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Using Workforce Management to Drive Employee Engagement

Best practices for improving the retail employee experience with technology

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Introduction

Over the past decade, the retail workforce has undergone a seismic shift. Major advances in smartphone technology have changed the way retailers interact with both employees and customers. The emergence of the gig economy has increased reliance on on-demand workers. And tech-savvy millennials and Gen Zers have swarmed into the workforce, presenting new challenges and opportunities. Millennials and Gen Zers currently account for slightly over a third of the workforce (38%). In the next decade, that figure is set to reach 58%, making these generations the most dominant in the workplace.

These younger workers have a unique set of expectations and demands, valuing engagement over traditional perks and workplace fads. This shift is causing employers to rethink their practices for attracting and retaining talent and placing greater emphasis on employee engagement.

This paper discusses the increasingly critical role of workforce management in the employee experience and presents best practices for using technology to keep associates engaged and empowered on the job.

Workforce Management and Its Impact on the Employee

Think workforce management is largely a back-office function that has minimal impact on the employee? Think again. Workforce management policies and practices — across time and attendance, scheduling, payroll, leave management, and more — touch nearly every aspect of the retail employee experience, including the ability to maintain work-life balance and overall well-being.

Scheduling, for example, dictates the hours an employee spends at work, who they work with, and, for hourly workers, how much they can earn. At the same time, schedules determine how much time employees can spend with family and friends, whether they can juggle a second job, and what activities they are able to engage in — from softball leagues and community volunteering to family birthday celebrations and continuing education.

Taking steps to boost employee engagement is *not just good for retaining talent; it's also good for business.*

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[1] Karen Gilchrist, *How Millennials and Gen Z Are Reshaping the Future of Work*, CNBC Make It (March 5, 2019), found at https://www.cnbc.com/2019/03/05/how-millennials-and-gen-z-are-reshaping-the-future-of-the-workforce.html.

Add overtime to the mix, and schedules likely impact sleep cycles, too. "Clopening." the practice of having the same employee(s) close a store late in the evening and open it up early the next morning, is still commonplace in retail even though it's typically dreaded by workers. Schedules that demand long work hours with minimal sleep monopolize employees' time and deplete their energy, often taking a toll on their personal lives.

When viewed from the employee's perspective, workforce management practices have far-reaching effects that can promote engagement and retention or, conversely, hurt morale and drive workers to seek employment elsewhere.

Embrace Technology to Drive Change and Improve Engagement

Technology can play a key role in improving employee engagement, enabling your organization to attract and keep high-performing associates who deliver a great customer experience. But with all the technology options available on the market today, where do you start? We recommend you begin by adopting three key technology strategies that can have an immediate and measurable impact on employee engagement.

1. Invest in automated workforce management software

Technology has advanced at a rapid pace, and workforce management solutions have evolved right along with it. Antiquated paper schedules are not only time-consuming and inefficient for managers to create and update, but they are also prone to human error and can put the company at higher risk of labor law violations. Manual scheduling also makes it difficult for managers to consider employee shift preferences and availability, often leading to disgruntled associates who feel their voices are not heard. It can also drive-up absenteeism rates, leaving stores short-handed or forcing them to rely on costly overtime.

An automated workforce management system solves these problems by streamlining schedule creation, eliminating manual errors, and consistently enforcing federal, state, and local labor laws, union rules, and other regulations. Many retailers today are already taking advantage of new ways to create schedules that keep employees engaged while still delivering bottom-line results. Sophisticated scheduling tools let retailers schedule the right employees at the right time — based on skills, experience, availability, and preferences — without overspending the labor budget. This not only makes employees feel more valued, but it also promotes a sense of fairness by eliminating unintentional biases in the scheduling process.

Using automated scheduling solutions, employees can make themselves available to work in more than one store or franchise when there are many locations in a close geographical area. This option gives managers a larger pool of employees with different experience levels and more options to choose from when they need to fill an open shift.

Technology can play a key role in improving the retail employee experience.

The most advanced solutions use artificial intelligence to detect schedule patterns, giving managers a comprehensive view of shifts, while empowering employees with greater control of their schedule preferences. Collaborative self-scheduling lets workers select where, when, and how long they want to work. If a shift-swap is needed, the software identifies colleagues most likely to swap based on preferences, availability, and qualifications, then executes the swap automatically without requiring manager involvement.

2. Enhance the employee experience with easy-to-use mobile technology

Simply put, it's time for retailers to get on the mobile train or get left behind. Workers of all ages are embracing mobile technology, and younger generations don't know life without it. According to Pew Research, the vast majority of Americans — 97% — now own a cellphone of some kind. The share of Americans who own a smartphone is now 85%, up from just 35% in Pew Research Center's first survey of smartphone ownership conducted in 2011. Therefore, it's not surprising that retail employees increasingly expect workplace technology to offer the consumer-grade experience they enjoy on their smartphone or tablet.

Mobile offers many opportunities to make small changes that have a big impact on the employee experience by allowing associates and managers to access information and complete tasks anywhere, anytime, and on any device. Cloud-based, device-agnostic workforce management allows applications such as timekeeping, scheduling, and leave management to operate seamlessly on a user's preferred device. For example, associates can submit time-off requests, view schedules, update availability, or swap shifts instantly from their smartphone instead of making a special trip to the store to perform these routine tasks.

This mobility gives employees greater input into and control over their own work experience. Instead of having a coworker take a photo of the schedule posted at the store or waiting for a check stub to verify their accrual balance, employees can simply view this information on their smartphone. If something comes up unexpectedly, they can use their mobile device to quickly post their shift to a shift-trade board. These capabilities promote work-life balance, which leads to improved employee engagement, satisfaction, and retention.

In addition, mobile solutions free managers from being trapped behind a desk, so they can be productive anywhere, at any time. They can truly "manage in the moment" and interact with employees and customers on the floor, where they'll have the greatest impact on sales and service. Even better, device-agnostic solutions let them easily move from desktop to tablet to phone and enjoy the same consumer-grade experience — further enhancing overall productivity and responsiveness.

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3. Adopt a "gig economy" approach to scheduling

The gig economy is thriving and is here to stay — at least for the foreseeable future. Rapid growth and constant connection to tech are two major gig economy trends that emerged over the last year, and they aren't going away any time soon—the industry is booming like never before. Labor market research from Gallup for Intuit forecasted just two years ago that by 2021, approximately 9.2 million people in the U.S. would be a part of the gig economy, and that number continues to grow.   The gig economy offers significant flexibility for both gig workers and employers, especially those in the retail industry.

The rise of the gig economy is prompting retailers to re-evaluate the programs and practices they use to attract, motivate, engage, and retain employees. Workforce management technology, such as self-scheduling tools, can help provide the flexibility today's gig workers expect and demand. Collaborative self-scheduling tools empower employees with more say in selecting their preferred schedules and make it easier to make changes and request time off. With self-scheduling, managers still determine what shifts are required based on labor needs. Employees, however, are able to choose to fill an open shift — giving them more control over when, where, and with whom they work — for an engaging experience that simplifies work-life balance.

Some self-scheduling tools let retailers set controls to minimize compliance risk and help ensure equitable treatment of all employees. For example, managers can require a minimum number of night or weekend shifts during a given scheduling period. In addition, the system can prevent employees from signing up for shifts that put them in violation of labor rules or result in unnecessary overtime.

Take steps to create a more effective workforce management strategy

When it comes to improving retail employee engagement, making the decision to update your workforce management strategy is a significant first step. It is important to remember, however, that this transformation won't happen overnight; depending on the scope of your initiative, it may be a multiyear process. But the investment in time and resources can deliver a big payoff by creating a workplace culture — backed by streamlined processes, fair labor practices, and empowering technology — that successfully engages, motivates, and retains quality employees.

The next step is to determine your business objectives and goals — from reduced absenteeism and lower turnover to higher employee satisfaction and increased manager productivity — and develop a comprehensive roadmap to help you achieve them. It is critical that you understand the employee perspective and take it into account as you create your roadmap. Identify employees' pain points and priorities and find out where they would like to see improvements in areas such as scheduling, time and attendance, and leave management. A simple online survey is an efficient and convenient way to gather this information. The results can provide valuable insight to help you develop a workforce management strategy that is rooted in reality — not theory.

Once you have defined your workforce management objectives — and validated them via employee surveys — you should begin evaluating workforce management technology to support your employee engagement goals. Many retailers are choosing software as a service (SaaS) solutions that provide an extensible platform, simplified integration, and a consistent user experience across applications and devices. These cloud-based SaaS systems will allow your retail organization to keep pace with innovation and adapt quickly to changing workforce needs — helping you drive continued engagement and retention into the future.

[3.] Jonathan Rothwell and Jessica Harlan. Gallup, "Gig Economoy and Self-Employment Report (2019), found at
https://quickbooks.intuit.com/content/dam/intuit/quickbooks/Gig-Economy-Self-Employment-Report-2019.pdf

Partnering for Success

If your retail organization is looking to improve employee engagement through effective workforce management, UKG Advisory Services can help. Our team of retail-focused advisers brings years of domain expertise and workforce management experience to your engagement to help you achieve your goals. We stand by you as you experience transforming goals and industry landscapes, helping you assess your workforce management approach, uncover areas for improvement, and develop a best-fit plan to support your organization today, next month, and in the future.

For more industry insights, please visit our Resource Page. Bookmark it for easy access to the latest content from UKG Advisory Services experts.

To connect with UKG Advisory Services team members, and other UKG retail, hospitality, and food services customers, log in to the **UKG Community** and join our UKG Global Best Practices Group.

Tips for Success:

- **Involve the right people** in your workforce management project; objectivity and diverse perspectives are critical to success

- **Evaluate your roadmap** quarterly and adjust your workforce management strategy as new information and technologies become available

- **Consider a unified workforce management platform** that can be easily extended to meet evolving needs and support organizational growth

- **Check in with end-users** regularly to assess the impact of change and identify new opportunities for improvement

- **Set specific, achievable goals**, continually measure success, and course-correct as needed

About UKG

At UKG (Ultimate Kronos Group), our purpose is people™. Built from a merger that created one of the largest cloud companies in the world, UKG believes organizations succeed when they focus on their people. As a leading global provider of HCM, payroll, HR service delivery, and workforce management solutions, UKG delivers award-winning Pro, Dimensions, and Ready solutions to help tens of thousands of organizations across geographies and in every industry drive better business outcomes, improve HR effectiveness, streamline the payroll process, and help make work a better, more connected experience for everyone. UKG has more than 12,000 employees around the globe and is known for an inclusive workplace culture. The company has earned numerous awards for culture, products, and services, including consecutive years on Fortune's *100 Best Companies to Work For* list. To learn more, visit ukg.com.

About the authors

Amanda Terrafino, UKG solution consultant, has been working in retail for 15 years. Amanda was the manager of workforce management and technology for a global retailer, having direct responsibility for North America and providing consulting for regions abroad. She holds B.S. degrees in psychology and business.

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