Restaurant Operations – How to effectively serve your customers.

Challenge

LE Hotels is a leading hospitality service provider currently running two exclusive restaurants, a banquet facility while also providing catering services for a wide range of events. LE has a loyal and growing customer base and a strong brand image and the management saw a huge potential for growing the business and extending the brand to cater to the booming online food delivery business of service providers like **Swiggy, Zomato** etc. They also felt the need to improve bottom line as expenses had grown at a higher rate than the business in the restaurants.

However, to tap this potential, LE felt the need to strengthen its core operations and delivery process and establish a standard operating model that can ensure smooth and sustained scalability. In this context, the management has approached KIAP to help improve and standardize operational processes through proven concepts of Lean and Kaizen.

Objectives

Following a gemba walk through of the restaurant facility, LE and KIAP together defined the following goals to better the restaurant operations:

1. **Increase resource productivity** – the key resources to be utilized effectively are
    - ✓ **People** – revenue per employee
    - ✓ **Material** – Zero wastage
    - ✓ **Space** – revenue per SFT
2. **To reduce employee stress and strain** while handling the day to day operations – minimize need for "fire fighting"
3. **Improve customer experience** further by
    - ✓ Minimum waiting time – from Entry to Exit
    - ✓ Consistent delivery of specified & expected quality – food, facilities and service
4. Establish standards for the core processes and a system for monitoring adherence to these – the standard practices should help business scale up smoothly and quickly

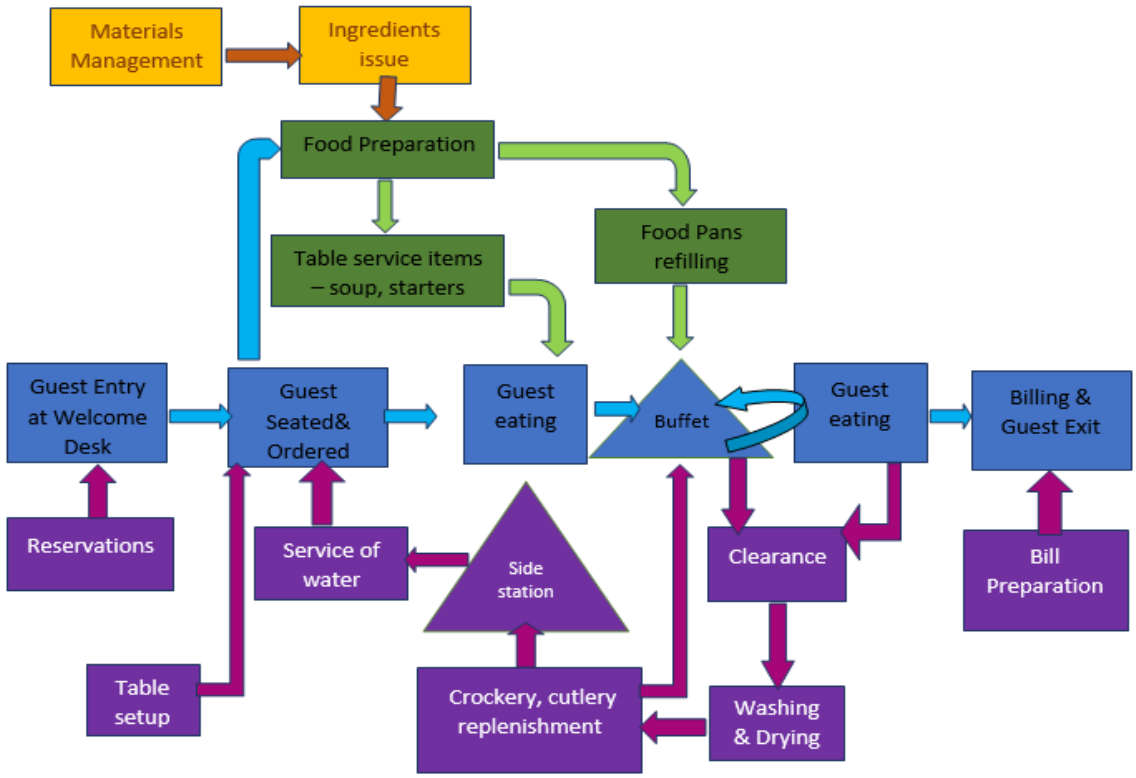
Approach

The entire restaurant operations were viewed through the **Lean Prism** – the guest or customer is the focal point. So the initial observation was done on a variety of guests – couples, small groups (4-8 people) and large gatherings (>10 people). The entire value stream was observed from Guest In at the hostess desk located at the entrance till the Guest Out after the bill is paid and the table is vacated and re set up for the next set of guests.

Based on this observation of the operations the value stream could be split into three flows

- The Guest
- The Food
- The Service Staff

PROCESS FLOW FOR RESTAURANT OPERATIONS



Three types of FLOWs in a Restaurant

Flow of Guest

As per Lean Paradigm, the guest should flow smoothly and seamlessly through the service environment. So, the first step was to understand all the constraints to this. Focus areas were narrowed down through gemba observations to the following

1. Waiting for table 2. Waiting for service 3. Issues at buffet counter

The constraints were analysed further to arrive at the root causes so that action plan could be formulated for improvement.

Flow of Service

A lot of the delays for the guest as stated above were pinned down to non-availability of service staff near the tables. Further observations showed that the staff were busy fire-fighting to either get starters from the food pick up counter or crockery/cutlery from the washing areas. It was felt that addressing these two – delay in starter preparation and speeding up washing process would ensure better guest service levels.

Flow of Food Preparation

Cooking of food as per recipe is the core value adding operation of a restaurant. While observing kitchen process, key issues identified

- Delays due to non availability and late issue of ingredients from the stores

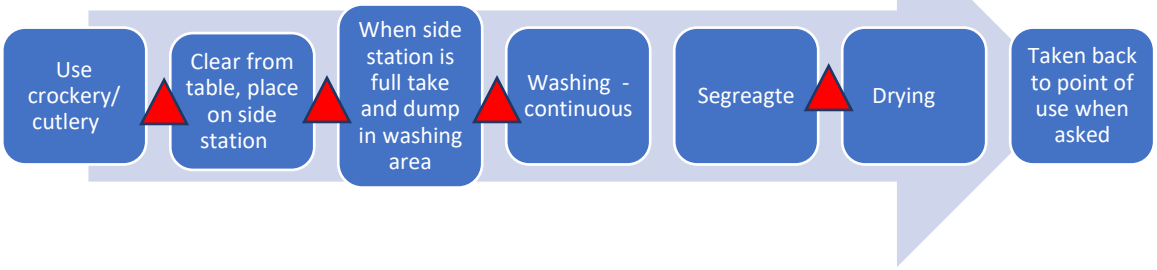
- Time lost in searching for items in the kitchen

A. Increase staff availability at the guest table:

It was observed that the staffs were unavailable at the guest table whenever the guest requires them. Because of this the guest tends to get dissatisfied with the service.

WHY-WHY ANALYSIS – made to understand the various root cause for the unavailability of staff. There by the root cause can be directly attacked.

Issue	Why	Why	Why	Why	Why	Why	Solutions
Waiting for steward /waiter to order		Gone to eat lunch	Lunch not ready before 1 pm	Chef cooks food after preparing buffet rice	As per existing practice		Revised time to 12 noon
	Not available near the table area	Gone to the soup/starter pick up counter	Responsible for serving these items to the guest	Roles as defined by restaurant management			Redefined roles of service staff
		Gone inside the kitchen washing area for taking or giving cutlery/ crockery	Delay in getting fresh cutlery/ soup bowls	Delay in drying of washed items	Multiple handling and strain between washing, drying and taking the items out	Batch system for washing & drying; NVAs in method followed	One touch handling & flow in Washing & Drying
Waiting to pick up items at buffet	Waiting for crockery and cutlery	During rush time, these items not available at the buffet counter					Pull based replenishment using trays
	Item stockout in pan	Delay in refilling food pans	No mechanism to check stock level	No specific Person assigned			Redefined roles of service staff

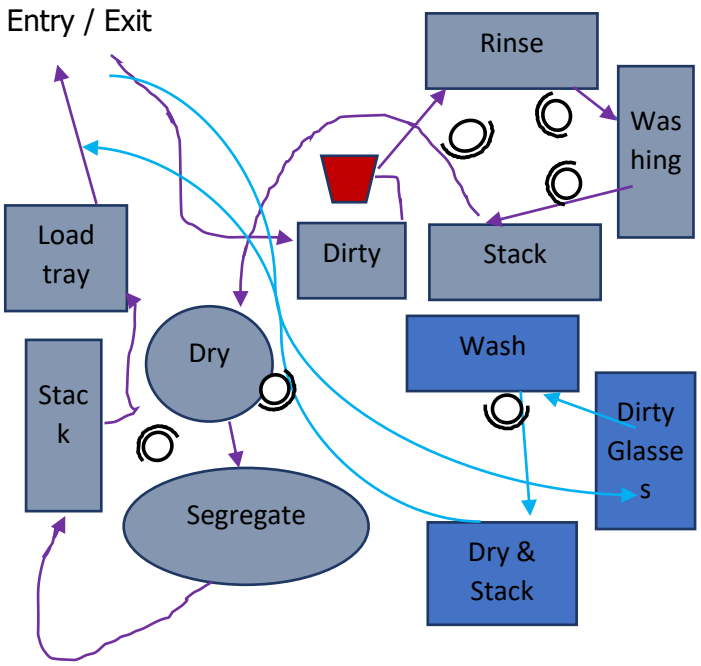


The team decided to streamline and ensure flow of the cutlery & crockery from point of use to the cleaning and back. After detailed process observation several changes were made to

reduce pile up on WIP, multiple non value added handling and motion and ensuring early warning for stock outs at the buffet counter.

1. Layout reorientation - One touch handling method and flow

Existing Operation Flow & Layout



Operations: 4 (Clean, Rinse, Wash, Dry)

Number of touches: 10

Observations:

1)Drying with cloth – bending down to pick up and keep items.

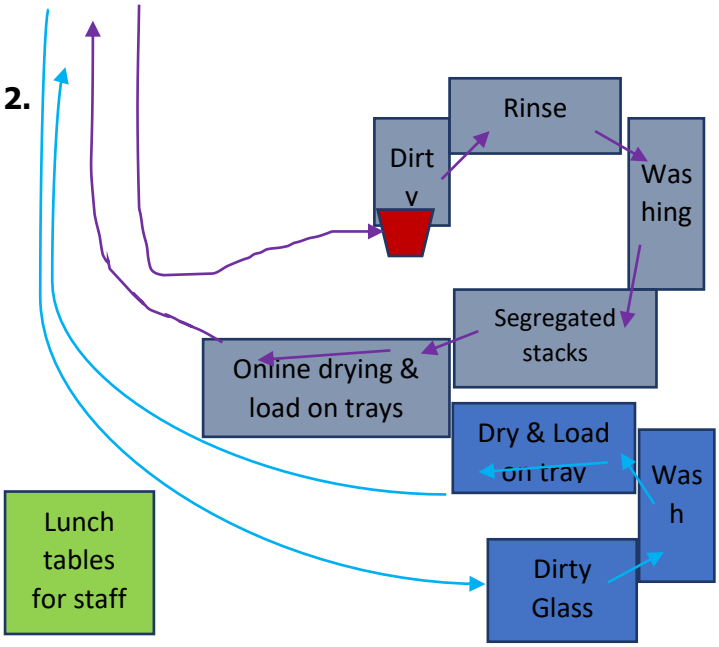
2) Lifting crockery from bins to rack

3) Inconsistent cleaning quality

4) Service staff entering inside to keep/fetch glasses

New Layout and Work Flow

2.



Operations: 4 (Clean, Rinse, Wash, Dry)

Number of touches: 5

Actions Taken

1)After washing, placing in drying stands (plate, bowl etc)

2)Drying one piece at a time from the stand and directly stacking on tray

3) Filled tray taken and stacked at buffet counter.

4) All operations at waist level – minimum strain.

Lunch tables for staff accommodated – time also preponed to 12 noon

2. **Pull based replenishment through trays**

Crockery relevant to buffet such as soup bowls, katoris, dessert plates and juice glasses are kept in the shelves of the buffet counter. Guests were facing a delay in getting the items. Also, the restocking activity often interfered with the guest picking up food at the buffet counter.

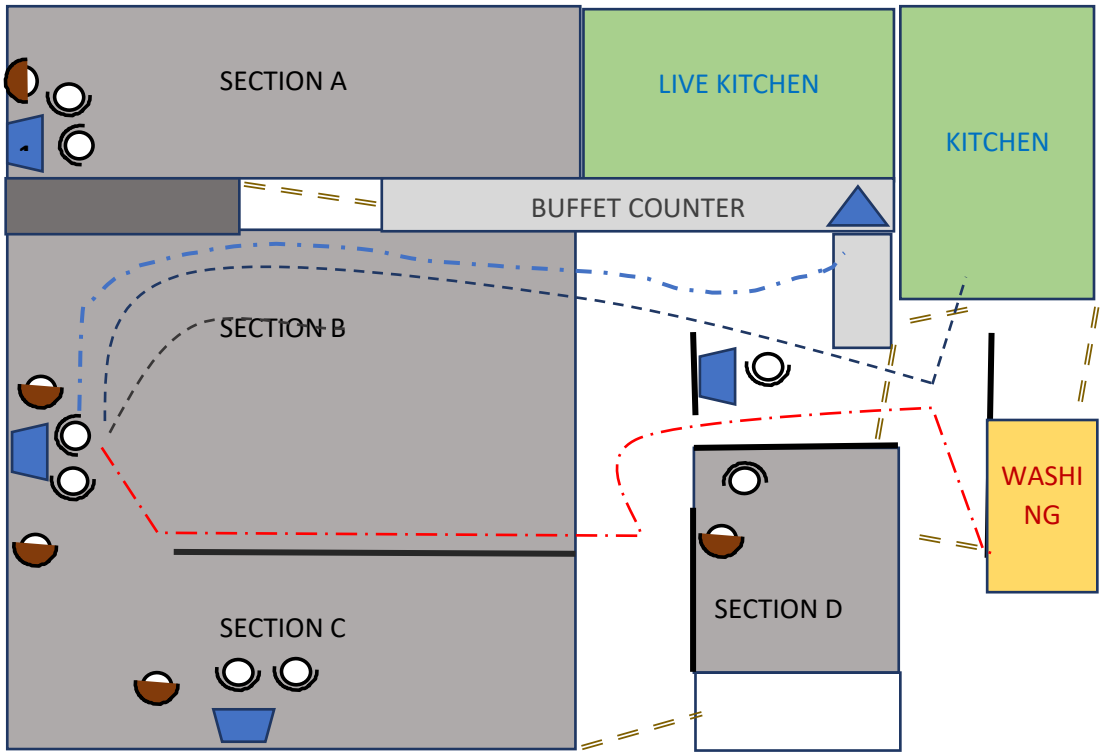
Observation of the activity showed several non-value-added activities.

Before-Existing Process	**After -** New Process
1. Bowls brought in a tray 2. Waiter goes into a crouched position as shelves are under the table top 3. Waiter places each bowl from the tray onto the shelf making a two high stack arrangement 4. On completion waiter takes empty tray and leaves it on a side station	1. Bowls bought in a holding tray 2. *Clearance* waiter bends and removes empty tray. 3. Replaces with full tray 4. Takes empty tray and returns it to the drying workstation
Maximum number of bowls stacked: 64 (2 rows x 16 x 2 high)	Total number of bowls stacked : 96 (4 trays x 24 bowls each)
Cycle time per tray: **5 minutes avg.**	Cycle time per tray: **30 seconds**

3. Service Staff Roles Realignment

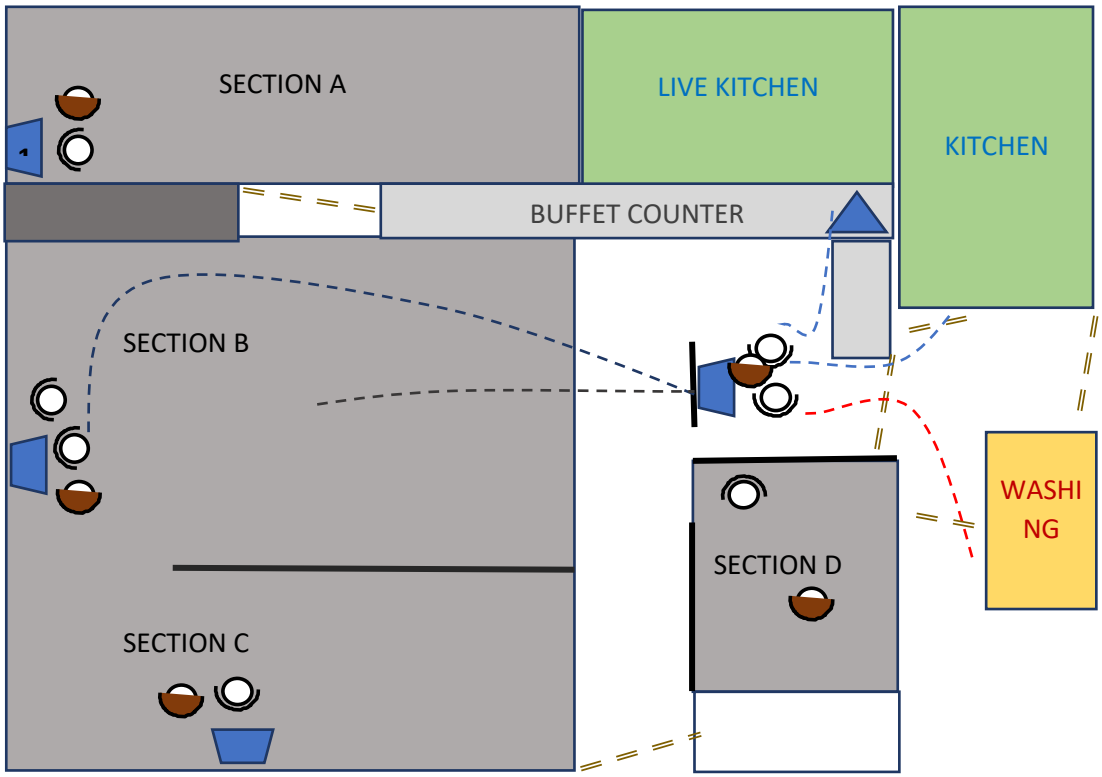
To reduce the movement and increase the contact time with guests, the roles of some of the staff were redefined. One senior captain and two stewards were pulled out from their respective service areas and formed into a separate team.The restaurant layout below gives us a picture of the extent of motion and non-value-added activities taking place.

BEFORE - Existing Layout and Staff Movement



The movement of one set of staff serving Section B is shown – all the other section staff also have to do a similar set of movements for service, food pick up and clearance.

AFTER - Improvement Staff Movement



Results & Benefits

The success of any process improvement is determined by practical measurement of defined metrics which in turn would result in the improvement in the stated business goals mentioned earlier. Some of the outcomes seen in this project:

1. Cycle time to refilling per tray in buffet reduced form **5 mins to 30 seconds**
2. Record turnover per day achieved without firefighting and absolutely smooth operations and not adding a single resource
3. Reduction in material stock out and last-minute purchases
4. Improved guest service and reflected in **customer satisfaction levels** (Based on feedback analysis that was conducted post lean implementation)