Seven Steps to Food Cost Control

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After I returned from Viet Nam in 1971 I completed my senior year of college at the hotel school of Florida State University. The Chair of the department was Peter Dukas who taught a class on food & beverage management which used a text book he had authored called, "How To Operate A Restaurant". Long ago, I loaned the book out and never got it back so I can't quote him exactly.

Professor Dukas used to love to make us memorize lists. Through the prism of over 44 years, I still remember his favorite list, seven steps to food cost control. Over the years I have used that mental checklist and adapted from it but it remains applicable today.

1. **ORDERING** – The first step is to order right. This means having detailed recipes, preparing purchasing specifications, doing comparative shopping based on those specifications, and comparing quality, price and service, etc. Oh yes, and don't order too early in order to avoid spoilage, wasted storage space and lost interest on your money. Don't order too late, so premium costs and delivery charges accrue. Professor Dukas also stressed that standing orders were a bad habit.
2. **RECEIVING** – The fundamentals are obvious: count; weigh; inspect for condition and quality; verify against the purchase order; keep the receiving area clean and uncluttered; limit access to the receiving area; train the person receiving and make him or her responsible. Get credit memos from the delivery driver.
3. **STORING** – Is the method and place of storage for the various items appropriate for the item? Is it secure from pilferage? Are the shelves strong enough for the product, allowing air circulation and are they easy to clean? Are all items stored at a temperature appropriate for that product? Are items dated (with year, in some cases) and priced? Is the storage area orderly and clean? Consider labeling shelves noting stocking quantities.
4. **ISSUING** – What process is issuing based on? Who has access or authority to issue or take things from the secured store rooms and walk-ins? Are issues being made in appropriate quantities and at appropriate times? Is there a rationale behind the volume or par stocks and are these reviewed periodically? Are issues being accounted for? Is a perpetual inventory or sign out sheet designed specifically for your operation or a particular store room in use?
5. **PREPARATION** – Apologies are necessary to any omissions in this category because it has been a long time since I worked in a kitchen regularly. Phrases that come to mind include: trim properly; use trimmings for stock pots and other recipes if possible. Proper tools, sharp knives, clean and neat working area, work space that make sense for the preparation to eliminate wasted time and steps, enforcing a policy of following recipes, and having photos of finished products available and used regularly are also critical. Enough said, as I suspect my readers know a lot more than I do about this!
6. **COOKING** – Various considerations here, again my readers know more than I. Proper temperatures, proper cooking times, following recipes carefully, using photographs of finished products, correct size, material, and type of utensils and cookware, clean work area.
7. **SERVING** – Serving is not only about portion control, it is also about decisions made regarding portion size and presentation. With a buffet, it is obvious. Proper serving utensils, proper holding/serving equipment, right presentation order, plate sizes, etc. The discipline needed for these elements isn't easy to enforce, especially in tight labor markets. Dining room service should be easy to control using good kitchen supervisors, trained cooks, photographs for both cooks and servers, etc. Watch what comes back from bused tables to see if portions are proper. Marketing decisions may drive large portions but if the patrons are not eating it or taking it home, the portion size or the recipe should be reconsidered. Proper china for each item served is important

Summary

Former FSU hotel school Professor Dukas' Seven Steps to Food Cost Control from his book, "How to Operate a Restaurant" provides a concise list of things to think about to effectively manage food cost.

2 Comments

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for both presentation and portion control.

Work hard on your cost controls and be consistent about them. Two other elements of controlling food cost cover all seven categories: tools and training. Give your staff the ability, knowledge, resources, and confidence to do their jobs properly and to your specifications. Inconsistency and failure to enforce procedures will drive costs skyward. Failure here is truly throwing money away.

About Kirby D. Payne

Kirby D. Payne, CHA, President of HVS Hotel Management and HVS Asset Management - Newport, has over 40 years of hotel operations, consulting, and development experience. He was the 2002 Chair of the American Hotel & Lodging Association (AH&LA) and a former Director of the National Restaurant Association. He is a frequent speaker and author. His hotel experience began as a four-year-old living in a hotel on the Amazon River in Brazil, which was managed by his father for InterContinental Hotels. He never lived in a house until he was 13. Payne previously served on the Certification Commission of the AH&LA's Educational Institute. HVS Hotel Management has operated hotels throughout the United States and has served a multiplicity of clients, including lenders, airports and other government entities, and individual investors. HVS Asset Management - Newport oversees upscale and luxury hotels on behalf of clients who use branded management and major independent management companies. Both companies undertake various consulting assignments including, but not limited to, development consulting, brand and management company selections and contract negotiations, Hotel Performance Analysis and litigation support (expert witness). Mr. Payne is frequently appointed as a Receiver for hotels and resorts. Contact Kirby at +1 (401) 625-5016 or .