

Specification of Competency Standards
for the Catering Industry
Unit of Competency

Functional Area - Professional Management Skills

Title	Control costs of the catering organizations
Code	109622L4
Range	This unit of competency is applicable to practitioners engaged in management in the catering services section and the production section of restaurants and establishments. While working in restaurants or relevant workplaces, practitioners should be able to apply various cost accounting methods, analyses the profit margins and costs of each section with computers, and review and set cost and profit indicators for each section effectively.
Level	4
Credit	9
Competency	<p>Performance Requirements</p> <p>1. Knowledge of costs of the catering organizations:</p> <ul style="list-style-type: none"> • Master the mode of operation and cost structure of the catering industry • Master the principles of cost accounting: <ul style="list-style-type: none"> ○ Understand the concepts of cost accounting ○ Understand the classification of various costs ○ Define cost units and cost centers ○ Understand different cost accounting methods • Master the concepts of cost analysis: <ul style="list-style-type: none"> ○ Acceptance standards (收貨標準) ○ Buy-in prices (來貨價) ○ Supplier ○ Warehouse inventory, etc., • Possess in-depth knowledge of the standard menus and ingredient portions of the kitchen in the catering industry • Know about the effect of various factors (e.g. season, market supply and demand, and timing) on costs • Can apply a wide variety of cost accounting methods and the use of computer software for assistance • Comply with relevant laws and regulations, such as Cap. 362 Trade Descriptions Ordinance <p>2. Control costs of the catering organizations:</p> <ul style="list-style-type: none"> • Conduct cost analysis in daily work, and use computer to: <ul style="list-style-type: none"> ○ Collect information and analyses costs ○ Print, analyses and save different reports, etc. • Make the best use of resources for cost saving, for example: <ul style="list-style-type: none"> ○ Communicate with the relevant sections, and assist in calculating and verifying the costs ○ Conduct accounts checking and identify the discrepancies ○ Guide the relevant sections to improve • Calculate banquet costs and master the following: <ul style="list-style-type: none"> ○ The relevant information of different banquets, such as buy-in prices ○ Different cost calculating methods ○ Calculation of profit margins • Establish profit management, such as: <ul style="list-style-type: none"> ○ Set reasonable cost levels, attrition rates, etc. ○ Set reasonable prices, profit margins, expected sales, etc. ○ State clearly various cost and profit indicators for each section

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	<ul style="list-style-type: none"> ○ Review the costs and profits with each section regularly, and implement improvement measures • Always pay attention to the issuance or revision of relevant laws and regulations <p>3. Exhibit professionalism</p> <ul style="list-style-type: none"> • Strictly adhere to the law-abiding principle in the control of the costs of the catering organizations, with an attempt to maximize the balance between the interests of the organization and those of the customers
Assessment Criteria	<p>The integrated outcome requirements of this UoC are the abilities to:</p> <ul style="list-style-type: none"> • Apply the principles of cost accounting, and analyses the profit margins of each section according to the good admission standards, buy-in prices, menu standards and ingredient portions • Formulate profit management procedures properly according to each cost and profit indicator
Remark	