



**I. COURSE DESCRIPTION:**

This course will provide the students with the opportunity to further develop their managerial knowledge and skills. The students will gain an understanding of how to implement control costs within the food and beverage operation. The focus will be on food and beverage, labour and revenue control. In today's economic climate of financial cutbacks, this course will provide the students with a concrete understanding of the importance of cost reduction while improving the quality of products and service to ensure the overall success of the hospitality industry. Students will be able to continue to apply their knowledge and skills in the advanced operation of Willow Teaching Restaurant.

**II. LEARNING OUTCOMES AND ELEMENTS OF THE PERFORMANCE:**

Upon successful completion of this course, the student will demonstrate the ability to:

**1. Develop an understanding of cost/sale concepts, the control process and demonstrate a working knowledge of business calculations**Potential Elements of the Performance:

- List and define the purpose of cost control
- Identify and discuss the cost to sales ratio
- Explain the importance of monitoring costs and sales
- Define control and discuss the control process
- Explain the cost-benefit ratio
- Perform business math functions.
- Convert metric to imperial measurements and vice versa
- Calculate interest and rates of interest (simple).
- Calculate standard portion costs
- Perform calculations relating to cost & sales.
- Calculate cost % on sales.
- Calculate food, beverage and total cost.
- Calculate food, beverage and total sales.
- Calculate food, beverage and total cost %.
- Evaluate food cost

**2. Demonstrate a working knowledge of break-even analysis.**Potential Elements of the Performance:

- Apply the cost/volume/profit equation
- Explain the variable rate, contribution rate and contribution margin
- Define and explain the importance of the break-even point
- Analyze point of sales reports
- Interpret a graph.

- Calculate fixed and variable cost.
- Find the variable rate.
- Find the required sales to earn a specific profit.

### 3. **Identify strategies of cost management**

#### Potential Elements of Performance:

- Apply principles of revenue control (e.g. through pricing).
- State principles of purchasing, receiving and storage control.
  - Identify purchase specifications.
  - Establish inventory procedures.
  - List the procurement functions
  - Determine methods for purchasing of capital equipment, services, food and beverage.
- Determine production quantities
- Explain the methods used to determine how much product is required
- List the controls for receiving product
- Explain the advantages and goals of using proper storage and issuing controls
- Define inventory turnover and determine how it is determined
- State legal and ethical aspects of purchasing.

### 4. **Perform yield test analysis.**

#### Potential Elements of the Performance:

- Calculate original cost.
- Calculate value of trimmings.
- Calculate trimming % on original weight.
- Calculate weight and cost of the oven ready roast.
- Calculate yield %.
- Calculate cost per lb. (kg) of oven ready roast.
- Calculate cost per portion of oven ready roast.

### 5. **Explain the principles of food and beverage cost control**

#### Potential Elements of the Performance:

- Define standard costs and calculate and explain the various ways of expressing sales.
- Explain the need for standards and standard procedures
- Formulate a standard recipe.
- Explain the use of standard yield and price factors: calculate recipe pre-costs.
- List and explain the controls used in each step of the beverage production process
- Interpret a profit and loss statement.

**6. Perform calculations involving inventory control.**Potential Elements of the Performance:

- Calculate the cost of goods sold.
- Calculate gross profit.
- Calculate net profit (loss).
- Calculate gross % and net profit % on sales.

**7. Describe the objectives of a food and beverage control system.**Potential Elements of the Performance:

Examine the philosophy and application of control.

**8. Describe basic management principles, processes, styles and their impacts.**Potential Elements of the Performance:

- Describe basic management principles.
  - Team
  - Leadership
  - Performance assessment
- Discuss the challenge of labour management in the hospitality industry in the context of achieving acceptable productivity, while maintaining labour costs and meeting legal requirements.
- Prepare job descriptions based upon the classical kitchen brigade.

**9. Apply principles of labour cost control.**Potential Elements of the Performance:

- Explain job analysis, task procedures and forecasting.
- Discuss staff scheduling and the analysis of actual labour cost from forecasts and schedules.
- Explain causes of variances.

**III. TOPICS:**

Note these topics sometimes overlap several areas of skill development & are not necessarily intended to be explored in isolated learning units or in the order below.

1. Cost and sales concepts
2. Assorted math and accounting activities
3. The control process
4. Cost/volume/profit relationships
5. Break-even analysis
6. Strategies of cost management
7. Yield test analysis
8. Principles of food and beverage cost control
9. Purchasing and receiving controls
10. Storing and issuing controls
11. Production, inventory and revenue controls
12. Objectives of food & beverage control system
13. Basic management principles
14. Labour cost control

**IV. REQUIRED RESOURCES/TEXTS/MATERIALS:**

Dittmer, Paul, et al, Principles of Food, Beverage, and Labour Cost Controls. 2<sup>nd</sup> Canadian Edition. John Wiley and Sons Canada. Ltd., 2014.

**V. EVALUATION PROCESS/GRADING SYSTEM:**

Theory Testing (3 tests, 10% each)	30%
Application Exercises	40%
Class Participation / Presentation / Quizzes	15%
<u>Final Assessment</u>	<u>15%</u>
Total	100%

The following semester grades will be assigned to students in postsecondary courses:

<u>Grade</u>	<u>Definition</u>	<u>Grade Point Equivalent</u>
A+	90 – 100%	4.00
A	80 – 89%	
B	70 - 79%	3.00
C	60 - 69%	2.00
D	50 – 59%	1.00
F (Fail)	49% and below	0.00
CR (Credit)	Credit for diploma requirements has been awarded.	
S	Satisfactory achievement in field /clinical placement or non-graded subject area.	
U	Unsatisfactory achievement in field/clinical placement or non-graded subject area.	
X	A temporary grade limited to situations with extenuating circumstances giving a student additional time to complete the requirements for a course.	
NR	Grade not reported to Registrar's office.	
W	Student has withdrawn from the course without academic penalty.	

If a faculty member determines that a student is at risk of not being academically successful, the faculty member may confidentially provide that student's name to Student Services in an effort to help with the student's success. Students wishing to restrict the sharing of such information should make their wishes known to the coordinator or faculty member.

**VI. SPECIAL NOTES:**Attendance:

Sault College is committed to student success. There is a direct correlation between academic performance and class attendance; therefore, for the benefit of all its constituents, all students are encouraged to attend all of their scheduled learning and evaluation sessions. This implies arriving on time and remaining for the duration of the scheduled session. It is the departmental policy that once the classroom door has been closed, the learning process has begun. Late arrivers will not be granted admission to the room.

Dress Code:

All students are required to wear their uniforms while in the hospitality and tourism institute, both in and out of the classroom. For further details, please read the Hospitality Centre dress code.

Assignments:

Since one of our goals is to assist students in the development of proper business habits, assignments will be treated as reports one would provide to an employer, i.e. in a timely and businesslike manner. Therefore, assignments will be due at the beginning of class and will be 100% complete. All work is to be word processed, properly formatted, assembled and stapled prior to handing in. No extension will be given unless a valid reason is provided and agreed to by the professor in advance.

Testing Absence:

If a student is unable to write a test for medical reasons on the date assigned, the following procedure is required:

- In the event of an emergency on the day of class, the student may require documentation to support the absence and must telephone the College to identify the absence. The college has a 24 hour electronic voice mail system (759-2554) Ext. 2588.
- The student shall provide the Professor with advance notice preferably in writing or e-mail of his/her need to miss the test with an explanation which is acceptable to the professor.
- All decisions regarding whether tests shall be re-scheduled will be at the discretion of the Professor. In cases where the student has contacted the professor and where the reason is not classified as an emergency, i.e. slept in, forgot, etc., the highest achievable grade is a "C". In cases where the student has not contacted the professor, the student will receive a mark of "0" on that test.

**VII. COURSE OUTLINE ADDENDUM:**

The provisions contained in the addendum located in D2L and on the portal form part of this course outline.