Industry Survey: Restaurant Labor Cost

Correctly judging the optimum number of staff to hire, and what they should be paid, is a significant challenge for the startup restaurateur. Getting it right is essential to the success of the restaurant. Likewise, misjudging these numbers can blow the budget and undermine your business plan.



In our survey, "What Restaurants Pay for Staff and Management", we asked respondents to tell us what they pay and how many staff they employ for their particular concept. We have grouped the results by several criteria in hopes of providing **meaningful comparisons** when it comes to seeing how your particular establishment (or concept-to-be) stacks up against similar operations.

Unlike our other surveys, we have enhanced our report by providing additional data, gathered from several industry statistical resources such as the <u>National Restaurant Association</u> and the <u>Bureau of Labor Statistics</u>, that might help you in your quest to **accurately estimate your staffing needs** and cost.

 VIEW RESPONSES
 Pay Rates by Geographic Region

 VIEW RESPONSES
 Labor Cost as a Percentage of Sales

 VIEW RESPONSES
 Number of Staff Compared to Sales and Seats (Full Service)

 VIEW RESPONSES
 General Manager, Chef, and Kitchen Manager Salaries by Service Type

Other tools to help you determine staffing needs include:

- DOWNLOAD: Restaurant Schedule Template
- Restaurant Labor Scheduling Basics
- AUDIO: 13 Steps to Writing a Fool-Proof Schedule

Survey Results: Pay Rates by Geographic Region

Pay rates vary from one geographical region to another. Cost of living, state minimum wage laws, other factors have a significant impact on pay scales for various jobs.

The **Bureau of Labor Statistics** conducts the Occupational Employment Statistics (OES) survey semiann Wage estimates are calculated from the data collected and and reported by industry, including the foodser industry. The results are available to the public by going online to http://www.bls.gov/bls/blswage.htm.

Our survey, however, was limited to <u>RestaurantOwner.com</u> members, which are primarily independent restaurateurs. Unlike the OES survey, one of the questions we asked operators to answer is what they pay of salary and hourly wages before tip income for the following positions:

- Annual Salaries General Manager, Chef/Kitchen Manager, Asst. Manager, Bookkeeper, Catering [
- Hourly Wages Waitstaff, Host, Bartender, Barback, Busser, Cashier, Line Server, Delivery, Sous (Cook, Prep/Pantry, Dishwasher

We separated the pay rate results by geographical region. Simply click on the region to view responses.

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Geographic Regions					
Canada	North Central	Northeastern	Southern	Western	U.S
VIEW RESPONSES	VIEW RESPONSES	VIEW RESPONSES	VIEW RESPONSES	VIEW RESPONSES	VIEW RE
Alberta	Illinois	Connecticut	Alabama	Arizona	Alaska
British Columbia	Indiana	Maine	Arkansas	California	Guam
Manitoba	Iowa	Massachusetts	Delaware	Colorado	Hawaii
New Brunswick	Kansas	New Hampshire	District of Columbia	Idaho	Puerto Ri
Newfoundland & Labrador	Michigan	New Jersey	Florida	Nevada	Virgin Isl
Northwest Territories	Minnesota	New York	Georgia	New Mexico	
Nova Scotia	Missouri	Pennsylvania	Kentucky	Oregon	
Ontario	Montana	Rhode Island	Louisiana	Utah	
Prince Edwards Island	Nebraska	Vermont	Maryland	Washington	
Quebec	North Dakota		Mississippi	Wyoming	
Saskatchewan	Ohio		North Carolina		
Yukon	South Dakota		Oklahoma		
	Wisconsin		South Carolina		

Tennessee
Texas
Virginia
West Virginia

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Pay Rates: Canada

Alberta, British Columbia, Manitoba, NewBrunswick, Newfoundland & Labrador, Northwest Territories, NovaScotia, Ontario, Prince Edwards Island, Quebec, Saskatchawan, Yukon

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Pay Rate Survey - Canada					
Annual Salaries	Lower Quartile	Median	Upper Quartile		
General Manager	\$29,000	\$46,500	\$60,000		
Chef/Kitchen Manager	\$30,000	\$40,000	\$50,000		
Asst. Manager	\$30,000	\$35,000	\$38,000		
Bookkeeper	\$6,500	\$11,000	\$26,250		
Catering Director	N/A	N/A	N/A		
Hourly	Lower Quartile	Median	Upper Quartile		
Waitstaff	\$6	\$7	\$8		
Host	\$7	\$8	\$9		
Bartender	\$6	\$7	\$8		
Barback	\$7	\$7	\$8		
Busser	\$7	\$8	\$8		
Cashier	\$8	\$9	\$9		
Line Server	\$6	\$7	\$7		
Delivery	\$9	\$10	\$11		
Sous Chef	\$12	\$13	\$14		
Line Cook	\$9	\$10	\$12		
Prep/Pantry	\$9	\$10	\$12		
Dishwasher	\$8	\$8	\$9		

Pay Rates: North Central Region

Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Montana, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin

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Pay Rate Survey - North Central Region					
Annual Salaries	Lower Quartile	Median	Upper Quartile		
General Manager	\$32,000	\$45,000	\$60,000		
Chef/Kitchen Manager	\$30,000	\$35,000	\$42,000		
Asst. Manager	\$25,000	\$32,000	\$40,000		
Bookkeeper	\$10,000	\$25,500	\$31,500		
Catering Director	\$12,000	\$22,000	\$34,250		
Hourly	Lower Quartile	Median	Upper Quartile		
Waitstaff	\$2	\$3	\$3		
Host	\$6	\$7	\$9		
Bartender	\$5	\$6	\$7		
Barback	\$5	\$5	\$6		
Busser	\$5	\$5	\$7		
Cashier	\$7	\$8	\$9		
Line Server	\$4	\$6	\$9		
Delivery	\$7	\$8	\$9		
Sous Chef	\$11	\$12	\$15		
Line Cook	\$8	\$9	\$10		
Prep/Pantry	\$8	\$9	\$9		
Dishwasher	\$7	\$7	\$8		

Pay Rates: Northeast Region

Connecticut, Maine, Massachusetts, New Hampshire, NewJersey, NewYork, Pennsylvania, Rhode Island, Vermont

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Pay Rate Survey - Northeastern Region					
Annual Salaries	Lower Quartile	Median	Upper Quartile		
General Manager	\$33,500	\$45,000	\$56,250		
Chef/Kitchen Manager	\$31,500	\$40,000	\$50,000		
Asst. Manager	\$29,000	\$35,000	\$37,000		
Bookkeeper	\$12,000	\$20,000	\$30,000		
Catering Director	\$18,750	\$32,500	\$38,750		
Hourly	Lower Quartile	Median	Upper Quartile		
Waitstaff	\$3	\$4	\$5		
Host	\$7	\$8	\$10		
Bartender	\$5	\$6	\$8		
Barback	\$6	\$6	\$7		
Busser	\$5	\$6	\$7		
Cashier	\$8	\$8	\$8		
Line Server	\$8	\$9	\$9		
Delivery	\$5	\$5	\$6		
Sous Chef	\$12	\$14	\$15		
Line Cook	\$9	\$10	\$12		
Prep/Pantry	\$8	\$9	\$10		
Dishwasher	\$7	\$7	\$8		

Pay Rates: Southern Region

Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia

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Pay Rate Survey - Southern Region					
Annual Salaries	Lower Quartile	Median	Upper Quartile		
General Manager	\$30,000	\$40,000	\$50,000		
Chef/Kitchen Manager	\$25,000	\$36,000	\$40,000		
Asst. Manager	\$20,000	\$25,000	\$35,500		
Bookkeeper	\$6,000	\$15,000	\$23,750		
Catering Director	\$18,500	\$25,000	\$31,500		
Hourly	Lower Quartile	Median	Upper Quartile		
Waitstaff	\$2	\$2	\$3		
Host	\$6	\$7	\$8		
Bartender	\$4	\$5	\$6		
Barback	\$4	\$5	\$5		
Busser	\$5	\$6	\$6		
Cashier	\$6	\$7	\$7		
Line Server	\$6	\$7	\$8		
Delivery	\$5	\$6	\$8		
Sous Chef	\$10	\$12	\$13		
Line Cook	\$8	\$9	\$10		
Prep/Pantry	\$8	\$8	\$9		
Dishwasher	\$6	\$7	\$8		

Pay Rates: Western Region

Arizona, California, Colorado, Idaho, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming

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Pay Rate Survey - Western Region					
Annual Salaries	Annual Salaries Lower Quartile Med				
General Manager	\$32,000	\$45,000	\$60,000		
Chef/Kitchen Manager	\$25,000	\$35,000	\$50,000		
Asst. Manager	\$20,000	\$32,000	\$40,000		
Bookkeeper	\$7,250	\$25,000	\$36,750		
Catering Director	\$30,000	\$35,000	\$42,000		
Hourly	Lower Quartile	Median	Upper Quartile		
Waitstaff	\$4	\$6	\$7		
Host	\$7	\$7	\$9		
Bartender	\$6	\$7	\$8		
Barback	\$6	\$7	\$8		
Busser	\$6	\$6	\$7		
Cashier	\$7	\$7	\$8		
Line Server	\$7	\$8	\$9		
Delivery	\$6	\$8	\$9		
Sous Chef	\$11	\$12	\$15		
Line Cook	\$9	\$10	\$11		
Prep/Pantry	\$8	\$8	\$10		
Dishwasher	\$7	\$7	\$8		

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Pay Rates: U.S. - Other

Alaska, Guam, Hawaii, Puerto Rico, Virgin Islands

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Pay Rate Survey - Other U.S.					
Annual Salaries	Lower Quartile	Median	Upper Quartile		
General Manager	\$47,500	\$51,000	\$54,000		
Chef/Kitchen Manager	\$32,500	\$40,000	\$40,500		
Asst. Manager	\$20,250	\$32,000	\$43,500		
Bookkeeper	\$20,250	\$25,500	\$30,750		
Catering Director	\$36,000	\$36,000	\$36,000		
Hourly	Lower Quartile	Median	Upper Quartile		
Waitstaff	\$6	\$6	\$6		
Host	\$7	\$7	\$8		
Bartender	\$7	\$9	\$9		
Barback	\$6	\$7	\$7		
Busser	\$6	\$7	\$7		
Cashier	\$8	\$9	\$9		
Line Server	\$8	\$8	\$8		
Delivery	N/A	N/A	N/A		
Sous Chef	\$14	\$16	\$17		
Line Cook	\$11	\$11	\$13		
Prep/Pantry	\$9	\$9	\$10		
Dishwasher	\$8	\$9	\$11		

Survey Results: Labor Cost as a Percentage of Sales

Labor cost percentage is one of the most important measurements by which restaurateurs use to control costs. The following tables show the labor cost percentages reported by more than 500 respondents. The results have been divided into full service and limited service.

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Labor Cost as a Percentage of Sales						
Full Service Lower Quartile Median Upper Quarti						
Total Labor Cost (including benefits)	25%	31%	39%			
Management	6%	9%	13%			
Hourly - Front of House	5%	7%	10%			
Hourly - Back of House	8%	11%	15%			
Limited Service	Lower Quartile	Median	Upper Quartile			
Total Labor Cost (including benefits)	22%	32%	38%			
Management	7%	10%	15%			
Hourly	15%	18%	23%			

Staffing Levels By Position - Full Service Restaurants

The following table indicates the median # of staff employed by full service restaurants. The responses were grouped according to monthly sales volume.

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Med	Median Staffing Levels - by Monthly Sales Volume					
Management	All Respondents	less than \$50,000	\$51,000 - \$100,000	\$101,000 - \$200,000	More than \$200,000	
? # on staff	3	2	3	4	5	
? # of seats per	44	40	46	50	40	
Monthly sales	\$31,667	\$18,000	\$30,000	\$40,000	\$57,143	
FOH-waitstaff	All Respondents	less than \$50,000	\$51,000 - \$100,000	\$101,000 - \$200,000	More than \$200,000	
# on staff	10	5	9	15	24	
# of seats per	12	16	13	11	9	
Monthly sales per	\$8,333	\$6,000	\$9,286	\$9,167	\$14,667	
FOH-bartenders	AII Respondents	less than \$50,000	\$51,000 - \$100,000	\$101,000 - \$200,000	More than \$200,000	
# on staff	3	3	3	4	6	
# of seats per	43	37	50	43	43	
Monthly sales per	\$33,333	\$12,500	\$30,000	\$39,500	\$57,143	
FOH- host/hostess	AII Respondents	less than \$50,000	\$51,000 - \$100,000	\$101,000 - \$200,000	More than \$200,000	
# on staff	3	2	2	3	4.5	
# of seats per	50	55	60	47	42	
Monthly sales per	\$38,250	\$20,000	\$37,500	\$47,000	\$59,250	
FOH- busser/barback	AII Respondents	less than \$50,000	\$51,000 - \$100,000	\$101,000 - \$200,000	More than \$200,000	
# on staff	3	2	2	3	8	
# of seats per	50	51	60	43	30	
Monthly sales per	\$37,250	\$22,500	\$33,333	\$45,625	\$40,000	
FOH-line servers	All Respondents	less than \$50,000	\$51,000 - \$100,000	\$101,000 - \$200,000	More than \$200,000	
# on staff	3	3	2	4	5.5	
# of seats per	50	18	65	70	41	
Monthly sales per	\$46,833	\$10,000	\$43,500	\$50,000	\$66,111	

FOH-cashier	AII Respondents	less than \$50,000	\$51,000 - \$100,000	\$101,000 - \$200,000	More than \$200,000
# on staff	2	1.5	2	2	2.5
# of seats per	60	65	60	82	55
Monthly sales per	\$50,000	\$24,500	\$45,000	\$75,000	\$112,500
FOH-delivery	All Respondents	less than \$50,000	\$51,000 - \$100,000	\$101,000 - \$200,000	More than \$200,000
# on staff	2	1.5	2	2.5	3
# of seats per	58	45	90	53	128
Monthly sales per	\$48,333	\$27,750	\$41,750	\$60,833	\$125,000
BOH-Sous chef	AII Respondents	less than \$50,000	\$51,000 - \$100,000	\$101,000 - \$200,000	More than \$200,000
# on staff	1	1	1	1	2
# of seats per	85	75	85	100	98
Monthly sales per	\$70,000	\$30,000	\$65,000	\$110,000	\$168,333
BOH-line cook	AII Respondents	less than \$50,000	\$51,000 - \$100,000	\$101,000 - \$200,000	More than \$200,000
# on staff	4	2.5	4	6	9
# of seats per	28	32	30	26	21
Monthly sales per	\$20,000	\$11,583	\$20,000	\$22,729	\$35,000
BOH-prep/pantry	AII Respondents	less than \$50,000	\$51,000 - \$100,000	\$101,000 - \$200,000	More than \$200,000
# on staff	2	1	2	3	4
# of seats per	64	64	72	62	50
Monthly sales per	\$47,750	\$25,000	\$47,500	\$55,167	\$74,167
BOH-dishwasher	All Respondents	less than \$50,000	\$51,000 - \$100,000	\$101,000 - \$200,000	More than \$200,000
# on staff	3	2	3	4	4
# of seats per	47	40	48	50	50
Monthly sales per	\$33,333	\$16,667	\$30,000	\$44,500	\$78,333

General Manager, Chef, and Kitchen Manager Salaries By Service Type

Several factors influence the pay scale for general managers, chefs, and kitchen managers. The table below reflect salary ranges based on service type and number of seats.

Geography also has a large influence on pay scales. To view pay rates by geographic region click here.

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General Manager Cost as a Percentage of Sales						
Service Type Lower Quartile Median Upper Quartile						
All Respondents	2.6%	4.0%	6.1%			
Full Service (less than 100 seats)	4.2%	5.6%	8.3%			
Full Service (100-199 seats)	2.6%	3.3%	5.1%			
Full Service (200 or more seats)	1.9%	2.5%	3.1%			
Limited Service	4.1%	5.6%	7.3%			

General Manager Salaries By Service Type				
Service Type	Lower Quartile	Median	Upper Quartile	
All Respondents	\$30,000	\$42,000	\$55,000	
Full Service (less than 100 seats)	\$25,000	\$34,000	\$50,000	
Full Service (100-199 seats)	\$35,000	\$45,000	\$53,500	
Full Service (200 or more seats)	\$45,000	\$60,000	\$70,000	
Limited Service	\$29,250	\$35,000	\$45,000	

Chef and Kitchen Manager Salaries By Service Type				
Service Type	Lower Quartile	Median	Upper Quartile	
All Respondents	\$26,750	\$36,000	\$45,000	
Full Service (less than 100 seats)	\$25,000	\$32,000	\$42,500	
Full Service (100-199 seats)	\$28,000	\$36,000	\$45,000	
Full Service (200 or more seats)	\$35,750	\$40,000	\$49,750	
Limited Service	\$24,000	\$30,000	\$41,000	