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Introduction

Welcome to our guide to effective labor management, tailored specifically for the warehousing sector.

Before we get into it, we want to start by saying we know these are challenging times, and that getting the right staff, at the right time, for the right jobs can feel like a near-impossible task – while client demands get bigger, louder and more urgent.

The good news? We're here to help. As the jobs market remains volatile and the uncertainty of the economic climate continues, it's more important than ever to implement smart, efficient workforce management systems that will help you stay agile and ensure client needs are always met.

Here we explore recommended strategies and best practices, from differing business perspectives - operations and human resources - to give you a 360-degree view of how small steps can make a big difference to your organization.

Move to a human-centric design – and stay ahead of the competition

Putting staff at the center of your business and keeping them front-of-mind can be a game-changer. It may feel counter-productive to drive efforts into employee strategy when there are urgent client deadlines jostling for attention, but creating a truly human-focused business, where every staff member's needs are considered and everyone has the opportunity to contribute effectively to the company's output and its overall success, can bring enormous benefits – not least establishing a loyal, motivated team of employees who want to come to work every day.

What's more, NOT taking a human-centered approach to business could mean you end up lagging behind your competitors. Read on for some valuable insight into how you can make it a reality for your organization...

Operations perspective: With constant client demand and targets increasing year-on-year, we need employees we can rely on, who will bring some new initiative to the table and help us deliver. It's imperative we think about how we can engage and retain our best people.

HR perspective: We know employees have their pick of roles right now – we need to show potential candidates that our company is a great place to work, for a whole host of reasons.

The evidence? A report by LinkedIn Learning found that 83% of global organizations are looking to build a more people-centric culture, and, in response, 81% of global L&D departments are helping this to be realized.



The importance of diversity

Employing a diverse workforce - of people of different ages, ethnicities, religious and political beliefs, genders, sexual orientation and physical abilities, and with different levels of experience - can be a fundamental element of business success, with each team member bringing their own unique skills and outlook.

Operations perspective: Imagine a warehouse where your workforce reflects the diverse nature of your customer base. This not only aligns with your company's inclusion goals, but also brings in fresh ideas that can lead to improved problemsolving and innovation for the entire organization.

HR perspective: Inclusive hiring and engagement practices ensure that everyone has a fair shot at opportunities within your organization. It's a step toward building a more diverse, loyal and resilient team.

The evidence? According to research by McKinsey & Company, companies with a diverse workforce are 35% more likely to outperform their less diverse counterparts.



Performance by outcome

How do you measure performance – and are your methods working? Shifting from micromanagement to outcome-based goals can empower employees, encouraging a sense of responsibility and autonomy, and leading to improved job satisfaction and retention rates.

Canvassing the opinions of managers and employees themselves, to find out what would help boost productivity, can be a positive first step in revamping performance management and ultimately increasing efficiency – this could be done through an app like Quinyx, which enables organizations to quickly run 'pulse' surveys and gauge employee opinion.

HR perspective: Recognizing great performance – via face-to-face meetings, 'shout-outs' in company communications, awards etc - increases employee happiness and retention. It's also important to be able to identify underperformance before it becomes an issue; employees can be given a chance to improve.

Operations perspective: Accurately monitoring performance can help build an efficient, productive team – ensuring less time and money is wasted.

The evidence? A study published in the Harvard Business Review found that employees who have autonomy over their work report higher job satisfaction and wellbeing.



Consider ditching your mandatory overtime

Overworked employees, who have no say over whether they work overtime, do not make a happy, loyal workforce. Switching from mandatory overtime to on-demand labor is likely to have a whole host of benefits across your business.

Operations perspective: Mandatory overtime might meet short-term SLAs, but it can also lead to employee burnout and increased turnover due to unhappiness – which will bump up costs in the long-term (research indicates that the cost of replacing an employee can range from 50% to 60% of their annual salary).

HR perspective: Implementing on-demand labor practices demonstrates a much higher understanding of employee wellbeing and work-life balance, which can improve retention rates overall.

The evidence? A report by the US Bureau of Labor Statistics shows that turnover rates in industries with mandatory overtime tend to be higher than in industries with more flexible scheduling practices.



Trust in flexibility

Building on the previous point, offering employees the flexibility to swap shifts in a 'shift marketplace' fosters a sense of control over their schedules, which in turn leads to greater job satisfaction and engagement. Using apps like Quinyx, which facilitates shift swapping and provides a range of communication tools, encourages collaboration and information sharing, from senior management to the frontline.

Operational perspective: Shift marketplaces empower your workforce by giving them control over their schedules. Rather than being seen as a perk, flexibility should be considered a key part of building a happier, more engaged team.

HR perspective: When supported and monitored effectively, shift-swapping apps can play a hugely positive role, and can provide great intel on the most popular and effective work patterns within your business.

The evidence? A study by the American Psychological Association found that employees who perceive more control over their schedules report lower stress levels and higher job satisfaction.



Career opportunities and encouraging loyalty

We all like to know we're doing a good job, and feel valued. Recognizing and rewarding great employee contributions helps to boost happiness and morale—while encouraging a 'best practice' culture (and maybe even a bit of healthy competition). These can be small rewards – e.g., a 'worker of the week' shout-out in an internal memo – or bigger, long-term recognition such as being put forward for training or promotion.

Investing in upskilling opportunities – including training, education and mentoring - demonstrates commitment to employee growth, and can increase loyalty.

Operations perspective: Recognizing and rewarding outstanding performance isn't just about boosting morale. It's about reinforcing a culture of excellence in your warehouse. It encourages those that want to be the best to strive to achieve it.

HR perspective: Investing in upskilling opportunities is an investment in employee growth and, ultimately, loyalty. It shows your commitment to their development.

The evidence? Research by Gallup indicates that employees who receive regular recognition are more engaged and have lower turnover rates.



Investing in analytics

Data-driven decision-making in HR and operations – via tools like Quinyx – can lead to more accurate labor planning, optimized staffing levels, and improved employee retention. Analyzing data on employee performance provides insights for targeted training and development programs.

Operations perspective: Data is key! Workforce analytics are a treasure trove for optimizing operations across the entire organization, helping to make informed decisions every step of the way, enabling demand forecasting and ensuring correct staffing levels at all times.

IT perspective: Building a robust data analytics infrastructure is about more than just collecting data. It's about making it actionable (and collaborating with Operations is key to achieving this).

The evidence? A study by PwC found that companies using people analytics are 120% more likely to improve their recruiting efforts and reduce turnover.



Summary

Success in this industry hinges on adaptability, innovation, and, above all, the wellbeing of your workforce. Without your people, there is no business – and trying to fervently meet SLAs without thinking about how to motivate and retain your <u>employees is a surefire route to stress, chaos and lost customers.</u>

A content and engaged workforce is more likely to consistently meet SLAs. Retaining skilled employees reduces turnover costs and ensures stability in operations. It's a win-win situation, and via our industry-leading Al-powered solutions, we can help you get there. Building great things takes time, but by focusing on a human-centric strategy – nurturing flexibility, recognizing and rewarding employee contributions – and letting technology do the 'heavy lifting' regarding shift management and HR and operations analytics, you can navigate any challenge effectively.



Want to learn more?

Find out how at <u>quinyx.com</u>

