

The Ultimate Workforce Optimization Playbook



UNIFOCUS

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Introduction

Workforce optimization is not just another term for labor management. It is a fundamentally different way of aligning service standards, demand volumes, employee engagement, and other factors to meet guest expectations and maintain guest satisfaction, all at the least-cost possible. The end result empowers hoteliers, casinos, and restaurant operators to readily adapt to meet guests' evolving expectations and drive top-line revenue without sacrificing the bottom line.

The key to leveraging the power of workforce optimization lies in understanding both its core principles and subtleties, each required for successful implementation. Factors like employee engagement and culture are just as critical as technology in [driving both efficiency and guest satisfaction](#). With the tools and processes for workforce optimization in place and aligned with business goals, the result is a significant boost in productivity and [guests' intent to return and recommend](#), creating the growth every operator and owner strives for.

This look into workforce optimization basics, its specific benefits, and step-by-step implementation template will serve as a playbook to help leaders understand the concept, integrate it into their operations, and use it to their lasting advantage.



Productivity is Not Just Keeping Pace

For all of the advancements in technology over the last decade, businesses are still surprisingly inefficient. Labor productivity data – output per hour of labor – from the [Bureau of Labor Statistics](#) reveals only nominal average growth in productivity since 1988. Moreover, productivity growth rates have slowed considerably over the last decade despite the advent of AI, automation, mobile tech, and countless other innovations.



The hospitality industry is no exception to this trend. Hotels, casinos, and resorts averaged **1.49% growth in labor productivity from 1988 to 2017, markedly lower than the overall rate of 1.93% across all industries.** Recent data is even more confounding, where labor productivity averaged only **1.27% annual growth in hospitality from 2013 to 2017, well below its 30-year average.**

1988

2017

only **1.49%** annual growth in labor productivity

2013

2017

only **1.27%** annual
growth in hospitality

What exactly do all these figures mean for operators in hospitality? Technology alone is not a cure-all for stagnant workforce productivity. While innovations like mobile check-in, online booking, and other industry advancements have become commonplace in recent years, they have not corresponded with improvements in productivity growth.

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Technology is obviously useful in streamlining operations and lowering labor costs, but is only a portion of the optimization puzzle. It must work in conjunction with other factors to realize the benefits of an optimized workforce.

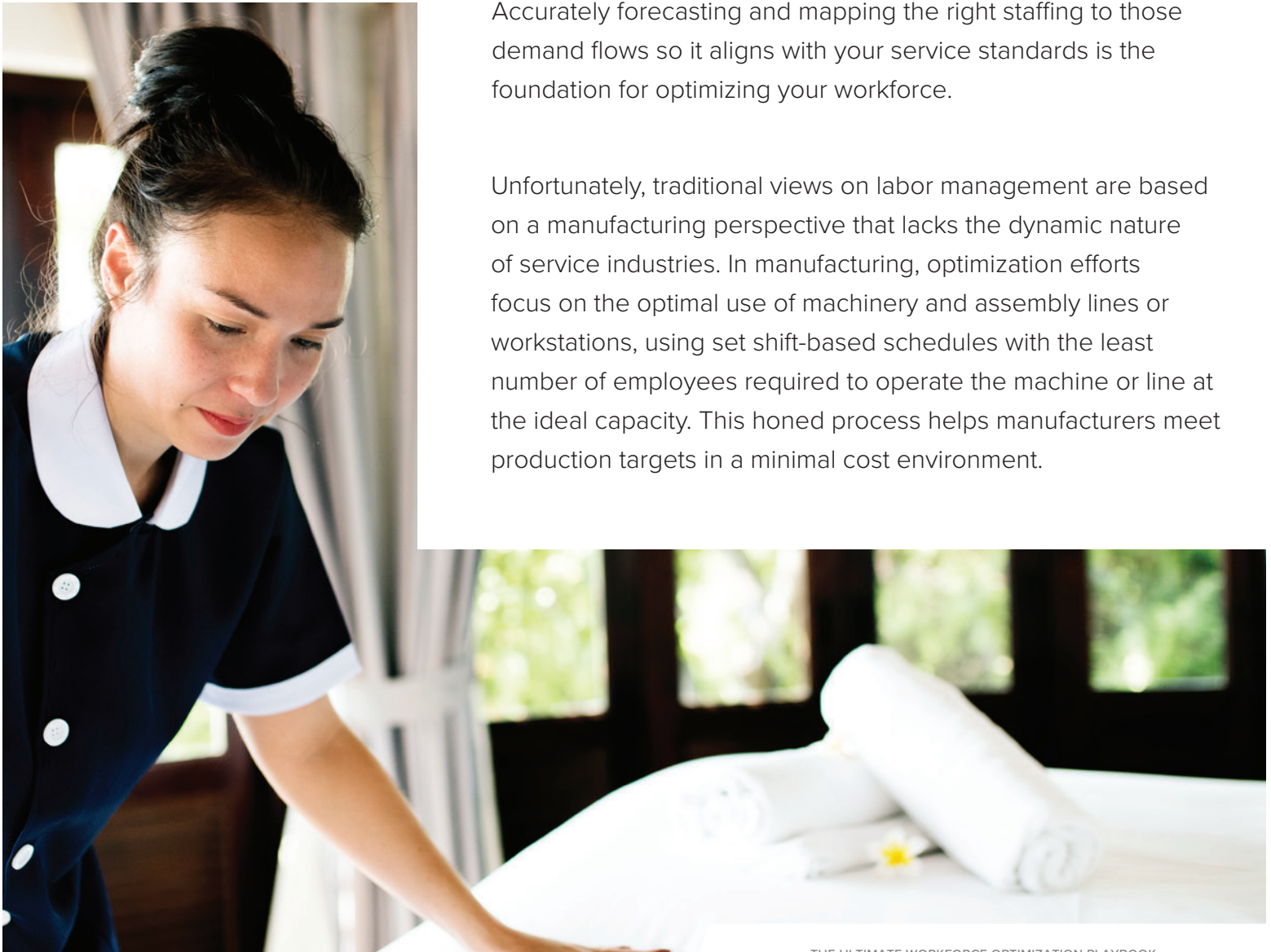


Workforce Optimization at a Glance

Many factors – both internal and external – affect demand volumes and timing.

In hospitality, your workforce is your greatest asset and the key to sustained business growth if used to its fullest potential. The challenge in optimizing your workforce is the dynamic nature of your service-based business. Each guest's experience extends across a variety of touchpoints on your property, delivered by multiple team members at different times. Many factors – both internal and external – affect demand volumes and timing. Accurately forecasting and mapping the right staffing to those demand flows so it aligns with your service standards is the foundation for optimizing your workforce.

Unfortunately, traditional views on labor management are based on a manufacturing perspective that lacks the dynamic nature of service industries. In manufacturing, optimization efforts focus on the optimal use of machinery and assembly lines or workstations, using set shift-based schedules with the least number of employees required to operate the machine or line at the ideal capacity. This honed process helps manufacturers meet production targets in a minimal cost environment.



While avoiding excessive costs is obviously vital to profitability and financial stability for any business, pockets of the hospitality industry are still using manufacturing-based labor management principles that focus the bulk of their attention on cost-cutting. Over time, this focus can negatively affect guest satisfaction, the intent to return, revenue, and market share by emphasizing rigid procedures rather than flexibility.

This is where the difference between a minimal-cost and least-cost environment becomes evident. Anyone can simply cut costs in a vacuum without consideration for which services create high perceived value for guest. Rampant cost cutting in hospitality could very well eliminate the services that your guests value most and distinguish you from the competition.

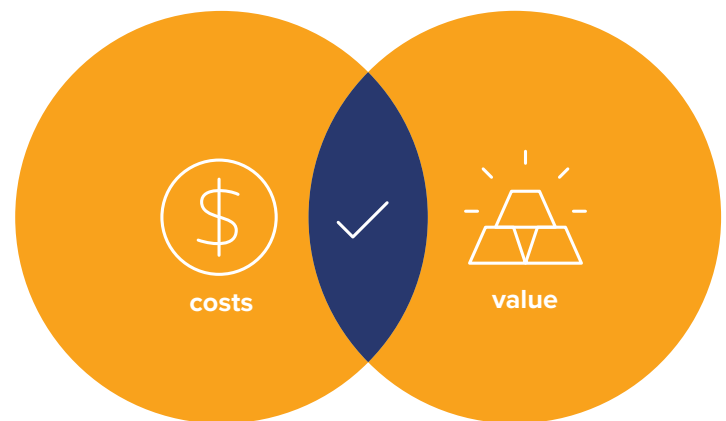
This is where the difference between a minimal-cost and least-cost environment becomes evident.



Alternatively, a least-cost environment is an organized and deliberate strategy that optimizes costs while still allowing an operator to deliver on guest expectations. It's a pillar of any effective workforce optimization initiative that moves the spotlight away from simple cost-cutting and emphasizes streamlined, incredibly efficient operations.

Workforce optimization looks for the ideal balance between costs and value delivery, where precise labor management not only improves productivity, but also allows employee engagement to flourish. Consequently, that improved engagement [drives guest satisfaction](#) through a workforce that is both equipped and compelled to efficiently provide an optimal guest experience. Precise yet flexible labor performance standards serve as a constant guide for delivering that experience to guests.

Workforce optimization looks for the ideal balance between costs and value delivery.



Bringing these elements together into a cohesive process is what truly unlocks the power of workforce optimization – clear labor standards aligned with guest expectations, accurate scheduling mapped to precise demand forecasting, engaged staff, and a balanced least-cost environment. Each component of the workforce optimization formula requires consistent, timely feedback to provide the information needed to manage in real-time, adjust as the market and value equation changes, and foster employee engagement and guest satisfaction. The result is flexibility in decision-making that ultimately drives bottom-line profits. Naturally, a satisfied guest is a returning guest, and when that occurs, revenue and market share growth aren't far behind.



The Game Plan for Workforce Performance Optimization

Over the course of twenty years, UniFocus has implemented labor management and optimization solutions with countless configurations in thousands of hotels, restaurants and casinos, always tailoring our approach to the specific needs of the individual property. Built from the ground up for service businesses, our approach to workforce management centers around the critical elements required to achieve optimization. This highly refined process includes a specific series of steps that will serve any operator well as they look to integrate a workforce optimization strategy into their own operations.



1

Labor Standards

Labor standards are essential for effective workforce optimization.

Labor standards – the specific processes defined to help a property maintain their service standards – are essential for effective workforce optimization. Like implementing any sound strategy or process, workforce optimization begins by getting a lay of the land, a concept in which labor standards play an integral role.

An operator should not set their labor standards in stone, however, and either engineer or re-engineer their standards so they remain relevant and impactful over time. This requires a business to consistently and thoroughly review historical demand volumes and flows, existing service and labor standards versus best practices, and any specific issues affecting guest satisfaction or perceived value.

To ensure standards are maintained as new managers and staff come onboard, it is important to develop detailed documentation and training materials so each department has access to relevant resources, all of which an operator can update and maintain as needs evolve.



2

Forecasting

These algorithms become smarter and more accurate over time.

Forecasting works in parallel with labor standards by determining ideal staffing requirements, relying on precision for its forward-looking abilities. Fortunately, technology can make very precise forecasting possible using advanced algorithms to create extremely reliable models that integrate the many different factors impacting operations. These algorithms become smarter and more accurate over time by learning from actual operational data fed back into the model.

The more factors a forecasting algorithm takes into account – everything from past demand and weather patterns to upcoming events, seasonal patterns, and unique local market considerations – the more reliable it is in determining demand and flow. Those intricate forecasts are then applied to the standards to reveal what a business requires from its workforce to sufficiently meet demand and timing. Whether the forecast involves rooms booked, meals served, or any other business metric, an operator overlays a forecast onto its labor standards to accurately determine staffing needs.

3 Scheduling



An effective scheduling system aligns labor with the forecasted demand.

With staffing needs defined, an effective scheduling system then aligns labor with that forecasted demand. Technology can fully automate this step and reduce managers' workload, allowing them more time for interactions with guests and their team while still developing a schedule that provides adequate person hours and shifts as well as optimal staffing for any scenario.

That optimal staffing takes into account every employee's personal strengths, outside responsibilities, and other factors that influence their performance. A truly effective scheduling system integrates these variables along with local work rules and anything else that might impact an employee's ability to work to their full potential.

Likewise, scheduling should take place within the context of guest expectations, recognizing that a quick service restaurant will have different scheduling needs than a casual dining brand. Scheduling is an operator's forecast applied to the labor standards and coupled with staff availability and skills, always conducted relative to guest expectations.



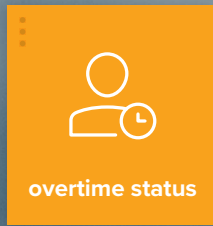
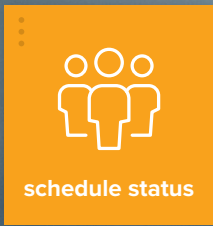
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Time & Attendance

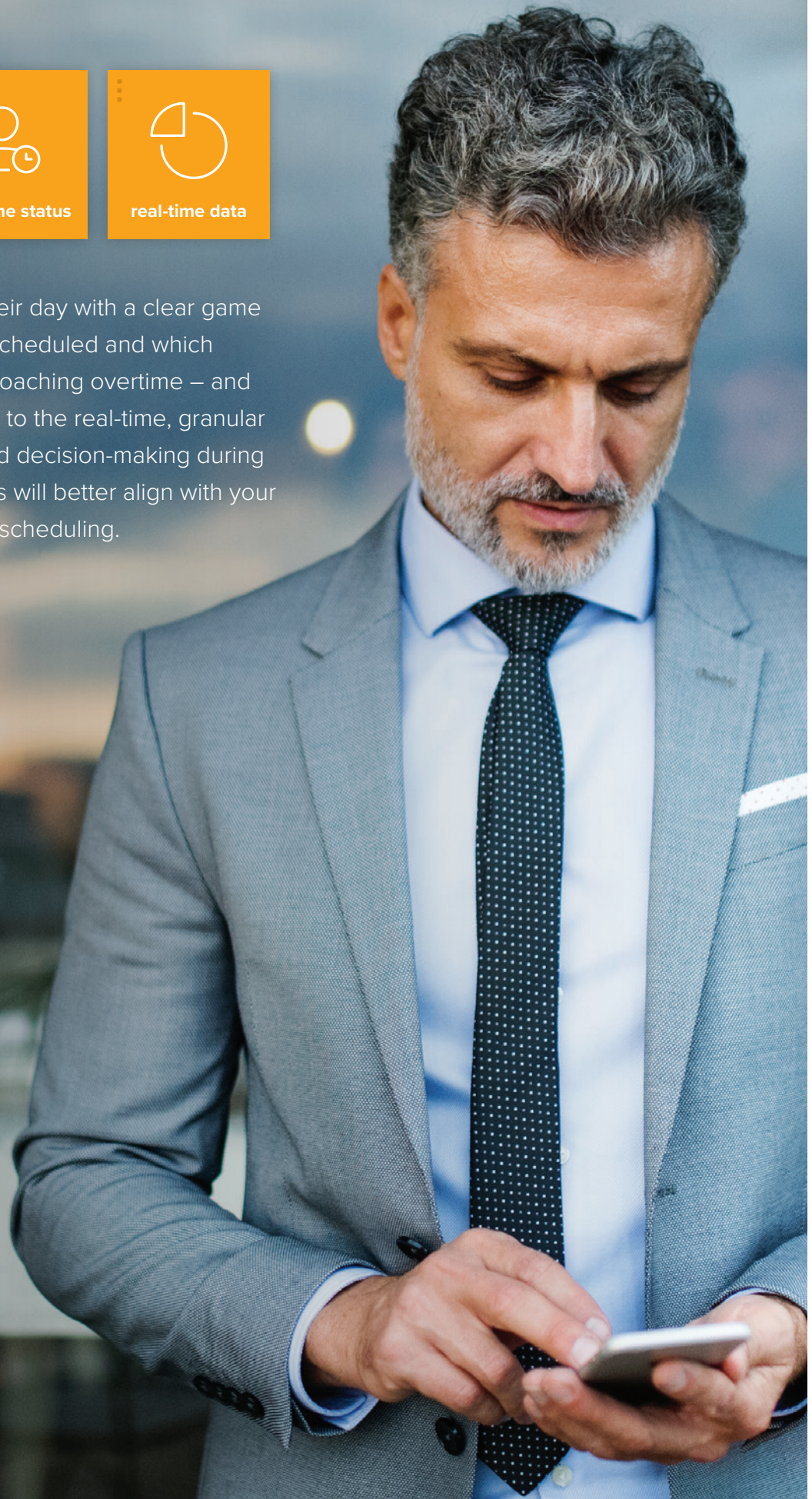
Advanced time & attendance goes beyond the ability to punch in and out.

Needless to say, a completed schedule is not the end of the process. Optimization ultimately occurs when shifts actually begin, not while management plans those shifts. Advanced time & attendance goes beyond the ability to punch in and out or track hours for payroll and compliance but, in the bigger picture, is a powerful tool for daily management when integrated into an overall workforce optimization solution.

This may require swapping antiquated “polling” time clock technology for connected, smart time clocks to ensure managers have up-to-the-minute awareness of who is on the clock throughout the property. This real-time data enables proactive alerts to managers of any potential issues. For instance, if a scheduled team member is late clocking in, the manager can immediately check with them to determine if they are running late or have simply forgotten to punch in. Managers will immediately know if an unscheduled worker is on the clock or if someone is late punching out, able to take immediate action and address the issue.



When managers start their day with a clear game plan – knowing who is scheduled and which team members are approaching overtime – and have convenient access to the real-time, granular details needed for sound decision-making during a busy shift, those issues will better align with your optimized planning and scheduling.





5

Mobile Tech

Mobile solutions can also relay real-time alerts so management and teams are always in the loop and never have to rely on outdated information during a shift.

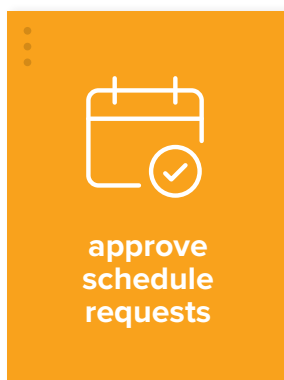
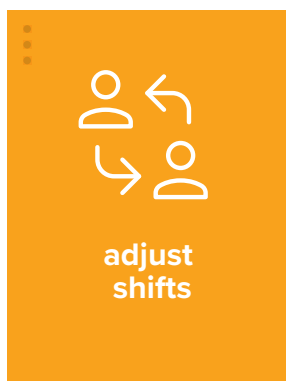
Every shift consists of many moving parts, where both managers and employees are juggling multiple responsibilities at once. This notion is especially true for kitchens, wait staff, housekeeping, and the other fast-moving departments within most hotels, casinos, and restaurants where, once again, flexibility reigns supreme.

Providing mobile technology to a largely deskless workforce allows it to stay connected with supervisors, manage their schedules, punch in and out with ease, and vastly improves communication throughout the entire organization. Mobile solutions can also relay real-time alerts so management and teams are always in the loop and never have to rely on outdated information during a shift.

From a manager's perspective, mobile solutions also let them approve schedule requests and adjust shifts on-the-fly from virtually anywhere. With real-time data in the palms of their hands, they can optimize the management process without having to leave the floor to go back to their offices. This allows them to maintain their focus on guests and their team without constant interruptions.

Operators that continue to use technology built for a more traditional office setting immediately put their staff at a disadvantage, relying on tools that simply weren't designed with such a dynamic environment in mind. Mobile tech lets everyone be better at their job, boosts engagement and culture through communication, and provides the immediate data needed by management to make well-informed decisions. While mobile tech might be step five in the process, it's really a matter of the sooner-the-better. The entire implementation sequence benefits from the introduction of mobile technologies.

Mobile tech lets everyone be better at their job, boosts engagement and culture through communication...





6

Business Intelligence & Reporting

Understanding your workforce performance both as it occurs and over time lets you analyze and make adjustments for continuous improvement and optimization. The most effective approach combines mobile alerts and dashboards that support real-time management through timely and thorough reporting, letting managers review performance at regular intervals and analyze trends in performance.

Comparing actual labor costs to plan and standards is a powerful tool in measuring performance. It lets managers separate fact from perception by clearly showing where operations attain desired performance levels, also identifying specific areas that need attention. UniFocus uses this data and analyses to continuously improve the precision of the smart forecasting and planning algorithms that drive the entire process.



Real-time management through timely and thorough reporting.



7

Engagement & Feedback

Organizations with highly engaged employees realize nearly 20% higher productivity and significantly greater revenue than those with low engagement.

Throughout this optimization initiative, management must also have its finger on the pulse of the labor force. Survey systems are particularly useful in this area, telling an operator how their staff feels about their specific roles, the organization, and any changes that would improve employee engagement levels.

It's that engagement that creates buy-in from staff and a unified sense of purpose and direction, where a workforce shares the operator's vision and goals. This dynamic prompts staff members to continually provide guest service that meets and exceeds expectations, increases guest satisfaction, and fuels the intent to return and recommend.

Organizations with highly engaged employees realize nearly **20% higher productivity** and significantly greater revenue than those with low engagement. When coupled with a comprehensive and advanced labor management solution, an operator doesn't have to worry about scheduling the wrong people at the wrong time. Instead, they can leverage the skills and availability of their most

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engaged workers. These are the staff members that managers know are most capable of delivering on guest expectations under any demand flow or circumstances.

This approach to labor management or, more precisely, workforce performance optimization, allows an operator to realize the cost benefits and efficiencies of an optimized workforce. Employees are motivated to succeed, staffing seamlessly meets demand, and a least-cost environment promotes profitability.

In light of the poor labor productivity data in recent years, such an approach gives hotel, casino, and restaurant operators a significant competitive advantage through work optimization that will only continue to grow in importance and impact in the future. Further, once an operator has the proper labor management tech tools in place, the process becomes self-sustaining, continuing to improve upon itself even in the face of staff turnover, management change, and other potential roadblocks.

This approach, honed over decades of hands-on work with thousands of different hotels and restaurants, is only possible when authentic industry insights and proper technology are the principal drivers, like those offered by UniFocus.

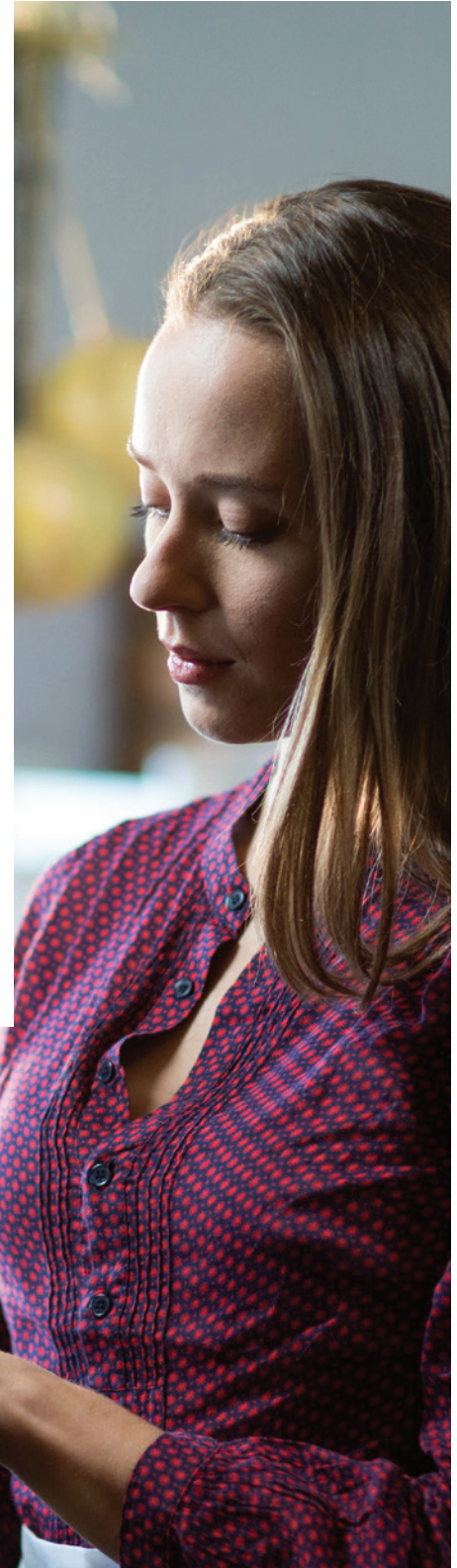


An Optimized Bigger Picture

Operators that embrace the concepts and tools that drive a workforce optimization strategy can realize significant improvements in productivity and transform their workforce into a powerful asset. They'll gain the flexibility needed to adapt to constantly shifting demand and expectations as they evolve over time. Similarly, labor requirements and performance standards can reflect those changes in demand and expectations, meaning data remains relevant to today's operations.

With a tight labor market and uncertainty about future market conditions, workforce optimization gives operators in hospitality, leisure and restaurants the agility to manage more effectively both today and in the future, regardless of future market conditions. If planned and implemented correctly, hotels, casinos, and restaurants no longer have to choose between guest satisfaction and their bottom line. In fact, as we have experienced countless times over the last few decades, a highly-optimized workforce driven by the right technologies and practices will inevitably foster the intent to return and recommend. Once that occurs, revenue growth and increased asset value soon follow.

Get a demo of our software and start your journey to increased productivity and cost savings!



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