



THE **CULINARY** INSTITUTE *of* MICHIGAN®  
A DIVISION OF BAKER COLLEGE

**BAKER COLLEGE**  
**STUDENT LEARNING OUTCOMES**  
**FBM 2310 Hospitality Financial Management**  
**3 Semester Hours**

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**Student Learning Outcomes & Enabling Objectives**

1. Analyze financial performance of a food and beverage operations.
  - a. Explain the differences between and benefits and concerns of using physical and perpetual inventory systems on time, and importance of maintaining accurate records.
  - b. Develop a plan for product rotation to prevent spoilage and reduce waste to be efficient in operating and food and beverage operation.
  - c. Explain the relationship among guest count, average check, and sales dollar forecasting.
  - d. Demonstrate the ability to apply sales analysis and sales forecasting methods using prior sales dollar history vs. forecasting built on the relationship between guest counts and check average.
  - e. Present strategies to respond to surpluses and shortfalls in sales goals, on an hour-by-hour basis, throughout a shift.
  - f. Explore the working capital and cash flow for a food and beverage operation.
  - g. Perform ratio analysis of financial statements to determine financial performance of cost centers as well as overall operation and identify any trends.
  - h. Develop operating budgets for cost centers as well as for the overall operation.
2. Apply managerial accounting principles to decision-making in a food and beverage operation.
  - a. Show how basic prime cost analysis formulas are used every day - including the calculation of food cost percentage, beverage cost percentage, combined food and beverage cost and percentage of food and beverage sales.
  - b. Explain the purposes and applications of standardized costs and standard cost measurement methods and tools.
  - c. Demonstrate how raising sales affects fixed vs. variable (prime) costs differently.
  - d. Demonstrate an understanding of food and beverage sales mix, and how a change in the mix affects bottom line profits.
  - e. Show how basic prime cost analysis formulas are used every day in the calculation of fixed and variable labor cost percentages.
  - f. Demonstrate methods used to allocate revenue dollars to fund scheduled labor in accordance with revenue forecasts and labor cost goals.

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These SLOs are not approved for experiential credit.

**Effective: Fall 2017**