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BUSINESS PRACTICES AND PROFITABILITY CHALLENGES OF SELECTED SCHOOL CAFETERIAS IN METRO MANILA: BASIS FOR INTERVENTION

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ABSTRACT

This study aimed to determine the business practices and profitability challenges of selected school cafeterias in Metro Manila as a basis for proposing an intervention program. A descriptive research design was employed to assess cafeteria operations in terms of menu design and variety, production capability, operational efficiency, supply chain management, and quality control. The study involved 45 respondents composed of cafeteria managers and employees from selected higher education institutions in Metro Manila. Data were gathered through a validated researcher-made questionnaire and analyzed using percentage, weighted mean, and t-test to determine the level of business practices, identify profitability challenges, and examine differences in the assessments of managers and employees. The study was completed in February 2025. Findings revealed that the overall business practices of the selected school cafeterias were rated Outstanding, particularly in operational efficiency, supply chain management, and quality control. The t-test results showed no significant difference between the assessments of managers and employees regarding cafeteria business practices. Moreover, profitability challenges were found to be Moderately Encountered, with limited menu variety, inadequate kitchen facilities, inefficient menu planning, and lack of skilled personnel emerging as the major concerns. Based on these findings, an intervention program was developed and evaluated by the respondents, who rated it as Highly Acceptable. The study concludes that strengthening operational systems, menu planning, staff capability, procurement processes, and quality management can enhance the profitability, efficiency, and sustainability of school cafeteria operations in Metro Manila.

Keywords: *School Cafeterias, Business Practices, Profitability Challenges, Operational Efficiency, Quality Control, Intervention Program*

INTRODUCTION

School cafeterias serve an essential function in educational institutions by providing students, faculty, and staff with convenient access to food and beverages. Beyond this role, they also operate as business entities that must balance customer satisfaction, operational efficiency, and financial sustainability. Effective management is necessary to ensure that cafeterias can consistently deliver quality products and services while remaining profitable in an increasingly competitive and challenging environment.

Business practices have long been recognized as important factors influencing the performance of foodservice operations. Menu design and variety play a significant role in meeting customer preferences and encouraging patronage (Brown & Harris, 2022; Helmold, 2020; Kim & Lee, 2020). Likewise, production capability contributes to the efficient preparation and delivery of food products, which directly affects customer satisfaction and organizational performance (Chen & Liu, 2021). Operational efficiency enables foodservice establishments to maximize resources and reduce unnecessary costs, thereby improving overall productivity (Etzion, 2020; Stewart, 2021). Furthermore, effective supply chain management helps ensure the timely availability of ingredients and materials necessary for continuous operations (Aday & Aday, 2020; Williams & Gordon, 2023). Quality control is equally important as it promotes food safety, consistency, and compliance with established standards (Garcia & Martinez, 2022; White & Johnson, 2020).

Despite the importance of these business practices, many school cafeterias continue to encounter profitability challenges. Rising food costs, operational constraints, supply chain disruptions, and changing consumer preferences have increased the complexity of managing foodservice operations (Harris & Robinson, 2021; Smith & Johnson, 2023). Santos (2021) further noted that school-based cafeterias face sustainability concerns that may affect their ability to maintain both service quality and financial performance.

Although numerous studies have examined foodservice management and operational performance, research focusing specifically on school cafeterias remains limited. Most existing studies have concentrated on commercial restaurants and other hospitality establishments, creating a gap in understanding the operational realities of school-based foodservice operations. Given the vital role of school cafeterias and the challenges they face, there is a need to examine their business practices and profitability concerns. Thus, this study was conducted to determine the business practices and profitability challenges of selected school cafeterias in Metro Manila and to develop an intervention program based on the findings.

Research Questions

The study sought to answer the following questions:

1. What is the level of business practices of selected school cafeterias in Metro Manila in terms of:
   1.1 Menu Design and Variety
   1.2 Production Capability
   1.3 Operational Efficiency
   1.4 Supply Chain Management
   1.5 Quality Control?
2. Is there a significant difference between the assessments of managers and employees regarding the business practices of school cafeterias?
3. What profitability challenges are encountered by selected school cafeterias?
4. What intervention program may be proposed based on the findings?
5. What is the level of acceptability of the proposed intervention program?

METHODOLOGY

This study used a descriptive research design to examine the business practices and profitability challenges of selected school cafeterias in Metro Manila. It aimed to describe existing cafeteria operations and identify related issues in management and profitability.

The study was conducted in selected higher education institutions in Metro Manila with operating school cafeterias serving students, faculty, and staff. A total of 45 cafeteria personnel participated, consisting of 7 managers and 38 employees, selected through purposive sampling due to their direct involvement in operations.

Data were gathered using a validated researcher-made questionnaire based on related literature. It covered menu design, production capability, operational efficiency, supply chain management, quality control, and profitability challenges, using a five-point Likert scale. The questionnaire was reviewed by experts before administration.

After securing permission, the researcher personally distributed and retrieved the questionnaires, ensuring confidentiality and proper briefing of respondents. Collected data were then organized and analyzed using percentage, weighted mean, and independent samples t-test at a 0.05 level of significance.

The study focused only on selected cafeterias in Metro Manila and was limited to the perceptions of managers and employees during the data collection period. Results were used as basis for an intervention program and may not be generalizable to all school cafeterias.

Percentage

Percentage was used to determine the profile distribution of respondents.

$$P=\frac{f}{N}\times100$$

Where:

- P = Percentage
- f = Frequency
- N = Total Number of Respondents

Weighted Mean

The weighted mean was used to determine the respondents' assessment of business practices, profitability challenges, and acceptability of the proposed intervention.

The Formula:

$$\boldsymbol{X} = \sqrt{\frac{\sum \boldsymbol{f}\, \boldsymbol{X_1}}{\boldsymbol{N}}}$$

Where:

X	= Weighted mean
$\sum$	= Summation
f	= Frequency
X_1	= weight of the scale
N	= number of respondents

Likert Scale for Business Practices and Acceptability

Scale	Range	Verbal Interpretation	Symbol
5	4.20 – 5.00	Outstanding	O
4	3.40 – 4.19	Very Satisfactory	VS
3	2.60 – 3.39	Satisfactory	S
2	1.80 – 2.59	Fair	F
1	1.00 – 1.79	Poor	P

Likert Scale for Profitability Challenges

Scale	Range	Verbal Interpretation	Symbol
5	4.20 – 5.00	Highly Encountered	HE
4	3.40 – 4.19	Encountered	E
3	2.60 – 3.39	Moderately Encountered	ME
2	1.80 – 2.59	Least Encountered	LE
1	1.00 – 1.79	Not Encountered	NE

t-Test

The t-test for independent samples was used to determine whether a significant difference existed between the assessments of managers and employees.

The formula:

$$t = \frac{\overline{X_1} - \overline{X_2}}{\sqrt{\frac{S_1^2}{n_1} + \frac{S_1^2}{n_2}}}$$

Where:

$\overline{X_1}$ = mean of the 1st group
$\overline{X_2}$ = mean of the 2nd group
S_1^2 = standard deviation of the 1st group squared
S_1^2 = standard deviation of the 2nd group squared
n_1 = sample size (1st group)
n_2 = sample size (2nd group)

The null hypothesis was tested at the 0.05 level of significance.

RESULTS AND DISCUSSION

Research Question 1. Assessment of Business Practices of Selected School Cafeterias

Table 1
Summary of Business Practices of Selected School Cafeterias

Business Practice	Managers WM	Employees WM	Composite WM	Verbal Interpretation	Rank
Menu Design and Variety	4.04	4.11	4.08	Very Satisfactory	5
Production Capability	3.99	4.33	4.16	Very Satisfactory	4
Operational Efficiency	4.46	4.31	4.38	Outstanding	1.5
Supply Chain Management	4.37	4.39	4.38	Outstanding	1.5
Quality Control	4.40	4.35	4.37	Outstanding	3
Grand Mean	**4.25**	**4.30**	**4.27**	**Outstanding**	

The overall business practices of selected school cafeterias were rated **Outstanding** with a grand mean of **4.27**. Operational efficiency and supply chain management obtained the highest ratings, indicating that cafeteria operations are effectively managed through organized workflows, efficient supplier coordination, and systematic operational procedures. Quality control was likewise rated outstanding, suggesting that cafeterias prioritize food safety and product consistency. Menu design and production capability received slightly lower ratings but remained within the very satisfactory level. These findings imply that school cafeterias possess strong operational foundations that contribute to business sustainability and customer satisfaction.

Research Question 2. Significant Difference Between the Assessments of Managers and Employees

Table 2
Difference Between Managers' and Employees' Assessments

Indicator	T-value	Critical Value	Decision	Interpretation
Menu Design and Variety	0.07310	1.734	Accept Ho	Not Significant
Production Capability	0.37718	1.734	Accept Ho	Not Significant
Operational Efficiency	0.15380	1.734	Accept Ho	Not Significant
Supply Chain Management	0.01816	1.734	Accept Ho	Not Significant
Quality Control	0.05668	1.734	Accept Ho	Not Significant

The computed t-values for all dimensions were lower than the critical value of 1.734, leading to the acceptance of the null hypothesis. This indicates that there is no significant difference between the assessments of managers and employees regarding business practices. The similarity in responses suggests that both groups share a common understanding of cafeteria operations and organizational practices.

Research Question 3. Profitability Challenges Encountered by School Cafeterias

Table 3
Profitability Challenges Encountered

Profitability Challenge	WM	Verbal Interpretation	Rank
Limited menu variety and seasonal offerings	3.71	Encountered	1
Inadequate kitchen facilities and equipment	3.58	Encountered	2
Inefficient menu planning leading to food waste	3.53	Encountered	3
Food spoilage and disposal concerns	3.52	Encountered	4
Lack of skilled employees and training	3.50	Encountered	5
Lack of standardized food handling procedures	3.30	Moderately Encountered	6

Lack of reliable suppliers	3.29	Moderately Encountered	7
Inefficient procurement processes	3.23	Moderately Encountered	8
Inconsistent food quality	3.18	Moderately Encountered	9
Inadequate quality control measures	3.12	Moderately Encountered	10
Poor workflow and inefficient processes	3.08	Moderately Encountered	11

Overall Grand Mean 3.37 Moderately Encountered

Profitability challenges were generally rated as **Moderately Encountered** with a grand mean of **3.37**. The highest-ranked challenge was limited menu variety and seasonal offerings, suggesting that product diversification remains a concern among cafeterias. Other major challenges included inadequate kitchen facilities, inefficient menu planning, food wastage, and insufficient employee skills. These challenges indicate the need for strategic improvements in menu management, production systems, facility enhancement, and workforce development.

Research Question 4. Proposed Intervention Program

Table 4
Proposed Intervention Program

Identified Challenge	Proposed Intervention
Limited menu variety	Menu innovation and seasonal menu development
Food waste	Standardized menu planning and inventory management
Inadequate facilities	Equipment upgrading and maintenance program
Lack of skilled personnel	Continuous training and competency development
Procurement concerns	Strengthening supplier partnerships
Quality issues	Enhanced quality assurance monitoring

The proposed intervention program was formulated to address the profitability challenges identified in the study. It focuses on improving menu planning, facility enhancement, employee development, procurement efficiency, and quality assurance. These initiatives aim to increase operational efficiency, customer satisfaction, and profitability.

Research question 5. Acceptability of the Proposed Intervention Program

Table 5
Acceptability of the Proposed Intervention Program

Indicator	WM	Verbal Interpretation	Rank
Improves sustainability of business practices	4.29	Highly Acceptable	1
Flexibility and cost-effectiveness	4.28	Highly Acceptable	2.5
Comprehensive implementation plan	4.28	Highly Acceptable	2.5
Practicality of implementation	4.23	Highly Acceptable	4.5
Benefits to stakeholders	4.23	Highly Acceptable	4.5
Overall Weighted Mean	**4.26**	**Highly Acceptable**	

The proposed intervention program received an overall weighted mean of **4.26**, interpreted as **Highly Acceptable**. Respondents believed that the intervention is practical, comprehensive, flexible, and capable of enhancing cafeteria operations. The results indicate strong stakeholder support for implementing the proposed program.

Conclusions

Selected school cafeterias in Metro Manila demonstrate outstanding business practices, particularly in operational efficiency, supply chain management, and quality control. Managers and employees share similar perceptions regarding cafeteria operations, as evidenced by the absence of significant differences in their assessments. Although profitability challenges were only moderately encountered, concerns related to menu variety, food waste, facilities, and employee competency require attention. The proposed intervention program effectively addresses these concerns and was rated highly acceptable by respondents, indicating its potential to improve cafeteria profitability, operational efficiency, and long-term sustainability.

Recommendations

1. Sustain outstanding performance in operational efficiency, supply chain management, and quality control.
2. Enhance menu diversity and introduce seasonal offerings.
3. Improve menu planning systems to minimize food waste.
4. Upgrade cafeteria facilities and production equipment.
5. Conduct regular employee training and development programs.
6. Strengthen supplier relationships and procurement practices.
7. Implement and monitor the proposed intervention program.
8. Conduct future studies to evaluate the long-term effectiveness of the intervention program.

Compliance with Ethical Standards

The researcher declares that this study was conducted in accordance with established ethical standards in research. Informed consent was obtained from all respondents, and participation was entirely voluntary. Respondents were informed of their right to withdraw from the study at any time without any consequences. The anonymity, confidentiality, and privacy of all respondents were protected, and the provisions of the Data Privacy Act of 2012 were strictly observed. The well-being and rights of the participants were safeguarded throughout the conduct of the study.

The researcher further declares that no conflict of interest existed, plagiarism was strictly avoided through proper citation of sources, and all findings were analyzed and presented objectively without bias. The results of the study were used solely for academic and research purposes. For full disclosure, artificial intelligence tools were utilized only for language enhancement, formatting assistance, and writing support. The researcher remained fully responsible for the study's content, data analysis, findings, conclusions, and recommendations.

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