

# Restaurant Operations & Profitability — Workbook

This workbook turns the course into the numbers and routines that run your restaurant. Work through one section per module: cost a real plate, build your food cost variance, engineer your menu, time your turns, and stand up a daily flash report. By the end you will have a working profit dashboard for your own restaurant, not just notes about one.

## Food Cost: The Single Biggest Lever

Cost a real dish, calculate your operation's food cost, and find your theoretical-versus-actual variance.

### Exercise: Cost one of your own plates end to end

Pick one menu item you sell often. Using the recipe costing method from the course, cost every ingredient at its yielded price, add a 2 to 5 percent Q factor, and compare the result to your current menu price.

- List every ingredient with its recipe quantity and as-purchased invoice price, including oil, garnish, and condiments.

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- Apply a yield factor to any trimmed or cooked item (for example chicken breast at about 75 percent) and recompute its usable cost.

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- Add up the lines, add your Q factor, and divide the plate cost by the menu price to get this dish's food cost percentage.

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- Is this dish above or below your target food cost, and what one change (portion, price, or supplier) would move it most?

### Worksheet: Period food cost calculation

Use your last full inventory period to calculate actual food cost percentage with the inventory formula: beginning inventory plus purchases minus ending inventory, divided by food sales.

Period start and end dates

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Beginning inventory (dollars)

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Total food purchases (dollars)

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Ending inventory (dollars)

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Cost of goods used (begin + purchases - end)

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Food sales for the period (dollars)

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Actual food cost percentage (COGS / food sales)

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Your concept's target food cost range

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Gap to target (points)

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### Exercise: Find your theoretical-versus-actual variance

Pull your POS sales mix for the same period, multiply units sold by plate cost to get theoretical food cost, and compare it to the actual number from the worksheet above.

- What is your theoretical food cost percentage (total theoretical COGS divided by food sales)?
  - What is the variance in points between theoretical and actual, and in dollars for the period?
  - Which of the five common causes (over-portioning, waste, comps, theft, receiving errors) is most likely yours, and why?
  - What is the single investigative step you will take this week to close the gap?
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### Checklist: Food cost control checklist

- Every menu item has a current, fully loaded plate cost on file
- Standardized recipes with portion sizes are posted on the line
- Inventory is counted on a fixed schedule (at least monthly, ideally weekly)
- A waste log is filled out every shift
- Invoice prices are spot-checked against the order before payment
- Theoretical-versus-actual food cost is run at least monthly
- High-cost portions are re-weighed on the line when variance exceeds 1.5 points

## Labor: Scheduling to Demand

Calculate prime cost, set a sales-per-labor-hour target, and build a schedule from a forecast.

### Worksheet: Prime cost calculation

Combine your cost of goods sold and total labor into prime cost, then compare it to the 60 to 65 percent guideline for full service.

Total sales for the period (dollars)

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Cost of goods sold: food + beverage (dollars and %)

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Total labor: wages + salary + taxes + benefits (dollars and %)

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Prime cost (COGS + labor, dollars and %)

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Remaining for occupancy, other expenses, and profit (%)

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Prime cost guideline for your concept

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Variance to guideline (points)

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### Exercise: Set your sales-per-labor-hour target

Using four to eight weeks of POS history, calculate sales-per-labor-hour (SPLH) by daypart and set a target you can schedule against.

- What is your current SPLH for your busiest dinner shift (sales divided by labor hours)?

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- What is your current SPLH for a slow lunch, and how far apart are the two?

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- What target SPLH would put that shift inside your labor percentage goal?

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- Which daypart has the widest gap between current and target SPLH, making it your best opportunity?

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### Exercise: Build a forecast-driven schedule for one shift

Take one upcoming shift, forecast its sales from history, and convert that into scheduled labor hours using your SPLH target.

- What is your sales forecast for the shift, adjusted for weather, events, and holidays?

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- Forecast sales divided by target SPLH equals how many labor hours for the shift?

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- How will you stagger start and end times so staff arrive as volume builds?

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- Who is on your pre-planned cut list if sales come in 15 percent below forecast?

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### Checklist: Labor control checklist

- Schedules are built from a sales forecast, not last year's habit
- SPLH targets are set by daypart, not by whole day
- A cut list is prepared before every shift
- Scheduled-versus-actual labor is reconciled at the end of each shift
- Overtime is tracked and kept under 1 to 2 percent of labor hours
- Clopening and back-to-back close-then-open shifts are avoided
- A manager log records the cause whenever labor misses target

## Menu Engineering for Margin

Rank items by contribution margin, place them on the four-quadrant matrix, and redesign the menu to steer sales.

### Worksheet: Contribution margin ranking

For your top 10 to 15 selling items, calculate contribution margin (menu price minus plate cost) and rank them by total contribution.

Item name

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Menu price (dollars)

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Fully loaded plate cost (dollars)

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Contribution margin per plate (price - cost)

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Units sold in the period

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Total contribution (margin x units)

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Rank by total contribution

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### Exercise: Place your menu on the four-quadrant matrix

Using popularity and contribution margin, classify each item as a Star, Plowhorse, Puzzle, or Dog, then write one action per item.

- What is your menu's average contribution margin and your popularity cutoff (for example 70 percent of average units sold)?
  - Which items are Stars (high popularity, high margin) that you must protect and feature?
  - Which Plowhorses (popular, low margin) could gain margin from a small price increase or a cheaper plate?
  - Which Puzzles (profitable, unpopular) deserve a rename or better menu placement, and which Dogs should be cut?
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### Exercise: Redesign one menu section for margin

Apply the design and pricing tactics from the course to one section of your menu to steer guests toward high-margin items.

- Which high-margin Star or Puzzle will you move to a prime location such as the upper-right or a call-out box?
  - Where will you remove price columns or trailing decimals to stop guests from scanning for the cheapest item?
  - What anchor item near the top will make your mid-priced dishes feel reasonable?
  - Which one or two items will you highlight, and which currently highlighted low-margin item will you stop featuring?
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### Checklist: Menu engineering checklist

- Every item is ranked by contribution margin, not just food cost percentage
- All items are classified as Star, Plowhorse, Puzzle, or Dog
- Each Plowhorse and Puzzle has a written action assigned
- Dogs are scheduled to be fixed, replaced, or removed
- High-margin items occupy the strongest menu real estate
- Prices are nested after descriptions, not in a right-aligned column
- Menu engineering is scheduled to repeat quarterly and at every reprint

## Table Turns and the Daily P&L

Measure turns and RevPASH, stand up a daily flash report, and run the weekly profit routine.

### Worksheet: Table turns and RevPASH

Time a sample of tables and calculate turns per shift and revenue per available seat hour for one service period.

Service window length (hours)

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Average turn time, seating to reset (minutes)

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Turns per table (window / turn time)

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Number of tables and total seats

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Average check (dollars)

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Total revenue for the shift (dollars)

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Available seat hours (seats x hours open)

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RevPASH (revenue / available seat hours)

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### Exercise: Find your turn-time opportunity

Identify where time is lost between seating and reset, and estimate the revenue from shaving it.

- Where in the guest journey is the most time lost (greeting, ordering, food pacing, payment, or reset)?
- If you cut average turn time by 15 minutes, how many extra turns would your peak window gain?
- At your average check and seat count, what added peak-shift revenue does that represent?
- What is one change to coursing, pre-bussing, or payment that shortens turns without rushing guests?

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### Worksheet: Build your daily flash report

Fill in one day's figures to stand up the one-page flash report you will read every morning.

Date

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Net food sales vs forecast and vs same day last year

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Net beverage sales (dollars)

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Covers and average check

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Labor dollars and labor % vs target (FOH / BOH)

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Purchases received today (dollars)

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Comps, voids, and discounts (dollars)

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Cash over/short and manager note

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### Checklist: Weekly profit routine checklist

- The daily flash report is read every morning and flags are acted on within 24 hours
- Inventory is counted and actual food cost is run weekly
- Theoretical-versus-actual variance is checked weekly to catch leaks early

- [ ] Next week's schedule is built from the sales forecast and SPLH target
- [ ] Prime cost is reviewed weekly against the 60 to 65 percent guideline
- [ ] Comps, voids, and discounts are reviewed for patterns
- [ ] Menu engineering is refreshed quarterly and prices are reviewed at least twice a year

## Your Action Plan

1. Cost every menu item to a fully loaded plate cost and file the costings where you can update them when prices change.
2. Run your actual food cost from inventory and compare it to theoretical from your POS sales mix; record the variance in points and dollars.
3. Pick the single largest variance cause and run one corrective action this week, such as re-weighing portions on the line.
4. Calculate prime cost and confirm it sits at or below the 60 to 65 percent guideline; if not, decide whether food or labor is the driver.
5. Set sales-per-labor-hour targets by daypart and rebuild next week's schedule from a sales forecast instead of habit.
6. Reconcile scheduled-versus-actual labor every shift and keep a cut list ready before service.
7. Rank your menu by contribution margin and classify every item on the Star, Plowhorse, Puzzle, Dog matrix with an action each.
8. Redesign one menu section to feature high-margin items and reprice Plowhorses, then schedule menu engineering to repeat quarterly.
9. Measure table turn times and RevPASH for your peak shift and make one change that shortens turns without rushing guests.
10. Stand up the one-page daily flash report, read it every morning, and run the full weekly profit routine without fail.











