
**LEVEL 6 PRO-GRADUATE
DIPLOMA IN
HOSPITALITY AND
EVENT MANAGEMENT
(OFQUAL - 600/7759/1)**

**QUALIFICATION
SPECIFICATION**

MARCH 2017

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INTRODUCTION

The purpose of this document is to explain the aims, structure, and content of the Level 6 Pro-Graduate Diploma in Hospitality and Event Management.

This document includes the learning outcomes, assessment criteria and indicative content for each unit. In this document, there is guidance relating to learning, teaching and assessment strategies for these qualifications and an explanation of the assessment quality assurance processes.

Aims of the qualification

The aims are to provide a qualification that:

- provides for an effective academic progression route;
- enables students to gain credit towards higher education;
- enables students to develop higher level academic skills that can be applied in a vocational context.

Entry requirements

The entry requirements below are intended for guidance only as applicants may apply with a wide variety of backgrounds and qualifications.

CTH accredited centres will assess all applicants to ensure they are able to meet the demands of the course.

Applicant profile	Recommended entry requirements
CTH students and Associate Members Applicants from other regulated awarding organisations Hospitality/Tourism/Business Management graduates with a Bachelors degree from UK institution	<ul style="list-style-type: none"> • CTH or other regulated vocational qualification at a level appropriate for the level of the qualification applied for (ie Level 4 or 5) or <ul style="list-style-type: none"> • Minimum of a Foundation degree in hospitality, tourism or business management from a UK-registered university or equivalent and <ul style="list-style-type: none"> • Minimum IELTS 5.5 or other evidence of competence in English at this level

<p>Hospitality/Tourism/Business Management graduates with a Foundation degree or equivalent from a non-UK educational institution</p>	<ul style="list-style-type: none"> • Evidence of equivalence of qualification to a UK hospitality and/or tourism and/or business management Foundation degree or equivalent (ie Level 4 or 5). Equivalence to be evaluated through NARIC <p style="text-align: center;">and</p> <ul style="list-style-type: none"> • Minimum IELTS 5.5 or other evidence of competence in English at this level
<p>Graduates from non-related fields or non-graduates with substantial hospitality and/or tourism work experience</p>	<ul style="list-style-type: none"> • Evidence of at least four years' work experience in the hospitality and/or tourism industry at a recognised management level or above <p style="text-align: center;">and</p> <ul style="list-style-type: none"> • Minimum IELTS 5.5 or other evidence of competence in English at this level

Qualification structure (rules of combination)

This vocational qualification is approved by Ofqual and is included on the Register of Regulated Qualifications.

The qualification is at Level 6 and designed to be 140 credits. The qualification conforms to the relevant level descriptors as developed by Ofqual. One credit represents ten hours of study at any specified level, therefore, this Diploma normally requires programmes of study that have been designed to include a minimum of 530 learning hours. This figure includes but is not limited to formal classes, self-study, revision and assessment. However, students completing this qualification should also be able to demonstrate their ability as independent students.

The credit values and unit structures for the qualification are set out in the following table.

The qualification structure is below, please note all units are mandatory.

CTH Level 6 Pro-Graduate Diploma in Hospitality and Event Management - 600/7759/1						
Candidates must achieve:						
<ul style="list-style-type: none"> all 5 Mandatory units, providing 140 credits 						
Min credit (Mandatory units): 140			Max credit (Mandatory units): 140			
Min GLH for qualification: 530			Max GLH for qualification: 530			
Mandatory units						
Unit no.	Unit title	L	CV	GLH	Ofqual no.	Assessment method
HRMTHI	Human resource management in the tourism and hospitality industry	5	25	100	T/504/4421	Assignment
BSHT	Business Strategy for Hospitality and Tourism	6	30	120	T/503/6111	Assignment
MEHT	Managing Events for Hospitality and Tourism	6	30	120	A/503/6112	Assignment
MHTP	Managing Hospitality and Tourism Projects	7	30	90	J/504/4956	Assignment
FAOMTHI	Financial analysis for operational management in the tourism and hospitality industry	5	25	100	R/504/4488	Examination
Total			140	530		

The level 6 qualification provides progression to a level 7 CTH vocational qualification.

Further details of articulation agreements with Universities can be obtained via the CTH website at: <http://www.cthawards.com>

ASSESSMENT

Given the broad and highly varied nature of the tourism and hospitality business, assessment of knowledge purely by examination is not generally felt to be an appropriate assessment method. Students need to demonstrate their higher-level skills and qualities specified in the learning outcomes within a heterogeneous vocational context where investigative assignments and presentations are more appropriate.

Assessment of students' work will be carried out by a range of methods including assignment or essay examination. Students' work will be measured against the specified learning outcomes and assessment criteria of each unit. Mark schemes are provided for each unit and grading criteria are set out below to assist assessors in allocating marks.

See Appendix A for specimen assessment materials.

Grading criteria

Individual units can be graded either as fail, pass, merit or distinction. However, the qualification is not subject to grading. The qualification is either achieved or not achieved.

In terms of certification, this means that students will receive a transcript of their results showing the grades for each unit successfully completed, plus the Diploma that recognises their level of achievement. Note that the Diploma does not allocate a grade.

The following tables explain the generic grading criteria that should be used by centres in conjunction with the unit mark sheets to assess all students' work.

CTH GRADING CRITERIA Level 5

Level 5	Students who fail:	To achieve a pass, students must:	To achieve a merit grade (60% to 79%) students must:	To achieve a distinction grade (80%+) students must:
	<ul style="list-style-type: none"> have major weaknesses or have not fulfilled the CTH academic regulations 	<ul style="list-style-type: none"> meet the requirements of the assessment criteria and learning outcomes 	<ul style="list-style-type: none"> meet the requirements of the assessment criteria and learning outcomes analyse information, theories and concepts critically apply theories, concepts and principles beyond the context in which they were first learned use a wide range of academic research sources demonstrate evidence of critical evaluation of the suitability of approaches, techniques and models in the area of study reach balanced conclusions with regard to conflicting theories and arguments use investigative techniques to solve problems use research sources and/or theories to make sound and justified judgements and recommendations recognise how the limits of their knowledge influences the field of study present work that is clear, coherently structured and professionally presented in conformity with agreed conventions, including Harvard Style 	<ul style="list-style-type: none"> meet the requirements of the assessment criteria and learning outcomes present a cogent rationale for recommending developments to theories and principles underpinning the area of study make reasoned and evidence-based generalisations and deductions from interpretations of data apply theories, concepts and principles beyond the context in which they were first learned use a wide range of academic sources of research to identify patterns and trends and substantiate findings and recommendations adapt problem solving techniques from another context or in an innovative way present work that is fluently expressed, professionally presented to a range of audiences in a way that conforms with agreed conventions, including Harvard Style academic referencing

CTH GRADING CRITERIA Level 6

Level 6	Students who fail:	To achieve a pass, students must:	To achieve a merit grade (60% to 79%) students must:	To achieve a distinction grade (80%+) students must:
	<ul style="list-style-type: none"> • have major weaknesses or have not fulfilled the CTH academic regulations 	<ul style="list-style-type: none"> • meet the requirements of the assessment criteria and learning outcomes 	<ul style="list-style-type: none"> • meet the requirements of the assessment criteria and learning outcomes • demonstrate evidence of critical analysis to evaluate principles and concepts in the area of study • evaluate complex information and resolves conflicting information and situations • apply theories, principles and concepts to the area of study to provide insight into complex or conflicting information or situations • develop coherent and credible arguments justified from a wide range of academic research. • question assumptions, inconsistencies and areas of doubt within the field of study. • use tried and tested approaches to problem solving to create practicable solutions • use a wide range of academic research sources and theories to justify recommendations • present work that is articulate and professionally presented in conformity with agreed conventions, including Harvard Style Academic Referencing 	<ul style="list-style-type: none"> • meet the requirements of the assessment criteria and learning outcomes • apply theories, principles and concepts beyond the area of study to create innovation insights into complex or conflicting information or situations • evaluate the implications of actions, methods and results and their consequences • make rational and substantiated judgements in complex and unpredictable contexts within the field of study • use a wide range of academic research sources and theories to justify recommendations • reconcile uncertainties and ambiguities in the area of study • adapt and synthesise different approaches to problem solving to create innovative insights and solutions • present work that is persuasively argued and professionally presented in conformity with agreed conventions, including Harvard Style Academic Referencing

CTH GRADING CRITERIA Level 7

Level 7	Students who fail:	To achieve a pass, students must:	To achieve a merit grade (60% to 79%) students must:	To achieve a distinction grade (80%+) students must:
	<ul style="list-style-type: none"> • have major weaknesses or have not fulfilled the CTH academic regulations 	<ul style="list-style-type: none"> • meet the requirements of the assessment criteria and learning outcomes 	<ul style="list-style-type: none"> • meet the requirements of the assessment criteria and learning outcomes • exhibit good critical analysis and evaluation • exhibit good understanding of current research, knowledge and issues in the area of study • demonstrate significant originality with very clear ideas • apply theories, principles and concepts beyond the area of study to create insights into complex or conflicting information or situations • show a high level of coherence and logic in drawing conclusions • make substantiated judgements and recommendations in a complex field of study • apply a comprehensive understanding and application of research techniques • make well formulated and fully justified conclusions 	<ul style="list-style-type: none"> • meet the requirements of the assessment criteria and learning outcomes • exhibit high level of critical analysis and evaluation • apply a broad and deep understanding of current research, knowledge and issues in the area of study • exhibit highly original thinking • apply theories, principles and concepts beyond the area of study to create original insights into complex or conflicting information or situations • demonstrate exceptional clarity of complex ideas with excellent coherence and logic in drawing conclusions • make substantiated judgements and recommendations in a complex field of study • apply critical understanding and application of research techniques • make very clearly formulated and fully justified conclusions that are clearly communicated

UNITS OF ASSESSMENT

Title	Human Resource Management in the Tourism and Hospitality Industry	
Unit purpose and aim(s)	This unit covers understanding the principles of human resource (HR) management in the tourism and hospitality industry; leading teams and developing human resources policies	
Ofqual ref	T/504/4421	
Unit Code	HRMTHI	
Level	5	
Credit value	25	
GLH	100	
Learning outcomes	Assessment criteria	Indicative content
When awarded credit for this unit, a student will:	Assessment of this learning outcome will require a student to demonstrate that they can:	
1 Understand the principles underpinning human resource (HR) management in the tourism and hospitality industry	1.1 Analyse the functions of people management and distinguish between leaders and managers 1.2 Identify the respective roles and responsibilities of line managers and the HR function 1.3 Define the personal qualities and managerial skills that are capable of influencing staff behaviour positively 1.4 Explain the links between staff motivation and business performance 1.5 Evaluate the costs and benefits of staff training and development 1.6 Ensure that operational policies and practices are aligned with strategic HR policies	<ul style="list-style-type: none"> • Objective setting and goal achievements • Characteristics of and distinctions between successful leaders and managers • Leadership theories inc. Adair, Blanchard, McClelland, Blake and Mouton • Motivation theory, McGregor, Vroom • Characteristics of successful teams • Belbin • Competences and competencies, interpersonal skills • Employment law, ethical behaviour, equality and diversity • Training and development • Employee welfare • Ensure that operational policies and practices are aligned with strategic HR policies
2 Lead teams in the tourism and hospitality industry	2.1 Communicate expectations and requirements unequivocally 2.2 Lead by example, exhibiting organisational standards of presentation, behaviour and performance 2.3 Arrange for suitable training that meets identified development needs to maximise business benefit 2.4 Deal promptly with problems and underperformance, giving objective and constructive feedback 2.5 Identify and manage conflict sensitively but firmly	<ul style="list-style-type: none"> • Organisational expectations (performance, standards and values) • Conflict resolution techniques • Time management • Managing underperformance • The “learning organisation” • Delegation • Learning theories

<p>3 Develop human resources policies in the tourism and hospitality industry</p>	<p>3.1 Develop HR strategy and systems to implement policies that are consistent with operational priorities, objectives and values 3.2 Manage HR processes in accordance with organisational policy 3.3 Deploy human resources in order to optimise business performance, individual staff satisfaction and retention 3.4 Evaluate the effectiveness of HR policies and processes and recommend improvements</p>	<ul style="list-style-type: none"> • Designing policies (eg criteria for choice of recruitment & selection method, release methods, operation of discipline and grievance procedures, succession planning) • Objective setting, managing appraisals, release (processes, timetable, standards) • Retention: impact, incentives, management of turnover
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Title		Business Strategy for Hospitality and Tourism	
Unit purpose and aim(s)	<p>BSHT This unit aims to introduce students to the development of strategy for a Hospitality or Tourism Organisation that creates competitive advantage and long term sustainable growth for the business.</p> <p>Students will be able to identify and critically evaluate the issues facing a Hospitality or Tourism Organisation when implementing a strategic plan and apply a range of methods and tools to assist with strategic implementation.</p>		
Ofqual ref	T/503/6111		
CTH ref	BSHT		
Level	6		
Credit value	30		
GLH	120		
Learning outcomes	Assessment criteria	Indicative content	
When awarded credit for this unit, a student will:	Assessment of this learning outcome will require a student to demonstrate that they can:		
1. Analyse the impact of the business environment on the success of an organisation	<p>1.1 Critically analyse the internal business environment for a Hospitality and Tourism Organisation</p> <p>1.2 Critically analyse the external business environment for a Hospitality and Tourism Organisation</p>	<ul style="list-style-type: none"> • Internal environmental analysis for Hospitality and Tourism Organisations • Models for assessment of internal business environment • Buyers, suppliers, intermediaries, competitors • Financial institutions • SWOT analysis • External environmental analysis • Models for external business analysis (industry life cycle, PESTLE, SWOT, Porter's five forces, Pressure Groups) • Critical Success Factors (CSFs)/Strategic Industry Factor's (SIFs) 	
2. Develop a strategic plan for a Hospitality and Tourism Organisation	<p>2.1 Critically evaluate options for strategic growth for a Hospitality and Tourism Organisation</p> <p>2.2 Identify and critically evaluate the strategic options for gaining competitive advantage</p> <p>2.3 Make justified recommendations as to the strategic direction for a Hospitality and Tourism Organisation</p> <p>2.4 Prepare an outline strategic plan based on a critical analysis of the strategic environment and strategic options facing a Hospitality and Tourism Organisation</p>	<ul style="list-style-type: none"> • Growth strategies - Ansoff Matrix, BCG Matrix • Competitive strategies – Porter's Generic Strategies • Strategic planning 	

<p>3. Develop a strategic implementation plan</p>	<p>3.1 Assess the role of integrated operational plans in implementing business strategy</p> <p>3.2 Evaluate the factors that may affect the implementation of a Hospitality or Tourism Organisations strategy</p> <p>3.3 Develop a communications plan to assist the implementation of strategy</p> <p>3.4 Assess the use of targets and budgets as a form of control when implementing strategic plans</p>	<ul style="list-style-type: none"> • Strategy and Strategic Management definitions, concepts and perspectives • The scope and process of Strategic Management • Vision, Mission, SMART objectives • Corporate, Functional and operational objectives, finance, HR, marketing, production • Product and service development strategy and process • Strategic planning methods: top down and bottom up planning • Strategic fit and resources analysis • Implementation – action and communication plans • Barriers to implementation • Culture • Stakeholders internal and external • Control – targets and budgets
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Title	Managing Events for Hospitality and Tourism	
Unit purpose and aim(s)	<p>MEHT Students will develop an understanding of the event industry and the unique aspects of managing events.</p> <p>Students will develop the ability to apply operational and service quality management techniques to event management and make improvements to the event management process that will enhance the customer experience.</p>	
Ofqual ref	A/503/6112	
CTH ref	MEHT	
Level	6	
Credit value	30	
GLH	120	
Learning outcomes	Assessment criteria	Indicative content
When awarded credit for this unit, a student will:	Assessment of this learning outcome will require a student to demonstrate that they can:	
1. Critically evaluate the issues involved in managing events for Hospitality and Tourism	<p>1.1 Appraise the size, nature and structure of the event industry</p> <p>1.2 Analyse the complexities of event management</p>	<ul style="list-style-type: none"> • Event typologies • Organisational/business • Cultural • Leisure, sporting events personal • Business tourism, • Conference sector • International and domestic case studies • Explicit and implicit service • Environmental scanning • Distinctive features of service operations • Risk • Legal and regulatory issues • Ethical and social issues • Reputation
2. Develop plans for managing events for the Hospitality and Tourism industry	<p>2.1 Critically evaluate event management processes</p> <p>2.2 Critically analyse the integration of operations management theory within the context of event management</p> <p>2.3 Critically analyse the integration of service quality theory and application within events management</p>	<ul style="list-style-type: none"> • The event management process: pre, real-time and post-event management • Operations management, including environmental and health & safety issues • Service quality dimensions: reliability, responsiveness, assurance, empathy and tangibles • Risk Management

Title	Managing Hospitality and Tourism Projects	
Unit purpose and aim(s)	This unit covers critically evaluating the theories, concepts and tools relating to project management and decision making as well as defining a specific project for a hospitality and tourism organisation.	
Ofqual ref	J/504/4956	
CTH ref	MHTP	
Level	7	
Credit value	30	
GLH	90	
Learning outcomes	Assessment criteria	Indicative content
When awarded credit for this unit, a student will:	Assessment of this learning outcome will require a student to demonstrate that they can:	
1 Critically evaluate the theories, concepts and tools relating to project management and decision making for a hospitality or tourism organisation.	<p>1.1 Assess a range of tools for use in managing a hospitality or tourism project.</p> <p>1.2 Critically evaluate the concepts of project management and decision making within a hospitality or tourism context.</p>	<ul style="list-style-type: none"> • Cost-benefit analysis • Gantt Charts • Project Management software • Project Management Theories • Total Quality Management • Information Management • Management by objectives
2 Define a specific project for a hospitality and tourism organisation.	<p>2.1 Compare and contrast the challenges posed by different types of hospitality or tourism projects.</p> <p>2.2 Use research techniques to identify different project options for hospitality or tourism organisations.</p> <p>2.3 Define and justify a hospitality or tourism project.</p> <p>2.4 Evaluate different approaches to managing the project within a hospitality or tourism context.</p> <p>2.5 Recommend and justify a project management approach.</p>	<ul style="list-style-type: none"> • Change Management • Research • Forecasting Methods • Quality Improvement • Marketing • Product Development • Human Resource • Capital

<p>3 Develop a project plan.</p>	<p>3.1 Formulate quantifiable and justifiable project aims and objectives.</p> <p>3.2 Evaluate the resource and organisational issues and specify requirements associated with the project.</p> <p>3.3 Identify the impact of not implementing a project for a hospitality or tourism organisation.</p> <p>3.4 Formulate a project plan for a hospitality or tourism organisation.</p> <p>3.5 Evaluate the risks to a project plan for a hospitality or tourism organisation.</p> <p>3.6 Develop quantifiable measures to minimise and control risk during the implementation of a project.</p> <p>3.7 Evaluate project performance.</p>	<ul style="list-style-type: none"> • Forecasting Methods • Cost v Benefit analysis • Resource and Scheduling • Feedback • Effectiveness of control measures • Information and Communications • Technology and Decision making
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Title	Financial analysis for operational management in the tourism and hospitality industry	
Unit purpose and aim(s)	This unit covers interpreting statutory and non-statutory financial statements in the hospitality industry; identifying business performance strengths and weaknesses from an analysis of financial ratios; analysis organisational cash flows, budgets and balance sheets and understanding the principles of the appraisal of capital investment and business processes	
Ofqual ref	R/504/4488	
CTH ref	FAOMTHI	
Level	5	
Credit value	25	
GLH	100	
Learning outcomes	Assessment criteria	Indicative content
When awarded credit for this unit, a learner will:	Assessment of this learning outcome will require a learner to demonstrate that they can:	
1 Interpret statutory and non-statutory financial statements in the hospitality industry	1.1 Identify trends in financial performance 1.2 Benchmark business performance against competitors and industry norms 1.3 Summarise critical financial information from financial statements 1.4 Identify business financial strengths and weaknesses 1.5 Assess the role of the Financial Services Authority (FSA) and auditors	<ul style="list-style-type: none"> • Accounting standards • Credit decisions/control • Balance of working capital and liquidity implications • Usefulness of audit reports • “Going concerns” • “Notes to account” • Director’s Report • Roles of key organisations in financial sector • Role of auditor
2 Identify business performance strengths and weaknesses from an analysis of financial ratios in the tourism and hospitality industry	2.1 Explain the range of ratio analyses relevant to different management applications 2.2 Calculate performance measures using a range of ratio analyses 2.3 Analyse the usefulness and limitations of ratio analysis in financial decisions 2.4 Explain the implications of problems encountered in the analysis of a return of equity 2.5 Make and justify recommendations with evidence from ratio analysis	<ul style="list-style-type: none"> • Implications of findings of ratio analysis: growth and investment decisions; appraisal and review • Return on equity, return on investment, return on capital employed • Analysis of efficiency, liquidity and long term solvency • Yield management calculations (occupancy, room rates, REVPAR, GOPPAR)

<p>3 Analyse organisational cash flows, budgets and balance sheets in the tourism and hospitality industry</p>	<p>3.1 Evaluate the implications to an organisation of its cash flow</p> <p>3.2 Evaluate the variance of an organisational cash flow forecast against current and historical performance and known projections</p> <p>3.3 Appraise a master, individual and cash budget for an organisation and the likely causes of budget variance</p> <p>3.4 Explain the role of dividends and drawings in preserving owner confidence</p> <p>3.5 Assess the relationship with suppliers, creditors and debtors</p> <p>3.6 Assess the likely impact of capital, revenue, expenditure, fixed and variable costs on a business</p>	<ul style="list-style-type: none"> • Cash flows (calculation, management) • Balance sheets • Budgeting (approaches, techniques, purposes, types) • Variance analysis • Capital, revenue, compensated revenue • Money measurement concepts (inc. accruals and pre-payments) • Profit distributions, dividends, handling charges • Fixed assets (inc. depreciation, effects of purchase and disposal on profitability, sources of intangible fixed assets, recording) • Impact of price and cost changes • Role of capacity and margin of safety
<p>4 Understand the principles of the appraisal of capital investment and business processes in the tourism and hospitality industry</p>	<p>4.1 Assess the role of capital in a business and capital investment evaluation</p> <p>4.2 Evaluate a capital investment project using a range of methods</p> <p>4.3 Justify capital investment recommendations in terms of their likely contribution to strategic objectives</p> <p>4.4 Evaluate the effectiveness of business processes in terms of their likely contribution to strategic objectives</p> <p>4.5 Prepare forecasts from analyses of financial and performance data</p>	<ul style="list-style-type: none"> • Capital investment, cost of capital and business objectives • Appraisal methods: net present value, lifetime cash surplus, accounting rate of return, internal rate of return, payback, discounted cash flow • Gearing ratios appropriate to a business • Assumptions and factors affecting capital investments • Business process analytical methods (business process analysis, structured analysis, Heptalysis, MOST, Six Sigma etc) • Forecasting techniques

APPENDIX A – SPECIMEN ASSESSMENT MATERIALS

1. Mock examination
2. Sample assignment

**Financial analysis for operational management
in the tourism and hospitality industry
(R/504/4488)**

Unit Title	Assessment methodology
Examination	100%

FAOMTHI

Financial analysis for operational management in the tourism and hospitality industry (Level 5)

Mock 2014 examination

Date: Day 2

Time: 09.30 to 12:30

Instructions

- **Three hours** are allowed for this paper
- Do not begin writing until instructed to by the invigilator
- Read these instructions carefully before answering any questions
- Make sure that your **name, date of birth, CTH membership number** and **centre name** are clearly marked on each page of the answer sheet and any other material you hand in.
- You are allowed **10 minutes** to read through this paper before the examination starts.
- **All questions are compulsory**
- **Three hours** are allowed for this paper which carries a total of **100 marks**
- You are advised to spend **45 minutes on each question.**
- You must attempt all questions to gain a pass. The number of marks allocated to each part of a question is given next to the question and you should spend time in accordance with that allocation.
- You may find it helpful to make rough notes in the answer booklet, these notes should be crossed out before handing the booklet in.
- Answer each new question on a new page and leave some blank lines between each question part.
- The answer booklet and the question paper must both be handed in to the invigilator before you leave the examination room.

Compulsory Section A

Answer all questions in this section. This section carries a total of **40** marks.

1. Explain the role and objectives of the Financial Services Authority (FSA) in a country of your choice.
(5 Marks)
2. State the purpose of the statutory audit of financial statements and the primary beneficiaries of an audit report.
(5 Marks)
3. Identify **three** ways accounting ratios are used in analysing the financial performance of organisations. Identify **one** of the key ratios in each of the following categories:
 - Profitability
 - Liquidity(5 Marks)
4. Define how the revenue per available room is calculated. State why this is an important calculation in the hospitality industry.
(5 Marks)
5. Describe the main purposes of budgetary systems. Outline **three** different factors that have to be considered when setting budgets in the tourism and hospitality industry.
(5 Marks)
6. State the features of both revenue expenditure and capital expenditure and explain how each type of spend is accounted for in the main financial reporting documents.
(5 Marks)
7. Explain **three** factors that a company has to consider when determining whether to pay cash dividends to shareholders. Identify the benefits of making dividend payments and the risks of not making them.
(5 Marks)
8. Describe one business analysis method and discuss the circumstances in which it could be used.
(5 Marks)

Section A Total Marks: 40

Section B

Answer any **3** questions in this section. Each question carries a total of **20** marks.

Question 9

9.1 Bags for Travel Ltd is a distributor of luggage to retail stores. The company has been working with a manufacturer to design a cabin bag that meets the requirements of all the low cost airlines. They will commence trading with this new product on 1 April, and will employ one full time salesperson to build up the business, at a cost to the company of £24,000 per annum.

The salesperson will be supported by a part-time driver/administrator at a cost of £12,000 per annum. The marketing department forecasts the following sales for the first 6 months:

Month 1	- 50 units
Month 2	- 125 units
Month 3	- 250 units
Month 4	- 375 units
Month 5	- 450 units
Month 6	- 500 units

The cost of each unit purchased from the manufacturer will be £24. Distribution costs to retail stores will be an average of £3 per unit, incurred in the month of sale. Rental of storage space will cost £250 per month, payable in arrears.

Bags for Travel will sell the cabin bag to retailers for £35 per unit. Invoicing will take place on the last day of each month with payment due within 30 days.

It will be necessary to purchase initial stocks of 2,000 units, payable in month 1, and a van costing £8,000. A further 2,000 units will be purchased in month 5, payable in 30 days. To start the business, the existing management intends to open up a new bank account into which it will deposit £80,000.

- Draw up a month by month forecast of sales and income
- Draw up a month by month forecast of expenses
- Draw up a summary cash flow forecast for the first six months to 30 September

(12 Marks)

9.2 Calculate the impact on all **three** forecasts of a 15% reduction in sales.

(8 Marks)

Question 9 Total Marks: 20

Question 10

10.1 Caterquip Co started trading in 2002 selling equipment to the tourism and hospitality industry. The tables below show the Balance Sheet and Profit and Loss Account details for the last two years.

Statement of financial position (Balance Sheet) as at 31st December

	2012	2011
Fixed Assets		
Property, vehicles & equipment	286,143	129,805
Current Assets		
Stock	327,490	191,039
Trade debtors and other receivables	901,143	323,678
Cash	-	113
Total Current Assets	1,228,633	514,830
Total Assets	1,514,776	644,635
Equity		
Share Capital 50p shares	101,200	101,200
Retained earnings	175,124	83,788
	276,324	184,988
Long Term Liabilities		
10% Debentures	350,000	100,000
Current Liabilities		
Trade creditors and other payables	638,452	359,647
Bank overdraft	250,000	-
	888,452	359,647
Total Equity and Liabilities	1,514,776	644,635

Income statement (Profit & Loss Account) for the year ending 31st December

	2012	2011
Revenue	4,306,533	2,027,310
Cost of Sales	(3,289,702)	(1,503,999)
Gross Profit	1,016,831	523,311
Admin expenses	(817,330)	(379,637)
Operating profit	199,501	143,674
Finance costs	(40,000)	(11,000)
Profit before tax	159,501	132,674
Corporation tax	(68,220)	(43,536)
Profit for the period	91,281	89,138

Conduct a ratio analysis for each financial year to assess the profitability, liquidity, use of resources and financial position of Caterquip Co.

Gross profit %
Operating (net) profit %
Return on Capital Employed %
Earnings per share (pence)
Current ratio
Acid test (Quick) ratio
Inventory holding period (stock days)
Trade receivables period (debtor days)
Trade payables payment period (creditor days)
Gearing

Where applicable you should round your answers to 2 decimal places e.g. for example 18.494 would become 18.49 and 18.495 would become 18.50.

(10 Marks)

10.2 Evaluate the results of your ratio analysis and summarise the current state of financial health of Caterquip Co. Highlight the areas where action is required to reduce any trading risks you have identified.

(10 Marks)

Question 10 Total Marks: 20

Question 11

11.1 The partially completed table below shows the trading results for Greensward Hotel and Country Club for the last twelve months.

	Actual £s	Budget £s	Variance + / (-) £s	Last Year £s	Variance + / (-) £s
Room Revenue	520,000	500,000		470,000	
Room Profit	374,400	357,500		331,350	
Average Room Rate					
Rooms Sold	8,052	7,975		7,645	
Occupancy Rate	73.20%	72.50%		69.50%	
Restaurant Revenue	118,000	120,000		116,000	
Beverage Revenue	36,000	40,000		38,000	
Catering Revenue	210,000	225,000		220,000	
Total Food & Beverages Revenue					
Gift Shop Revenue	10,000	11,000		9,000	
Total Revenues					

a) Calculate the following for Actual, Budget and Last Year:

- total food and beverage revenues
- total revenues
- average room rates

b) Calculate the £'s variances between Actual and Budget and Actual and Last Year against all headings.

(10 Marks)

11.2 Discuss the actual performance of Greensward Hotel and Country Club, including positive and adverse variances against both budget and last year, identifying operating departments that improved or did not improve. Suggest possible reasons for the variances, and outline what actions you would take to improve revenues and profitability next year.

(10 Marks)

Question 11 Total Marks: 20

Human resource management in the tourism and hospitality industry (T/504/4421)

Unit Title	Assessment methodology
Assignment	100%

Unit title	Human resource management in the tourism and hospitality industry
Ofqual no.	T/504/4421
Credit value	25
Level	5
CTH ref.	HRMTHI

This unit is assessed by assignment.

Assignment instructions

Students must base their assignments on their own working practice in their place of work or in an organisation of their choice. They must show their knowledge and understanding of the unit of assessment and any recommended reading.

Assignments must

- include evidence that shows that the student meets all the Learning Outcomes and Assessment Criteria of the unit;
- include a brief introduction to the assignment;
- include an analysis and evaluation of the topic they discuss and facts should be used to support conclusions and recommendations;
- make clear connections between theory and practice;
- provide a demonstration of the practical application of theory in the workplace;
- cite references in accordance with the Harvard System;
- be presented in report format;
- be within 10% of the required word count;
- may include additional information (e.g. working notes and calculations) which should be added as supplementary appendices to the report.

One electronic and one paper copy of the final assignment report should be submitted. This should include a front cover page with the student's and tutor's declaration.

Assignment task - Human resource management in the tourism and hospitality industry

Students are required to select an organisation and prepare a 4,000 word report discussing principles underpinning human resources management, leading of teams and human resources policies.

The organisation should be researched with particular reference to the following areas:

- Principles underpinning human resources management
- Leading of teams
- Development of Human Resources policies

Outline

Students are required to conduct relevant and adequate primary and secondary research on the chosen organisation. It would be helpful if the student could visit the selected organisation.

Students should include a brief introduction to the organisation they have selected in terms of the size, customers, services, products and future plans.

The following areas should be evaluated in detail supported by examples quoted from the selected organisation:

Principles underpinning human resources management by

- Analysing the functions of people management and distinguish between leaders and managers
- Identifying the respective roles and responsibilities of line managers and the HR function
- Defining the personal qualities and managerial skills that are capable of influencing staff behavior positively
- Explaining the links between staff motivation and business performance
- Evaluating the costs and benefits of staff training and development
- Ensuring that operational policies and practices are aligned with strategic HR policies

Leading teams by

- Communicating expectations and requirements unequivocally
- Leading by example, exhibiting organisational standards of presentation, behaviour and performance
- Arranging for suitable training that meets identified development needs to maximise business benefit
- Dealing promptly with problems and underperformance, giving objective and constructive feedback
- Identifying and managing conflict sensitively but firmly

Human resources policies

- Developing HR strategy and systems to implement policies that are consistent with operational priorities, objectives and values
- Managing HR processes in accordance with organisational policy

- Deploying human resources in order to optimise business performance, individual staff satisfaction and retention
- Evaluating the effectiveness of HR policies and processes and recommending improvements

Students should demonstrate the application of theory and knowledge to their chosen organisation and ensure they have addressed the assessment criteria outlined in the following tables.

The analysis should be concluded with detailed and well-justified recommendations; relevant examples can also be quoted.

Task instructions		
Students must show that they meet the Learning Outcomes (LOs) and Assessment Criteria (AC) of the unit of assessment. Therefore, consideration will be given to whether students achieved the following:		
Assessment criteria	LO/AC ref	Marks
1 Understand the principles underpinning human resources by analysing the functions of people management and distinguishing between leaders and managers; identifying the respective roles and responsibilities of line managers and the HR function; defining the personal qualities and managerial skills that are capable of influencing staff behaviour positively; explaining the links between staff motivation and business performance; evaluating the costs and benefits of staff training and development; ensuring that operational policies and practices are aligned with strategic HR policies	LO1. 1.1, 1.2, 1.3, 1.4, 1.5, 1.6	35
2 Leading teams by communicating expectations and requirements unequivocally by leading by example, exhibiting organisational standards of presentation, behaviour and performance; arranging for suitable training that meet identified development needs to maximise business benefit; dealing promptly with problems and underperformance, giving objective and constructive feedback; identifying and managing conflict sensitively but firmly	LO2. 2.1, 2.2, 2.3, 2.4, 2.5	35
3 Developing human resources policies by developing HR strategy and systems to implement policies that are consistent with operational priorities, objectives and values; managing HR processes in accordance with organisational policy; deploying human resources in order to optimise business performance, individual staff satisfaction and retention; evaluating the effectiveness of HR policies and processes and recommending improvements	LO3. 3.1, 3.2, 3.3, 3.4	30
The word count is 4,000 words		

CTH assignment mark sheet - Human resource management in the tourism and hospitality industry

Student name:		CTH Number:	
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Task 1: Understanding the principles underpinning human resources - 35%		Weigh- -ting	Internal marking			CTH
Task / Assessment Criteria	Comments		1st marker (marks)	Internal verifier I/V	Agreed mark	CTH final mark
<p>1.1 Analyse the functions of people management and distinguish between leaders and managers</p> <p>1.2 Identify the respective roles and responsibilities of line managers and the HR function</p> <p>1.3 Define the personal qualities and managerial skills that are capable of influencing staff behaviour positively</p> <p>1.4 Explain the links between staff motivation and business performance</p> <p>1.5 Evaluate the costs and benefits of staff training and development</p> <p>1.6 Ensure that operational policies and practices are aligned with strategic HR policies</p>		35				

Task 2: Leading teams in the tourism and hospitality industry - 35%		Weight -ing	Internal marking			CTH
Task / Assessment Criteria	Comments		1st marker (marks)	Internal verifier I/V	Agreed mark	CTH final mark
2.1 Communicate expectations and requirements unequivocally 2.2 Lead by example, exhibiting organisational standards of presentation, behaviour and performance 2.3 Arrange for suitable training that meets identified development needs to maximise business benefit 2.4 Deal promptly with problems and underperformance, giving objective and constructive feedback 2.5 Identify and manage conflict sensitively but firmly		35				

Task 3: Developing human resources policies in the tourism and hospitality industry - 30%		Weight -ing	Internal marking			CTH
Task / Assessment Criteria	Comments		1st marker (marks)	Internal verifier I/V	Agreed mark	CTH final mark
3.1 Develop HR strategy and systems to implement policies that are consistent with operational priorities, objectives and values 3.2 Manage HR processes in accordance with organisational policy 3.3 Deploy human resources in order to optimise business performance, individual staff satisfaction and retention 3.4 Evaluate the effectiveness of HR policies and processes and recommend improvements		30				

Student name						
CTH number						
		Total available marks	1st marker (marks)	Internal verifier I/V (marks)	Agreed mark	CTH final mark
Marks	Task 1	35				
	Task 2	35				
	Task 3	30				
	Total Marks	100				

CTH Unit Assignment Feedback Form

Unit name	
Student name and CTH number	
I/V name and signature	

CRITERIA	SUB-CRITERIA
Organisation	Structure
	Layout
Knowledge and understanding (of relevant ideas and methods)	Knowledge of topic
	Level of understanding of key issues
	Use, analysis and interpretation of quantitative and qualitative data
	The use of academic research sources
Application (ability to apply relevant ideas and methods to specific problems and issues)	Apply a range of theories in different contexts
	Make sound judgements that accord with relevant theories and concepts
	Use problem solving techniques
Originality (ability to reflect critically on relevant knowledge and methods and to develop clear original arguments)	Creativity and originality

General Comments			

Agreed Centre mark		Final mark	
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APPENDIX B – RECOMMENDED READING

Adams, D., 2006. *Management Accounting for the Hospitality, Tourism and Leisure Industries*. London: Thomson.

DeFranco, A. and Lattin, T., 2007. *Hospitality Financial Management*. Chichester: Wiley. Available on EBSCO.

Guilding, C., 2009. *Accounting Essentials for Hospitality Managers*. Oxford: Butterworth-Heinemann. Available on EBSCO.

Vogel, H., 2012. *Travel Industry Economics: A guide for Financial Analysis*. Cambridge: Cambridge University Press. Available on EBSCO.

Research work published in the following academic journals

Tourism Management

Journal of Travel and Tourism Marketing

Tourism Economics

Baum, T., 2006. *Human Resource Management for Tourism, Hospitality and Leisure: An International perspective*. London: Thomson.

Nickson, D., 2007. *Human Resource Management for the Hospitality and Tourism Industries*. Oxford: Butterworth-Heinemann. Available on EBSCO.

Page, S., 2011. *Tourism Management: An introduction*. Oxford: Butterworth-Heinemann. Available on EBSCO.

Tesone, D., 2008. *Handbook of Hospitality Human Resources Management*. Oxford: Butterworth-Heinemann. Available on EBSCO.

Research work published in the following academic journals

Tourism Management

Journal of Human Resources in Hospitality and Tourism

Current Issues in Tourism

Business Strategy for Hospitality and Tourism

Brotherton, B. and Wood, R. eds. (2008). *The Sage Handbook of Hospitality Management*. London: Sage. Available on EBSCO.

Cullen, J. and Parboteeah, P. (2009). *International Business: Strategy and the Multinational Company*. London: Routledge. Available on Ebsco.

Page, S. (2011). *Tourism Management: An introduction*. Oxford: Butterworth-Heinemann. Available on EBSCO.

Sheppardson, C. and Gibson, H. (2011). *Leadership and Entrepreneurship in the Hospitality Industry*. Oxford: Goodfellow. Available on EBSCO.

Verbeke, A. (2013). *International Business Strategy: Rethinking the Foundations of Global Corporate Success*. Cambridge: Cambridge University Press. Available on Ebsco.

Witt, S., Buckley, P. and Brooke, M. (2013). *The Management of International Tourism*. London: Routledge. Available on Ebsco.

Research work published in the following academic journals

International Journal of Contemporary Hospitality Management

International Journal of Hospitality Management

Tourism Management

Journal of Travel and Tourism Marketing

European Journal of Marketing

European Management Journal

Adams, L. and James, C. (2013). *Event Management in Sport, Recreation and Tourism: Theoretical and Practical Dimensions*. London: Routledge. Available on EBSCO.

Ali-Knight, J., Robertson, M., Fyall, A. and Ladkin, A. eds. (2009). *International Perspectives of Festivals and Events: Paradigms of Analysis*. Oxford: Butterworth-Heinemann. Available on EBSCO.

Andrews, H. And Leopold, T. (2013). *Events and the Social Sciences*. London: Routledge. Available on EBSCO.

Blackshaw, T. ed. (2013). *Routledge Handbook of Leisure Studies*. London: Routledge. Available on EBSCO.

Bowdin, G. (2011). *Events Management*. Oxford: Butterworth-Heinemann. Available on EBSCO.

Sharples, L. and Hall, C. M. (2008). *Food and Wine Festivals and Events Around the World: Development, Management and Markets*. Oxford: Butterworth-Heinemann. Available on EBSCO.

Research work published in the following academic journals

Annals of Tourism Research

Tourism Management

Event Management

International Journal of Events Management Research

Journal of Policy Research in Tourism, Leisure and Events

International Journal of Cultural Policy

Burke, R., (2003) *Project Management, Planning & Control Techniques*. 4th Ed. Wiley: Chichester.

Flouris T. G, and Lock, D. (2009) *Managing Aviation Projects from Concept to Completion*. Ashgate Publishing Ltd.

Ransley, J, & Ingram, H (Eds), (2000), *Developing Hospitality Properties and Facilities*. Oxford: Butterworth-Heinemann.

Doherty, S. (2008) *Heathrow's Terminal 5: History in the Making*. Illustrated edition John Wiley & Sons Ltd.

Gardiner, P. (2005) *Project Management: A Strategic Planning Approach*. London: Palgrave Macmillan.

Huffadine, M. (1993) *Project Management in Hotel & Resort Development*. London: Morgan Hill.

Lock, D. (2001) *Project Management*. 7th Edition Aldershot: Gower.

Mantel, S.J., Meredith, J.R., Shafer, S.M., & Sutton, M.M. (2001) *Project Management in Practice*. Chichester: Wiley & Sons.

Pinto, J.K. (2007) *Project Management: Achieving Competitive Advantage*. New Jersey: Pearson Education.

Ransley, J. & Ingram H. (2000) *Developing Hospitality Properties and Facilities*. Oxford: Butterworth Heinemann.

Westland, J. (2006) *The Project Management Lifecycle: A Complete Step-by-Step Methodology for Initiating, Planning, Executing and Closing a Project Successfully*. Kogan Page Ltd.

Young T.L., (2003) *The Handbook of Project Management, (2nd Ed)*, London, Kogan Page Ltd.

Other Learning Resources

A good starting point in project management is to have a look at the various professional institutes and associations associated with project management. There are a number of these with the largest being the US based Project Management Institute (PMI) –

www.pmi.org. The British equivalent is the Association of Project Managers (APM)

www.apm.org.uk.

In addition you can subscribe to the following publications:

- 'Project' published monthly by the Association of Project Managers.
- 'International Journal of Project Management' published monthly by the International Project Management Association.
- 'Project Manager Today' published monthly.