

Uncover the **Decision Makers**
in the Foodservice Industry



Save Money and Time by Outsourcing

Outsourcing allows operators to focus on managing their restaurants.

By Kevin Moll, Guest Columnist -- Chain Leader, 11/10/2008

Today, as our world seems to get smaller through computer technology and instantaneous communication, the option to outsource a wide variety of services is easier than ever before. In fact, there are very few restaurant operators today that don't outsource. It's a cost-effective solution that frees up operators to focus on managing and expanding their companies. Here are five functions chains should consider outsourcing.

1. Equipment repair, preventive maintenance and facilities cleaning.

Keep your equipment in top-notch condition and properly maintained by professionals without having to staff this talent in house. It's less expensive to properly maintain equipment than to repair it.

Keep your restaurants in spotless condition by hiring an experienced cleaning service. Regardless of whether you have five or 50 restaurants, this service moves the responsibility for basic cleaning from your expensive hourly staff to a low-cost service with the same results.

2. Legal services including franchise development and sales.

For small chain operators, legal and franchising (development and sales) are some of the most frequently outsourced services. As you grow, your dependence on a more comprehensive legal department will grow. But while you're small, outsourcing these services makes a lot of sense. When you start spending upwards of \$100,000 a year, you will probably bring the legal and franchising departments in house. Until then, outsource it.



Kevin Moll, CEO of Denver-based National Restaurant Consultants, Inc., says outsourcing is a cost-effective solution that frees up operators to focus on managing and expanding their companies.

3. Accounting and payroll services.

Accounting and payroll tracking, computation, processing and management are some of the most frequently outsourced areas. Most restaurateurs outsource their accounting and payroll functions when they're still one-unit firms. Very few operators handle the technicalities of accounting and payroll when their time is better spent managing the company.

4. Laundry services (uniforms, napkins, tablecloths).

Very few chain operators are equipped to handle their own laundry and for good reason: It's just too expensive and the results of doing your own laundry in house are frequently less than stellar. Engaging a national linen service is expensive, but when the finished product is in the hands of your guests, literally, this outsourcing decision is easy to make.

5. Culinary services--use vocational schools and co-op programs.

Depending on your locations, the state and local legal restrictions, and your ability to manage talent, the outsourcing of culinary labor can be one of the biggest labor saving moves you can make. Vocational schools need to provide their students with practical, hands-on experience in a real-world situation. Although this outsourcing approach is innovative to a point where it might even be considered insourcing, you'll want to make sure it meets with the approval of the local government, your insurance company, and others that are involved such as the Department of Labor. Structuring this type of relationship takes a lot of work, but the net savings can be amazing.

There are easily 10 or more additional areas in your business where outsourcing may make practical sense. As a consulting firm, our services are frequently engaged in an outsourced manner. Our clients find that it's faster and easier to outsource than to do it themselves. Is it time for a menu update? Need a feasibility study or business plan for those new locations? These are simple examples of how outsourcing your needs will frequently result in faster results with less cost.

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