

MODULE HANDBOOK

Financial Management for the Hotel Industry

School of Tourism and Hospitality

Faculty of Business and Management

LEVEL 5

Introduction to Financial Management for the Hotel

Industry 2021-22

Welcome to this generic overview handbook for the new Financial Management for the Hotel Industry module. It should be read in conjunction with supplementary information and materials available on Moodle together with information and instructions delivered by the module lecturer.

It is intended that the module itself will look at the role and function of Financial Management within the Hotel Industry.

In order to get the best out of this module it is vital that you engage with the themes explored as well as with both the online and offline activities during tutorial sessions which are designed to enrich the learning experience as well as to encourage self-directed study together with collaboration and interaction with your peer group.

AIM(S)

- To develop a critical understanding of the principles of Financial Management, concepts and applications of financial and management accounting within the hotel industry.
- To encourage and develop the student's ability to interpret key financial information for budgeting, performance measurement and evaluation techniques.

LEARNING OUTCOMES

Upon the successful completion of this module, the student should be able to demonstrate the ability to:

1. Critically analyse and evaluate the informational requirements of management, particularly in relation to decisions involving revenues, costs and other financial criteria using appropriate methods and techniques;
2. Demonstrate a critical understanding of how to monitor and evaluate financial performance within the Hotel Industry;

INDICATIVE CONTENT

- Accounting for sustainability within the hotel and tourism industry.
- Cost volume profit analysis; cost behaviour, marginal v absorption costing, costing for short and long term decision making, use of marginal costing, limiting factors/ constraints.
- Introduction to budgeting, cash budgets and working capital management.
- Accounting software systems used within hotel/hospitality environments.
- Sustainable accounting practices.
- Functional and master budgets, sales, materials, labour and overhead budgets.
- Introduction to standard costing, identification of criteria for standard setting, types of standards

LEARNING AND TEACHING STRATEGY

An interactive student-centred approach will be adopted for the learning and teaching strategy. Accordingly, lectures will be used to introduce topics, theories and concepts; these will be supported by a series of workshops, and seminars. The workshops will be used for problem solving exercises and the seminars for in class discussion groups.

The allocation of teaching to deliver the module is:

Activity type	Hours	Percentage
Scheduled learning	50	25%
Independent learning	150	75%
Placement learning		
TOTAL	200	100%

Scheduled Class Programme

The module is delivered by two hour mixed lecture/tutorial class on Tuesdays. The following schedule of classes is indicative only and will be adapted to accommodate visits/presentations etc.

Week	
1	Introduction to the Module Introduction to Accounting and Accounting Terminology The Financial Statements
2	The role of accounting in Decision Making Key performance indicators and ratio analysis
3	Comparative Analysis – the relevance and flexibility of data
4	Management Accounting and Managerial Decision Making
5	Traditional Cost Accounting
6	Draft Submissions and Feedback Accounting for Sustainability within the Hotel and Tourism Industry. Sustainable Accounting Practices
7	Presentations
8	What is a Budget? Introduction to Budgeting and Working Capital Management
9	Industry Week – There will be an assortment of Guest Lectures
10	Budgets: Functional and Master Budgets Sales, Materials, Labour and Overhead Budgets
11	Budgets for Planning and Control
12	Accounting Software Systems used within the Hotel and Hospitality Environments
13	Final Session Draft Submission and Feedback

BIBLIOGRAPHY

Essential

Drury C (2008) (7th Ed) Management and Cost Accounting, London, Prentice Hall

Guilding, C.(2013) Accounting Essentials for Hospitality Managers, London, Taylor and Francis.

Hayes, M. & Miller, A. (2012) Revenue Management for the Hospitality Industry, London, Wiley

Recommended

Atrill P and McLaney E (2009) Management Accounting for Decision Makers, FT Prentice Hall

Jagels, M. (2007) Hospitality Management Accounting, London, Wiley.

Tranter, K. Stuart-Hill, T. Parker, J. (2013) Introduction to Revenue Management for the Hospitality Industry, London, Pearson

Background

Bhimani A, (Ed) (2006) Contemporary Issues in Management Accounting , Oxford

Seal W, Garrison R H, Noreen E (2008) Management Accounting, McGraw Hill

Bromwich M and Bhimani A (1994) (2nd Ed) Management Accounting, Pathways to Progress, London: CIMA

Garbutt Prof. D (1992) Making Budgets Work, London: CIMA

Hopwood A C (1976) Accounting and Human Behaviour, London: Prentice Hall International

Horngren C T and Forster G (2003) (11th Ed) Cost Accounting, A Managerial Emphasis, London: Prentice Hall International

Journals

Accountancy

Accountancy Age

ACCA publications

Accountancy and Business Research

The Financial Times

Websites

ACCA

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