

Case Study

Workforce Management, Labor Management



Associated Food Stores

# Improving Workforce Productivity and Retention at Associated Food Stores

## Results

- Automated scheduling based on actual demand, reducing costs
- Reduced associate turnover and improved satisfaction

## Dynamic scheduling

Associated Food Stores (AFS) is a cooperatively owned wholesale distributor headquartered in Salt Lake City, Utah. They operate 43 corporate supermarkets and support over 400 independently owned supermarket locations across eight states. AFS is committed to independent retailers by providing quality products, support and exceptional service.

AFS had been scheduling the warehouse labor in fixed schedules from week to week, but this resulted in inefficient labor usage as their business needs changed daily. “The biggest challenge there is wasted labor. Your business changes every day. Without some type of software to let you see how, why and when, you’re going to fall into the same groove. At our warehouse, we were scheduling people in set departments and set areas when we know there’s a big opportunity to cross train and schedule across departments.” - **Information Technology Lead, AFS**

AFS implemented Blue Yonder’s workforce management capabilities which enable them to automatically schedule labor according to actual demand and associate preferences, improving associate satisfaction while saving significant labor costs.

## Challenges

- AFS was scheduling warehouse labor based on static schedules from week to week regardless of daily demand changes. This resulted in wasted labor.
- AFS’s warehouse operates in an area with highly competitive demand for labor. A lack of flexibility in scheduling was causing higher than desired turnover which increased hiring and training costs.





- The previous solution AFS used for labor scheduling and time and attendance was not integrated, causing a lack of cohesion in managing the workforce.

## Workforce retention

The AFS distribution center is in an area where there is significant competition for labor resources. This raises turnover and the associated costs to hire and train replacement workers. AFS felt they could become a more attractive employer, and thus, reduce turnover and the associated costs, by making labor scheduling more flexible for associates and by offering self-service scheduling and time and attendance options. AFS's previous solution could not handle these associate-friendly options, so AFS turned to Blue Yonder.

Blue Yonder's workforce management capabilities enable AFS associates to use mobile self-service features to create their own schedules to accommodate the needs of their personal lives, as well as process time-off requests. It also gives associates the option to schedule themselves for jobs other than their normal assignments. This has resulted in reduced turnover and also helped reduce the amount of wasted labor in the warehouse.

"Employee satisfaction is an area of improvement we were able to benefit from immediately. Viewing schedules and asking for time off is easier for the workforce and faster for management to approve."

## Improved labor planning

AFS leverages the solution's forecasts to look ahead and better plan their cross-department labor. It provides AFS with data on how their warehouse is performing and where they can better allocate labor. "We're using Blue Yonder to look two weeks in advance, which gives us the opportunity to say, we're going to be short in forklifts, so let's train some selectors in forklift."

Blue Yonder's workforce management capabilities also allow AFS to be proactive. "We hold weekly labor and budget meetings where all of the warehouse managers come together and use the 62-week forecast that's built into the solution. This allows us to come up with a plan. We don't want to be reactionary anymore, we want to

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plan ahead and know where we need the labor, which ultimately saves us money."

## Solution benefits

- Automated labor scheduling based on actual demand to reduce labor costs
- Reduced associate turnover and associated hiring and training costs
- Increased associate scheduling flexibility, improving satisfaction
- Enabled mobile self-service scheduling and time and attendance
- Improved workforce planning, resulting in reductions in wasted labor

## Blue Yonder expertise

When asked if they would recommend Blue Yonder to others, AFS responded,

"Yes, absolutely. Just the way we've been able to integrate with all of our systems has been a seamless transition every time we've done an upgrade, every time we've had some type of business objective. We've never set out to do something with Blue Yonder that we haven't been able to accomplish. We had very clear goals and objectives for every upgrade we've done and we've always met those."

 Luminate Commerce



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