



# TAKT TIME APPLICATION

Holiday Parking At  
A 1200 Room Metropolitan Hotel

# HISTORY

Typical Friday and Saturday after Thanksgiving:

- Huge arrivals – Long waits to get into the garage
- Most, if not all, are transient's
- Multiple guests per room
- Purpose of stay is to shop
- Early arrivals because of store hours
- Most spend the weekend
- Comes after a traditionally low occupancy night

# PLANNING - 2004

## Known Arrival Patterns:

- 720 Rooms checking in on Friday
- Traditionally 80% drive in (576 cars)
- Traditionally 3+ people per car
- >30% are large vehicles (SUV's, PU's)

# TAKT TIME

TAKT Time is the amount of available time divided by customer demand.

Available time in this case is the amount of time most of the arrivals will pull into the garage – 10am to 6pm = 8 hours (28,800 seconds).

Customer demand is the amount of cars arriving in this time period – 576

The TAKT time would be  $28,800/576 = 50$  seconds a car

# PROCESS

TAKT time dictates that we have 50 seconds to deal with a car. In other words we have to move a car out of the garage every 50 seconds to eliminate any backlogs of cars (lines in the street)

Hence no operation in our process can take over 50 seconds, if it does we need multiple operations

# PROCESS - BOTTLENECKS

- A bottleneck in our process is the large vehicles. They need to be unloaded and turned around in the garage, then parked off site as they are too large for our garage. This takes an inordinate amount of time.
- A second bottleneck is the Doorman who writes the valet ticket and unloads the luggage from the car onto a bell cart. This operation typically takes 2-3 minutes.

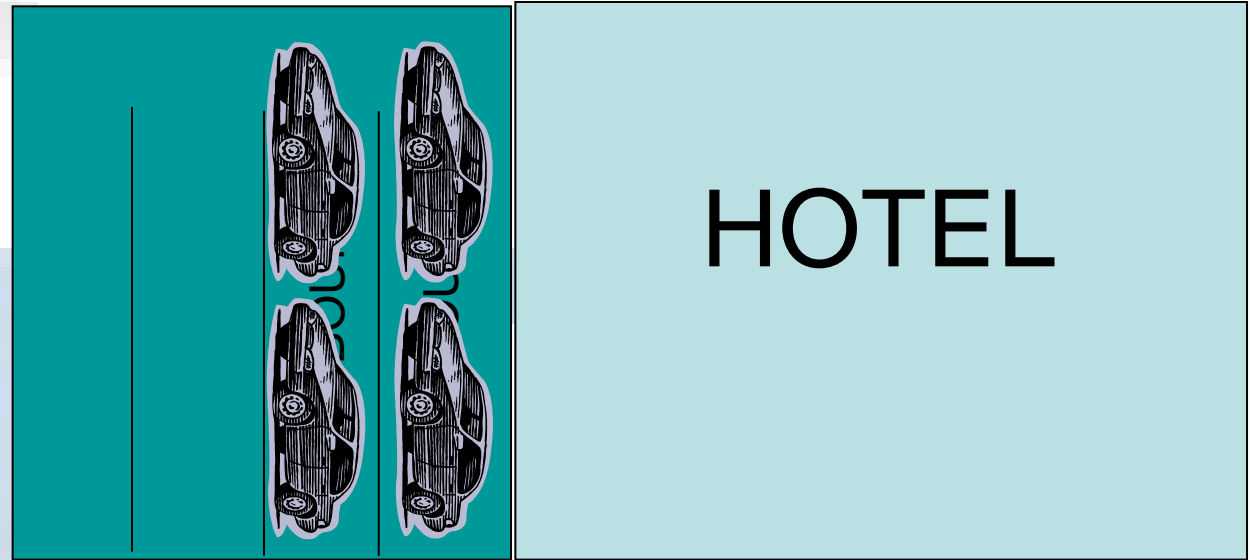
# PROCESS - SETUP

In order to accommodate our TAKT time we will need multiple Doorman, luggage handlers and valets.

We will also need to separate the large vehicles from the smaller ones **before** they get into the garage (see next slide).

# PROCESS – GARAGE SETUP

GARAGE



SUV VALET



VEHICLE SORTER

STREET

OFFSITE PARKING

# PROCESS

We set up our process to have a minimum of four Doormen.

Three Doormen would be in the garage unloading cars, with one handling the SUV's on the street.

Luggage handlers would be moving the bell carts to a predetermined location for storage and final delivery to the guest room.

# PROCESS

1. As cars would arrive the car sorter would direct them into either the garage or to the SUV station on the street.
2. The cars would get unloaded (either station) and valet tickets written. SUV's would immediately go to offsite parking, never entering the garage.

# PROCESS

3. The luggage would be moved by a luggage handler to a predetermined spot.
4. The car would be moved either to an offsite garage or parked inhouse.
5. The guest would proceed to the Front Desk to check in.
6. The process would repeat itself until all cars were accommodated.

# RESULTS

There were no cars waiting longer than 2 minutes at any time during the day.

528 cars were parked (672 arrivals in total)

233 cars were parked offsite

36 people worked during this day

Zero complaints regarding waiting to get into the garage

# MEASUREMENTS

The measurements on the following page are for the Friday after Thanksgiving, which is typically our busiest day of the holiday season. Saturday and all other holiday weekends will follow this pattern of arrivals and parking. All other days of the holiday weekends will fit similar process and financial results.

# Results First Holiday Weekend

<u>2002</u>	<u>YEAR</u>	<u>2004</u>	<u>Variance</u>
280	Cars Parked	528	+248 (88%)
\$10,920	Gross Parking \$\$	\$20,592	+\$9672
	Offsite Parking Cost	-\$6,524	-\$6,524
26 @ \$12 X 8 = \$2,688	Labor Cost W/out Ben.	33 @ \$12 X 8 = \$3,456	+\$768
\$4500 avg.	Rebates	<b>\$0</b>	+\$4500
<b>\$3,732</b>	<b>NET PROFIT</b>	<b>\$10,972</b>	<b>\$7,240</b>
<b>Multitudes</b>	Guest Complaints	<b>ZERO</b>	<b><u>PRICELESS</u></b>

# Results – Entire December

<u>2002</u>	YEAR	<u>2004</u>	<u>Variance</u>
\$325,748	Total Garage Revenue/ Month	\$424,172	<u>\$98,424</u>
\$212,045	Total Garage Labor Cost/Month	\$240,771	<u>\$28,726</u>
Multitudes	Guest Complaints	ZERO	<u>PRICELESS</u>

# LEARNINGS

- Utilizing TAKT time to set the system up allowed for smooth operations.
- Smooth operations meant no guest complaints about parking.
- Increased revenue from more cars handled.
- The next day, Saturday, the process repeated itself with a net revenue of \$9,901

# LEARNINGS

- The process works every holiday weekend.
- The process works every weekend with a large FIT arrival (Holiday or not).
- Most importantly we broke the holiday tradition (Ham Theory) of two to three hour waits to get into the garage.

# LEARNINGS

- Guests actually noticed and commented that they were going to come back since we solved the parking issues.
- SUV's made up approximately 45% of all arrivals, almost an even split. This will require more people as one vehicle takes more time to unload because of its size, capacity and number of occupants.

# IMPROVEMENTS

The main improvement that this process makes over past years is that with TAKT time you can understand your process and set it up for performance.

Past years we would park cars until the garage was full (280-290 cars) then turn all other cars away, much to the guests anger and a loss of revenue.

# IMPROVEMENTS

With no upset guests there were zero rebates.

By parking all guest cars we set up the guest with an extraordinary experience from the first moment of arrival. This resulted in a higher GSI score as was proved by the 60 second critics.

Overall guest satisfaction increased and guest loyalty created.

# IMPROVEMENTS

Associate satisfaction was higher as a result of no upset guests yelling at the associates.

Associate satisfaction also was a direct result of more hours worked and thus more revenue for them in terms of tips.

As a testimonial, no one wants to revert back to old processes.