



The Future of Workforce Management

Understanding an Increasingly Cloud-Based Landscape



The Rise of the Cloud

Cloud computing continues to revolutionize business. In fact, according to Flexera's 2021 State of the Cloud Report, 99% of survey respondents are using some form of cloud computing. That said, the adoption curve for Software-as-a-Service (SaaS) in human capital management (HCM) and workforce management (WFM) has been slower than in other industries.

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No more!

Gartner predicts that by 2023, [95 percent of sales of new WFM applications](#) will be deployed in the cloud. Presently, slightly over 50 percent of sales are cloud-deployed.

As the cloud becomes the focus, what can workforce management do? What capabilities can organizations expect from their WFM and HCM suites? And what does it all mean for you as a potential buyer of those suites? Read on as we highlight three major capabilities key to today's increasingly complex and sophisticated WFM solutions.

The Three Major New Capabilities

Earlier software suites that aimed at managing your workforce were very basic.

As the technology evolved and the cloud expanded, [infrastructure load and IT maintenance](#) were reduced, and the capacity of WFM suites not only grew — vendors began specializing in more complex areas of workforce management, like time and attendance, labor costing, benefits administration, human resources and payroll.

- 1 Automation of the Manager Experience
- 2 Improvement of the Employee Experience
- 3 Better Management of the Rising Contingent of Contract Workers and More Flexible Workforce



Automation of the Manager Experience

Managers spend a lot of time on task work. Various research has estimated [the resulting cost of lost productivity at roughly \\$3 trillion annually in the U.S.](#)

Currently, most new WFM technology focuses on these simple-yet-time-consuming tasks — tasks often owned at the line-manager level. These tasks do not inherently generate business value, but they are crucial for accurate payroll and scheduling.

A common example is approving time off. Many line managers dislike the complex process of managing leave against a headcount requirement. Yes, it's "simple admin," but it's still time-consuming and, depending on the industry, presents serious compliance risks. Consider healthcare, where employee qualifications are a component of both scheduling and compliance. Finding a qualified nurse to cover a dropped shift can be massively time-consuming — a challenge faced by supervisors across many other industries as well. If a manager can have the WFM system do this for them, it adds up to hours saved across a month. This is valuable time that can be used for more productive purposes.

WFM systems increasingly have this ability to automate shift management and leave.

The systems ensure that an employee submitting a time-off request has accrued enough time, and that the time they're taking does not compromise shift coverage, safety requirements, or "blackout" periods. The requester also has some visibility into who else has approved time off, to set their expectations and provide a visual hint as to whether they should pick another time-off slot or even trade shifts with a colleague before formally submitting their request.

Another example of automating the time-consuming aspects of the manager experience is intraday scheduling. This refers to replacing a worker on the same day because of illness, accident or a family emergency. When it's automated, this process enables a supervisor to quickly get a replacement, which in turn should:

- Eliminate any disruption to customers by preventing an inadequate employee count
- Improve the employee experience, because employees can quickly pick up available shifts
- Reduce the time managers need to spend on task work

The Future of WFM: Understanding an Increasingly Could-Based Landscape

Often, the process is super-easy: The WFM system will deliver a list of available and suitable replacements for the absent worker to the supervisor's smartphone or tablet. Simply selecting which workers to notify via text or email allows the first worker that responds to get the shift. More advanced solutions even allow workers to drop, swap and accept shifts based on predefined qualification and overtime rules — without the manager's involvement. The supervisor can receive mobile notifications to stay in the loop of schedule changes while employees work collaboratively to cover shifts. Automation can also provide a list of suitable candidates and help decide who among them is most suitable. The only thing a supervisor needs to do is confirm a selection. The rest of the process triggers automatically.

The need for managerial task automation within WFM solutions cuts across industries, but the earliest adopters have been in retail, where staffing costs are a top KPI. British supermarket chain Tesco [cut over a thousand head-office managerial jobs in summer 2017](#) after adopting new WFM technology. Rival [Sainsbury's did the same the next summer](#). While the end goal per se is not the elimination of human jobs, it is possible to find major cost wins by automating managerial tasks and freeing up managers to coach employees, further adding to workforce productivity.

Improvement of the Employee Experience

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The most logical way WFM will continue to improve employee experience is similar to the way it automates managerial tasks. Like their managers, employees also have tons of time-consuming tasks they typically don't enjoy. If some of those tasks can be automated, allowing the employee to work on a creative project or to more directly engage with customers, their connection to work should increase.

How else can WFM help with employee experience?

The labor market is tighter than ever

To attract and retain workers, it's key to offer flexibility, empowerment and fair treatment when it comes to managing work schedules. WFM software can help with:

- **Preferences:** Workers are able to indicate preferred shift days and timings, as well as any days where they do not wish to be scheduled.
- **Visibility:** Workers can quickly and easily view schedules for the upcoming weeks, view and approve hours, monitor their accruals and see communications from their manager or human resources.
- **Flexibility:** Workers can resolve any scheduling issues by dropping or swapping shifts based on your company's business rules. For example, the suggested replacement must have the proper training, schedule availability and seniority.
- **Transparency:** Workers see the full schedule, with their hours broken down into regular and overtime categories, as well as any edits or manager approvals. With mobile and email notifications, workers get immediate feedback about requested time off or changes in their schedule.
- **Fairness:** Workers are assured equal opportunity to pick up shifts, work overtime and take their time off.

Your employees spend a lot of time at work. Giving them greater control over what that time looks like is a major factor in employee experience, and increasingly WFM will have these options.

Better Management of the Rising Contingent and More Flexible Workforce

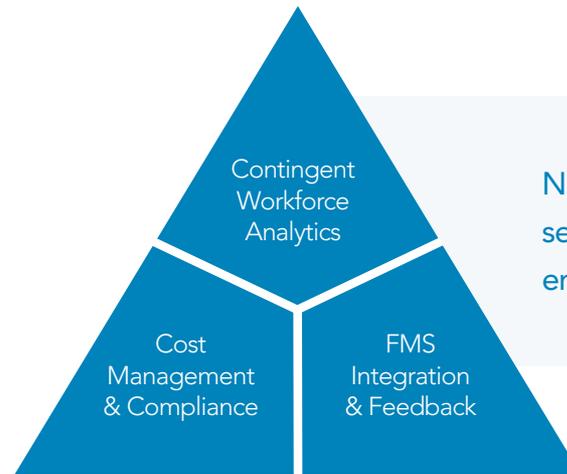
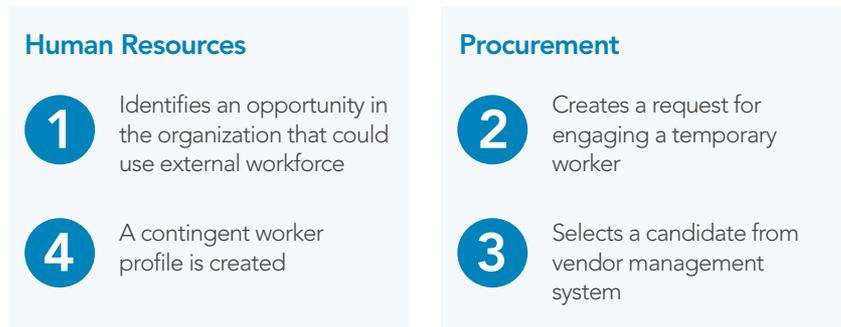
Outside of education, HR leaders have not traditionally been involved in the hiring of contingent or temporary workers.

As the gig economy grows, however, more and more organizations are turning to a contingent, more-flexible workforce. These roles had usually been somewhat transactional. Now they're increasingly business-facing and strategic. This shift poses a huge challenge for HR leadership, because time and attendance data on a contingent worker is typically not captured on the same system as a salaried worker.

Contingent workers are not part of the standard performance management cycle, so feedback is limited. It's hard for HR decision-makers to have a tangible idea on cost around contingent workers if they can't see the data and don't know if the performance is improving productivity.

Gartner explains it this way:

Previously, the data resides in parts — the person's profile in HCM and the billing and cost management in procurement application.



Next-generation WFM applications enable seamless integration with FMS platforms and enable WFM leaders with key data.

At the top is the traditional interplay between HR and procurement. The future of WFM solutions is about seamless integration between Freelancer Management Systems (FMS), such as Upwork Enterprise, and the core WFM application. Forbes has identified "dealing with the gig economy/contingent workforce" as **one of the four key strategic moves** any CHRO needs to make.

This shift also has payroll impacts.

Organizations are now seeing a decline in the traditional paycheck, including more workers without checking accounts and workers who want flexible pay or [payroll on demand](#). Protecting payroll is also crucial to the employee experience; after all, if someone's not getting paid when they need the money for bills and commitments, how dedicated will they be to that company? The future of WFM solutions will see more adaptability around payroll. The process will stay compliant within the suite. But it needs more flexibility for instances that don't fit the "1st and 15th" model that most organizations are accustomed to paying on.

Also, when a contingent management suite (FMS or other) is seamlessly integrated with a main WFM solution, HR leaders and other decision-makers will have better analytics and performance feedback on their contingent workers. Better yet, adopting a flexible time-and-attendance system to meet your WFM needs can eliminate disparate systems and further enhance the manager and employee experiences. Aggregated intel will help inform cost/spend analyses and allow leaders to determine whether they should hire more contingent employees or return to a more conventional full-time model.

As we referred to earlier, one industry where the contingent model has always been key is K-12 education, where substitutes have always been, and still are, a prevalent piece of the workforce. For years, school secretaries and principals spent hours each morning calling substitutes out of a Rolodex to fill in for a sick teacher.

Now, WFM systems provide an automated process for teachers to enter leave requests, create substitute shifts, and offer these out to qualified subs in real time without the involvement of school administrators.

The [National Center for Education Statistics](#) estimates that 3.2 million full-time teachers were employed in the U.S. during the fall 2018 semester. Combine this with the roughly 600,000 substitute teachers and you can see why contingent and temporary worker management is of key concern to the WFM industry.





How TCP Software Fits In

We protect payroll.

The people we've been working with for over three decades care about paying their people on time, accurately and without any problems that slow the business down, create problems for HR, or increase organizational costs. They know the complexity of their businesses requires a sophisticated solution, and they won't settle for anything less. They want time and attendance done right. That's who we work long nights for.

As WFM solutions have evolved, we've evolved with them based on the needs of our customers. Our TimeClock Plus software with Advanced Scheduler, Leave Management, Substitute Management and Advanced Labor Costing are changing the way organizations enable their people — and that's just the beginning! We know that whether it's in payroll, HR, finance or the C-suite, you are looking for time and attendance software that delivers accuracy. You need to be able to trust your time and attendance software to provide your company the accurate data it needs to process payroll correctly and efficiently, maintain compliance with wage and labor laws, manage costs and manage the workforce properly.



Want to learn more? Let's talk.

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