



KRONOS®

for Retail

How Can You Reduce  
Your Labor Costs Without  
Sacrificing Quality Service?



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## Four Reasons | You Need Kronos for Retail

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**OPERATIONAL MARGINS ARE NARROWING.** While you need to increase the quality of the customer experience, the reality is that you also need to control labor costs. If you reduce unnecessary labor costs and improve workforce productivity, the likelihood of expanding your margins increases.

**NONCOMPLIANCE CAN COST YOU.** It's true that complying with labor-related laws, regulations, and policies can be expensive. But it's best to proactively minimize this risk and increase organizational compliance — because the alternative could cost your business.

**YOU MUST RECRUIT, SELECT, AND RETAIN THE BEST.** To effectively compete, you must be able to quickly source, screen, and hire the best-fit employees. Then you have to be sure your staff is happy working for you. Satisfied employees create a better customer experience — and are less likely to leave you for one of your competitors.

**YOU MUST INCREASE REPEAT BUSINESS.** You need to hire employees who live and breathe customer service. Hire and retain the best staff and effectively meet customer demand, and you'll achieve a real competitive advantage.

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**Do your employees deliver on your customer experience standards when, on average, it takes only 2.3 negative experiences by a specific customer to result in the loss of that customer?**

**Garf, Robert. "Retailers Focus on Operational Excellence."  
AMR Research (May 1, 2008).**

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## CONTROL LABOR COSTS | Improve operational margins

No matter what the economic outlook, retailers focus on controlling labor costs to improve their bottom line. Kronos for Retail provides the tools to effectively manage these costs.

**Reduce overscheduling.** Through optimized scheduling, Kronos for Retail helps ensure proper staffing coverage to meet customer service needs. The combination of sales and labor forecasting and best-fit schedules — all automatically generated — helps keep customer service levels up and unnecessary labor costs down.

**Eliminate error-prone manual processes.** The complete automation of your time and attendance, scheduling, budgeting, and absence management processes provides real cost savings by helping to eliminate payroll errors — leading to an average payroll reduction of 1.2 percent.<sup>1</sup> And whether you're a global, national, or regional retailer, those numbers add up to measurable cost savings.

**Decrease employee turnover.** Now you can reduce costly annual turnover by selecting employees who fit your business best and who will stay longer. Managers can select from a larger applicant pool, screen for traits that make for an ideal employee, and screen out people who don't meet minimum qualifications.

## MINIMIZE COMPLIANCE RISK | Automate and drive accuracy

Litigation on behalf of nonexempt retail employees over alleged violations of state and federal labor laws — like the Fair Labor Standards Act (FLSA) and the Family and Medical Leave Act (FMLA) — is on the rise. A recent AMR Research study found that more than 50 percent of retailers surveyed were noncompliant with federal, state, or union labor and employment regulations within the past 12 months.<sup>2</sup>

Kronos for Retail facilitates compliance with government regulations and labor laws by automating manual time and attendance, payroll processes, and scheduling using business rules. You minimize the potential for human error and avoid illegal scheduling assignments. Complete automation helps reduce unauthorized time from being worked and helps ensure that breaks mandated by law are taken.

Further reduce regulatory risk by centralizing employee attendance and leave-case information. Apply work rules uniformly across retail store locations while generating accurate and detailed audit trails that enhance compliance efforts.

The number, and cost, of litigation cases are on the rise.



**\$78,000**

The average cost to defend an FMLA lawsuit.<sup>3</sup>

**\$250,000**

The average noncompliance fine over the past 12 months in the retail community.<sup>4</sup>

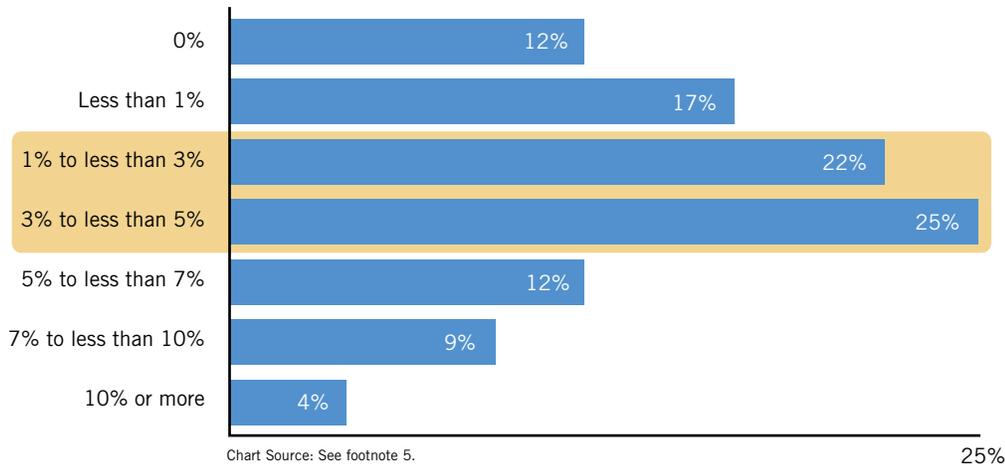
<sup>1</sup> "ROI Evaluation Report: Kronos 4500 Touch ID™." Nucleus Research (2005) Sponsored by Kronos.

<sup>2</sup> Source: AMR Research (2009).

<sup>3</sup> US Department of Labor Wage and Hour Division.

<sup>4</sup> Source: AMR Research (2009).

## Decreases in labor costs due to utilization of an automated labor scheduling system.



**3.5%**<sup>5</sup>

Average decrease in total budgeted labor costs due to automated labor scheduling system.

**3.8%**<sup>6</sup>

Sales lost due to nonoptimized labor scheduling.

### SELECT ONLY THE BEST | Recruit and retain top employees

When it comes to customer experience, each touchpoint is a golden opportunity to win a sale — and a repeat customer. But to deliver quality, efficient service, you have to put your best people in front of customers at the most opportune time. How?

Kronos for Retail helps you improve the cost and efficiencies of your frontline hiring process — allowing you to recruit, select, hire, and retain the best employees. Our employee selection tools automate the hiring process helping you to quickly source, qualify, and identify candidates who are most likely to be successful in your work environment and stay with you longer.

Once you've hired the best staff, Kronos for Retail helps maintain employee satisfaction by balancing employee availability and preferences in your schedules. Through employee self-service, you can give your staff quick and convenient access to time worked and leave balances, and make it easy for employees to request work hours and time off. And when you respect employee preferences, you help increase retention and reduce absences, turnover, and costs.

### IMPROVE WORKFORCE PRODUCTIVITY | Drive same-store sales

Recruiting a workforce with the exact skills needed to succeed in retail helps increase both employee and customer satisfaction. And happy employees provide high-quality service. By reducing the administrative tasks associated with hiring, managers can focus on improving workforce productivity through employee training and efficiency of customer service — key factors that drive repeat business.

Kronos for Retail allows managers to create appropriate staffing plans based on historical trends, shifts, and upcoming events — plans that take labor standards and retail profile information into account. Our automated forecasting and scheduling system then uses this high-quality information to create best-fit schedules optimized to labor budgets and customer demand.

<sup>5</sup> Carter, Karen and Sherlock, Janet. "Workforce Management: Critical for Mitigating Labor Compliance Risks and Controlling Costs in a Retail Environment," AMR Research (July 2009).

<sup>6</sup> "Source: AMR Research (2009).

Kronos helps organizations across a variety of industries manage their most valuable, and expensive, strategic asset — their workforce. How? By giving them the tools they need to help them control labor costs. Minimize compliance risk. And improve workforce productivity. The easy-to-own workforce management solutions from Kronos make complete automation and high-quality information a reality.

Our time and attendance, scheduling, absence management, HR and payroll, hiring, and labor analytics solutions give Kronos customers the edge they need to compete in the global marketplace. With thousands of installations in organizations of all sizes — including over half the Fortune 1000® — we're proving workforce management doesn't have to be so hard.

Put Kronos for Retail to work for you:

**(800) 225-1561 | [kronos.com/retail](http://kronos.com/retail)**



TIME & ATTENDANCE

SCHEDULING

ABSENCE MANAGEMENT

HR & PAYROLL

HIRING

LABOR ANALYTICS

Kronos Incorporated 297 Billerica Road Chelmsford, MA 01824 (800) 225-1561 (978) 250-9800 [www.kronos.com](http://www.kronos.com)

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