Improved front of house bussing methods to reduce table turn times.
- Improved seating process at the Grand Buffet to reduced guest wait time.
- Redesigned up-selling strategy for Studio Café servers based on cook time and item profit margin.
- Reduced cycle time for preparing room service trays and conference center coffee break tables.
- Enhancement to conference center guest service for buffet-style functions.
- Improved methods for culinary preparations.
- Redesigned single-piece dishwashing process for stewarding.
- Improved service bar stocking through a task-based method.
- Improved storage and organization of back of house areas.

In addition, a model for forecasting outlet volume was developed. Results are currently tracking at 102% forecast accuracy and are providing the outlets with an enhanced ability to schedule the appropriate staffing levels.

Throughout the course of the project, the leaders of each area have been trained on the Carpédia methodology, enabling them with the skills to not only sustain the results that the project is currently tracking, but to also continuously improve their operations.

### THE TESTIMONIAL

MR. DAVID MC INTYRE, VICE PRESIDENT OF FOOD AND BEVERAGE: "The work your team has done with our F&B department continues to pay dividends nearly one year after we began the engagement. The benefits from it have been instrumental in helping us reach our financial goals, especially in this tough economy. All my Directors and managers have a much better business understanding of their areas and are becoming the leaders that I need for reaching our objectives.

Two of the additions that are having the greatest impact at our high volume restaurants, including room service, are the very accurate cover forecast and the labor scheduling tools. Additionally, the fact that my managers now have a methodology that they can turn to, to help solve problems that reduce cost or increase revenue is critical for our continued success."

**Carpédia International** is a management firm uniquely focused on helping leading companies implement sustainable improvements in revenue growth, productivity, and asset utilization.

