



Integrated Workforce Labor Management

 **BlueYonder**
Fulfill your potential™

Optimizing people and work

In today's consumer-driven digital economy, every company is effectively a retailer. While traditional retailers are battling behemoths such as Amazon, manufacturers are selling direct to consumers and distributors/3PLs are fulfilling orders to consumers for both. The lines between retailing, manufacturing and distribution have blurred to the point where everyone is collaborating with and competing with everybody else. It's a new world requiring new solutions!

The problem is that the technology to support the people-focused needs of retail and e-commerce operations and the work content-based productivity needs of supply chains have been under separate domains. While each category of systems is valuable in their own right, the new challenges of the changing workforce and gig economy, coupled with increasing costs, volatility and shorter cycle times of e-commerce fulfillment, require an integrated approach to optimizing people and work.

Workforces in transition

Workforces today are in transition, with a mix of more mature workers who are comfortable with fixed schedules and traditional scheduling methods, and younger workers who want flexibility to match work schedules with their lifestyles and family needs. The percentage of the latter group in the workforce mix is increasing and so is their desire for autonomy, engagement and smartphone-based communication. With the current market's hyper-competition for skilled labor, and associated increase in labor costs (annual growth rate of 14% since 2016 according to a Q1 2019 U.S Bureau of Labor Statistics report), the needs of both groups must be met to maintain staffing levels and keep supply chains running efficiently and cost-effectively.

Satisfying both groups while maintaining effective staffing levels and controlling costs poses several challenges. Workforce planning and scheduling systems must be more flexible to forecast needs and schedule workers combining fixed and flexible schedules, with further flexibility to quickly adjust schedules as fulfillment requirements and employee preferences change. Forecast accuracy is key here because the costs of both wasted labor and unfulfilled customer promises are very high in today's environment.

Communicating and juggling schedules, schedule changes, shift swaps, no-shows and last minute time-off requests must utilize traditional channels and the latest mobile devices, especially as the workforce transitions to more flexible scheduling regimes. What's needed is the associate-focused and mobile-enabled flexibility of workforce management systems originally designed for retail stores, but tailored for the unique needs of today's more complex warehouse environment.

Blue Yonder Workforce Management™

Blue Yonder Workforce Management takes a holistic approach to managing mature and younger workforces, solving the planning and scheduling challenges of today's hectic, fast-changing distribution environment. Using a vast store of historical labor data and machine learning techniques, augmented with input on current demand factors such as promotions, events and weather, the system provides the industry's most accurate forecast of both long-term labor demand and short-term labor needs. This information feeds the sophisticated scheduling engine which considers the fixed and flexible schedule needs of each associate. This not only precisely matches schedules to fluctuating labor demand, together with mobile-enabled schedule management, it also improves associate satisfaction and retention, a critical success factor in the transition to the flexible scheduling demanded by the millennial workforce.



Benefits to delivering a high-performance workforce

- Decrease labor costs
 - Improve staffing and scheduling accuracy by up to **6%**
 - Boost resource utilization by up to **8%**
 - Improve productivity by up to **15%**
- Lower administrative time associated with scheduling, schedule management and time and attendance
 - Reduce administrative time spent performing scheduling related activities by up to **50%**
 - Decrease time sheet correction costs by up to **60%**
- Reduce labor violations and exceptions by over **60%**
- Decrease involuntary turnover by up to **20%**
- Diminish training time and time to reach standard by up to **50%**

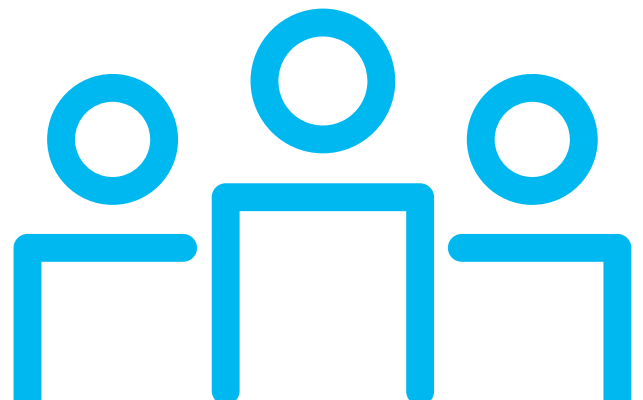
Work in transition

Warehouses and distribution centers with steady streams of inventory in and truckloads out are the exception rather than the rule today. E-commerce and rapidly changing customer demand have made fulfillment operations more variable and volatile, with much shorter cycle times. Additionally, with wages increasing at a 14% CAGR, and the continuing challenge of finding skilled labor and drivers, effectively managing the workforce is a critical factor in corporate success.

As an example, The Global Logistics Report 2019 published by Blue Yonder and EFT (eyefortransport) indicates that 72% of logistics providers and 66% of retailers, manufacturers and distributors have suffered labor related disruptions to their operations in the last 24 months. In addition, the increased use of AI-based robotics and automation in the warehouse requires new workforce training and skills, and further complicates labor scheduling. It's clear that traditional ways of forecasting workforce requirements, scheduling workers, assigning work and adjusting to rapid demand changes are no longer adequate.

Yet the need to understand the content of work, provide efficient methods and standards for accomplishing tasks and measuring productivity have not changed. With the types of work performed in

warehouses constantly in flux and expanding, the underlying productivity requirements supported by warehouse labor management systems are more critical than ever. This need is highlighted by a recent Bureau of Labor Statistics report that said labor productivity in the warehouse and storage sector decreased 7.6% in 2018. Therefore, today's workforce labor management systems must integrate the digital age effectiveness of next generation workforce planning and scheduling capabilities with the work-content focused efficiency and productivity of tried and true warehouse labor management.





Blue Yonder Warehouse Labor Management™

Blue Yonder Warehouse Labor Management, coupled with Blue Yonder consulting and change management programs, drive optimal productivity in the warehouse or distribution center by transforming the workforce into a performance-focused culture. That's especially important now with both the nature of the work and workforce demographics changing.

It reinvents the way managers and associates view labor management, with associates self-focused on improving performance and managers focused on removing barriers to productivity. The result is reduced fulfillment costs, improved customer service and increased associate job satisfaction.

The marriage of workforce and labor

Supply chain distribution managers today face key challenges not experienced by their predecessors. On the one hand, the volatility and time pressure of satisfying customer demand in the digital economy puts new strains on distribution operations and productivity. On the other hand, the workforce needed to fulfill the heightened customer demand is also more volatile and difficult to attract, motivate and

retain. And the increased use of AI-based automation, robotics and autonomous vehicles is complicating labor forecasting and scheduling. What's needed to solve these many challenges is an integrated approach to flexible workforce scheduling and labor management.

That's why, for the first time anywhere, Blue Yonder has integrated the industry-leading capabilities of workforce management labor management to provide a comprehensive associate and work-content focused approach to optimizing distribution workforces and productivity. Industry leaders now have the tools to more accurately forecast long-term workforce requirements based on both historical data and work content, as well as effectively schedule the workforce each week, day and hour based on current demand, events, weather, types of automation and associate preferences.

At the same time, distribution managers now have the tools to drive optimal productivity from the workforce to control costs and improve throughput and customer service. Associates become self-motivated for superior performance, service, satisfaction and retention.

As part of this groundbreaking integration, Blue Yonder has enhanced workforce management with mobile capabilities which increases associate engagement by enabling access to the workforce applications from their personal mobile devices at work or on-the-go.

Associates can quickly view schedules, swap shifts, report absences and request time off. Managers can review work schedules, approve shift swaps and time-off while easily offering shift coverage and adjusting schedules accordingly. Efficiency and service are improved while associates are more engaged and satisfied because communications align with their lifestyles.

The right solution for today's culture

The first-of-its-kind integration of Blue Yonder's workforce management, labor management and workforce management with mobile capabilities is the right solution for today's dynamic supply chain and workforce cultures. It uniquely optimizes planning and scheduling the right workforce together with optimizing the work they perform. It helps industry leaders to create high-performance environments supported by highly motivated and engaged workforces. This integrated solution helps companies solve their two biggest challenges: thriving in the digital economy and attracting, motivating and retaining the millennial workforce.

About Blue Yonder, Inc.

Blue Yonder, Inc. (formerly JDA Software, Inc.) provides seamless, friction-free commerce, empowering every organization and person on the planet to fulfill their potential. Blue Yonder's machine learning-driven digital fulfillment platform enables clients to deliver to their customers when, how and where they want it. Applying over 35 years of domain expertise, contextual intelligence and data science, Blue Yonder is helping more than 3,300 of the world's leading manufacturers, retailers and logistics companies create more autonomous, sustainable and profitable operations. blueyonder.com



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