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Productivity Toolkit for Food & Beverage Industry (Restaurant & retail food outlets)

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Productivity Toolkit for Food & Beverage (Restaurant & retail food outlets)

In the last four to five years since the imposition of limits to foreign labour in Singapore by the government, many Food & Beverage outlets such as restaurants and retail food outlets have found it increasingly difficult to operate due to the severe constraints on the labour needed to operate their outlets. Small and medium enterprises are hit the hardest as they do not have the advantage of economies of scale, systems and employer branding that larger enterprises and multinational corporations such as McDonald's have.

Under this economic conditions, small and medium enterprises need to look for other ways and means to improve their productivity in order to remain competitive.

There are three ways in which productivity can be raised in enterprises, namely:

1. The efficient use of capital
2. The use of innovation and technology
3. The training of people

This toolkit is written to help the small and medium enterprise business owners of Food & Beverage outlets such as restaurants and retail food kiosks to identify good ideas for increasing productivity. Given the manpower crunch in hiring suitable restaurant workers, there is always a need to do more with less.

The Efficient Use of Capital

The efficient use of capital requires very careful planning. Because the cost of real estate rental is high in Singapore, any inefficient use of this resource would be a significant drain to the F&B enterprise.

Factors to consider:

1. Location. Depending on your target customers, you need to look for the most appropriate location for your F&B outlets. If you are a high-end restaurant, it would make sense to look for locations which are frequented by big spenders such as luxury hotels, central business district or high-end mall with large traffic. Conversely, if your offerings are simple, you would choose another sort of location.



2. Floor space. Your floor space need to be appropriate to the type of service provided and operations. Too little space and your operations will be cramped and there will be difficulty in moving around. Too much space and your outlet will look like it is empty most of the time. Of course, as F&B operates during dining hours, the best is to observe the customer crowds during peak periods to determine if you have too much space.

3. Layout. Even with an optimized floor space, it is possible for the F&B outlet to be less efficient if its layout is not optimized. Some F&B outlets have overcome this by having a reconfigurable layout in order to remain flexible. This would mean that the furniture such as tables not be bolted to the floor! Optimized layout would mean that there would be less obstruction when service staff are delivering the food and drinks.

Which restaurant seating arrangement in the two pictures below would be preferable?



or



The Use of Innovation and Technology

Productivity improvement can also be possible through adoption of technology, process change and improvements in cooking technology and techniques.

Below are some ideas and suggestions on the use of technology, process change or changes in cooking technology and techniques:

1. **Use of pre-cooked food** coupled with Microwave ovens to speed up cooking and food delivery.



Wherever possible determine which food type can be cooked with modern equipment and make the necessary changes. This may not always be possible, especially when certain types of food cannot be cooked in any other way in order to achieve the taste and texture, or when there is a guarantee to cook the food in a certain manner to preserve authenticity.

Other than microwave ovens, there could be other novel cooking machines or techniques which reduces the amount of time spent on preparation. One such example is that of Pepper Lunch, where the food is served on a pre-heated cast iron skillet and served directly so that the meat portion is cooked on the cast iron skillet after it has been served to the customer.

2. **Use of culinary machines and tools** for example meat slicer instead of manual chopping board and knife.



Instead of

There are many culinary tools which makes food preparation easy and faster. Furthermore with these tools, the benefits would be consistency in portions and when used properly can be faster and safer than doing things manually.

Examples of other culinary machines:



Beater



Roller



Grinder

3. **Food packing re-design**, for example, the use of waxy wrappers or cardboard instead of Styrofoam or plastic container.

Using more environmentally friendly material would be a great branding advantage to the business. Another advantage is that the F&B outlet would be able to store a denser

and therefore larger quantity of food packing material resulting in less frequent need to resupply the packaging material.

Examples: McDonald's, Burger King & KFC.



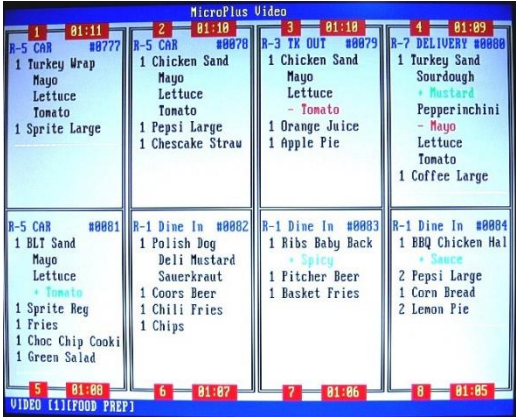
instead of



- 4. Many restaurants in Singapore now have implemented the use of iPad for service staff to take orders. The **iPad devices** come with a customize menu app to take the customers' orders, and these apps are usually integrated to a restaurant ordering system which may then be displayed on a flat screen panel display in the kitchen with orders displayed for kitchen staff. Kitchen staff would then be able to prepare the orders accordingly, with less likelihood of making mistakes.



linked to



5. Some restaurants use conveyor and **self-service concept** in order to boost their productivity. The most well-known restaurant in Singapore with this concept is Sakae Sushi restaurant.

One advantage of this is that fewer numbers of service staff is required, as the movement of the product is automated and diners are able to serve themselves without the intervention of a service crew. The novelty of this dining concept has been well received in Singapore.



6. The **use of surveillance cameras** attached to the restaurant ceilings at strategic locations can help restaurant staff and ushers to identify tables that have been vacated by the previous diners quickly. As a result the tables can be cleaned immediately and there would be a faster turnaround of covers and less waiting time for diners waiting to be seated. An additional advantage of this that there would be security monitoring, for example deterring the theft of customers' personal property or recording of incident occurrence.

The Training of People

The F&B industry is heavily depend on people at this time. Kitchen staff and the service crew need to be trained well in order to deliver the correct level of product and service delivery.

The kitchen staff is generally responsible for the preparation of food. Each kitchen staff has a level of responsibility. The general hierarchy of a well-staffed kitchen ranges from that of the Executive Head Chef to the dishwasher.

The service crew is generally responsible for the service delivery of the restaurant. This includes: laying out the table, serving the food i.e. from the kitchen to the diners' table, removing used dishes and cutlery after each course of the meal and generally attending to the diners' needs. The general hierarchy of well-staffed restaurant ranges from that of the restaurant manager to that of the busboy.

Restaurant patronage by customer usually depends on two main factors:

- (1) The quality of the food, and
- (2) The service quality of the service crew.

It is generally true that both factors are important. A service crew who is attentive to the needs of their customers will be more likely to encourage the customer to come back in the future. Conversely, should the service quality be bad, the customer is unlikely to return. It is how the service crew treats the customers and make them feel good that differentiates many restaurants from their competitors.

Most large organizations have training budgets for their kitchen and service staff. However, for small and medium enterprises which have tight budgets, it would be necessary for them to get assistance from the government in order to train their service crew. The Singapore government and its partners have a training framework for skills with the Work Skills Qualification (or WSQ) framework for service staff in the Food & Beverage industry. Institutions such as SHATEC and the Institutes of Technical Education are also partners in training of young Singaporeans who aspire to work in the Food & Beverage industry.

Conclusion

Restaurant owners should review some of these ideas and evaluate the suitability to their type of business, operational processes and budget. Some of these do not need a large amount of investment and some are actually environmentally friendly as well, and these can become a selling point to the environment-conscious consumer.

Although cost and budget of implementing a solution can be a constraint to most small and medium enterprise business owners, the Singapore government is ready to provide assistance these small and medium enterprises in order to boost their productivity.

Assistance for IT-related implementation e.g. iPad menu and kitchen display system can be obtained from the PIC Scheme from IRAS. Larger scale projects can also be funded by IDA's iSPRINT grants for IT implementation.

Technology and process redesign funding assistance can be obtained from SPRING Singapore under the Capability Development Grant funding scheme.

Assistance for the training of service crew can be obtained from the Workforce Development Agency. Service crew can be sent for the appropriate training in order to be able to perform their respective work skills.

For more information on **Productivity Toolkits** from Minuteman Resources Pte. Ltd.

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