

Personnel Budget – the Pet Hotel Case

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Abstract: In this work, a personal budget was designed for an investment project by the organization Hotel Pet Porto, based in Porto. This work is divided into five parts with the following titles: Characterization of the company, a part where the company on which this work will be based and for which the personnel budget will be prepared will be portrayed; Presentation of the project; Identification of assumptions; Profile of an HR manager; and, General conclusions of the work.

Keywords: Personal budget; Salaries; IRS; Financial Management

I. Introduction

Hotel Pet Porto is an inn dedicated to the comfort and well-being of pets, opening its doors in 2024 and offering boarding services for both dogs and cats. Located in the city of Porto, this establishment provides a safe and welcoming environment, where animals can enjoy a pleasant stay, with all the care and attention they deserve.

The organization provides the proper support and care to the animals hosted there, ensuring not only adequate food and hygiene, but also recreational activities and physical exercise, adapted to the individual needs of each animal. With a dedicated team of trained caregivers, Hotel Pet Porto ensures a family and peaceful environment, where animals feel at home even when away from their owners.

In this context, Hotel Pet Porto's mission is to provide its four-legged guests with a comfortable and happy stay, promoting their physical and emotional well-being. Our team is committed to offering an excellent service, focused on love and attention to animals, so that their owners can travel with peace of mind, knowing that their furry companions are in good hands.



General Objectives

- Contribute to improving the quality of life and well-being of hosted animals; - Support families in the search for safe and comfortable accommodation solutions for their pets;
- Offer a high standard of efficiency, trust, comfort and dignity to customers, thus ensuring the quality of the services provided;
- Provide comfort to the animals staying there and also peace of mind and security to their owners;
- Promote the integration of animals into the social life of the hotel, providing recreational activities and positive interactions with other animals and caregivers, thus preventing stress and anxiety associated with separation from their owners and staying away from home.

Mission

- Improve the quality of life of pets and provide them with the maximum comfort and well-being possible during their stay at Hotel Pet Porto.

Values

- Trust: We are committed to being transparent, clear and accurate in the provision of services and the sharing of information. We are always available and open to creating and strengthening relationships with our clients, valuing their interests, feelings and goals, thus promoting a positive relationship.
- Ethics: The Hotel Pet Porto team strictly complies with its commitments and always promotes humanity in its interactions with customers, ensuring ethical and respectful treatment of the animals hosted there.
- Excellence: Our employees guarantee and respect the independence, individuality and privacy of the animals hosted, ensuring a service of the highest quality and professionalism in all areas.
- Difference: The teams at Hotel Pet Porto contribute daily to achieving a common final goal, which is to promote the well-being and happiness of the animals hosted there, providing them with a familiar and welcoming environment during their stay at our establishment.

Vision

- To be a reference in the pet boarding sector in the city of Porto, offering high quality services and providing customers and their furry companions with a better quality of life, well-being and comfort in a family environment.

Project presentation

Hotel Pet Porto will start operating from June 2024, and it is essential to prepare a budget for personnel expenses in order to achieve financial balance. This budget is an important resource for recording the forecast of income and expenses between 2024 and 2029.

Hotel Pet Porto is an organization that provides services and, therefore, requires a high volume of labor to support its business. Therefore, the personnel expense budget prepared is a way of managing and preventing future expenses, as it is a small organization. Personnel expenses represent a large part of expenses, in some cases accounting for more than 80% of total costs and expenses.

The design of this project aims to help Hotel Pet Porto achieve one of its major goals, which is to expand the business to other parts of the country. This personnel expense budget provides an understanding of the organization's fixed and variable expenses and helps establish goals and targets in order to save money and allocate it to achieving one of its major goals, which is expanding the business.

In addition to this major objective, Hotel Pet Porto also has other objectives, which are planning for the future, balancing the organization's finances, knowing the most impactful expenses in the budget and defining them as priorities, the opportunity to prevent unforeseen events and, more generally, understanding its financial situation.

Identification of assumptions

In order to prepare the personnel budget for Hotel Pet Porto and taking into account the objectives of this project, we present the Personnel Expense Assumptions (IAPMEI EXCEL – POINT 3.3):

This budget foresees a gradual increase in the number of workers, with 27 workers this year and an increase of 5 workers expected in 2026, ending the year with 32 workers and maintaining this number at least until the end of 2028. For 2029, we intend to hire 5 more workers, making a total of 37 workers by the end of the year, which represents a growth of approximately 14% in human capital.

As regards the management position, the organisation has 2 managers with a monthly base salary of €2,300 and a 100% fixed cost component. No salary increase is expected for this position in the coming years, however, as a way of compensating for the extraordinary expenses that managers have to bear in carrying out their activity on behalf of the company, it was decided to grant fixed cost allowances in the amount of €50 per month.

Regarding the administrative position, Hotel Pet Porto has 4 employees, and there is no need to increase the number until the end of 2029. The basic monthly salary for administrative staff is €1,200 and is 100% fixed.

On the other hand, for the sales position, the team includes 1 sales representative and a fixed cost component of 100% is proposed, plus a variable component of 25% of the GV for commissions. According to the article by Cátia Mateus in the Expresso newspaper on variable components, in response to the crisis, organizations have been increasing the variable component of remuneration, which “already represents between 20% and 40% of professionals’ salaries in Portugal”. The difference in the variation of the percentages is directly associated with the roles, whether they are low or medium-skilled or top managers. The number of sales representatives at Hotel Pet Porto is 1 worker, at least until the end of 2029. Something to be reviewed later.

Finally, for the operational position, a monthly base salary of €820 is proposed, which represents the national minimum wage in accordance with Decree-Law No. 107/2023. These represent the growing group of workers, as previously mentioned, and, therefore, in 2024 the organization will have 20 operational staff, and it is expected that, in 2026, 25 will be needed, ending the year 2029 with a total of 30 operational staff.

Regarding the meal allowance, the value of €9.60 was set on a meal card, the same for all workers, regardless of their position. Knowing that there is no legal obligation for this supplement for private companies, and that the Law defines up to €9.60 (paid on a meal card) as an amount exempt from the payment of IRS and Social Security contributions, it is considered a differentiating and motivating benefit for workers.

Therefore, according to the budget, it is possible to predict that Personnel Expenses until 2029 will be as follows:

Personnel Expenses	Total Values
	(Total Base Salary + Food Allowance + Travel Allowance + TSU Company + Work Accident Insurance + Training and Health and Safety at Work Work)

2024	324 852 €
2025	652 426 €
2026	755 124 €
2027	€751,899
2028	€751,899
2029	€854,093
TOTAL	€4,090,293

Human Resources Manager Profile

For a Human Resources Manager to have an ideal profile, it is important to take into account several skills, such as conceptual, technical and human relations skills. Conceptual skills refer to the ability to learn general and abstract ideas and apply them in concrete situations. Technical skills involve the ability to use specific knowledge, methods or techniques in concrete work. And finally, human relations skills refer to the ability to understand, motivate and gain the support of other people.

Thus, for Hotel Pet Porto, the ideal profile of a Human Resources Manager is defined by a set of skills that must be valued, namely experience in the area of human resources, since, according to Nett (2018), this experience allows the manager to acquire knowledge in the technical aspect that assists in the decision-making process and in the practice of management acts. This experience in the area must be consolidated with academic training appropriate to the role, since part of the work carried out by a human resources manager must be based on the theoretical knowledge acquired throughout the study cycle that qualifies him/her to perform the profession.

In terms of transversal skills, Hotel Pet Porto values good communication, accessibility and a sense of ethics, taking into account that an HR Manager will be in contact with several people, namely operational and commercial staff. Nett (2018) argues that an HR Manager must be able to express him/herself on behalf of the organization, considering all these factors. Even so, leadership and professional projection skills are also valued, given that the HR Manager will lead one or more teams and must be able to understand which skills present in his/her subordinates should be valued and which could lead to potential career advancement.

For Hotel Pet Porto, an HR Manager must also have organizational skills, in order to meet the objectives outlined by the organization for which he/she provides services, and be able to actively participate in the planning and implementation of these same objectives.

II. Conclusion

The development of this work allowed us to understand the importance of Financial Management for organizations, as it is an essential component for their sustainability and growth. By integrating efficient financial practices with personnel management, it is possible to maximize the value of investments in human capital, promoting both the well-being of employees and the financial health of the company.

The synergy between Financial Management and Human Resources strengthens the organization's competitive position and creates a more balanced and satisfactory work environment for employees, consequently improving efficiency in Human Resources Management and the satisfaction and motivation of its employees.

Financial Management highlights the importance of careful financial planning to allocate resources strategically, ensuring that Human Resources initiatives generate a return on investment (ROI).

In short, Financial Management is constantly evolving, with new tools and concepts emerging frequently. Organizations must generally stay up-to-date and ready to deal with financial challenges that may arise, implementing actions considered essential. With effective financial management, organizations can achieve their profit and expansion goals, maintaining their financial sustainability over a long period of time.

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