HOW TO USE P&L TO AFFECT CHANGE

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Part of “HOW TO READ A PROFIT AND LOSS STATEMENT” Procedure

This procedure is about how to enact changes based off the P&L statement.

* **Step 1**: List items that could have been controlled better at the store level for the period and the year
  + Refer to the “[How to Read a Profit and Loss Statement](https://toppershq.sharepoint.com/_layouts/15/WopiFrame.aspx?sourcedoc=%7B764BAB3D-F62D-42CF-A4EF-8C05883D0141%7D&file=How%20to%20Read%20a%20Profit%20and%20Loss%20Statement.docx&action=default&DefaultItemOpen=1)” procedure
* **Step 3:** Discuss with Assistant Managers and team leaders how to better control those line items
* **Step 4:** Make a SMART plan.
  + Specific – Be as specific as possible when creating a plan.
  + Measurable – Being measurable allows you to track progress of a plan and have a clear understanding of the success of the plan.
  + Attainable - Plans/goals shouldn't be too hard (or too easy) to achieve.
  + Reasonable/Relevant - Make sure your plan is relevant to the overall needs and goals you have.
  + Time Bound – Giving your plan deadlines increases the likelihood of success.
* **Step 2:** Communicate with the store which items could have been controlled better at the store level
  + Food costs
  + Labor costs
  + Electric/gas etc.
* **Step 5:** Hold yourself and the team accountable to SMART plan
* **Step 6:** List items that could have been controlled better at the management/franchisee/supervisor level
  + Refer to the “How to Read a Profit and Loss Statement” procedure
* **Step 7:** Discuss with Franchisee and Supervisor how to better control those line items
* **Step 8:** Revise SMART plan.
* **Step 9:** Communicate the objectives to the team
* **Step 10:** Hold team and management accountable to SMART plan