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Application of Activity Based Management to Improve Company Operational Efficiency at Top Hotel Manado

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A B S T R A C T
Cost efficiency can be achieved if the costs incurred are truly necessary costs so that management can manage and prevent wastefull costs in hotel operational activities. By implementing Activity Based Management (ABM), it is expected to obtain more accurate data on activitiy costs, faciliatate the identification areas, and implement necessary changes to improve the operational efficiency management at TOP Hotel Manado to improve the hotel's operational effiency. The research method used is qualitative research using descriptive analysis. By using the activity based management method, the hotel can save costs of Rp.78.386.604 as expected, namely for the company's operational efficiency.

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INTRODUCTION

Industry hospitality is one of the a very competitive and dynamic sector, where level efficiency operational play a role important in determine success from the hotel. The existence of the hotel is so important for visiting community to something area, because the hotel provides facilities and services for its consumers. Tight competition become challenge for every hotel for That something company must can reach the goal that is get maximum profit. Efficiency cost can achieved If cost incurred is actual costs needed For can produce something product or services, so that management can manage and prevent occurrence waste cost in activity hotel operations. Many hotels are adopting various managerial strategies For increase efficiency and effectiveness operational they. One of them approach managerial that started get attention is Activity Based Management (ABM), which can give outlook deep about cost and performance business.

Activity- based management allows management activity based on level activity worth add and not worth plus. Activity based management is methods that focus on understanding and managing cost based on activities carried out in organization. With analyze activities that influence cost results, ABM allows For identify areas in need repair and control higher costs Good.

TOP Hotel Manado is companies operating in the field services, with vision company namely, we are striving to provide excellent service and highest comfort for our guests. We constantly crave to match your loyalties. Where various activities at the hotel start from the reservation process, check-in and check-out, to service rooms and facilities additional, contributing to the whole cost and satisfaction customers. However, often hotel management faces difficulty in determine which activities are the most efficient and how allocate source existing power optimally. With implementing ABM at TOP Hotel Manado is expected can get more data accurate about cost activities, making it easier identify areas that are not efficient, and implement necessary changes For increase efficiency operational from the hotel.

The implementation of ABM in hotels can bring impact significant , the first subtraction cost operational, ABM No only focused on reduction cost in term short but also works For support management strategies cost term long. With identify and analyze activities in the hotel that influence cost in a way Keep going continuously, ABM can give guide For management higher costs strategic and efficient. The second improvement quality services, ABM assist hotels in analyze and manage costs and resources power used For provide service. With understand activity every existing services, the hotel can identify method For increase quality services and can also manage cost operational with more efficient. ABM identifies direct activities influence quality services provided such as check-in, housekeeping and laundry processes . With analyze every activities, hotels can know which areas are needed improved For give more services maximum . Third , optimization use source power, ABM can give image clear about How source the power that is in the hotel such as power work, equipment and facilities used in every activities in the hotel. With this data, management can optimize use source power to be more efficient. ABM helps in identify How source Power This can allocated, used and how method For increase its efficiency.

Study previously which has conducted by Ali (2023) at the Viona Hotel Gresik, namely identification activity-based management For improve efficiency. Research This show that with implementation ABM method can give positive impact for company Where happen efficiency costs in the hotel room division. With analyze activity related , the hotel can identify activity What only those who don't give mark plus for hotels. Similar research was also conducted by Parakai (2022) at the Harper Perintis Hotel Makassar, namely implementation activity-based management For increase efficiency costs. Research This show that with ABM method can identify activity non-value added that occurs in the hotel.

Implementation Activity Based Management can contribute to the improvement efficiency operational company in the hotel. Research This aim For implementing ABM in industry hospitality. With Thus, it is hoped study This can give significant contribution in increase understanding about management cost and efficiency operations at the hotel.

Based on the description above and the existence of problem so writer interested For research "Application Of Activity Based Management To Improve Company Operational Efficiency At Top Hotel Manado".

LITERATURE REVIEW

Definition of Accounting

Sri Wahyuni Nur (2020:6), stated that accounting as system information that measures activity business, processing data into reports, and communicate the result to the takers decisions. Accounting is gathering concepts and techniques used for measure and report information finance in a business unit economy.

Management Accounting

According to Temy Setiawan (2020:1) Management Accounting is a process of measuring, analyzing, and communicating information financial and non-financial which will help management in make decision use reach objective something organization. According to Devotion Setyadi (2023:24) Accounting management is A system information that provides information specific for fulfil need management.

System Management Accounting

According to Agoes Kamaroellah (2020:6) System accountancy management produce information for internal users, such as managers, executives, and workers. The purpose of a management accounting system is to provide relevant and timely information for performance evaluation and also to assist in planning, controlling, and decision-making. A management accounting system encompasses various components, such as budgeting, cost analysis, cost measurement, and reporting, which aid in the evaluation and development of company policies. The benefits of a management accounting system include optimizing resource use, improving decision-making, and assisting in strategic planning.

Activity Based Management

According to Kholmi (2019:55-56) Activity based management is organize activity for improve and enhance mark product or service for customers and profits company. According to I. Nyoman (2018:23) Activity based management is approach integrated and comprehensive which makes attention management centered on the activities carried out with objective increase mark customers and profits earned Because give mark the.

Cost Activity

Cost activity is draft costs incurred in accountancy for identify and also measure related costs with activity certain in the production process or delivery service. Fee activity aim for give a clearer picture accurate about cost product or service with allocate cost based on actual activity used.

METHODOLOGY

According to H. Fachrurazi (2023:150) the increase efficiency operational is effort For increase productivity and optimization use source Power in running operational processes. The goal is For produce more many outputs with use source the same power or more A little. With implementation Activity Based Management besides can create efficiency for company, ABM can also do effectiveness internal control so that implementation project can more effective in carry out activities. Method data collection used in study This is with do observation and documentation.

1. Observation

   Observation is technique data collection carried out with observe the object to be investigated namely TOP Hotel Manado. Activities This done For get description general about the object to be researched.

2. Documentation

   Documentation is technique data collection carried out with take data such as documents, images, writings, supporting archives study.

Method data analysis used in study This is method analysis descriptive method analysis descriptive is activities that describe implementation Activity Based Management (ABM) for increase efficiency operational company at TOP Hotel Manado.

RESEARCH RESULT

Hotel Facilities and Infrastructure

Every room equipped with TV, AC, telephone, bathroom with shower. There is also other facilities as following:

1. 105 Rooms
2. Cafe
3. Room meeting
4. Smoking area
5. Lobby
6. Laundry and dry cleaning

Presentation of Room Division Cost Data

The costs of this hotel room division arise from related costs with giving activities service accommodation, namely start from department front office consisting of from activity units' administration, concierge, and department housekeeping consisting of on activity units housekeeping and laundry. Room division cost data during this year 2024 obtained from part hotel accounting, where cost This has arranged for objective manufacturing report finances intended for party hotel management.

Table 1. Room Division Costs of TOP Hotel Manado in 2024

Type Cost	Amount Cost (Rp)
Salaries	731,073,308
Guest Supplies	44,000,000
Cleaning Supplies	106,429,000
Laundry and Dry Cleaning	13,854,000
Phone and Internet	16,585,000
Printing and Stationery	39,083,400
Maintenance	27,055,754
Postage	320,000
Total	978,400,462

Source : data from TOP Hotel Manado 2025

Explanation from each cost data said, can described as following :

1. Salaries, are cost wages from hotel room division employees consisting of from department front office, concierge and housekeeping related with giving service to hotel guests who have done employee.
2. Guest supplies are cost from usage goods or equipment that has been provided by the hotel for room guests . Like towels, bath soap, toothpaste, shampoo, mineral water, and others.
3. Cleaning supplies, are costs incurred Because existence use ingredients cleaner used For cleaning and sanitation rooms and surrounding areas room . For example that is fluid cleaner.
4. Laundry and dry cleaning , ie associated costs with washing that is done the hotel, namely wash clothes guest and room linen .
5. Phone and internet, are cost usage telephone and internet in the hotel room division, the purpose For assisting the process of activities in the hotel.
6. Printing and stationary, is cost For usage tool writing and machine print in the hotel room division.
7. Maintenance, is associated costs with improvements made the hotel to increase service for the guests.
8. Postage, is cost delivery through courier For about problems experienced by guests at the hotel.

From the data obtained from the room division, next done allocation costs for each existing activity unit. Stage the first thing to do is with method determine each resource driver for each cost so that can allocated to each activity unit. After done allocation costs for each unit of activity, steps furthermore is allocate size cost for each activity, things This done with method multiply percentage trigger cost each activity with cost from each activity unit. Percentage trigger cost For each activity obtained with share amount cost driver each unit of activity.

DISCUSSION

Identifier Activity

first step that is necessary done in implementation Activity-based management is do identification activities. At TOP Hotel Manado, identification activity carried out in the room division of TOP Hotel Manado. The activities in the room division of TOP Hotel Manado grouped into 3 activity units based on their respective functions :

Table 2. Types and Sizes Activities of the Room Division of TOP Hotel Manado

Activity Unit Administration	
Type Activity	**Size Activity**
Supervision *front office*	Amount evaluation conducted in the department *front office*
Administration *check-in* , *check-out and payment*	Amount service administration visitor
Deposit reservation	Amount service administration visitor
Reservation call book, blocking and confirmation	Amount service past reservation visitor
Arrangement room occupied	Amount arrangement room
Activity Unit *Concierge*	
Type Activity	**Size Activity**
Bring bag and deliver visitor to room	Amount service to visitor
Handle problem guests who have been stay the night	Amount service to visitor
Activity Unit *Housekeeping and Laundry*	
Type Activity	**Size Activity**
Supervision *housekeeping*	Amount evaluation conducted in *the* housekeeping department
Preparing and cleaning room	Amount prepared room and cleaned
Clean the surrounding area room	area cleaned
Serve washing clothes visitor	Amount clothes washed guests
Handle linen washing	Number of linens washed
Inspection room	Amount checking hotel room

Source : data from TOP hotel Manado in 2025

Analysis *Cost Driver*

For browse cost to each existing activity unit, then required determination inherent *cost* driver in cost That itself and the *activity driver* attached to the activity That alone. With the right *cost driver* so cost can allocated in a way appropriate to each existing activity unit.

Table 3. Types and Triggers Cost

Type Cost	Trigger cost
Salaries	Number of hours of labor Work
Guest supplies	Amount occupied room
Cleaning supplies	Amount use material cleaner
Laundry and dry cleaning	Amount washing
Phone and Internet	Number of hours of use tool communication
Printing and stationary	Amount use of printers and tools write
Maintenance	Amount repair
Postage	Amount delivery

Source : data from TOP Hotel Manado in 2025

Allocation Cost To Activity

After determine cost driver of each cost and also allocation cost For each activity unit so allocation size cost For each activity can carried out, loading cost to each activity determined from percentage. Where the percentage obtained with method share amount cost driver from each unit of activity, after That presentation multiplied with the total costs obtained from each unit of activity For get cost each activity.

Table 4. Costs Room Division Activities in 2024

Activity Unit Administration

Type Activity	Cost Activity
Supervision *front office*	38,459,200
Administration *check-in, check-out ,* *and payment*	111,307,954
Deposit reservation	43,173,400
Reservation call book, blocking and confirmation	41,395,200
Arrangement room occupied	35,213,204

Activity Unit *Concierge*

Type Activity	Cost Activity
Bringing bag guests and escort visitor to room	79,227,671
Handle problem visitor ever stay the night	35,722,337

Activity Unit *Housekeeping and Laundry*

Type Activity	Cost Activity
Supervision *housekeeping*	38,870,400
Prepare room and clean room	240,619,650
Clean the area where it is located	113,750,150

around room	
Serve washing clothes visitor	53,416,875
Handle linen washing	93,726,875
Inspection room	51,344,250
TOTAL	976.227.166

Source : data from TOP Hotel Manado 2025

Analysis Activity

After know calculation loading cost so furthermore will done analysis For activities of the room division of TOP Hotel Manado, this done For determine activity What only one can give mark add and activity What only those who don't can give mark plus for company. For can classify activity This become valuable activities add and activity that is not worth add, then in accordance with theory that activity worth plus is activities that meet 3 conditions, namely:

1. Activity the produce something change
2. Change the No can achieved by previous activities
3. Activity the allows other activities for done .

Value Added Activities and Non Value Added Activities

Table 5. Costs *Value Added* and *Non Value Added Activities*

Type Activity	VA	NVA	Total
Activity Unit Administration			
Supervision *front office*	38,459,200		38,459,200
Administration *check-in, check-out and payment*	111,307,954		111,307,954
Deposit reservation		43,173,400	43,173,400
Reservation call book, blocking and confirmation	41,395,200		41,395,200
Arrangement room occupied		35,213,204	35,213,204
Activity Unit *Concierge*			
Bringing bag go ahead and deliver visitor to room	79,227,671		79,227,671
Handle problem guests who have been stay the night	35,722,337		35,722,337
Activity Unit *Housekeeping and Laundry*			
Supervision *housekeeping*	38,870,400		38,870,400
Prepare room and clean room	240,619,650		240,619,650
Cleaning the area which is located	113,750,150		113,750,150

around room			
Serve washing clothes visitor	53,416,875		53,416,875
Handle washing linen	93,726,875		93,726,875
Inspection room		51,344,250	51344250
TOTAL	846,496,312	129,730,854	976.227.166

Source : processed data 2025

Subtraction Cost Reduction

1. Subtraction cost need carried out by TOP Hotel Manado because emergence a number of activities that are not give mark added (*non value added*) at TOP Hotel Manado, activities the impact on the emergence of costs that are not worth add what you can harm TOP Hotel Manado.
2. With implementation *Activity Based Management,* the total costs in the *room division* of TOP Hotel Manado can be reduce amounting to Rp. 78,386,604 is shown in table 4.18 from a total of Rp. 976,227,166. seen in table 4.17 becomes Rp.897,840,562 seen in table 4.19.

In the research This take data from *room* division section at TOP Hotel Manado in apply *Activity Based Management* . Following is existing activities in TOP Hotel Manado which can grouped into 3 activity units based on their respective functions . The activities that will be explained there is valuable activities add and not worth add . Activity worth plus later will maintained by the company whereas activities that are not worth plus Can eliminated.

CONCLUSIONS AND RECOMMENDATIONS

From the results research and discussion that has been done about Implementation Activity Based Management For Increase Efficiency Company Operations at TOP Hotel Manado, then can withdrawn some Conclusions as following:

1. With implementation Activity-based management to activities in the room division of TOP Hotel Manado can identify any activity that can be done classified as valuable activities add and activity that is not worth plus.
2. After the implementation of ABM exists a number of activities that are not worth plus so that cause emergence cost No worth add , with implementing ABM occurs savings cost amounting to Rp. 78,386,604. Before implementing ABM total cost activity amounting to Rp. 976,227,166 and after implementation of ABM total activities incurred amounting to Rp.897,840,562.
3. Implementation activity-based management prove that method This truly can increase efficiency fees at TOP Hotel Manado via eliminate activities that are not worth plus.
4. Activities that are not worth added eliminated that is activity deposit reservation, arrangement of room occupied and inspection room .

ADVANCED RESEARCH

Future research can extend this study by integrating Activity Based Management (ABM) with digital cost management systems to analyze hotel operational efficiency in real time. Subsequent studies may also apply a mixed-methods approach and compare hotels of different classes and scales to test the consistency of ABM effectiveness across various operational contexts. In addition, incorporating variables such as service quality, customer satisfaction, and employee performance would provide a more comprehensive understanding of the strategic impact of ABM, not only on cost efficiency but also on long-term sustainability and competitiveness in the hospitality industry.

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