5 Breakfast Service Labour Cost Calculator Guidance Note

Introduction

The breakfast service payroll model has been developed to assist hotel owners in identifying the optimal staffing structure required for a breakfast service.
The staffing structure should be sufficiently resourced to provide an excellent service in the most cost-efficient manner possible.

This guidance note will assist the user in populating the model and understanding the outputs provided.

Inputs

All cells coloured **orange** are input cells and can be populated. All other cells are formula driven and should not be amended.

Revenues

CELL REF	INSTRUCTION
Cells F11-L14	Input the number of expected guests by category (Eat-in sleepers, Eat-in walk-ins, Room Service, Breakfast to Go) for each hour of service
Cells F18-L21	Input the breakfast cost per guest by category

The number of guests* cost per guest will determine the revenue generated on an hourly basis for the service. Broadly, a staffing schedule should be developed
to ensure the cost base per hour aligns with revenues generated/number of guests (where possible by hour).

Staffing

A generic indicative staff listing has been provided outlining the various roles required for a breakfast service. The listing has been broken down between Kitchen staff,
Restaurant/Wait staff and Breakfast to Go staff (if the latter is serviced from a separate location/staff complement).

This should be tailored for the rates of pay specific to your business.

CELL REF	INSTRUCTION
Cells C32-C78	Placeholder for employee name.
Cells D32-D78	Input the basic rate of hourly pay for each staff member, including Shift supervisor/manager/leader
Cells E32-E78	Input the appropriate PRSI rate for each staff member
Cells F32-F78	Input the appropriate Holiday Pay % for each staff member
Cells G32-M78	For each staff member, determine the hours which they will be on duty by choosing "on" for those specific hours. For example, if your Restaurant Supervisor/Manager has been scheduled to work from 6AM – 10AM, you should input "on" into cells H49-K49.

Based on the hours allocated to each staff member, Column 'P' will provide a comment for staff that are scheduled to work for a period of less than four hours.
(Of course these staff can be allocated to additional hours post breakfast shift for other meal service or preparation such as set up for lunch, lobby F&B service
or bar lunch to make up the min 4 hours required in rostering a staff member shift).

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Breakfast Service Labour Cost Calculator Guidance Note (continued)

Outputs & assessing actual Labour cost performance results

A revenue and payroll analysis in the form of an abbreviated P&L will be automatically generated based on the inputs. The outputs will provide the following information:

▸ ***Revenue analysis:** the split of revenues between various categories of breakfast sales (row 88-91)

▸ ***Staff to Guest Ratio** (All Staff): The number of guests per staff member, including all staff in the kitchen and Breakfast to Go servicing your total nos of Guests (row 144).

▸ ***Staff to Eat-in Guest Ratio** (Wait Staff): The number of eat-in guests per restaurant staff member (row 146).

▸ ***Total Payroll:** The total payroll cost per hour (row 148)

▸ ***Payroll %:** Payroll costs as a % of revenue per hour (row 150)

This information is also illustrated graphically from rows 153-194.

*Note: To ensure this calculator also serves as a factual record of labour cost achieved per shift (as opposed to estimating labour cost per shift based on forecasted information), **the calculator should be updated after the shift when breakfast sales are posted by the cashier (and/or reception) to note actual sales by breakfast type:** Eat In Sleepers, Eat in Walking, Rooms Service Breakfast and Breakfast to Go).

This will allow you see exactly the staffing ratios achieved as well as payroll % for the shift service.

Analysis of Information

In essence, the model will help you to identify a staffing structure that meets the needs of your breakfast service. The ultimate goal should be to seek to maintain a steady payroll % and guest to staff ratio across the service through staggered rostering.

It is neither efficient or effective for all staff to be rostered for the duration of the service.

If your payroll % is too low there may not be capacity to deliver an excellent service while a higher payroll % will indicate inefficiencies in staffing.

You should identify the peak periods of the service and staff accordingly with a reduced staffing level at quieter times.

In seeking to optimise revenues and profits, consider the revenue generated by each category and the cost associated with same. There is an obvious margin to be generated from marketing walk-in breakfasts which attract a price premium compared to the same product for a sleeper (on a B&B rate).

Breakfast Service Labour Cost Calculator Guidance Note (continued)

Analysis of Graph Outputs

The outputs are provided in tabular (extract P&L) and visual (graphs) form.

Outlined below is a brief explanation of the information contained within each graph:
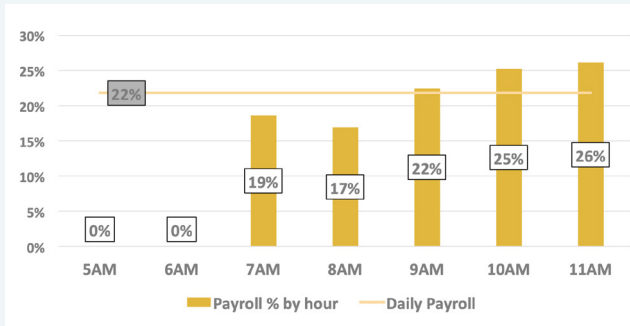
Hourly Payroll

This graph illustrates the payroll costs per hour as a % of revenue (yellow bars). The median yellow line represents the payroll % across the duration of the breakfast service.

You should aim to keep your hourly payroll % aligned with the average payroll % across the service. Deviations from the median will indicate periods where you are over or under staffed.

Note that there will be a period before breakfast opens where you will be preparing for service (in the above scenario, 5AM-7AM). As there are no revenues, this has been set at 0% (or Not Applicable)
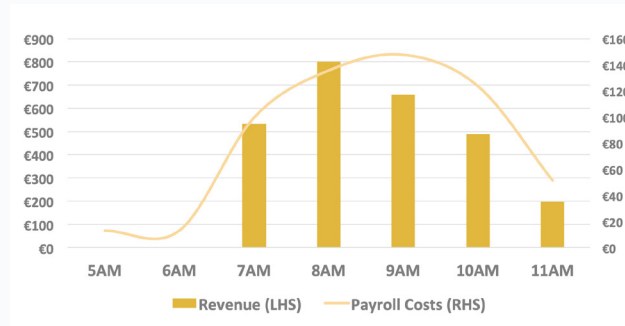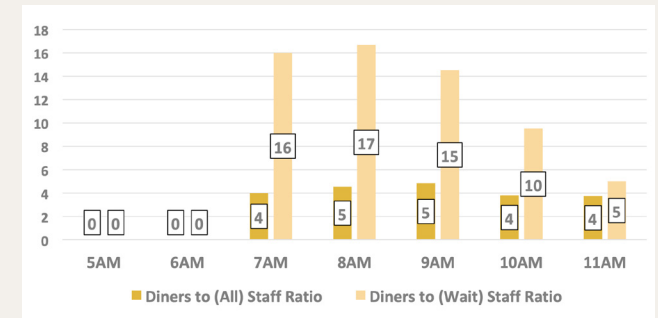

Hourly Revenue v Payroll

This graph illustrates the payroll costs (in €) against the revenue (in €) per hour – i.e. the value equivalent of the hourly payroll graph above.

There should be a correlation between the trends of both the line and bar graphs.

Under an optimal staffing structure, periods of higher revenues should be matched by higher payroll and vice versa.
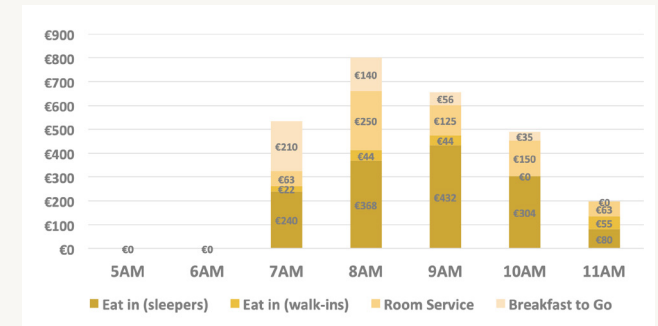

Diners to Staff Ratio

This graph illustrates the ratio of diners to staff based on:

▸ Number of Eat in guests to all staff (incl. kitchen etc)

▸ Number of Eat in guests to wait staff on the restaurant floor

This will help you determine the optimal staffing levels for each period of service and benchmark against industry average and internal targets.

Revenue Analysis

This graph will help you understand the revenue drivers of the breakfast service, split by product mix.

You should use this information to identify areas of potential opportunity in the market.