**BUS 425**

**Final assignment**

If you cite any sources, please use APA format to do so.

APA Cover page is a must, but please incorporate a Logo of the Restaurant into the cover page.

Put name and section on the cover page.

One of the most important parts of any manager’s job is to be able to apply what he or she knows to the everyday operations of a real business. Often, we leave class with a ton of theory and no real world application.

With this in mind, the final assignment is designed to allow you to see what you would do as the operations manager of your very own restaurant. All of us are familiar with the environment because we have eaten at a restaurant a time or two. Yet I would bet that most of us would look at things a bit differently if we had to actually run one.

For the final assignment you will visit the restaurant of your choice and do a survey of the operations there. This can be any sort of restaurant you choose, from the quick service places like McDonalds or Wendy's to a fine dining restaurant or anywhere in between. Visit the restaurant on a busy night (like a Friday or Saturday evening) and observe the workflow. You will also measure the time it takes the wait staff to get your food and that of others around you so that you can do a statistical process control and several other measurements of service.

Use the following headings for your paper. There is no length requirement. However, I would ask that you make sure you cover all of the topics thoroughly.

**Introduction**

Here you will give a brief description of your restaurant. This will include the name, location, what kind of restaurant it is (QSR, casual, fine dining, ethnic, etc.) and the date and time you visited. Also include the people you chose to dine with. After all, having good dining companions makes all the difference.

**Process Selection**

In this section, please describe the process selection criteria that your restaurant uses. In other words, what type of process (i.e. line, batch, job shop, project, or a combination?) do you believe best describes the process used at your restaurant to serve customers? You will want to be able to justify your answer with specific examples from the processes you observed at the restaurant.

Here, also think about the differences between a manufacturing firm and a service firm. How has the restaurant designed its service to capitalize on the differences between the two kinds of firms? For example, at Benihana, knowing that the restaurant cannot hold “inventory” of finished meals means that Rocky Aoki has designed his restaurant so that the meals are prepared fresh right in front of the customer so that they know it is the very best it can be. Other restaurants do hold “inventory.” Little Caesars, for example uses the hot and ready meal deal to attract customers who want to come in, grab a pie and go. They must hold a small amount of inventory to accommodate this. Think about what is not able to be inventoried and comment on these.

**Process Design**

In this section, I want you to pay close attention to the overall layout and design of the restaurant. For a QSR, this is fairly simple since most of them have adopted the “open kitchen” design where you can see your food being prepared. Draw a flow chart of the process design or sketch a floor plan of the restaurant with each station and/or task labeled. This will help you see exactly where folks are bottlenecking and running over one another. For instance, I was at a restaurant not long ago and noticed that the doors to the kitchen were backward. The “In Door” was on the left and the “out door” was on the right. This meant that staff had to cross one another’s line of flow to get where they were going. I observed several near misses. Yet, I am certain that changing the doors at this stage would cause more confusion and isn’t worth the hassle. Think about these things when you observe and report.

**Waiting Lines**

Let’s face it, waiting in line sucks. Big Time. How does your restaurant make the wait as pleasant as possible? There is an article on waiting lines on BlackBoard for you to use as a guide. Think about what your restaurant does that makes it less painful.

Remember, though, you will have to make some observations. Does your restaurant use a single line with multiple channels or does it use multiple lines with multiple channels? Also, I want you to calculate the average wait time for each phase of the process. Pick a time when demand is high and calculate the average from at least ten different observations. What is the average wait time to get a table? To get your beverage (if applicable)? To get service? To get your food? What was the total average throughput time (from the time you walked in the door until you paid the check)? Observe yourself and at least nine other customers to get the average. Now, what could the restaurant do to make it more enjoyable?

**Operations Strategy and Tactics**

Strategy is what you want to accomplish. Tactics are how you carry this out. With that in mind, what do you perceive the overall strategy to be at your restaurant? For example, Domino’s strategy is not to be the best pizza place in town. It is to be the fastest. Remember 30 minutes or less? To accomplish this, Domino’s clocks EVERYTHING (and I do mean everything) including how long it takes you to box the pizza and take the order. They then report this to the manager via a digital dashboard that is visible all over the store. By the way, if you choose Domino’s, do not think this is the only tactic they use, so I will be paying attention to see if you are paying attention.

When you comment on this section, pay close attention to details. Also, pay attention to the future of the company and where they are going. Does this direction fit in with the overall strategy? For example, does it make sense for McDonald’s to change the layout and décor of the store to make folks want to stay in a McDonald’s longer? Why or why not? When you comment on your restaurant, think about these things and what you would do if you were running the place. Comment on where the restaurant has failed as well. This is where the learning takes place. Remember the McDLT? Think about how each change affects the operations of the company, and whether or not it is consistent with their current operations strategy.

Also, comment on the system they use to implement Poke Yoke and Kaizen. How does the restaurant make the system idiot proof? What could they do to improve upon this system?

**Lean Operating Systems**

In this section, comment on the processes that the restaurant uses to keep inventory (food) costs at a minimum. This is not as simple as it may sound. Running out of French fries at McDonald’s or pizza sauce at Domino’s can spell disaster. Think about the balance that a restaurant must make between keeping food as fresh as possible and not running out during the middle of their rush. How does your restaurant accomplish this? (Hint: this is where you can put your people skills to the test. Chat up the wait staff and ask them. Or chat with the manager when the rush is over).

In this section, also pay attention to the 5 S method (page 347). How does your restaurant maintain this? Does your restaurant use a JIT or other method to insure costs are kept to a minimum? If so, which one?

**Statistical Process Control**

It will be difficult for you to measure the things that the restaurant uses for statistical process control without being behind the scenes. However, I assure you they use it, even if the folks running the place don’t know it is called that. Domino’s Pizza Tracker is a form of SPC, even if the manager has never heard of it. If the pizza gets there in 30 minutes +/- 5 minutes, the computer screen where the digital dashboard is located will remain green. If it runs over time by 2 minutes, it turns pink. 5 minutes and it turns red. Having pizza go out the door early is a warning as well. Either it is undercooked or they are cheating the system to look good. If this happens it signals a yellow alert to the manager’s central computer and he/she will get a report at the end of the night.

If possible, ask the manager or what staff about their system and report about it. It would be interesting to see how it works for your restaurant.

**Conclusion**

In this section, put all of this to work for you and make a recommendation on four things.

1. Is the restaurant moving in the right direction? In other words, do the operational tactics line up with the overall strategy of the company? If not, you can rest assured the restaurant will fail. This is the number one reason why they do.

2. What areas can be improved upon? There is always room for improvement. It sometimes, takes an outside observer to notice them. Could the restaurant be re-oriented so that the process flow is enhanced? Could they cross train? Find something wrong and let us know what it is.

3. What areas did they get right? Why? What did you learn from this?

4. Would you invest in a franchise of this restaurant?