

# The Well-Run Deli

Hannaford improves service by expanding its labor scheduling system. By Debbie Hauss

An automated front-end labor scheduling system has become the answer to scheduling in a specialized service-oriented department at Hannaford Supermarkets. After a complete rollout to the company's 146 stores' front end departments and positive results across the board, the retailer realized the system had potential to improve scheduling for approximately 1,600 employees in its deli department.

"The deli schedule was being done manually on paper by individual deli managers," explains Michael Farago, process improvement specialist for the Maine-based supermarket retailer. "When we started looking to improve service in the deli, we knew we needed a better labor scheduler, one that focused more on employee requirements, such as minor laws and we wanted a system that could be integrated with our time and attendance system."

Hannaford had chosen the Web-based Kronos for Retail application for its workforce management needs at the front end and reconfigured it to accommodate the deli's requirements. "We were looking to improve service in the deli and the scheduling system had worked so well at the front end we decided to try it in the deli," says Farago.

To pilot the new deli system, the retailer chose to test in its Dover, New Hampshire location, which is an above-average deli in terms of sales, says Farago. The pilot was a quick success. "In a couple weeks we knew we had solved our scheduling issues," he notes.

After the one-store pilot showed positive results the retailer expanded the test to a few more stores. "We took two or three months to watch for trends and we saw the same sales gains and ROI as in our initial pilot," says Farago. As a result, the full-fledged rollout began. "In the initial test store the results were



A Web-based labor scheduling program helps Hannaford delis improve customer service and better manage employee time.

were not initially put on the system because they were recently acquired by the company, he explains.

In addition to adjusting to using computers for scheduling, the biggest change for the deli managers and workers was the switch to 15-minute scheduling. They were used to beginning and ending their shifts on the hour, but the 15-minute schedules create a more efficient workday, says Farago. "The work schedules are built off our internally developed

customer service," Farago says. "The customers noticed the improved service right away." "Delis are both production and service, and with our people on a better schedule we can get the product into the display cases more efficiently and have more employees out interacting with customers."

## Formula for Staffing

Although the pilot was an undisputed success, the retailer did make a minor adjustment before the final rollout. Initially, the system was designed to handle 15 distinctly different deli jobs, so the deli managers could more accurately assign tasks. But it turned out that maintaining that many positions would be too cumbersome for the managers, so the number of positions was reduced to nine.

"We had nine jobs to schedule in our front-end program, which worked very well, and we realized that 15 jobs would make the manager's maintenance piece too cumbersome," Farago explains. This change did not affect the total number of employees, just the number of different job descriptions to schedule into the system.

To monitor system compliance, store management can access computerized reports on any store from any store. Deli managers are managed by individual store managers and company training specialists, who each monitor 20 to 25 stores. After the deli rollout, Hannaford considered implementing the system in its pharmacy departments but after an initial test the retailer decided that it was not a good fit. "Pharmacists are locked into their hours," says Farago. "There is no reason to try to change that." Instead, the company is now considering creating a scheduling program for its meat departments. "This system will work well for any department that has a service element." ■

**"We saw quick results, including sales gains and improved customer service."** —Michael Farago, Hannaford Supermarkets

quick, then we used the next few stores to confirm those results," Farago notes.

## Comprehensive Planning

Because the deli managers had little or no experience with computerized scheduling, Hannaford put together a comprehensive planning and training program to coincide with the rollout. "We had pre-planning meetings with every deli manager and every store manager, took care of some staffing gaps, hired and trained new associates, then we did follow-up meetings and more follow-up meetings," Farago explains.

The entire rollout to 110 stores took about one year, says Farago. Some stores didn't receive the system because of low volume and another group of stores, the Victory stores,

labor standards and the system schedules people more precisely so we have the right people working at the right time."

With the optimized schedule, Farago continues, workers with special skills may be moved from one area of the deli to another depending on customer demand. For example, he notes, "In the past I would have been the sandwich person, making sandwiches all day but now I may be scheduled for other tasks including sandwiches, service case or receiving."

The employees adjusted to the changes and were pleased to find out that the new system did not reduce their total work hours.

By better utilizing employees Hannaford reported almost immediate positive feedback and bottom-line improvements. "We saw quick results including sales gains and improved