

PMI TERMINOLOGY

When you enter the PMI Universe, you might come across some words new to you. Below an overview of the most common terms that can assist in understanding the full picture quicker.

You always find more information in the PMI WIKI, also placed under the HELP section in the PMI main menu.

Labour Cockpit – Each department head's own cockpit, where they can be the pilot and steer the department in the right direction. This is where you as a department manager maintain and update the labour hours. The Departments hours are visualised in a graph, both actuals and planned. You also add your monthly rate (see below). In here you find your department's specific key performance indicators so you can follow the development and achievement.

Rate – average salary per hour and department (found in the labour hour cockpit as well as the budget and forecast module) If you are a PMI Planning user, you can send rates from PMI Planning into the different cockpits (usually a Financial Controller task)

Owner – A manager or a supervisor responsible for updating Cockpits and Profit centres

Cost Driver – What drives the labour cost/hours in a department, what makes the department busy? For example, room nights for Housekeeping department or Revenue/Covers for a restaurant outlet.

Profit Centre – Revenue department

Revenue Driver – what is used to calculate the revenues in a profit centre. PMI makes daily suggestions in the different live forecasts with the help of a revenue driver. A historic pattern/seasonality/algorithm that PMI base the daily predictions on.

Productivity – Output per Labour Hour = Cost driver / (divided) by the hours. For example; amount of rooms cleaned per worked hour for housekeeping or a monetary value per worked hour for an F&D/F&B outlet.

Live forecast – our most dynamic forecast – these daily predictions sums up to also monthly levels to drive the different departments activity level. This you can update how many times a day you wish. Once a month the live forecast is submitted/frozen and becomes the new forecast for future months. This to keep forecast figures founded in operations and as relevant as possible for the P&L.

Forecast - Monthly submitted as in SAP or another account level forecast for the Profit and Loss statements. (A snapshot of Live Forecast once a month)

SMART – (Specific, Measurable, Aligned, Realistic & Time sensitive).

Budgeted, forecasted and last year's hours are recalculated based on the actual activity level, using the productivity from budget/forecast/last year

Example: If a department serves twice the number of guests than forecasted, they most likely will need many more hours than originally forecasted. If the comparison is made towards the actual number of forecasted hours, it would seem like they are spending many more hours than they should. By using the forecasted productivity instead, and applying this to the actual number of guests, we simulate how many hours would have been forecast if the forecasted number of guests had been correct, and we get a more appropriate comparison. This recalculation is done to be able to compare apples to apples, and the same principle also applies to Last Year and Budget. The actual budgeted and forecasted numbers can be found in both Other Budget and Forecast module and in the Time Sheet.