

BUSINESS PROFIT IMPROVEMENT REPORT

Operational Cost Review & Practical Recommendations — Japan Restaurant Case Study

CLIENT	CONFIDENTIAL — SAMPLE CONSULTING REPORT
■■■■■■■■■■■■■■■■■■■ DINING CO., LTD. Independent Restaurant Operation — Japan	Illustrative portfolio case study. Client identity intentionally redacted.

CASE FOCUS: TWO HIDDEN OPERATING COSTS REDUCING RESTAURANT PROFIT

The review identified two recurring cost leaks. First, **staff meals were being consumed without a reliable recording process**, making food usage difficult to reconcile. Second, **the restaurant was not adequately sealed, allowing cooled air to escape**. This second problem becomes particularly important during Japan's hot and humid **summer months**, when air-conditioning runs for long periods and repeated door opening or air leakage can increase electricity consumption.

SUMMER RISK: During hot summer trading periods, even small gaps and frequent open-door periods can create a recurring cooling loss. The issue may appear minor day-to-day but can become financially significant when repeated throughout the season.

2	¥55,000–¥95,000	30 DAYS
priority cost leaks	illustrative monthly saving potential*	initial review cycle

*Illustrative portfolio figures only. Actual savings depend on restaurant size, staff count, opening hours, menu mix, electricity tariff, weather, building condition and operating practices.

1. Executive Summary

The restaurant did not necessarily need more sales to improve profit. The first opportunity was to reduce recurring operational leakage. Staff-food consumption needed to become measurable, while summer cooling loss required practical building and operating controls. The recommended approach is deliberately simple: make the hidden cost visible, introduce a control, measure the result, and only then consider larger expenditure.

Finding	Commercial Risk	Recommended Control
Unrecorded staff meals	Food leaves inventory without a consistent staff-meal, wastage or authorised-use record.	Dedicated staff-meal log/POS code, clear rules and manager review.
Summer cooling loss	Cooled air escapes through gaps or open access points, increasing air-conditioner workload during hot weather.	Seal leakage points, improve door discipline and monitor electricity usage.

2. Finding A — Staff Meals Not Reliably Recorded

Staff meals are a normal employee benefit in many restaurant operations. The issue is not the meal itself; the issue is the absence of reliable recording. When staff food is not captured separately, management cannot accurately distinguish customer sales, staff consumption, spoilage and unexplained stock variance.

Recommended actions

- **Create one staff-meal code or daily log:** employee, shift, item/meal and approving supervisor.
- **Define the policy clearly:** what meals are included, portion rules and any exclusions.
- **Record every staff meal:** use a dedicated POS button or daily sheet rather than allowing it to disappear into general food cost.
- **Review weekly:** compare staff-meal value against scheduled headcount and investigate unusual movement.
- **Keep staff meals separate from wastage:** both costs should be visible independently.

Illustrative monthly control example	Before	After
Staff-food visibility	Low / inconsistent	Daily recorded
Illustrative avoidable variance	¥42,000	¥14,000
Illustrative improvement	—	¥28,000/month

3. Finding B — Summer Air Leakage Increasing Electricity Cost

This issue is particularly relevant during the Japanese summer. Hot, humid outside air enters whenever doors remain open or gaps are poorly sealed, while cooled indoor air escapes. The air-conditioning system must then work harder to maintain the desired indoor temperature. Because this can happen repeatedly throughout long summer operating hours, a small physical or behavioural problem can become a recurring seasonal cost.

Recommended actions

- **Inspect all leakage points before peak summer:** entrance doors, door gaps, windows and service openings.
- **Use low-cost sealing first:** appropriate weather stripping, door sweeps and automatic/soft door closers where practical.
- **Introduce a closed-door operating rule:** minimise unnecessary open-door time while air-conditioning is running.
- **Avoid unnecessary over-cooling:** maintain a consistent, operationally appropriate temperature policy.
- **Track summer electricity use:** compare kWh before and after corrective action, considering operating hours and weather.

Illustrative summer energy example	Before control	After control
Avoidable cooling-related electricity cost	¥72,000/month	¥40,000/month
Illustrative summer improvement	—	¥32,000/month

4. 30-Day Improvement Plan

Week	Action	KPI
1	Start staff-meal recording; inspect doors/gaps; capture electricity baseline.	Baseline established
2	Apply staff-meal policy; install practical seals / door controls.	Compliance ≥ 90%
3	Review exceptions; reinforce staff procedures; check summer cooling practices.	Variance falling
4	Compare food and electricity results; calculate verified benefit.	¥ saving verified

5. Illustrative Financial Impact

STAFF FOOD CONTROL	SUMMER ENERGY CONTROL	SUMMER MONTH TOTAL
¥28,000/mo	¥32,000/mo	¥60,000/mo
potential recurring control benefit	during relevant summer operation	illustrative combined impact

Consulting principle: Profit improvement does not always require more customers. Small recurring costs can become significant when repeated every day. The objective is to identify those leaks, introduce practical controls and retain more profit from existing sales.

IDENTIFY THE LEAKS. FIX THE ISSUES. KEEP MORE OF WHAT YOU EARN.