

Speaker 1: You're listening to the HR Bartender Show, a casual place to talk about all things work. Here's where you get practical advice about how to be a better employee, manager, and leader in today's workplace. So grab your favorite beverage, pull up a stool, and join us in the conversation. The bar is always open. Now, here's your host, Sharlyn Lauby.

Sharlyn Lauby: Hi, everyone. Thanks for being here. I'm your host, Sharlyn Lauby, author of the blog HR Bartender. Before we get started today, I want to take a moment to thank our founding sponsor, Ultimate Kronos Group, also known as UKG.

Speaker 3: To be a powerfully productive business, you need powerfully happy people. Two leaders in workforce management and HR have joined forces to become UKG, Ultimate Kronos Group. With comprehensive HR solutions, they'll help you create more meaningful connections within your workforce that will make your people smile. UKG. Our purpose is people.

Sharlyn Lauby: Hi, everyone. We're recording a mini season of HR Bartender Show focused on talent and technology, and I am thrilled to speak with today's guest. Mark Wales has over 30 years of retail experience in the US, Europe, and Asia with leading retailers such as Starbucks, Ralph Lauren, Williams Sonoma, and Selfridges. He has provided retail consultancy with IBM and PricewaterhouseCoopers, and his expertise centers on how to implement and drive benefit from the more challenging projects such as enterprise resource planning, also known as an ERP, e-commerce, and workforce management, which is where we're going to spend our time today.

Speaking of workforce management, Mark's recent focus has been on developing a next generation model for workforce management. This model centers on investing in the employee experience to drive the customer experience and, ultimately, company performance. He believes that the role of workforce management is to coordinate and facilitate the various critical activities into a management discipline that brings everything together. Operations, HR, training, payroll, finance, logistics, planning, and legal. Think of it as a holistic approach. This way, the modern business can create and sustain real performance improvement.

But I've had the pleasure of working with Mark over the past several years as an advisory board member together at the Workforce Institute for UKG. It's a think tank that helps organizations drive performance by addressing human capital management issues that affect both hourly and salaried employees. So Mark, thanks so much for being here.

Mark Wales: It's a pleasure.

Sharlyn Lauby: I want to start off... We're recording this conversation, we're still talking about the pandemic, but things are changing every day. So I'd like to begin with a

takeaway. What would you say is one thing you've learned over the past year that will become a part of your next normal?

Mark Wales: I think one special change, and it's been a change for the good, is that I've been much more involved in my wife's work. I was always there as a sounding board and the ability to sort of cross-fertilize ideas. Now I'd listen to much more of my wife's calls, I'm there in a much more timely manner, and I know she's appreciated that support. It's given me a much deeper understanding of what she does, how she does it, and I think that will last with me and my wife even when she spends more time in the office. I think I've seen this not just between us, but with the extended family, both around work and also around homeschooling, and watching really the extended family step up and support our family members with young children. I wonder what the lasting impact will be on spouses, on children, on the extended family in terms of that sort of deeper connection that replaces some of the office connection that home workers don't get anymore.

Sharlyn Lauby: You know, it's interesting that you're talking about that connection, because I think one of the ways that you can connect with other people is when you get to spend time with them, which means... it kind of leads us into our conversation about scheduling. I can connect with my family if I can schedule my life, my work life, my personal life, in such a way that I can be there for them. And modern technology solutions are providing some valuable tasks for the organizations and employees. We can use technology to request time off. We can use technology to do a shift swap. But the science of workforce management is so much more than just training shifts. How would you describe workforce management to someone who maybe doesn't have daily exposure to it?

Mark Wales: Well, boy, you've jumped to the heart of really trying to understand workforce management. That's a very perceptive question, because I feel a lot of our role has been education and building bridges in businesses and across functions. Traditionally, people have really sort of simplified it to the concept of getting the right people in the right place at the right time. I have to admit that was my north star, my guiding concept, early in my career in workforce management. But soon I realized that you had to add that you needed people doing the right thing, and you just didn't need a body. You needed an employee that believes in the organization, in the values, and actually worked as part of a team. So when you talked about spending time together, I've become a huge fan of consistency, not just in the schedule for the individual, but consistency for the team.

I always use the analogy of soccer. You always have 11 players on the pitch, and it doesn't matter whether you're playing a match team, a team that's less new, or a team that's much better than you. It's always the same 11 players, and often it's the teams that play together as a team that perform the best, not necessarily the individual stars, but those that are motivated to perform

consistently. That's what I'm always looking for, how work is inconsistent in terms of levels, and so you're really looking at how do you build those consistent teams and how do you keep them.

So there is a science, but that science has to be blended with the knowledge and the empathy for the employees, their desires, their motivation, their needs. So you can't always run this by the numbers. Often companies focused on payroll cost, sometimes when they get very scientific, they're focused on labor standards and metrics, but you can lose the bigger picture then, because you're really doing just-in-time labor where you're trying to fine-tune your budgeting, your scheduling, to meet very scientific and almost mechanical ideas, but it's not a factory production line. Customers vary. Employees vary. Regions vary. Times of day, weather. So you've got to have that team that can adapt and is empowered to actually deliver.

So this is why I think you really have to look holistically at the way you approach it, at your business model, how you fund your labor, how you acquire and retain your talent, how you schedule, and importantly, and this is the least sexy, the compliance side to ensure that you're actually paying people accurately and on time, that you're complying with labor laws and company policy. I think that's really been highlighted during the pandemic, because we've had such a focus on equity, on health and safety, and those are two big elements that come into workforce management alongside the idea of just having people scheduled and having enough bodies to do a task. Finally, you come back and you look at, how are you executing? Are you achieving the goals for your organization? And you come all the way back round in that circle in a very holistic manner.

Sharlyn Lauby:

You touched on several things there, but there's one area that I want to pull out, because we're reading about it every day in the newspaper, and that's about shortages. You know, workforce shortages, companies mentioning, "We don't have enough people." I saw in yesterday's news where a local restaurant where I live is now going to give you... will give customers gift cards if you refer employees. So there's a lot of conversation about staffing levels right now. But I worked on a consulting project years ago that taught me this really valuable lesson. Staffing and scheduling are two different things. You can have plenty of people, but if you don't have them show up at the right moments in time, the business suffers. That gets back to your comment about, you have the right people, but you have to have them doing the right things at the right time. So if I'm an organization out there right now and I'm running into these challenges, how do I know whether or not I have a staffing issue that I need to address, or I have a scheduling issue?

Mark Wales:

I would say, before you jump into problem solving at the operational end, you have to take a step back and look at the way you're organized at a corporate level. Do you actually have that harmonious team? Do you have operations, HR, finance, strategy, logistics, training, IT, legal? Are they all pulling together as a single team?

I've actually seen real moments, you know, C-suite leaders who have been out in the field, who pride themselves on knowing their employees and their business, absolutely stunned when they realize the amount of work that was being pushed down to employees and managers and creating an environment where it was very difficult to execute in a consistent and a productive manner. So by stepping back and looking to see if all of your teams are actually working together, I've seen high-performing organizations where their talent acquisition is hiring to certain goals but then not able to actually place those employees in the right stores.

So there's a mismatch of expectations between the corporate departments, which means you get a mismatch of expectations between the hired employees, which means you have issues with retention. You have new hires becoming quick quits, because they're not getting the hours or the schedules that they expected, and you get disruption in the teams, so suddenly the experience team members are training and developing new employees for them to quit quite quickly. And in many businesses, it takes weeks, if not months, to actually learn the tasks to become integrated into the team. So you put pressure not just on the new employees, but you put pressure on your existing managers, supervisors, and existing employees, which, again, leads to those conditions that can create turnover. So you've really got to take a little step back and just look at the corporate function before you dive headlong into looking at individual locations, stores, and looking at the numbers in terms of turnover.

And then once you start analyzing the operational side and looking to see if you can reduce the amount of work through how you deliver product, how you design the store, how you design your processes, then you can actually radically change the working environment, which then affects performance and retention. So it's really going to vary by company, by location, by individual store.

A classic example is in California. If you look at San Francisco versus Sacramento, the expectations are very, very different from two cities that are not that far apart. But culturally, in Sacramento, you're looking at more consistent schedules and a sort of... and this is not judgmental, but just in terms of scheduling, a sort of more stable pattern, whereas in San Francisco, you are looking at people that travel longer, that have more diverse activities, and so actually want a more varied scheduling pattern. One size doesn't fit all, and that's where you've got to allow some empowerment at the local level. And you can't just do a national model. You've got to have some subtlety and variation to be effective.

Sharlyn Lauby:

I liked your conversation about stepping back and making sure that managers are focused on the right things, because one of the things that I'm hearing right now is, over the course of the past year, almost year and a half, we've all been just doing whatever it takes. Maybe now is a great moment to look at the organization and say, what skills do we have? Do we have people doing the right things? Getting back to the question we asked, you answered a couple seconds

ago, do we have people doing the right things in the organization? Right now, I think everybody's just kind of doing whatever it takes, but as we start to move forward, as we start to get more comfortable with being out and about in the business, do we need to take a look at how the organization is structured, who's doing what, and make sure that, I guess, to overuse it, everybody's in the right seat on the bus?

But at that point, once you've identified the team and everyone is in place, structurally, who should own workforce management, and what role should HR play in that? I mean, is that an HR function? Is that a finance function?

Mark Wales:

It's a big question, and I've been asked this year over year. It obviously depends on the company and the strengths of the organization. I will tell you my personal preference, as I think it is a management discipline, so it really transcends the individual functions. To be honest, I believe it should sit with operations, and all of the corporate support teams should really be embedded, whether it be finance, whether it be HR, legal, and have that strong understanding of what it takes to perform and execute. They should have a seat at the table.

I know a great talent acquisition leader. He always spends time with the business to understand what they're trying to achieve, and then he develops the funnels to anticipate their need, whether at corporate level, whether at store level, and so he wants to be embedded in the business. He wants to understand the direction it's going in. He wants to actually know where they're trying to go, and then he's trying to think two or three steps ahead to think, "What relationships do I need to build with schools, with other industries, to actually find the right talent that could actually supply that need?" So when operationally, someone says, "I need this," then he's prepared because he's done the ground work.

And some of that takes time, so you've got to have that vision. I had tremendous partners in legal, in HR, in finance, that really started to get it, to come out on the road, to go to the stores, to see the employees, to hear the stories, and really have that empathy and understanding. So to me, it comes down to, in each organization, which departments and functions really understand the employee, the supervisor, the manager, what they're trying to achieve. So I'm a fan of putting it in operations, because they are the closest and they really get it, but I would support any department owning it as long as they're willing to step up and understand the commitment that comes with workforce management.

Sharlyn Lauby:

Speaking of stepping up, that kind of moves us into our last question together. Organizations right now are very focused, I believe, on economic recovery. Lots of talk about getting back to normal, whatever that means. If you could suggest one thing to organizations and employees that you believe will help them in the months to come, what would that be?

Mark Wales: I think I actually have a very non-controversial and easy recommendation, and that recommendation was in the last book the Workforce Institute actually published. There's a chapter in there about dealing with disasters and how you manage your policies, your people, and look at what is actually needed. Sadly, we didn't anticipate a global pandemic, but we'd certainly seen enough from the local disasters, from fires and floods and tornadoes, to understand the impact. There, we made a call to say, look, bring into the formal risk management the idea of your employees.

I come from a technology background, so I've spent years doing disaster recovery exercises, working 24 by 7 over weekends to see how we could bring back our technology infrastructure. I've lived through the head office being flooded. I've lived through fires that have taken down networks to corporate. So I know both the theory and I know the reality of trying to manage a situation where, how do you pay your vendors when your checks are actually under six feet of water when the river is flooded?

But when you really talk about that commitment to workforce management, you realize, as we have during the pandemic, that our businesses run on our people, and not just on the employee, but the employee's families. I've loved the way that companies have finally responded in policies that take more into account the needs of the employee's family, because that directly impacts their performance. So I think if you bring that into formal risk management, so you have your plans, your disaster plans, you have oversight at the board level, you're doing regular reporting, and then when we talk about bringing all of the functions together, you suddenly start to think about, where do you place your businesses? Do you put them back in a fire or a flood zone? Do you look at them in terms of equity and equality? Now do you look at it in terms of risk, in terms of infection?

You know, it's horrific the situation in India now, but think about the challenges organizations have where US nationals are there. Do they stay and support their Indian colleagues? Do they send their families back? Do they come back? Do they follow the state guidelines? It really is challenging when you look at where you're placing your business and what the potential risks are. We've always done it east coast, west coast, in terms of data centers, because we know the risk and we accept it for IT. How about drilling that down to our people?

And you talk about the role of HR. I think this is a call that did on at the beginning of the pandemic. It's a chance for HR to really step up and be heard. It's a wonderful opportunity to re-emphasize the crucial role of HR and ensure that they have a seat at the table, their voice is being heard, and that they champion some of these key elements that really make a business successful.

Sharlyn Lauby: Mark, I think you've given all of us a lot of things to think about over the next few months, as we're starting to put those plans in place to emerge from what has happened over the past year and a half and what we want to see moving

forward in the future. Let's give Mark a big thanks and cheers for sharing his insights with us. If you want to connect with him, and I know you're going to, be sure to include his contact information and a link to the latest Workforce Institute book that has his chapter talking about that connection between workforce management and risk management. But please don't leave just yet. I'm looking forward to sharing my takeaways with you in just a moment. Thank you.

Mark Wales: Thank you. It's my pleasure.

Speaker 3: To be a powerfully productive business, you need powerfully happy people. Two leaders in workforce management and HR have joined forces to become UKG, Ultimate Kronos Group. UKG creates comprehensive HR solutions designed to make employees happier and build more meaningful connections within your workforce. They've even done that for themselves, being recognized as one of the top places to work, and UKG's 12,000 employees help thousands of businesses build better cultures every day. When you're ready to make your people happier, UKG is ready to work for you. UKG. Our purpose is people.

Sharlyn Lauby: Thank you again for listening to the HR Bartender Show. I thought this episode with Mark Wales was particularly interesting because of the conversation that we're having right now about staffing and staffing shortages and finding the best talent for the company. On some levels, organizations are always looking for the best talent, and I thought Mark's comments about making sure that the organization has a workforce management process that aligns with the goals of the organization is so incredibly important. Some levels, I think people might think of workforce management in a very limited way from the standpoint of scheduling, and it's so much more than that. It was one of the reasons that I wanted Mark to share his thoughts with everyone, because we have a real opportunity here in building a workforce management process to create something that helps hire the best talent, helps them engage and be productive, and keeps them with the organization, which is one of the talent goals that every organization has.

In addition to that, when we accomplish those things, the business thrives. So whether you're a small business or a large business, regardless of what industry you're in, regardless of where you're located, there's an opportunity to put a workforce management process in place that works for your business and will help you achieve the results that you're looking for.

If you enjoyed this episode, I hope that you'll check out my conversation with Chris Mullen, where we spend a little bit more time talking about talent and technology, but until then, I'll see you next time. Thanks again for listening.

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