Analysis on Cost Control in Hotel Financial Management

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Abstract

With the continuous development of the economy, people's income has increased significantly and the number of its external travel is gradually increasing, so the hotel companies in China have set up around. However, the hotel companies do not pay attention to cost control then it cannot be in the fierce competition in the market to obtain long-term development. This paper will describe the cost control in the hotel financial management, emphasize the importance and function of cost control in hotel management, reveal the existing problems of hotel cost control, and actively explore the strategy of strengthening cost control.

Keywords. The hotel; Cost management; Financial management; Control

1. INTRODUCTION

Since the reform and opening up, with the continuous development of social economy, China's hotel industry is also growing and growing competition between the industries is also increasing. As an important part of enterprise financial management, cost control has become the focus of the hotel financial management work and the hotel's economic benefits have a direct impact. Therefore, it is very important to strengthen the study of cost control in hotel financial management. Strengthen the hotel financial management in the cost control that is conducive to reducing the management and operating costs that is conducive to improving the economic efficiency of enterprises and service efficiency which is conducive to enterprises in the fierce competition to survive and develop.

2. Definitions of the Hotel Cost Control

We know that the hotel for the ultimate goal of production and business operation is to realize the maximization of their own economic benefits, including hotel production operating costs for the hotel the actual profits have important influence. Hotel for the purpose of cost control, therefore, is on the premise of guarantee the quality of service, improve the production management way, maximum limit to reduce the enterprise cost and realizing the maximization of benefit.

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From the top, the hotel cost is an enterprise in the process of provide service for the customer the sum total of all kinds of charge, and hotel cost control is the enterprise in the process of production and operation management on the cost of activities. The principle of hotel cost control has to adhere to customer demand first and adhere to a certain degree of relativity that can be analyzed from two major perspectives.

- Adhere to a certain relative principle, refers to the hotel in the cost management process, not only to pay attention to directly reduce or inhibit costs, but also through scientific management tools to control the cost of the hotel, can effectively improve the efficiency of the use of hotel funds.
- Meeting the customer's demand is the premise and foundation of the cost control of the hotel that must first be clear, the real hotel cost control is not the same as absolute cost, but in providing quality service under the premise of efficient operations, its purpose is to attract customers to a great extent, improve the economic benefits of the hotel.

Hotel financial management departments to strengthen the cost control, we must clear the content of cost control, to seize the key. In this way, the hotel manager can make a comprehensive and focused control of the cost that should follow the listed aspects.

- We want to build and improve the cost control system. In this content, the hotel is the object of cost control is the kitchen, which is also the survival and development of the hotel has a close relationship. Therefore, if the kitchen to effectively cost control, we must establish and improve the cost control system, the implementation of the hotel kitchen supervision and management. Of course, an effective cost control system to clear the kitchen production process, the development of scientific and rational production cost standards, but also the entire production process for effective monitoring and management to reduce unnecessary waste of costs.
- Effective control of human resource costs. As a labor-intensive industry, the cost of labor in hotels is increasing, making it less competitive. Therefore, the hotel should improve the competitiveness of the industry and increase the economic efficiency, so it must effectively control the labor cost and increase the efficiency of labor production.
- To scientific development of economic procurement programs, to strengthen the procurement of cost control. As the initial location of the cost control of the hotel, the cost of procurement is to enter the hotel's material quality and price of strict control, such as the choice of some cheap materials to control the hotel's procurement costs. From the purchase quantity and price, the greater the number of hotel purchases, the price will be cheaper. Therefore, the hotel should coordinate the relationship with the supplier to ensure the quality of procurement materials and
effectively reduce the cost of the cost, so the cost of procurement to effectively control.

3. The Importance of Cost Control in Hotel Financial Management

Presently, although our country's hotel quantity relative many, and but mostly the scale quite is all small the structure quite to be unitary, quite is deficient in the market competition superiority. Therefore, carries on the effective cost control in the financial control, has the important influence regarding the hotel survival and the development. The implementation cost control that is at the same time advantageous in reduces the production cost, thus causes the enterprise to obtain the price aspect in the market competition the superiority, attracts the customer effectively, enhances the sales specified amount, the increase enterprise economic efficiency, enhances the enterprise the comprehensive competitive power. On the other hand, the implementation cost control, is advantageous in forms the industrial protection lock, can strengthen the enterprise to the commodity current price on market declension bearing capacity, thus enhances the enterprise to be supposed to each kind of adverse effect factor ability, maintains the hotel the survival and the development.

4. The Role of Hotel Cost Control

(A) It is conducive to a clear financial management of the strategic objectives

At present, due to the impact of domestic and foreign environment, China's hotel industry's survival and development is facing enormous challenges. In order to be sustainable in the increasingly fierce market competition, the hotel must formulate scientific strategic objectives and adopt effective management methods to deal with the key cost issues that affect the hotel's financial strategy.

(B) It is able to better provide services to customers

For the hotel, the customer is "God". With the socio-economic development and improvement of people's living standards, customers have a higher demand for hotel services. Therefore, if the hotel can be based on market demand, effective cost control, improve their quality of service, then you can better meet customer needs.

(C) It is conducive to the implementation of advanced management concepts and measures

Strategically, establish and timely update the concept of cost management, help to improve the efficiency of the integrated use of efficiency. In the fierce competitive environment, the implementation of advanced financial management tools should also be based on accurate cost information.
5. Measures to Strengthen Cost Control

Because the strategic cost has the very vital role in the present hotel financial control, the enterprise financial control department through carries on the concrete analysis to the internal production movement process, effectively carries on the forecast and the decision-making to the hotel cost control, is advantageous chooses the better management strategy in the enterprise, perfect cost management system, thus between the better processing cost control and the hotel development relations, and finally obtain the maximum economic efficiency.

In the production and operation process, the procurement is the most important part of the link is the most important. In this session, the control of purchasing costs has an important impact on the overall cost control process. Therefore, the procurement should be included in the financial management, to raise awareness of the procurement process, the development of the relevant budget program, to strengthen the procurement of cost control, so that procurement has become one of the basic hotel management activities. Through this method, it is conducive to strengthening the relationship between the various departments within the hotel, is conducive to the market demand, timely adjustment of procurement programs.

Cost budgeting is a concrete measure of cost management. In financial management of the hotel, only for the cost of scientific indicators of the project, and adopt reasonable assessment method, can realize effective cost control to the hotel. Therefore, in the cost budget, to adhere to the principle of scientific, reasonable and so on, according to the specific indicators, improve staff motivation and efficiency, and in the process of concrete practice to improve the comprehensive ability of the staff.

In the hotel management, a set of financial management system to develop and improve, must comply with the hotel is the survival and development of the law to determine the production targets, the work of the hotel all aspects of effective control to ensure that the work can be along the ideal The direction of the development of indicators and for example, for the management of the kitchen, the hotel financial management departments to implement strict control of their work processes to ensure the effective implementation of the entire cost control system.

Longer at the moment, the building construction, some domestic hotel facilities and equipment are old, not only to a certain extent, affect the hotel's reputation and quality, but also increase the maintenance cost. Therefore, the cost of this part has become the key factor affecting hotel cost control. So, the hotel manager to be effective in cost control that must be based on the actual situation of each hotel timely replacement and repair old facilities, according to the actual of different post salary, formulate corresponding purchasing
management system. In addition, for the main energy consumption departments, hotel managers need to formulate scientific consumption, clear department staff work and responsibility, enhance the independent consciousness of employees in the aspect of energy conservation and consumption reduction, to be able to consciously maintain the hotel facilities, reach the purpose of the implementation of comprehensive cost control.

In the long run, the hotel shut down according to their own reality, the same industry as the basic level of the basic reference object, the hotel's production and operation of a specific investigation and analysis, establish and improve the budget management system, develop a scientific assessment Guidelines to achieve the overall hotel management costs continue to decline.

6. Conclusion

Cost control in the hotel's financial management has a direct impact on the hotel's sustainable development. Therefore, regardless of the hotel cost control work no matter how complicated and difficult, hotel managers must have a specific understanding of its content, to develop a relatively complete cost control system, the management of the problems arising from the corresponding countermeasures to solve, the largest The degree of economic benefits for the enterprise to create.

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References


