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WORKFORCE MANAGEMENT TRENDS FOR HOURLY WORKERS

Top trends include mobile capability, employee centricity, and analytics options

Introduction

In this era of interconnectivity, having a robust workforce management (WFM) platform will be critical for organizations that wish to stay competitive. Going forward, organizations will want their platforms to have more robust functionality that puts employees in charge of their own time, while those without a current platform are looking to invest in one. Employee engagement and retention are vital to organizational efforts in this era of low unemployment, so organizations need to do all they can to ensure their workers stay engaged and invested in the business. Engagement and retention can be addressed tangentially through automated processes that make tasks easier for both employers and employees.

How do organizations manage schedules for their hourly and contingent workers? Nearly half of all organizations have some kind of WFM platform to help them manage time/ attendance and scheduling processes. But do their solutions keep employees engaged? Why not? What are the barriers to effective workforce management and what does the future hold for organizations that can harness that capability?

To uncover the latest trends, the Human Capital Media Research and Advisory Group — the research arm of Human Capital Media — conducted the *Workforce Management Trends* survey. We asked HR leaders for their opinions on the latest workforce management trends and are pleased to share our findings in this whitepaper.

Demographics in brief

The survey received participation from more than 400 respondents across a variety of industries. 44% of respondents are at or above director level.

Challenges found

- 45% of respondents have no mobile capabilities with their current WFM platforms.

- 42% of respondents disagree with the statement "My organization uses labor analytics to diagnose issues or problems."

- 28% of respondents say employees never have a say in when they're scheduled.

Key findings and opportunities

- Organizations want their workforce management tools to be mobile.

- Labor analytics capability is the next big "must-have" in a WFM platform.

- Employers want more automation and capabilities around workforce management.

Workforce management challenges

Some organizations face an uphill battle to implement WFM platforms. According to survey respondents, the top barriers to implementation are lack of budget (69%), little senior leader buy-in (38%), and the inability to find a platform that meets their needs (31%). Some of these barriers can be addressed by laying out a clear vision about what HR leaders want to accomplish with a platform. Where are the unique challenges within the organization that inhibit employee engagement and productivity? How can tools be used to address these challenges? Having a plan to address challenges is the first step to overcoming barriers.

What are the top challenges organizations face regarding their current platforms? Organizations report different challenges around time and attendance (Figure 1) versus managing schedules (Figure 2) or leaves of absence (Figure 3). The top challenges around time and attendance are manual errors, a lack of integration between HR and payroll, and the inability to demonstrate compliance with HR and labor laws using the workforce management tool. When it comes to overall scheduling, organizations struggle with maximizing labor effectiveness, anticipating scheduling needs, and filling shifts when unexpected absences occur. The top leave of absence challenge is filling the role while the employee is out.

Many identified workforce management challenges can be addressed through employee centricity. It certainly doesn't help organizations that for many, the first time they hear of scheduling problems is when employees complain or one of their top challenges with current systems is there's still too much manual work (Figure 4).

Employers ultimately want more automation around their WFM platforms, which they hope will cause fewer manual errors and lessen the time spent on processes. Automating or streamlining processes can help boost employee engagement — employees don't want to have to complete a number of steps

for a simple request. Employee engagement and retention are key organizational objectives that can be addressed through key features that make processes easier to accomplish.

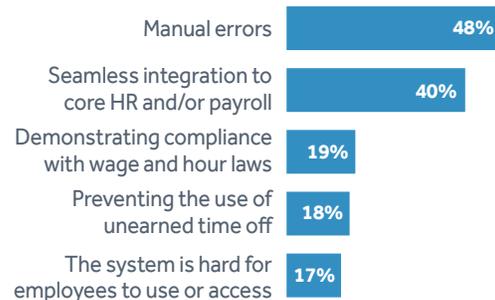**Figure 1:** Top challenges to managing time and attendance

Manual errors	48%
Seamless integration to core HR and/or payroll	40%
Demonstrating compliance with wage and hour laws	19%
Preventing the use of unearned time off	18%
The system is hard for employees to use or access	17%

Figure 2: Top challenges to managing employee schedules

Maximizing overall labor effectiveness/productivity	42%
Filling shifts when unplanned absences occur	36%
Accurately anticipating scheduling needs	33%
Preventing employee fatigue	25%
Managing budgets	23%
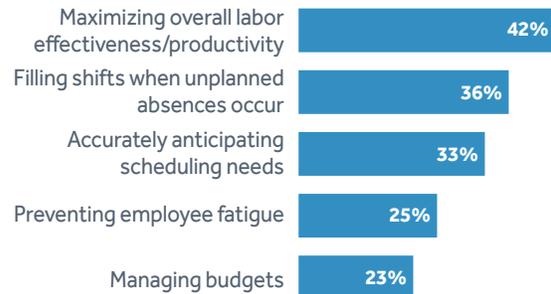
Figure 3: Top challenges to managing leaves of absence

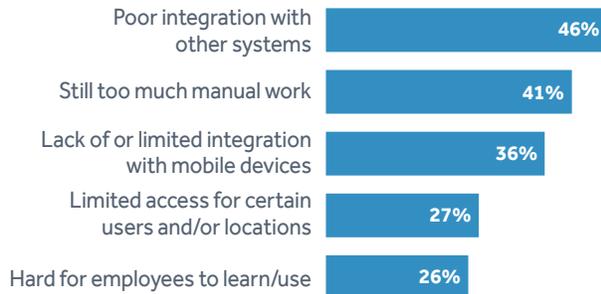|	
Filling the role during an employee's absence	50%
Keeping all parties informed	47%
Applying rules consistently	45%
Preventing leave abuse	42%
Managing leave cases	38%
Planning an employee's return to work	36%
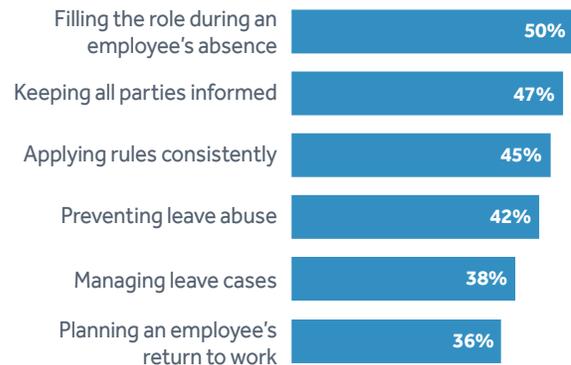
When scheduling shifts, organizations struggle to maximize labor effectiveness, anticipate scheduling needs, and fill shifts when unexpected absences occur.

Figure 4: Top shortcomings of current workforce management systems

Poor integration with other systems — **46%**
Still too much manual work — **41%**
Lack of or limited integration with mobile devices — **36%**
Limited access for certain users and/or locations — **27%**
Hard for employees to learn/use — **26%**

To master workforce management, organizations must:

01 Offer a platform with a mobile solution to meet employees where they are.

02 Use platforms with embedded analytics capabilities. *These allow organizations to address errors faster and optimize scheduling for maximum performance.*

03 Incorporate employee centricity into any WFM platform to address employee engagement.
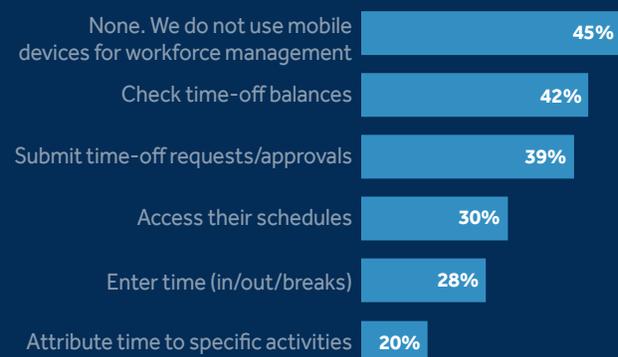
2020 Trend: Mobile capabilities

The number of smartphones has exploded in recent years and shows no signs of stopping. Between 2010 and 2019 the number of smartphones in the United States more than quadrupled, from 63 to nearly 266 million.[1] With employees used to being able to perform tasks from their smartphones at the touch of a button, they're bringing that expectation into work. More and more employees are demanding a consumer-grade experience from their workplace systems, and employers need to catch up.

Some employers are beginning to take notice. More than half of survey respondents (55%) have some mobile capability for workforce management. Also, 60% of respondents with a WFM platform say mobile capability is a priority.

However, there is some evidence that while employers recognize the need for mobile capabilities, they haven't yet kept pace. While desiring mobile capability was one of the top priorities for respondents, it was also one of the top shortcomings employers have with their existing platforms. Often, these shortcomings relate to employees' inability to perform certain tasks with their existing platform. For example, no more than 30% of respondents' employees could access schedules or clock times on their mobile devices. Also, more than four in 10 (45%) couldn't do any of the activities we asked about in our survey from their mobile device (Figure 5). In 2020, organizations will need WFM platforms that have mobile capabilities and can capture data analytics around time and attendance.

Figure 5: Top functions hourly workers can perform via mobile devices

None. We do not use mobile devices for workforce management — **45%**
Check time-off balances — **42%**
Submit time-off requests/approvals — **39%**
Access their schedules — **30%**
Enter time (in/out/breaks) — **28%**
Attribute time to specific activities — **20%**

2020 Trend: Access to analytics

There's a belief that one of the keys to optimal WFM decision making will be data — and big data specifically. Survey respondents agree: labor analytics features are a high priority for their WFM platforms. Respondents say that analytics access is key to solving workforce challenges. In fact, 64% of respondents say labor analytics is a priority when evaluating any new software.

Labor analytics are in demand and employers are looking at data as one way to solve workforce challenges. There's evidence that many HR leaders already have some analytics capability. According to survey respondents, 68% say they're using automation to capture labor analytics. Further, nearly 6 in 10 respondents (58%) say they currently use labor analytics to diagnose issues or problems, while nearly half (45%) say they use labor analytics to drive value (either productivity or strategic value) (Figure 6).

Figure 6: How organizations are using labor analytics

Legend: Strongly agree | Agree | Disagree | Strongly disagree

My organization is using automation to capture labor analytics.
- 19%
- 49%
- 20%
- 13%

My organization uses labor analytics to diagnose issues or problems.
- 15%
- 43%
- 27%
- 15%

My organization uses labor analytics to drive value. (i.e., productivity or strategic value)
- 12%
- 33%
- 38%
- 17%

2020 Trend: Employee centricity

Online shopping and social media have led to expectations on how life is managed both on- and offline. Employers are used to certain standards in their personal lives, and they increasingly expect the same customer-grade experience in their professional lives. Organizations will thus need platforms that prioritize the employee, making processes as easy as possible. The more control employees have over their own time, the more engaged they'll be.

Employee engagement levels have recently hit an eighteen-year high, thanks in part to the efforts organizations are taking to keep their workforce satisfied and engaged.[2] However, there is still more to be done to keep employees motivated — and the penalties for noncompliance can be severe. Respondents say the top two negative impacts of noncompliance with labor regulations they're most concerned about are declining employee morale (58%) and damage to brand reputation (42%).

In a tight labor market, the last thing employees want is to struggle with the platforms they use. Not paying employees correctly or on time can have lasting effects. Failing to proactively address payment issues is also a symptom of not being employee-centric. Organizations that fail to prioritize employee-centricity risk losing high performers to the competition.

How would you describe the way employees interact with your existing WFM platforms?

Fully automated: (7%)
Our employees have access to digital timesheets and schedules. Platforms automatically take employee preferences into account and allow employees to manage their own schedules.

Mostly automated: (21%)
Our employees have access to digital timesheets and schedules. Platforms automatically take employee scheduling preferences into account but don't allow employees to manage their own schedules.

Slightly automated: (47%)
Our employees have access to digital timesheets and/or schedules, but platforms don't automatically take employee preferences into account.

Manual: (25%)
We rely on paper-based time tracking and scheduling.

[2]Harter, J. (2018). "Employee Engagement on the Rise in the U.S." *Gallup.*

Conclusion

In the coming years, employers and employees alike will demand more automation, features, and data capabilities from their workforce management platforms. Employee engagement and retention are top of mind for employers as they navigate keeping high performers in a tight labor market. These challenges can be addressed through automated processes that make scheduling tasks as easy as possible for employees. At the same time, the analytics visible to employers will help optimize scheduling for maximum performance. Choosing and adopting the right WFM platform is a win for all.

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Demographics

Survey Name
Workforce Management Trends

Survey dates
September-October 2019

Respondents
207

Functional level of respondents
38% of respondents are at or above director level

Organization size
Small (<1,000 employees): 52%
Medium (1,000-9,999 employees): 30%
Large (10,000+ employees): 18%

Geographic distribution
One country, one location: 40%
One country, multiple locations: 39%
One country, some global distribution: 11%
Highly distributed: 10%

Workforce composition
Mostly salaried: 53%
Mostly hourly: 44%
Mostly contingent: 3%

Figures may not total 100% due to rounding.

About

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Workforce applies the scientific principles of engineering and research to advance the happiness, welfare and efficiency of those who work. Pioneered by James R. Angell President of Yale and Carnegie Corp. the origins of Workforce stretch back 97 years to a joint initiative between the Engineering Foundation and the National Research Council. Our call is the continued growth and unification of these modern engineering, labor, management and educational bodies to lead workforce science to its farthest possible forward point.

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