

Title	Demonstrate knowledge of food and beverage management in a hospitality environment		
Level	5	Credits	15

Purpose	<p>This is a theory-based unit standard for experienced people requiring knowledge of the financial and operational management of food and beverage operations in the hospitality industry.</p> <p>People credited with this unit standard are able to demonstrate knowledge of the financial and operational management practices in food and beverage operations.</p>
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Classification	Hospitality > Hospitality Management
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Available grade	Achieved
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Guidance Information

- 1 Definitions
 - Equipment* – large and small equipment fittings and fixtures.
 - Food and beverage operation* – any operation providing food and beverage service as a stand-alone or integrated business including cafe, restaurant, bar, hotel, corporate catering, contract catering.
- 2 Reference
 - Standard industry text* – Davis, B *et al.* (2018) *Food and beverage management*. 6th ed. Abingdon-on-Thames, Routledge.

Outcomes and performance criteria

Outcome 1

Demonstrate knowledge of the financial management practices in food and beverage operations.

Performance criteria

- 1.1 Departmental revenue performance and cost control measures are explained in relation to operational benchmarks.
- Range benchmarks include but are not limited to – menu/beverage list analysis and product contributions, ratio of food/beverage sales to total sales, average spending power per customer, sales mix, payroll costs and productivity ratio, stock turnover, sales per cover, rate of seat turnover, sales per service personnel, contribution of physical floor space to sales, pricing policies, non-material costs to total sales; evidence of seven benchmarks is required.
- 1.2 Revenue and cost information is analysed and interpreted in relation to agreed budgets.
- 1.3 Methods of allocating costs to relevant departments are explained in terms of agreed budgets.
- Range cost items include but are not limited to – materials, labour, overheads, total costs, unit costs, cost ratios, codes of accounts.
- 1.4 Accepted techniques for pricing hospitality products and services are explained in terms of the standard industry text.
- Range techniques may include but are not limited to – cost plus, constant margin, forecasting cost movements, forward pricing; evidence of four techniques is required.
- 1.5 Net and gross profits for hospitality operations are analysed and interpreted in terms of the standard industry text.
- 1.6 The effect of sales/cost relationships and sales mix on profitability is analysed and interpreted in terms of the standard industry text.
- 1.7 Budgetary anomalies are identified and analysed using financial feedback documentation.
- Range anomalies include but are not limited to – errors, irregularities, waste, production.
- 1.8 Financial performance standards for hospitality operations are developed in a manner that is clear, accurate and readily understandable to users.

Outcome 2

Demonstrate knowledge of operational management practices in food and beverage operations.

Performance criteria

- 2.1 Factors influencing the selection of a catering system are identified and explained in terms of the standard industry text.
- 2.2 Common variables and characteristics found in food production processes are explained in terms of the standard industry text.
- Range variables and characteristics are based on – commodity type, preparation, holding, regeneration, presentation method.
- 2.3 Common variables and characteristics of food and beverage service systems are explained in relation to the hierarchy of service styles.
- Range service styles include but are not limited to – increased consumer participation, low customer contact systems.
- 2.4 Catering and food service equipment available for use is explained in terms of various hospitality sector needs.
- Range hospitality sectors may include but are not limited to – restaurants, cafes, bars, cafeteria, functions; evidence of two hospitality sectors is required.
- 2.5 Effects of the continuing development of new technologies on food and beverage operations are explained in terms of the standard industry text.
- 2.6 The requirement and impact of correct equipment selection in the development of an integrated food production and food service system is explained in terms of the standard industry text.
- 2.7 Criteria for establishing and maintaining standards in food and beverage production and service systems are explained in terms of the standard industry text.
- Range criteria include but are not limited to – forecasting, standard recipes, yields.
- 2.8 Implications of changes to food production systems are explained in terms of space, equipment, staffing, and skills requirements.
- 2.9 Implications of food and beverage systems on staffing needs and allocation of staff are identified and explained in terms of the standard industry text.

Planned review date	31 December 2027
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Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	17 August 1999	31 December 2012
Revision	2	15 November 2002	31 December 2012
Review	3	26 April 2005	31 December 2012
Review	4	22 October 2010	31 December 2017
Review	5	20 February 2014	31 December 2024
Review	6	2 March 2023	N/A

Consent and Moderation Requirements (CMR) reference

0112

This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

Comments on this unit standard

Please contact Ringa Hora Services Workforce Development Council qualifications@ringahora.nz if you wish to suggest changes to the content of this unit standard.