

Workforce Management Project Execution Best Practices-

Avoiding Labor Pains Part 2

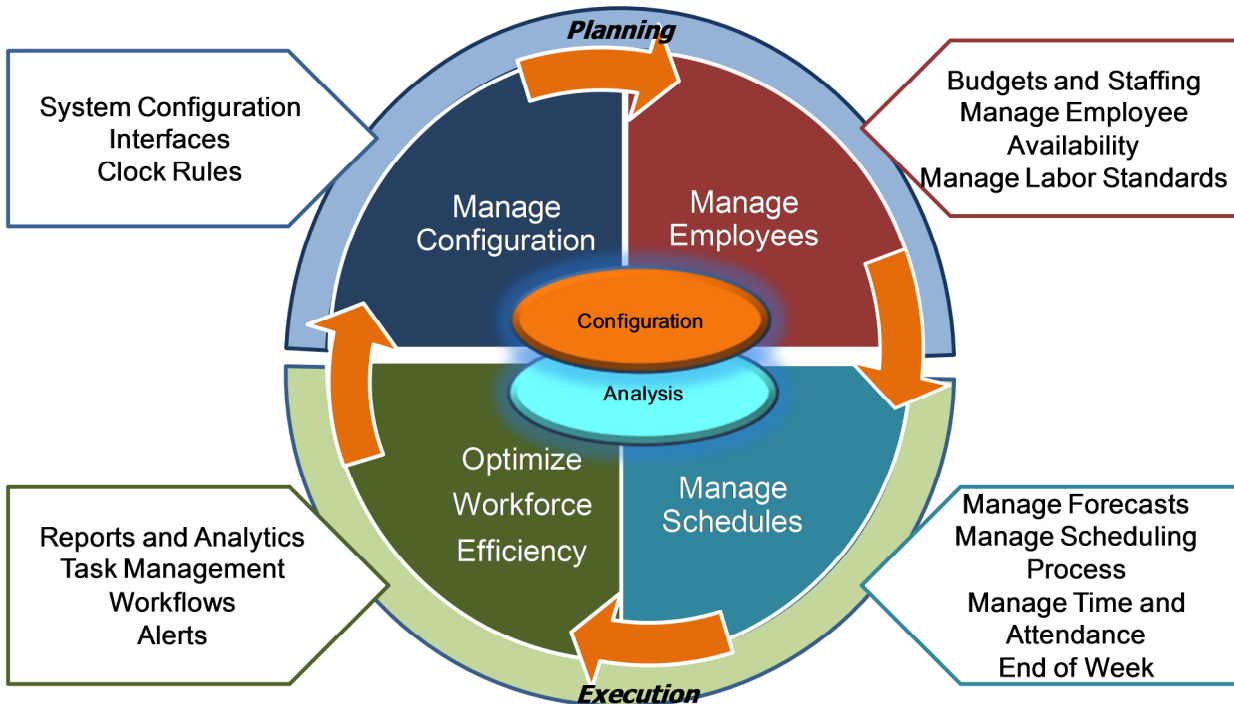
As we discussed in Part 1 of Avoiding Labor Pains, Workforce Management (WFM) is one of the more challenging applications to phase and implement. Why? Because labor is the single biggest controllable expense, and there is a lot of emotion tied to the allocation of that labor. The challenges are in capturing the many activities that create 'work' in the store environment in order to forecast and schedule effectively.

Where to begin?

The answer to this requires some insight into the retailer's long term strategy. If the retailer is using a legacy scheduling and time and attendance application, step 1 is likely to convert these to the new T&A application. Scheduling may provide the biggest bang for the buck, but if you are looking for quick wins, Task Management may provide that low hanging fruit while you develop your long-term processes for managing forecasts, labor allocations and optimized schedules. If your focus is on improving customer service at equal or reduced cost, labor scheduling is the logical place to begin, and you can build a logical progression from basic scheduling to shift templates to dynamic or optimized scheduling.

WFM Application	Speed to Market	Degree of Difficulty	Benefits
Task Management	< 20 weeks	Medium	Medium
Basic Scheduling	20-24 weeks	Medium	Medium
Dynamic Scheduling	24-30 weeks	Hard	High
Budgeting	10-20 weeks	Hard	Medium
T&A New	20-30 weeks	Medium	High
T&A Upgrade	18-26 weeks	Low/Medium	Low/Medium

Remember that the more WFM functionality you use, the more challenging it is to test and upgrade. Consider how all of this fits together in determining your sequencing.



External Support

Unless the retailer has all of these areas covered, we strongly recommend that you look for some external support for your project:

- A strong PMO and/or project methodology
- A tight working relationship between HR, Operations and Finance
- An experienced project team that can deal with internal project challenges while focusing on process improvement through package-enabled business process improvement
- Internal staff to push both the vendor and internal resources
- Industry best practices expertise



We recommend that you consider using external project support resources to plan and execute a Workforce Management scheduling or Task Management project. WFM vendors would likely agree on this point. Unfortunately, many senior managers may buy a WFM system and then continue to punish future customers for past 'misses' in forecasting and labor allocation. The simple fact is that these projects are challenging, and companies typically have 'turf' that is protected unless someone, a neutral third party, throws out the challenge flag. The goal of a well-executed WFM project is not to pave the cow path but to provide a tool to improve the customer experience and control labor costs. So let's look at what you need to get started on executing the project.

Continuous Stakeholder Involvement

It is critical to continue the involvement of the project champion/business stakeholder. The project team feeds off of the energy and sense of urgency conveyed by the leader, and it is critical in this phase to push through contract negotiations, securing resources and building realistic but aggressive project plans.

Finalize the Contract

Review the vendor pricing, including all third party software and services. Review the days/hours and deliverables of the vendor project team for each phase of the project and their daily rates before signing off on professional services fees. Be sure to include legal review to review terms and conditions, and include some escape clauses and terms if the vendor fails to meet key deliverables and provide a stable, working environment. Tie compensation to deliverables.

Build the Project Team, Define Roles and Responsibilities/RACI

The Project Manager should identify key deliverables of the project team, such as a communication plan, a test plan, deployment plan, a project team meeting plan and pilot success criteria as examples, and list the roles that each team member has related to these activities.

R=Responsible, A=Accountable C=Consulted, I=Informed, and we use a P=Participate. List the individuals by position, not by name, as it is much easier to define and articulate the responsibilities on a project based on the role, not the person. This important activity gets the entire team on the same page, and eliminates the common conditions of over or under-attendance at project meetings while clearly defining who is responsible for key project deliverables.

Build A Retailer Focused Project Plan

Be sure to start with a project plan that is based on your level of project maturity. A 1000 line plan for a 3-person project team is likely overkill, but a 50 line plan for a highly complex environment will not suffice. Be sure to consider project phasing when building your plan. Avoid big bang and avoid attempting to move from manual scheduling to full forecasting and dynamic or optimized scheduling out of the gate. Incorporate the vendor's base plan with yours for consistency, agree on the timelines and then both manage using your plan.



Gap Analysis/Conference Room Pilot (CRP)

In our previous paper we discussed the need for the retailer to perform a quantifiable analysis between vendors on high priority functionality, typically via an RFI or RFP plus vendor demonstrations. We recommend doing a deep dive on the WFM application suite via a CRP or Conference Room Pilot and evaluating functionality and usability BEFORE finalizing the contract. However, the fact is that vendors can only provide so much time and resources prior to contract finalization. If your CRP is being done after contract finalization, be sure that your contract contains a placeholder for x days of software modifications, typically also designated to be added to a future base release.

The goal of a CRP is to ensure that the software meets your requirements for functionality and usability, and that you identify true gaps in the software. It is critical in this phase to be open to the best practices that vendors have embedded in their software, and to challenge the business stakeholders for any requirement that they define as a 'gap'. An experienced consultant can help you look past the GUI and screen layouts, as they are typically highly configurable, and evaluate the real functionality from the end user-typically store management. The CRP provides a great opportunity to enlist the support of future project 'champions' by adding Store Managers to the project team to solicit their feedback on processes, required features and configuration .

Vendors will typically configure a 'sandbox' for the retailer to view and 'play' with the application, identifying configuration and usability concerns. This is an important first step to begin full project execution and accomplishes two important things:

1. Allows the vendor to train the team on the application.
2. Prepares a sample environment allowing the configuration to be 'ported' to the retailer's actual environment while the infrastructure is ordered and prepared (unless you are using a SaaS model, which is a project key decision required before vendor selection).

During this phase additional configuration challenges are identified, and the retailer can begin to consider the user impact, people readiness challenges and a training and communication strategy.

Focus on Long-Duration Project Deliverables

It is common for retailers to focus on configuration and testing at the expense of some of the tougher project deliverables which take considerable time (so identify it correctly in the project plan). These include Communications Plan, People Readiness and Training Strategy, Training materials and a Pilot and Deployment Plan. We have heard from vendors that numerous projects are delayed unnecessarily by not considering these project deliverables early enough in the project.

<u>Project Plan Deliverable</u>	Begin to address the long-term deliverables as soon as possible as they can often delay projects when addressed in linear sequence.	
Test Plan		
Training Plan		
Interfaces and Mods		
Communication Plan		
Deployment Strategy		

Communicate Project Phase and Progress Weekly

Complex projects require focus and dedication. Keep all stakeholders and project team members focused with a weekly dashboard identifying what did and did not get done in the current week, plans for next week, issues and risks that should be given attention. Schedule critical project meetings and force discussions on a risk mitigation plan, user acceptance testing plan (who is writing the scripts?), and pilot success criteria. Projects can slip for many reasons, but projects blow up because people weren't focused on the big picture as well. Ensure business and IT work together as a partnership to deliver this important project.

Keep an issues and action item log and review it weekly with the vendor to provide clarity around ownership, expected actions and timelines. Periodically provide a project update to senior stakeholders, pointing out any key design points that impact the business. (An example would be if you decided to import your budget wage % from Excel, and whether or not you would allow the Store Manager to adjust sales).

While there are numerous additional points to focus on in executing a Workforce Management Project, this recaps some of the major focal points to ensure project execution and successful deployment. Most of the areas we have noted are really based on one premise- that project execution success is based on effective communications, and those who communicate best deliver the best projects, on time, the first time! In summary:

Get external support to ensure best practices
Continuous stakeholder involvement
Finalize the contract, mitigate risk, add performance milestones
Build the project team, clearly define roles
Do a deep dive -gap analysis and/or CRP
Focus on long term deliverables, project tasks are not linear
Communicate status and progress
Communicate often!

C-CORE Consulting Group has embedded the knowledge and industry best practices to jump start and fast track a retailer process to define scope and requirements, evaluate vendors, and move to project launch, called the **WFM RAPID Project Toolkit**. For more information on this comprehensive business process, vendor evaluation and project management tool, contact Frank Urbaniak at 973-875-0553 or e-mail Frank at frank@c-coreconsultinggroup.com, or Jerry Sheldon at IHL add contact info.