# humanforce
GET READY FOR THE NEXT **SHIFT**

A STEP BY STEP GUIDE TO BUILDING A WINNING BUSINESS CASE FOR YOUR WORKFORCE MANAGEMENT SYSTEM

Thousands of businesses of all sizes – hotels to hospitals, resources to recreation, stadiums to shops are reclaiming their workforce management reins using technology like Humanforce.

Humanforce takes the stress out of getting your workforce ready for the next shift.
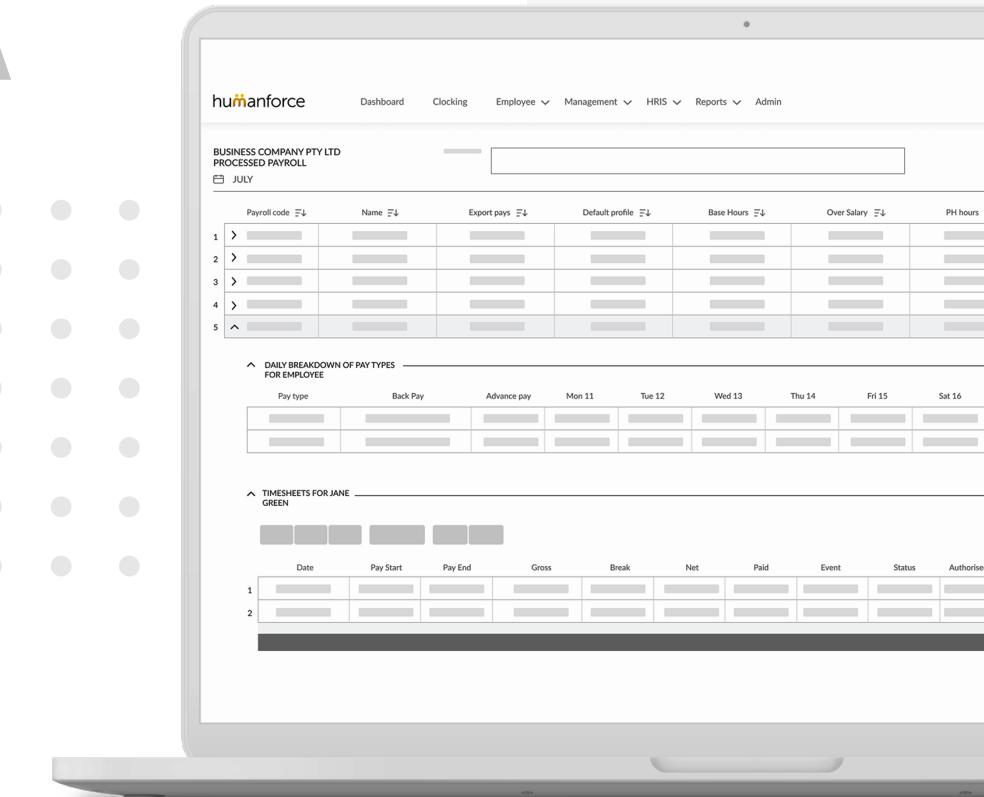
INTRODUCTION

Today managing large shift-based teams is no easy feat, with change occurring at every level and around every corner. You're constantly juggling competing deadlines, requests, obligations and managing budgets with labour often one of your biggest levers.

It's easy for important things to be missed, with serious financial consequences. A McKinsey study found that an astounding 45% of paid tasks can be automated, totalling a massive $2 trillion in yearly wages in countries like the US.

That's a huge avoidable expense! So, it makes sense to use technology to automate and simplify processes, improve insights, drive data visibility across your organisation and be ready for what tomorrow could bring.

Unfortunately, many businesses haven't implemented the digital tools needed to optimise their workforce management (WFM). In fact, research by IDG, revealed that just 7% of companies had completed their digital transformation. So, if you feel you've just started your workforce management journey you aren't alone, you can also utilise Humanforce's years of experience and leapfrog so many challenges that have now been overcome.

This lack of investment in technology has resulted in inefficiency, productivity lags, and unnecessary expenses, plaguing businesses' systems and processes worldwide.

In this guide, we'll show you how to assess the benefits of workforce management and its current maturity in your business.

We'll also give you some tips on how to showcase these benefits to ensure your WFM business case gets the leadership buy-in it needs for success.

introduction

ASSESSING WHERE YOU ARE TODAY

In addition to the many employee engagement benefits a WFM solution provides, there are countless financial payoffs that it can give to your organisation.

However, like many technologies, the return on investment (ROI) relies on the adage – 'it depends'.

It depends on how your organisation:

1
Implements the software

2
Adopts the software

3
Optimise the software

Since each business is different, it's crucial you take some time to assess where you are in your WFM journey before jumping into automation and tools. COVID-19 forced immediate changes across so many parts of the organisation so it is timely to map your current state now with the view of building a fresh business case for WFM.

This will help you to map your adoption from end-to-end with greater accuracy and get a razor-sharp view on the resulting ROI in your business.

For example, some businesses considering WFM software may be currently using manual processes like paper timesheets. Others could be considering upgrading their existing WFM to manage complicated tasks concerning business intelligence or recent M&A activity has required a need to consolidate multiple systems and people organisations. All of these factors alter the steps that'll be right for the business going forwards.

Providing a high-quality employee experience leads to an awesome customer experience and increase revenue. This should be addressed in your WFM business case. But to grab the attention of your executive team, you'll need to delve deeper into the metrics that have measurable financial outcomes.

The typical scenarios you'll experience are:

Moving from a completely manual and paper-based process to an automated system.

Upgrading from an existing system that you have outgrown either because it doesn't reflect your business needs or it doesn't have the integrations required to drive data driven decision making.

system

ASSESSING YOUR CURRENT MATURITY

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To help you work out your stance, here's a handy breakdown of the different stages in WFM maturity:

	1 INITIATING	**2** EMERGING	**3** MANAGING	**Best Practises** **4** OPTIMISED
Schedule Planning	Manager's assessments and knowledge are used to create shifts.	Labour budgets are rolled forwards. Systems equip managers to create company-compliant rosters.	Managers have access to shift data and can schedule according to business needs when rostering.	Purpose and deliverables of each job are defined to demonstrate future business need.
Schedule Development	Shift patterns are formulated by hand for each period with no IP captured or used.	Roster templates are in force, roll over each period, and changes are made on an ad-hoc basis.	Utilise staff scheduling software to stay on target & budgets. Notifications set up for non-compliance as well as and exceeding budget limits.	Artificial Intelligence is responsible for developing rosters and assigning shifts to fulfil company needs and comply to award requirements.
Time Management	Paper timesheets or spreadsheets are filled, authorised, and inputted into payroll system by hand.	Online attendance tool. Staff can sign themselves in and out.	Digital identity verification i.e., biometrics and GPS are used to sign staff in and out.	Information from schedules and timesheets are used to optimise staff performance link to KPI's.
Employee Engagement	Employees complete a shift & their feedback is not gathered or assessed.	Feedback and engagement data highlight pain points in work and communication processes and/or systems.	Retention and employee engagement are analysed. Figures are representative of industry norms.	Employees are actively engaged. They provide referrals & new hires are more successful. Staff retention is above industry average and you can link engagement with NPS & revenue growth.
Employee Self-Management	No system in place to log employee scheduling requests. Changes made on case by case basis with personal bias the norm.	Procedures are in place for staff to self-manage. Support by phone is also available but staff have a delay between request & approval.	DIY employee systems i.e. self-service annual leave request gateway are in place with automated approvals.	Digital service. Push notifications, mobile alerts, and tools are used to keep staff engaged and empowered.
Ecosystem Integrations	Data is collected manually or not at all. No uniformity in calculations of key metrics by staff or management.	One official data source is used with procedures for use shared internally. Data is managed manually.	Data flows seamlessly between management HR, and payroll but is not in a format that allows easy and deliberate decision making.	Uniform data is accessible, accurate and reliable. Data driven decisions are expected & are contributing to organised growth.

We have highlighted a number of financial benefits of adopting a WFM system.

As a summary they include the following which are relatively easy to quantify:

- Lower front-line hours required

- Decreased Overtime

- Reduced headcount for back office functions

- Reduced legal costs

- Reduced recruitment costs and contractor costs

- Time saving for both managers and staff

These in themselves often build a very strong case for a modern workforce management system. Your executive team will be drawn to the focus on reducing costs and driving revenue especially with the increased challenges that COVID-19 has placed on all industries. However, we should not forget the many other areas that should be inserted into a business case for WFM software.

ARTICULATING THE BENEFITS OF A MODERN WORKFORCE SYSTEM

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CAPABILITIES

- Schedule Planning
- Schedule Development
- Time and Attendance Management
- Employee Engagement
- Employee Self-Management
- Ecosystem Integrations
- Workforce Management Reporting

WHAT CHANGES

- Improved Onboarding to shift start ratios
- Scheduling in line with business demands i.e. highs and lows
- Staff that manage their own schedules while remaining compliant and on budget
- Reduced fraudulent claims
- Reduced over and underpayment on shifts
- Uptick in staff engagement, productivity and knowledge
- Automation of award interpretation
- Accurate and timely payroll feeds
- Automated reporting for managers
- Reduction in manual tasks and error rates
- More efficient rosters created automatically and approved by managers anywhere, anytime, on any device

WHAT'S THE BENEFIT?

GROW REVENUE with ENGAGED TEAMS

- ✓ Optimised schedules leads to improved service and delivery
- ✓ Motivated, productive, and informed teams drive revenue
- ✓ Engaged staff builds trust and loyalty and strengthens the brand

CONTROL COSTS

- ✓ Reduced overtime hours to achieve same results
- ✓ Less frontline staff hours needed
- ✓ Reduced administration time for both managers and teams
- ✓ Reduced recruitment costs due to higher retention

MANAGE RISK and COMPLIANCE

- ✓ Reduced instances of non-compliance
- ✓ Disputes avoided or reduced
- ✓ More informed staff

BUSINESS CASE METRICS

- Up to 5 hours per week of reduced admin time for managers to process mundane tasks
- Overstaffed shifts can lead to increased costs and breed incompetence
- 1-3% of total payroll can be either under or over paid if processes are not digitised and automated
- Retention rates can increase by 10% if engagement increases by 1%
- A smart system can lead to a 5- 10% reduction in scheduled staff
- Increased EX leads to increased NPS with varying revenue growth rates
- Saving 10 hours per week per employee on automating manual tasks can equate to a 20% reduction in overall staff numbers
- Real time compliance notifications or alerts can prevent issues and lead to reduction in litigation and legal costs
- An understaffed shift of just one person can have significant brand damage
- Timely decision on accurate and up-to-date data can have significant impact on the business
- Reduction of agency staff can reduce cost by up to 20%
- Pre-shift App Communications can save COGS and improve service levels

MUST-HAVE TOPICS IN YOUR WFM BUSINESS CASE

As we mentioned earlier, there's no one size fits all. Consequently, the points you include in your WFM business case will depend on your company's circumstances and where you currently are on your journey.

There's a lot to cover, so it's best to address each topic in full before progressing on to the next one.

- How your current system is costing you capital and quantifiable savings in labour

- Where your company's employee engagement figures stand at present and the areas WFM can improve what the projected increase in engagement is and the effects it will have on revenue and costs.

- How WFM software can improve the employee experience and, ultimately, the customer experience.

- How WFM can help you manage the increased complexity in compliance
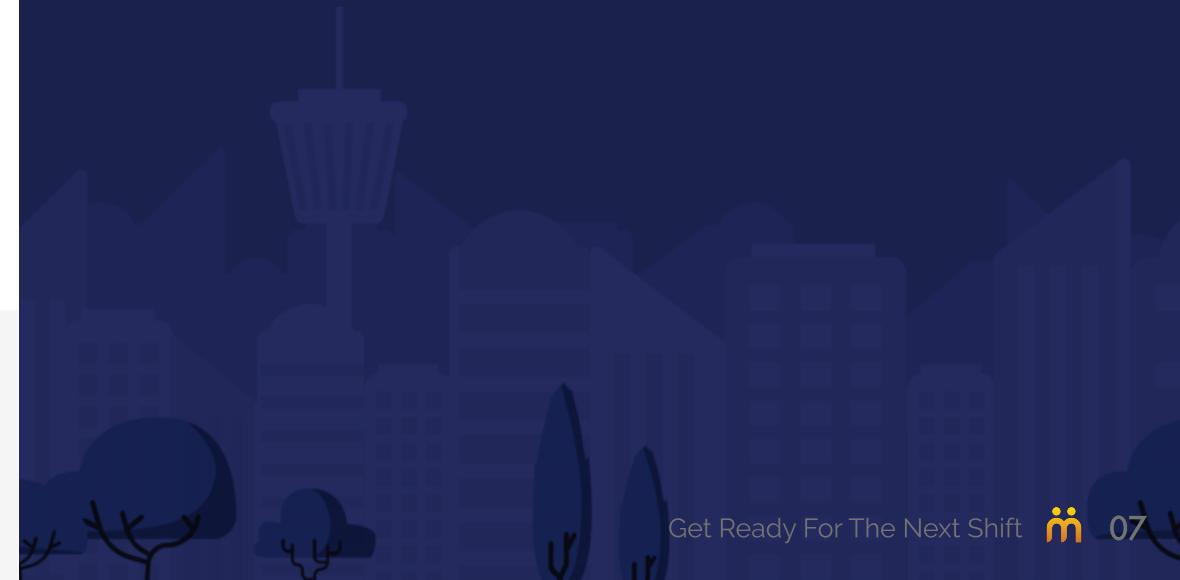
PULLING ON THE HEARTSTRINGS OF YOUR LEADERSHIP TEAM

It's important to include the topic 'Employee engagement' in your business case. The best leaders care about their employees' happiness and want to see them thrive. They're also aware staff engagement can impact the bottom line.

Explain to your decision-makers how improving employee engagement with WFM software can produce financial gains for your company. Then, reinforce your argument with data such as:

1

Staff retention and turnover
Dig into your employee turnover and retention figures to identify a baseline of how many leavers you have annually. Then compare this data to industry averages to show how your business is performing against its competitors.

2

Leaver's feedback
Look at the data from your exit interviews to uncover reoccurring issues that a WFM software could solve. For example, double-booking staff due to manual rostering and missing hours from pay due to misprocessed paper timesheets. Breakdown your findings into percentages to highlight high-friction areas in an easily digestible format.

3

Customer comments
Use data from your customer feedback channels to show how engaged employees can positively impact customer experience and, in turn, boost returns compared to disengaged staff.

Look at exceptional customer experiences that were achieved due to in-shift communication via the mobile app.

4

New staff referrals
Sift through your insights to determine where your candidate leads are coming from. Specifically, watch out for staff advocacy rates to know how many new hires came from staff suggestions.

If employee referrals are low, you can use these numbers to strengthen your case. State that WFM software is essential to make your organisation a great place to work and increase staff endorsements.
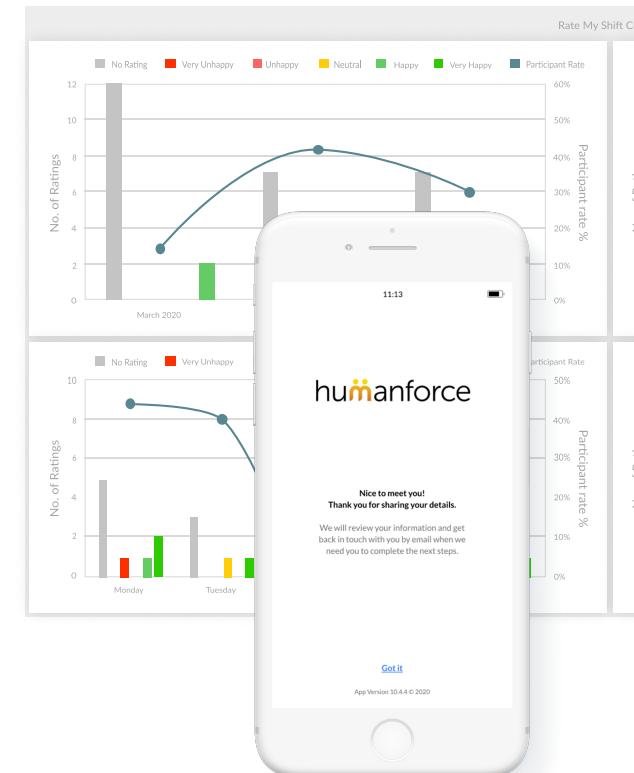
MITIGATING RISK -
YOUR WFM STRATEGY'S GOLDEN TICKET

Risk is also another factor that is tricky to quantify but very worth highlighting in your business case. Compliance can go from relatively simple things such as a lack of documentation and non adherence to non-compliant procedures but can also cover a lot more severe things such as underpayments which in addition to the cost side of the equation can have massive repercussions on your brand.

Intelligent WFM software gives you the flexibility to run your unique business but also give you the bumper bars to remain compliant under the labyrinth of complexity in today's environment.

The formula many businesses use to work out costs associated with these types of risk is:
Cost probability formula= Fines $ x possibility of negative scenario happening %.

Combine your calculations with real-life examples.

You can illustrate this point in many ways. Let's break a couple of these down:

For best results, hone-in on the high-reward scenario and use the formula to build a strong WFM software case. Demonstrate that despite the chance of such an event occurring is slim, the possible penalties and negative reputational impact are significant to warrant proactive prevention.

High-reward/ low-reward scenarios + cost probability formula:

1 **Low-reward scenario** - i.e., a business avoids being fined for not having its staff working with the appropriate credentials such as childcare protection or vaccinations in aged care.

2 **High-reward scenario** – i.e., a company avoids being sued for breaking laws on maximum working hours using WFM software.
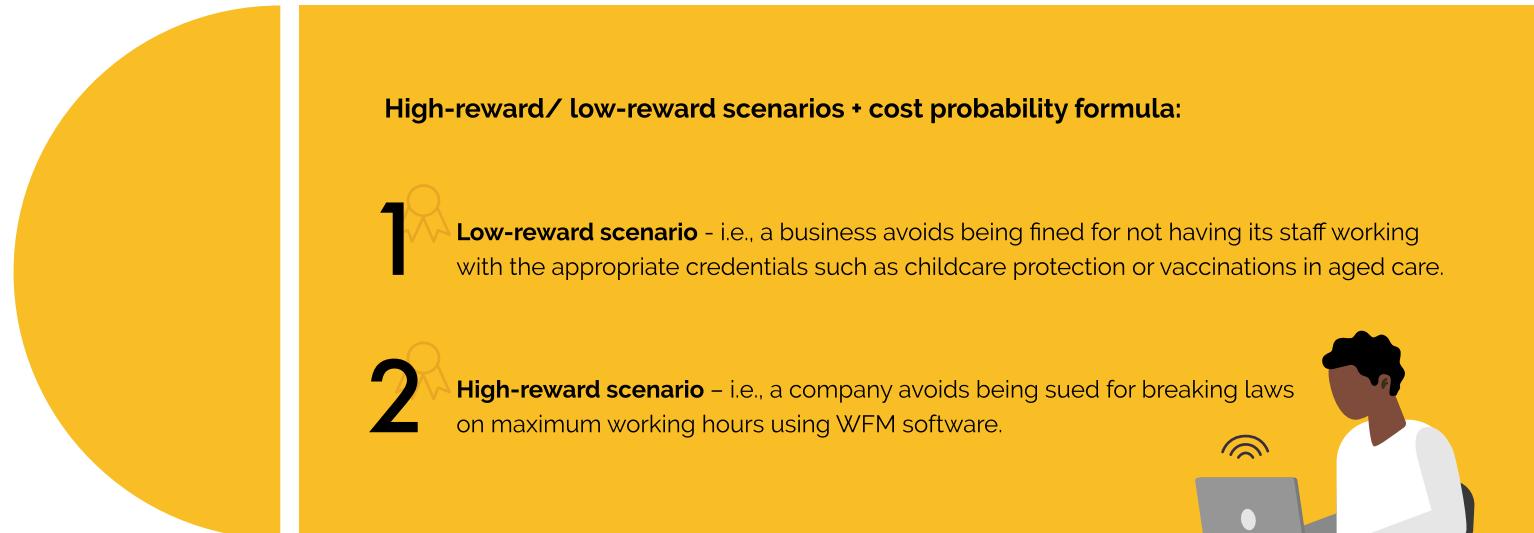
FRAME YOUR WFM BUSINESS CASE WITH
QUALITATIVE BENEFITS

Step aside from the quantitative benefits for a moment and showcase the qualitative reward the business will receive from implementing WFM software.

For instance, this could be greater cohesion between the company's mission, strategy, risk management, and workforce.
Alternatively, if your business uses manual processes with no non-compliance alerts for timesheet management and rostering, it's vital you highlight the advantage of going paperless and automating to avoid issues like time theft and administrative errors. Use recent research to bring their attention to the true cost of the risks the company takes by not having WFM software.

ENCOURAGE ALL TO HOP ON BOARD THE BUSINESS
TRANSFORMATION TRAIN

Show the importance of and the acceleration of digital transformation in gaining a leg up against your competitors. Display the positive digital transformation results across industries to drive home the point that companies who fail to adapt will be left behind.

Decision-makers care about statistics related to revenue, costs, and risk, so be sure to invest time in finding evidence to support your predictions.

DID YOU KNOW?

Software Advice.

43%

of respondents admitted to
exaggerating their worked hours
for shifts in a survey conducted by
Software Advice, a software
application research, review, and
advisory firm.

If you can find data that are closely related to your niche, that's a bonus.

To get you started, here are a few studies and articles you can reference:

CB Benefits, an employee benefits company, found that disengaged staff costs the UK economy as much as £70 million each year.

Company advocacy rates are waning in the UK. 59% of employees surveyed by Perkbox stating they would not recommend their firm as a good place to work.

KPMG found that over 70% of UK employees believe adopting digital transformation as a key priority in their organisation.

A report from KMPG Australia, found just 35% people surveys felt their firm had clear and coherent digital strategy, compared to 46% globally. Also, 80% felt their organisation's digital capabilities lagged in the private sector compared to 70% globally.

A study by Deloitte found that respondents who experienced good results from their digital transformation journey also declared increased net revenue growth.

Research by IBM found that poor data quality costs companies $3 trillion each year.

Snaplogic, a self-service application, and data integration company, found that failure to automate repetitive tasks and harness their organization's data costs companies a whopping $140 billion each year.

American Payroll Association (APA) found that as much as 75% of US companies are victims of time theft.

A study by the Business Application Research Center (BARC) revealed that businesses that went digital with their data management saw costs plummet by 10% and profits rise by 8%. Companies cite this change as a way for them to obtain a competitive advantage.

A Salesforce survey found that 70% of customers expected companies to anticipate their expectations and needs. 76% would be willing to switch to another provider to get this, and 74% of B2B consumers would be willing to pay more for better service.

Research by Cornerstone on Demand, a talent management software company, found that 68% of employees surveyed felt overwhelmed with work, with 41% stating that this affects their productivity. This is supported by psychologists, who found that 40% of staff productivity is lost to endless task-switching.

research

MANAGERS AND EMPLOYEES ARE READY FOR TECHNOLOGY.

A recent study found that

80%

of employees would be happy to **entrust repetitive, low-value tasks to technology.**

YOUR STRATEGY FOR CREATING A WINNING WFM BUSINESS CASE

It's well known that inefficient processes put a strain on company resources. Highlighting how WFM software can improve the metrics executives care about, like revenue, costs, customer experience and risk mitigation will serve you well in securing your executive team's backing. Use real, relevant and financial metrics to support your case.

Stress on the importance of digital transformation to thrive in this pandemic market and beyond, where social distancing and remote work will remain the norm.

Don't forget to speak about the importance of keeping employees engaged and affecting productivity, efficiency, revenue, and customer satisfaction. Highlight that an engaged workforce as your front line is even more critical post COVID-19 as consumers are so highly tuned to exceptional digital experiences that traditional people businesses need to go the extra mile and reignite brand loyalty.

Finally, use real-life examples, case studies, and facts to help your executive team imagine what success will look like for your business. Before you know it, you'll have a winning WFM journey.
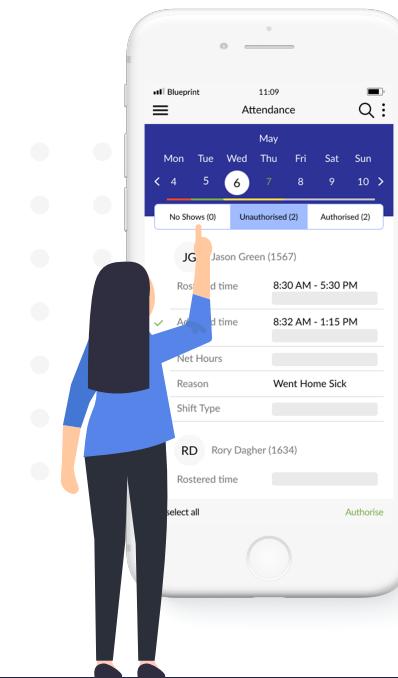
Ready to take your WFM to the next level?
Talk with a Humanforce expert to help you build your business case and get ready for the next shift.

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about humanforce

The intelligent platform for your shift-based workforce.

Almost every shift has its no-shows, late arrivals, and special requests, but, you've also got to deal with the big shifts in how people work – everything from new employee expectations to new technologies, new regulations, and other major changes.

Humanforce brings a whole new approach to managing your teams where you can simplify the process, see everything at once, and stay ahead of the curve. That's why thousands of businesses of all sizes – hotels to hospitals, resources to recreation, stadiums to shops and more - use Humanforce to get ready for the next shift.

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