

# Workforce Management



Retail shoppers today are much more demanding, savvy and price conscious than ever before. They have a wealth of information at their fingertips and can easily examine your store merchandise and then buy it online, often for less. Converting this empowered consumer to a buyer requires a more skilled, better trained and technology-enabled workforce. Supporting this more talented workforce requires a new breed of workforce management solutions designed specifically for retail that make your workforce more efficient while at the same time making them more effective.

Yet no matter how well you plan and equip your workforce, things happen beyond your control. Disasters strike, pandemics spread, supply and demand disruptions occur. Your workforce management solution must be able to immediately adapt to the changed situation to appropriately forecast and schedule the workforce accordingly.

Shifts in associate availability also occur every day. Associates become ill or don't report for work, they want to swap shifts or pick up extra or fewer hours, or they request time off. Your workforce management solution must provide tools for associates to communicate these changes and requests, as well as to alert managers to these variances as they occur and enable managers to take immediate corrective actions to optimize coverage, service and conversion rates.

Blue Yonder's workforce management capabilities uniquely provide retailers with adaptable planning, budgeting and scheduling capabilities combined with role-based tools to enable associates and managers to quickly react to everyday realities. This dual "plan for the future/manage in the moment" solution is backed by Blue Yonder's decades of experience in retail workforce management and work with leading retailers around the world. Furthermore, this capability is an integral part of Blue Yonder's Luminate™ Retail platform that helps retailers reduce costs, increase revenue and better serve their customers.

## Planning your labor investment

Store associates have historically been viewed as an expense to be minimized. While it is still important to not over-staff or waste resources, today's highly competitive omni-channel environment requires retailers to invest in the right number of associates with the right skills to execute omni-channel fulfillment tasks while continuing to drive sales and profits. Done correctly, your workforce becomes not an expense, but a competitive differentiator.

Nowhere is this more apparent than during times of crisis, such as disasters and pandemics, when associates become frontline workers in your battle to serve customers as demand changes rapidly and unpredictably. Planning and scheduling the right workforce during these times is crucial to customer loyalty and even business survival.



Developing this kind of workforce requires long-term planning and budgeting that matches forecasted needs with budget and workforce constraints. It requires accurate forecasting and labor modeling tools to tailor labor plans to local environments, and to rapidly adapt forecasts and schedules when crisis hits.

It requires advanced scheduling engines that conform staffing to traffic flows, national labor laws and budget constraints. And it requires time and attendance systems to ensure the resources scheduled are on the job helping turn shoppers into buyers. These functions are all supported by Blue Yonder's workforce management capability.

## Corporate planning

Long-term labor planning is as much about corporate strategy as it is about forecasts. That's why Blue Yonder's workforce management capability provides powerful workforce modeling tools that allow you to perform what-if analysis balancing various corporate strategies, budget priorities, crisis scenarios and labor forecasts to arrive at the most optimal labor plan for your business. In addition to new hires, the optimal labor plan may include retraining existing staff to fulfill additional omni-channel roles or other unforeseen requirements. Blue Yonder's solution can identify these retraining needs as part of the strategic workforce plan. And its workload planner capability enables you to take these strategies down to the individual retail outlet level to balance corporate plans with actual workforce capacity. This ensures that each site reaches its potential without over-burdening or underutilizing its workforce.

Budgeting likewise is done from both the store and corporate perspective. The system creates a bottom-up forecast using store metrics and demand drivers. It then allows editing from the top down at any organizational level to conform the budget to corporate strategies. The final budget is then used as a constraint by the scheduling engine so labor is not scheduled beyond budget limits without special authorization. The schedule constraint process uses artificial intelligence-based algorithms to evaluate customer priorities for which hours, days or roles to cut, if necessary. For example, rather than cut cashier hours on Saturday to adhere to the weekly budget, the system would trim lower priority days and roles.

It also ensures staffing minimums are maintained without inflating labor demand so essential services are always available.

Planning and budgeting processes are further complicated for global retailers by the vast differences in working time rules by region and country. Therefore, the planning and budgeting algorithms take into consideration the legislative and contract compliance requirements for each country and location. This ensures that annual compliance targets are met with weekly balancing. When completed, long-term labor planning and budgeting form the strategic foundation on which tactical labor forecasting and scheduling are based.

- Model short- and long-term workforce requirements based on corporate strategies, forecasted labor and budget constraints
- Balance plans with workforce capacity at the site level
- Bottom-up and top-down budgeting
- Budget constraints enforced in scheduling
- Ensure compliance with country working-time legislation and employment contracts

## Forecasting and labor modeling

The forecasting engine within Blue Yonder's workforce management capability was built specifically for the asymmetrical patterns of retail, including seasonality, promotions, events and new product introductions. That's why it produces best-in-class forecast accuracy, a critical factor in minimizing labor costs without sacrificing service. But forecast optimization can go deeper to also consider the impact of external events, economic trends, weather and other variables to arrive at a labor forecast designed to maximize profit potential.

The forecasting application includes a labor modeling tool allowing you to run what-if scenarios to gauge the impact of unforeseen events as well as traffic and task-based labor plans on utilization and profitability. Plan rollout can be phased to balance workforce requirements with capacity at each site. For example, if your initial plan calls for all stores to run a promotion during the first week of October, but the model shows some smaller

stores would not have sufficient manpower to set up the promotion at that time, you may decide to allow them to set it up earlier.

Once modeling is complete and forecasts are established, the forecasts are configured for each store as the basis for scheduling. This granular forecasting method ensures that each store can effectively schedule their workforces to meet corporate objectives without over-taxing their resources.

- [Purpose-built retail forecasting](#)
- [Best-in-class accuracy](#)
- [Considers all traffic and related factors](#)
- [Optimization to maximize profit potential](#)
- [What-if labor modeling](#)
- [Production phasing](#)

## Advanced scheduling

Scheduling is at the heart of workforce utilization, cost reduction and shopper conversion. Having the right number of associates with the right skills and tools scheduled to match traffic patterns is a critical factor in retail success, especially during times of disaster, pandemics and other unforeseen events. Blue Yonder's solution has the industry's most sophisticated scheduling optimization engine, continually enhanced to meet current and future challenges.

The scheduling engine is rules-based. The user-defined rules can be based on standard timeframes such as day, week, month, or even intra-day. However, rules to meet legislative and contract compliance can be much more complex. For example, in Denmark a contract period typically covers 592 hours over 16 weeks. Other countries have different hours and multi-week scheduling requirements. In addition, many countries have special regulations for scheduling and/or paying holiday and sickness hours. Contract requirements may also vary from retailer to retailer.

Blue Yonder's advanced scheduling optimization engine handles these unique work rule permutations to create optimal, compliant schedules for each location in a single instance of the system. It ensures that schedules are as close as possible to contract hours and provides variance reports to help managers minimize payments and accruals for overages, as well as to avoid paying for contract hours not used due to under-scheduling. It also accurately accrues compensatory allowances such as "time for time" required in some countries. And, as described above, the engine prevents scheduling beyond budget limits without authorization and self-adjusts per user priorities.

Because the scheduling engine is rules-based, it is easy to set up and change rules by country and location to keep up with dynamic labor laws as well as other contract requirements. It contains a rule testing function that allows you to build new rules and test them against the actual environment before moving them to production, thus ensuring accuracy without disruption to field operations.

The scheduling engine also supports cross-location scheduling. For example, one drugstore chain uses this feature to schedule their pharmacists across multiple stores to ensure superior service during peak hours. It also takes associate preferences and planned absences into consideration when creating schedules. The scheduling engine is fully integrated with the platform's task management solution to coordinate scheduling and budget constraints between traffic- and task-based labor.

- [Rules-based across standard timeframes and contractual hours](#)
- [Country by country working time compliance](#)
- [Weekly, monthly and annual contract hours balancing](#)
- [Cross-location scheduling](#)
- [Adherence to budget constraints and associate preferences](#)
- [Easy to set up and change rules with testing function](#)
- [Integration with task management](#)

## Mobile enablement

No scheduling solution would be complete today without mobile enablement of all manager and associate functions. Today's retail workforce is well-educated, digital-native and lifestyle oriented. They want flexible scheduling and run their lives through social media and their smartphones. Retailers must be prepared to provide scheduling flexibility and communicate with them in digital formats.

Blue Yonder's workforce management solution is mobile enabled for communication of schedules, shift swaps and sharing, time reporting, call-offs and time off requests. On their smartphones, associates can see their shifts, make requests to swap or share shifts, claim open shifts, do call-offs, see vacation balances and request time off. Managers can see and adjust schedules, approve shift swaps and time-off requests and post additional shifts. The solution will automatically post open shifts for call-offs.

## Long range staff planning

Every business experiences variable sales cycles, but in the retail industry the effect is more pronounced due to seasonality, promotions and special events. Compounding the problem, in the retail sector talent recruitment and development have fallen into the trap of operating independently of the business cycle. Long range staff planning (LRSP) brings the two parts back into alignment. LRSP can maximize existing staff and promote recruitment to align with projected demand and customer service targets, lessening the impact of seasonality on business operations.

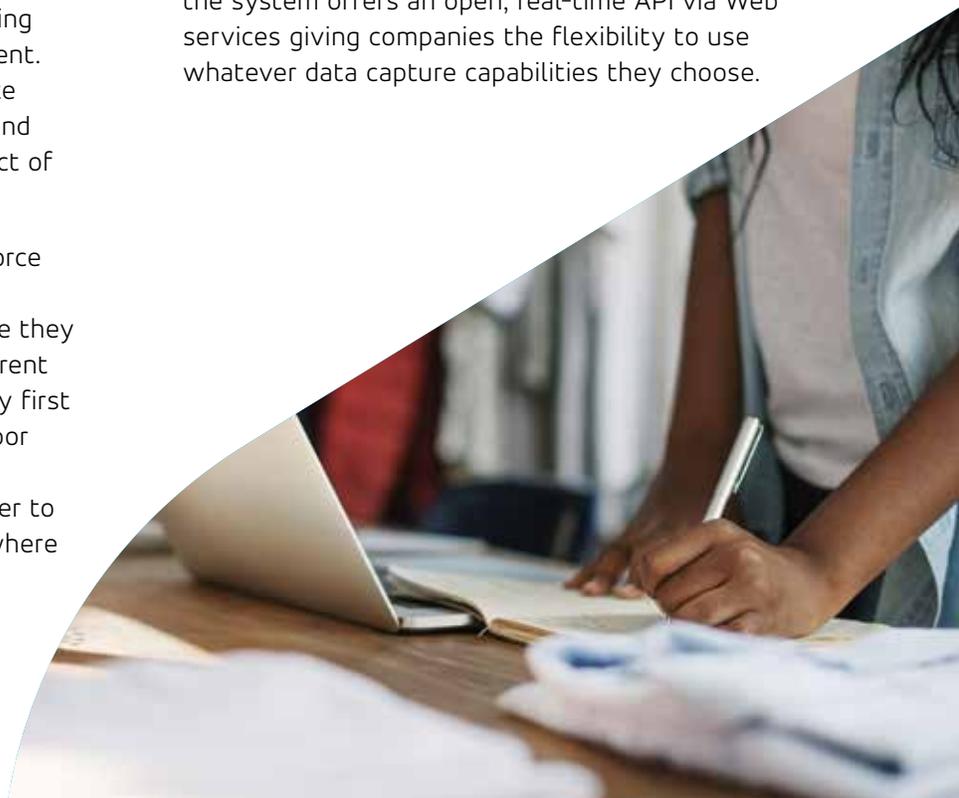
The LRSP engine within Blue Yonder's workforce management capability is designed to help businesses determine what type of workforce they will need to successfully implement their current strategy and goals. LRSP accomplishes this by first evaluating the current staff and projected labor demand for a given period at each site, then recommending the most cost-effective manner to satisfy the projected demand (e.g., in cases where

coverage is not currently being met, either by hiring new employees or by cross-training existing employees). The time period covered by LRSP can be up to a year in advance.

## Time & attendance

Even the best schedule can be ruined if scheduled associates don't show up for work and don't call off, especially during peak selling hours. The time and attendance capability within the Blue Yonder solution helps guard against this by providing associates with mobile access to their schedules and sending managers alerts when associates fail to clock in for their shifts. Alerts are available on smartphones, tablets or other mobile devices along with workflows for immediate corrective action. This may be as simple as verifying an associate who is on-site failed to clock in or contacting a list of associates by through the mobile app to fill the shift based on appropriate work rules. Using the scheduling engine to adjust for coverage variances ensures compliance with laws and contract rules and enables balancing to help minimize over or under utilization.

Time and attendance allows associates to clock in and out from a virtually unlimited number of devices. In addition to smartphone access and standard interfaces to many types of clocks, biometric readers and other data capture devices, the system offers an open, real-time API via Web services giving companies the flexibility to use whatever data capture capabilities they choose.



# Fulfill your potential with Blue Yonder

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