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REVISION APPROVAL COVER SHEET FOR CONTINUATION OF W-DESIGNATION

TYPE III PROFESSOR MAKES INDIVIDUAL COURSE APPLICATION

Professor Dr. Stephen B. Shiring

Department Hospitality Management

Email sshiring

Course Number/Title HRIM 470 Hospitality Business Model

Course no prof. is currently Type III.

SA.

Please provide answers to these questions on the next page:

1. Specific Course: include the most recent syllabus for the Type III course.
2. Specific Professor: discuss what the writing activities are intended to accomplish in this course. You do not need to describe the amount of writing, frequency of assignments or fill out the summary chart for writing assignments.

Approvals:	Signature	Date
Professor (s)	<i>Stephen B. Shiring</i>	2-10-14
Department Chair	<i>[Signature]</i>	2-10-14
College Dean	<i>[Signature]</i>	2.13.14
Director of Liberal Studies		
UWUCC Co-chair(s)		

Received

FEB 18 2014

Liberal Studies

TYPE III PROFESSOR MAKES INDIVIDUAL COURSE APPLICATION

PROFESSOR Dr. Stephen B. Shiring

DEPARTMENT Hospitality Management

- 1. Specific Course:** include the most recent syllabus for the Type III course.
- 2. Specific Professor:** discuss what the writing activities are intended to accomplish in this course. You do not need to describe the amount of writing, frequency of assignments or fill out the summary chart for writing assignments.

This course requires students to conceptualize a hospitality business idea/concept/theme and then to translate this idea into a written comprehensive business plan (10 modules) for presentation to the following professional audiences: Venture Capitalists, Angel Investors, Financial Institutions (Banks), the U.S. Small Business Administration, and potential Partners.

The entire course is centered on the writing of a hospitality model or business plan. Borrowing components imbedded in each module from the department's core curriculum, this senior-level cap stone course requires each student to complete a series of ten module writing assignments. Each student (team) will create their own hospitality management business plan by completing each of the following modules: Module 1 Concept & Visualization & Mission Statement, Module 2 Presentation - Market Feasibility, Site Selection, Industry Analysis, Module 3 Business Structure, Management, Organization & Operations & Communications, Module 4: The Five-Year Plan, Module 6 Design, Development and Planning, Module 7 The Construction Phase: Building the Concept, Module 8 The Marketing Plan, Module 9 Financial Plan, and Module 10 the Final Business Plan.

The instructor distributes to each student an outline (template) for each of the written module assignments contained in a PowerPower file. Prefacing this module template, the instructor provides a comprehensive review (reminder) of each specific topic (i.e., Mission Statement), as the student will adapt, apply, and synthesize "learned" information from their previous hospitality management courses (memory) and utilize personal experiences to complete the writing of that specific module. Personalized instruction (consultant role) by the instructor provides guidance for each student (team) to customize their hospitality business plan to their own concept and theme. This permits each student to "learn" by following a detailed step-by-step outlined template for each module assignment thus ensuring the completion of a comprehensive business plan of their interest and choosing.

Each student (team) will submit their first written draft of each module to the instructor, who will critique the writing, and return it back, with suggested editorial comments. This writing process usually will take several drafts requiring back-and-forth revisions and one-on-one meetings with discussions between the instructor and the student (team) to arrive at a completed and acceptable "final" written module that will become part of their business plan.

At the conclusion of the semester, each student (team) will submit the ten completed modules in a three-ring binder, sectioned by module, with Appendix. The Appendix will contain all drafts of their writing samples.

Each student will present their hospitality management business model concept to the class.

SYLLABUS OF RECORD

I. Catalog Description
HRIM 470 Hospitality Business Model

3 class hours
3 semester hours
0 lab hours
3c-0l-3sh

Prerequisites: Senior Status

Course provides the student with the opportunity to integrate and apply hospitality operations management concepts into the development of a working hospitality business model.

II. Course Objectives

Upon completion of this course, the student will:

1. create a hospitality business model utilizing standard business concepts and objectives.
2. translate conceptual ideas into a professional hospitality business plan.
3. design a management structure to support the hospitality business model.
4. project market growth-rate for the hospitality business industry.
5. utilize computer applications leading to the completion of the hospitality business model.
6. prepare and present an interactive, professional presentation using communication skills in a formal discussion of their hospitality business model.

III. Course Outline

- | | | |
|----|--|-------------------|
| A. | Course Introduction | (2 lecture hours) |
| B. | Concept Development and Visualization | (4 lecture hours) |
| | 1. Concept development | |
| | 2. Mission statement | |
| C. | Market Feasibility/Site Analysis/Industry Analysis | (4 lecture hours) |
| | 1. Site Selection | |
| | 2. Demographic characteristics | |
| | 3. Competition analysis (S.W.O.T) | |
| | 4. Economic patterns and characteristics | |

- 5. Psychographic segmentation
 - 6. Industry analysis
 - 7. The target market
- D. **Financial Feasibility** (5 lecture hours)
- 1. Pro Forma balance sheet
 - 2. Pro Forma income statement
 - 3. Pro Forma supporting schedules
 - 4. Capital expenditures
- E. **Proposed Business Structure** (3 lecture hours)
- 1. A management plan
 - 2. Recruitment and human resource management assessment
 - 3. Job analysis - job descriptions and specifications
 - 4. Communication system and technology adaptation
 - 5. Uniform design and description
- F. **A Five-Year Plan** (4 lecture hours)
- 1. Development of operation business strategies
 - 2. Horizon and analysis
 - 3. Long-term development and exit plan
- G. **Menu Development** (6 lecture hours)
- 1. Menu item product mix
 - 2. Pricing strategies
 - 3. Specifications
 - 4. Equipment requirements and specifications
 - 5. Hazard Analysis Critical Control Plan (HACCP)
 - 6. Menu design and copy layout
- H. **Design, Development and Planning** (3 lecture hours)
- 1. Physical plant considerations
 - 2. Interior space design considerations - facility layout
 - 3. External facilities design characteristics - prototype sample
 - 4. Management of the physical facility
 - 5. Life Safety Issues
- I. **The Construction Phase: Building the Concept** (4 lecture hours)
- 1. Operational layout and design drafting
 - 2. Material and equipment specification
 - 3. Code adherence
 - 4. Bid procedure and strategies
 - 5. Construction sequence

- J. Marketing Plan (4 lecture hours)
 - 1. Consideration of Price, Product, Place, and Promotion
 - 2. Presentation of Table Top and accessories
- K. Business Plan Review (3 lecture hours)
 - 1. Review of the development process
 - 2. Evaluation of the complexity of process
- L. Final Examination (2 hours)
 - Final project presentation

IV. Evaluation Method

The final grade for the course will be determined as following the assigned weighted averages: (see attached rubrics)

- 50% Individually completed modules of a business plan. Each team will complete a series of **ten-mini assignments** leading to the creation of a business plan. The ten completed modules will be submitted in a three-ring binder, sectioned by module, with Appendix. The modules are due on the date of the final examination. The module assignments will be used by the student to write the formal business plan. See Rubric and instructor example. **Team grade**
 - 25% The **final written business plan**. Using the data created in each individual business model, write a business plan following the format sample provided at the web site www.score.org. The final business plan will be submitted in a three-ring binder. See Rubric and instructor example. Due day of the class section's final examination. **Team grade**
 - 15% **Individual oral presentation: Instructor evaluation** of each student's formal oral presentation. Each student's presentation will be evaluated separately as part of the overall "TEAM" presentation. **Individual grade**
- Team must submit on the day of the team's presentation a **dedicated disk containing the PowerPoint presentation, hardcopy of presentation slides, and auxiliary materials, and contained in a binder.** See Rubric. Due day of team's presentation.
- 10% **Peer Evaluation** of team participants. See Rubric. **Individual grade**

Grading Scale

90% - 100%	A
80% - 89%	B
70% - 79%	C
60% - 69%	D
59% and below	F

V. Attendance Policy

As student learning is enhanced by class attendance and participation in discussions, the instructor encourages regular class attendance. The attendance policy of the instructor recognizes students' need to miss class because of illness or personal emergency. **All students must be in attendance during the final project presentations. You will lose 25 points per each missed presentation for all unexcused absences.**

VI. Required textbooks, supplemental books and readings

Required:

Instructor prepared packet

VI. Special resource requirement

Students may expect some moderate out-of-pocket expenses to support their presentation. Expenses may include postage, copying and printing fees, and binding costs. Class will be held in Ackerman 110A, the HRIM computer lab to access the Internet during class time.

VII. Bibliography

- Almanza, B. A., Kotschevar, L., & Terrell, M. (2000). Food service planning: Layout and equipment (4th ed.). New York: Prentice Hall.
- Coltman, M. C., & Jagels, M. G. (2001). Hospitality management accounting. New York: Wiley.
- Kotler, P., Bowen, J., & Makens, J. (1999). Marketing for hospitality and tourism. (2nd ed.). New York: Prentice Hall.
- Lewis, R. C., & Chambers, R. E. (2001). Marketing leadership in hospitality: Foundations and practices (3rd ed.). New York: Wiley.
- Mill, R. C. (2001). Restaurant management, Customers, operations, and employees. (2nd ed.). New York: Prentice Hall.
- Mill, R. C. (2001). Resorts: Management and operation. New York: Wiley.
- Sanders, E., & Hill, T. (2001). Foodservice profitability: A control approach. (2nd ed). New York: Prentice Hall.
- Norman M. Scarborough, N. M. (2000). Effective small business management: An
The American Culinary Institute of America. (2001). Remarkable service. New York: Wiley.

**HRIM 470 Hospitality Business Model
Ackerman 110A
Monday, Wednesday, Friday 1:25 pm – 2:15 p.m.
Spring 2014**

Dr. Stephen B. Shiring
Office Hours: MWF 12:10 p.m. – 1:10 p.m. & MW 2:15 – 3:15 p.m.

Office Phone Number – 724-357-2562
E-mail address: sshiring@iup.edu
Department Office Phone Number: 724-357-2626
Cell Phone: 724-664-2482

Office hours are posted on my office door. You are advised to reserve, in advance, a time and day for your own time to meet with me. However, you are most welcome, at anytime, to visit with me in my office.

The office hours are further broken down into 15 minute intervals to guarantee your privacy. Select the best time and day for your convenience.

If you are unable to attend one of these posted sessions, please contact me to set an appointment at a time most convenient for you.

Tentative Schedule

All changes to this schedule will be announced in class. It is the student's responsibility to make the necessary changes to this schedule.

Student _____ Email _____ Phone _____

Student _____ Email _____ Phone _____

Student _____ Email _____ Phone _____

NOTES:

Tentative Semester Calendar

January

WEEK 1

- (W) 22 Course Introduction, Project Description, Expectations, Team Formation
(F) 24 Team Formation, Introduction of Concept Development, Visualization & Mission Statement Module: Due Company Charter

WEEK 2

- (M) 27 Module 1: Introduction of Concept Development (Business Name), Visualization & Mission Statement Module
Team Meeting_____

- (W) 29 Module 1: Concept Development & Visualization & Mission Statement
Team Meeting_____

- (F) 31 Module 1: Concept Development & Visualization & Mission Statement
Team Meeting_____

February

WEEK 3

- (M) 3 5 minute Class Presentation of Concept (Business Name), & Visualization & Mission Statement
Team Meeting_____

- (W) 5 DUE - Module 1: Concept & Visualization & Mission Statement

- (F) 7 Module 2: Introduction Market Feasibility, Target Market, Site Selection, Competitive Industry Analysis
Team Meeting_____

WEEK 4

- (M) 10 Module 2: Market Feasibility, Target Market, Site Selection, Competitive Industry Analysis
Team Meeting_____

- (W) 12 Module 2: Market Feasibility, Target Market, Site Selection, Competitive Industry Analysis

- (F) 14 DUE - Module 2: Market Feasibility, Target Market, Site Selection, Competitive Industry Analysis

WEEK 5

(M) 17 **Module 3: Introduction - Business Structure**
Team Meeting_____

(W) 19 **Module 3: Business Structure**
Team Meeting_____

(F) 21 **DUE - Module 3: Business Structure**
Team Meeting_____

WEEK 6

(M) 24 **Module 4: Introduction - The Five-Year Plan**
Team Meeting_____

(W) 26 **Module 4 The Five-Year Plan**
Team Meeting_____

(F) 28 **DUE - Module 4 The Five-Year Plan**
Team Meeting_____

March

WEEK 7

(M) 3 **Module 5: Introduction - Products**
Team Meeting_____

(W) 5 **Module 5: Products**
Team Meeting_____

(F) 7 **DUE - Module 5: Products**
Team Meeting

WEEK 8

(M) 10 **Module 6: Introduction - Design and Development**
Team Meeting_____

(W) 12 **Module 6: Design and Development**
Team Meeting_____

(F) 14 **Due - Module 6: Design and Development**
Team Meeting_____

WEEK 9

(M) 17 – (F) 21 Spring Break

WEEK 10

**(M) 24 Module 7: Introduction - Construction Phase
Team Meeting_____**

**(W) 26 Module 7: Construction Phase
Team Meeting_____**

**(F) 28 Due: Module 7: Construction Phase
Team Meeting_____**

WEEK 11

**(M) 31 Module 8: Introduction - Marketing Plan
Team Meeting_____**

April

**(W) 2 Module 8: Marketing Plan
Team Meeting_____**

**(F) 4 Due - Module 8: Marketing Plan
Team Meeting**

WEEK 12

(M) 7 Module 9 Introduction - Finance Module

(W) 9 Module 9 Finance Module

(F) 11 Due - Module 9 Finance Module

WEEK 13

**(M) 14 Team Presentation
Team 1
Team 2**

**(W) 16 Team Presentation
Team 3
Team 4**

(F) 18 Team 5
 Team 6

WEEK 14

(M) 21 Team Presentation
 Team 7
 Team 8

(W) 23 Team Presentation
 Team 9
 Team 10

(F) 25 Team Presentation
 Team 11
 Team 12

WEEK 15
(M) 28 Team Presentation
 Team 13
 Team 14

(W) 30 Team Presentation
 Team 15
 Team 16

MAY

(F) 2 Team Presentation
 Team 17
 Team 18

WEEK 16

(M) 5 Team Presentation
 Team 19
 Team 20

Final Exam Schedule

Tuesday, May 7 – 12:30 p.m. – 2:30 p.m.

All changes to this schedule will be announced in class. This course may be supplemented throughout the semester with Speakers representing a module of this hospitality project. As a

result, speakers will be scheduled according to their professional schedule and availability. In addition, the student is held responsible for the due date of each of the assigned modules. Therefore, changes in this schedule may occur throughout the semester and it is the student's responsibility to adjust to these changes in this schedule.

All assignments are due at the end of the assigned day. Each assignment will be deducted 5 points for each day it is late.

The final project is due on the date of the FINAL EXAMINATION.

Class Participation

Your input and knowledge is vital to the success of your team's efforts to the accomplishment of the final project. Discussion on the various business modules will play a vital role in making this class a success. All of you have professional opinions and bring to this class unique personal experiences. You will be held accountable by your team for your own attendance.

Peer evaluation is 10% of your final grade. Each team has the power to remove a member from their team because of valid, documented reasons. Such reasons may include, but are not limited to class absences, lack of professional behavior, or lack of completing assigned work in a timely and/or comprehensive manner.

Removal of a team member must be done following these procedures:

1. Notify the instructor to your desire to remove a member of the team
2. Schedule a team meeting with the instructor to discuss this situation
3. Notify the team member in writing as to the reason for their removal (have written documentation).
4. Remove the student member from the team.

**HRIM 470 Hospitality Business Model
Semester Calendar**

WEEK 1	Course Introduction, Project Description, Expectations, Team Formation Team Formations, Concept Development, Visualization & Mission Statement Module
WEEK 2	Concept & Visualization & Mission Statement Due – Module 1 Concept & Visualization & Mission Statement
WEEK 3	5 minute Class Presentation of Concept & Visualization & Mission Statement Due – Module 1 Concept & Visualization & Mission Statement Module 2 Presentation - Market Feasibility, Site Selection, Industry Analysis
WEEK 4	Due - Module 2 Presentation - Market Feasibility, Site Selection, Industry Analysis
WEEK 5	Due - Module 3 Business Structure, Management, Organization & Operations & Communications
WEEK 6	Due - Module 4: The Five-Year Plan
WEEK 7	Due - Module 5: Products & Related Services
WEEK 8	Due – Module 6 Design, Development and Planning
WEEK 9	Spring Break
WEEK 10	Due - Module 7 The Construction Phase: Building the Concept
WEEK 11	Due - Module 8 The Marketing Plan
WEEK 12	Due - Module 9 Financial Plan
WEEK 13	Team Presentations
WEEK 14	Team Presentations

WEEK 15 Team Presentations

WEEK 16 Team Presentations

70 Hospitality Business Model Presentation Rubric- 15% of Final Grade

	<i>Evaluating Individual Student Presentation as Part of Team Project</i>				<i>100</i>
	<i>2</i>	<i>4</i>	<i>8</i>	<i>10</i>	<i>Total</i>
<i>(1) Organization</i>	<i>Audience cannot understand presentation because there is no sequence of information.</i>	<i>Audience has difficulty following presentation because student jumps around.</i>	<i>Student presents information in logical sequence which audience can follow.</i>	<i>Student presents information in logical, interesting sequence which audience can follow.</i>	
<i>(2) Subject Knowledge</i>	<i>Student does not have grasp of information; student cannot answer questions about subject.</i>	<i>Student is uncomfortable with information and is able to answer only rudimentary questions.</i>	<i>Student is at ease with expected answers to all questions, but fails to elaborate.</i>	<i>Student demonstrates full knowledge (more than required) by answering all class questions with explanations and elaboration.</i>	
<i>(3) Graphics</i>	<i>Student uses superfluous graphics or no graphics</i>	<i>Student occasionally uses graphics that rarely support modules and presentation.</i>	<i>Student's graphics relate to modules and presentation.</i>	<i>Student's graphics explain and reinforce modules and presentation.</i>	
<i>(4) Mechanics</i>	<i>Student's presentation has four or more spelling errors and/or grammatical errors.</i>	<i>Presentation has three misspellings and/or grammatical errors.</i>	<i>Presentation has no more than two misspellings and/or grammatical errors.</i>	<i>Presentation has no misspellings or grammatical errors.</i>	

(5) Eye Contact	<i>Student reads all of report with no eye contact.</i>	<i>Student occasionally uses eye contact, but still reads most of presentation</i>	<i>Student maintains eye contact most of the time but frequently returns to reading text</i>	<i>Student maintains eye contact with audience, seldom returning to reading text</i>	
(6) Elocution	<i>Student mumbles, incorrectly pronounces terms, and speaks too quietly for students in the back of class to hear.</i>	<i>Student's voice is low. Student incorrectly pronounces terms. Audience members have difficulty hearing presentation.</i>	<i>Student's voice is clear. Student pronounces most words correctly. Most audience members can hear presentation.</i>	<i>Student uses a strong & clear voice and correct, precise pronunciation of terms so that all audience members can hear presentation</i>	
(7) Professional Dress	<i>Student dressed in street clothes, not ironed, not clean</i>	<i>Student dressed in street clothes , ironed and cleaned</i>	<i>Male - sport jacket and/or tie only, Female skirt & blouse</i>	<i>Male - sport jacket, shirt & tie; Female blazer, skirt, blouse or company -specific uniform</i>	
(8) Presented on Scheduled Day	<i>Presentation was not given</i>	<i>Presentation was delivered two or more days late.</i>	<i>Presentation was delivered one day late</i>	<i>Presentation given according to class schedule</i>	
(9) Presentation Delivered in Allocated Time	<i>Presentation was delivered in 8 minutes or less</i>	<i>Presentation was delivered in 9 - 12 minutes</i>	<i>Presentation was delivered in 13 - 16 minutes</i>	<i>Presentation delivered in full use of time - 20 minutes</i>	
(10) Packet Submission	<i>Three or more items are missing. These are:</i> <i>1)</i> <i>2)</i> <i>3)</i>	<i>Two items are missing. These are:</i> <i>1)</i> <i>2)</i>	<i>One piece of information is missing. This is</i>	<i>All information submitted per instructions:</i> <i>dedicated disk, hardcopy of presentation slides, in binder, day of presentation</i>	

HRIM 470 Hospitality Business Model Paper
Written Format & Evaluation
175 points - 25% of the overall grade

NAME _____

	Score	Paper
Title Page (Names, Title of Hospitality Project, Date, Course	5	
Executive Summary	10	
Concept Development and Visualization	10	
Market Feasibility/Site Analysis/Industry Analysis	10	
Financial Feasibility	10	
Proposed Business Structure	10	
Five-Year Plan	10	
Menu Development	10	
Design, Development and Planning	10	
The Construction Phase: Building the Concept	10	
Marketing Plan	10	
Summary, Conclusions, and Recommendations	10	
Presented Professionally in a Three-ring Binder	10	
Appendix	50	
Total Score	175	

Comments

[Type text]

HRIM 470 Hospitality Business Modules
Evaluation of each Module
300 points - 50% of the overall grade

NAME _____

	Score	Paper
Title Page (Names, Title of Hospitality Project, Date, Course	5	
Executive Summary	30	
Concept Development and Visualization	30	
Market Feasibility/Site Analysis/Industry Analysis	25	
Financial Feasibility	50	
Proposed Business Structure	30	
Five-Year Plan	20	
Menu Development	25	
Design, Development and Planning	20	
The Construction Phase: Building the Concept	15	
Marketing Plan	25	
Summary, Conclusions, and Recommendations	25	
Total Score	300	

Comments

[Type text]

Department of Hospitality Management

HRIM 470 Hospitality Business Model

Module: Project Checklist for the Written Format

See -- www.score.org

Title Page

Student Names & Position

Title of Hospitality Project (Business Name)

Date

Table of Contents

List module and page number

Executive Summary

- **Write it for top executives**
- **Limit the pages to between two and four**
- **Use short sentences and paragraphs. Avoid using words that are unlikely to be understood**
- **Include individual student summary and integrated team summary**

Non-Disclosure and Confidentiality Agreement Statement

Concept Development, Visualization & Company Description

- **Concept**
- **Theme**
- **Value(s)**
- **Value Statement**
- **Vision Statement**
- **Mission Statement**
- **Company Name**
- **Company Philosophy**
- **Legal Form of the Business**
- **Management Key Members**

[Type text]

Market Feasibility: Site Analysis/Industry Analysis/Target Market/Competitive Analysis/Economic Patterns

Site Selection

- The geographic description will identify the type of area your business is located.

Target Market

- Demographic profile for each targeted customer group
- Psychographic factors
- Cultural values
- Personality
- Motivation
- Preferences for activities
- Lifestyle
- Attitudes
- Perceptions, interests, opinions, and values.
- VALS (values, attitudes and lifestyles).

Buying Factors & Sensitivity

Competition Analysis

- Competitive advantages: internal research strengths & weaknesses, & opportunities and threats. (S.W.O.T).

Economic Patterns and Characteristics

Business Structure, Management & Organization

- Form of ownership
- Key Employees/Principals
- Job Analysis
- Proposed Business Structure
- Compensation & Incentives
- Board of Directors & Advisory Committee
- Bibliography: Who are YOU?
- Consultants, Professionals, and other Specialists
- Key Management to be Added
- Management Structure & Organization Chart
- Management Structure & Style
- Uniform Design & Description

[Type text]

Five-Year Strategic Plan

- **Development of operation business goals for year 1 - 5**
- **Development of operation business strategies & implementation Year 1 - 5**
- **Horizon and analysis**
- **Long-term development and exit plan**

Products & Related Services

- **Description of the Products**
- **Menu item product mix**
- **Pricing strategies**
- **Equipment requirements – list of equipment**
- **Specifications**
 - ✓ **Food specifications – five completed specs (internal & external specs)**
 - ✓ **Equipment specifications – five complete specs**
- **Hazard Analysis Critical Control Plan (HACCP)**
 - ✓ **Five HACCP Plans for potentially hazardous food**
- **Menu design and copy layout**
 - ✓ **Sample**

Financial Feasibility

- **Pro Forma balance sheet**
- **Pro Forma income statement**
- **Pro Forma supporting schedules**
- **Capital expenditures**
- **Explanation & justification how this project delivers value to owners**
- **Cash Flow Plan**

Module: Design, Development and Planning

- **Physical plant considerations**
- **Interior space design considerations - facility layout**

[Type text]

- External facilities design characteristics - prototype sample
- Management of the physical facility
- Life Safety Issues
- Critical Path Plan

Module: The Construction Phase: Building the Concept

- Operational layout and design of the concept. Food production areas are to diagram the layout and provide a listing and key of the equipment and its placement.
- Material and equipment specification
- Code adherence
- Bid procedure and strategies
- Construction sequence

Module: The Marketing Plan

- Consideration of Price, Product, Place, and Promotion
- Presentation of Table Top and accessories

Module: Business Plan Review

- Review of the development process
- Evaluation of the complexity of process

HRIM 470 Hospitality Business Model Formal Presentation Outline Suggestion

Professional Dress: Must reflect concept

Presentation Outline

A. Introduction

“Who are you?” You will briefly introduce yourself and tell the class of your qualifications, accomplishments, work history, awards, memberships, academic accomplishments.

B. Concept Development and Visualization

1. Concept development

What is the concept?

How has it evolved over time?

Theme

How does the theme reinforce the concept?

2. Core Values, Vision & Mission statement

What are your core values?

What is your vision statement?

What is your mission statement?

3. General Company Description

4. Legal Form of the Business – proprietorship, LLC, Partnership, Corporation

C. Market Feasibility/Site Analysis/Industry Analysis

1. Site Selection

2. Demographic characteristics

3. Competition analysis (S.W.O.T)

4. Economic patterns and characteristics

5. Psychographic segmentation

6. Industry analysis

7. The target market

D. Financial Feasibility

1. Pro Forma balance sheet

2. Pro Forma income statement

3. Pro Forma supporting schedules

4. Capital expenditures

[Type text]

5. Cash Flow Plan

6. Explanation & justification how this project delivers value to owners

E. Proposed Business Structure

- 1. A management plan**
- 2. Recruitment and human resource management assessment**
- 3. Job analysis - job descriptions and specifications**
- 4. Communication system and technology adoption**
- 5. Uniform design and description**

F. A Five-Year Plan

- 1. Development of operation business strategies**
- 2. Horizon and analysis**
- 3. Long-term development and exit plan**

G. Menu Development

- 1. Menu item product mix**
- 2. Pricing strategies**
- 3. Specifications**
- 4. Equipment requirements and specifications**
- 5. Hazard Analysis Critical Control Plan (HACCP)**
- 6. Menu design and copy layout**

H. Design, Development and Planning

- 1. Physical plant considerations**
- 2. Interior space design considerations - facility layout, including food production equipment key**
- 3. External facilities design characteristics - prototype sample**
- 4. Management of the physical facility**
- 5. Life Safety Issues**
- 6. Critical Path Planning**

I. The Construction Phase: Building the Concept

- 1. Operational layout and design drafting**
- 2. Material and equipment specification**
- 3. Code adherence**
- 4. Bid procedure and strategies**
- 5. Construction sequence**

J. Marketing Plan

- 1. Consideration of Price, Product, Place, and Promotion**
- 2. Presentation of Table Top and accessories**

K. Questions & Answers

**Department of Hospitality Management
HRIM 470 Hospitality Business Model**

[Type text]

Appendix

The appendix is the place for supporting documents and information. The items in the appendix should only confirm, reinforce or elaborate on the major ideas and facts already stated in the main plan. Many outsiders do not read the appendix, so include all essential items in the plan itself. If the appendix seems too long, put it in a separate binder.

Appendix Items

- ❖ Menus
- ❖ Resumes and financial statements of key people
- ❖ Lease and other location information (pictures)
- ❖ Marketing Information (logo, dummy ads, packaging)
- ❖ Supporting media information (newspaper articles)
- ❖ Budgets & schedules & analysis (equipment lists, project charts, flow chart)
- ❖ Contracts & trademarks
- ❖ Bank loans, financial statements
- ❖ Market research studies
- ❖ Brochures and advertising materials
- ❖ Industry studies
- ❖ Blueprints and plans
- ❖ Maps and photos of location
- ❖ Magazine or other articles
- ❖ Detailed lists of equipment owned or to be purchased
- ❖ Copies of leases
- ❖ Letters of support from future customers
- ❖ Any other materials needed to support the assumptions in this plan
- ❖ List of assets available as collateral for a loan
- ❖ All previous notes and work pertaining to this project

Refining the Plan

The generic hospitality business plan presented above should be modified to suit your specific type of business and the audience for which the plan is written.

For Raising Capital

For Bankers

- ❖ Bankers want assurance of orderly repayment. If you intend using this plan to present to lenders, include:
- ❖ Amount of loan
- ❖ How the funds will be used
- ❖ What this will accomplish—how will it make the business stronger?
- ❖ Requested repayment terms (number of years to repay). You will probably not have much negotiating room on interest rate but may be able to negotiate a longer repayment term, which will help cash flow.
- ❖ Collateral offered, and a list of all existing liens against collateral

For Investors

- ❖ Investors have a different perspective. They are looking for dramatic growth, and they expect to share in the rewards:
- ❖ Funds needed short-term
- ❖ Funds needed in two to five years
- ❖ How the company will use the funds, and what this will accomplish for growth.
- ❖ Estimated return on investment
- ❖ Exit strategy for investors (buyback, sale, or IPO)
- ❖ Percent of ownership that you will give up to investors
- ❖ Milestones or conditions that you will accept
- ❖ Financial reporting to be provided
- ❖ Involvement of investors on the board or in management

For Type of Business

Manufacturing

Planned production levels

Anticipated levels of direct production costs and indirect (overhead) costs—how do these compare to industry averages (if available)?

Prices per product line

Gross profit margin, overall and for each product line

Production/capacity limits of planned physical plant

Production/capacity limits of equipment

Purchasing and inventory management procedures

New products under development or anticipated to come online after startup

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