

How to Manage a Modern Retail Workforce

Engage Employees & Delight Customers
Using the Latest Workforce Management
Best Practices



+61 2 8399 1688 | wfsaustralia.com

© 2020 WorkForce Software, LLC. All rights reserved.

TABLE OF CONTENTS

“Be your best leader.”

This book will help...

Page 3

New Research: Hourly Retail Jobs Are Hurting Families

One remediable problem is tormenting hourly retail workers, especially those raising children.

Page 4

Seasonal Employees: A Practical Guide for Retail Managers

7 management practices proven to promote success among temporary, seasonal retail hires.

Page 7

The Art of Creative Scheduling: 5 Changes That'll Optimise Your Retail Hourly Labour Spend

These scheduling adjustments will save your retail store money, engage your employees, delight your customers, and drive your brand forward.

Page 10

Minimum Wage Hikes: 3 Productivity Strategies Retailers Can Use to Offset Those Extra Costs

If your retail payroll increases, don't raise your prices or fire your hourly employees. Instead, get productive and draw the most out of your workforce. Here's how...

Page 13

“About WorkForce Software...”

Page 16

Modernise your workforce management style...

This book will help.

You're good, but you want to get better. You want to modernise.

That's what makes you an effective leader. Whether you're a store manager, a regional director, or the CEO, you're constantly striving to improve your processes, to refine your perspective; to be more efficient with your time, more productive with your resources, and more human with your people. Each day, you strive to delight your customers more and more.

This book will help you do that.

Beautifully designed and expertly written for clarity and comprehension, this book is a compilation of four essays that shed light on the new, modern landscape every retail professional now works in. A landscape littered with humanistic challenges and technological decisions that retail leaders must acknowledge, understand, and plan for.

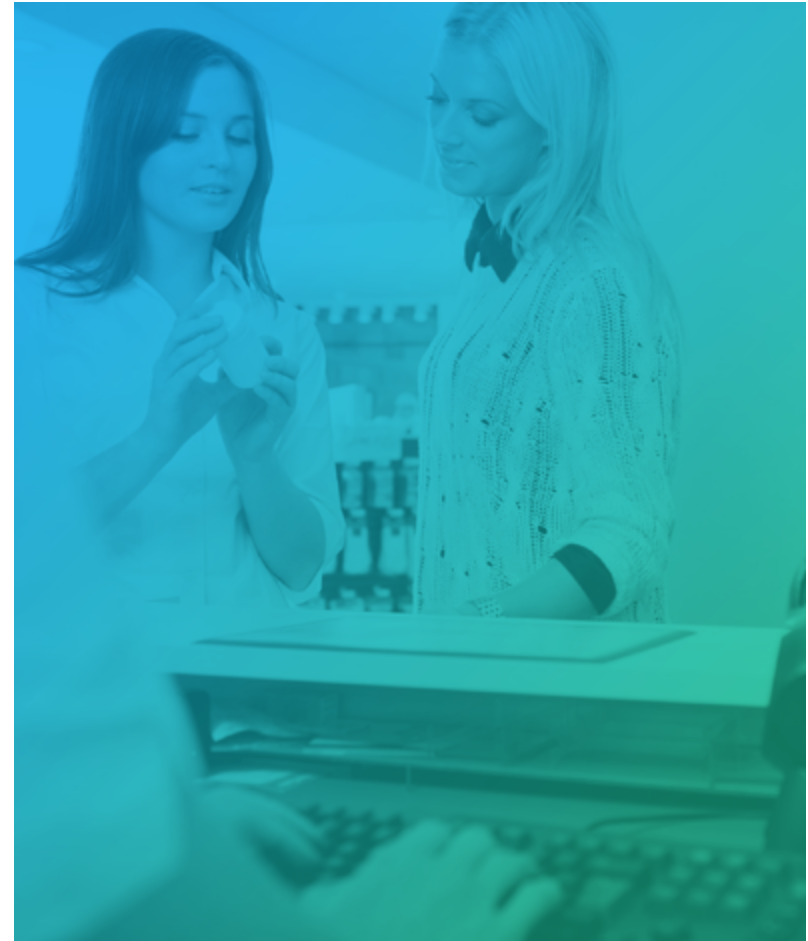
This book will help you do that.

Ready to take another step towards becoming a modern retail leader?

Ready to engage employees and delight customers with the latest workforce management best practices?

Then turn the page.

Let's get started...



New Research: Hourly Retail Jobs Are Hurting Families

One remediable problem is tormenting hourly retail workers, especially those raising children.



New Research: Hourly Retail Jobs Are Hurting Families

"Is she asleep?"

"Yeah, she finally passed out."

"I'm sorry, Jake. I should've picked her up on time, like I said I would."

"It's not your fault, Karen. I understand. Abby's school understands. Work is work. What can we do?"

Karen stood up to make some tea, adding a lemon wedge for her sore throat.

"I'm exhausted," she said.

"I know," said Jake. "Me, too."

Around the world, hourly retail employees are suffering.

After studying nearly 6,000 hourly retail workers, Kristen Harknett, an associate professor of sociology at Penn State, confirmed that **unpredictable, unstable schedules are bad for employee health and well-being.**

Her study asserts that erratic schedules cause harm and difficulty, particularly to working parents, who lose the ability to plan ahead.

Penn State: "Unpredictable, unstable schedules are bad for employee health and well-being."

"If you have more advanced notice of your work schedule, then you're less likely to report **psychological distress**, you're less likely to report **poor health**, you're less likely to report **poor sleep quality**," Harknett says. "Simply having at least two weeks' advanced notice is associated with all these benefits."

Another report, by Human Impact Partners, corroborates the notion that unpredictable schedules cause "physical and mental health consequences for workers and their families."

And these consequences are felt by employers, as well. They trickle down, affecting customers and, ultimately, business goals:

According to Gallup, unhealthy employees cost organisations \$84B a year.

Gallup surveyed 94,000 workers with chronic health conditions (e.g., high blood pressure, high cholesterol, depression) and found that the total annual cost of their lost productivity totaled \$84 billion.

If you employ hourly retail workers, you're paying into that figure.

That said, if you employ salaried people, you're also contributing. And salaried workers cost more than the digit on their paychecks: Health insurance, retirement benefits, cell phones, bonuses, trainings. That's why corporations proactively invest in "Health & Wellness" programs, which are designed to keep white-collar knowledge workers happy, healthy and, of course, productive.

It's a big industry, actually: Every year, companies spend about \$6 billion on massages, gym memberships, Fitbits, and morning yoga classes—among other "outside" perks—for their salaried guns.

Rarely, however, do you see a wellness program aimed at hourly workers, an inequality that comes down to ROI. And that begs the question: What do hourly employees need?

A Fitbit? A fifteen minute massage every Friday afternoon? Free snacks in the breakroom?

Sure, those are neat perks, but they're not making it any easier to raise children. They're not helping people sleep at night. They're not giving employees their time and stability back, their routines back.

After all, how can anyone cultivate a routine when they don't even know what tomorrow looks like?

Introducing: Health-&-Wellness Scheduling

Right now, around the world, a percentage of hourly retail workers are using workforce management software to enact Health-&-Wellness Scheduling—and it's giving them back control.

It's allowing them to pick up shifts when they want to, and give shifts away when they need to. It's showing them an airtight schedule, weeks in advance.

It's a vehicle for work-life balance.

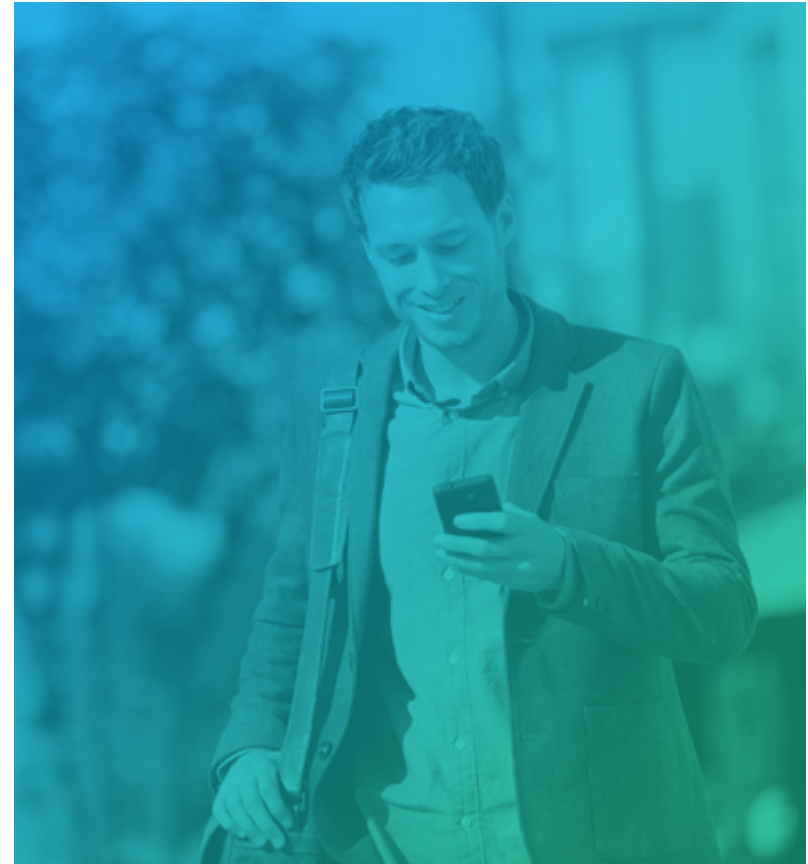
In fact, the department store Karen and Jake work for recently started using it:

"...Can you pick Abby up after school next Tuesday?" said Jake.

"I have three night shifts in a row that week."

"Of course, I can," said Karen. "I'll just trade that day away—two minutes."

Imagine that.



Seasonal Employees: A Practical Guide for Retail Managers

7 management practices proven to promote success among temporary, seasonal retail hires.



Seasonal Employees: A Practical Guide for Retail Managers

“Tomorrow, our associate headcount will increase by more than a third,” said Noam, as he crossed his arms and leaned back against the breakroom’s kitchenette countertop. He was standing in front of nine managers, all of whom were his direct reports.

“They’re not going to be full-time,” said Noam, referring to the dozens of seasonal retail workers slated to join the team before Thanksgiving, “but they’re still going to be our employees, our people—and we have to treat them as such if we’re going to hit our targets through the end of the year...”

“This holiday season, retailers could add as many as 690,000 new seasonal positions.” – NRF

And that’s only in the United States...

Around the world, millions of people will accept temporary employment with large and small retailers alike, helping existing teams handle the influx of store traffic and inventory without missing a beat.

Target, for example, estimates 77,000 holiday hires. Macy’s will take on 83,000 new people.

What about your store, your department? How many additional hands do you need during the retail holiday rush? More importantly, **are you prepared to hire, onboard, and manage those people?**

7 management practices that promote success among seasonal hires:

Given his or her “temporary” status, a seasonal retail worker’s frame-of-mind will differ from that of a full-time counterpart’s. Managers who acknowledge, anticipate, and prepare for this mental shift will get the most out of their holiday hires.

If you want to be your best retail manager this year—effective, yet still beloved—keep reading...

1. Tone down your hiring process.

Don’t make a temporary employee fill out a full-time application. Don’t put them through the pressures of a typical, full-time interview, either. The effort wouldn’t be worth the return.

Keep each candidate’s hiring process relative to that individual’s investment in your company.

When it comes to seasonal hires, feel free to check only the essential boxes: Fundamental skills; applicable experience; background check. This approach will help you hire your target workforce efficiently, without burning out.

2. Be honest.

If you like someone, it may be tempting to promise them full-time work after the holidays are over.

If you’re doing this solely to make the hire, don’t. It’s unethical. Be upfront and realistic with the candidate about their chances to secure a 40-hour week.

3. Design a seasonal-specific training program that scales.

Most customers don’t care if they’re speaking to a temporary worker or a career associate. They only care about their question, their issue. Therefore, it’s important to adequately train your holiday hires, exposing them to the same information as the full-time team—but in smaller, more digestible amounts.

Putting your temporary hires through the rigors of a full-time training program is overkill: The time investment, again, wouldn’t justify the return. That said, every employee should start on the same page for the customers’ sake.

A scalable training program can be achieved in-person, through classroom sessions or online, using web-based programs. Either way, don't skip this step. Train your people, even if they're only "your people" for a few months.

4. Help your employees communicate with each other.

A new job can be stressful and intimidating, especially if you feel disconnected.

Empower your retail associates with tools that streamline communications and enable practical actions, like shift swapping.

Empower your retail associates with tools that streamline communications and enable practical actions, like shift swapping.

5. Master your schedules.

Posting schedules with little advance notice will disengage your people, leading to late arrivals, no-shows, and sub-par customer service (especially among low-loyalty, seasonal employees).

Avoid the consequences of poor scheduling practices—during the holidays and throughout the rest of the year—by using modern workforce management software to forecast your labour demand and schedule your people.

6. Don't neglect your full-timers.

Be empathetic. Don't forget to consider how your full-time workers feel in the midst of a sea of holiday hires. After all, your full-timers

are permanent fixtures. They've proven themselves to be loyal and dedicated, eager to put their best foot forward for the sake of their future with the company.

Don't cut their hours unless they ask for the time off.

7. Keep your brand's reputation top-of-mind.

This one's easy to forget, to disregard, even. The urgency of holiday rush will do that. But you can't let it. You have to fight the pressure, and you have to win. That's your job.

You have to treat customers well, and employees even better. Because everyone that walks into your store is a potential brand advocate, including seasonal workers. Sure, a seasonal worker is only with you for a moment. But when he or she leaves, they'll take that experience with them. They'll share it with their friends and family. They'll post about it on Facebook.

That temp's message could touch thousands of people, maybe more. So be kind and courteous. Treat people fairly, with dignity and respect. Not only because your company's reputation depends on it—which it does—but because it's the right thing to do.

"...any questions?" asked Noam.

He was still leaning, cross-armed, against the countertop. Dan, who was recently promoted to shift manager, raised his hand.

"Whachya got, Danny?"

"Do you have any advice? I mean, is there a game plan?"

"Great question. There definitely is a plan, and it starts with toning down our hiring process..."



The Art of Creative Scheduling: 5 Changes That'll Optimise Your Retail Hourly Labour Spend

These scheduling adjustments will save your retail store money, engage your employees, delight your customers, and drive your brand forward.

The Art of Creative Scheduling: 5 Changes That'll Optimise Your Retail Hourly Labour Spend

"So..." said Ty, slurping his coffee. He was sitting in a big leather chair behind a big oak desk. "You wanted to talk in person ... about scheduling?"

"Yes, I'd like to change the way we do things at the 35th and Kennedy store," said Yelena.

"It's your store," said Ty, "do as you see fit." He took the cap off of his pen and scribbled a note, then glanced at his watch.

"Thank you," said Yelena, "but they're significant changes, so I came with a plan."

Ty put down his pen. "What are we talking about here?"

"As a company, I think we have some bad habits..."

Born in Montenegro, Yelena's parents emigrated to the U.S. before she could even speak. They taught her to challenge the status quo, to question her current state of affairs and, if necessary, to seek change. Because that's what they did, and their lives turned out better for it.

"And these bad habits are enabled by the fact that we're not using modern workforce management software," said Yelena.

It's true. Yelena's company, a big box retail store with dozens of locations along the East Coast, is managing schedules the old-fashioned, manual way:

1. Printed Excel spreadsheets hang in the breakrooms.
2. Thousands of hourly retail workers have fixed hours.
3. Most schedules are systematically duplicated every week.
4. Department managers aren't at all incentivised to cut labour cost.

"There's so much more we could be doing with the right software," said Yelena. "We could be optimising our schedules..."

"What would you change?" asked Ty.

"I think we need to reevaluate the way we approach scheduling in general," said Yelena. "Ten years ago, a shift manager's responsibility ended when a schedule was published. But that was a decade ago. Today, a published schedule is the bare minimum output."

Yelena's right, of course: The retail scheduler's job has changed; the responsibilities have shifted. Scheduling is no longer an administrative task. It requires experience and knowledge; it demands creativity. Now more than ever, the role calls for:

1. Exploring new scheduling options and alternatives.
2. Evaluating the operational and financial consequences of each schedule.

"Workforce management software is a Porsche built for Monaco," said Yelena. "Right now, we're doing laps around the cul-de-sac on a tricycle."

Ty nodded his head in agreement. "I'm all ears," he said.

"I propose these 5 changes to start..."

Yelena took out a legal pad with some notes, "and the right WFM tool will easily support these initiatives," she said.

Ty leaned forward.

1. "Let's move away from fixed hours."

Optimised schedules are created based on the numbers: Traffic and POS data, to name only a couple.

These and other KPIs dictate precise labour needs, which can help companies move away from expensive, antiquated block scheduling that can't compete with the accuracy and agility of data-based forecasting.

2. “Let’s allow shift-swapping.”

Giving hourly employees the autonomy and flexibility to swap shifts will breed engagement, productivity, and on-the-job happiness.

These benefits, of course, won’t stay contained within the workforce. They’ll trickle down, reflecting positively on the brand, the store and, ultimately, the customer experience.

3. “Let’s hire flexible part-timers.”

When combined with potent, dynamic scheduling functionality, a flexible part-time workforce will systematically cut down labour costs by enabling employers to schedule only the hours they need.

Even if these hours come at a premium cost, it still beats scheduling a full-time employee to work eight hours when the forecasted demand only calls for a fraction of that time.

4. “Let’s expand break windows.”

Workforce management software helps companies be more efficient, saving them time, which saves them money. You can keep those savings, or you can reinvest a portion back into the workforce by giving your people more time between shifts.

This action, in turn, increases your stock as an employer of choice. It drives employee engagement and productivity and happiness—the same way flexibility and autonomy do—and few things matter more in the long run.

5. “Let’s incentivise scheduling managers.”

Modern workforce management software runs through millions of schedule combinations in seconds, using KPI data to automatically create a schedule that reflects real-life labour demand. It’s a task that would take one person a lifetime to complete.

That said, the software also depends on human input (e.g., data entry) and judgement (e.g., the impact of the annual music festival on traffic) to be effective. By incentivising managers to be as much a part of the scheduling process as the algorithm behind it, companies can create an empowered workforce driven by something compelling: The desire to improve.

“Wow,” said Ty, “I never thought about it like that.”

Yelena opened his eyes to the fact that employee engagement, empowerment, happiness, and customer satisfaction – money – is all being scheduled down the pipes, week after week, month after month.

“What’s our next move, Yelena?”

“I’ll set up a call with WorkForce.”



Minimum Wage Hikes: 3 Productivity Strategies Retailers Can Use to Offset Those Extra Costs

If your retail payroll increases, don't raise your prices or fire your hourly employees. Instead, get productive and draw the most out of your workforce. Here's how...

Minimum Wage Hikes: 3 Productivity Strategies Retailers Can Use to Offset Those Extra Costs

Articles about the economics of minimum wage increases have been written a thousand times over, by countless political pundits and reporters in Britain, in Germany, and of course, in the United States. As it turns out, the economics field has been debating the large-scale impact of mandatory minimum wage hikes for years—and the lack of consensus has proven exhausting.

“I get sick to my stomach,” said Dan Hamermesh, an economist, in an interview with NPR about the ceaseless, polarising debate. “It just keeps on going on, so I’m bored and annoyed.”

An economist might be over it, *but if you’re a retailer, then wage increases affect your business.*

What, then, are the consequences of these laws? More specifically, how will employers cover the extra money they’re being mandated to spend on payroll? That’s what *this* article is about.

Let’s look at several key options: The good, bad, and the ugly...

1. The Bad: *Raise prices.*

If operating costs go up, businesses can choose to pass them onto the consumer.

Now, although it was widely speculated that this would happen in Seattle—where the minimum wage was raised to \$11 an hour back in April, 2015—it didn’t. In fact, the prices barely budged.

Unfortunately, the wage increase manifested itself in a different way: It caused Seattle’s jobless rate to climb more than a percentage point in the first 10 months following the city-wide raise.

2. The Ugly: *Fire people.*

“If you raise the minimum wage,” said Bill Gates in a 2014 interview, “you’re encouraging labour substitution, and you’re going to go buy machines and automate things.” And that’s precisely what many companies either have done already or are planning to do soon:

McDonalds, Wendy’s, Panera Bread, Whole Foods, and several big box stores have already implemented powerful forms of automation, including self-ordering kiosks and self-driving shopping carts designed to perform tasks that were once reserved for people.

But what if instead of automating human duties, we automated the *processes* that enable people to work smarter and more efficiently, to cover more ground in fewer steps?

How would that work?

Let’s find out...

“What if instead of automating human duties, we automated the processes that enable people to work smarter, more efficiently?”

3. The Good: *Get productive.*

Employers affected by minimum wage increases don’t have to balloon their prices or layoff loyal people to make themselves whole. Identifying opportunities that improve efficiency and productivity will allow businesses to maintain a strong value proposition, which will help them keep a competitive advantage in their space.

Before committing to any measures that could, ultimately, degrade your brand’s reputation and value, consider these proven strategies:

3a. Calculate and respect customer demand.

Every modern retail store in the world collects data. Traffic data; point-of-sale data; an array of metrics that indicate when people are shopping and how much they're spending in a particular store.

Retailers that analyse these numbers are rewarded with a customer demand synopsis, which can then be used to calculate a store's necessary employee headcount per shift.

Knowing exactly how many associates you need at any given point is fundamental to keeping payroll costs low. If you want to protect your bottom line in the face of growing wages, start with customer demand forecasting.

3b. Enable cross-staffing.

In other words, get flexible with your employee roles and responsibilities. Let's use Erica and Jay, two full-time hourly employees at a major hotel chain, as examples.

Jay and Erica work as team, manning the front desk, accommodating customers over the phone and in-person. They're constantly busy, except on weekdays from noon to about 2 PM, when there's a lull in traffic. Instead of keeping the front desk overstaffed for 10-14 hours a week, the hotel manager began moving Jay to the retail gift shop or the restaurant during the downtime (depending on need) to get the most out of his billable hours.

3c. Offer shorter shifts at a premium.

This strategy is all about aligning employee worktime with required workload.

Imagine, for example, that the owner of Bubba Shrubs Landscaping Co. needs his team to only work 6 hours on Monday, and not the usual 8. Instead of paying each landscaper a full day's wage at \$15 per hour (\$120/employee), the owner could offer to compensate those 6 hours at a premium rate of, say, \$18 (\$108/employee).

It's a simple, yet effective compromise, one that drives flexibility and, typically, leaves both parties satisfied with their end of the bargain. That said, it does present challenges, especially for larger organisations attempting to scale the process—but automation software can make that easier.

Ready or not, the hikes are coming...

At the start of 2016, in the U.S. alone, fourteen states entered the New Year with a higher minimum wage—and all signs point to the fact that a higher federal minimum wage is imminent.

Moving forward, the most successful businesses will adopt a combination of creative strategies, matching their labour to customer demand while increasing employee flexibility for a seamless transition into modern hourly wage dynamics.

Will you?

About WFS: A WorkForce Software Company (WFS Australia)

WFS: A WorkForce Software Company (“WFS Australia”) is making work easy for the connected workforce around the globe. We provide enterprise and mid-sized organisations with real-time insights backed by pre-packaged domain expertise and proven flexibility. Our cloud workforce management solutions empower employees and managers to digitise staff leave and attendance processes, optimise rostering, simplify compliance and enable strategic business insight. With complete visibility across all employee groups and locations, WFS Australia equips organisations to reduce labour costs, demonstrate compliance and boost employee engagement, all while maximising operational efficiencies. For more information, visit wfsaustralia.com.

LEGAL NOTICES

Copyright © 2017 WorkForce Software, LLC. All Rights Reserved. WorkForce Software, WFS, and Making Work Easy are trademarks registered in the U.S. Patent and Trademark Office.

WFS: A WorkForce Software Company

Level 18, 111 Pacific Hwy
North Sydney, NSW 2060
Australia

+61 2 8399 1688

info@wfsaustralia.com

Copyright and trade secret laws protect the information in this manual. Access to this material is provided only under license or as part of an evaluation of the WFS: A WorkForce Software Company solution specifically authorised by WFS: A WorkForce Software Company. In no other case are you permitted access to this information. Nor are you permitted to disclose this information to any third party. If you have been provided this manual under any other circumstances, you must contact WFS: A WorkForce Software Company at +61 2 8399 1688 to arrange to have this material returned immediately.

