

Workforce Management Labor Model Assessment

Align the right employees with the right roles to better meet customer demand and control labor costs

In today's competitive retail environment, success depends on how well you deliver the quality of service your customers not only expect — but demand. And scheduling the right employees in the right roles is critical to delivering on that customer expectation. After all, delighting customers with a consistently great shopping experience — delivered by engaged employees — is essential for increasing basket size, driving same-store sales, and building brand loyalty.

As your organization responds to shifting market conditions and business developments, it's important that your workforce management program continues to support your evolving business objectives. This ongoing alignment will enable you to optimize your most valuable asset — your workforce — for sustained competitive advantage.

The Kronos® Workforce Management Labor Model Assessment can help. This Kronos Advisory Services engagement is designed to develop an understanding of the current and future state of your labor forecasting methodology and approach. Because labor forecasts provide the blueprint for schedules, accurately quantifying workload requirements by location is one of the most effective ways to improve schedules. By more accurately interpreting your volume forecast and other non-volume labor demands, you can better predict labor needs and schedule the right employees for each role — at just the right time. And with improved labor modeling and more accurate scheduling, you prevent overstaffing or unplanned overtime in order to control labor costs and improve your bottom line.

Our strategic advisors will guide conversations to gain a more comprehensive understanding of your current process for forecasting labor and will also review and document your current processes and methodology for labor forecasting. They'll identify areas for improvement and create a sample labor model to demonstrate a potential future state.

Scope and approach

A Labor Model Assessment begins with data gathering and analysis of labor forecasting in its current state. This includes a review of labor drivers and standards, examination of current configuration, and discussions regarding the strengths and weaknesses of the current methodology. This is done by analyzing historical volume and labor data, identifying administrative and task-oriented labor required in stores, and developing hypothetical labor standards based on industry averages and collaboration with the client.

Each of these items will be compared with industry best practices to determine the areas that represent the greatest opportunity for improvement.

Once a comprehensive understanding of the current state is achieved, modeling of the potential future state begins. This process begins with quantifying the labor required to operate stores — both servicing customers and completing non-selling tasks. A model is created to develop a more dynamic approach to labor forecasting that captures the unique customer behavior and product affinity in each location. Once the model has been created, recommended weekly labor hours by store will be compared with the current state to determine variances and identify potential benefits.



Key Benefits

- » **PREDICT LABOR NEEDS** more accurately to meet customer demand — and expectations
- » **OPTIMIZE EMPLOYEE SCHEDULING** to control labor costs
- » **REDUCE OVERSTAFFING** and increase employee productivity
- » **GAIN GREATER INSIGHT** into key performance indicators such as conversion rate, dollars per transaction, and units per transaction



Typical duration

Depending on the complexity of your Kronos system configuration and the number of applications used, the Labor Model Assessment engagement typically takes eight to 10 weeks.*

**This time frame is an average based on similar engagements with Kronos customers. The length of your engagement may vary from the average.*

Engagement deliverables

At the conclusion of your engagement, your Kronos strategic advisors will present the following deliverables:

- **Current state assessment:** A high-level evaluation of your current workforce management program and how well it is supporting your business objectives
- **Benchmark results:** An overview of how your workforce management program, including technology, processes, and policies, stacks up against industry best practices
- **Gap analysis:** Identification of the gaps between the current state and the desired future state of your workforce management program, along with recommended steps for closing those gaps
- **Findings report:** A summary of engagement findings, which lays out a high-level, long-term workforce management strategy to support your future business goals

Client participation

Active client involvement, including executive-level sponsorship and support, is critical to a successful Labor Model Assessment. In addition to executive leaders, key client participants may include subject matter experts from all relevant departments in your organization.

Partner with the trusted leader

Kronos is a leading provider of workforce management and human capital management cloud solutions. Kronos Services provides a wide range of strategic services that help customers achieve smart value fast and a rapid return on their workforce solution investment — all while delivering the experience they expect. Learn more at www.kronos.com.