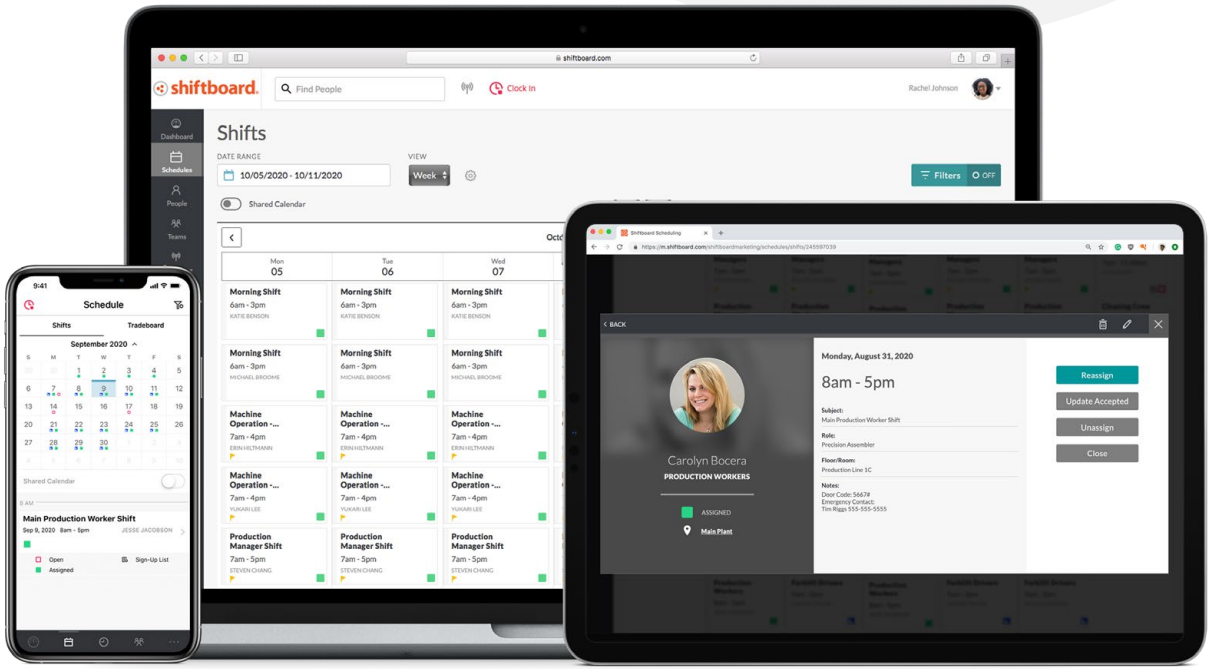
The Strategic Value of

Workforce Scheduling Technology



shiftboard

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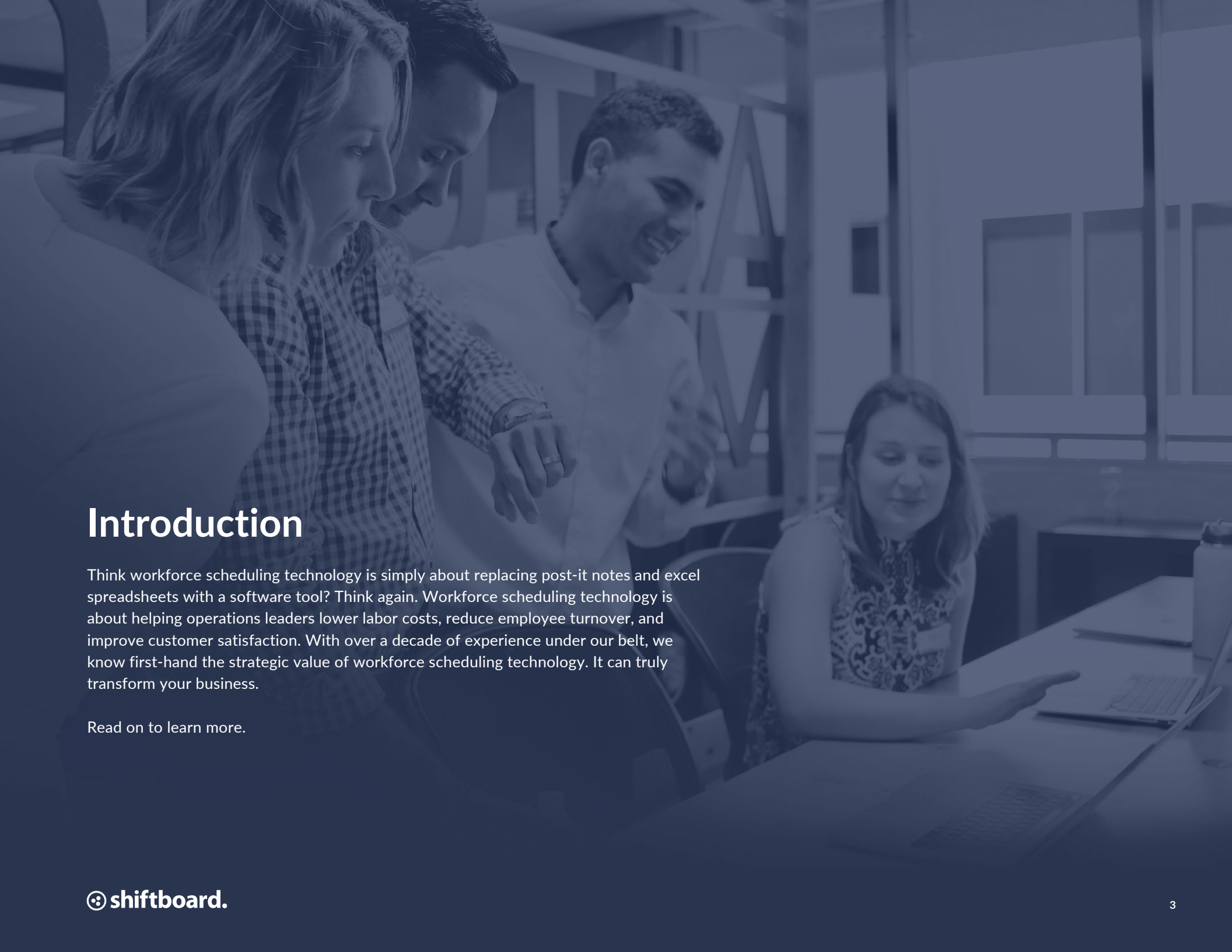


Introduction

Think workforce scheduling technology is simply about replacing post-it notes and excel spreadsheets with a software tool? Think again. Workforce scheduling technology is about helping operations leaders lower labor costs, reduce employee turnover, and improve customer satisfaction. With over a decade of experience under our belt, we know first-hand the strategic value of workforce scheduling technology. It can truly transform your business.

Read on to learn more.

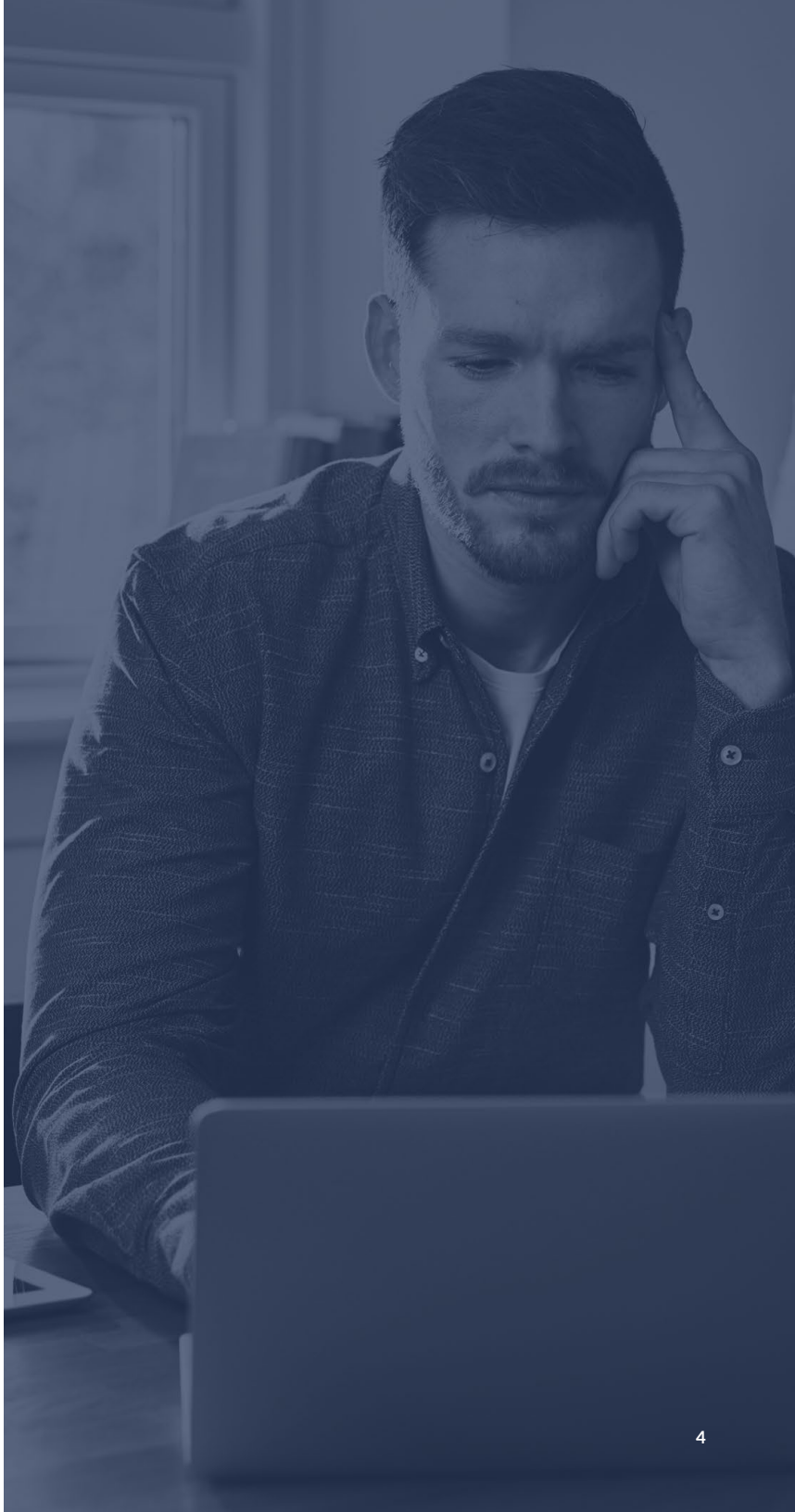
The Challenge of Scheduling Hourly Workers

The effects of your scheduling processes permeate across departments, affecting everything from budgets and employee retention rates to customer satisfaction and bottom-line profits.

For companies that rely on hourly workers, scheduling affects stakeholders across the organization.

- **VPs** worry if their processes are scalable to meet growth projections.
- **Operations managers** need to balance labor costs against strategic corporate initiatives.
- **Schedulers** are continually tasked to create a schedule that accommodates and predicts the future.
- **Workers** do their best to balance their working hours with all the adventures life has to offer.
- **Customers** are the direct recipients of scheduling errors, miscommunications and service issues.

Purely tactical approaches to scheduling neglect the top concerns of your business. Modern scheduling solutions allow your organization to turn a once tactical process into a strategic advantage.



The Changing Workforce Landscape

Organizations that depend on hourly workers are confronted by two major challenges: competitive pressures and changing worker expectations.

Competitive Pressures

Labor Costs Are Rising: Balancing labor budgets with business results may be the most important task of any organization. As automation gets better and labor becomes more expensive, organizations need to make data-driven decisions by using technology to provide real-time visibility for things like overtime, demand forecasting, and over/understaffing practices.

60% of organizations report economic and competitive pressures force them to control labor costs.[1]

Schedules Are Becoming More Complex: New labor laws, union rules, and schedule policies are expanding at the same time that many organizations are increasing their reliance on hourly workers. As a result, organizations are forced to improve their scheduling practices or risk violating one of the many new business rules and regulations.

62% of companies feel they need to improve or enhance compliance visibility.[2]

Changing Workforce Demands

Hourly Workers Have Higher Expectations: Today's hourly workers expect 24/7, mobile-friendly access to view and adjust their schedules. Organizations that rely on outdated tools, spreadsheets, or even basic scheduling software are opening the door for their competitors to out-recruit and out-hire the best talent available.

58% of organizations are embracing on-demand staffing to adapt to a new world of work.[3]

Customers Demand the Best from Your Workforce: In our modern, fast-paced, technology-driven world, customers expect fast, excellent, consistent service. Missed shifts, unplanned absences, tardiness, or simply scheduling the wrong person for the job can hurt the customer experience and turn into negative, widely visible reviews.

67% of businesses report productivity or quality issues due to employee fatigue and burnout.[4]

Tactical vs Strategic Scheduling

Strategic scheduling is one of the most important processes organizations need to master, yet most are still approaching it as a tactical means of dealing with day-of chaos.

Spreadsheets and basic drag-and-drop scheduling tools lack the complexity to support your managers and workers in a meaningful way. They require your business to conform to their tool, causing you to miss out on the substantial benefits of a sophisticated scheduling solution.

Scheduling technology is more than a short-term tactical fix. It's a long-term commitment to consolidate your workers and managers into one solution that is built for your business, to better the lives of your employees and customers.

Archaic
Inefficient and error-prone. Not designed for scheduling. Expensive–significant burden on manager's time.

Tactical
Improvements are isolated to scheduling. Cannot solve the major complexities of larger workforces.

Strategic
Holistic approach creates a solution for the entire business. Transforms manager, worker and customer interactions.

Transform Your Business with Scheduling Technology

Rather than limiting their business to the capabilities of a tool, successful organizations are adopting highly configurable scheduling solutions that are tailored to their unique needs and provide benefits far beyond filling shifts.

According to Aptitude Research Partners, the top reasons organizations adopt technology are to:

- Meet reporting requirements
- Manage leave and absences
- Improve performance via better scheduling
- Improve overall workforce compliance

There are also four key benefits of implementing a workforce scheduling solution, and they extend far beyond tactical rationales. These benefits help business leaders achieve a level of operational excellence never before realized.

4 Key Benefits of Scheduling Technology:

1. Reduce Labor Costs

Increasing revenue in a competitive market is a ongoing challenge for any organization, but for those relying on hourly workers, rising labor costs are cutting into already razor-thin margins.

Many businesses lack a solution to easily create schedules, map shift assignments to real demand, and control overtime. As a result, scheduling errors lead to excessive overtime, poor customer experiences, and costly manager time wasted on creating inaccurate schedules. With the wrong tool, managers can spend too much time trying to predict the future and not enough time on scaling the business.

Wages are one of the largest costs for companies and are often the most difficult to control. However, scheduling technology improves schedule accuracy, manager productivity, and overall workforce utilization.

Optimized Schedules

Through improved scheduling accuracy, workforce scheduling technology can cut overtime, PTO, and payroll errors by half.[5]

According to Aberdeen's research, "organizations with automated scheduling solutions are almost twice as likely to be able to use individual and team performance data when creating schedules. This allows operational managers to make scheduling decisions based on knowledge of the skills, certifications, and experience of each team member, ensuring the right individuals are available for each shift and that productivity is maximized."

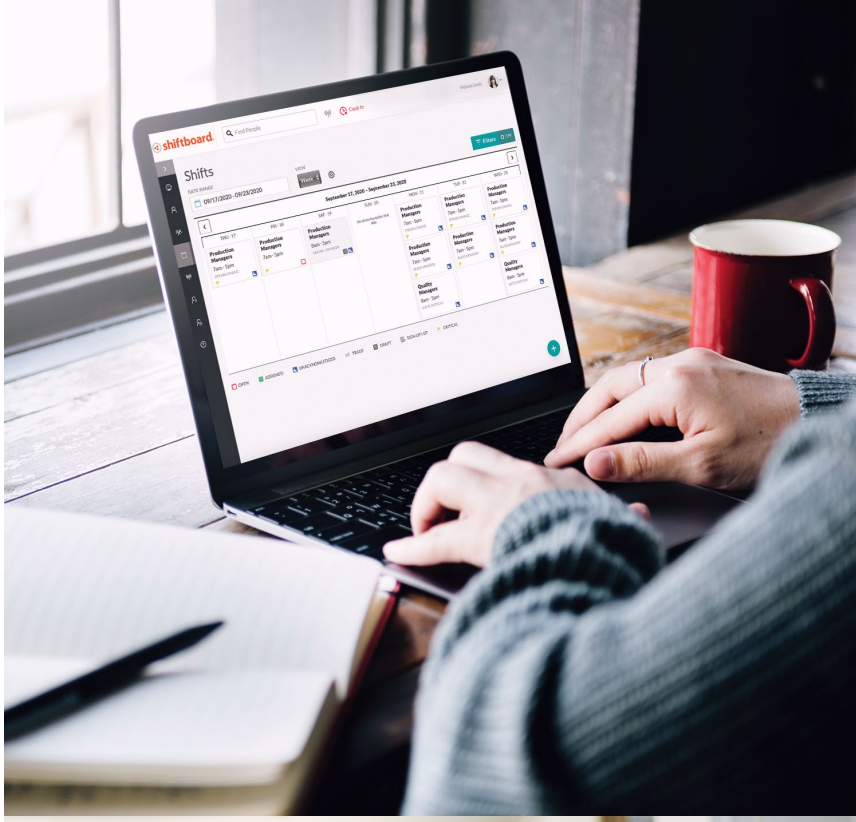
By consolidating your workforce information into one solution, managers create more accurate schedules in half the time.

Improved Manager Productivity

Automated scheduling reduces the tactical burden of the scheduling process by a whopping 63 percent, leading to a dramatic increase in operational manager productivity.[6] When managers no longer need to manually look up credentials, make last-minute calls, or cross check calendars with spreadsheets, they are free to focus on more strategic projects. Manager effectiveness is further increased as they are trained on related processes, technology, and reporting tools.

Enhanced Workforce Utilization

One way that automated scheduling improves workforce utilization is by allowing individual employee and/or team performance data to be integrated into the scheduling process. In fact, research shows that by improving scheduling accuracy, organizations increase their workforce capacity utilization by nearly 8 percent.[7]



4 Key Benefits of Scheduling Technology:

2. Streamline Operations

While workforce scheduling technology is transformational, scheduling technology makes it easier to manage change and communicate with employees, while seamlessly complying to labor laws and union rules.

Managing schedule changes and communicating to your workers, all the while complying with legal requirements is a daily challenge. Many managers still find themselves resorting to a list of names and numbers to find people to manually fill shifts at the last minute.

Scheduling automation makes it easier to manage change and communicate with employees, while seamlessly complying to labor laws and union rules.

Better Change Management

Events may occur where employees will need to drop, pick up, and trade shifts, which can wreak havoc on the schedule. Manually swapping shifts, satisfying time-off requests, and filling in for no shows rapidly adds work for managers who already have too much on their plates.

By reducing manual interactions, technology improves both manager and worker efficiency. Perceived favoritism for prized shifts or extra hours is diminished through improved workforce transparency.

Organizations with automated scheduling are more than twice as likely as organizations without automated scheduling to provide self-service access to employees.[8]

Automated scheduling solutions make it easy for managers to post shifts and employees to influence their schedules. Take shift trading for example. Aberdeen Research reports self-serve shift trading can reduce overtime by 22 percent, not to mention the hours saved by managers who avoid having to manually rearrange the schedule. The ROI is immediate and dramatic!

By adopting Shiftboard, customers report reducing overtime by an average of **51%**

On average, scheduling automation reduces employee overtime by **21%**

Real Time Communication

Employers and employees alike know that better communication leads to better business results. In fact, a survey of employees showed that 94 percent said they would be better at their jobs with better communication.[9] In today's world, better communication means 24/7 access to information and communicating through channels that people actually follow.

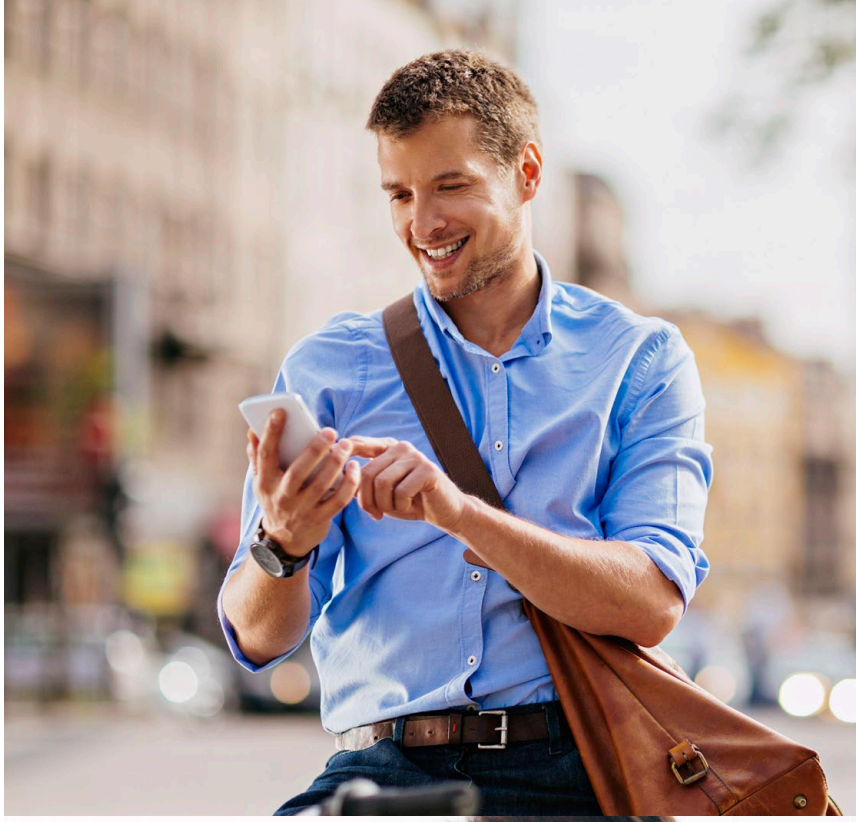
One-to-all: News page to communicate corporate-wide standards, important announcements, policy updates, or anything else that impacts all hourly workers.

One-to-many: Group broadcast communication for things like team updates, training notifications, change in shift details, and updated requirements.

One-to-few: Direct communication for things like missed shift alerts, no-shows, tardiness, shift reminders, automatic notifications, and manager-to-manager notes.

Businesses with automated scheduling in place are nearly 10 times as likely to enable managers to automatically send notifications of open shifts to workers via text, voice, or email.

Aberdeen Group



Proactive Labor Law Readiness

Employers are responsible for keeping up and complying with all labor laws, union rules, and certification requirements. This task becomes more and more difficult as an increasing number of states, provinces, and major cities are adopting "Fair Workweek" or "predictive scheduling" laws. At minimum, these laws require employers to provide employees with their shift schedule two weeks in advance, but sometimes also prohibit last-minute shift changes, "clopen" shifts, and on-call scheduling.

Many employers worry they will be unable to comply with predictive schedules, which could lead to steep fines and penalties. However, studies show automated scheduling solutions actually increase a company's ability to comply with regulations by two-fold.[10] Predictive schedules are coming. Workforce scheduling technology can help you stay ahead of your competition.

Automated scheduling increases compliance two-fold, and improves operational manager productivity as a result of reducing the tactical burden of the scheduling process by 63 percent.

Aberdeen Group

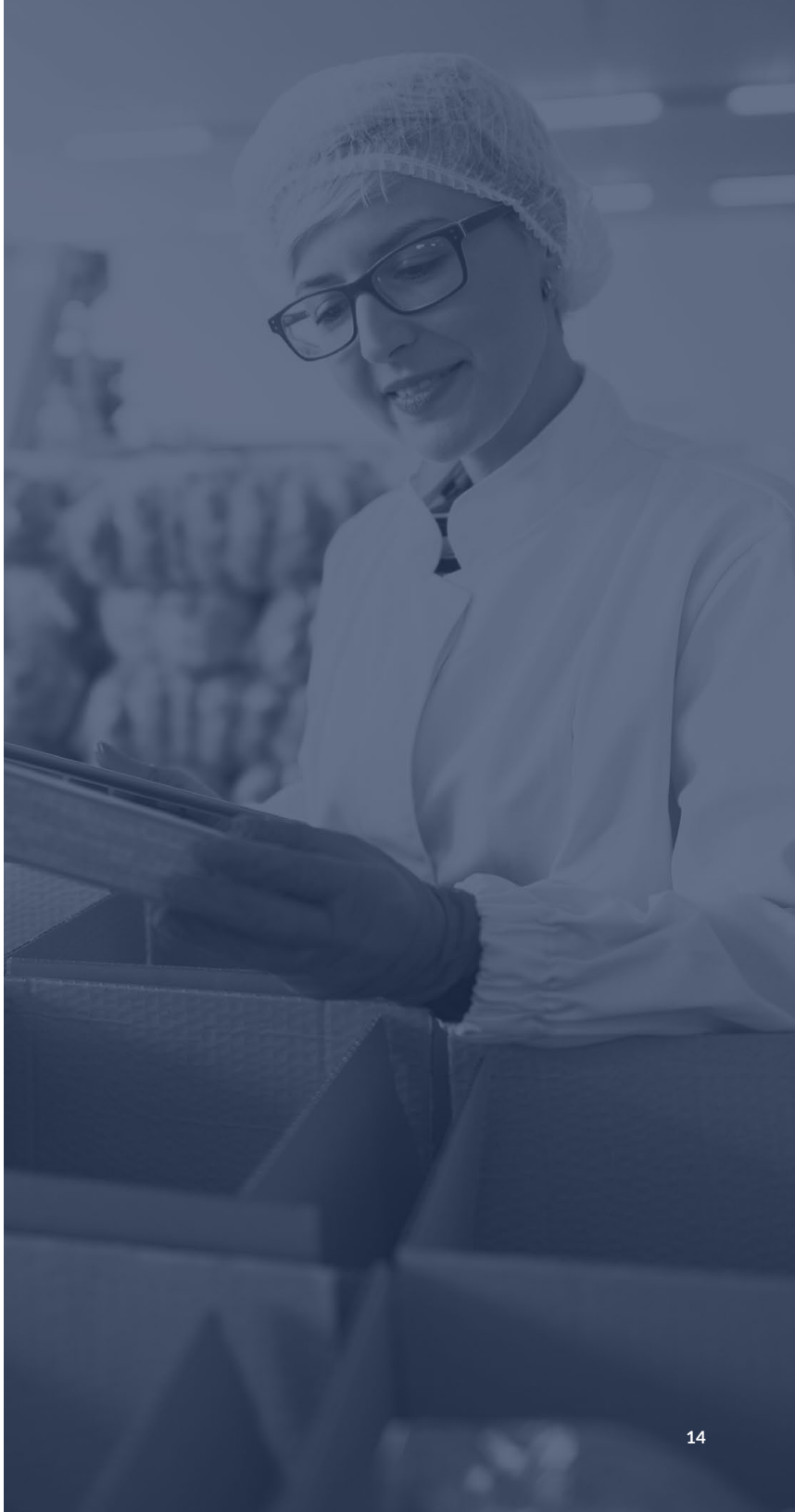
4 Key Benefits of Scheduling Technology:

3. Boost Worker Retention

Today's tech-driven, information-saturated world has fueled a cultural shift towards a worker-centered marketplace.

Hourly workers no longer languish in jobs they don't like. If they aren't happy, they easily and quickly research other jobs, apply online, and are gone before you can say, "Are you available this afternoon?"

Many businesses worry about attracting and preserving top talent. Employee scheduling technology enables your managers to keep employees engaged with the schedule. Enhanced communication, transparent schedules, and mobile-friendly features boost employee engagement, dramatically reducing burnout and turnover.



Improved Employee Engagement

Studies show that most employees do not base job satisfaction on how much money they make. Instead, they're more interested in feeling connected with the company and appreciated for a job well done. Today's hourly workers expect to have input on their schedules, be able to easily pick-up shifts, set availability, request time off, and access work-related information 24/7 from their smartphone.

When these expectations aren't met, employees become disconnected from their work, are unhappy, and move on. This leaves employers with additional costs to recruit and train new employees, as well as lower employee morale.

Traditionally, the unpredictable nature of shift work made communication and engagement with hourly employees difficult as many work irregular hours on varying schedules and often at different locations. Today's scheduling technology is ready to bridge the gap. Scheduling automation solutions improve the experience for hourly workers by providing accurate, flexible, self-serving schedules, along with two-way communication channels between them and their manager.

Organizations with predictable schedule availability were 174 percent more likely to have a highly engaged workforce.

Organizations providing schedule consistency were 2x more likely to have a highly engaged workforce.

Scheduling automation increased engagement by 24 percent.

Aptitude Research

Employee Burnout & Turnover

Workers burn out when they feel overworked, underappreciated, and disconnected from the company. Workload and scheduling issues are among the top three drivers of burnout, which then leads to turnover and all the costs tied to finding and training new employees.

53% of employees across multiple industries are currently affected by fatigue or burnout.[11]

Organizations with automated scheduling solutions over manual scheduling tools are almost 2x more likely to have below industry average turnover rates.

Engaged workers arrive on time, are more productive, and enjoy their work. Better job performance and retention rates translate into increased revenue, reduced costs, and a better bottom line.

The right scheduling solution reduces employee burnout by improving worker engagement and better balancing workloads. Self-serve scheduling features not only offload manager burdens, but dramatically improve your workers' ability to impact their schedule. When your workers are empowered to manage and trade their shifts, their job satisfaction and quality of life improve.

While only 47 percent of organizations have shift-trading capabilities in place, those that do had 55 percent higher than industry average levels of employee engagement, and were 53 percent more likely to have below-average turnover for their industry.

Aptitude Research Partners

4 Key Benefits of Scheduling Technology:

4. Improve Customer Satisfaction

One of the best things any business can do is to over-deliver on customer service.

Happy customers lead to:

- **Word-of-mouth advertising:** the best kind of advertising that money can't buy
- **Customer retention:** it costs five times more to attract a new customer to your business than to retain an existing one
- **Customer upsell:** existing customers are more likely to buy from you than new customers

On the flipside, bad customer service leads to:

- **Poor reviews:** they're public, online, and forever
- **Costly customers:** without repeat business, you're forced to increase your marketing and sales efforts
- **Declining revenue:** easier than ever, customers can research other solutions and go with a competitor

Your organization can't afford to lose business over employees who don't offer consistent and excellent customer service. Employee scheduling software leads to better quality of service as well as improved customer satisfaction and retention.

Higher Quality Service

Employees frustrated with scheduling processes often feel overworked and undervalued. It's at this moment that your employees' frustrations can turn into a bad customer experience that hurts your business.

67% of businesses report experiencing productivity or quality issues due to employee fatigue & burnout.[12]

You can't control if an employee is having a bad day, but you can put processes in place to support your workers in having the best possible work experience.

Employee scheduling software empowers employees to proactively pick up shifts, trade when necessary, and easily ask for time off. In addition, better communications between management and employees support engagement and improve customer service.

Customer Satisfaction & Retention

Research shows that improving scheduling accuracy almost doubles customer satisfaction and nearly triples customer retention. In fact, organizations using an automated scheduling solution with real-time access for employees to pick up or trade shifts doubled the increase in customer satisfaction.[13]

When it comes to customer retention, organizations with automated scheduling solutions are 81 percent more likely to have better retention rates than their peers who continue to use manual methods.[14]

Summary

Shift schedules have traditionally been cobbled together by managers using Excel or other tools not designed for employee scheduling. Modern solutions have turned this time-consuming and frustrating manual task into an automated and strategic solution that can transform your business.

Optimize labor costs—Automated scheduling technology makes it easy for managers to connect real-time availability, open shifts, locations, credentials, and business rules to quickly create accurate schedules. No longer needing to rely on multiple sources of information, managers can spend less time worrying about tactical burdens and more time on strategic business initiatives.

Streamline operations—Schedule changes are an inevitable part of life. However, the manner in which those changes are made is far from set in stone. Scheduling technology can give hours back to your manager's life by eliminating manual schedule updates, improving workforce visibility, and providing real-time communication tools. Best of all, self-serve features empower workers to fine-tune the schedule, allowing them to better balance their work life.

Increase worker satisfaction—Scheduling has a tremendous impact on the lives of hourly workers. It impacts their income, their daily rituals, and how they manage their free time. When employees are happy, productivity increases, customer service improves, and turnover rates plummet. Workforce scheduling technology helps businesses keep their workers engaged.

Improve customer satisfaction—Customer expectations are always on the rise. This means added pressure on your workforce to deliver the best possible experience. Your business cannot afford scheduling errors, quality issues, or grumpy employees. By improving your scheduling processes, your customers experience happier employees, shorter delays, and improved quality of service.

"The first rule of any technology used in a business is that automation applied to an efficient operation will magnify the efficiency. The second is that automation applied to an inefficient operation will magnify the inefficiency.

- Bill Gates

Shiftboard is Here to Help

While employee scheduling technology can be transformative, blindly automating inefficient processes can waste more than time and resources. It can amplify your inefficiencies.

According to Aptitude Research, 77 percent of scheduling automation customers are looking to their provider for customer support, process design and help measuring ROI. Leading businesses are looking for more than just a prettier version of Excel, they're wanting a provider that understands scheduling and can truly help transform how they manage their hourly workers.

As a leader in workforce scheduling, Shiftboard understands that customers are looking for more than just a provider. Our highly experienced customer success team has worked with thousands of customers to first understand their unique business needs, work through their inefficiencies, then tailor our solution to optimize their workflows.

If you're ready for a smarter way to schedule, we are here to help.
Please find us at www.shiftboard.com.

Shiftboard

Shiftboard is the leading provider of enterprise workforce scheduling software. Built around the hourly workforce, where scheduling, real-time communication, and change management are at the core of day-to-day operations, our solution helps organizations transform their business through automation. Thousands of customers choose Shiftboard to help lower labor costs, increase worker productivity, and decrease employee turnover. To date, Shiftboard has supported over 260 million scheduled shifts, providing the employment pipeline for over $3 billion in wages earned.

Citations

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