Measuring Productivity in Child Nutrition Programs
Speaker Slide

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Affiliation or Financial Disclosure

Nothing to Disclose
Professional Standards Code

• This session provides one (1) CEU
  - Key Area: Administration 3220
  - Key Topic: Oversee Standard Operating Procedures for routine operations.
Presentation Objectives
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• Understand the importance of measuring productivity in your program
• Understand and be able to apply industry standard productivity measures
• Understand how to manage staffing
• Understand how to increase productivity and profits
Food Service Budget
Food Service Operating Budget

Percentage of Budget

- 45% Labor and Benefits
- 45% Food and Non Food
- 10% Everything Else
Budget Categories

• **Labor and Benefits**
  - Actual hourly wage
  - Training for all staff
  - Contribution towards health, dental, vision insurance and/or a flexible spending account if offered
  - PERA/Retirement
  - Life Insurance if offered
  - Medicare FICA Taxes
Budget Categories

• Food and Non Food
  - All food items produced for service including waste
  - All paper goods used to serve the meal
  - Milk included with the meal
Budget Categories

• Everything Else
  – Repair and Replacement of equipment large and small
  – Remodeling of kitchens
  – Employee recognition and incentives
  – Indirect costs paid to the district including utilities and support services
Child Nutrition Productivity Tool

• **What:** The industry standard is Meals per Labor Hour (MPLH) to predict and manage labor costs.

• **Why:** To measure the effectiveness and efficiency of the food service operation.
<table>
<thead>
<tr>
<th>Meals Per Labor Hour Calculation</th>
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</thead>
</table>

Number of Meal Equivalents Served Daily

Number of Hours Worked Daily

<table>
<thead>
<tr>
<th>Number of Meal Equivalents</th>
<th>Number of Hours Worked</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Total Meal Equivalents

• Lunch ME +
• Breakfast ME +
• A La Carte ME +
• Snack ME +
• Total Meal Equivalents
Lunch  1 Lunch = 1 Meal Equivalent
Breakfast  3 Breakfasts = 2 Meal Equivalents
A La Carte  Reimbursement Rate + Commodity Assistance
            Example = $3.13 + $0.31 = $3.44
            Total A La Carte Sales/$3.44 = Meal Equivalents
Snacks  5 Snacks = 1 Meal Equivalent
Daily Meal Equivalent Calculation

- Lunch meals = 310
  - $310 \times 1 = 310$
- Breakfast meals = 96
  - $96 \times .67 = 64$
- Daily a la carte = $433$
  - $\frac{433}{3.44} = 126$
- Snacks = 0
Calculation of Labor Hours

- Kitchen Manager hours +
- Assistant Manager hours +
- Kitchen Staff Hours +
- Relief/Temporary Staff hours +
= Total labor hours
Labor Hours Calculation

Manager  8.25 hours
Assistant  7.00 hours
Kitchen Staff  5.00 hours
Kitchen Staff  4.00 hours
Relief/Temps  4.00 hours

Total hours  28.25 hours
Daily Meals Per Labor Hour

Number of Meal Equivalents Served Daily
Number of Hours Worked Daily

500 Meal Equivalents
28.25 hours
17.70 MPLH
The Focus Narrows

- **Who:** Designated staff responsible for staffing each school kitchen.

- **How:** Using sales data from the previous school year the Average Daily Meal Equivalents are calculated including all breakfast and lunch meals and a la carte sales.
More Details

- **When**: Average Daily Meal Equivalents are calculated for each school and then staffing hours for each kitchen are calculated.

- The Average Daily Meal Equivalents should be reviewed regularly and staffing adjusted as needed based on changes in total sales.
Other Things to Consider

• Cooking Method
  - Scratch, Semi Scratch, or Heat and Serve?

• Equipment
  - Do you have the equipment needed to support the cooking method?

• Participation
  - What is most efficient for the meal equivalents served?

• Kitchen Designs
  - Is extra time needed because of poor kitchen design?
MPLH Examples
MPLH Staffing Examples

<table>
<thead>
<tr>
<th>Type of School</th>
<th>Daily Meal Equivalents Served</th>
<th>MPLH Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Middle and High School</td>
<td>N/A</td>
<td>14-16</td>
</tr>
<tr>
<td>Elementary</td>
<td>300 or more</td>
<td>18-20</td>
</tr>
<tr>
<td>Elementary</td>
<td>240-299</td>
<td>16-18</td>
</tr>
<tr>
<td>Elementary</td>
<td>220-239</td>
<td>14-16</td>
</tr>
<tr>
<td>Elementary</td>
<td>219 or less</td>
<td>12-14</td>
</tr>
</tbody>
</table>
Daily Meals Per Labor Hour

Number of Meal Equivalents Served Daily

500 Meal Equivalents

Number of Hours Worked Daily

28.25 hours

17.70 MPLH
Growing your business
Growing your business

Providing fresh, appealing food options hot and cold consistently is key!
And Growing

Provide excellent service to every customer every time!
And Growing

- Offering a la carte selections including new items to keep up the excitement.

- Merchandising and showcasing your a la carte selections.
And Growing

• Use of snack racks
• Market Baskets
• Decorations
And Growing

- Promotions
  - Can be centered around
    Holidays
    Sports teams
    School events
    National days
Managing Labor
- Staff should sign/clock in at their start time – not early.
- Staff should clock out when scheduled unless prior approval has been obtained for extra hours or overtime.
Manage time efficiently

- Staff should utilize time between classes to prep for tomorrow, do dishes, stock snacks, complete cleaning assignments.
Manage the business

- Plan ahead for busy days.
- Set Expectations!
- Have a plan when you are short staffed that does not compromise service.
Stay on target!

- Do not utilize “extra” time or staff.
- Work with scheduled hours beginning with day one of service.
- Cross train staff to help each other out when time allows.
Keeping in mind...

- The time spent training your staff to be as efficient as possible will pay off.
- Productivity issues should be addressed immediately.
- Providing the tools needed to get the job done will have positive results.
Benefits of MPLH Monitoring
Benefits

• Consistent expectations in all kitchens

• Increased accountability of managers and staff

• Cross training of employees

• Timely recognition of issues
More Benefits ….

- Proactive management
- Decreased average costs
- Increased profits
- Overall improved program success
Questions?