

Introduction to Food and Beverage

Introduction to Food & Beverage (F&B) Management

Key concepts, core functions, and essential skills for running successful food?service operations.

1. What Is Food & Beverage Management?

Aspect	Description
Definition	The planning, organizing, directing, and controlling of all activities related to the production, service, and sale of food and beverages in hospitality establishments (restaurants, hotels, cafés, catering firms, cruise ships, etc.).
Goal	Deliver a high-quality guest experience while achieving profitability, cost control, and operational efficiency.
Scope	Menu development, purchasing, inventory, kitchen & service staff management, quality assurance, marketing, revenue management, and compliance with health & safety regulations.

2. Organizational Structure

General Manager

?? Food & Beverage Director / Manager

?? Executive Chef / Kitchen Manager

?? Restaurant Manager(s)

?? Bar Manager

?? Banquet & Events Coordinator

?? Purchasing / Procurement Officer

Structure varies by size and concept (e.g., single?restaurant vs. hotel F&B department).

3. Core Functional Areas

Functional Area	Primary Responsibilities	Key Metrics
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Menu Planning & Development	• Conceptualize menu aligned with brand and target market • Balance food cost, pricing, and culinary trends	• Menu engineering score, contribution margin
Purchasing & Procurement	• Select suppliers, negotiate contracts • Manage order quantities, lead times, and delivery schedules	• Purchase price variance (PPV), supplier performance
Inventory Control	• Track raw material and finished goods stock • Conduct regular physical counts & cycle counts	• Inventory turnover, waste percentage
Production & Kitchen Operations	• Schedule prep, cooking, and plating • Enforce standard operating procedures (SOPs) and sanitation	• Labor productivity, order fulfillment time
Service & Front-of-House Management	• Staff scheduling, training, and performance coaching • Guest interaction, order taking, table turnover	• Guest satisfaction (CSAT), table turnover rate
Financial Management	• Budgeting, forecasting, and cost control • Analyze P&L statements, break-even points	• Food cost % (target 28-32%), beverage cost % (target 20-25%), labor cost %
Marketing & Revenue Management	• Promote specials, loyalty programs, and events • Dynamic pricing for high-demand periods	• Revenue per available seat hour (RevPASH), average check
Quality Assurance & Compliance	• HACCP, food safety audits, allergen management • Health department inspections	• Audit score, number of violations

4. The Menu Engineering Process

Introduction to Food and Beverage Management

1. **Collect Data** – Track sales volume and gross profit for each menu item.
 2. **Classify Items** – Plot on a 2?x2? matrix.
 - **Stars** (high profit, high popularity) – Promote.
 - **Plow?horses** (low profit, high popularity) – Consider cost reduction.
 - **Puzzles** (high profit, low popularity) – Re?market or reposition.
 - **Dogs** (low profit, low popularity) – Remove or revamp.
 3. **Adjust** – Revise pricing, ingredients, or presentation based on classification.
 4. **Monitor** – Re?evaluate quarterly to capture trends.
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5. Cost Control Fundamentals

| Cost Category | Typical Target Range | Control Techniques | |-----|