



Course Code Hosp 320	Course Title Food and Beverage Cost Control	ECTS Credits 6
Department HT&S Management	Semester Fall, Spring	Prerequisites HOSP-110, HOSP 211
Type of Course Major	Field Third	Language of Instruction English
Level of Course 1 st Cycle	Year of Study 3rd	Lecturer George Panayiotou
Mode of Delivery face-to-face	Work Placement N/A	Co-requisites None

Objectives of the Course:

The main objectives of the course are to:

- respond to written, spoken or visual messages in a manner that ensures effective communication
- execute mathematical operations accurately
- apply a systematic approach to solve problems
- use a variety of thinking skills to anticipate and solve problems
- analyze, evaluate, and apply relevant information from a variety of sources
- interact with others in groups or teams in ways that contribute to effective working relationships and the achievement of goals
- synthesize theory with practice in the real world of tourism/hospitality.
- critically analyze cases and real world situations;
- evaluate situations/issues/problems from a variety of stakeholder perspectives;
- evaluate field-specific situations;
- critique ethical considerations.

Learning Outcomes:

After completion of the course students will be expected to be able to:

- 1. Describe a Cost Volume Profit (CVP) relationship for a food and beverage operation.**(students should acquire knowledge on the terminology and mathematical formulas utilize them in margin profit)

2. **Explain the various control systems necessary for an efficient food and beverage operation.**(students should acquire skills and knowledge in the different control systems available and enhance their critical ability in establishing in different cases the most suitable control system)
3. **Explain the concepts of production standards and portion costs.** (students should acquire knowledge in the different formulas available for measuring production standards and portion costs enable them to control profit margin)
4. **Construct efficient purchasing, receiving, storing, and issuing control systems for food and beverage operations.** (students should acquire skills in the control systems from purchasing till issuing products including beverage control)
5. **Generate a budget for a food and beverage operation.**(students should acquire knowledge and skills in preparing budget for food and beverage operations)
6. **Explain the factors that impact labor costs.**(students should acquire knowledge in the importance of human resource and the how to control the labor cost)
7. **Appraise labor cost control systems in F&B facilities.** (students should acquire skills and critical evaluate the labor cost control systems enable them to take the right decisions in different occasions)
8. **Develop and use cost control systems on computerized spreadsheets.** (students should acquire skills in the technology available in the area of cost control systems enable them to create folders , spreadsheet and different forms for an F&B cost control system)

Course Contents:

1. **Introduction Cost and Sales Concepts:** Define Cost and discuss the difference between fixed costs and variable costs. Define, compare, and contrast controllable and non controllable costs, as well as unit total, and actual costs. Define and discuss prime costs, historical costs, and planned costs.
2. **Define sales and examine related concepts:** Review the formula for calculating the cost-to-sales ratio. Explore the possible reasons for cost percent variations from one foodservice operation to another.
3. **Monitoring Food Service Operations:** Explore the possible reasons for cost percent variations from one foodservice operation to another. Discuss the need for monitoring costs and sales. Explain how to take a physical inventory.
4. **Review the five accepted methods for assigning values to units of the products in inventory:** Discuss how monthly food cost is determined. Examine the adjustments that are often made to cost of food issued. Explain how to determine cost of food consumed, taking adjustments into account.
5. **Review the techniques for determining the cost of employee meals:** Indicate the need to include cost of employees' meals in calculating cost of food consumed. Explain the importance of reporting cost of food sold and food cost percent to management Discuss inventory turnover
6. **Monitoring Beverage Operations:** Review the cost approach's cost percent methods. Explain how and why adjustments are made to beverage cost. Describe

- cost calculations by category. Discuss the importance of daily calculations.
7. **Labour Cost Considerations:** Provide an overview of the determinants of total labour costs and labour cost percent.
 8. Define and examine labour turnover rate. Explore the need for training in foodservice establishments. Discuss the impact of labour legislation. Examine labour contracts. Review the use of part time staff. Explore the use of outside services. Explain how sales volume affects labour costs
 9. **Monitoring Performance and Taking Corrective Action:** Explain possible scenarios of discrepancies, provide solutions, enhance critical thinking and problem solving capabilities

Learning Activities and Teaching Methods

PowerPoint Lectures, class assignments - practical exercises, student exercises portfolio/assignments

Required Textbooks/Reading:

Authors	Title	Publisher	Year	ISBN
Miller, J.E., & Hayes, D. K., & Dopson, L.R.	Food and Beverage Cost Control / Study Guide	John Wiley & Sons	2008	978-0470-14058-1
Miller, J.E., & Hayes, D. K., & Dopson, L.R.	Food and Beverage Cost Control.4 th	John Wiley & Sons	2008	978-0-471-69417-5

Recommended Textbooks/Reading

Authors	Title	Publisher	Year	ISBN
Ninemeir, J. D	Planning and Control for Food and Beverage Operations	American Hotel & Lodging Association	2004	0866122621