

Using Downtimes to Boost Production & Cut Costs - By Ken Burgin

2008-05-21

Downtime is when staff cost nothing for the extra tasks you give them.

That time of the day, week or year when you're staffed up but there's a shortage of guests. Between lunch and dinner in a restaurant, after the morning rush in a café, or the last hours before you close. There are also days of the week and months of the year when you're open, ready, but much too quiet.

Do the sums: if you have \$3 food cost and \$3 labour in a \$10 meal, every extra meal sold when it's quiet does not need extra staff minutes - they're already on duty. The only extra cost is the food. Accountants call this the 'marginal cost' - the cost of creating one extra item.

Identify your downtimes and find ways to get more for no extra labour cost.

In the kitchen. Traditionally, staff arrive early and build up to a peak at meal time, then tail off before cleaning up and leaving. Downtime is usually the last 2 hours of most shifts - what prep work can be added? Could some of the frantic pre-service production be shifted to another time?

What baking could be done overnight or early morning, when there are no distractions? One operator I know was amazed at how much was done when a cook who wanted more time with her family volunteered to start work at 4am and finish at 10am. In 30 hours over 5 days she now does the same prep as two people before, and yes, they've cut back on total hours.

Cook-chill and flash-freezing systems really make use of these quiet times - when you process the net full of fish bought at a bargain price, or a pallet of limes or strawberries: this is cutting wage and food costs.

Front of house and bar. Downtime strategies here are focused on filling empty spaces - happy hours are traditional, but can be difficult as restrictions grow on 'promoting' alcohol. Mid-afternoon and evenings early in the week are a great time for meal-deals, or offer 'free' private rooms for meetings and community events. Tasks for servers with idle hands include writing 'thank-you' postcards to customers and a host of other 'soft' marketing activities that usually get put off till later (or never). Set three or more tasks, not just one: work fills the time allocated. It's no accident that the important night-auditing in a hotel occurs between midnight and dawn. When is the cutlery rolled and the menus cleaned? Are delivery and takeout services promoted sufficiently?

Functions and events. What are the special deals for less popular months and days of the weeks. Anyone for a mid-week wedding? Use the money saved for a longer honeymoon. Your Sunday night party deal might include a complimentary bar tab or dessert course - variable pricing is widely practiced in accommodation and airlines, now's it time to use their techniques. Promote it aggressively on your website rather than waiting for face-to-face negotiation.

Suppliers also have downtimes. We've mentioned before the club that organised a substantial discount for produce that was delivered after lunch, instead of before (when everyone wants it). Maintenance on refrigerators should be cheaper in cold months, when there's less demand. Some suppliers will offer better deals if they can schedule the delivery time or day to fit their work flow, within agreed guidelines - it's another point to bring to the negotiating table when dealing with soaring costs.

Action time: ask each department to identify their busy, medium and quiet times, then work with them on shifting work or customers to fill those hours. Talk to suppliers about how you can help cut their costs and share the savings. Explain the concept of 'marginal cost' to staff - they know sales are down, and want to help the business survive and prosper. Here's a way to achieve more without increasing the wages bill.

Profitable Hospitality offers management and cost-control systems (Manuals & CD-ROMs) for restaurants, cafes, hotels, bars and clubs. The systems are based on the extensive consulting and operating experience of CEO Ken Burgin, and enable busy owners and managers to set up complete operating and cost-control systems in minutes, not months. Profitable Hospitality also runs regular management training workshops in the areas of kitchen profit & efficiency, restaurant marketing and functions management. A free monthly e-newsletter keeps you up to date on the latest industry management issues. www.profitablehospitality.com.

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