

SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY
SAULT STE. MARIE, ONTARIO, CANADA

COURSE OUTLINE

COURSE TITLE FOOD, BEVERAGE AND LABOUR COST CONTROL
CODE NO.: HMG - 242
PROGRAM: HOTEL AND RESTAURANT MANAGEMENT
SEMESTER: TWO
DATE: MAY 1995

PREVIOUS OUTLINE
DATED: JANUARY 1994
AUTHOR: J, L. ORIMSHAW

New

Revision:

APPROVED:


DEAN, SCHOOL OF BUSINESS &
HOSPITALITY

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DATE

PHILOSOPHY - GOALS:

This course is designed to introduce the student to the concept of cost used in the food service industry. It is delivered in four basic parts;

first; an overview of cost/sales concepts and control with or without electronic data and control.

The remaining three parts dedicate themselves specifically to the three areas of - food, beverage, and labour.

STUDENT PERFORMANCE OBJECTIVES;

Upon successful completion of this course, the student will be able to:

- 1) Define and discuss the various terms used in a control cycle system
- 2) Define and distinguish between the various cost types
- 3) Define the cost to sales ratio and cite formulas used in its calculations
- 4) Perform various calculations using the cost percentage formulas
- 5) List and explain factors that cause variations in cost to sales relationships
- 6) Explain and show the importance of matching costs with sales

TOPICS TO BE COVERED:

- I Introduction to Food, Beverage and Labour Cost Control
- II Food Control
- III Beverage Control
- IV Labour Control

REQUIRED STUDENT RESOURCES:

- 1) Principles of Food, Beverage and Labour Cost Control, by Paul Dittmer & Gerald Griffin; Van Nostrand Reinhold; 4th edition.

ADDITIONAL RESOURCES: (CHECK LIBRARY)

- 1) Coltman; Food & Beverage Cost Control, Prentice-Hall

Periodicals:

- Food Service & Hospitality
- Ontario Restaurant News
- Ontario Hotel-Motel Newsletter
- Nations Restaurant News

LEARNING ACTIVITIES;

PART 1

Upon completion of this unit, the student will be able to:

- 1) Identify the various types of costs
- 2) Discuss the cost - volume - profit relationship
- 3) Apply the various formulas used to determine cost percentage to sales
- 4) Describe the process and various outputs managers may require from computer systems

ACTIVITIES: READING, PGS. 3 - 87

COMPLETION OF TEACHER ASSIGNED PROBLEMS, QUESTIONS

DEFINE AND DISCUSS KEY TERMS IN COST/SALES INTRODUCTION

PART 11 - FOOD CONTROL

Upon completion of this unit, the student will be able to:

- 1) Define and discuss the control steps needed from purchasing to production
- 2) Monitor monthly inventory and food cost determination

- 3) Monitor daily food costs
- 4) List and describe standard and computer procedures used in revenue control

ACTIVITIES: READINGS: PGS. 91 - 281

COMPLETION OF TEACHER ASSIGNED PROBLEMS AND QUESTIONS

DEFINE AND DISCUSS KEY TERMS

PART 111 BEVERAGE CONTROL:

Upon completion of this unit, the student will be able to:

- 1) Identify order/purchase system used in conjunction with LLBO
- 2) Distinguish between bar and premium brands (call & pouring)
- 3) Discuss the steps in proper receiving, storing and issuing of beverages
- 4) Monitor beverage operation
- 5) Control beverage sales

ACTIVITIES: READINGS: PGS. 285 - 387

COMPLETION OF TEACHER ASSIGNED PROBLEMS AND QUESTIONS

DEFINE **AND** DISCUSS **KEY TERMS**

Apply systems to Gallery Bar management & control

PART IV LABOUR COST

Upon completion of this unit, the Student will be able to:

- 1) Identify 5 common determinants of labour costs.
- 2) Determine the fixed and variable labour cost factors in hospitality and the influence of proper scheduling.

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- 3) Distinguish between quality and quantity standards and their relation to performance.
- 4) Identify and discuss how computers may be used to forecast manpower requirements, given levels of sales volume, and controlling labour costs.

ACTIVITIES: READINGS: PGS. 387 - 430

Complete assigned problems and questions

Define and discuss key terms

Monitor personnel payroll on Squirrel Computer System

METHOD OF EVALUATION:

Final grade will be derived from the following;

- Attendance	•	10%
- Classroom Participation		10%
- Assigned problems		20%
- Minimum of 4 tests over the semester, (1 - Food & Beverage, 3 - Labour)		60%
	<u>TOTAL</u>	100%
A+	90 - 100	
A	80 - 89	
B	70 - 79	
C	60 - 69	
R	BELOW 59%	

Students will be required to complete cases and problems as assigned. Instructor may chose to select cases and problems from industry examples as well as the text.

YOUR INSTRUCTOR RESERVES THE RIGHT TO MODIFY THE COURSE AS HE/SHE DEEMS NECESSARY TO MEET THE NEEDS OF THE STUDENTS.

