

Would You Like Automation with That?

Cultural Phenomenon Shake Shack Deploys Workday to Sustain Its Rapid Growth

Folks stopping at a hot dog cart in Manhattan's Madison Square Park on a summer day in 2001 would likely have been surprised to learn that they were witnessing the beginning of a worldwide phenomenon. And Shake Shack has been surprising people ever since. In 2004, the hot dog cart was replaced with a permanent kiosk and Shake Shack was born.

The number of Shake Shacks continues to grow at a rapid pace in the U.S. and globally. Each location captures the bygone atmosphere of the roadside burger stand, and its menu continues to expand with a new take on the classics. Shake Shack is known for premium burgers, frozen custard, and shakes created from fresh, locally sourced ingredients to satisfy the appetites of twenty-first-century palates. There are now more than 300 Shake Shack stores from Kansas City to Shanghai.

Rapid Expansion and Growing Pains

In 2015, Shake Shack successfully launched an initial public offering (IPO). Its rapid growth challenged the company's lean financial organisation, as did the added reporting and auditing requirements of the newly minted public company, including Sarbanes-Oxley (SOX) compliance.

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Before Workday, accounting had to print and physically sign every journal entry that they entered into the system. Now that process is automated, which reduces processing time and makes the accounting team more proactive than reactive.

Brian Seely

Senior Director of Enterprise Systems and Solutions

The finance staff had to navigate a heavily paper-based set of disconnected systems left over from the organisation's early days to build budgets, reports and forecasts. Quarterly closings took in excess of 10 days. And the significant majority of its more than 200 controls had to be applied manually for tasks ranging from monthly bank reconciliations to invoice review and approval.

Internal auditors had to manually collect data – including account balances and journal entries – from each department to prepare materials for external auditors. And with its rapidly growing workforce, Shake Shack also needed an HR system that could keep pace.



About Shake Shack

Shake Shack captures the essence of an upscale roadside burger stand with more than 300 locations worldwide and 7,700 employees.

Shake Shack Website

shakeshack.com

Key Results

By deploying Workday, Shake Shack:

- Moved to 1 automated system/ 1 source of financial truth
- 10-day quarterly closings cut to 5 days
- Reduced budget prep time
- Cut internal audit prep time significantly

Workday Applications

- Financial Management
- Human Capital Management
- Payroll Management
- Learning
- Adaptive Planning

Clearer Forecasts and Faster Budgeting

Shake Shack departments run budget and forecast cycles within Workday Adaptive Planning, which allows the company to more accurately and efficiently forecast revenue and spending, amortise equipment and expedite the budget cycle.

All cost centre managers use Workday Adaptive Planning to create a variety of forecasts. “Workday Adaptive Planning has brought extraordinary value to our business by giving us the power of information to help make better decisions,” says Brian Seely, senior director of Enterprise Systems and Solutions at Shake Shack.

Workday Adaptive Planning has also been invaluable in speeding up the creation of board reports.

A Side Order of Pain-Free Audits

Now that the Shake Shack internal audit team has searchable access to all of the company’s financial data through Workday, they can quickly produce audit trails directly from the system rather than having to ask each department to sift through volumes of paper records. “Before, we would have to ask people to give us account balances and show us the journal entries,” says Jessica Kast, senior manager of internal audit at Shake Shack. “Now, with Workday, we can see everything we need without asking other people to provide the information.”

Brett Cohen, internal audit manager at Shake Shack, echoes that benefit, “From a controls perspective, we can pull support from Workday without worrying about what is missing or overdue. We can drill down into purchases to see how they were paid and who approved them so we can run the report, give it to our auditors and have them turn around samples much quicker.”

The Extra Sauce

Shake Shack credits a collection of support services, including Workday Application Management Services (Workday AMS) provided by Deloitte and a range of additional resources from the Workday Community, with helping it expand expertise on Workday capabilities.

“Workday AMS support from Deloitte really helps us on a day-to-day basis,” says Seely. “And we all comb over the Workday Community videos and presentations to gather additional knowledge.”

In the final analysis, all these benefits combine to help Shake Shack continue on a sustainable growth path. Seely concludes, “Overall, Workday has brought a lot to the table for our business by providing us with a tool kit that helps us streamline processes, save time and gives us a much clearer view of our financials.”

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