

COURSE OUTLINE

HMG-224 Cost Control for the Hospitality Industry 2 Semester Hours

HOWARD COMMUNITY COLLEGE

Description

This course provides the student with a wide range of knowledge and specific solutions needed to keep costs low and margins high. Students will be able to apply technology to cost control and employ manager-developed excel spreadsheets and internet access. Content will examine uniform systems of accounts for restaurants, menu analysis, and cost/volume/profit analysis menu pricing and strategy. Time will be devoted to examining the legal issues that may affect a manager's decisions in real-world examples that provide simple and easy solutions to cost control problems. (2 hours weekly)

Overall Course Objectives

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

1. Demonstrate the ability to evaluate food cost and how it is used in the decision making process.
2. Develop a food cost budget.
3. Calculate the cost associated with inventory and purchasing controls.
4. Calculate food cost percentages.
5. Prepare cost control forms used in the purchasing and receiving of alcoholic and non-alcoholic beverages.
6. Use appropriate software to compute and prepare bar cost control reports and hospitality labor costs.
7. Describe how the measurement of labor costs is used in management decision making.
8. Analyze the impact of other direct and indirect costs on a hospitality operation.
9. Demonstrate the ability to use accepted software in various cost control reporting formats.

Major Topics

- I. The decision making process
- II. Budgeting
- III. Inventory cost control

- IV. Purchasing and receiving
- V. Food cost percent
- VI. Storeroom control
- VII. Beverage control
- VIII. Labor control
- IX. Labor cost standards
- X. Direct and indirect costs
- XI. Computers and cost control
- XII. Laws in cost control
- XIII. Menu pricing

Course Requirements

Grading/exams: Grading procedures will be determined by the individual faculty member but will include the following: final grades will be calculated on the basis of exams, computer lab work, quizzes, and class projects.

Other Course Information

This course is a Hospitality Management elective course.