Measures and Challenges of Cost Control in Fast Casual Restaurants: Case of Johannesburg, South Africa

Matildah Gumbo
Department of Quality and Operations Management
University of Johannesburg
PO Box 524, Auckland Park, Johannesburg, South Africa
matiegumbo@gmail.com

Prof Nita Sukdeo
Department of Quality and Operations Management
University of Johannesburg
nsukdeo@uj.ac.za

Abstract

Restaurants have positively contributed to employment creation and significantly impacted the performance of the South African economy for several decades. Effective cost management systems are crucial for profitability and financial sustainability in a competitive market. Operational costs have been proven difficult to control because of many factors including poor management systems, high levels of theft, and the increasing economic crisis. Conversely, there seems to be very little information to aid cost control in fast-casual restaurants. The paper adopted case studies of ten fast casual restaurants in the South of Johannesburg to obtain more detailed information. Both primary and secondary data sources were gathered to aid understanding of the performance of the fast-casual restaurants with regard to cost control and its challenges. Qualitative data were obtained from key informants using interviews and observations, while quantitative data was obtained using self-administered questionnaires. Purposive and convenience sampling methods were adopted for the study. Qualitative data was analyzed using Atlas. ti, while the quantitative data was analyzed using the SPSS software. The paper reveals that while cost control measures are in place in the fast-casual restaurant industry, enforcement and compliance remain challenging. This research offers restaurant owners and managers valuable insights to implement effective cost-control measures, achieve financial stability, and ensure long-term sustainability in a highly competitive industry. The work recommends the refinement and strengthening of cost control enforcement and compliance measures. This could be achieved by making regular and appropriate training and skilling of workers and implementing effective oversight mechanisms.

Keywords
Cost control, challenges, fast casual restaurants, enforcement, Johannesburg

1. Introduction
The restaurant industry is one of the fastest-growing markets in the world. The industry was valued at $647.7 billion in 2019 and is estimated to reach $931.7 billion by 2027 (Raju and Roshan 2020). Maumbe (2012) reveals that, driven by globalization and domestic market trends, the fast-food industry in South Africa is rapidly changing due to several factors such as growing competition, westernization of diets, food safety, demographic changes, periodic surges in domestic food demand, technology innovations, and increasing demand for food sustainability value creation.

The fast-food industry is undergoing a paradigm shift in response to evolving consumer preferences and environmental concerns. This is manifested by the introduction of healthier menu options, a transition towards sustainable packaging

solutions, and a growing emphasis on local ingredient sourcing. In the current economic environment and political instability, it is crucial for the restaurant industry to adopt appropriate cost control strategies to preserve their profitability. Penaflor (2023) supports this view and emphasizes the importance of striking a balance between sustainable costs and customer satisfaction for the restaurant's success. Apparently, selecting a great location, quality products, and a competent sales team are also crucial factors that contribute to success.

Fast casual restaurants have gained popularity due to their ability to cater to a wide range of guests by offering a limited menu, providing a casual dining environment, and delivering fast service. This concept has been embraced by several prominent chains in America, including Panera Bread, Chipotle, and Pei Wei (Walker 2021). Kukanja and Planinc (2019) are of the view that providing high-quality services can boost operational profitability in several ways. For instance, offering high-quality food can lead to increased customer satisfaction, which, in turn, can result in repeat visits and positive word-of-mouth referrals, which can help to attract new customers.

1.1 Objectives
The aim of this paper is to examine the cost control techniques in fast casual restaurants in Johannesburg South. This paper also outlines the challenges encountered in implementing cost control measures by fast-casual restaurants. Some recommendations will be provided to assist the restaurants in lowering operational and food costs.

2. Literature Review
Zainol and Ahmad (2015) defined a cost as the financial outlay incurred by a food service establishment for the utilization and consumption of goods or the provision of services. Control is, therefore, a crucial element of the management function. It involves the procedures employed to determine whether the actual performance complies with set objectives (Ernst and Young Report 2013). Zainol and Ahmad (2015) defined control as the systematic process employed by business operators to guide, oversee, and limit the behaviors of individuals with the aim of attaining the predetermined objectives of a business. According to Frazer (2012) cost control is defined as the policies and procedures management uses to ensure the reliability of financial reporting, compliance with regulations and the efficiency of operations.

2.1 Steps in Cost Control
According to Zainol and Ahmad (2015), the control process in fast-casual restaurants comprises four sequential steps. The first step involves setting the standards and procedures for operations. This step, according to Walker (2021), involves setting measurable standards for various aspects of operations, such as proper stock management, food quality, service speed, cleanliness, and customer satisfaction. Standard procedures are also established to outline the steps and protocols to be followed in carrying out tasks. The second step is to ensure that all individuals are trained to adhere to these established standards. Once the standards and procedures are established, all individuals involved in the operations, including managers and employees, are trained on these standards and procedures. This ensures that everyone understands and follows the established guidelines FAO (2020). Maseko (2016) further emphasizes the importance of training employees about food safety, handling, and hygiene to comply with the Health and Safety Act. In the operational framework of restaurants, the control process involves more than just establishing standards and procedures; it extends to the critical phase of training once these benchmarks are in place. Ntlhanngoe and Chipunza (2021) also argue that establishing Human Resources (HR) standards and procedures, such as leadership styles and motivation, sets the baseline for performance expectations, outlining the desired consistency in various aspects of restaurant operations.

The third step entails monitoring performance and comparing it with established standards. The third stage of the control process is ensuring that ongoing monitoring takes place to assess the actual performance of individuals and the overall operations. This can include regular inspections, customer feedback, performance metrics, and other relevant data. Frazer (2012) describes monitoring as a process that assesses the quality of the internal control system's performance over time through ongoing monitoring activities and evaluations. Finally, in the fourth step, appropriate actions are taken to address any deviations from the set standards. The fourth step of the control process involves comparing the actual performance against the established standards. This comparison, as argued by Zainol and Ahmad (2015) helps to identify any deviations or gaps between the desired and actual outcomes. The main objective of cost control in a restaurant is to eliminate excessive costs for food, beverage, and labour to ensure that the establishment can operate at a profit.

2.2 Cost Control Components in Fast Casual Restaurants

In the restaurant industry, costs are broken down into different components that, among others, may include food and beverage, labour, and other expenses such as rentals and utilities (see Figure 1). Effective cost control is crucial for restaurants, and these three categories are critical, and they need to be prioritized. The three cost control components are discussed further in the ensuing sections.

2.2.1 Food and Beverage Cost Control

Focusing on sourcing high-quality ingredients, employing skilled staff members, maintaining consistent cooking standards, and regularly monitoring food quality can help a restaurant differentiate itself from competitors and position itself as a top choice among consumers. Karodia et al. (2015) believe that the quality of food plays a crucial role in influencing consumer choice and ultimately determining the competitiveness of a restaurant outlet. Positive experiences with high-quality food can lead to customer satisfaction, repeat visits, and positive word-of-mouth recommendations, which are essential for building a loyal customer base and gaining a competitive edge in the market. However, poor food quality can result in dissatisfied customers, negative reviews, and decreased patronage (Mukwakungu, et al. 2019).

2.2.2 Labour Costs Control

It falls on the managers to allocate and manage costs while also reducing labour expenses by hiring and retaining staff members. All individuals involved in the restaurant operations, including managers, kitchen staff and waiters, are supposed to be trained on the proper work standards and procedures. This ensures that everyone understands and follows the established work guidelines to satisfy the customers (FAO 2020). The Ernst and Young Report (2013) is of the view that cost control is a management's effort to influence the actions of individuals who are responsible for performing tasks, incurring costs, and generating revenues. Maseko (2016) further emphasizes the importance of training employees about food safety, handling, and hygiene to comply with the Health and Safety Act.

2.2 3 Other expenses control

Monitoring energy consumption and other expenses such as rentals, marketing, and tax expenses can prove to be useful in lowering utility costs without affecting customer comfort. This view is shared by Fernandes et al. (2021) and Brag (2018), who have expressed similar opinions on the matter.
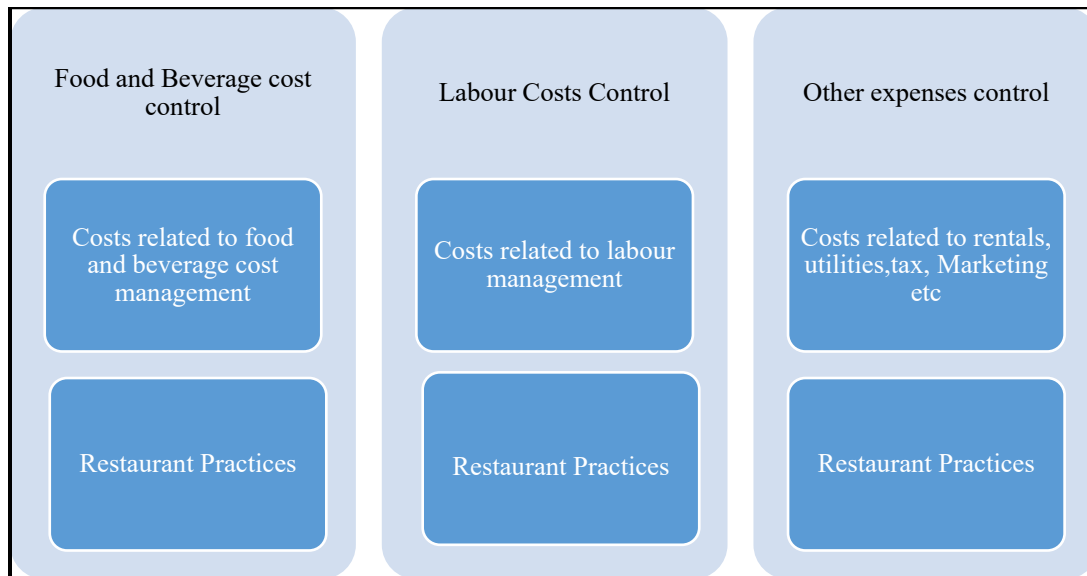

Figure 1. Restaurant Cost Structures Source

2.1 Challenges in Cost Control

Challenges for restaurants can either come from internal forces or external forces. According to Zainol and Ahmad (2015), the challenges faced in implementing control measures in restaurants can be attributed to reluctance, cost concerns, lack of knowledge, resource constraints, time limitations, and non-compliance with established procedures. Another item to consider as a challenge is food wastage which needs to be carefully managed and controlled (Derqui

and Viachaslau 2019). Addressing these challenges requires a proactive approach from management, including investment in resources, training, and creating a culture of compliance and awareness around the importance of internal control. Management may be hesitant to implement internal control measures due to concerns about the impact on staff morale and trust (Liu-Lastres, et al. 2023).

In this dynamic economic environment, it is critical for any company to adapt to market changes and implement something about those changes, since only applied knowledge is real power (Jane 2019). The need to offer competitive pricing and promotions while maintaining profitability puts pressure on cost management. According to Pearce II and Robbins (2008), for organizations to achieve their goals and objectives, it is necessary for them to adjust to their economic environment.

In the fast-food industry, intense competition from smaller catering companies in the same trading areas has posed significant challenges. According to Thompson and Thompson (2008), the successful implementation of a marketing strategy is indicative of an improved market share. Marketing refers to the process of promoting, selling, and distributing products or services to customers (Walker 2021). It is aimed at understanding customer needs and wants, creating value for customers, and building strong relationships between businesses and their target markets (Dandis et al., 2023). Appelroth (2015) stresses that marketing is also a discipline that improves the commercial strategy of an organization to have a greater presence in the market in which it operates.

There are several problems encountered when practicing control measures. For example, restaurants are vulnerable to fluctuations in food costs, which can be influenced by weather conditions, global demand, and supply chain disruptions (Barman, et al. 2021). These cost variations make it challenging to plan and control food expenses effectively as mentioned by David (2011). Among the problems is a reluctance to practice internal control as such practices can impact the morale of staff in terms of trust.

3. Method
Both primary and secondary data were used to give the researcher a better understanding of the phenomenon. A case study research design was adopted to get a better understanding of the phenomenon under study. The research approach adopted was the mixed method. In this case, both qualitative and quantitative data were used to gain insight and understanding into the operations and cost control tools used by the restaurants under study. Interviews were conducted with 25 key informants, such as owners, regional managers, operators, store managers, kitchen staff, and waiters of the 10 different selected restaurants. These restaurants were selected according to their specializations to get views from different working environments. These key informants provided useful in-depth information and a better understanding of their cost planning and control techniques (Melville 2001). Such interviews allowed for an in-depth exploration of the topic.

Questionnaires were designed to include closed-ended questions and were distributed to the top management, such as operators, floor managers, owners, and regional managers. According to Saunders et al. (2009), questionnaires offer a degree of anonymity, as participants are not required to disclose their identities. This can encourage them to respond more honestly, especially when addressing sensitive or personal topics. Confidentiality measures can further enhance participants' willingness to share information openly. A structured questionnaire was self-administered to 100 respondents, who were asked to complete and return it for analysis. Only 90 questionnaires were returned, representing a 90% response rate. The questions in the questionnaire were closed-ended to obtain standardized answers, which facilitated smooth data analysis.

Observations were used as a data collection method, and pictures of some activities were taken. Observations can be a valuable tool in data collection, as they allow researchers to gather information by directly observing and recording behavior or events in a specific setting. By taking note of what is happening, when it happens, and how it happens, researchers can gain insights into patterns that might not be apparent through other methods.

4. Results and Discussion
The SPSS software was used to analyze the qualitative data of the research. Trochim (2023) explains that inferential statistics enable researchers to draw conclusions that extend beyond the immediate data and to make inferences about the entire population. On the other hand, descriptive statistics simply describe what is happening in the data. A Spearman correlation analysis was used to determine whether the business operating hours had a significant impact on

the turnover of the restaurants. Finally, a multiple linear regression analysis of expenses was conducted to complete the data analysis.

The qualitative data were examined using thematic analysis to identify patterns, themes, and trends, while quantitative data were analyzed using descriptive and inferential statistics to determine relationships between variables. According to Mortensen (2020), thematic analysis identifies common themes or patterns in interview data. It is a flexible method that can be used for exploratory studies, where the researcher does not have a clear idea of what to look for. The responses obtained from the interviewees' qualitative data were analyzed using Atlas.ti, a powerful computer-assisted qualitative data analysis software. The hybrid approach of qualitative data coding was employed, which involved the use of both inductive and deductive approaches to identify themes and sub-themes in the data.

Cost structures in restaurants
This section will analyze all the numerical results of this paper, as illustrated below. The cost structures and challenges were analyzed and Illustrated in the form of tables and figures. Managing expenses is crucial for the success of any restaurant business. To achieve this, restaurant stakeholders need to have a thorough understanding of their cost structures. By doing so, they can identify potential areas of inefficiency and take appropriate actions to reduce expenses and improve profitability. This requires a systematic approach to cost analysis, which involves examining all the expenses associated with running the restaurant, including food, labor, rent, utilities, and other overhead costs. Only by having a clear understanding of their cost structures can restaurant stakeholders make informed decisions about pricing, menu items, and other key aspects of their business. The respondents were asked about the cost structures of their restaurants. Table 1, presented above, shows the responses gathered from managers regarding the cost structure of their restaurants.

The rankings were based on mean x, which is a measure of the central tendency of data. According to the results, food costs ranked the highest among the cost structures, with a mean of 3.5 and a standard deviation of 1.06. This indicates that food has a significant impact on the overall cost structure of a restaurant. The second-ranking cost structures were wages, commission, and rentals, with the same means of 3.18. However, they had different standard deviations, which indicates that the responses were more spread out. Utility payments were ranked third with a mean of 3.16 and a standard deviation of 1.19. This indicates that utility payments are also an important aspect of a restaurant's cost structure. Raw materials and packaging had the lowest rankings, with means of 2.73 and 2.63, respectively. As suggested by Park and Jang (2014), restaurant managers need to have a good understanding of their cost structures to allocate resources effectively. By knowing which cost structures have the most significant impact on their business, they can make informed decisions and optimize their resources.

Table 1. Cost structures of the restaurant

	N	Mean		Std. Deviation
	Statistic	Statistic	Std. Error	Statistic
Rental/ lease payments	90	3.1778	0.11013	1.04481
Utility payments	90	3.1556	0.12533	1.189
Business Insurance	90	2.8556	0.11778	1.11739
Internet and telephone	90	2.9889	0.12788	1.21317
Franchise and marketing fees	90	3.0111	0.12492	1.18506
Property Taxes	90	2.8889	0.10998	1.04338
Food costs	90	3.5	0.11201	1.06264
Raw materials	90	2.7333	0.13296	1.26135
Packaging	90	2.6333	0.12881	1.22199
Wages and Commissions	90	3.1778	0.13086	1.2414
Repairs and maintenance	90	2.8889	0.12783	1.21271

Spearman's Rho correlation coefficient

To add to the statistical analysis, the Spearman correlation analysis was conducted. A correlation coefficient of 0.185 indicates that there is a very weak association between the two variables, namely the average number of customers visiting the restaurant per day and the average amount spent by the customers. This coefficient measures the degree of correlation between the two variables based on their ranks. A coefficient of 0 implies no correlation, while a coefficient of 1 implies a perfect positive correlation, and a coefficient of -1 implies a perfect negative correlation. Therefore, a coefficient of 0.185 suggests that the two variables have a low degree of correlation. This means that there is little to no relationship between the average number of customers visiting the restaurant per day and the average amount spent by the customers. In other words, the variables are not strongly associated with each other. Understanding consumer needs, wants, and demands is a crucial aspect of cost management. By effectively identifying and addressing consumer preferences, businesses can optimize their resource allocation and minimize unnecessary expenditures. This approach aligns with Appelroth (2015), that understanding consumer behavior is fundamental to cost management strategies. Vidili (2021) emphasizes conducting research to gather consumer data, which further reinforces the importance of understanding consumer preferences. By collecting and analyzing data on consumer behavior, businesses can gain valuable insights into their target market, allowing them to tailor their products, services, and marketing efforts to meet consumer needs better. In essence, understanding consumer needs, wants, and demands is a key driver of cost efficiency and profitability.

Table 2. Spearman's Rho correlation coefficient

			Average customers per day	Customers spend average in rands
		Sig.(2-tailed)	.	0.185
		N	90	90
	Customers spend average in Rands	Correlation Coefficient	0.141	1
		Sig.(2-tailed)	0.185	.
		N	90	90

Challenges in the restaurant industry

Based on Table 3 presented below, the most significant factor that affects restaurants is reaching out to new customers, with a mean of 3.81. Due to the high cost of things nowadays, restaurants need to find innovative ways to reach out to new customers, which can be very expensive. This includes investing in marketing campaigns, offering discounts, and providing excellent customer service to attract and retain customers. In today's competitive market, restaurants that fail to adapt to changing customer preferences and needs risk losing their customer base.

The second-highest ranked factor is the attitude of staff members, with a mean of 3.58 and a standard deviation of 1.04. This includes the behavior, professionalism, and communication skills of staff members. A positive attitude from staff members can enhance the customer experience, leading to increased satisfaction and loyalty. On the other hand, a negative attitude can drive customers away and damage the restaurant's reputation. Restaurants, therefore, need to invest in staff training and development to ensure that their employees have the necessary skills to provide excellent customer service.

The lack of security features is the third-highest-ranked factor, with a mean of 3.53. This includes measures to prevent theft, fraud, and cyber-attacks. Restaurants that fail to implement adequate security measures risk losing customer trust and damaging their reputation. This can result in significant financial losses and legal liabilities. To address this issue, restaurants need to implement robust security protocols, including installing surveillance cameras, using secure payment systems, and training staff members on security best practices.

The fourth-highest ranked factor is stringent regulations, followed by innovation into recent technological advancements. Stringent regulations can include health and safety regulations, licensing requirements, and labour laws. These regulations can create significant barriers to entry for new restaurants and increase operating costs for existing

ones. Innovation in recent technological advancements requires restaurants to invest in new technologies, such as online ordering systems and mobile apps, to stay competitive in the market.

Furthermore, hiring and retaining quality staff is ranked sixth, with a standard deviation of 1.17 and a mean of 3.28. This includes recruiting, training, and retaining talented staff members. Restaurants that fail to invest in their employees' risk losing them to competitors, resulting in a high turnover rate and decreased productivity. To address this issue, restaurants need to offer competitive salaries, benefits, and career development opportunities to attract and retain top talent.

Cash flow problems are the seventh-ranked factor, with a mean of 3.23 and a standard deviation of 1.15. This includes issues with managing cash flow, such as delayed payments from customers, increased expenses, and unexpected emergencies. To address this issue, restaurants need to implement effective financial management strategies such as budgeting, forecasting and cash flow analysis. It is worth noting that high rentals and utilities and insufficient service from suppliers are the least-ranked factors from the results obtained. However, these issues can still have a significant impact on a restaurant's profitability and sustainability. Table 4 below shows the multiple linear regression analysis on expenses and cost control measures.

Table 3. Challenges in the running of the business

	N		Mean	Std. Deviation
	Valid	Missing		
Reaching new customers	90	0	3.81	1.016
Attitude from employees	90	0	3.58	1.049
Lack of security/ theft	90	0	3.53	0.997
Stringent regulations	90	0	3.49	1.03
Technological innovations	90	0	3.46	1.093
Hiring and retaining quality staff	90	0	3.28	1.171
Cash- flow problems	90	0	3.23	1.152
Implementation issues	90	0	3.22	1.188
Competition from other businesses	90	0	3.18	1.195
Controlling the operational costs	90	0	3.06	1.212
Lack of monitoring	90	0	2.9	1.132
Maintaining stock levels	90	0	2.86	1.137
High rentals and utilities	90	0	2.83	1.238
Insufficient service from suppliers	90	0	2.57	1.102

In order to gain a better understanding of the obtained results, the researcher conducted a linear regression analysis. Table 4 above shows the multiple linear regression analysis on expenses and cost control measures. The results showed that only stock counting and the first in first out (FIFO) methods ofstock management were found to be crucial in managing the expenses incurred by restaurants per month. The standardized coefficient for stock counting was 0.026, indicating a positive relationship, while the unstandardized coefficient was 0.020. Similarly, the standardized coefficient for FIFO was 0.099, with an unstandardized coefficient of 0.055. It is important to note, however, that most of the variables analyzed were found to be statistically insignificant, with a P-value greater than 0.05. This implies that only stock counting ($p=0.001$) and FIFO ($p=0.042$) retained the null hypotheses, with P-values less than 0.05. This indicated that these two control measures significantly affect the management of restaurants' monthly expenses. Therefore, it is recommended that restaurants consider implementing stock counting and FIFO methods of stock management to control expenses and improve profitability effectively. Findings from the interviews and some observations indicated that reducing food costs starts at the back of the

house and ends at the front of the house, including customers.Food portioning was also identified as an important way of standardizing the food-making procedure.

Table 4. Multiple linear regression analysis on expenses and cost control measures.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	5.601	0.891		6.288	<.001	3.829	7.373					
	Stock counting	0.026	0.148	0.02	0.174	0.001	-0.269	0.321	0.062	0.019	0.019	0.88	1.136
	Managing food orders	-0.126	0.204	-0.072	-0.619	0.538	-0.532	0.279	-0.049	-0.068	-0.066	0.86	1.162
	Use of FIFO	0.099	0.213	0.055	0.466	0.042	-0.325	0.523	-0.012	0.051	0.05	0.823	1.216
	Negotiating with suppliers	-0.012	0.128	-0.011	-0.095	0.924	-0.266	0.242	0.017	-0.01	-0.01	0.936	1.068
	Effective communication	-0.178	0.151	-0.133	1.174	0.244	-0.123	0.479	0.116	0.128	0.126	0.893	1.12
	Consistent food portioning	-0.234	0.149	-0.175	-1.569	0.12	-0.53	0.063	-0.157	-0.17	-0.168	0.923	1.083
a. Dependent Variable: Total expenses per month													

The respondents were asked about the number of customers that frequent their establishments per day so as to get a picture of the income generated. Figure 2 below represents the responses on the average number of customers that visit the restaurants daily. As can be seen, the two popular categories are 50-60 people a day and more than 60 people a day. About 30 respondents stated that their establishments are frequented by more than 60 people a day, and 29 respondents said that their restaurants are visited by about 50-60 people a day. Only 5 participants mentioned that their restaurants are visited by fewer than 30 people a day. The information on the number of customer visits per day will help managers to know the kitchen staff and waitron allocation or shift balancing per day.
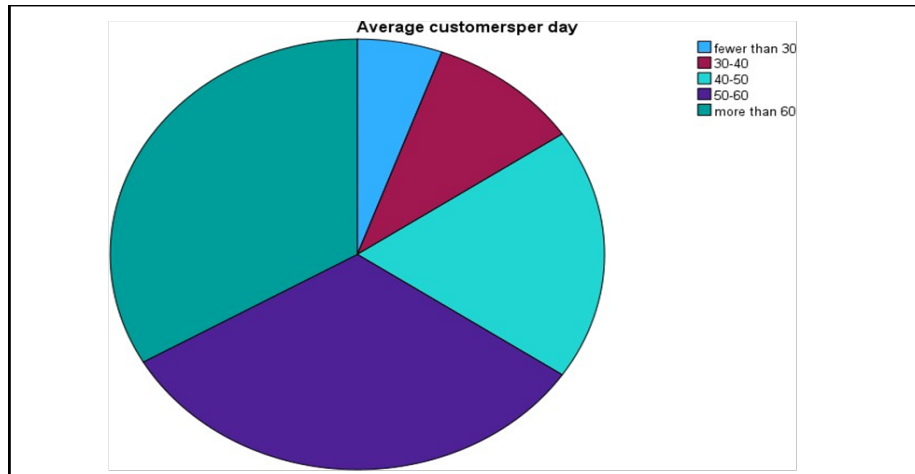
Figure 2. Average number of customers per day.

The following figure 3 indicates that 30% of the participants reported an average customer spend of 150-200 rands in their restaurants. A total of 24% of the respondents stated that the average spending of a customer is between 200-250 rands. Additionally, 22% of the participants mentioned that the typical amount spent by a customer per visit is usually between 100-150 rands. The category of less than 100 ZAR was the least commonly reported, with only 6% of the participants indicating it.
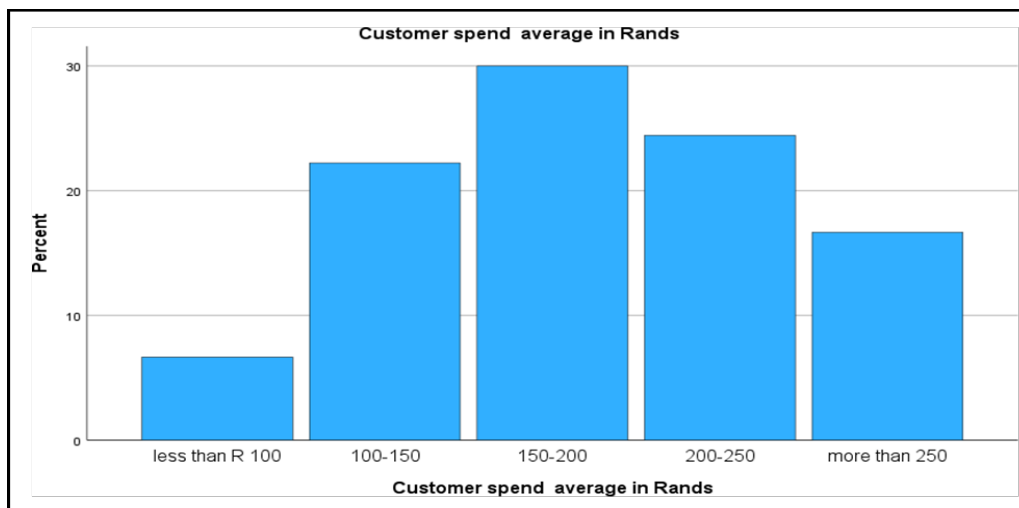

Figure 3. Customers spend average in rands

5 Proposed Improvements

Managing food costs can make or break a business in the food industry. Table 5 below describes the results of the cost control measures obtained from the findings. Effective stock management is one of the top ways to ensure that food costs are controlled. The results indicated that stock counting is the most effective way to monitor food costs, with a mean of 3.36 and a standard deviation of 1.18. This means that consistently tracking inventory levels can help businesses keep their food costs in check. Effective communication was the second most effective measure, with a mean of 3.23 and a standard deviation of 1.15. This highlights the importance of clear communication between team members to ensure that everyone has the same understanding when it comes to managing food costs. Consistent food portioning was the third most effective measure, with a mean of 2.66 and a standard deviation of 1.15. This means that maintaining consistent portion sizes can help businesses control their food costs. On the other hand, managing food orders that are sent out to customers, and the use of first in first out (FIFO) were found to be the least effective measures, with means of 2.32 and 1.94 respectively, and standard deviations of 0.87 and 0.85. This suggests that more effective

measures need to be implemented to manage food orders and ensure that FIFO is followed. Even though some respondents indicated the use of FIFO during interviews as supported by the quote below: General manager 1: I also take great care when storing the newly received stock. I follow the FIFO method, which means that I use the oldest stock first to ensure that nothing expires before it's used. This helps to minimize waste and ensure that our stock is always fresh and of high quality. (1:113 ¶ 147 in Interview Responses.docx). Penaflor (2023) also emphasizes the importance of monitoring food costs in quantitative menu pricing strategies to ensure that they do not deviate from the expected levels. Whenever there are any discrepancies in food costs, it's necessary to take prompt action through management intervention. The evaluation and intervention process can help to improve operational procedures, eliminate non-functional procedures, and change or eliminate goals that are not aligned with the restaurant's objectives.

Table 5. Cost control measures

	N	Mean		Std. Deviation
	Statistic	Statistic	Std. Error	Statistic
Stock counting	90	3.3667	0.12487	1.18464
Managing food orders	90	2.3222	0.0919	0.87188
Use of FIFO	90	1.9444	0.08989	0.85277
Negotiating with suppliers	90	2.3444	0.14059	1.33375
Effective communication	90	3.2333	0.12143	1.15194
Consistent food portioning	90	2.6667	0.12137	1.15145

5.2 Validity and reliability of Quantitative data

To ensure the utmost validity and reliability of the findings, various methods were implemented to conduct the research, such as member validation and peer examination. For the evaluation of quantitative data, the Cronbach's Alpha examination was administered, producing a score of 0.503, signifying moderate reliability. These measures were taken to verify the exactness and credibility of the data analysis. The Cronbach's Alpha, which is a statistical measure to assess the internal consistency of the survey items, was employed. As Taherdoost (2018) explains, Cronbach's alpha reflects how well all the questions collectively measure the same concept, and it's calculated based on the number of items and the average correlation between them. To guarantee consistency and ensure reliable results are obtained, the paper applied various control methods which include standardization of interview guides and questionnaires. These were delivered in a uniform way to minimize differences in the data collection process.

Table 6. The Cronbach Alpha

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.503	.527	96

6. Conclusion

The paper examined the cost control measures used by fast-casual restaurants in an endeavor to lower operational costs such as food and beverage, labour, and other costs related to business operations. This paper found that there must be a nexus between the cost control measures, their implementation, and the people implementing them. Even though there are so many strategies that are laid out for the store managers, kitchen staff and waiters to manage cost, there is a need for a positive mindset to accomplish the required goals. There must be standards set for proper service and production of food, and a strict monitoring and control system should be put in place to ensure that the cost control

measures are being followed correctly. This system must be able to monitor the implementation of the cost control measures and provide feedback on their effectiveness.

References

Appelroth, E., Marketing plan for a restaurant, 2015.

Bragg, S., Inventory Record Accuracy. The Accounting Best Practices Podcast. Podcast. URL: https://www.accountingtools.com/podcasts, 2018.

Ernst & Young LLP., Retail Operation: Six Success Factors For A Tough Market. London Place: London, 2013.

Fernandes, E., Moro, S., Cortez, P., Batista, F. & Ribeiro, R., A data-driven approach to measure restaurant performance by combining online reviews with historical sales data. International Journal Of Hospitality Management, 94102830, 2021.

Goddard, W. & Melville, S. Research Methodology, An Introduction 2nd ed, 2001.

Karodia, A.M., Dube, S. & Linganiso, X., Investigating factors impacting on restaurants' competitive positioning. Kuwait Chapter of Arabian Journal Of Business & Management Review, 4(8):1-45, 2015.

Mukwakungu, S.C., Lumbwe, A.K., Niati, D. & Mbohwa, C., The importance of quality management system and leadership in the South African restaurant, fast food, and catering sector–case of the Gauteng province, 2019.

Maseko, M.,M., Effects Of Non-Compliance With The Occupational Health And Safety Act (No. 85 Of 1993) Among The Food And Beverage Industries In Selected Provinces Of South Africa by Maud Moditja Maseko Submitted In Accordance With The Requirements For The Degree Of Doctor Of Literature And Philosophy In The Subject, 2016.

Maumbe, B., The rise of South Africa's quick service restaurant industry. Journal Of Agribusiness In Developing And Emerging Economies, pp147-166, 2012.

Mortensen, D.H., How to Do a Thematic Analysis of User Interviews, Interaction Design Foundation. Retrieved from:https://www.interaction- design.org/literature/article/how-to-do-a-thematic-analysis-of-user-interviews, 2020.

Ntlhanngoe, L. & Chipunza, C., Owner-managers' transformational leadership behaviors and human resource strategies: A case of small fast-food restaurants in South Africa. SA Journal of Human Resource Management, 199, 2021.

Park, K. & Jang, S.S., Hospitality Finance and Managerial Accounting Research: Suggesting an interdisciplinary research agenda. International Journal of Contemporary Hospitality Management. Volume 26 (5), pp 751-777,2014.

Penaflor, M., Pricing strategies used in Restaurants to help them reach their target profit, 2023.

Planinc, S. & Kukanja, M., Restaurant customers' quality expectations: A pre-and post-COVID-19 pandemic comparison. *Tourism: An International Interdisciplinary Journal,* 70(2):168-182, 2022.

Raju, K. & Roshan, D., Allied Market Research. South Africa Fast Food Market Outlook, 2020.

Saunders, M., Lewis, P. and Thornhill, A., Research Methods for Business Studies, 6th ed., Pearson. Somerset west: Bevan Lith, 2012.

Thompson, L.L. & Thompson, M., Making the team: A guide for managers, 2008.

Trochim, W. M.K., Research Methods Knowledge Base, Inferential Statistics, 2023.

Vidili, I.,"Customer experience: The new competitive advantage for companies thatwant their customer at the center of their business" in *Handbook of Research on User Experience in Web 2.0 Technologies and Its Impact on Universities and Businesses* IGI Global, pp. 183-209, 2021.

Walker, J.R., The Restaurant: From Concept to Operation. (9th Edition), John Wiley & Sons, 2021.

Zainol, N.A. & Ahmad, R., Food Service Control Practices: Issues and Recommendations. University of Malaysia, 2015.

Biography

Matildah Gumbo is a student at the University of Johannesburg. She is studying towards a Master's Degree in Operations Management in the Department of Quality and Operations Management. Her main research interests are cost control measures or techniques that can help restaurant management. She completed a finance degree in Fiscal Studies at the National University of Science and Technology in Bulawayo Zimbabwe.

Prof Nita Inderlal Sukdeo is currently an Associate Professor in the Department of Quality and Operations Management within the School of Mechanical and Industrial Engineering at the

University of Johannesburg, South Africa. She obtained a Masters in Quality, from the Durban University of Technology and a PhD in Engineering Management from the University of Johannesburg. She is currently registered for a second PhD in Quality Engineering. She is an active researcher in the field of total quality management and operations management. Her field of expertise also include advanced manufacturing technologies, Artificial Intelligence in the manufacturing sector, smart factory, Quality 4.0 framework, quantitative analysis, quality management systems, quality auditing and risk assessment. She is a qualified Lead Auditor, proficient in ISO. standards and certification. She is chairperson and director of the Society for Operations Management in Africa (SOMA). She is a professional member of the Southern African Society for Quality (SASQ). Empowering and advocating women in Engineering and STEM as the chairperson for Faculty's Women in Engineering and the Built Environment (WiEBE).