**Food Service / Management Module**

**Module Questions**

1. Define the following terms:

a**. FTE**- An FTE is the hours worked by one employee on a full-time basis. The concept is used to convert the hours worked by several part-time employees into the hours worked by full-time employees. On an annual basis, an FTE is considered to be 2,080 hours, which is calculated as: 8 hours per day.

**b. “Danger Zone**”- The temperature range in which food-borne bacteria can grow is known as the danger zone. Food safety agencies, such as the United States' Food Safety and Inspection Service (FSIS), define the danger zone as roughly 5 to 60 °C (41 to 140 °F). The FSIS stipulates that potentially hazardous food should not be stored at temperatures in this range in order to prevent foodborne illness (for example, a refrigerator's temperature must be kept below 4 °C (40 °F)

**c. Break Even Point**- the break-even point can be defined as a point where total costs (expenses) and total sales (revenue) are equal. Break-even point can be described as a point where there is no net profit or loss.

**d. FIFO**- First-Out. Is a cost flow assumption often used to remove costs from the Inventory account when an item in inventory had been purchased at varying costs. Under FIFO, the oldest cost of an item in inventory will be removed first when one of those items is sold.

**e. Marketing Mix**- The marketing mix is a foundation model in marketing. The marketing mix has been defined as the "set of marketing tools that the firm uses to pursue its marketing objectives in the target"

**f. CQI**- Continuous Quality Improvement, sometimes referred to as Performance and Quality Improvement (PQI), is a process of creating an environment in which management and workers strive to create constantly improving quality.

**g. HACCP**- Hazard Analysis and Critical Control Points, is a systematic preventive approach to food safety from biological, chemical, and physical hazards in production processes that can cause the finished product to be unsafe and designs measures to reduce these risks to a safe level.

**h. Standard of Identity**- are mandatory requirements that are set by a governing body to determine what a food product must contain to be marketed under a certain name in allowable commerce. Mandatory standards, which differ from voluntary grades and standards applied to agricultural commodities, protect the consumer by ensuring a label accurately reflects what is inside (for example, that mayonnaise is not an imitation spread or that ice cream is not a similar but different frozen dessert)

**i. Benchmarking**- comparing ones business processes and performance metrics to industry bests and best practices from other companies. In project management benchmarking can also support the selection, planning and delivery of projects.

**j. Social Marketing**- is an approach used to develop activities aimed at changing or maintaining people's behavior for the benefit of individuals and society as a whole.

**k. Micromanagement**- is a management style whereby a manager closely observes and/or controls the work of his/her subordinates or employees. Micromanagement is generally considered to have a negative connotation, mainly due to the fact that it shows a lack of freedom in the workplace.

l. **IBR Approach**- The second theory about conflict resolution is commonly referred to as the "Interest-Based Relational (IBR) Approach". This conflict resolution strategy respects individual differences while helping people avoid becoming too entrenched in a fixed position.

**2. Discuss the importance of the menu in food service operations. Consider the relationship between the menu and:**

**a) The purchasing process-** The purchasing process is an essential part of every food service operation. All competent cooks should be skilled in buying the appropriate ingredients, in accurate amounts, at the right time, and at the best price. Buy only as much as it is anticipated will be needed until the next delivery.

b) **The staff required**- The operation's employees are important to the success of its menu. Before management begins menu planning, the skill levels of cooking and service personnel must be assessed. It may be helpful to consider the cooking staff and service staff separately, although their functions are intimately related in actual operations. In planning the operation's menu, the objective is to avoid overloading any one person or work station in the kitchen.

c) **The equipment required**- Any food service establishment must make a sizable investment in food service equipment before it can open for business. Naturally, the amount and type of production and service equipment owned by the business determines what items it can produce and, therefore, what it places on the menu. It is imperative to select equipment based on capacity, skill levels of employees, energy and maintenance costs, and initial purchase price.

d) **The budget (cash flow and expenses) -** The budget is the operating cost. The menu determines the budget therefore the type of menu and quality of items available will be based on the budget. The menu determines the price for the food item therefore the raw food cost and prepared food cost needs to be considered for the budget.

e**) marketing**- In the food service business, meeting the needs and expectations of guests is necessary for success, failure to meet means they will not return, and the business will not be profitable or will inevitably close. Market, concept and menu are the basic tools used in describing foodservice operations. Menu layout can influence the customer’s decision. It’s important to be mindful when writing menus to have a good technique base on food and prices and the order in which customer view the menu.

3. **Discuss how the availability of food relates to menu planning. Why is it important to use seasonal products?** When planning menu it’s important to consider the availability of food items, foods that are easy to access and cost effective. When food is in season, there is more of it available in the local food supply, bringing prices down. Additionally, foods in season are usually of higher quality and have longer shelf life than those that are out of season and need to be transported long distances to market.

**4. Describe at least 3 ways in which an institutional food service (hospital, prison, school, etc.) is different from a restaurant kitchen and food service.**

(1) Institutional food service differs in the need for therapeutic and modified consistency and a greater inventory of food products. The labor cost, availability of skilled personnel, types of food products, types of patients and support staff is different.

(2) A cycle menu or weekly selective menu is more appropriate where the clienteles are in the establishment for a while. Some hospitals offer a cook chill system. Foods are purchased in bulk then chilled and re-thermed at meal time.

(3) Must meet the Government’s nutritional requirements by serving nutritious, palatable appetizing food.

**5. Describe at least 3 ways in which they are the same.**

(1) Operate with a budget to maximize profit. (2) Follow food sanitation and safety standards (3) Offer a menu with nutritious, palatable appetizing food for customers.

**4. Food Order Preparation**

**Based on the information below, what can you surmise about food usage at this facility?**

There are no fruits and vegetable usage. Adjustments are not made on the ordering for items such as rye bread, hot dogs, rice, pork and bean, vegetable oil.

Should the par stock levels be adjusted? Why or why not? Yes, the par stock level that are not use on a regular basis also if first- in first-out not practice.

What would be on the weekly food order submitted for this facility? Rice (5lb bags) 7, Canned potatoes (10 cans)5, Applesauce (10 cans) 5, Pork and beans(303 cans) 5 Rye bread loaves 2, Wheat bread (loaves) 9, Eggs (dozen) 8, Vegetable oil 3, Hot dogs (1lb packs)6, Chicken quarters 9.

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| --- | --- | --- |
| Item  | Par Stock Level | Weekly Inventory |
| rice (5 lb bags) | 10 | 4 |
| canned potatoes (#10cans) | 6 | 2 |
| applesauce (#10 cans) | 5 | 1 |
| pork and beans (# 303cans) | 10 | 6 |
| Rye bread (loaves) | 4 | 3 |
| Wheat bread (loaves) | 10 | 1 |
| Eggs (dozen) | 8 | 1 |
| Vegetable oil (liters) | 2 | 0 |
| Hot dogs (1 lb. packs) | 10 | 5 |
| Chicken quarters (5 lbs. pkg) | 10 | 2 |

6. A foodservice operation uses hamburger patties at an average rate of six cases per day. It takes 3 days after an order is placed to receive the order.

Management wants to keep 2 days’ supply on hand. The reorder point would be how many cases? 6 cases per day = 18 cases + 2 days on hand = 12 cases =30 cs

6. Foodservice data indicate 31% of the 360 clients served ordered roasted chicken when it was a menu item. Based on the historical data, approximately how many servings of chicken should be forecasted?

31 % of 360 = 112 clients

7. A business pays 3% of its income as rent ($1,500), 65% towards labor and food costs, and $2,800 towards other monthly expenses. How much profit does this business make per month?

Revenue Income: $50,000. Expenses: Rent = $1500Labor and food cost $ 50,000 x 65%= $32, 500Other Monthly expenses=$2, 800 Total expenses=$ 36,800 Profit= $13,200

8. You are planning the budget for next year. Labor costs will increase by 12%. Food costs will increase by 8%. Operating costs will increase by 2%.

This year, sales totaled $1,000,000. Labor costs were 40% of income, food cost was 40% of income and operating costs were 20% of income. What is the projected budget?

Last Year Budget. Total sales = $1,000, 000 Labor cost 40% =$400,000 Food cost 40% =$400,000 Operating cost 20% = $200 000 Total cost = $1,000,000 Next Year Budget. Labor cost increase 12 %( $ 400,000= 448, 000 Food cost increase 8% ($400,000=$432,000Operating cost increase 2 % ($ 200,000= $204,000 Projected budget = $ 1,084,000

**Sources**

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