

SAP® WORKFORCE MANAGEMENT

OPTIMIZE YOUR WORKFORCE PROCESSES FOR COMPETITIVE GAIN

With the Web-based tools available in the SAP® Workforce Management application, you can optimize and centralize your workforce management processes to increase productivity, improve customer service, and reduce labor costs. The software helps you maximize your most valuable resource – your employees.



In today's economy, even avid shoppers are tightening their budgets. As a result, retailing has become a zero-sum game; the more money shoppers spend with your competitors, the less they spend with you. To win this game, you must offer shoppers the products they want at the prices they expect – but just as important you must offer them a compelling shopping experience. Like most retailers, you are doing everything possible to deliver that experience. For example, you may already be investing heavily in tools that help you determine and deliver the right assortment of products and services at the right prices. But to be fully competitive, you must also find a way to improve your workforce management processes and maximize the value of your employees.

Your store associates are the face of your business. They are ultimately responsible for ensuring that your shoppers can find what they need when they need it – and come back for more. The SAP® Workforce Management application empowers your employees to make this happen.

A Centralized, Web-Focused Approach to Workforce Management

As a centrally managed and integrated solution, SAP Workforce Management supports all stages in the workforce management life cycle. By providing improved flexibility and control of your workforce management processes, it gives you the power to ensure the appropriate level of staffing for your stores during all hours of operation while giving your managers more time to focus on business and employee needs. And

by empowering your employees to become a competitive asset, it lets you deliver the kind of outstanding service and shopping experience that promotes shopper loyalty. The figure on the following page shows the major workflow management functions supported by SAP Workforce Management.

Centralized Business Support

SAP Workforce Management improves your flexibility and control over business processes by including managers and employees alike in these processes and enabling them to interact. It helps support your business operations through:

- Web-based access
- Role-based execution
- Standard archiving
- Scheduled tracking and monitoring

Business Forecasting

Understanding the demands that will be placed on each store in your retail chain is crucial to developing a winning operating strategy. Through its business forecasting functions, SAP Workforce Management provides a foundation for planning appropriate service-level response to projected demands. It allows several types of forecasting functions, including:

- Historically trended
- Weighted average
- Holiday tagging and 24-hour conditions
- Centralized adjustments to override specific time periods or conditions

Workload Modeling

The business forecast provides the basis for workload modeling functions that let you project how many staff resources you will need at any given time. SAP Workforce Management

incorporates many flexible options for determining which modeling approach best serves your corporate objectives. Modeling options include:

- Generating labor demand for the quarter-hour
- Incorporating specific job-function tasks and performance standards
- Allowing for holidays and 24-hour conditions
- Managing adjustments centrally

Budgetary Compliance

To help ensure your workload demand does not exceed your labor budget, SAP Workforce Management lets you manipulate and adjust your plan as needed to stay within your operating guidelines. For example, adjustments can be made to:

- Scheduled hours
- Payroll dollars
- Sales per hour
- Payroll percentage
- Average hourly rate

Labor Scheduling

With SAP Workforce Management, you can translate your labor coverage needs

into a recommended and optimized schedule that delivers the shopper experience you require while reducing the time managers spend on administrative tasks. You can achieve this optimized labor schedule in several ways:

- Using employee skill levels, availability, work rules, and pay rates as a basis for optimization
- Leveraging split-shift scheduling functions
- Sharing and leveraging your workforce by shifting employees to locations other than their home store
- Managing schedule exceptions
- Enabling scheduling self-services with workflow that makes the manager's job easier
- Incorporating contract scheduling rules
- Scheduling weekly and biweekly rest periods

Time Administration

Once you've defined your workforce management plan, you need to make sure that all associates are in compliance with it. Time-collection functionality allows you to record and monitor associate attendance efficiently and

accurately – and to take corrective action if necessary. The SAP software

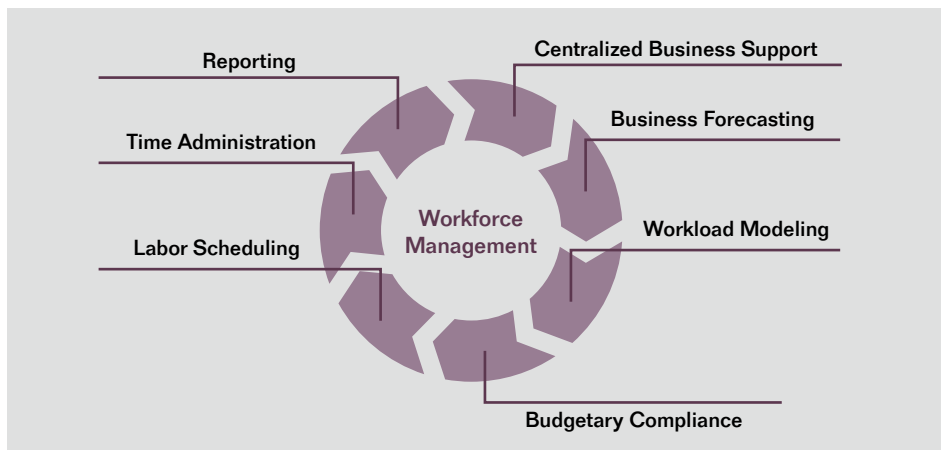
A centrally managed and integrated solution, the SAP Workforce Management application helps retailers optimize workforce processes to increase productivity, improve customer service, and reduce labor costs.

offers the following features to support your time-collection operations:

- Browser-based clocking
- Hours calculations
- Visibility into accruals, benefit hours and adjustments, and benefit pay and sales-based incentives
- Configurable clocking restrictions
- Online viewing functions that allow employees to see their schedule as well as their punch-in and punch-out transactions
- Sales-based incentive payment information
- Integration with the SAP ERP Human Capital Management (SAP ERP HCM) solution
- Open interfaces for interaction with third-party solutions such as point-of-service and time-and-attendance software

Reporting

Centralized visibility into key performance indicators allows the corporate



office to be proactive instead of reactive to business operations. Reporting and analytical functions provide real-time access and role-based visibility across the enterprise so you can:

- Prepare weekly schedule reports
- Report on business forecasts
- Identify areas of over- and understaffing
- Track schedule modifications
- Report on labor costs
- Monitor customer service levels

Integration with SAP ERP Human Capital Management

Through its integration with SAP ERP HCM, SAP Workforce Management allows you to use one unified software suite for all talent management processes. This lowers your total cost of ownership while providing the flexibility needed to ensure your company can differentiate and excel. With real-time insight into the workforce, you can benefit fully from human-capital strategies and programs – and measure how much your workforce contributes to your bottom line. By providing a foundation for automating all core human resources processes and enabling centralized business processes, you can adjust your workforce and IT investments quickly to meet changing business needs.

The SAP Advantage

SAP Workforce Management is just one of the offerings available in the SAP for Retail solution portfolio. Because the portfolio is modular in structure, you can deploy the functions you need as you need them. Preloaded templates allow you to start using and adapting these

functions immediately to drive company-wide best business practices. A global team of experts facilitates implementation, knowledge transfer, and user training. And ongoing SAP research and development ensures that the SAP software continually improves in response to customer requests and retail trends.

Benefits of Improving Workforce Management Processes

SAP Workforce Management improves operations and increases profitability in several ways. It lets you increase margins, boost productivity, improve efficiency, and increase your customer conversion.

Increase margins – Labor costs can account for a significant percentage of total operational costs. SAP Workforce Management can help control labor costs, increase margins considerably, and improve customer service by scheduling employees more effectively and efficiently.

Boost productivity – Increasing the ratio of sales to payroll produces sustainable productivity gains. By accurately forecasting sales patterns and enabling stores to have the right number of people in the right place at the right time, the SAP application can help you improve employee productivity.

Improve efficiency – Your business can achieve considerable time savings using SAP Workforce Management to automate the creation of weekly schedules. Automating processes not only reduces the time needed for administrative activities, it improves schedule effectiveness, helps ensure compliance with labor laws,



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reduces employee turnover by making sure schedules meet employee needs, and frees up store staff to focus on activities that drive sales.

Increase customer conversion – With the right associates in the right place at the right time, you can ensure interested customers have the information and attention they need to make a purchase.

For More Information

To learn more about SAP Workforce Management and other solutions available in the SAP for Retail solution portfolio, call your SAP representative or visit us online at www.sap.com/industries/retail.

Summary

The SAP® Workforce Management application is a centrally managed and integrated solution that enables retailers to optimize workforce processes to help increase productivity, improve customer service, and reduce labor costs.

Business Challenges

- Create a workforce execution plan
- Create forecasts that factor in budget constraints
- Generate schedules automatically
- Manage time and attendance
- Generate reports to analyze performance

Supported Business Processes and Software Functions

- **Business forecasting** – Understand demands on each store so you can develop a winning operating strategy
- **Workload modeling** – Project how many staff resources each store will need at any given time
- **Budgetary compliance** – Ensure your workload demand does not exceed your labor budget
- **Labor scheduling** – Translate your labor coverage needs into an optimized schedule that delivers superior service while reducing administrative tasks
- **Time administration** – Record and monitor associate attendance
- **Visibility** – Be proactive to business events via centralized visibility into key performance indicators
- **Integration** with the SAP ERP Human Capital Management solution – Lower your total cost of ownership by using one unified software suite for all talent management processes

Business Benefits

- **Increase margins** – Schedule employees more effectively to control labor costs and improve customer service
- **Boost productivity** – Forecast sales patterns accurately so you can schedule work appropriately and increase the ratio of sales to payroll
- **Improve efficiency and compliance** – Automate weekly schedule creation to reduce administrative time, improve schedule effectiveness, help ensure labor-law compliance, and reduce employee turnover
- **Increase customer conversion** – Give customers the information and attention they need to make a purchase

For More Information

Call your SAP representative or visit us online at www.sap.com/industries/retail.

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