

# Essential Financial Techniques for Hospitality Managers

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Design and setting by P.K. McBride

# 11

## Conclusions and developing your skills

- Anticipating trends
- Developing your financial skills further
- Looking after your staff



## Introduction

In this chapter we will look at using the information from this book to help you develop further as a manager and consider how to look ahead, not just by forecasting but by predicting trends and so identifying how you can best use this to your advantage.

By improving your own skills as a manager, in the future you will be well equipped to take advantage of all the opportunities available to you. This will include looking at the types of training and education that you can undertake, and other areas that might be useful. Although professional development may not be immediately obvious as a finance topic it's relevant to all of us – and financial management is a key skill for all hospitality managers now.

By the end of this chapter you will be able to:

- Collate the various themes of this book
- Be aware of trends in the industry
- Identify some of the other resources available to help you develop your skills.

## Key themes

So, what have you learned from this book?

- The importance of maximising revenue in order to optimise profits or achieve BEP. A combination of control, accurate pricing and marketing is needed, and ratios are invaluable in helping identify areas for action.
- The importance of controlling costs and stocks without affecting customer service – so you need to optimise rather than minimise these. Different types of costs are found in different sectors, and in fact some units or departments have only costs and not revenues. Where there are very tight margins the control of costs is paramount to achieve business objectives – small variances, and small actions (such as the slice of tomato) can make big differences overall. Being able to identify where the differences are by using ratios and standard costing techniques is essential to profitability (or BEP).
- Attitudes of managers are crucial. If you 'lead from the top' and make it clear that wastage and theft are unacceptable then half the battle is won. Most staff are intrinsically honest, but sloppy and/or dishonest leadership can make them careless too. Walking the job ('MBWA') is one of the best ways to identify problems, especially when used in conjunction with ratio analysis.

**Chapter extract**

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