

## Restaurant Productivity Metrics

In a restaurant, and in food operation, the metrics that are most often useful are:

### Front of the House Metric - Extras per Man Hour:

Total man hours of Front of the House Wait Staff labor per day/shift: example 5 servers X 7 hours = 35 server man-hours per day.

Total Extras (deserts and drinks and anything ordered after the initial order): example: 76 deserts and drinks.

Calculation: 76 Extras / 35 Server Hours = 2.17 extras per Server man-hour.

The Metric is: "Extras per Man Hour".

### Kitchen Metrics – Covers per Man Hours

Total Man Hours of Back of House Labor per day/shift: example 3 people X 5 hours = 15 man hours per day.

Total Covers served per that day/shift: example 105 covers served.

105 covers / 15 man hours = 7 Covers per Man Hour – The Metric is "Covers Per Man Hour".

Use a table like this to plug in the man hours (should be the same as is on their timesheets) and the covers (you can take this off the daily reports from the cash register, but sometimes it is good to have the Chef's do a hash mark for every cover for a few days, and then compare it to the cash register, to give them confidence in the numbers from the cash register.

Hours per day	Mon	Tue	Wed	Thurs	Fri	Sat
Chef	8	8	5	8	8	8
Joe, prep	8	6	10	6	8	6
Max, Prep	6	7	5	7	6	7
Vic. Dishes	11	10	8	10	11	10
Ttl Man Hrs	33	31	28	31	33	31
Total Covers	145	160	120	110	180	157
Covers per Man Hour	4.4	5.2	4.3	3.5	5.5	5.0

Action: Do this calculation per shift/ day. The goal is to get the Covers per man Hour Up.

To do this, maximize your promotions, etc, but the main tool is to tweak and reduce the staff you have in slow periods. Send people home earlier, have them come in later, keep someone on call in case things pick up.

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## Costing

### Average Labor Cost per Cover:

Use this calculation to understand how much the labor to produce each cover costs you. This should help us plan our menu and item pricing.

1. Assume Average pay for Kitchen labor is : \$12 (Includes FICA, SUTA workers comp. and other payroll taxes)
2. Total Man Hours per week: 187 \* average cost per hour \$12 = \$2,244 total cost of labor for that week.
3. Total Number of Covers served/produced: 872 Covers.
4. Labor Costs \$2,244 / 872 Covers = \$2.57 labor costs per Cover.

You can take this a step further, and add up your total overhead, plus your profit goal (annual is best for this calculation). Let us suppose that your goal is to make a \$25,000 profit and your overhead for the entire year was \$55,000, than the total of both is:  $55,000 + 25,000 = \$80,000$

Let us assume that in that year we produced 43,600 covers.

Then the overhead and profit goal "costs" per plate are:

$\$80,000 / 43,600 = \$1,83$  per Cover.

Now we can get down to pricing an item properly:

### Plate Costing for a sample cover/entree:

Food Cost is \$3.5 \*

Labor Cost is: \$2.57

Overhead/Profit: \$1.83

Total Cost to charge Customer is: \$7.90

\* Note: we assume that you are a pro, and have already included the cost of wasted/spoiled food in the food cost.

### Additional topics:

How to measure wastage, engineer proper portions desired by customers, and ensure portion control.

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