

How to Review Your Workforce Management Best Practices

BY SUE BRADLEY, CPP



Share Your Tips.

Workforce management. It's a recent best-practice buzzword for business. But what does it really mean? We need to delve into that before we can even think about best practices. After all, you cannot improve something you don't truly understand.

Numerous Definitions

Wikipedia says that workforce management (WFM) is "an institutional process that maximizes performance levels and competency for an organization." Techopedia.com explains it differently, as "the application of information technologies in business, or the use of applications and other products to analyze, evaluate and optimize workforce systems."

Allan Rosenberg wrote an article titled "Best Practices in Workforce Management," that summarized what WFM is—forecast volume, create schedules, assign schedules, and manage changes. Seems simple, right? Patrick Russell wrote a blog article that determined that the one key principle needed is simplification—how easy is it to use the system you have?

If you do a Google search, the advice is vast and varies from author to author, from expert to expert. But there are some common themes we can extract from all the opinions and definitions. WFM is utilizing various tools, including software applications, to ensure that the business is operating efficiently. These tools should include *all* aspects of the business, from production to sales and marketing to accounting and everything in between.

But that's a lot of tools. How do you determine what to focus on when you want to look at your best practices? Logic would tell you to make a list of all your processes and review each one for redundancy. But that is a daunting task. So, how do you decide what to review? How do you decide what is "eligible" for review and updating?

Best Practice Step—Reviews

How many times have you heard of an employee going out on an extended leave and their backup forgetting to run a report? This missed report is never requested. When the employee returns and begins running it again, the employee is questioned about why it's being distributed. So many times we hear, "That's the way it's always been done." However, no successful company ever relies on routine for long. There are always ways to improve, enhance, streamline, etc. The review of these ways is what makes up WFM.

Some of this will be automatically driven by the software your company utilizes. When the software company does any kind of upgrade or enhancement, your company would naturally adjust processes based on new screens and data

requirements. So, simply, a first step would be to review processes that rely on the software upgrade. Part of this review should include updating procedures with new screen shots, removing steps that are no longer valid, and adding steps that are now required to complete the task.

Turnover and new hires will automatically drive another section of the process review. The new employee will require written procedures to help with the assigned tasks until they become second nature. This is another great time to review and update the procedures and processes. It may be that the new employee has advanced skills, say in Excel. For example, instead of copy and paste, the new hire is well-versed in utilizing V-lookups or Pivot tables instead of simple filters or keying the data a second time. Updating basic skills to more advanced skill tasks is part of best practices, with the theory that the advanced skills take less time and rely on the system to do more of the heavy lifting.

Business slowdowns and pickups can also drive WFM best practice reviews. If a business is going through a slowdown and layoffs are imminent, some of the job tasks are going to have to be reassigned. Like with the new hires, written procedures will assist with smooth transitions, as well as open up the potential for modifications and streamlining. Business pickups may require a review as workloads increase. Does the company need to hire more people or reassign tasks based on similar work activities, or is the current staff sufficient for the uptake?

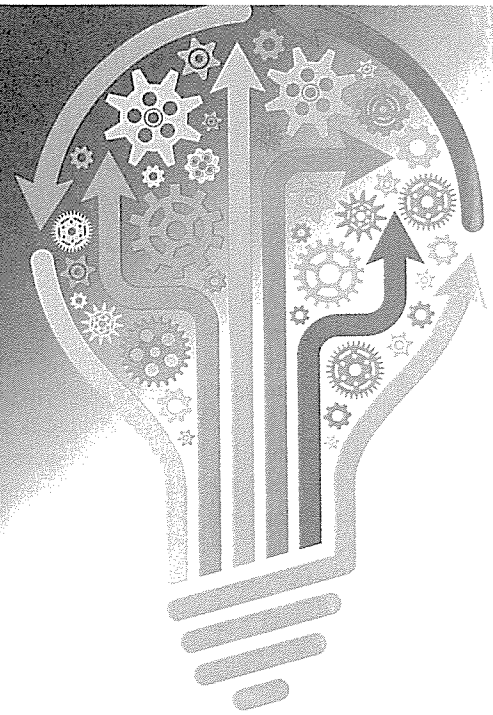
There are also changes that are much larger and far-reaching. Mergers and acquisitions could easily fall into this group. Merged companies often keep the best employees from each group and mix them together. This mixing can shake up all processes and extract the best of the best processes and procedures. Or it can identify redundant tasks resulting in a more streamlined workflow.

But a company doesn't need to go through any type of large change to review processes and procedures to apply the best practice model. A leadership team can choose to do a high-level or in-depth review at any time. Or maybe an audit results in a finding that merits further review and resolution. Or it could be as simple as an employee getting ready for a vacation and updating procedures for the backup.

No matter what drives the review, or what industry you are in, WFM requires a constant review of processes and

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procedures. This review, by itself, is a best practice. Effective management teams practice this all the time, even if they call it by another name.

Complete All Reviews

Here are some examples of best practice reviews that happen all the time:

- **Expense reviews**
 - What is the company spending money on?
 - Is the expense necessary?
 - Can we get a better price or terms?
 - Are the expenses being coded to the correct general ledger account?
 - Are we current on our payables?
- **Income reviews**
 - Is our pricing resulting in a profit?
 - Are our receivables current? If not, what can we do to bring them current?
- **Sales reviews**
 - Do we rely on only repeat customers?
 - Can we add cold-calling and referrals?
 - Can we offer bundle pricing?
 - Should we open a new territory or close a current one?
 - Are our shipping costs acceptable?
- **Staffing reviews**
 - Do we have enough people to do all the jobs?
 - Do we have people wandering around with nothing to do?
 - Are we paying overtime regularly to the same employee or department?
 - Are we within budget on salaries and commissions?
- **Production reviews**
 - Do we make enough widgets?
 - Are our machines idle for periods of time?
 - Do we have the ability to make a gadget in addition to the widget?
- Are the machines ready for maintenance or replacement?
- Do we need to add/close a shift to meet sales demands?
- **Budgets**
 - Are we reviewing income and expenses to help prepare accurate budgets?
 - Are we using budgets that show a profit to gain additional capital for the business?
 - Are we using budgets that show a loss to determine where cuts need to be made?
- **Actual vs. scheduled hours**
 - What are the hours actually worked versus hours scheduled? It seems simplistic to review, but it can help with determining whether the number of active employees is accurate for the work that needs to be completed.
 - Is there too much overtime? This may indicate a hiring need.
 - Is there an abundance of short hours? This may indicate that there is not enough work for the employees.

At the core of all these review questions is analytics. Any best-practice review relies heavily on the tracking of information and data. And *all* successful best-practice reviews result in some process or product being improved. So, we can safely and accurately say that WFM best practices result in company improvements or efficiencies.

There are a great many benefits to a best-practice review. These benefits should be considered when working on a review schedule. Some may require calendar deadlines, while others are more flexible.

At the end of the day, any process improvements require an open mind to alternative methods to accomplish the same goal. Fresh ideas can foster great growth, and WFM is simply a continuous wheel of act-review-modify.

If your company is working on improving processes and has made strides toward best practices, consider documenting it and submitting it for an APA Prism Award. This information can be found on the APA's website. ■

