

372

ANALYSIS OF DIETARY STAFFING PROBLEMS

Highland Park General Hospital

Highland Park, Michigan

Project No: MG-HP-12  
Prepared By: Community Systems Foundation  
Date: October 16, 1967  
Project Engineer: Jerry Wilczynski

TABLE OF CONTENTS

	Page
Title Page .....	1
Table of Contents .....	2
Summary .....	3
Introduction and Project Objective .....	4
Methodology Results (Comparison of Existing to Standard Staff).....	5
Additional Comments:.....	7

SUMMARY

1. The Staffing Methodology indicates that theoretically a reduction of 35.9 full time employees (six from the administrative and clerical ranks and 29.9 from the remainder of the staff) can be extracted from the dietary staff at an annual cost savings of \$227,970.00.
2. With better management control of production activities and employee work habits the cost of food and supplies could be reduced approximately \$64,000.00 per annum.
3. To accomplish staff reductions and to achieve food and supply cost reductions, it is necessary to retain Administrative and Clerical man-power in an amount at least equal to the present staff. However, selection of personnel with the necessary talents to accomplish scheduling, staffing, and inventory volume reductions should be the prerogative of the Hospital Administrative staff. This will cut the projected savings in staff reduction by \$43,279.00. Therefore, six full time employees should remain in the Administrative clerical ranks.
4. To provide coverage for employees paid days off, an increment equal to four additional persons will be required to effectively provide staffing coverage. This will reduce the projected cost savings by another \$24,460.00.

5. The net effect of the resulting staff and food and supply reductions is:

Initial Projected Staff Savings	\$227,970.00
Estimated Reduction in Food and Supply Expense	64,000.00
Less: Required Managerial Staff	43,279.00
Staffing Cost to Cover Paid Time Off	<u>24,460.00</u>
Resulting Possible Cost Savings	<u>\$224,231.00</u>
(Reduction in staff of 25.9 full time employees and cost control)	

NOTE: A follow-up report will be forthcoming shortly detailing observations, suggestions and techniques which will enhance the efficiency of the Dietary Department.

INTRODUCTION AND PROJECT OBJECTIVE

The objectives of Community Systems Foundation for the analysis of Highland Park General Hospital's Dietary Department were rather simply defined - "Complete the Hospital Staffing Methodology Manual MM-3 Dietary".\*

This Manual is a "tool" used for the analysis, evaluation, and prediction of dietary workloads. It is a systematic procedure for determining staffing requirements by applying proven time standards to each operation performed by dietary personnel, the only exception being the areas of administrative and clerical activities. The time to perform these functions is estimated by the dietary management staff.

The procedure employed by the methodology to measure the staffing requirements of a hospital Dietary Department is to compare standard man-hour requirements for groups of functions to the man-hours currently allocated to these functions by the supervisory staff. The manual takes into account the layout, equipment and methods used in the hospital. Differences between calculated standard man-hours and actual, are generally due to differences in the productivity rate of employees. Overstaffing does not necessarily mean lazy employees. It probably is due to poor scheduling, task assignment and management of the department.

\*Hospital Staffing Methodology Manual MM-3 Dietary was developed by the Hospital Systems Research Group, the University of Michigan, Ann Arbor, Karl G. Bartscht, Principal Investigator, USPHS Grants #PH-86-63-231 and HM-00406-01.

METHODOLOGY RESULTS

Currently, in the Dietary Department of Highland Park General Hospital, an average of 3,055 man-hours per week have been expended in actual food production. That is, 3,055 hours/week have been worked. This excludes all paid sick, vacation, LP, or Holiday hours reported on the weekly payroll of the Dietary Department. The 3,055 average hours worked also includes the time of the Kelly Service personnel presently utilized by the Dietary Department.

Below is a functional grouping of the tasks performed in the dietary department showing all variances between "standard" and actual allocated staff. It should be mentioned, however, that in the allocation of existing staff time the Dietary supervision failed to allocate 77 hours (per week) to any of the functional groups. That is, they could not account for 77 hours of paid employment.

Sub-Department or Operational Category	Existing Allocated Staff Actual MH/wk.	Required Staff Standard MH/wk	Difference (Allocated $\pm$ to Required) Variance MH/wk	Equivalent Full-time Employees
	<u>Food Production</u>			
Cooking (includes meat cutting, preparing raw vegetables and actual cooking)	266	122	-144	- 3.600
Dessert Making	38	23	- 15	- .375
Salad Making	77	16	- 61	- 1.525
Baking	60	21	- 39	- .975
Subtotal Food Production	441	182	-259	- 6.475
<u>Patient Food Service:</u>				
Tray & Food Assembly	474	268	Below	
Tray Delivery & Return	456	121	Below	
Nourishment Service	112 (+ some delivery hours. included above)	(All hrs. for this are in the above figures)		
Subtotal Pt. Food Service:	1042	389	-653	-16.325
<u>Cleaning &amp; Sanitation</u>				
Dishwashing	406	349	-57	- 1.425
Potwashing	56	105	+49	+ 1.225
Other Cleaning & San.	112	59	-53	- 1.325
Sub-totals	574	514	-61	- 1.525

Sub-Department or Operational Category	Existing Allocated Staff Actual MH/wk.	Required Staff Standard MH/wk.	Difference (Allocated $\pm$ to Required)	
			Variance MH/wk.	Equivalent Full-time Employees
Patron Food Service:				
Tending Cash Register	112	88	-24	- .600
All Other Cafeteria Serv.	212	91	-121	- 3.025
Sub-Total	324	179	-145	- 3.625
Administrative & Clerical - includes Dietary Supervision, Therapeutics, Secretarial, Clerical, Storekeeping, etc.	485	243	-242	- 6.060
Plus Unallocated Hrs. Worked	77	-	-	- 1.9
Totals All Categories	2,943 MH/wk *	1,506 MH/wk	1,437 MH/wk	- 35.9 F.T.E.

\* This total excludes 112 man-hours of late Cafeteria coverage/week.

This overall variance of 35.9 equivalent fulltime employees equated in dollars yields an approximate annual cost savings of \$171,966.00 plus \$56,004.00 in fringe benefits for a total labor cost savings of \$227,970.00.

Theoretically, the existing level of service (in terms of number of patient meals served and the existing cafeteria coverage less the Snack Bar) could be maintained utilizing present equipment and work area layouts, etc. with \$227,970.00 in labor savings/year.

ADDITIONAL COMMENTS

This savings reflects the productivity level of the present department. Increase in productivity could be obtained through better scheduling of work hours, assignment of jobs, and improved supervision. Because the standard man-hours are based on average work loads, the actual staffing would probably have to be slightly higher to make up for absenteeism, fractional employee needs, and sick time. The present overstaffing shown by the methodology is significant enough to suggest that good dollar savings can be achieved in this department. Further studies of employee scheduling, tray delivery procedures, food assembly line balancing, and general task assignments, would be needed to reduce personnel. These studies would require 100% support and cooperation by administration and dietary management.

Excess personnel resulting from these studies could be used to catch up on the sanitation backlog until turnover and transfers remove them from the department.

Three special comments are in order:

- 1) Administrative and clerical staff is shown to be 6 people overstaffed.

If changes are to be made in the department, supervision will be required in increasing quantities. During the adjustment period, from now until standard staffing is achieved, this administrative overstaff should be maintained. The administrative staff must, however, remake its own work assignments before any improvements occur. These people should maximize their "supervision time", establish an understood organization, and assign specific responsibilities to each member of the team.

- 2) The cost of raw food appears to be much higher than it should.

According to the latest H.A.S. \* data for the three-month period

\* H.A.S. - Hospital Administrative Services - a national statistical bank of hospital operating cost information.

of May, June, and July 1967, Highland Park General Hospital's cost per meal for food and supplies is 17 cents/meal higher than median costs/meal for hospitals in the Michigan area of bed capacities between 200-299 beds. Equated and projected in dollars/annum, above median food and supply cost of this hospital will amount to \$64,000 above median expense due to lack of control and management techniques.\*\*

In all areas of food handling and production, there does not seem to be much effort for control. Dietary supervision should establish systems to relate food production to the demand by patients and personnel.

3. The Staffing Methodology fails to take into consideration the extra personnel required to cover paid absences. The average Highland Park Dietary employee takes 32 such paid absence days per year. To cover for these paid absences approximately four equivalent full time persons will be required to cover for paid days off.

\*\* A review of food prices by the Hospital Purchasing Agent with respect to comparing, item by item, costs per item with hospitals in the surrounding area has revealed prices at par with larger institutions capable of normally commanding greater price breaks. This means that high food and supply costs then are not attributable to poor buying, but rather to excessive quantity driving up the expense per meal served.