

Workforce Intelligence for Improved Retail Performance

It's a dilemma all retailers face: How can you deliver a consistent customer experience while still delivering financial results in line with expectations? The in-store customer experience is one of the few remaining ways for retailers to differentiate, but to do so effectively, you must align your workforce with customer demand. This presents a difficult balancing act: Too much labor leads to higher-than-expected costs and eroded profits, but too little labor jeopardizes customer satisfaction.

The challenge becomes more complicated when you consider the critical business issues you face each and every day. If you have limited visibility into store productivity, you lack insight into the reasons behind your performance issues. Chances are that you're confronted with "payroll inflation" — the inevitable creep of actual labor costs versus scheduled labor. You may also suffer from disparate budgeting and forecasting processes among stores, districts, and corporate headquarters. All of this contributes to higher-than-expected labor costs, poor customer service, and undesired financial results.

Workforce Analytics™ for Retail, part of the Kronos® for Retail workforce management suite, is the only workforce analytics solution that provides the visibility and control you need to align labor costs with sales. As a result, you can improve your ability to deliver improved financial results and a consistent customer experience across the retail enterprise.

New insight, new results

Workforce Analytics for Retail provides a new level of visibility into labor productivity for all the departments and stores

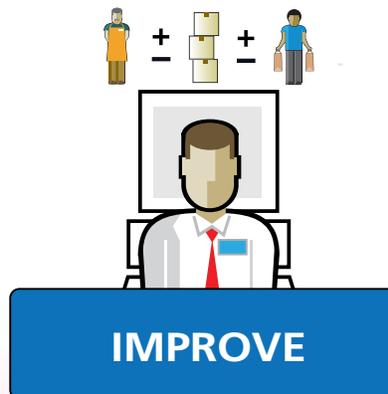
Key benefits
<ul style="list-style-type: none"> • Gain store performance visibility across the entire enterprise • Align labor costs to sales volume • Improve schedule effectiveness • Help ensure a consistent customer experience across stores

in the enterprise. Web-enabled dashboards and color-coded performance indicators give regional and district managers immediate guidance to the meaningful information they need to improve performance. No more guessing. No more waiting. Workforce Analytics for Retail delivers actionable information at a glance, so managers are armed with the information they need to influence real results now.

Workforce Analytics for Retail also consolidates budget, forecast, schedule, and actual data — for both sales and labor — and presents it in a single data set. This eliminates the challenge retail managers face with data that typically exist in disparate systems, and enables them to view this information from the enterprise down or from the store up. A district manager can immediately identify stores requiring attention and, for more information, could drill down to see performance at the department level. The manager could even compare different departments in a single store or examine a single department across multiple stores. All of this detail gives retailers the on-demand data and comparative analysis they need to make better scheduling decisions and align labor to sales.



See enterprisewide store performance.



Improve store productivity.



Control consistent store execution.

Improve your ability to manage labor costs

With this increased visibility, managers can quickly drill down to find the root causes behind labor cost overages or other workforce performance issues.

Workforce Analytics helps managers find the answers to questions such as:

- Is productivity in a particular department having an adverse effect on the store's performance?
- Is this a recurring trend or an isolated incident?
- Is a day of the week, a certain job or task, or even a specific period within the day especially problematic?
- How does the store's performance compare with that of other stores within the enterprise?

Then, as managers look to take corrective action, Workforce Analytics for Retail lets them set and monitor metrics and key performance indicators (KPIs), such as schedule effectiveness (a measure of earned hours against actual hours worked), labor percentage, and average hourly rate. This unique approach helps retailers identify schedule deficiencies and better align labor cost to sales. In this case, retailers simply assign a threshold to the schedule-effectiveness KPI, and from there, the Web-based dashboard calls out deficient performance with a yellow or red flag. Schedule-effectiveness thresholds can also be uniquely established for a given region, store, or department.

Schedule effectiveness combines data that typically exist in a number of different systems into a single KPI, and presents an at-a-glance view of what would otherwise be a complex, manual calculation. With Workforce Analytics for Retail, managers can identify potential problems and spot areas where further analysis will reveal the causes of labor performance issues, and subsequently take appropriate corrective actions.

With the increased visibility to workforce performance, retailers can improve schedule effectiveness, labor-to-sales alignment, and labor forecast accuracy. All of this helps them achieve a consistent ratio of labor cost to sales revenue needed for expected performance.

Consistent execution for the entire enterprise

It is important to be sure that the right metrics and labor practices are consistently executed across the entire enterprise. Workforce Analytics for Retail delivers this ability with data, timely metrics, and dashboards that are relevant to managers' roles and completely configurable to the objective at hand. With this information at their fingertips, managers can consistently execute the best labor strategies and deliver better business results.

For example, managers can use trend analysis to manage performance over time and better control periods of excessive labor costs. They can even compare the same days within a given period — such as all Sundays within a given month or quarter — to examine labor costs, total sales, earned hours, or other important measures, such as cost of labor, sales volume, variances, and more.

Workforce Analytics helps managers determine:

- Are actual hours consistent with my forecast?
- Is the ratio of labor to sales consistent?
- Are actual sales and labor costs on budget?

As a result, managers can constantly assess labor utilization, increase schedule effectiveness, and improve overall performance. This helps retailers achieve consistent execution across the entire enterprise to help improve the customer experience and keep labor costs in line with expectations. Problem solved.

A total solution: Kronos for Retail

Kronos for Retail helps retailers hire the best people and manage them effectively. This end-to-end suite addresses the challenges of managing the workforce with solutions for budgeting, employee selection and hiring, forecasting and scheduling, time and attendance, absence management, and analytics.

Leading retailers from all segments of the industry, including AAFES, Anchor Blue, GameStop, IKEA, and Payless, depend on Kronos to balance the needs of their businesses, customers, and employees. In fact, retailers around the world with more than 80,000 stores and three million employees use a Kronos solution in their stores. Why? Because it's a solution that works.



Experts at Improving the Performance
of People and Business™