## Agile Business Consortium

## KFC UK&I Case study: The Agile Journey Behind A £1bn Chicken Sensation

A new KFC restaurant opens somewhere in the world every six hours. The global chicken restaurant brand with a rich, decades-long history of success and innovation, all started more than 75 years ago, with one humble cook, Colonel Harland Sanders. Colonel Sanders' scratched out his finger-lickin' good recipe, containing 11 secret herbs and spices, on the back of his kitchen door.



This recipe for success is still followed today, with cooks breading and freshly preparing the chicken by hand in more than 27,000 restaurants, in over 145 countries and territories around the world.

KFC was founded on values such as hard work, hospitality and generosity, that still live large in the brand today. Firmly grounded in its heritage but looking forward to the future, KFC is always evolving to make it easier for guests to enjoy its chicken, both through digital innovation and building new restaurants with its franchise partners.

The company is committed to growing responsibly through commitments such as its 2025 global plastic packaging goal, the realisation of its 2018 commitment to stop purchasing chicken raised with antibiotics important to human medicine in the US, and the KFC Harvest program, which to date has donated over 80 million pounds of food to local communities around the world.

From KFC's world-famous Original Recipe to its new signature flavours and formats, the company mission is 'to make the most craveable, Colonel-inspired chicken in the world, the right way' and to continue to be one of the fastest-growing retail brands globally, in emerging and developed markets alike'.

## The Challenge: "Never waste a good crisis"

A key challenge for KFC, as with many companies, was the transition from analogue to digital sales but Ben Richards, KFC UK & I Coach and Facilitator, stresses: "We like to lean on the phrase 'Never waste a good crisis!"

He remembers: "There was a need for greater engagement and collaboration as a business. "We had a longing for stability in teams. We also had constraints, like every business has, which didn't necessarily result in the ideal way of commissioning or acting upon work that we have to date, so essentially, progressing with projects rather than investing in products."

He adds: "We also realised that planning too far ahead was potentially wasteful.

"We wanted to be able to deliver wholesome value, to be able to build and create resilience and knowledge, within the team and the system, and we also wanted to be able to reduce dependency, while breaking silos. Ultimately, we wanted to bring a collective perspective of what is best for the business, and ultimately what is best for the customer.

"We needed to bring quality and excellence into ALL roles that play a part within the system, rather than just thinking: that's a quality assurance or a tester's job."

Jatin Chandwani, KFC UK&l's Chief Technology Officer, also stresses the company's 'people first' policy: "People lie at the heart of KFC culture. We are powered by our people and this means we need to empower every individual, by infusing meaning into every task our team members undertake.

"But, more importantly, it involves investing in our people, coaching them on what it means to be a true team, not just members completing tasks independently. "It's about fostering an environment where dynamic debates and challenges are not just welcome, but a path to higher outcomes."

### Challenges during the transformation to agility

Leadership was one of the big challenges for this billion dollar company, as CTO Jatin Chandwani explains: "Leadership plays a crucial role in driving change and I've witnessed that first-hand.

"Problems with leadership often stem from comfort with established processes, fear of the unknown or a misalignment between personal leadership style, and the values of agility.

"It can also come from a misunderstanding of what being agile truly means, because it's not just about practices or ceremonies, but fundamentally a mindset.

Jatin continues: "When I joined KFC, I realised that our approach to agility was somewhat insular.



'We are powered by our people and this means we need to empower every individual, by infusing meaning into every task our team members undertake.'

# 'We wanted to deliver wholesome value, to build and create resilience and knowledge within the team and the system, and we also wanted to reduce dependencies whilst breaking silos.'

"We were agile within our own bubble, so, recognising this, I focused on aligning the leadership team to the importance of forming cross-functional teams that fully understand what being agile entails: valuing collaboration over hierarchy, individuals over processes and adaptability over rigid planning.

"This agile transformation required more than just discussions. It demanded dedicated effort to build credibility and trust."

#### The solution

Jatin and Ben addressed the issues mentioned in a number of different ways. Jatin recalls: "I collaborated closely with operations and marketing, recognising that the Chief Operations Officer and Chief Marketing Officer were also keen to make the shift.

"We established a quarterly cadence to be able to build greater collaboration and engagement with extended parts of the business, rather than having to collaborate via ad hoc interaction, or by crisis.

"We also embarked on several new restaurant businesses and directly, engaged with frontline challenges and opportunities.

"This also allowed us to engage with ways of working and these experiences, coupled with early, quick wins, fostered strong professional and personal bonds within our leadership team.

"Our colleagues became our best friends, and honestly, this approach has fundamentally reshaped our interactions, and the way our teams perceive and package challenges as well now."

"So when issues arise across marketing operations or tech, the default assumption isn't that there's a lack of understanding of another function or team.

"Instead, the teams collaboratively explore the root causes

and they reach out to us for the support needed to address those effectively."

Tools and techniques that the company used to help them included team topologies, Wardley mapping and Kaizen — a concept that involves continuously improving all functions and involving all employees, to make a company operate more efficiently and effectively.

Ben Richards explains: "These aided us in understanding what alignment and the impacts could be, and in the course of creating the alignment, we also devised a series of first principles.

"We wanted to deliver wholesome value, to build and create resilience and knowledge within the team and the system and we also wanted to reduce dependencies whilst breaking silos.

"These principles enabled us to re-organise the teams from what we had and understand what that next evolution could be, while continually challenging ourselves.

"We've seen our approach to strategy and strategic planning reduced to shorter horizons with a greater emphasis on catering for emergent strategies to ultimately input and inform potentially new ones or a different direction."

Ben continues: "We've enabled and created the headroom to solve problems by starting a cadence of Kaizen events — not just what you would expect at a team level in terms of retrospectives, but elevating it across the system, across value streams and more broadly, within the business."

"We had a Kaizen event recently and you can really see the growth of all of those involved including the Scrum Masters who prepare and run the event, and those who provide all the support needed.

"An important milestone here is that we've taken the people who are 'doing the doing' away from the work to be able to solve problems and to innovate!"

#### Results

KFC's efforts have yielded great results, namely, as Jatin reveals, an impressive financial milestone: "If our tech fails, our customers don't get their meals, and last year, our technology and the cross-functional ways of working meant we surpassed \$1 billion in digital sales."

The secret to the company's success comprises four key ingredients of change.

#### The "finger-lickin" four!

So what were the four ingredients? Ben breaks them down: "The first one that we have is the foundation of excellence, and ultimately the premise of excellence is to drive quality throughout the whole company, throughout all roles.

"The second is that, ultimately, we build ownership by taking action and tackling areas that we can fix, and everyone's doing it with very little input. They're very self-sustaining, which is really promising."

Ben continues: "The third ingredient is that, with quality, we always need to be able to review our alignment to the customer, creating a better value proposition for them, and ultimately our customer is the paying customer."

And finally?

"It's being able to create alignment", says Ben.

"We need to understand and start from where we're at, and see what the landscape is in front of us in order to make coherent change."

He continues: "A really important milestone we have achieved is enabling people to work from outcomes rather than outputs.

"The view of agility we hold is being able to adapt the strategy if necessary and to be flexible as we go along."

Jatin agrees: "We are committed to our ambitious goals and have a robust strategy in place, but we remain open to evolution as the landscape around those changes."

'The view of agility we hold is being able to adapt strategy if necessary and be flexible as we go along.'

#### How to find out more:

#### Biographies:



**Ben Richards** is a coach and faciliator at KFC UK&I. His primary areas of focus include delivering value earlier, improving collaboration, and fostering a culture of innovation and psychological safety. Ben is driven by his desire to see teams and individuals thrive through the utilisation of their collective intelligence and diverse experiences to accomplish exceptional results.

**Jatin Chandwani** is a visionary technology executive and the CTO of KFC UK&I, known for his strategic acumen in driving technological innovation and organisational agility. With a rich background in various industries and global markets, he has led transformative programmes, digital innovations, and delivered impactful business outcomes.



#### Agile Business Consortium:

The <u>Agile Business Consortium</u> is a global leader in advancing business agility worldwide, with unrivalled expertise in the field. As the professional body for business agility, it continues to pioneer new approaches and support the growth of business agility at individual and organisational levels, for its membership and beyond.

Learn more about business agility at www.agilebusiness.org

