# San José State University

# Department of Hospitality, Tourism, & Event Management

# HSPM 012 Cost Control in Hospitality

**Fall 2018**

## Contact Information

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| |  |  | | --- | --- | | Instructor: | Dr. Jooyeon Ha | | Office Location: | MH 510A | | Telephone: | 408-924-2100 | | Email: | jooyeon.ha@sjsu.edu | | Office Hours:  Prerequisites: | M/W 1:30pm-2:20pm, T 1:30pm – 2:30pm  HSPM 001, BUSN 020N. (Co-Requisite: HSPM 11 and HSPM 65) | |

## Course Format

This course is completely online. Internet connectivity is needed.

## Canvas and MYSJSU Messaging

Course materials such as syllabus, handouts, notes, assignment instructions, etc. can be found on Canvas. You are responsible for regularly checking with the messaging system through Canvas or SJSU email to learn any updates.

## Course Description

Food, beverage and payroll systems, including standards determination; variable, semi-variable and fixed costs; the operating budget; income and cost control and menu pricing. Cost control simulation exercises implemented through software programs.

### Course Learning Outcomes (CLO)

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

CLO 1: Demonstrate the relationships among cost, volume, and profit in hospitality operations.

CLO 2: Interpret and evaluate cost ratios.

CLO 3: Explain the value of different control tools in the process of food, beverage, and labor cost control.

CLO 4: Construct effective purchasing, receiving, storing, and issuing control systems for food and beverage operations.

CLO 5: Identify specific information necessary to evaluate the cost profile of a food and beverage operation, and make suggestions to improve the existing cost profile.

**Required Texts/Readings**

You can purchase the textbook in the Spartan Bookstore on Campus or on Amazon.

* Customized book: HSPM 012 (Cost Control in Hospitality): Available in Spartan bookstore
* If you would like to buy on Amazon, please click the following link:

<http://www.amazon.com/Fundamental-Principles-Restaurant-Cost-Control/dp/B0085B0IQW/ref=sr_1_2?s=books&ie=UTF8&qid=1433196306&sr=1-2&keywords=fundamental+principles+of+restaurant+cost+control>

**Other Readings**

The list of links for articles related with restaurant cost controls is available on Canvas.

**Other Course materials**

* **Lecture notes:** Power point files for each chapter will be posted on Canvas. You can find the lecture notes under the **Modules tab**.
* **Excel files:** Excel files of each chapter will be posted on Canvas. You can find the Excel files for each chapter under the **Modules tab**.
* **Audio files:** To help better understand the calculation procedures, I will upload the **links for the audio files with the Excel screen** on Canvas. Please copy the link and paste it in the Internet browser (or click the link), then you can hear my explanations with the Excel screen. You can find the link for each chapter under the **Modules tab.**
* **Please watch this intro video** <https://www.youtube.com/watch?v=1dXuhWwQyL0>
  + This video shows how to navigate in the course canvas.

## Library Liaison

Laurie Borchard, Reference and Instruction Librarian, Liaison for Hospitality, Tourism & Event Management, Dr. Martin Luther King Jr. Library, San Jose State University, Office location: #4046, Phone: 408-808-2422, E-mail: laurie.borchard@sjsu.edu. Helpful electronic resource: URL: <http://libguides.sjsu.edu/hospitality>.

## Course Requirements and Assignments

Success in this course is based on the expectation that students will spend, for each unit of credit, a minimum of 45 hours over the length of the course (normally three hours per unit per week) for instruction, preparation/studying, or course related activities, including but not limited to internships, labs, and clinical practica. Other course structures will have equivalent workload expectations as described in the syllabus. *More details can be found from* [*University Syllabus Policy S16-9*](http://www.sjsu.edu/senate/docs/S16-9.pdf) *at http://www.sjsu.edu/senate/docs/S16-9.pdf.*

* Work should be completed and turned in by the dates specified in the syllabus. **Students are responsible for making sure all assignments and exams are turned in on time (Follow the Modules on Canvas).** Unless otherwise stated, all deadlines are at **11:59 PM Pacific Time on the designated day.**
* ***You have one week to complete each week’s assignments. Therefore, the late submissions via email will not be accepted. Do not email the late assignments after deadlines.*** Feedback for assignments will be posted within a week after the due date.

***Calculation practices***

Calculation practices related with the chapter covered each week are posted on Canvas. You can find the files in the **‘Calculation practices’ folder under the ‘Files’ tab**. They are posted as an excel file, so you should **download the file and save it in your computer, and then complete it and upload the completed one through the link on Canvas** by 11:59pm on the designated dates. Please submit the assignment as an excel file. DO NOT convert it to PDF or other formats. Due dates are specified on the course schedule. The answer file will be posted on Canvas after the due date.

***Quizzes***

There will be twelve quizzes. Each student needs to take quizzes by 11:59pm on the designated dates. Due dates are specified on the course schedule. **No make-up** quiz will be given.

***Exams***

There will be three exams to test your knowledge and understanding of material covered in lecture notes and in your readings. Exams will consist of any combination of multiple choices, true/false, fill in the blanks, short answer questions, and calculations. **Dates for exams are set and students are responsible for planning to take exams on the dates specified on the course schedule.**

***Discussion board***

You will be required to answer a variety of discussion questions as we move from one topic to another. **There will be one or more discussion questions on each week’s discussion board.** **In order to receive full credit each week, students need to answer the discussion questions (at least 150 words for each discussion question: 7 points) and post one reply to other students’ posts (at least 100 words: 3 points).** **If you just say ‘Good job’ or ‘I agree’ to response another student’s posting, you cannot get credit.** The discussion questions will be uploaded at the beginning of the week and the link will be available throughout the week. You must post your responses by 11:59pm on each designated date.

***Individual Papers (Reflection papers)***

The list of links for articles related with restaurant cost controls is available on Canvas. You can find the list in the ‘**Article list’ folder** under the **Files tab**. Each student needs to pick one article among the listed articles and write the reflection paper by each due date. **You can write what you learned from the article and your opinion about issues discussed in the article.** The paper should be submitted by 11:59pm on each designated date.

* Format: 1 page, single space, font 12 with 1” margins (max for top, bottom, left, and right).

**Grading Information**

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| Assignments. | Points. | CLOs. |
| 1. Calculation practices | 120 (12 x 10 points each) | CLOs 1, 2 |
| 1. Quizzes | 120 (12x 10 points each) | CLOs 1, 2, 3, 4, |
| 1. Exams | 150 (3 x 50 points each) | CLOs 1, 2, 3, 4, 5 |
| 1. Discussion board | 110 (11 x 10 points each) | CLOs 1, 3, 4, 5 |
| 1. Individual papers | 40 (4 x 10 points each) | CLOs 1, 3, 4, 5 |
| Total | 540 points |  |

**Determination of Grades**

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| --- | --- | --- |
| A plus = 100-97% | A = 96-93% | A minus = 92-90% |
| B plus = 89-87% | B = 86-83% | B minus = 82-80% |
| C plus = 79-77% | C = 76-73% | C minus = 72-70% |
| D plus = 69-67% | D = 66-63% | D minus = 62-60% |
| F = 59-0% Unsatisfactory |  |  |

**Communication**

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| Email is the official mode of communication for this course. In addition, any changes in class schedules, assignments, and other information will be announced through Canvas or SJSU email. Students are responsible for checking their SJSU email and Canvas regularly. Having no access to your email is NOT an appropriate excuse for missing any class work. |

## University Policies

Per University Policy S16-9, university-wide policy information relevant to all courses, such as academic integrity, accommodations, etc. will be available on Office of Graduate and Undergraduate Programs’ [Syllabus Information web page](http://www.sjsu.edu/gup/syllabusinfo/) at <http://www.sjsu.edu/gup/syllabusinfo/>”

# HSPM 12 Cost Control in Hospitality

**Fall 2018**

**Tentative Course Schedule**

# The instructor reserves the right to revise this tentative schedule with fair advanced notice in order to enhance the achievement of learning objectives. Any revisions will be announced through email and Canvas.

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| **Topic** | **Assignments (Due on or before this date)** |
| **WEEK 1: August 22 - 26** | |
| Syllabus (Available on Canvas) | *Read the course syllabus carefully!!* |
| Chapter 1-1. Value and importance of cost controls | * Calculation practice 1 (8/26) |
| **WEEK 2: August 27 – September 2** | |
| Chapter 1-2. Value and importance of cost controls (continued) | * Quiz 1: Chapter 1 (9/2) |
| Chapter 2-1. Cost ratios | * Calculation practice 2 (9/2) * Discussion board 1 (9/2) |
| **WEEK 3: September 3 - 9** | |
| Chapter 2-2. Cost ratios (continued) | * Calculation practice 3 (9/9) * Quiz 2: Chapter 2 (9/9) * Discussion board 2 (9/9) |
|  | * Individual paper 1 (9/9) |
| **WEEK 4: September 10 - 16** | |
| Chapter 3-1. Food cost controls | * Calculation practice 4 (9/16) * Quiz 3: Chapter 3 (9/16) * Discussion board 3 (9/16) |
| Chapter 3-2. Food cost controls (continued) |
| **WEEK 5: September 17 - 23** | |
| **Exam 1 (Chapters 1-3)**  **Study guide available on Canvas** | * **Exam 1 is available from 8am on September 17 (Monday) to 11:59pm on September 23 (Sunday).** |
| **WEEK 6: September 24 – 30** | |
| Chapter 4. Yield cost analysis | * Calculation practice 5 (9/30) * Quiz 4: Chapter 4 (9/30) * Discussion board 4 (9/30) |
|  | * Individual paper 2 (9/30) |
| **WEEK 7: October 1 - 7** | |
| Chapter 5. Menu sales mix analysis | * Calculation practice 6 (10/7) * Quiz 5: Chapter 5 (10/7) * Discussion board 5 (10/7) |
| **WEEK 8: October 8 - 14** | |
| Chapter 6. Menu pricing methodology | * Calculation practice 7 (10/14) * Quiz 6: Chapter 6 (10/14) * Discussion board 6 (10/14) |
| **WEEK 9: October 15 - 21** | |
| **Exam 2 (Chapters 4-6)**  **Study guide available on Canvas** | * **Exam 2 is available from 8am on October 15 (Monday) to 11:59pm on October 21 (Sunday).** |
| **WEEK 10: October 22 - 28** | |
| Chapter 7. Purchasing | * Quiz 7: Chapter 7 (10/28) * Discussion board 7 (10/28) |
|  | * Individual paper 3 (10/28) |
| **WEEK 11: October 29 - November 4** | |
| Chapter 8. Inventory and store room management | * Calculation practice 8 (11/4) * Quiz 8: Chapter 8 (11/4) * Discussion board 8 (11/4) |
| **WEEK 12: November 5 - 11** | |
| Chapter 9. Beverage cost control | * Calculation practice 9 (11/11) * Quiz 9: Chapter 9 (11/11) * Discussion board 9 (11/11) |
| **WEEK 13: November 12 - 18** | |
| Chapter 10. Labor productivity analysis | * Calculation practice 10 (11/18) * Quiz 10: Chapters 10 (11/18) * Discussion board 10 (11/18) |
|  | * Individual paper 4 (11/18) |
| **WEEK 14: November 19 - 25: Happy Thanksgiving!! No assignments!** | |
| **WEEK 15: November 26 – December 2** | |
| Chapter 11. Internal control | * Quiz 11: Chapter 11 (12/2) |
| Chapter 12-1. Financial analysis | * Calculation practice 11 (12/2) |
| **WEEK 16: December 3 - 9** | |
| Chapter 12-2. Financial analysis | * Calculation practice 12 (12/9) * Quiz 12: Chapter 12 (12/9) * Discussion board 11 (12/9) |
| **Final Exam: December 12 - 16** | |
| **Final Exam (Chapters 7 – 12)**  **(Study guide available on Canvas)** | **Final exam is available from 8am on December 12 (Wednesday) to 11:59pm on December 16 (Sunday).** |