

# How To Cut Your Labor Cost Without Cutting Staff



Failure to control costs can quickly lead to any business feeling the pinch and having to resort to drastic measures to combat them. Traditionally, we'd lower costs by cutting staff, either by making them redundant or reducing their hours, or increasing the price of our products and passing this cost over to the consumer.

But what if we took a smarter approach? One where we utilized technology and data to ensure everyone wins?

Through a combination of AI, automation and harnessing the power of data to help you make better decisions, you can optimize your staffing levels based on demand giving you happier employees, happier customers, and a happier business while at the same time helping save money on your wage bill.

**Here's our top tips to help you control how much money you spend on labor and lower the percentage it forms for your total cost base.**



## 1. Build your schedules around great forecasting

**Accurate and effective forecasting can mean the difference between turning a profit to making a loss.** With advanced forecasting, you can create optimal schedules based on your forecasts and historical data. When you balance your planned costs against your results, you create the most profitable resource plan.



## 2. Understand your business

Understanding how your business works is key to reducing your labor cost. **Do you know your busiest times and when your services are most in demand?** The better your knowledge of your business, the better your scheduling will be and your labor cost will fall as a result.



## 3. Know what to measure

**What metrics are you going to use to power your decisions and what information is crucial to you?** Start with asking yourself what drives your staffing levels. Every business is different but, as a rule of thumb, you should be looking at key areas like productivity (how much you sold per work hour), sales, and customer satisfaction.



#### 4. Have the right people in the right place at the right time

This effective allocation of your resources is an absolute must. Every business has 'dead' hours and idle staff. By identifying these, you can then make sure you have the right people, in the right place, at the right time. So much so that it's possible to spend less on your staff cost while increasing sales, simply by moving your resource around.



#### 5. Prioritise employee engagement

Don't compromise on your employee engagement - good employee engagement means you can do more with less. It's essential for attracting and retaining your employees. The commercial advantages for companies with happy employees include profits and productivity that are 20% higher, lower staff turnover and absence, 134% higher earnings per share, and a range of health and wellbeing benefits.



#### 6. Use a workforce management system

From automated scheduling and advanced forecasting through to time reporting and absence management, a good workforce management system will save time for both managers and employees, reduce the risk of human error causing something to go wrong, and give you all the tools you need to control labor costs.

## Your workforce management system should give you:

- An overview of your business at anytime, from anywhere.
- Warnings if you're going to go over your budgeted hours. Something pen and paper won't do.
- Managers who have more 'customer-facing' time.
- The ability to make good decisions quickly.
- A simple way to communicate with your staff.
- Integrated task management.
- An easy way for your staff to see when they are working, change when they are working, submit leave requests and ask for more shifts.
- An unprecedented level of control over your schedules, budgets and forecasting.



## Specialized to your needs

Quinyx is the market-leading cloud native and mobile first workforce management solution giving you seamless scheduling, staffing, time reporting, communication and task management all in one place. Our solution is specially adapted for hotels and restaurants, shops and transport, and the logistics industry as well as companies operating in the healthcare and care industries. There are over 500,000 people around the world using our solution.