

Daydream Island in shipshape with MICROS Materials Control



Daydream Island Resort & Spa
Whitsundays, Queensland
daydreamisland.com

No. of Restaurants
6 restaurants



Daydream Island Resort and Spa is located just north of Airlie Beach in Queensland's Whitsunday Islands. Owned by Vaughan Bullivant since 1999, the resort features 290 rooms, and caters to around 40,000 guests each year.

Phil Quinn is the Owner's Representative and Chief Financial Officer of the Daydream Island Resort and Spa. In this capacity he oversees Island Operations, Finance, IT and Purchasing functions for the resort.

"When I first came to the island in 2008, it was clear the IT systems needed help," Quinn says. "We had five servers that were all out of warranty, our software was old and outdated, the systems were not integrated, and there was no IT link between the island and our sales office in Brisbane."

"The end result was a lack of quality information, and a lot of manual processes which were totally dependent on the individual employed in the role at the time."

To get the resort running more efficiently, Quinn oversaw a complete overhaul of the island's IT systems in late 2009.

"At any one time we could have up to 250 staff working here, so we really needed a more stable operating environment," he says. "We wanted a fully-integrated system to help us manage our resort and our performance better – improve our accuracy and accountability."

Among the new systems to be installed was MICROS Materials Control, an inventory management system that would be integrated with the resort's OPERA Property Management System.

Taking stock of inventory management

The Daydream Island Resort and Spa encompasses 10 bars and restaurants, all of which maintain their own inventory levels, and order stock from a central inventory store.

Quinn says that having multiple outlets creates additional challenges for inventory management, which is further complicated by the fact they work on an island.

"Being an island, it's extremely important for us to get our inventory orders right. We get a barge that delivers all our stock once a week, so it's crucial we're getting the right stock at the right time."

One of the first things Quinn did under the new system was set up standard formats for the way products were described in the inventory database. This helped identify a number of duplications and unnecessary inventory items.

"We were able to reduce the number of inventory items we were carrying from around 7,000 to 2,000, just by cleaning up our database," he says.

"Through MICROS we could link every one of these products through to the point-of-sale. We could also create tailored shopping lists for each outlet to order from the store, which made that process a lot faster."

Quinn says that the new system made it much easier for the Purchasing Officer to raise purchase orders. It also improved the resort's relationships with their suppliers.

"A more consistent database meant our orders became more accurate – with correct product names and codes, correct prices and correct quantities. That was appreciated by our suppliers."

"It used to take us around 24 hours...
at month end to complete a manual
stocktake... that's now down to about 12"

Phil Quinn, Chief Financial Officer, Daydream Island Resort and Spa



Keeping a lid on inventory levels

Since introducing MICROS Materials Control, the Daydream Island Resort and Spa has reduced its stock levels by around 30%. Quinn puts this down to the fact they now have a better idea of how much inventory they actually need.

"We used to have a problem with stock going out of date" he says. "But when we tidied up our database, we found that there were a lot of ways we could streamline our inventory items."

"Having that visibility provides gives you more information about your stock and helps you manage it more effectively."

Using recipe cards to monitor usage

Quinn uses the Recipe Card feature in MICROS Materials Control to help the resort track the amount of stock being used, and identify any areas of possible wastage.

"When we first installed Materials Control we had our Executive Chef complete recipe cards for every item on our menus – from the a-la-carte restaurant menu to sandwiches," he says. "And we did the same thing for cocktails."

This information tells the system how much of each ingredient should be used in a particular meal or cocktail. By comparing the MICROS point-of-sale information to physical stock levels, Quinn is able to identify areas of potential wastage or excessive consumption.

"The point-of-sale is linked straight to our inventory, so if someone orders a certain cocktail, the system automatically reduces the stock on hand in those proportions."

"We then do a physical stocktake at the end of each month, and if the actual stock on hand doesn't match what MICROS is telling us, we know there's an issue we need to investigate."

Quinn believes the regular and ongoing reporting of inventory levels encourages staff to display the right behaviours when it comes to the quantity of food and beverages they use – a key factor in helping the resort reduce their cost of goods for beverages from 40% to 32%.

"I think it makes staff more conscious about the amount of waste they're responsible for. That sense of accountability is extremely important when you have as many staff as we do."

Transferring stock between outlets

The 10 food and beverage outlets on the island are all linked to the same central inventory system via MICROS Inventory Control. That means each outlet is able to see stock levels at the different outlets across the island.

"If one of the outlets runs out of a particular stock item, they can simply take a look at the central inventory system to see if there are any spares available. If there's not, they can request an emergency transfer from one of the outlets that does have stock – which is great when you might have a few days to wait for the next scheduled delivery."

Quinn uses Materials Control to produce tailored stock reports for each of his outlets, which he says has dramatically reduced the amount of time it takes to perform the monthly stocktakes.

"There might be a 30-page stock report for the main warehouse," Quinn says. "But the restaurants might only need a five-page report, so it makes sense to customise a report just for them."

"In total it used to take us around 24 hours at month end to complete a manual stocktake for all the outlets, but that's now down to about 12 hours."

Putting the system in control

When Quinn first arrived at Daydream Island, one of the first things he noticed about the inventory management system was that it was heavily reliant on certain individuals.

Two and a half years on, he is confident that MICROS Materials Control is helping him run the resort as a more efficient business – with greater controls and genuine accountability.

"Back then there was no formal inventory management system, so everything was in the staff's head. The problem with that is that if that person leaves, most of the data and supplier contacts leaves with them."

"Now the system is running the place rather than the individual."

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