

Finding the Leaks

Turning Around a Restaurant That Had Lost Its Way

Focus: Inventory Management • Purchasing • Waste Reduction • Forecasting • Vendor Management • Team Training

The Situation

The restaurant was one of three locations operating under the same brand. One performed very well. Another was holding its own. The third, the one I was brought in to help, had been in the red for years, quietly surviving on profits redirected from the stronger location.

My manager and I were given a simple but daunting task: figure out where the money was going, and whether this restaurant could ever actually turn a profit. We were told, pretty plainly, that getting into the green was damn near impossible. Instead of starting from that assumption, we started by looking at the operation itself.

The Diagnosis

The first step was an inventory and purchasing review, and it didn't take long to find problems. The executive chef was consistently over-purchasing fresh produce, and the leftovers were spoiling before anyone could use them. Some purchasing was also running outside the monthly budget. And ironically, alongside all that overbuying, some inventory was sitting unused and unaccounted for.

It wasn't one big expense sinking into the restaurant. It was a collection of small leaks, all bleeding at once.

The Approach

We went after those leaks one at a time, without touching food quality or the guest experience.

Smarter Purchasing

I cut back on over-ordering perishables and leaned on the restaurant's automated purchasing system so orders matched what we actually needed instead of what felt safe to have on hand.

Putting Existing Inventory to Work

Rather than let extra ingredients go to waste, I started folding them into weekly chef's specials. The rule became simple: if we bought it, we needed a plan to use it.

Improving Storage

Some of our fresh herbs and produce were being stored incorrectly, which increased spoilage. After training the team on proper storage and handling, we replace less and the ingredients we already had lasted longer due to proper storage.

Planning for Demand

We started digging into past sales, weekly numbers with the manager, and seasonal and event-driven trends, so purchasing was based on what was actually coming, not out of habit, and not out of fear of running short.

Preparing for the Unexpected

One of the bigger scares came out of nowhere: the specialty firewood we used for our wood-burning cooked dishes (which were some of our top sellers), was going away. Our vendor told us they could no longer supply the wood that we depended on for years.

Finding a new vendor wasn't the hard part. The real work was in the questions underneath it: How much wood did we have left, and how long would it actually last? How fast could a new vendor get through corporate approval and funding? Would they fit into how we already paid our vendors, cash on delivery, checks, credit, a 30-day grace period, or would we end up juggling five different payment methods and making bookkeeping a nightmare? Could they deliver the way our old distributor did, mornings, weekends, on the same rhythm the kitchen depended on?

By asking those questions upfront, we found a new distributor who could meet demand, fit our existing payment process, and cost us less than the one we were losing. We avoided turning a supply problem into a menu problem.

The Result

The turnaround didn't come from one dramatic move. It came from paying attention to the details that were quietly draining the restaurant, better purchasing, less waste, better use of what we already had, better storage, sharper forecasting, and a vendor relationship that actually fit how we operated.

What I still believe, years later: restaurant profitability is usually found in the details, not the headlines. You don't always need a dramatic overhaul. Sometimes the first move is just understanding where the money is actually going and building better systems around those decisions.

What This Experience Taught Me

Restaurant operators make dozens of small purchasing and operational calls every week. When margins are already thin, those small decisions compound. Buying too much produce. Storing it wrong. Letting existing inventory sit unused. Ordering out of habit instead of demand. Picking a vendor without thinking through payment terms or delivery schedules.

None of those decisions looks like a big deal on its own. Together, they can be the difference between a restaurant that survives and one that doesn't.

That's why I start every engagement by looking at the whole operation before recommending any big changes. Find the leaks first. Then fix the ones that actually matter.