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Best Practices Inventory Control



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Best Practices Top 10

1. Ensure every member of your management team understands the food cost goal for the week.
2. Identify and post the “Top 5” items to focus on each week. Include suggestions for improvement
3. Ask your crew to include their suggestions
4. Count “target” items every night. This promotes high-integrity in your people to do the detective work every night. This also give everyone an opportunity to grow and promote succession planning.
5. Monitor “target” item variances. Use the SBOnet “Invt 7 Day Variance” report located on the “Today” menu of SBOnet. Investigate and approach managers about unexplained variances or inventory errors.
6. Perform Best Practice walk-throughs. Talk people in, thru and out of position. Evaluate employees performance, take immediate corrective action when you observe any procedural errors. Maintain improved performance and work habits with positive reinforcement for crew who is serving high quality products both quickly and efficiently.
7. Utilize Open Flowcharts, Prep Charts, Bin Charts, and the SBOnet Suggested Order Guide
8. If these tool-set items are not being used, approach the management team member and ask for help.
9. Ensure the flow chart time goals are appropriate
10. Ensure each member of your team understand current Chili Meat procedures for bag-

ging, storing and adding the proper amount to a batch of Chili?

Apply SBOnet

1. Start with the Daily Activity, found under the Today menu. Are the managers entering counts, waste, posting invoices in a timely manner?
2. Next look at performance and work habits. The Alerts section will let you know some things about Food, Labor and Cash.
Cash: Were Deposit Entered? Was Cash +/- out of guide?
Labor: Were there short breaks? Were breaks skipped? Did everyone punch out?
Food: Were there excessive or insufficient Employee/Manager Meals? Are their outstanding invoices that should have been approved?
3. Are their Pending Physical Counts?
4. Was there any changes made to the received quantity of an electronic invoice? (Multi Unit, Invt Invoice Balance)
5. Are their any Unapproved Transfers?
6. Were ending inventories entered as ZERO (0) where counts should exist?

While you are in the restaurant...

Deliveries: Orders check in by a manager, boxes marked with received date
Stock: Use First Stickers, Time Goals TTM'ed while putting truck away? Stock organized well on shelves
Transfers: Are transfers entered as part of shift change?
Food Safety: Are proper procedures followed for Chili Cooling. Are procedures in place to break the cycle on Frosty, Chili and Shortening?
Waste: Waste bucket available, counted at shift change, Prep Sheets, Bin Charts monitored by Product Coordinator. Waste Walk Thrus
Prep Charts - Bin Charts: Storeandforward used to track Weather and Marketing Events? Product Coordinator Assigned? Spatulas available and in good condition for pan scraping
Behaviors: Be Pro Active, not reactive

Inventory Control Problem Solving

1. Situation Analysis - Identify and understand the situation
2. Problem Analysis - Identify the cause of the problem. Not the symptoms
3. Solution Analysis - Brainstorm ideas and evaluate for possible solutions
4. Implementation Analysis - Create a plan. Who should be involved? What will be done? How will we do it and when will it be done by?

Example:

Situation Analysis: Food Cost Theoretical vs. Actual is greater than the company goal. The SBOnet Inventory Comparison report is a good place to start. You can compare several metrics to narrow down your search. Theoretical or Actual Percents, Theoretical or Actual Dollar Yields and other items. Select the “Multi Unit” menu and Compare Inventory. The Store Inventory Comparison report displays. Select the first icon and select the Stores you would like to compare to by checking the box next to each one. Next, on the top right click the (+) plus sign and scroll to the bottom of the Ingredient Group panel and deselect nonfood categories. Next, on the Comparison Metric Panel, click the (-) minus sign and scroll to the Theo. Pct. option and check the box. On the lower right of the screen, leave the Suppress Non-Inventoried Items box checked. Next, click OK. Now click the second icon for the date. Change the radio button to weekly and select a week ending date to compare theoretical food cost. Next, click OK and the report will display.

Problem Analysis: Follow the products from the beginning to end.

Prep - Produce appropriate levels of product during the “open”. Do not over prep to reduce afternoon re-prep amounts.

Inventory Counts - Look for typos in the ending inventory counts

Inventory Rotation - Is product marked with a delivery date upon delivery? Is the food vendor pulling product in the correct order? Is product that has been prepped stored with expiration time/date?

Freezer/Cooler/Reach Ins - Check the door seals and temperature of each location.

During the Rush - Observe procedures for portioning and presentation. Are the prep and production systems a culture? Does the product coordinator determine product levels based on the Bin Charts? Are hourly sales compared to the trend so prep adjustments may be made?

During Pre-Close/Close - Are the appropriate items discarded? Are the items that may be carried over stored in correct containers, rotated and marked with the expiration date/time?

Culture/Leadership - Does each member of the management team understand the best practices?

Solution Analysis: Break food cost down to major groups like meat, chicken, produce, bread. Are these groups within budget? On the SBOnet menu, select Reports and then select the Inventory Theo vs. Actual Report. This will compare your actual results to the goal (theoretical). Waste Buckets can help identify when products are wasted. This will help you when you create the plan to narrow your focus.

Implementation Analysis: Develop a plan that is specific, measurable, action related and time bound. Assign areas of responsibility to members of the team to participate in execution of the plan. Look at the strategy and ensure succession planning exists. A well crafted plan minimizes disruption if the restaurant manager leaves for a meeting, day off or vacation. Do schedules overlap to facilitate talking each other into position at shift change to pass on information about the previous and upcoming shifts? Remember, each restaurant in the group has the same recipes. Be aware of employee meals, manager meals, discounts and waste entry. Creating artificial gaps does not solve the long term problem. Don't fixate on the “rounding error”, keep focused on the Best Practices to improve control and execution.