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CERTIFIED PUBLIC MANAGER PROJECT

(Project Title)

**TO INCREASE THE ACCURACY OF THE
"DAILY STATEMENT OF BUSINESS" FORM**

(Completed By)

DONALD G. FERGUSON, PARK MANAGER

AGENCY: S.C. STATE PARK SERVICE

**HICKORY KNOB STATE RESORT PARK
ROUTE 4, BOX 199B
McCORMICK, SC 29835**

**PHONE: 864-391-2450(Ext. 242) FAX: 864-391-2450
E-MAIL: [hickory knob sp@prt.state.sc.us](mailto:hickory_knob_sp@prt.state.sc.us)**

(Submission Date)

3-22-01

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STATE DOCUMENTS

Supervisors Signature: _____



District Park Manager

STATEMENT OF PROJECT GOAL

By the end of FY 00/01 to increase the accuracy in the completion of the "DAILY STATEMENT OF BUSINESS" form currently required in the operation of the restaurant at Hickory Knob State Resort Park.

PROBLEM STATEMENT

Due to several factors, the restaurant at Hickory Knob State Resort Park is a very complex operation requiring a great deal of accountability. Some of these factors include: over \$500,000.00 in revenue generated in FY 99/00 as well over \$400,000.00 in operational cost in FY 99/00(See Appendix 1).

To effectively manage such an operation several types of documentation procedures have been established and are currently in place. The type of report dictates whether or not it is required to be completed on a daily, weekly, monthly or a quarterly basis.

One such report is the "Daily Statement Of Business" which has to be completed twice daily at the end of each of the restaurants two shifts(See Appendix II).

The supervisory staff for the restaurant consists of a manager and three supervisors. It is their responsibility to ensure the accuracy of this report before it is submitted to the park manager's office. It is of utmost importance that this report be completed accurately. If not then it can drastically alter and effect successive reports which are based on the accuracy of this initial report.

The inaccuracy of the restaurant's staff in completing the "Daily Statement Of Business" form has been and continues to be a recurring problem, even though a

special emphasis has been made to increase the level of training. Errors in this report affect accountability and undermines the high quality standards of internal customer service and employee morals that we strive to maintain.

CAUSE ANALYSIS

The "DAILY STATEMENT OF BUSINESS" form is a combination form, which encompasses both the 1st and 2nd shifts of the restaurant. This form is used to determine the restaurant's total revenues earned for the day based upon their cash register close out tape and actual accrued monies in their cash register. The first shift fills out the top section of the form and then the form is held over so that the second shift can complete the remainder of the form at closing. (See Appendix II).

To substantiate the need to improve the accuracy of the "Daily Statement Of Business" form, completed by the restaurant's staff, as well as the forms overall effectiveness, I reviewed all of these reports submitted during the months of October and November 2000.

I determined that out of thirty-one daily reports submitted during the month of October that eight reports contained errors that had to be corrected upon reaching the Park Manager's office. Out of these eight reports five were due to errors on the first shift and six were due to errors on the second shift. Upon collecting additional data I found that we had seven persons completing the reports during the month on various days, depending on who was on duty for the first or second shift. I found that some of those completing the sheet made more errors than others but, out of the seven, at least five had some type of error on one of their reports (See Appendix III).

During the month of November out of thirty reports, which were submitted, eleven had to be corrected upon reaching the Manager's office. Out of these

eleven reports nine were due to errors on the first shift and eleven were due to errors on the second shift. I also found that we had eight persons completing the reports during the month depending on who was on duty for either the first or second shift. Again some had more errors than others but out of eight persons seven had some type of error on their report (See Appendix IV)

I also did an analysis on which parts of the "DAILY STATEMENT OF BUSINESS" form contained errors during the months of October and November 2000 coming up with a cumulative total for each entry space. Each time there was an error I entered a tally mark in that particular space.

During the month of October there were a total of forty-six spaces that contained errors. Nineteen of these entry errors were on the first shift and twenty-seven on the second shift (See Appendix V).

For the month of November there were a total of one hundred sixteen spaces that contained errors. Twenty-seven of these entry errors were made by the first shift person and the remaining eighty nine entry errors were made by the second shift staff person (See Appendix VI).

After completing all of the above data collecting I determined that I would do one more type of data collection to further check the effectiveness of the "DAILY STATEMENT OF BUSINESS" form, therefore I completed a "Work-Flow Diagram"(Joiner Associates, Inc., 1992).

The flow chart on the first shift showed that the process flows fairly smooth however I found out that the cashier was signing the form at the beginning of the shift and not at the end as they should (See Appendix VII)

The flow chart on the second shift appears to show that the process of

completing the form goes fairly smooth but it is very dependent on the preciseness of the first shift. If the first shift makes an inaccurate entry for their total sales or total money for the day then the whole form is incorrect (See Appendix VIII).

One interesting piece of information that did come out of the data collection was that there was a sizeable increase in the % of errors from both shifts from October (16.12% 1st shift; 19.35% 2nd shift) to November (30.0% 1st shift; 36.66% 2nd shift). I mention this only because there was nothing unusual that happened in November these were both very normal months. I can find no explanation for the increase in errors.

I feel as if I have gathered all the data information concerning the number of mistakes etc. that I need to and any further gathering of this type information would not give me any more insight into the problem. However I did conduct some personal interviews with the cashiers themselves in order to consider some of the other factors that may be contributing to the inaccuracies of the report.

One thing that is readily apparent from the data that I have collected so far is that the majority of the mistakes are made by the cashiers on the 2nd shift. While interviewing these cashiers I questioned them about why they thought that this was so. They all expressed a concern that since the accuracy of the 2nd shift's report is entirely dependent upon the accuracy of the 1st shift's report then any errors by the 1st shift cashiers would always adversely affect their report.

I also wanted to consider training as a possible factor in the cause of so many mistakes on the reports. All the cashiers basicly receive the same training but are not always being trained by the same person. In some instances they are being

trained by another cashier or by one of the restaurant supervisors. There is also not a specific training manual available during training or that can be referred back to when a specific question or concern comes up. Upon talking to several of the cashiers and managers they all agreed that a training/reference manual would have been very beneficial in the initial training phase and as a quick source to refer back to.

I have questioned the restaurant's supervisory staff as to why they think that there are so many errors constantly being made by the cashiers on the reports. Many of the responses that I got were the usual run of the mill responses such as they don't care, they are not highly educated, no consequences when they make a mistake, etc., but one thing that did come out again as a common thread. The 2nd shift cashiers are more accountable than the 1st shift cashier simply because of the way the reports are dependent upon each other.

The last factor that I want to bring out is the way that the different shifts are set up. The 1st shift cashier works both breakfast and lunch. A different cashier arrives around 5 p.m. to work the dinner shift (2nd shift). The breakfast shift runs from 7:00 a.m. to 10:30 a.m. at which time the restaurant closes and doesn't reopen until lunch, which runs from 11:30 a.m. until 1:30 p.m. At the end of the lunch period the restaurant is closed again until dinner, which runs from 5:30 p.m. until 9 p.m. The first shift cashier completes the first half of the "DAILY STATEMENT OF BUSINESS" form at 1:30 p.m. Since the restaurant is closed and does not reopen until 5:30 p.m. the cashier has plenty of time to complete the report and check it closely for accuracy. The 1st shift cashier works only six hours and a different cashier works only four hours on the 2nd shift. I do not see

any reason why either one should be suffering from fatigue or feel that they are rushed to complete their reports.

IMPLEMENTATION PLAN

Based upon the information that I have obtained through the cause analysis I have arrived at what I think is a very simple but effective solution to increasing the accuracy of the restaurant's staff in the completion of the "DAILY STATEMENT OF BUSINESS" form. I plan to implement the solution through the following steps:

Step 1: Meet with the restaurant management staff and develop a new policy by May 1st, 2001 so that there is a sole person who is responsible for the training of future cashiers as well as the implementation of any new procedures, forms, etc. that are developed. In this way we can insure that there is uniformity in training with all the cashiers new and old.

Step 2: We (the cashiers, managers and myself) are going to develop a totally new "DAILY STATEMENT OF BUSINESS" form. It will be formulated so that each shift's cashier and manager on duty will be held responsible for their own errors. The 2nd shift's report will not be dependent upon the accuracy of the 1st shift's report any more. Each shift will totally close out the register and complete the "DAILY STATEMENT OF BUSINESS" report. By doing this there will be a definite way to track who is making the errors and exactly where they are being made. We should be able to develop a new form no later than May 1, 2001 and by involving the cashiers and manager's in its development it should be readily accepted by everyone involved. We have all the technical resources in-house that we need to develop this new form therefore there will not be any real cost associated with it.

Step 3: Form a team, utilizing some of the cashiers and restaurant manager's, to develop a comprehensive training manual which should address all aspects of the cashiers job duties. By utilizing a team approach we should be able to develop a training manual that

will not only be user friendly but will also serve a valuable reference tool to a cashier while on the job. It will also serve as an invaluable tool in the training of all new cashiers. We should have this manual in its final draft no later than June 1st, 2001.

EVALUATION METHOD

Evaluating whether or not the solutions that I am proposing to solve the problem are working or not will be completed in the following manner:

The first two steps will be implemented simultaneously as I feel they are closely linked to each others success. Upon the implementation of these steps I should be able to see immediate results by simply reviewing each days "DAILY STATEMENT OF BUSINESS" reports. Upon review they will tell me if errors are still being made, but more importantly they will tell me exactly who is making the errors and where they are being made on the report. I do however feel like it will take at least a couple of months before I can reasonably make any kind of determination as to whether the errors have decreased and if they not whether there is there is a problem with the new report itself, a particular cashier, a particular manager, etc. and make a decision as to what needs to be done to correct the errors being made.

The training manual is hopefully going to be an invaluable resource but we cannot develop it fully until we have made sure that steps one and two have actually worked to increase the accuracy of the report. Since I want to evaluate the new report and training procedure for a minimum of two months the training manual will not be able to be started on until June 1st, 2001. Once the team has developed the manual it will be distributed to all cashiers for review and comments. Upon arriving at a final document it will be immediately kept on the cashiers counter for a quick reference and each new cashier will be required to study it fully. I will continue to monitor the reports in July and August of 2001 to see how the manual along with steps one and two are affecting the accuracy of the "DAILY STATEMENT OF BUSINESS" form.

BIBLIOGRAPHY

Joiner Associates Inc. All rights reserved. Fundamentals of Fourth Generation Management, (1992).

Section 1700, Volume VII
South Carolina State Park Service, Policies and Procedures Training Manual

APPENDIX

SOUTH CAROLINA STATE PARK SERVICE

PARK
OPERATION
FISCAL YEAR

Hickory Knob	
Restaurant(Food) LOC #71	
99/00	

	FY 98/99	FY 99/00
GROSS SALES/REVENUE	\$ 491,668.04	\$ 529,253.65
COST OF GOODS SOLD:		
COST OF INVENTORY AT BEGINNING OF PERIOD	\$ 14,129.37	\$ 16,006.42
ADD COST OF PURCHASES DURING PERIOD	\$ 224,579.81	\$ 274,024.49
MINUS COST OF INVENTORY AT END OF PERIOD	\$ 16,006.42	\$ 17,477.51
EQUALS COST OF GOODS SOLD	\$ 222,702.76	\$ 272,553.40
GROSS SALES	\$ 491,668.04	\$ 529,253.65
MINUS COST OF GOODS SOLD	\$ 222,702.76	\$ 272,553.40
GROSS PROFIT	\$ 268,965.28	\$ 256,700.25
LIST OPERATING EXPENSES:		
WAGES: A-1	\$ 66,397.00	\$ 80,316.00
A-2	\$ 152,827.29	\$ 172,885.08
A-1 FRINGES	\$ 14,607.34	\$ 17,669.52
A-2 FRINGES	\$ 25,980.64	\$ 29,390.46
OTHER EXPENSES(ITEMIZED)		
OFFICE SUPPLY	\$ 1,450.98	\$ 1,681.55
SALES/ACCOM. TAX	\$ 29,500.08	\$ 31,755.22
ELECTRICITY	\$ 16,848.37	\$ 15,430.06
TELEPHONE	\$ 1,196.28	\$ 895.78
WATER SEWAGE	\$ 5,839.39	\$ 4,478.07
REPAIRS	\$ 2,065.32	\$ 7,316.77
DISPOSABLE PAPER/PLASTIC GOODS	\$ 10,180.66	\$ 20,615.30
JANITOR SUPPLIES	\$ 5,080.79	\$ 7,857.54
SERVICE HOODS	\$ 293.00	\$ -
RENOVATIONS	\$ -	\$ -
EQUIPMENT/FURNITURE	\$ -	\$ 16,610.77
HVAC CONTRACT	\$ 7,191.60	\$ 7,653.60
DISHES/POTS/PANS	\$ 2,368.54	\$ 3,600.35
DUMPSTER CONTRACT	\$ 810.00	\$ 1,560.00
CONCURRENT PROJECTS	\$ -	\$ -
PEST CONTROL	\$ 600.00	\$ 500.00
CARPET CLEANING/FLOOR CARE	\$ 600.00	\$ 500.00
DRY CLEANING	\$ -	\$ 77.38
CLOTHING	\$ -	\$ -
PROPANE	\$ 2,749.86	\$ 2,997.91
TOTAL OPERATING EXPENSES	\$ 346,587.14	\$ 423,791.36
NET PROFIT OR LOSS	\$ (77,621.86)	\$ (167,091.11)

COMMENTS: We had an increase of \$37,585.61 in revenue over FY 98/99. The restaurant staff has made improvements and we are continuing to come up with new ideas, etc. The overall markup when comparing revenue to food cost is 49%. Our overall expenses are up this year by \$127,054.86. We are continuing to improve our record keeping and this amount should be pretty accurate.

DAILY STATEMENT OF BUSINESS RESTAURANT

DATE _____

FIRST SHIFT

CASH SALES	CHARGE SALES	TOTAL SALES	(Cash and Charges) TOTAL MONEY	OVER/SHO

Ticket Starting Number: _____

FIRST SHIFT SIGNATURE _____

Ticket Ending Number: _____

SUPERVISOR SIGNATURE _____

SECOND SHIFT

CASH SALES	CHARGE SALES	TOTAL SALES	(Cash and Charges) TOTAL MONEY	OVER/SHOR

Ticket Starting Number: _____

Ticket Ending Number: _____



NET 1	GROCERY	NET 1 MINUS	GROCERY = FOOD	TAX 1

FOOD _____

GROCERY _____

TAX 1 _____

TOTAL _____
SHOULD EQUAL NET 3)

Days Total Sales _____

Minus First Shift Misrings _____

Minus Second Shift Misrings _____

Equals Total Sales _____

First Shift Total Sales: _____

First Shift Total Money: _____

Second Shift Total Sales: _____

Second Shift Total Money: _____

Day's Total Sales: _____

Day's Total Sales: _____

Day's Total Sales: _____

SECOND SHIFT SIGNATURE: _____

Day's Total Money: _____

SUPERVISOR SIGNATURE: _____

Over: _____

AUDITOR SIGNATURE: _____

Short: _____

DATA ANALYSIS ON OCTOBER 2000 "DAILY STATEMENT OF BUSINESS" REPORTS

Total Number of Reports Turned In	Total Number Of Incorrect Reports Turned In	Total Number Of Incorrect Reports First Shift	Total Number Of Incorrect Reports Second Shift
31	8	5	6

Name of Cashier	Total Number of Errors Made
Natasha Jackson	0
Linda Quiller	4
Doris Langley	4
Valerie Crook	1
Julie McCannon	1
Rose Herschede	0
Margaret Utsey	1

DATA ANALYSIS ON NOVEMBER 2000 "DAILY STATEMENT OF BUSINESS" REPORTS

Total Number of Reports Turned In	Total Number Of Incorrect Reports Turned In	Total Number Of Incorrect Reports First Shift	Total Number Of Incorrect Reports Second Shift
30	11	9	11

Name of Cashier	Total Number of Errors Made
Natasha Jackson	2
Linda Quiller	3
Doris Langley	4
Valerie Crook	6
Julie McCannon	3
Rose Herschede	0
Gary Dorn	3
Margaret Utsey	2

**DAILY STATEMENT OF BUSINESS
RESTAURANT**

DATE Month Of October 2000

FIRST SHIFT

CASH SALES	CHARGE SALES	TOTAL SALES	(Cash and Charges) TOTAL MONEY	OVER/SHORT
	//	/	////	///

Ticket Starting Number: _____

FIRST SHIFT SIGNATURE _____

Ticket Ending Number: _____

SUPERVISOR SIGNATURE _____

SECOND SHIFT

CASH SALES	CHARGE SALES	TOTAL SALES	(Cash and Charges) TOTAL MONEY	OVER/SHORT
		//	///	///

Ticket Starting Number: _____

Ticket Ending Number: _____



NET 1	GROCERY	NET 1	MINUS	GROCERY=FOOD	TAX 1

FOOD _____
 GROCERY _____
 TAX 1 _____
 TOTAL _____
(SHOULD EQUAL NET 3)

Days Total Sales 1
 Minus First Shift Misrings _____
 Minus Second Shift Misrings 1
 Equals Total Sales 1

First Shift Total Sales: _____
 Second Shift Total Sales: 1
 Day's Total Sales: 1

First Shift Total Money: 1
 Second Shift Total Money: ///
 Day's Total Sales: ///

SECOND SHIFT SIGNATURE: _____

Day's Total Sales: //
 Day's Total Money: ///

SUPERVISOR SIGNATURE: _____

Over: ///

AUDITOR SIGNATURE: _____

Short: //

**DAILY STATEMENT OF BUSINESS
RESTAURANT**

Month of

DATE November 2001

FIRST SHIFT

CASH SALES	CHARGE SALES	TOTAL SALES	(Cash and Charges) TOTAL MONEY	OVER/SHORT
11	11	1111	1111	1111 11

Ticket Starting Number: _____

FIRST SHIFT SIGNATURE _____

Ticket Ending Number: _____

SUPERVISOR SIGNATURE _____

SECOND SHIFT

CASH SALES	CHARGE SALES	TOTAL SALES	(Cash and Charges) TOTAL MONEY	OVER/SHORT
1		1	111	111

Ticket Starting Number: _____

Ticket Ending Number: _____



NET 1	GROCERY	NET 1	MINUS	GROCERY=FOOD	TAX 1

FOOD 1111 1111

GROCERY 11

TAX 1 1111 11

TOTAL 1111
(SHOULD EQUAL NET 3)

Days Total Sales 1111

Minus First Shift Misrings 11

Minus Second Shift Misrings _____

Equals Total Sales 1111

First Shift Total Sales: 1111

Second Shift Total Sales: 111

Day's Total Sales: 1111 1

First Shift Total Money: 1111

Second Shift Total Money: 1111 1

Day's Total Sales: 1111 1

Day's Total Sales: 1111 1111

SECOND SHIFT SIGNATURE: _____

Day's Total Money: 1111 1

SUPERVISOR SIGNATURE: _____

Over: 1111 1

AUDITOR SIGNATURE: _____

Short: 1111 1

DAILY STATEMENT OF BUSINESS RESTAURANT

FIRST SHIFT

DATE _____ (1)

CASH SALES	CHARGE SALES	TOTAL SALES	(Cash and Charges) TOTAL MONEY	OVER/SHORT
(5)	(6)	(7)	(8)	(9)

Ticket Starting Number: _____ (2) **FIRST SHIFT SIGNATURE** _____ (3)

Ticket Ending Number: _____ (4) **SUPERVISOR SIGNATURE** _____ (11)

SECOND SHIFT

CASH SALES	CHARGE SALES	TOTAL SALES	(Cash and Charges) TOTAL MONEY	OVER/SHORT

Ticket Starting Number: _____ Ticket Ending Number: _____

NET 1	GROCERY	NET 1	MINUS GROCERY = FOOD	TAX 1

FOOD _____

GROCERY _____

TAX 1 _____

TOTAL _____
SHOULD EQUAL NET 3)

Days Total Sales _____

Minus First Shift Misrings _____ (10)

Minus Second Shift Misrings _____

Equals Total Sales _____

First Shift Total Sales: _____

Second Shift Total Sales: _____

Day's Total Sales: _____

First Shift Total Money: _____

Second Shift Total Money: _____

Day's Total Sales: _____

SECOND SHIFT SIGNATURE: _____

SUPERVISOR SIGNATURE: _____

AUDITOR SIGNATURE: _____

Day's Total Money: _____

Over: _____

Short: _____

DAILY STATEMENT OF BUSINESS RESTAURANT

DATE _____

FIRST SHIFT

CASH SALES	CHARGE SALES	TOTAL SALES	TOTAL MONEY <small>(Cash and Charges)</small>	OVER/SHORT

Ticket Starting Number: _____

Ticket Ending Number: _____

FIRST SHIFT SIGNATURE _____

SUPERVISOR SIGNATURE _____

SECOND SHIFT

CASH SALES	CHARGE SALES	TOTAL SALES	TOTAL MONEY <small>(Cash and Charges)</small>	OVER/SHORT
②	③	④	⑤	⑥

Ticket Starting Number: ① _____

Ticket Ending Number: _____

NET 1	GROCERY	NET 1 MINUS	GROCERY = FOOD	TAX 1
⑦	⑧	⑨		⑩

FOOD	⑪	Days Total Sales	⑫	
GROCERY	⑬	Minus First Shift Misrings	⑭	
TAX 1	⑮	Minus Second Shift Misrings	⑯	
TOTAL <small>(SHOULD EQUAL NET 3)</small>	⑰	Equals Total Sales	⑱	
First Shift Total Sales:	⑲	First Shift Total Money:	⑳	
Second Shift Total Sales:	㉑	Second Shift Total Money:	㉒	
Day's Total Sales:	㉓	Day's Total Sales:	㉔	
		Day's Total Sales:	㉕	
		Day's Total Money:	㉖	
		Over:	㉗	
		Short:	㉘	

SECOND SHIFT SIGNATURE: _____ ㉙

SUPERVISOR SIGNATURE: _____ ㉚

AUDITOR SIGNATURE: _____