

8. F&B Services — Analysis and Decision Making

The decision making responsibility in an F&B establishment rests with the managers. They have full access to the numbers, data, reports, and trends of the market as well as knowledge of F&B establishments.

F&B Services Analysis

The F&B services managers need to conduct **financial analysis** and **quality analysis**.

Financial Analysis is carried out in three steps:

Setting expectations (BUDGET)

The managers study current and future market trends and forecast expenses. Budgets are prepared based on managers' inputs.

Evaluating actual situation (INCOME STATEMENT)

The managers also keep a keen eye on present situation in which F&B Services is functioning. They need to consider **fixed costs** such as rents and property taxes, and **variable costs** such as material, advertisement, and music and entertainment costs.

Analyzing the difference (PROFIT/LOSS)

They come up with the difference and find out the reasons and apply the required policies.

The **Quality Analysis** needs to consider the following factors while providing the food product or service. Some of these factors are:

- Evaluating ongoing product analysis checklist that includes doneness, aroma and taste of the ready dish, garnish, color, appearance, presentation, serving portion, and alike.
- Evaluating the food or beverage product for safety against consumption.
- Evaluating weekly review of product deviation that includes date, product name, problem, solutions, and recommendation.

F&B Services Decision Making

It includes coming up with corrective actions in case of certain unpleasant results. The managers make decisions after going through the following steps:

- Identifying problems
- Identifying reason

Food and Beverage Services

- Determining a number of solutions
- Selecting a best solution
- Applying the solution
- Evaluating the solution

For example, the response for chilled cucumber soup is declining for the past four months.

- **Identify problems:** Menu problem? Taste issue? Price issue? Serving quantity or quality issue?
- **Identify reason:** Soup is outstanding on quality, portion of service, and taste marks. But it is Winter and guests are preferring hot soups than the chilled ones though it is on the lunch menu.
- **Solutions:** Can a hot variant of the same soup be developed? Can the soup be replaced by a preferred alternative?
- **Best solution:** Shift chilled cucumber soup to summer-time menus and bring in a new hot soup or a variant of one of the present soups that will potentially rule the guests' taste buds.