

HotSauce™

TECHNOLOGIES

RESTAURANT MANAGEMENT SOLUTIONS

RETURN ON INVESTMENT

Computing Time Cards

How long does it take to manually compile time cards and call your payroll services?

26 pay periods x 40 employees = 1040 time cards

1040 time cards x 10 min. per card = 10400 min.

10400 min. / by 60 = 173 hours total time to computer

173 hrs. total computing time x \$4.75 average rate per hr. = **\$821**

Guest Check Errors

Preset and Standard Pricing, Coupon/Discount Control and Guest Check Addition Charge Calculation

1% of sales or \$10,000 per year = **\$10,000**

Table Turn Efficiency Profit

Speed of Service/Increased Table Turns

0.5% of sales or \$5,000 per year = **\$5,000**

Up-Selling Profit

Increased Sales, Suggestive Selling and Sales Contests

1% of sales or \$10,000 per year = **\$10,000**

Processing Fees and Credit Card Tip Reduction

15% gratuity of \$1,000,000 (annual sales) = \$150,000

3% of \$150,000 (processing fee for credit cards) = **\$4,500**

Overview

According to a study performed by the National Restaurant Association, implementing a point of sale system can save a restaurant close to \$40,000** a year. It will also drastically reduce the amount of time that staff and management may spend correcting human error.

The following is an example from the study. It details the amount of time and money a restaurant could save each year if they were to use a point of sale system.

Lost Time

You lose 10 minutes a day on each employee by allowing:

- Early Clock In
- Late Clock Out
- Long or Unauthorized Breaks

10 min. x 250 workdays = 2500 min. lost per employee per year

2500 min. lost per year / 60 = 42 hrs. lost per year per employee

42 hrs. lost per year per employee x by 40 employees = 1680 hrs lost per year

1680 hrs. lost per year x \$4.75 average rate per hour = **\$7,980**

Time Card Processing

Human Error in Processing:

- Poor Addition or Subtraction
- Rounding Errors
- Transposing Numbers
- Misreading Time Cards
- Input Error Entering Data to Payroll System or Service

40 employees with 30 average hours worked per week = 1200 total hrs. worked per week

1200 total hrs. worked per week x 52 weeks = 62400 total hrs.

62400 total hrs. worked per year x 0.005 error factor = 312 errors

312 errors x \$4.75 average rate per hour = **\$1,482**

Total Savings Per Year:

\$ 39,783

Total Savings After 5 Years:

\$198,915

**Figures based on \$1,000,000.00 in annual sales