

Chef Business Toolkit

How To Achieve Efficiency
Without Compromising Quality



Fáilte Ireland

National Tourism Development Authority



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HOW TO MAKE SAVINGS IN THE KITCHEN

With the aim of helping tourism businesses become more efficient, Fáilte Ireland has published the Chef Business Toolkit, a practical, step-by-step guide that demonstrates how chefs can achieve real savings in the kitchen.

Developed in partnership with Chef Network, this in-depth, four-part series contains a suite of concise action plans, easy-to-use downloadable business tools, and practical advice from leading chefs which will help you become more efficient in four key areas of food operations.

YOUR FOUR STEPS TO GREATER EFFICIENCY



Step One: Purchase Smarter

Your suppliers are important stakeholders in your operation; forming partnerships with them and investing time in growing these relationships will reap dividends. The following action plan details how you can achieve significant savings in the kitchen by working closely with your suppliers to purchase more efficiently.

Purchasing Action Plan

Partnering

- **Arrange a sit-down with your suppliers.** They are experts in what they do – draw on their knowledge and expertise when planning menus. They may offer a product or service that you were unaware of, or they may be able to tailor their offering to suit the demands of your kitchen.
- **Ask your suppliers to share their resources** so you can buy in season and find ingredients that offer the best value for money. These include seasonal calendars, product specs, charts of cuts, and price sheets.
- **Decide on a communications plan that works** for you and your suppliers. Keep in contact regularly and make sure your suppliers know that you're flexible and open to new ideas. You want to be the first chef they call when they have a good deal on offer.

Pricing

- **Review pricing with suppliers on a regular basis,** particularly on items where prices may fluctuate throughout the year. Compare these against other prices in the market.
- **Create or source an annual report detailing what you have purchased in volume and spend.** Look at the trend for the previous year, starting with your top 10 items. This will put you in a stronger position to negotiate and help you to calculate organic growth and strategically plan for the future. Ask your suppliers or your financial controller if you work with one for this report in Excel so that you can apply filters and forensically examine the results. You can find a template [here](#).
- **Calculate what you will spend in the year ahead.** Guarantee this business and lock in prices where practical but allow budget for seasonal purchasing.

- **Understand long term agreements (LTAs).** This agreement is based on your spend and is usually paid as a rebate on an annual basis. It can often be tiered, incentivising you to spend more to gain a greater rebate. However, be warned, purchasing more than you need in order to secure a larger rebate is a false economy. Explore whether a monthly discount could be more beneficial than an annual rebate.

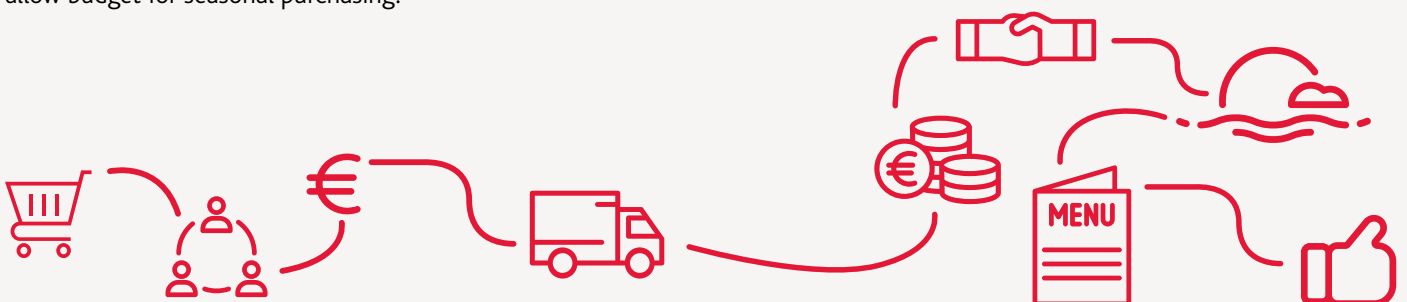
Ordering

- **Examine ordering patterns on a daily, weekly and monthly basis.** Identify how much you need to run your business, as this will prevent over-ordering. This [template](#) will help.
- **Create stocktaking reports in Excel under headings so you can see exactly where your money is invested.** Here is a [template](#) for this task.
- **Check all deliveries.** Spot check weights and batch codes regularly to ensure there are no mix-ups.
- **Date, label and rotate stock correctly.** Avoid eroding your margins through unnecessary waste. We examine this area in greater detail in step four.

Chef Business Tools

Get started and measure your success with these useful tools:

- Annual supplier report
- Monthly supplier spend
- Stocktake report





STEP ONE: PURCHASE SMARTER



PARTNER WITH YOUR SUPPLIERS

Benefit from their expertise.
Communicate regularly.



REVIEW PRICES

Know what you've ordered and how
much you need. Consider what is
the best agreement for your business.



EXAMINE ORDERING PATTERNS

Check deliveries. Rotate stock.
Eliminate waste.

Limerick Strand Hotel

Tom Flavin, Executive Chef of the four star Limerick Strand Hotel, shares how he purchases efficiently.

Build relationships with your suppliers

We have worked hard to build strong relationships with more than 40 local suppliers, some I buy from regularly, others – such as Mike Ryan, my blueberry supplier in Birdhill – I might only buy from once a year. I am in constant communication with them to find out what's in season and what's available at a good price, and I then try to fit these products into our menus as strategically as I can.

I find that if you have a good relationship with your supplier, it is easier to work with them on pricing. If, for instance, you are catering for an event where the margins are tight you can approach your suppliers to see what they can do. I certainly don't want to take advantage of our suppliers – they are the grafters, the people who grow and care for the produce from seed to fruit – but I find that if you explain your predicament, they're often willing to help out.

Plan your purchasing and your labour around the seasons

Our 'Taste the Place' menu is created with produce sourced only from the Wild Atlantic Way, which is wonderful, but it does present its challenges. It means that you have to be strategic with your purchasing, buying in season and storing for later use. We spent €6,000 sourcing locally grown tomatoes from Kevin Wallace of New Leaf Urban Farmers one summer and dried them in the Alto-Shaam oven to make a paste. It raised food costs at the time but we then had tomato tapenade to serve throughout the year. While we based this decision on quality and taste, the bonus was that we were not spending money buying expensive olives for our tapenade or importing tomatoes out of season.

The same goes for items like pickles, preserves, stuffing and Christmas puddings. If you order the ingredients and make the products during quieter times, it helps you cut back on costs during busy periods. We began prepping all our fruit for our Christmas cakes and puddings during a lull and now they have been soaking for more than a year. I had to explain to the financial controller why the alcohol bill skyrocketed that week, but ultimately it saved us money on labour.

Be clever with your menu engineering

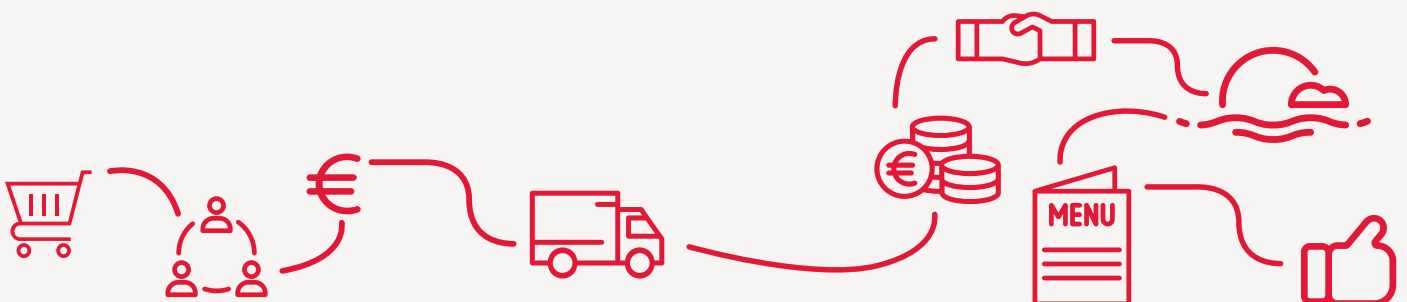
Don't be afraid to put a loss leader on the menu and not make your gross profit (GP) on a product, but ensure that you have other dishes with good margins to make up that shortfall. You don't make your GP on sirloin steak, you make it on chicken so use interesting and eye-catching ingredients to make the dish more appealing to guests and cut back on expensive garnishes that eat into your profit margins. 'Free Range Local Chicken Breast, Cherry Tomato Confit, Garlic Scapes, Chicken Jus' is one of our bestsellers and provides good GP.

It's all about being clever with your ingredients. For instance, Caroline Rigney supplies us with her rare breed pork sausages but we only buy 15 kilos a week so I'm careful where I use them. I can't afford to offer them at breakfast so I incorporate them into dishes like Bangers and Mash at lunch and dinner. Wild boar is another example. We source ours from Pat Mulcahy of Ballinwillin Farm. It's a premium product that we make just a small margin on so I only want to sell 20 portions a week. Menu engineering is crucial to influence orders. Place the loss leader halfway down the menu and the more profitable dish in the top right corner or formatted in boxes where it will stand out. If they are good value and phrased attractively then they will sell well.

The same applies to buffets. Most hotels allow only €7–€9 per guest for breakfast so you have to be clever with the layout of your buffet. Only put a few slices of smoked salmon out, away from the main serving area, as you don't want it leaping onto guests' plates. And use smaller plates; guests can come back for more rather than taking too much to start.

Always choose quality and take account of waste

I can always buy cheaper produce but it's a false economy, and not just in terms of the impact it has on the taste of our dishes. What financial controllers don't always factor in is the cost of food waste. I can buy cheap sausages and rashers but if the guests leave them on the plate then I also have to pay for the cost of disposing them.



'I can always buy cheaper produce but it's a false economy, and not just in terms of the impact it has on the taste of our dishes. What financial controllers don't always factor in is the cost of food waste. I can buy cheap sausages and rashers but if the guests leave them on the plate then I also have to pay for the cost of disposing them.'

Don't be afraid to have a debate with your financial controller

All chefs will have debates with their financial controllers from time to time. It helps if you have a proven track record and you must be able to deliver on your promises. I don't get everything right, but most of the time my purchasing decisions are justified.

We use a platform called Procure Wizard in the MHL Hotel Collection, which is great as all our suppliers enter their prices, giving me access to live costs at the touch of a button. On the flipside, however, our financial controller can also see where cheaper products are available so sometimes I have to fight my corner. It is so important to be prepared and to structure your argument before you have these discussions. Be able to demonstrate why the product is worth that bit extra or why it is imperative that you support this supplier.

And remember, your suppliers are your customers too. If you know that your producer's daughter just got engaged and that a €30,000 wedding might come the hotel's way that is a tempting carrot to dangle in front of a financial controller or an owner. To be fair, most financial controllers and managers understand the importance of supporting local but you have to be able to stand your ground too.

FACT FILE:

Limerick Strand Hotel

– 4 stars

– 7 floors

– 176 guestrooms

– 3 food operations:

The River Restaurant, The Terrace Bar and conference and banqueting for up to 750

– Up to 1,500 covers daily

TOM'S ADVICE



BUILD RELATIONSHIPS WITH SUPPLIERS

If you support them, they'll support you.



BUY IN SEASON

Prep in quieter times.



ENGINEER YOUR MENUS

Highlight dishes with strong GP.



MAINTAIN QUALITY

Cheap products are a false economy.

Step Two: Control Food Costs

Food costs account for a huge proportion of your spend in the kitchen. By tweaking recipes and working with suppliers to source more cost effective seasonal ingredients you can control these costs and reach your desired gross profit (GP)*. Here is a three-part action plan to get you started.

Food Costs Action Plan

Agree

- **Agree your food costs** and stick to them. These should be measured against your key performance indicators (KPIs) such as your weekly sales and purchases. Review these figures on a weekly, monthly and quarterly basis and measure them like-for-like with the previous year. They will demonstrate how the kitchen is performing in terms of targets set and actual costs, and will indicate whether a reduction in costs is warranted.
- **Compile or obtain weekly reports** on what you have purchased and sold. Live information will allow you to take immediate steps to control costs when needed. If you wait until the end of the month for a report it will be too late to react.
- **Ask suppliers for weekly price lists** if you have not locked in prices with them. These should highlight fluctuating prices and indicate which ingredients are the best value that week.
- **If you work with a financial controller, communicate with them regularly.** Be able to demonstrate why buying a more expensive product will increase yield or sales, or why your costs are higher at certain times of the year. For instance, if your food costs rise to 36% in July because you are making Christmas cakes, show how they will drop to 24% in December.

Analyse

- **Review recipes and examine costs per ingredient.** Understand how each ingredient contributes or eats into your profit margin. You will find a food cost analysis tool [here](#) that will demonstrate how you can adjust recipes to achieve a greater GP. For example, the ingredients in a squash, potato and red lentil soup might cost 98c but if you change the ratio of squash and potatoes and tweak some of the other ingredients you could reduce this cost to 83c without compromising on the quality and integrity of the soup. If you sell 100 portions per week that will give you a saving of €780 per annum. Find out exactly how you can do this [here](#).

Chef Business Tools

Get started and measure your success with these useful tools:

- [Recipe costing template](#)
- [Squash, potato and red lentil soup ingredient analysis](#)
- [Star player template](#)

- **Avoid over-ordering.** Waste plays havoc with your GP. Analyse your purchasing patterns to ensure you order enough but not too much. We cover this topic more in step four.
- **Control portion sizes.** Reducing portion sizes of high value ingredients like meats and fish will automatically yield savings. Look at large volume ingredients first as these will deliver the best results. For instance, if you sell 100 x 220g steaks per week and you reduce each portion by 20g you will save 2kg each week and 104kg a year. Multiply this by the ingredient cost, say €18 per kg, and you will yield a saving of €1,872 per annum.

Develop

- **Work on your menu and recipe development at the end of each season** when you still have access to ingredients and costs. Cost each dish carefully, allowing for price fluctuations the following year. This is especially important in tourism businesses such as hotels where you will send menus to prospective clients and guests a year in advance.
- **Identify your star players.** These are your signature dishes and hero products – they are the reason why your customers visit your restaurant. They should be high volume, high margin. See an example [here](#). If your bestsellers are high volume but low margin then you should [review your recipe](#) again. Talk to your suppliers to see how they can help. Could you use a less expensive cut or ingredient that provides the same taste profile but at a greater margin? For example, you could replace cod or haddock with white pollock or coley (black pollock). Remember to brief your front of house staff so that they can explain to diners that the fish is very similar.
- **Adapt with the seasons** and change the garnishes on your star players depending on the time of year. You can cut back on costly imports by substituting ingredients like Irish asparagus for purple sprouting broccoli when it comes into season.
- **Understand why low volume, high margin dishes aren't selling** and take steps to address this. Is the name of the dish difficult for diners to pronounce or does it contain culinary terms that they don't understand? Is there an ingredient that doesn't appeal? Swapping one ingredient or renaming a dish can make all the difference to sales. Beef cheeks might not tempt some diners, but if you change the name to 'slow cooked beef' it could be an instant hit.



STEP TWO: CONTROL FOOD COSTS



AGREE YOUR FOOD BUDGET

Know your weekly spend and sales.
Keep in contact with suppliers.



ANALYSE RECIPES

Understand ingredient costs.
Tweak recipes to improve margins.
Avoid waste.



DEVELOP YOUR MENUS AT THE END OF EACH SEASON

Identify star performers. Aim for high volume,
high margin dishes.

* Explainer: Calculating Gross Profit

Are you new to the industry and not sure how to calculate your gross profit? Here's how to do this simple sum:

Take your total revenue, minus the cost of the goods sold (COGS) – which can include food cost, labour cost and any materials used, i.e.

packaging, parchment paper, tin foil etc. – and divide the difference by the total revenue. Multiply this number by 100 to get your percentage figure.

ITSA

Domini Kemp, MD of ITSA, offers advice on controlling food costs.

Review everything

We undertook a massive review of our entire business in 2018. We did it holistically, bringing in an outside consultant to help us and together we went through everything in fine detail – examining our suppliers, ordering patterns, food costs, recipes, yield, gross profit, cooking time, packaging, waste and so on. No stone was left unturned and it was amazing to see how we could reduce our food costs by amending our recipes and becoming more efficient at ordering. I recommend bringing in someone from outside the business to look at what you're doing and how you're doing it. When you're working on something every day it can be hard to see the opportunities that are right in front of you. Some months saw a 2–3% improvement in the cost of sales (COS) based on these simple exercises. When you run a small business these things are a bit of a headache to do, but when the business becomes larger, each 0.1% impacts the bottom line quite significantly.

Invest in technology

At the same time we invested heavily in a new inventory system, replacing an expensive and cumbersome system that we never fully utilised. Technology has improved so much in recent years and it is incredible how transformative it has been for our business. We moved to a system called Goodtill, which makes it so easy to drill down and see the numbers, effortlessly compiling reports on sales, staff, product performance and stock control. This has helped us examine our yield, cut down on waste, and improve our GP. Often the chefs that are really good cooks aren't as strong on numbers, but that's okay. The software and technology is there to help.

Be smarter with ingredients and production

When we examined each of our recipes and reviewed the ingredient cost and the yield and GP of each dish we realised that we could make significant savings by changing the cooking methods to help improve yield and cut down on waste, which is important not just financially, but environmentally too. It is morally imperative for us as chefs to work harder to reduce food waste.

Simple things like buying a better quality bacon from O'Neill's Dry Cure Bacon Co. meant that although the cost price increased, the yield improved so there was a net saving when you looked at the labour and cost of utilities involved in cooking thousands of kilos of bacon each year.

Stop waste

Food waste can decimate your GP and we've definitely been guilty of ordering too much stock and preparing too much food in the past due to poor till and inventory systems. Understanding this and changing these habits has had a huge impact on our bottom line. We realised that many of our outlets were ordering surplus ingredients or prepping too much food for fear of running out. We needed to give them the knowledge and confidence to help them reduce this waste.

For instance, it is not necessary to put on another five litres of soup at 3pm on the off chance that another one or two customers might like some. Environmental health officers won't let you reheat food anymore so at the end of the day all that soup has to be thrown out. It's such a waste – you can't even donate it to charity as you can't stand over the HACCP.

Engage staff

Becoming more efficient and controlling costs requires a culture change in any business and that's the hardest part to achieve. The change has to benefit everyone not just the owners and management so you need to incentivise the team. The good thing is that the savings are there to do that.

It's not always about money; it could be the promise of new equipment, a training course someone wants you to pay for, or some other carrot to dangle – like a night out! You need to find out what motivates each member of staff and what will trigger a change in behaviour. Sometimes it can be as simple as showing them just how much food you throw out each day or week. Food waste horrifies a lot of people when they see it laid out in front of them and it encourages them to really think about how they operate from then on.



'When we examined each of our recipes and reviewed the ingredient cost and the yield and GP of each dish we realised that we could make significant savings by changing the cooking methods to help improve yield and cut down on waste, which is important not just financially, but environmentally too. It is morally imperative for us as chefs to work harder to reduce food waste.'

Our journey to become more efficient is ongoing and we made a commitment to invest in the process for the long term. It hasn't been cheap and we definitely took a hit in 2018 on the cost of hiring a consultant and investing in new technology but we're already noticing the savings and we expect to see a payback within three to five years. Smaller businesses might find it more challenging to raise this investment, but on the other hand when you are a one-man (or woman) band you can be much more nimble and clever. The premise is the same no matter what size the business.

FACT FILE:
 ITSA Food Group
 – 12 locations
 – 5 brands
 – 150 employees
 – Over 1,000 covers daily

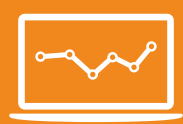


DOMINI'S ADVICE



REVIEW EVERYTHING

From what you buy and how much you pay to yield, GP and waste.



EMBRACE TECHNOLOGY

Find a system that helps you keep on top of figures.



IMPROVE INGREDIENTS AND COOKING METHODS

Look at what increases yield and reduces waste.



ENGAGE STAFF

Motivate the team to embrace change.

Step Three: Manage Labour

Controlling labour costs can be a challenging task for head chefs. This action plan can help you manage your budget and become more efficient without sacrificing the quality of your offering.

Labour Action Plan

Agree

- **Know your labour budget** for the kitchen. If you are not the business owner/manager this can be difficult to pin down so ask your manager or financial controller for clarity. If the labour budget for the company is 30% of sales, how much of that is actually attached to the kitchen – 10%, 12%, 15%? You need to be clear before you can plan your resources.
- **Examine how you portion this budget.** You can do this in two ways: (1) take the total spend available, look at the current rates of pay for chefs and see how many chefs, kitchen hands and kitchen porters you can afford; or (2) divide the budget into salary and hourly staff. As this will be based on percentage of sales it allows you to manage the budget in quiet times and negotiate for more staff in peak periods.
- **Create or obtain weekly reports on labour costs.** If you are consistently coming in under budget it means your sales are growing and you can argue your case for more staff. If your labour costs are running over target then you need to cut your chefs' hours.

Develop

- **Consider if you have enough resources to deliver quality.** Do you need to change or reduce your menu in order to bring your labour costs in on budget? It may be better to design the menu once you know what team you will have in place.
- **Examine where you can achieve efficiencies through recipe development.** Identify the weekly production in each section. Look at how many times a week a product is made and what its shelf life is. Can it be produced more efficiently? This [production planner](#) will help you plot this.

- **Investigate if it is worth sourcing equally good quality pre-prepared ingredients from your suppliers.** Some chefs believe that buying in ready-made products will mean a drop in standards however partnering with suppliers to source ingredients prepared to your specifications could free up your chefs' time for more onerous and creative tasks.

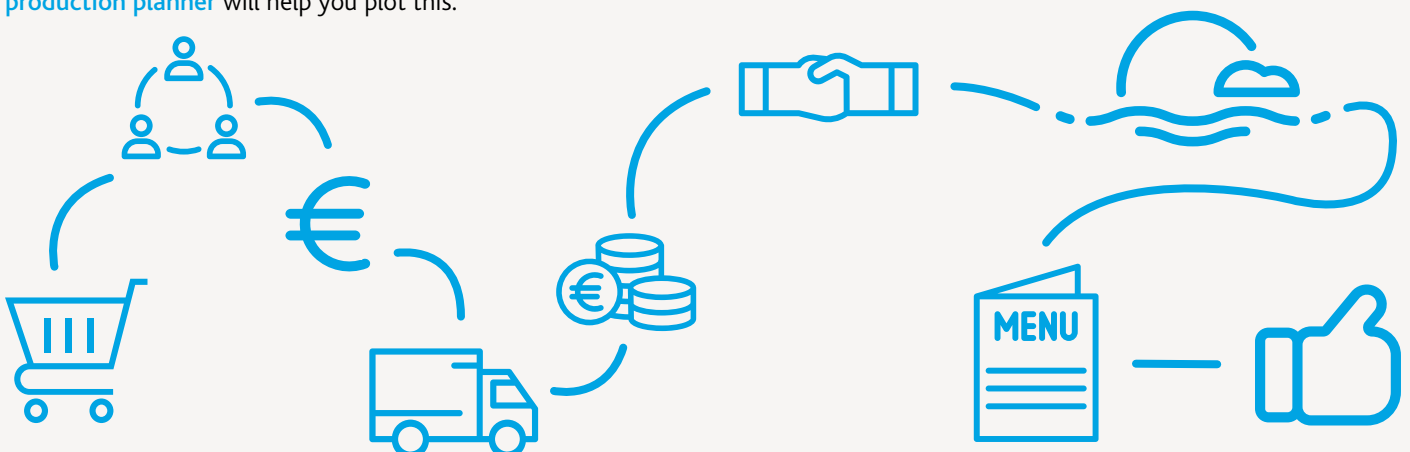
Plan

- **Look at the seven-day weather forecast** and plan accordingly. Move members of the team onto busier sections such as the fish section in summer when more customers opt for lighter dishes.
- **Prep ahead in quieter times.** Utilise this downtime by making vinaigrettes or preserves for year-round use and get started on your Christmas cakes and puddings.
- **Have a plan ready for staff shortages.** Reduce your menu so that quality and standards don't slip. Combine lunch and dinner mise en place with one menu.

Chef Business Tools

Examine your efficiency with this downloadable tool:

– [Production planner](#)





STEP THREE: MANAGE LABOUR



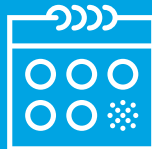
AGREE THE LABOUR BUDGET FOR THE KITCHEN

Decide how to allocate this budget.
Know your weekly costs.



DESIGN THE MENU AROUND YOUR BUDGET

Examine where you can increase efficiency.
Consider buying some ingredients ready prepped.



PLAN AHEAD

Assign staff to more popular sections.
Utilise down times.
Prepare for staff shortages.

MacNean Restaurant

Carmel McGirr, Head Chef at MacNean Restaurant, shares her experience in managing labour budgets.

Understand how many chefs you need to deliver quality

Like all food businesses, our labour costs are determined by our target market and sales. However there are other important factors that have an impact, such as our location, food costs and overheads. Producing quality food is the number one priority at MacNean Restaurant so it is vital that we source the best ingredients and best chefs to produce the menu. It is the management's role to set labour costs taking into account all of these factors, plus our chefs' roles, responsibilities and experience. We value and reward our staff and we are not afraid to invest time and money in them.

Use reservations as your guide

We calculate our staffing and our labour budget around the reservations on our booking system. Our bookings are often made a year in advance so two weeks ahead we contact all diners to confirm their reservations and then we know exactly how many chefs we will need to deliver this service. We have 12 full-time chefs on staff who work a four-and-a-half-day week including our two junior sous chefs. The rest of the team are chefs de partie who are in charge of each section, and our two breakfast chefs. We also have a number of part-time staff that we can call during busy periods. These are mainly commis chefs and kitchen porters who help out where needed, whether that is in the restaurant, the cookery school or at a private event.

Plan ahead, but be flexible

It's important to plan ahead and organise rotas but still be flexible during peak times or when staff want time off. Having a reliable team of part-time staff that you can call during busy periods helps. Some of our part-time staff are students who want extra hours when not at college which is great when we're busy. This is where our reservations system helps to manage our staffing levels.

Take advantage of quiet periods

The restaurant is open for dinner on Wednesday to Sunday and we tend to do 60–70 covers on Wednesday and Thursday evenings and 80–90 at the weekend. We take advantage of quiet times by developing new recipes and ideas and training our team; that may include in-house training or doing stages in their specialised fields.

On Sundays we offer a smaller menu and this is a great time for us to test new ideas – our customers won't be shy about telling us what works and what doesn't! We use every opportunity we have to develop, test and plan for the season ahead. If we can make something to a high standard ourselves instead of ordering it in we will as it is cost effective and the best use of our chefs' time. We have our own forager on staff who brings us foraging and we also preserve foods like fermented garlic, flavouring oil and vinegars, powders, jams and pickling.



'It's important to plan ahead and organise rotas but still be flexible during peak times or when staff want time off. Having a reliable team of part-time staff that you can call during busy periods helps. Some of our part-time staff are students who want extra hours when not at college which is great when we're busy. This is where our reservations system helps to manage our staffing levels.'

Review your budget regularly

I work closely with Andrea, our office manager, to keep an eye on reservations and to review our purchasing and budgets. Although we have a core team who work full-time to deliver our menu it is important to constantly review sales to ensure that we have the right balance in the kitchen. Keeping on top of figures is essential to make sure you don't overspend on labour.

FACT FILE:

MacNean House

- Restaurant, guesthouse, cookery school and private dining
- 65 employees
- Average of 130 covers Wednesday-Saturday, breakfast and dinner; 195 on Sunday, breakfast, lunch, dinner

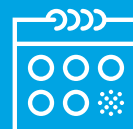


CARMEL'S ADVICE



UNDERSTAND HOW MANY CHEFS

you need to deliver quality.



USE RESERVATIONS AS A GUIDE

to plan staffing.



UTILISE DOWNTIME

by prepping ahead, training or developing menus.



MEASURE YOUR COSTS

against sales to keep on budget.

Step Four: Eliminate Waste

Eliminating waste doesn't just make economic sense, it will also put you in good standing with a growing wave of consumers who are actively looking to support eco-conscious businesses. This action plan demonstrates how planning and creativity can go a long way to eliminating the waste of food, packaging, energy and water.

Waste Action Plan

Measure

- **Create a Waste Book** to record and measure your waste each day, week and month. This should include achievable targets and incentives for reducing food and packaging waste and should be reviewed on a weekly, monthly and annual basis. A calendar will help you compare waste through the seasons.
- **Undertake regular yield loss analysis.** Measure this against the recipe yield and examine the impact it has on costs. You will find a yield loss calculator [here](#).
- **Break food waste down into categories:** unavoidable trimmings, waste through over-ordering/spoilage, waste through over-production, plate waste etc. This will flag where savings can be made. Using clear bin bags will help you keep an eye on what is being thrown out.
- **Review waste disposal reports.** Waste companies generate these reports on a monthly basis. Examine what percentage is general waste versus recycling. Can you increase your recycling and reduce your waste sent to landfill? Here is a [template](#).
- **Monitor your energy usage.** Can you reduce costs by being smarter in the way you order, store, prep and cook food? Are you turning off all unnecessary equipment overnight? Is all your equipment operating at optimal efficiency? Is it worth switching to induction ovens or other energy-saving options? Review your charges each quarter and ask yourself these questions. Look for technology that can help you reduce your energy usage.
- **Monitor your water consumption.** Switching to push taps and reducing the length of flushes in urinals and toilets can have a big impact. Again, analyse your charges regularly to ensure you are hitting your targets.

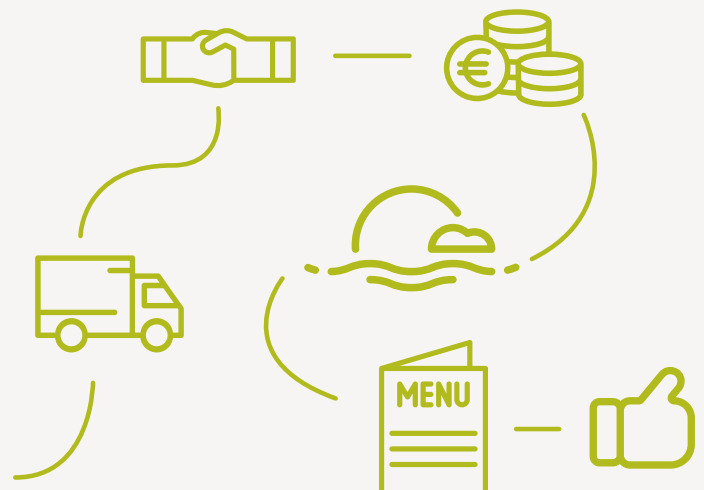
Reduce

- **Incentivise your staff.** Eliminating waste requires buy-in from the whole team so make sure they are on board with your plan and incentivise them to hit their targets. This could be the promise of a new piece of equipment purchased with the savings made from reducing waste and energy and water consumption. This will increase morale and productivity – a win-win for all.
- **Be inventive with waste.** Turn food that is normally disposed of into dishes. Make pickles from broccoli stalks, kimchi from cauliflower leaves, vinegars from fruit peelings and so on. A little creativity goes a long way in the battle against waste.
- **Be rigorous in your stock control.** Avoid margin erosion by rotating stock, storing properly, dating and labelling correctly.
- **Stop over-ordering.** Analyse what food stock you require to deliver your menu – as detailed in steps one and two – and maintain those levels. Over-ordering has a double impact on your business, hitting you with increased purchasing and waste disposal costs.
- **Reduce packaging and manage recycling** by working with your suppliers. Reuse containers. Decant what you can on delivery and return the packaging to suppliers. Encourage suppliers to invest in reusable containers; these will save money on single use packaging in the long term.
- **Turn off** the lights, taps and non-essential equipment when not in use.

Chef Business Tools

Examine your efficiency with these downloadable tools:

- Yield loss analysis spreadsheet
- Monthly waste analysis





STEP FOUR: ELIMINATE WASTE



MEASURE WASTE

Analyse yield loss.
Monitor energy and
water consumption.



REDUCE WASTE

Eliminate single use packaging.
Turn off the lights and equipment.



AVOID MARGIN EROSION

Stop over-ordering.
Be rigorous on stock control.

James St & Co

James St & Co. Chef Proprietor, Niall McKenna, is passionate about eliminating waste in all forms. He provides helpful advice on combatting waste.

Manage your labour efficiently

Your chefs' time is your most expensive resource – you spend more on salaries than you do on food and overheads – so it is crucial that you don't waste it. For us, that means being efficient in every step of the production process from ordering and mise en place to cooking and service. It's knowing precisely how much you need to order so that you don't have to reorder, it's getting mise en place done without time wasting, it's cooking efficiently, serving promptly and cleaning down thoroughly at the end of service and it's getting your prep sheets ready to go so you can hit the ground running the next day. You need to know and understand the value of time – every wasted minute in the kitchen comes directly out of your profit. Make sure everyone in the kitchen works the same way; once one person goes off kilter it can affect everyone and everything.

Eradicate food waste

It's easy to buy cheap but is what you're buying good value for money? When choosing ingredients look at the yield as well as the cost. How much will you have to trim? Are you paying for something that you won't use? Don't forget you also have to pay to dispose of the waste. Buying quality produce in season and using everything will have a direct and positive impact on your GP.

Combatting food waste is a team effort; you cannot do it alone, but how do you change the mindset in the kitchen? You need to lead from the top and you need to manage your team so they understand the impact that waste has on the business. You must create an environment where chefs are not only committed to eliminating waste, they're also not afraid to acknowledge their mistakes. So instead of throwing overcooked portions of expensive meat out without telling you, chefs will put their hands up and admit that they've burnt something. Then it's about saying, 'Okay, how do we train you to stop burning it from now on?'

Reducing the number of bins we have in the kitchen and switching to clear bin bags has also encouraged our chefs to waste less. If someone throws out egg whites I want to see that and I want to know why; we could use them for meringues. To me it's all about common sense but that is the way I have been trained, which is considered 'old school' by many chefs today. If you keep wasting food it comes right off your bottom line. That's pure profit in the bin along with those egg whites.

Tackle utilities

You'll find waste everywhere if you look for it. Ask yourself: How much are you spending on utilities and how can you reduce that? How much are you paying for waste disposal and can you get it cheaper? Or even better, can you work with your suppliers to prevent it entirely?

We take steps to prevent waste in every aspect of our business. We have what we call a 'Last Man Standing' switch where the last person in the kitchen at night switches everything off – that's everything bar the fridges, computers and reservations. The drinks fridge – other than the Eurocave where the fine wines are kept – is switched off. What's the point in chilling bottles overnight? Even the ice machine is switched off. It's a waste of electricity.

I also changed all taps to push taps, which had a huge impact on our water usage. Then I went a step further and took the springs out so water now runs for 3 seconds instead of 15. You'll find ways of cutting waste everywhere you look.

Invest in quality equipment

It's not about *opening* a restaurant, it's about *running* a restaurant so when you're purchasing a piece of kit try and buy the very best quality that you can afford. I bought a Charvet oven when I opened my first restaurant and it was a huge expense at the time – £40,000! – but I've had it 15 years and it will go for another 15 years. I'll get my whole working career out of it. We put a £60,000 Charvet oven in Hadskis, which was a massive commitment, but it will be worth it in the long term as it is induction. The chefs constantly tell me how easy it is to work, how quick it is to get orders out and how easy it is to clean. I went to three different kitchens to see it working before I committed to this new technology but it has worked and I am really glad I invested in it and took the time to do my homework.

When you're buying equipment make sure you have a good service contract and tie it down. We insist that our suppliers come out twice a year to service and certify our equipment and because of this our insurance comes down a little. It's not a lot, but it all helps and that's the thing about tackling waste, sometimes the savings are only small but they all add up.

Lastly, train your team to look after the equipment. It is easy to see how things can break if my chefs don't show the equipment respect and know how to use it, clean it and fix it. Having good, well-maintained equipment in the kitchen should give your team more respect too, as you are respecting them by giving them good enough tools to do their job properly.

NIALL'S ADVICE

'Knowing your numbers will help you spot waste. Forecast your sales and GP for your business and constantly review your performance. Monitor your staff hours and food costs regularly and review your utility charges every quarter. You might find you need to cut hours, source alternative ingredients or switch suppliers.'

Know your numbers

Knowing your numbers will help you spot waste. Forecast your sales and GP for your business and constantly review your performance. Monitor your staff hours and food costs regularly and review your utility charges every quarter. You might find you need to cut hours, source alternative ingredients or switch suppliers. And don't be afraid to shop around, even for the small items. I might be happy to spend £60,000 on an induction oven but I make sure our bleach is delivered by Tesco. It costs 50p versus the £1.25 we'd pay if we bought it from our suppliers. If your staff see you being frugal they'll be frugal also.

FACT FILE:

James St & Co

– 3 operations: James St,
Cookery School & Hadskis

– 75 employees

– Approximately 2,000 covers per week



MANAGE LABOUR EFFICIENTLY

Your chefs' time is your most expensive resource.



INVEST IN QUALITY

You'll waste less using quality ingredients and equipment.



TACKLE UTILITIES

Look at what increases yield and reduces waste.



KNOW YOUR NUMBERS

You'll see where you can make savings.

DEVELOPED WITH CHEFS

The Chef Business Toolkit was developed by Fáilte Ireland in partnership with Chef Network and includes input from a number of chefs working in tourism businesses across the island of Ireland. They are:



TOM FLAVIN

Tom Flavin started his career in Manila and has worked in a variety of five star hotel kitchens and fine dining restaurants around the world. He has spent over 15 years in Limerick as an Executive Chef, arriving at the Strand Hotel in 2007.



NIALL HILL

Niall Hill, who helped create the action plans in this series, is best known for his work as Head of Food at the award-winning food company The Butler's Pantry. A member of the Chef Network Advisory Council, he runs Niall Hill Foods, a consultancy business serving clients in foodservice and food production.



DOMINI KEMP

Domini Kemp is a Co-Founder of ITSA, Hatch & Sons, Alchemy Juice Co. and Joe's, as well as Feast Catering & Events. She is MD of the ITSA food group and oversees the running of 12 locations and 5 brands, employing a team of 150.



CARMEL MCGIRR

Carmel McGirr joined MacNean House & Restaurant on graduation from Fermanagh College and went on to gain experience in the kitchens of Restaurant Patrick Guilbaud and Bang Café in Dublin, Pied à Terre in London, and Ox in Belfast. She returned to MacNean Restaurant in 2010 and was appointed Head Chef in 2018.



NIALL MCKENNA

Niall McKenna is Chef Proprietor of the James St & Co. restaurant group which includes James Street, The Cookery School, and Hadskis in Belfast.



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