shopworks

STAFF SCHEDULING

Top 10 reasons to implement a workforce management system in a business.

What's in this whitepaper?

Overview

The best retail, leisure and hospitality businesses know that having the right number of staff available to ensure a happy customer is the best way to grow the top line and increasingly are looking to high tech solutions to meet this challenge.

However, in recent years, businesses that employ staff on hourly paid contracts, have been inundated by a raft of regulations relating to pay, holidays, pensions and working hours. These regulations have increased the cost of employment dramatically and also increased the complexity of managing staff and the risks of being non-compliant. These two related challenges have led to a rise in the number of companies implementing a workforce management system to replace paper or spreadsheet based processes for staff scheduling.

Shopworks have been at the leading edge of this change in business management since 2009, offering our cloud based solution to companies in retail, leisure, hospitality and other service sectors – helping them increase revenue, save money and become more compliant.

According to our investigations, over 60% of the companies that currently use paper or spreadsheets to manage staff rosters and scheduling are considering a work force management system and this white paper is written to help those companies understand the benefits they can expect from implementing such a system.

We hope you find it helpful and would welcome your comments and feedback at info@theshopworks.com

What constitutes a Workforce Management (WFM) System:

A full workforce management system includes everything a business needs to plan and execute a rota, confirm staff attendance, pay the staff correctly and account for the costs. Modern systems are nearly all cloud based and sold as a "Software as a Service" SAAS (where pricing is often "per shop per week" or "per person per month"). Businesses expect their platform to be customised, for instance to reflect their pay and holiday rules.

A full workforce management platform consists of a number of modules:

Scheduling: The heart of the workforce management system is the planning tool, which allows companies to plan their rotas in advance.

Demand Module: Often linked to revenue generating systems such as EPOS or till systems and sometimes a predictive analytics engine, this module allows the person planning the rota to be aware of how many staff are required to meet customer demand in each department at each hour of the day.

Leave management: Before you can plan a roster you need to know who is on leave. Integrating the holiday management into a system that drives payroll and also has a self-service module for staff to book leave, makes perfect sense.

Budget Module: Before a roster is approved and communicated to staff, it should be checked against the departmental budget - that means the system needs to know what the budget is, to make a 100% accurate calculation of the cost of that roster and compare the two. In order to make the calculation of cost, the system needs to know the pay rules of every member of staff and be able to apply them dynamically. For instance if someone is due "time and a half" on Sunday, but is given an unpaid lunch break for an 8 hour shift, the software applies these rules to calculate the cost of the shift .

Self-service module: Once a shift is planned the staff need to be aware of where they are required and when. This is done via an SMS or e-mail notification and by giving employees access to a self-service portal, which they can access via a smart phone. This module also allows leave to be booked and checked and in the case of the Shopworks system, training to be completed.

Time and attendance: Once a shift has been planned and communicated to staff members, the system needs to understand who actually worked the shift, were they on time? Was additional overtime given? This is done either by biometric readers, proximity cards or a manager's input.

Integrations: Modern cloud based suppliers expect to integrate into other providers systems, gone are the days when software suppliers would insist that they supply every element of a system. Now companies choose 'best of breed' systems and expect them to integrate into each other. In the case of a workforce management system, this is likely to include integrations to payroll software, HR and accounting systems, plus EPOS and analytic systems to help drive demand data.

Top 10

Here are the top ten reasons companies in retail, leisure and hospitality businesses ask their management teams to implement a cloud-based workforce management system:

1. Increased revenue:
Matching staffing levels with demand and avoiding understaffing at key times drives up revenues. Whether it is a casino operator ensuring they have enough table dealers to optimise spins per customer per hour on a roulette table, or a coffee franchise ensuring that customers don't turn round and walk out the door when they see the size of the queue; having too few staff reduces customers.

A smart workforce management system allows you to optimise the number of staff to match the levels of customers to match peak periods.
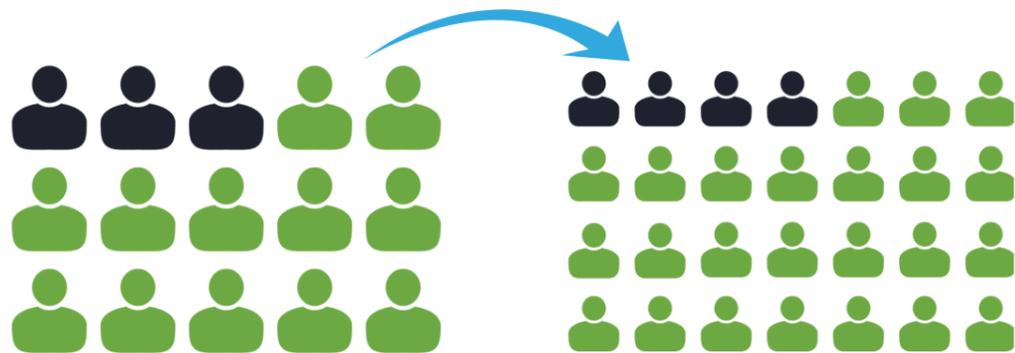
A sophisticated workforce management system, such as Shopworks allows operators to match staff levels to predicted demand. We build bespoke integrations into EPOS and other revenue systems, as well as analytic tools to ensure accurate predictions of demand.

2. Lower costs:
Shopworks customers save an average of 7% of the annual staff bill by using our platform and it can be as much as 12%. The savings come from a number of different features; here are the top 10 reasons our systems save operators money:

Top 10 ways a workforce management system helps a business make cost savings.

• **Pre approving staff costs against budget:** Using a spreadsheet based system, finance directors would be unaware of the spend versus budget on staff until management accounts were published weeks later, when of course it is too late. Now a Finance Director can ensure that all staff spend is checked against budget and pre-approved by an appropriate person. This undoubtedly is the largest contributor to the savings we make our customers.

• **Biometric time and attendance:** Biometric readers cut out payroll fraud and ensure all staff are paid for the hours they work. They are cheap to buy and maintain and pay for themselves in weeks. When linked to an 'automatch' engine like Shopworks, they can automatically adjust pay for lateness.

• **Live view of contracted hours:** Checking each member of staff has been allocated their full number of contracted hours ensures you are operating at maximum efficiency. Shopworks has a number of ways that it helps companies manage this issue and prevent overspend.

• **No double payments:** Paying two people to work the same shift is a regular mistake made on older systems, for instance when a member of staff is off sick and the company pays both the person covering and the person off sick. Shopworks includes safeguards against this and other examples of double payment.

• **Reduced management time:** Management time is an often overlooked cost in managing rosters which we can significantly reduce. Managers can spend more time on other important tasks.

• **Integrations:** Paying people to enter worksheets into payroll systems is time consuming and expensive as well as prone to error. Shopworks will remove this cost all together by integrating into payroll and accounting systems.

• **Central view and benchmarking:** Being able to look at the staffing levels that different business units manage with similar levels of customer demand will allow your business to ensure that wasteful models are rejected in favour of more efficient and cheaper ways of managing similar circumstances.

• **Accurate holiday allocation and payment**: Holiday rules are becoming increasingly complex. A workforce management system will ensure that only correctly accrued time is booked and paid for, again saving the company from paying out unearned holiday.

• **Lunch break rules**: Automatically calculating lunch break rules, ensures that unpaid break time is always deducted. This is a key reason for overspend in older paper or spreadsheet based systems.

• **Training**: The inbuilt e-learning package within Shopworks self service module saves our customers travel and other training costs by ensuring that low level induction and on job training can be done via an employees smart phone or desktop.

3. Improved Compliance:

In an increasingly complex compliance environment, operators need to automate the checking of their staff rotas against multiple criteria. For instance, Shopworks will prevent a manager from scheduling a non-compliant member of staff into a shift. If a non-EU citizen has already worked 20 hours that week, or their visa has expired, the system will not allow them to be scheduled, saving a potential £20,000 fine per employee. Or if a lifeguard at one of our customers' pools is not in date for training, then that person will not get scheduled in.

Shopworks can manage the complexity of ensuring a staff rota is 100% compliant across a huge number of regulations.

We agree bespoke rules for each customer to ensure that only compliant staff are rostered and these form part of the scheduling and planning tools within Shopworks.

In addition Shopworks includes a fully integrated e-learning suite, which can ensure that all employees are up to date with required training and have read and agreed to all policies before they can work a shift. Shopworks will also keep tabs on 'working time directive' compliance and ensure that overtime is accrued within holiday pay. We can even ensure someone gets an increase in the National Living Wage on their birthday.

In short, Shopworks can manage the complexity of ensuring a staff rota is 100 percent compliant across a huge number of regulations and allow you to sleep soundly.

Ten examples of the Shopworks system helping a business remain compliant

• **Working time directive 17 week average**: Our system runs a 17 week average working time directive analysis to ensure that your business is compliant.

• **Working time directive gap between shifts**: We can prevent you scheduling staff who haven't had their required 11 hour break between shifts.

Is your business acting responsibly? Ensure you comply with the UK regulatory bodies & reporting requirements.

• **Overtime holiday accrual**: Our system will ensure that your staff are paid the correct holiday pay including an accrual for overtime worked.

• **Non EU citizen visa requirements**: We can prevent you staffing people that have worked more than 20 hours who are non EU citizens or whose visa has expired. In the UK there is a potential £20,000 fine per breach, which applies to every UK business.

• **Staff training requirements**: We can prevent you scheduling staff in key roles that aren't in date for the required training, such as opening or closing a shop.

• **Key staff & critical roles**: Imagine the impact of scheduling a lifeguard in a pool who is not in date for training should something go wrong. Shopworks can ensure that a member of staff can't be scheduled in such circumstances, providing considerable protection to the business. We can also bespoke our system for each customer to ensure that they get the protection that is appropriate for them.

• **Logging trips and slips**: We supply some customers with a way of logging 'trips & slips' helping the business track and manage issues.

• **Social responsibility reporting**: We supply casinos, bingo halls, betting shops and adult gaming centers with a tool for tracking their social responsibility reporting to ensure they are compliant with the UK Gambling Commission reporting requirements.

• **Single manning:** We can alert you to a situation when a shop or business unit only has one member of staff on site, or if that was your intention we can pay that person extra for working that shift.

• **Paying the National Living Wage:** We can check you have met the minimum wage requirements, we can even create a rule which increases an employees salary at midnight on their 25th Birthday.

Ensure your staff are up to date with all their training to prevent scheduling unqualified staff in key roles.

4. Higher staff morale:
It is pretty obvious, but staff want to be paid accurately and on time with all their allowances and benefits taken into account. In our experience, companies using spreadsheets and older systems are pretty poor at achieving this basic staff hygiene factor. Shopworks users can expect 100% accurate payroll runs, 100% accurate holiday management and zero pay queries.

When added to clear communications about when and where they are expected to work its no wonder that staff who work for Shopworks' customers are happier.

5. Freed up management time:
The management time that is traditionally consumed by sorting out rotas, pay and compliance can be freed up to focus on more value added items such as growing the business.

"Shopworks' high level of configurability, flexibility and budgetary control has given us the ability to adapt seamlessly to the ever-changing nature of today's staffing needs."

6. Central view:
For some of our customers a central view of all staffing data is the number one benefit they believe they get from Shopworks. They can benchmark staffing levels and costs between different venues and compare different approaches.
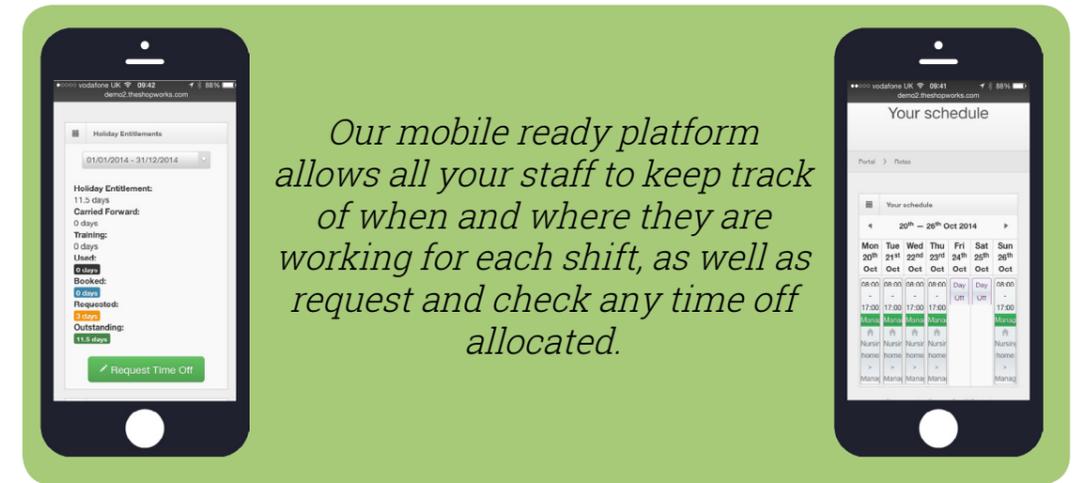
Our mobile ready platform allows all your staff to keep track of when and where they are working for each shift, as well as request and check any time off allocated.

7. Faster growth:
Putting in a workforce management system at the start of a roll out ensures that all new business units opened or acquired are managed within corporate guidelines from day 1 and staff costs and demand levels are quickly brought into line. This allows for a quicker maturing of new units and allows the business to add another unit much sooner.
Several of Shopworks' customers have implemented a system at the start of a period of growth, either by acquisition or new openings, and we consistently hear that the system has enabled the company to maintain a higher rate of growth.

One of our customers recently acquired an estate of 340 shops and Shopworks has allowed them to quickly assimilate the new staff into the company.

8. Improved operational efficiency:
There should be no reason to have too few or too many staff turn up for a given shift, let alone failing to open a business unit because a staff member hasn't been scheduled or thought they were on leave. Shopworks has inbuilt safeguards against all of these risks and the staff self service portal allows staff to check where they are meant to be and when against a live version of the rota.

9. Creating value from data:
Companies that use spreadsheets aren't collecting any data on the staffing and demand levels. Having a large history of staffing data in the cloud and allowing it to build with time generates an increasing level of value; the data can be used to predict everything from the likelihood of someone resigning to the optimum incentive package to encourage Sunday working. The value of a large data store will only increase as Artificial Intelligence (AI) becomes more prevalent because AI requires lots of data to work well, so collecting it in a digital format makes good commercial sense.

10. Investors love it:

OK so not every business is looking to sell to a private equity business or raise money, but we all have our price right? Private equity firms and other financial institutions love to see clear, accurate and comprehensive record keeping. A workforce management system can provide evidence that you have been paying your staff correctly, are compliant with many laws and regulations and that you are running a tight ship. In fact we are often approached by private equity firms to put our systems into new investments because they know when it comes to selling the business in a few years time, the due diligence process will be that much smoother and the sale is less likely to fall over on a compliance related issue.

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If you would like a demonstration of the Shopworks system or want to discuss how our system can help, please contact:
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