

## 4 Ways Your Restaurant Can Combat Rising Labor Costs

It's become a battle to stay profitable while the costs of restaurant labor climb. A number of states, including New York and New Jersey, raised minimum wage again this year, and some restaurants are even feeling pressure to raise hourly wages above minimum to retain employees and attract more qualified candidates. Add in competitive salaries for managers and chefs, healthcare benefits and education assistance, and you can kiss what's left of a thin margin goodbye.

The answer isn't trying to operate with a smaller staff. That would lead to a variety of new problems (i.e., lower quality menu items, poor customer service, disgruntled employees...). Real solutions to this challenge help you find ways to automate tasks, increase productivity, and take a smarter approach to managing labor to keep a lid on costs. Consider these four examples of technology solutions designed to do just that—and how integrating them into your processes could benefit your bottom line.

### 1 Online Scheduling Solutions

There've been a number of studies into how much of a restaurant manager's time is spent making schedules using spreadsheets or pen and paper, with results ranging from 1 to 8 hours every week.

So, when you switch to an online scheduling solution, the first benefit you'll see is time savings. According to HotSchedules, an industry-leading provider of online employee scheduling software, you can save up to 75% of the time it takes you to make schedules now. There are, however, even more benefits. An online scheduling solution results in better schedules. When you integrate this solution with your point of sale (POS) system, you can generate sales forecasts that can help you optimize labor based on anticipated sales and traffic. This will minimize paying for labor that isn't necessary during slower shifts. It will also help you plan for the coverage you need during busy times to reduce last-minute decisions to authorize overtime. HotSchedules also reports that turning on the punctuality control for clock-in/clock-out saved one client \$17,500 annually per location. Online scheduling solutions also streamline communication, time and attendance, and payroll processes, giving your business added efficiencies.

## 2

### Biometric Fingerprint Scanner

Do you have visibility into precisely when your employees start and stop working? A Software Advice study found more than 40% of hourly workers fudged starting and end times to extend the length of their shifts. Moreover, a quarter of the people interviewed do this 75% to 100% of the time. Industry estimates for time theft put losses between 1.5% and 10% of gross payroll.

A biometric time clock solution can eliminate this problem and provide you with more efficient labor management, especially when it integrates with your POS system. Requiring employees to “punch in” with their fingerprint results in secure and accurate time and attendance records—and minimal losses to your business because a friend punched in for a coworker or an employee recorded start and end times that were false. A biometric time clock solution can also integrate with your payroll system, eliminating time (and potential errors) from uploading or keying in data.

## 3

### Mobile POS

Mobile POS provides restaurants with the advantages of order-at-the-table and pay-at-the-table capabilities. Running POS on a tablet or mobile device saves waitstaff the time it takes running back and forth to a stationary terminal or to the kitchen to enter orders. Without taking those extra steps, your waitstaff has the potential to cover more tables and your business has the potential to turn tables faster—in other words, more revenue.

Mobile POS can also improve operations in other ways that help save time and cash. Because orders are transmitted directly from tableside to the kitchen or bar, work there can be managed more efficiently. In addition, entering an order via mobile POS device when the customer is saying it eliminates errors created by poor memory or bad handwriting—and fewer order errors mean less wasted time correcting them, less food waste, and less profit down the drain.

## 4

### Kiosks

If you didn't need so much labor at the counter or taking orders tableside, could you put those employees to better use? Self-service kiosks give you expanded ability to handle orders without a demand for labor. They also give you the ability to move lines faster and serve more people in a given timeframe.

Kiosk benefits don't stop there. Guests can place orders on free-standing kiosks in quick service restaurants, and fast casual diners can use tabletop solutions to place orders, often for drinks or appetizers, without having to call a server. In both applications, kiosks can empower the guest to have more control and let them check their orders for accuracy, leading to a more positive dining experience.

Kiosks can also lead to bigger orders. Chili's found their self-service tablets lead to about a 20% increase in dessert orders, and an often-cited McDonald's study found a 30% increase in average check size when customers used kiosks. They also discovered 20% of guests who wouldn't normally order a drink did so when it was suggested on the screen. Industry analysts believe upsell suggestions consistently offered on a kiosk will produce better results than (probably inconsistent) upselling by restaurant staff. Also, without having to recite an order to one of your employees, guests can take their time, explore options, and order just what they want—which can also contribute to their decision to spend a little more.



## If You Always Do What You've Always Done...

...in this case, you won't get what you always got. With rising labor costs, you'll get less. Times are changing and there's no end in sight to rising wages. To control outright labor costs and increase revenue potential, you need to adopt new processes supported by state-of-the-art technology.

It's also important to work with restaurant technology experts to help you find solutions for your specific needs and that won't break your budget.

**Contact Leebro POS to learn more.**

### About Leebro POS

Leebro POS is a leading provider of restaurant point of sale (POS) solutions for the hospitality and foodservice industry. Our team of POS experts is adept at understanding business requirements and processes so that we can deliver a customized POS solution designed to increase the productivity and profitability of your business. We are constantly looking for innovative ways to provide real-time insight to our customers so they can make smarter business decisions.

Leebro POS has regional sales and support offices centrally located in midtown Manhattan, Long Island and Massachusetts, enabling us to provide expedient customer support throughout New York, New Jersey, Connecticut, Rhode Island, and Massachusetts.

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