

Case Study 4 - Food Cost Troubleshooting

The Background

A small independent hotelier in the South West with a 4 star Hotel Operation and food turnover circa £250,000 was unhappy with his existing food cost.

A Flexis director was commissioned to resolve the issues.



The Solution

It was established that no formal food costing or stock and revenue control system of any kind existed within the property even though the hotel had been under current ownership for a number of years.

By initially training the Head Chef and his team over a period of several days and weeks, all the existing menus were costed out to establish a theoretical food GP so that the owner could clarify what he was expecting of the operation.

A range of tools were then introduced including:

- Food stock sets
- Food Trading Result
- Shopping Basket
- Dish Analysis
- Covers Analysis
- Daily Business Done

Further to the initial exercise it was established that there was a fundamental error within the PMS configuration which was quickly resolved thus ensuring that postings were accurate.

Initially the Flexis director spent several days on site, but soon moved to monthly reviews and then onto quarterly reviews. The situation could then be monitored remotely with a full monthly pack being produced for the owner.

The Results

After 6 months the food cost had improved by 20%, equating to an additional profit of £15k.

