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- Accounting / Araştırma Makalesi / Research Article -

Management Accounting Practices of 4 and 5 Star Hotels in Konya Province*

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ABSTRACT

In the tourism sector today, where competition is intensely felt and high risk and uncertainty are present, businesses need to effectively and efficiently use their resources to sustain their existence. Hotel busineses, established with high capitals, aim to increase their profitability by controlling costs in these challenging market conditions. Especially, hotel businesses facing situations such as seasonal fluctuations in demand and changing customer needs and expectations, need good management and accounting systems for both performance evaluation and strategic planning. At this point, the presence of management accounting, which provides all the financial and non-financial information needed by the managements and affects decision-making, is of great importance for hotel businesses.

Thus, the aim of this study is to examine the management accounting practices of 4 and 5-star hotel businesses in Konya province and to determine their current situation. According to the findings of the research, it has been determined that 50% of the hotel businesses have a separate management accounting department, and 58.3% have a separate cost accounting department. In terms of costing approaches, 66.7% have adopted activity-based costing, 58.3% have adopted full costing approach, and the standard costing approach, at 33.3%, is relatively lower compared to others. Moreover, it has been found that the use of actual costing, budgeting activities, performance evaluation methods, and strategic management accounting practices have a high level of benefit for the businesses.

Keywords: Cost Accounting, Management Accounting, Budgeting, Hotel Businesses.

Konya İlinde Faaliyet Gösteren 4 ve 5 Yıldızlı Otellerin Yönetim Muhasebesi Uygulamaları

ÖZ

Günümüzde rekabetin yoğun olarak hissedildiği, yüksek risk ve belirsizliğin bulunduğu turizm sektöründe işletmeler, varlıklarını sürdürebilmeleri adına kaynaklarını etkin ve verimli kullanmaları gerekmektedir. Yüksek sermayelerle kurulan otel işletmeleri, bu zorlu piyasa koşullarında maliyetleri kontrol altına alarak karlılıklarını arttırabilmeyi hedeflemektedir. Bilhassa, talepte meydana gelen mevsimsel dalgalanmalar ve değişen müşteri istek ve beklentileri gibi durumlarla karşı karşıya kalan otel işletmeleri gerek performans değerlendirme gerekse de stratejik planlama için iyi bir yönetim ve muhasebe sistemlerine ihtiyaç duymaktadır. Bu noktada yönetimlerin ihtiyaç duyduğu finansal ve finansal olmayan tüm bilgileri sağlayarak, kararların alınmasında etkili olan yönetim muhasebesinin varlığı otel işletmeleri için büyük önem arz etmektedir.

Buradan hareketle bu çalışmanın amacı, Konya ilinde faaliyet gösteren 4 ve 5 yıldızlı otel işletmelerinin yönetim muhasebesi uygulamalarını inceleyerek mevcut durumlarının tespit edilmesidir. Elde edilen araştırma bulgularına göre, otel işletmelerinin %50'sinin ayrı yönetim muhasebesi bölümüne, %58,3'nün ise, ayrı maliyet muhasebesi bölümüne sahip olduğu belirlenmiştir. Maliyetleme yaklaşımları açısından bakıldığında ise, %66,7'sinin faaliyete dayalı maliyetleme, %58,3'nün tam maliyetleme yaklaşımını benimsedikleri, %33,3 oranı ile standart maliyetleme yaklaşımın ise, nispeten diğerlerine göre düşük olduğu ortaya konmuştur. Ayrıca işletmelerin, fiili maliyet, bütçeleme faaliyetleri, performans değerleme yöntemleri ve stratejik yönetim muhasebesi uygulamalarının kullanılmasının fayda düzeyinin yüksek olduğu tespit edilmiştir.

Anahtar Kelimeler: Maliyet Muhasebesi, Yönetim Muhasebesi, Bütçeleme, Otel İşletmeleri.

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1. Introduction

Tourism is a sector where demand constantly diversifies, uncertainty and risk always exist, cost and expense control becomes difficult, and profit margins continuously change (Civan & Cenger, 2013:354). Because tourism has affected a wide range of areas, especially economic growth, education, employment and social development, it is a critial component of socia-economic development and prosperity for both developed and developing countries (Çankaya Kurnaz & Kurnaz, 2022:68). In hotel business, which are among the most important components of the sector, the use of methods and tools that will provide competitive advantage among the different and various services offered by competitors has become mandatory due to the prominence of issues such as market conditions and increasing competition in which hotel business are situated, the importance of special services offered to customers, and customer satisfaction (Arsu et al., 2015:17). In light of these developments, hotel businesses must satisfy their customers by providing price advantages and also maintain the highest level of profitability. For this purpose, an effective cost management system must be established to benefit the decision-making process of senior management. Accounting, finance, and management coming together form an interdisciplinary concept like management accounting. Management accounting, which includes practices that add value to the business, is key to business success (Enoch, 2015: 86). Managers need accurate and reliable financial information for the protection of business assets, elimination of errors, evaluation of business policies, increase in demand, marketing strategies, and pricing policies (Sarı & Çam, 2014:247). At this point, management accounting meets the needs of hotel businesses as it is designed to provide all the information needed by the manager to make decisions in a manner that meets the strategic, economic, and profit goals determined by the organization's leadership (White, 2009:63; Didin & Köroğlu, 2008:114).

Management accounting primarily focuses on the corporate strategy, emphasizing the connection between the organization's accounting and control system design and strategic choices (Ittner and Larcker, 2001:363). Unlike other accounting functions, management accounting is completely tailored according to business demands and needs, providing information aimed at business management rather than the external environment (Sarı & Çam, 2014:249), especially providing detailed information for business management on planning and controlling business decisions (Güngör Tanç, 2012).

In hotel businesses, management accounting consists of the integration of four basic management accounting tools: cost calculation and analysis tools, planning and budgeting tools, decision support tools, and performance evaluation (Özdoğan, 2010:44). Within the context of success and sustainability of hotel businesses, the management accounting system must adapt existing techniques to current conditions and develop new techniques to meet the needs and expectations in the decision-making process for the present and future (Chenhall & Langfield-Smith, 1998: 1). The data obtained with these tools will enable businesses to gain a long-term competitive advantage and enhance the effectiveness of strategic decisions (Bilici & Turan, 2019: 142).

As clearly stated above, management accounting is a significant element in terms of enhancing the competitiveness level of hotel businesses, managing them with a professional approach, and producing accurate cost information. Therefore, the purpose of this study is to examine the extent to which 4 and 5-star hotel businesses in Konya province benefit from cost and management accounting practices and to make a situational assessment.

2. The Concept of Management Accounting

Management accounting emerged in the early 19th century following the industrial revolution. The development of management accounting tools and the beginning of their application were observed in the late 19th and early 20th centuries. The management accounting tools used in that period have undergone many changes, especially in recent years, due to the impact of technology and globalization (Fonseka et al., 2005: 4-5) and diversification of service delivery. This change has been the driving force in the development of different approaches in many sectors (Çankaya, 2021).

When reviewed in the literature, it is possible to encounter different definitions rather than a single universally accepted definition regarding the concept of management accounting. According to The Chartered Institute of Management Accountants (CIMA), management accounting is the application of the principles of financial management and accounting to create, protect, preserve, and enhance value for stakeholders in public and private sector organizations, both for-profit and non-profit (Akmeşe & Bayrakçı, 2016:8). The Institute of Management Accountants (IMA) defines management accounting as "a field of expertise that involves providing financial reporting and control expertise to assist management in the decision-making, planning, and performance management systems and in formulating and implementing an organization's organizational strategy" (Apak, 2018:4-5). Management accounting can simply be defined as the identification, preparation, collection, analysis, and recording of useful accounting and statistical data, as well as reporting to managers (Crossman, 1958: 222; Leitner, 2013:11; Kaygusuz & Dokur, 2012: 2).

Management accounting is an accounting discipline designed to provide all the information needed by the manager to make decisions that meet the strategic, economic, and profit goals set by the organization's leadership (White, 2009:63). Coombs et al. (2005:2) have listed the information that managers may need as follows:

- Financial or non-financial;
- Accurate or generally correct;
- Exact or estimated;
- Past or future-oriented;
- Detailed or broadly adequate;
- Presented in any form of verbal or written forms, such as numbers, tables, and pictures;
- Profits/losses, costs/revenues, turnovers, quality indicators, and trends, etc.

In decisions related to the internal and external environment of businesses, managers make their decisions based on the timeliness and accuracy of the information used. For decisions concerning the internal environment of the business, managers usually utilize management accounting, whereas for decisions related to the external environment, they generally rely on financial accounting (Güngör Tanç, 2012:171). On the other hand, where the basic functions of financial and cost accounting fall short, the functions of management accounting become operational by compiling the missing data and eliminating them (Mayanja, 2010: 5). Although management accounting and financial accounting show similarities due to their application based on the financial information and various numerical data of businesses, management accounting operates on a different logic than financial accounting. This logic is referred to as the commercial orientation logic. This concept points to the ability to sustain future earnings rather than the instant profit of the business. For a business to have this capability requires the business to have a more comprehensive perspective and to fully perform capacity management (Köse, 2007: 218). Therefore, to understand management accounting methods, rather than focusing on financial statements prepared for external users, it is necessary to consider what information managers need to make accurate economic decisions. Because the purpose of management accounting is to provide managers with information to align their businesses with corporate strategic goals based on solid strategic data within a logical framework (White, 2009:64; Büyükmirza, 2007:29).

3. Management-Cost Analysis And Planning Systems

For-profit businesses require management that ensures the highest revenue at the lowest cost to achieve their objectives. This is only possible by considering how each management decision will impact "costs and revenues."

In the management of public institutions that aim solely to serve the community, the focus shifts to providing the maximum service at the minimum cost. Therefore, every decision in these institutions must consider how it will affect "costs and services provided" (Büyükmirza, 2007: 564). This section will explain cost-volume relationships, cost-volume-profit analyses, methods of full-normal-variable costs and business budgets.

3.1. Cost-Volume Relationships

One of the most important factors in determining the costs of a business or a department is the volume of businesses. Analyzing how operation volumes affect costs, in other words, the cost-volume relationship, is crucial in preparing expense budgets and profit planning. The volume of businesses is an indicator of the working intensity of a unit (enterprise, department, machine, etc.) being examined for costs during a certain period. Operation volume, also referred to as activity volume, work volume, and operation capacity, is expressed with various criteria according to the unit being examined. For example, in hotel businesses, criteria for operation include the number of rooms sold, average number of overnight stays, and occupancy rate (Büyükmirza, 2007:327-329). In this context, there is a solid relationship between operation volume and costs. Generally, as the volume of businesses decreases, costs decrease, and as the volume of businesses increases, costs also increase. Similarly, there is an inverse relationship between the quantity of sales that constitute the operation volume and the sales price; as one increases, the other decreases (Bayri, 2005:186).

When examining costs in relation to operation volume, they are divided into three groups: fixed expenses, variable, and mixed expenses. Fixed costs are costs that remain constant despite changes in the volume of activity over a certain period. An example of fixed costs is the rent for a hotel building. Even if the hotel's sales volume increases, the rent for the relevant period will remain unchanged. (Arnold, 2008:172). Variable expenses are costs that increase or decrease proportionally with the operation volume (Horngren et al., 2011: 925). In hotel businesses, examples of variable expenses include food and beverage materials, cleaning expenses, heating, lighting, and energy expenses (Çetiner, 2009: 179). Mixed expenses consist of semi-fixed and semi-variable expenses. These expenses contain characteristics of both variable and fixed expenses to certain extents (Büyükmirza, 2007:335). For example, in hotel businesses, maintenance and repair department costs are fixed (maintenance and repair staff salaries, depreciation) when there is no malfunction. However, when materials begin to be used due to a malfunction, the previously fixed maintenance and repair costs will become variable (Usal & Kurgun, 2006: 36-37).

The cost function is a function that shows the relationship between any cost item and the activity measure. Knowing the cost functions is a necessity for budgeting and control (Gürsoy, 2009:397). The cost function can be separately considered as total cost and unit cost function. Total cost refers to the sum of variable, fixed, semi-variable, and semi-fixed expenses incurred for the entirety of goods or services produced in a certain period, measurable in money. The unit cost function refers to the total of sacrifice shares expressed in money for each unit of goods or services (Birkan Yılmaz, 2015:15).

In making management decisions within an enterprise, it is necessary to separate fixed and variable costs to utilize enterprise costs effectively. At this point, the amount of enterprise costs that are fixed versus variable is determined based on the relationship between operation volume and costs. Certain methods and techniques are employed to determine these relationships. The first is the analytical method, which addresses the relationships between expenses and activity volume in two stages: physical (quantity) connections and monetary (expense-volume relationships) connections. The second is the "accounting method," which starts with accounting records to determine fixed and variable expenses, followed by determining the cost function. The third includes "mathematical and statistical techniques," such as the graphical technique, high/low volumes technique, double average technique, and least squares method (Büyükmirza, 2007:366-387).

The purpose of using these methods is to evaluate past data to predict future costs. However, it should be noted that there is no method that will provide the most accurate and best result in every condition or enterprise. The application of these methods will be adversely affected if the enterprise's costs cannot be accurately recorded or if the necessary information for applying the methods is missing. On the other hand, the costs incurred as a result of using these methods may, in some cases, exceed the benefits they provide. In such cases, choosing the cost analysis method most suitable for the enterprise data is of great importance for conducting more accurate cost analyses (Usal & Kurgun, 2006:72).

3.2. Cost-Volume-Profit Analysis

Cost-volume-profit analysis is a series of problem-solving techniques and methods that systematically examine the relationship between sales prices, sales and production volumes, costs, expenses, and profits (Glautier et al., 2001; Buşan & Dina, 2009:103). Cost-volume-profit analyses can be used in various management decisions, such as pricing, production decisions, distribution decisions, production or purchasing decisions (Kartal, 2013: 61), profit planning, and budgeting process support (Harris, 1992: 24). Furthermore, the cost-volume-profit analysis method generates estimates to assist management in the decision-making process by evaluating current and future events related to sales revenue inputs and cost outputs (Jagels &Coltman, 2004:327).

Cost-volume-profit analysis can be used to determine the breakeven point of a single product as well as in real business applications, such as determining the breakeven points or targeted profit values of multiple products, especially when uncertainty exists. In general, cost-volume-profit analysis can be integrated with many strategic cost management topics related to decision-making, such as sensitivity analysis, activity-based costing, theory of constraints, capital budgeting, pricing decisions, cash flow, performance, and product profitability analysis (Ekergil, 2017:489).

3.3. Full Costing, Normal Costing, and Variable Costing Methods

The full costing method is an approach that advocates for including all cost elements, regardless of their fixed or variable nature, in the production activity within a period, hence, all expenses should be included in the product cost. This method provides convenience and advantage as it does not require separating general production expenses into fixed and variable parts. However, during periods of volume fluctuations in production, production expenses are inversely related, which can result in high costs during low production volumes and low costs during high production volumes, leading to incorrect managerial decisions (Büyükmirza, 2007:498). The full costing method is criticized for contradicting the causality principle, which finds it meaningful to allocate only variable costs directly to products. In the full costing method, fixed costs are also included, thereby creating a direct proportion between fixed costs and the produced goods that does not actually exist. Additionally, this method is considered inadequate for profit planning and control required by business management (Badem & Özbek, 2013:69).

Variable costing is a method aimed at overcoming the deficiencies of the full costing method by separating costs into variable and fixed categories. This method charges only variable production expenses (direct materials, direct labor, and variable manufacturing overhead) to production costs, while all fixed production expenses are kept out of production costs and directly reflected in the income statement (Büyükmirza,2007:506; Demirel Utku & Ersoy, 2008:1633).

The appropriateness of the variable costing method becomes evident when variable costs are significant and constitute a significant part of the total cost. This method is a useful tool for business management, especially in determining the relative profitability of product lines or assessing the effects of changes in production volume, price, or costs. Decisions made using the information obtained from the variable costing method are more accurate compared to the full costing method, thereby increasing business profitability. On the other hand, the difficulty of separating costs into fixed and variable categories and the different results that the methods used for this separation can produce are disadvantages of this method (Demirel Utku & Ersoy, 2008:1633; Özçelik, 2019: 616).

Normal costing calculates the cost of manufactured goods by taking into account all variable production expenses and incorporating fixed general production expenses based on normal capacity through loading rates. In other words, it involves charging all direct materials and labor, and variable manufacturing overhead, and the portion of fixed manufacturing overhead up to the used capacity to production expenses. Fixed general production costs that fall into idle capacity are considered period expenses and sent to the outcome accounts, thereby mitigating the negative effects of fixed costs on unit costs due to seasonal fluctuations in business volume and enabling more accurate pricing decisions (Badem & Özbek, 2013:70; Öztürk & Güleç, 2018;15; Özçelik, 2019:616). The disadvantages of the normal costing method include inconsistencies in period profits, as well as the burdens of calculating capacity variances and separating variable and fixed costs (Büyükmirza 2007, 504).

3.4. Business Budgets

A budget is defined as a series of reports that describe in numerical and financial terms the policies and activities that businesses will follow and implement in the future to achieve predetermined goals (Yükçü 1999: 753). On the other hand, a budget is a detailed plan that shows how resources will be obtained and used for a specific period (Çağıl, 2004: 5). Budgeting is expressed as a series of techniques, methods, and procedures related to the planning, organization, and control of business budgets (Kılınç, 2018:107).

Due to the uncertainty of the future for which the budget is prepared, many people are skeptical about the benefits of budgets (Büyükmirza, 2007:664). Additionally, haphazardly prepared budgets, setting impossible goals, or setting goals that are too easy or too difficult can lead to significant losses for the business (Çağıl, 2004: 6). However, one of the biggest factors in businesses reaching their current positions is the importance they place on budgeting and budget control. Budgets that are prepared both rationally and according to certain principles can provide benefits to businesses as tools for planning, monitoring, performance evaluation, coordination, and communication (Büyükmirza, 2007:664-667).

There are certain features that business budgets must have in order to benefit the business. These are; (Yükçü, 1999, pp. 753-754)

- Business budgets are not estimates, but a pre-prepared plan of business activities. They should be based on data prepared using scientific methods, not on simple estimates.
- It is a measurement tool used to compare and measure the predicted and actual results.
- Budgets prepared according to business needs should be flexible. They should not be definite, rigid, or unchangeable.
- The budget prepared for a period determines the policy of that period. Subsequent activities are carried out according to this policy.

The most suitable budget period for a hotel operation is one year. However, for seasonal hotels, the budget period corresponds to the operational period of the hotel. In this context, the basic activity-based budgeting process in hotel businesses is as follows; (Önal, Karadeniz, & Kandır, 2005).

1. Demand forecasting for the products and services offered by the hotel.
2. Determining the hotel's activity utilization rate.
3. Calculating the amount of activity needed by multiplying the activity usage rate with the different estimated demand for the product/service offered by the hotel.
4. Determining the hotel's resource utilization rate.
5. Determining the amount of resources needed by multiplying the amount of activity required by the hotel according to different production levels with the resource usage rate.
6. Converting the amount of resources needed for the hotel into resource costs.
7. Calculating the cost of resources needed to meet the demand for the hotel.

4. Literature Review

The importance of management accounting for businesses has not escaped the attention of academics. A review of the literature reveals that there are many studies, both domestic and foreign, especially on accommodation businesses. For example, Rasim (2004) examined the cost and management accounting practices in hotel businesses in Turkey and found that about 50% of them used traditional cost accounting systems, while some performed simple cost calculations, and some used activity-based costing. Evans (2005) examined whether "balanced scorecard" was used as a management model tool in making strategic decisions in medium and large-scale hotel businesses in England. According to the study findings, balanced scorecard applications were not widely used in hotel businesses compared to other sectors. Makrigiannakis & Soteriades, (2007) conducted a study on management accounting practices in Greek hotel businesses. According to their research findings, Greek hotels used most of the management accounting techniques, but there were some differences, such as the application of full costing methods. They also concluded that the size of the hotel and the sales volume of the hotel business were effective on the management accounting practices of the hotel business. Pavlatos & Paggios, (2009) examined the management accounting tools used in Greek hotel businesses in their research. According to the data obtained from the study, it was concluded that traditional management accounting tools (such as budgeting, customer profitability analysis, product profitability analysis, non-financial measures for performance evaluation) were widely accepted and contemporary management accounting techniques (such as activity-based costing, activity-based budgeting) were also valued. Similarly, Angelakis, Theriou, and Floropoulos (2010) compared Greece and Finland in terms of adopting management accounting practices, determined the usage rates of traditional and new management accounting practices in Greece, and then compared the results with the current situation in Finland to measure similarities and differences. Accordingly, the levels of usage of new management accounting practices in both countries were similar. It was also found that traditional management accounting practices were used to a lesser extent in Greece. Another study with similar results was conducted by Santos et al., (2012) in Portugal. The study included 35 hotels and analyzed them separately in 2009 and 2010. According to the study findings, the rate of use of traditional management accounting techniques was higher than that of contemporary ones. This was explained by the fact that the hotels were subsidiaries of a multinational hotel chain and were influenced by their annual turnover.

Özdoğan (2010) examined the structure of the management accounting system and the use of system tools in Anemon Hotel chains operating in nine provinces of Turkey. According to their findings, such a large chain hotel group did not actively use management accounting tools, and senior management was cautious about implementing new accounting approaches. Tanç-Gürgör (2012) conducted a study to reveal management accounting practices in accommodation businesses located in the Cappadocia region and found that there was no effective cost and management accounting system in accommodation businesses. The study also revealed that the "variable costing method" and, to a lesser extent, "activity-based costing" techniques were applied as a management decision tool. Moreover, the study concluded that the level of knowledge about modern management accounting techniques was very low.

Köroğlu (2013) applied the activity-based costing (ABC) method, one of the advanced management accounting methods, on a hotel business in the Marmaris region to demonstrate its effectiveness in cost calculation. According to the research findings, the application of activity-based costing in the hotel business was effective in reaching non-quantitative general expenses, exact finished product and service costs, identifying activities that add value from the customer's perspective, reducing activities that do not add value, and providing more realistic information in capacity analysis and reducing uncertainty within the business. However, the method was problematic in terms of not considering practical capacity in calculations and charging the cost of unused capacity to costs.

Sarı & Çam (2014), in their research examining cost and management accounting practices in accommodation businesses in Turkey, concluded that most accommodation businesses benefited from traditional cost systems rather than contemporary ones and that management accounting practices were mostly used to increase efficiency and reduce costs. Arsu et al., (2015) aimed to assess the frequency of use of management accounting practices in hotel businesses in the Cappadocia region and to reveal the relationship between the organizational strategies they used and management accounting practices. They found that "Detailed Budgeting System" applications from traditional management accounting techniques were widely used. They also identified the relationship between the management accounting practices used by hotel businesses and the organizational strategies they adopted, concluding that these practices were effective on organizational strategies.

Kim et al., (2017), in their research on accounting managers working in hotel businesses, determined the first three management accounting skills to be business budgeting, income statement, and analysis of variances. A study by Bilici & Turan (2019) in the Erzurum region found that management and cost accounting systems were not effectively used.

A general review of the literature reveals that contemporary management accounting systems, such as activity-based costing, are used in hotel operations. However, it is observed that traditional costing systems are still predominantly preferred over these modern systems. Additionally, in the choice of management accounting practices to be used in hotels, factors such as whether the hotel is a multinational or chain operation, as well as the size and sales volume of the hotel, play a significant role. The findings of this study, conducted in a different region, will reveal how the results compare to or differ from those reported in the existing literature. It is anticipated that this will contribute to the literature by providing new insights.

5. Material and Methods

The aim of this study is to examine the management accounting practices of 4 and 5 star hotels in Konya province and to determine their current status by revealing the benefits and usage levels of these practices. It is thought that the findings to be obtained as a result of the research will contribute to both hotel businesses and the relevant literature, which constitutes the importance of the study.

This research has been conducted on 4 and 5-star hotel businesses in Konya province that have a Tourism Operation Certificate. The descriptive research method, which is among the quantitative research methods, has been preferred for this study. According to the data obtained from the Konya Provincial Directorate of Culture and Tourism, there are a total of 16 hotels. All these hotels were reached out to, but positive feedback was received from 12 of them. The data were obtained from the general manager, accounting manager, or authorized personnel in the accounting field of these 12 hotel businesses.

The survey technique has been applied in the research, and the scale developed by Pavlatos and Paggios (2009) and later translated into Turkish by Tanç-Güngör (2012) for use in his study has been utilized. The questionnaire form consists of two separate sections. The first section contains information on demographic characteristics, and the second section consists of questions related to management accounting practices, the majority of which are expressed with a 5-point Likert scale. In the questionnaire form, management accounting practices are addressed in four groups (cost accounting, budgeting, performance evaluation and strategic management accounting).

The data obtained in the research were analyzed with the SPSS 28.00 program in a computer environment. Basic descriptive statistical methods such as percentage distributions, frequency, arithmetic mean, and standard deviation have been utilized in the analysis of the data.

In this study, ethical principles were followed, and there is an Ethics Committee Decision dated 13/10/2021 with the number 157/48 from the Scientific Ethics Evaluation Committee of Selçuk University Faculty of Tourism.

6. Research Results

In this section, the basic findings obtained as a result of the research will be presented and interpreted in tables. Firstly, demographic characteristics of the participants are given in table 1.

Tablo 1. Demographic Results of Participants

		Frequency	Percentage
Gender	Male	9	75,0
	Female	3	25,0
Age Ranges	27-36	8	66,7
	37-46	2	16,7
	47 +	2	16,7
Educational Status	Associate Degree	2	16,7
	Bachelor's Degree	7	58,3
	Graduate Degree	3	25,0
Work Experience	1-5 years	1	8,3
	6-10 years	7	58,3
	11-15 years	2	16,7
	16 years and above	2	16,7
Position in the Business	General Manager	3	25,0
	Finance Manager	1	8,3
	Accounting Manager	3	25,0
	Accounting Staff	5	41,7
Number of Stars	4 Stars	5	41,7
	5 Stars	7	58,3
Number of Beds	101-200	3	25,0
	201-300	3	25,0
	301 +	6	50,0

When Table 1 is examined, it is observed that a large majority, 75%, of the participants are male, 66.7% are in the age range of 27-36, 58.3% have received undergraduate-level education, and again 58.3%

have work experience of 6 to 10 years. Looking at their positions in the business, 41.7% are accounting staff. Additionally, among the hotels included in the research, 58.3% are 5-star, and 50% have 301 or more beds.

Table 2. Cost and Management Accounting Departments of Hotel Businesses

	Separate Management Accounting Department		**Separate Cost Accounting Department**	
	Frequency	Percentage	Frequency	Percentage
Yes	6	50	7	58,3
No	6	50	5	47,7

Upon examining Table 2, it is found that 50% of the hotel businesses have a separate management accounting department, while 58.3% have a separate cost accounting department. From this, it is observed that the hotel businesses included in the research do not conduct their businesses solely through a single main accounting system but also benefit from separate cost and management accounting systems.

Table 3. Costing Approaches Used in Hotel Businesses

	Variable Costing		**Full Costing**		**Activity-Based Costing**		**Estimated Costing**		**Standard Costing**	
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage
Yes	6	50,0	7	58,3	8	66,7	5	41,7	4	33,3
No	6	50,0	5	41,7	4	33,3	7	58,3	8	66,7

According to the findings in Table 3, it is observed that activity-based costing is the most preferred in hotel businesses at 66.7%, followed by the full costing approach at 58.3%. The standard costing approach is used less frequently, at a rate of 33.3%, compared to the others. By preferring an activity-based costing system, hotel businesses will provide benefits to the management department in making accurate decisions by conducting customer profitability analyses, service profitability analyses, and internal performance measurements in line with strategic objectives in the service sector. In this context, with a rate of 66.7%, hotel businesses are adopting activity-based costing systems for their costing systems, thereby making more accurate management strategies. The analysis identified the full costing system at a rate of 58.3%. This system is where all costs are taken without making a distinction between fixed and variable costs. In this system, generally applied in hotel businesses, cost calculations are made without going into detail.

Table 4. Where Actual Cost Information is Used in Hotel Businesses

Cost Information	**N**	**Mean**	**Standard Deviation**
In decision-making	12	4.58	0,668
In control activities	12	4.50	0,522
In budget preparation	12	4.66	0,492
In performance evaluation	12	4.33	0,492
In customer profitability analysis	12	4.16	0,834
In service profitability analysis	12	4.41	0,668
In cost-volume-profit analysis	12	4.58	0,514
Valid N (listwise)	12		

5: Very Necessary 1: Not Necessary at All

Upon examining Table 4, which includes the levels of utilization of actual cost information, it is observed that all statements are considered important for hotel businesses, especially in budget preparation (4.66), cost-volume-profit analysis (4.58), and decision-making (4.58), indicating the necessity of using actual cost information. It is observed that hotel businesses utilize actual cost data in their budgeting for the following years, indicating that they make their plans using actual cost data. Furthermore, businesses also use the actual cost system in the decision-making process and cost-volume-profit analyses.

Table 5. The Level of Benefit of Budgeting Activities in Areas Used in Hotel Businesses

Budgeting Activities	N	Mean	Standard Deviation
Preparation of annual activity budgets	12	4.41	0,668
Budget preparation for cost control	12	4.50	0,674
Budget preparation for long-term strategic plans	12	4.16	0,577
Utilizing budgets in evaluating the performance of hotel management	12	4.25	0,753
Providing coordination with different departments of hotels	12	4.00	0,738
Preparation of flexible budgets	12	4.08	0,668
Preparation of activity-based budgets	12	4.33	0,651
Preparation of zero-based budgets	12	3.83	0,834
Valid N (listwise)	12		

5: Very Beneficial 1: Not Beneficial at All

According to the findings in Table 5, with an average of 4.50, "budget preparation for cost control" and an average of 4.41, "preparation of annual activity budgets" are seen to have high levels of benefit in terms of budgeting activities in hotel businesses. With an average of 3.83, "preparation of zero-based budgets" is determined to have a lower level of benefit compared to others. It is observed that hotel businesses mostly use their budgets for determining cost control and making decisions accordingly.

Table 6. The Level of Benefit of Using Performance Evaluation Methods in Hotel Businesses

Performance Evaluation Methods	N	Mean	Standard Deviation
Measuring profitability	12	4.50	0,797
Non-financial performance measurement of customers	12	4.25	0,753
Non-financial performance measurement related to staff	12	4.08	0,792
Non-financial performance measurement related to innovation	12	4.25	0,753
Measuring the return on investment	12	4.16	0,389
Measuring the profitability of sales	12	4.66	0,492
Measuring economic added value	12	4.25	0,452
Balanced Scorecard	12	4.58	0,514
Valid N (listwise)	12		

5: Very Beneficial 1: Not Beneficial at All

According to Table 6, it is evident that the level of benefit from using performance evaluation methods in hotel businesses is high across almost all measures. Specifically, measuring the profitability of sales with an average of 4.66, the Balanced Scorecard with an average of 4.58, and measuring profitability with an average of 4.50 have been identified as highly beneficial. It is observed that in evaluating the performance of hotel businesses, measuring the profitability of sales, which highlights the strategy towards increasing profitability, a primary goal of businesses, is highly valued.

Table 7. The Level of Benefit of Implementing Strategic Management Accounting Activities in Hotel Businesses

Stratejik Maliyet Faaliyetleri	N	Mean	Standard Deviation
Budgeting activities	12	4.58	0,621
Cost-volume-profit analysis	12	4.58	0,651
Planning and control activities	12	4.75	0,668
Target costing	12	4.33	0,674
Performance evaluation and measurement	12	4.50	0,668
Strategic planning	12	4.58	0,792
Responsibility accounting	12	4.58	0,668
Industry analysis	12	4.08	0,668
Competition situation analysis	12	4.00	0,668
Analysis of competitors' strengths and weaknesses	12	4.41	0,852
Long-term financial status forecasting of the hotel	12	4.08	0,668
Valid N (listwise)	12		

5: Very Beneficial 1: Not Beneficial at All

Upon examining Table 7, it is clear that the benefit level of implementing strategic management accounting activities in hotel businesses is particularly high in "planning and control activities" (4.75), "responsibility accounting" (4.58), "strategic planning" (4.58), "cost-volume-profit analysis" (4.58), and "budgeting activities" (4.58). Businesses are able to make more accurate and faster decisions regarding the future with the implementation of management accounting practices. Our research also indicates that hotel businesses benefit more from planning and control activities, suggesting that they plan and manage their future-oriented activities more effectively.

7. Conclusion

Hotel businesses face challenges such as seasonal fluctuations, high fixed capital, and the goal of profitably earning back investments, as well as constantly changing customer desires and expectations. Being among the first sectors affected by even the slightest crisis, it is crucial for hotels to dynamically evaluate risk assessment factors. Decisions need to be made considering global, national, political, and sectoral risk elements. In such conditions, businesses that manage uncertainty best by making timely and effective decisions will be sustainable. Just as increasing the quality and variety of services offered is essential, so too is keeping costs under control and thoroughly analyzing business activity results (Rasim, 2004, p. 7). In this context, the presence of management accounting concepts, which provides all the necessary financial and non-financial information to keep the businesses afloat, especially in hotel businesses, is of great importance (Kırlıoğlu and Doğan, 2014:141).

According to the findings of this study aimed at determining the usage levels of management accounting practices; it was found that 50% of the hotel businesses in Konya have a separate management accounting department, and 58.3% have a separate cost accounting department. Thus, contrary to the study by Bilici &Turan (2019), the hotels included in this study do not conduct all their activities through a single accounting system but effectively use cost and management accounting systems. This could be attributed to the corporate chain nature of the businesses included in this study.

Our research has shown that the most preferred costing system among hotel businesses in Konya is the activity-based costing approach at 66.7%. Due to its support in customer satisfaction and creating functional-organizational structures (Karcioğlu & Binboğa, 2010, p. 11), the activity-based costing approach stands as an effective competitive tool for hotel businesses. Contrary to the studies by Tanç-Güngör (2012), Santos et al. (2012), and Bilici & Turan (2019), the hotels included in this study are aware of this fact. Full costing approach, with a rate of 58.3%, is the second most frequently used costing method after activity-based costing. The standard costing approach is used less frequently, at a rate of 33.3%.

The use of actual cost information is important for hotel businesses, especially in budget preparation, cost-volume-profit analysis, and decision-making. Additionally, strategic management accounting activities are beneficial in planning and control, responsibility accounting, strategic planning, and cost-volume-profit analysis; budgeting activities in preparing budgets for cost control and preparing annual activity budgets; and performance evaluation methods in measuring profitability, balanced scorecard, and measuring the profitability of sales.

Overall, it can be said that the hotel businesses included in the study are keen on following and utilizing innovative cost and management accounting systems, finding high levels of benefit in their use. Cost and management accounting practices are applied in hotel businesses, especially in corporate and chain hotels, closely following cost systems and making accurate cost analyses to make faster decisions for the future with management accounting.

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Çalışmada herhangi bir kurum veya kişi ile çıkar çatışması bulunmamaktadır.
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Bu çalışmada Yükseköğretim Kurumları Bilimsel Araştırma ve Yayın Etiği Yönergesi kapsamında belirtilen kurallara uyulmuştur.
In this study, the rules specified within the scope of the Higher Education Institutions Scientific Research and Publication Ethics Directive were followed.

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