

Summary

The Food and Beverage Department in a hotel is one of the departments that generates big revenue. Kitchen, as food production facility plays a big role in producing these big numbers. Cooperation with related departments in providing food service is very essential. Specially Sales and Marketing Department in selling the food product. Cost Control Department also plays a big role in determining the revenue generated. When the food cost increases (is fluctuating), this is not only the Kitchen's mistake. Because as a team, together all departments should be supporting each other in many ways, especially in sharing crucial information.

With this research the writer try to investigate why the communication between departments is very essential in generating maximum revenue for the management, and how the existence of the food cost calculation will influence the food cost percentage, which finally will end up in company's revenue. The research question was: 'Is there a relation between the fluctuation of the food cost percentage in Golden Tulip Epe and the implementation of the standard calculation formula?

From the literature research there appeared to be seven areas of focus concerning food cost: essential of control system(the importance of control system for Golden Tulip Epe);the method of calculation food cost; the method of food cost control ;food control check list; standard recipes; standard portion size; and management responsibilities.

Historical research, literature research, observational method and analyzing qualitative data were used as the research methodology.

Finalizing conclusions were about traditional kitchen management, non actual food cost report, lack of cooperation and communication between department shortage of purchasing order procedures, lack of work efficiency.

The goal of this research is to find out indications of what factor plays a main role in the unacceptable food cost fluctuation at the Golden Tulip Epe and what can be done to improve the management performance.

Preface

This dissertation is written to complete my study in Hotel Management at the Petra Christian University and Hotel Management School of Leeuwarden . The subject of this dissertation was offered by the executive chef of Golden Tulip Epe, Mr. Peter Sieling. It gave me the opportunity to deepen my knowledge about it. Now that the dissertation is finished it interests me even more.

The realization of the dissertation consumed a laborious process in sense of my colleague's patience, especially in kitchen and cost control department. The last year and especially the period writing the dissertation was a lot of hard work, which had its good and bad moments, causing both frustration and happiness. I have learned a lot from writing this dissertation, which I hope to be able to put it into practice for my future reference.

At first, I would like to thank to God, who blessed me to finish this dissertation. In the second place, Mr. Sjoerd Gehrels who read the first drafts of my dissertation, gave advice and support on how to improve. In the third place, I would like to thank to Mr. Peter Sieling as Executive Chef of the Golden Tulip Hotel in Epe, who offered me this problem as subject for my dissertation and helped me to have all of data and information and also to Mr. Feike as the Head of Cost Control Department, who helped me with the actual data of information patiently.

All of my colleagues as staff Golden Tulip Epe also gave me support, for example to provide the computer and to give extra days off when I needed them.

And last but not least, I would like to thank all of my friends, especially Jeffrey who also helped my family and me for their patience, support and encouragement in difficult times.

Sincerely,

Diana

Epe, 2001

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Introduction

Background

Establishing the food cost is a very essential job for the food and beverage cost controller. This important figure is used by the food and beverage managers as basic information in their decision making. There is an importance in major international hotel chains for food cost to be calculated on a daily basis. The daily figure naturally can not represent the accuracy as if it is done on a monthly basis, but it might be useful for the future reference and details.

In Golden Tulip Epe, it seems that this part of important job is being neglected or has never been a priority. This lack of controlling is causing fluctuations in food cost percentage. Without the presence of standard recipes which is one of the main parts in management cost, it indicates that guests do not get the same food portion in their order, because it doesn't come from one standard recipes. This shows an unhealthy operation and "Customer Satisfaction" as the essence of hospitality operation is being neglected.

The food cost percentage at the Golden Tulip Epe is recently showing an over budget up to the figure that can not be tolerated. Based on this fact, I have been assigned by the Executive Chef of the hotel to investigate this situation and come out with solutions on how to overcome this problem. This has been very challenging for me to accept this assignment.

Therefore the research question for this research will be:

Is there a relation between the fluctuation of the food cost percentage in the Golden Tulip Epe and the implementation of standard calculation formula?

Research questions

In order to make this research helpful; the writer ask herself the following questions:

1. What is food cost and how can we calculate it?
2. How important is this food cost calculation in Golden Tulip Epe?
3. What kind of elements are there to make a good, solid, and reliable systems for calculating food cost?
4. What is the food cost percentage in Golden Tulip Epe?
5. What are the indications that influence this?
6. What kind of recommendation can be given (if necessary) to overcome this condition?

Goal of research

The goal of this research is to find out indications of what factor plays a main role in the unacceptable food cost fluctuation at Golden Tulip Epe, and what can be done to improve the management performance.