

## ■ **VALUE CREATION IN FOOD SERVICE INDUSTRY** by Alain Najjar

### **UNIT DESCRIPTION**

In a world where nothing is predictable companies try to find strategic competitive advantages to be different and outperform competitors. In this setting value creation have all its meaning becomes the primary aim of any business entity. But what is really value creation? Value creation can be seen and understood differently by many people. A company should create value for all its stakeholders (clients, employees, shareholders, owners, investors, community).

In this one day module we will see Value Creation from mainly a financial point of view – meaning increasing profit - as this is what drives companies today.

First we will explore ways on how any type of foodservice industry can increase its revenue. In business there is no such thing as just making money. If you made \$ 50'000 revenue and could have made \$ 100'000, it means that you lost \$ 50'000 potential revenue on the street going to competition.

Second we will discuss ways to control/reduce costs and have an impact on the bottom line and this without impacting quality and customer experience.

Managers must be experts and acrobats in taking financial decisions sometimes with limited information and resources and still be able to forecast the consequences of their choices. Mastering figures will give managers the competitive advantage and will put them in a position to influence the final Value Creation of their business.

### **LEARNING OBJECTIVES**

By the end of the Unit, participants will be able to:

#### Knowledge

- Understand the difference between the three levels of values as well as the value capturing concept.
- Discuss financial F&B value creation from two different angles: revenue creation and cost control.

#### Competencies

- Develop a professional knowledge of F&B operation.

#### Mindset

- Develop and improve decision-making skills.
- Adopt proactive out of the box approach to problem solving.

### **METHODOLOGY**

- Problem based learning with small cases and interactive participation.
- Reading assignments - Practical exercises.