Strategic Scheduling

7-STEPS TO STRATEGIC SCHEDULING

A schedule is not a shift length or a day-off pattern!

A schedule is a system for deploying personnel with employee buy-in and specific work / pay / coverage policies. Unlike adding more employees, changing a schedule design can improve the bottom line with little extra investment. The major goals for designing a schedule change process includes maximum employee buy and cost reduction.

Scheduling misconceptions abound in the workplace. For example, many managers believe you only have two options if you are running 24-by-7 operation eight- or twelve-hour shifts. That is not true. Different industries have developed many innovative ideas. You need to learn how to schedule during high and low workloads without changing total employee headcount, make the night or afternoon shift more attractive than the day shift or build in 20 weeks of vacation in exchange for covering some nights, weekends and holidays all the result of out-of-the-box thinking.

Out-Of-The-Box Thinking

1. Balance the workload to the workforce

Scheduling employees variably to balance workloads to the workforce and then have the right skills at the right place at the right time at the right cost helps meet the goals listed. Simply put, balance workload to the workforce. This requires a careful analysis of labor demands and labor supply.

2. Documenting the cost difference between workload under and over balancing

Too often, labor-scheduling programs do not calculate the cost difference between under matching the workload (overtime) and overmatching the workload (idle labor time). Eliminating overmatching can be the largest labor saving opportunity. It is important to understand this concept. Overtime, when used strategically, is one of managements least expensive resources. Overtime is the strategic reserve of employees that available to staff sudden increases in workload demand.

Idle time can occur during inefficient shift changes, through poor maintenance scheduling and with the wrong break and lunch policies. To heighten awareness of this profit drain managers should design idle-labor-time reports along with the traditional overtime reports.

3. Attract and retain employees with schedules that fit their lifestyles

It is possible to attract workers by work schedules that accommodate their personal situation: carpooling, child-care needs, to follow religious traditions, etc. Schedules can be useful recruiting tools. Schedules that offer 200 days off per year and ten percent more pay than the
competition can be the difference between hiring an exceptional candidate and losing them to the competition. It is a good idea to explore schedule properties to determine if your current schedule design is not attractive to potential hires.

4. **Employee buy-in is crucial toward establishing improved morale and productivity**

The best deployment of personnel will not work unless you have employee buy-in. In our experience, employees do not resist change as much as they resist being changed. Employees need to understand the business reasons behind a particular schedule: to improve delivery, to be more competitive, to reduce costs, etc. When informed of the business reasons for a change in schedule, employees are much more willing to go along. Do not assume you know what employees want.

Quantify the business reasons for schedule design change. This cost analysis will keep your management team focused, unified and on track if they receive any negative response. Then management and supervisors should communicate these reasons to all personnel. Once the rationale for change is understood, management should offer a series of models that bundle management’s cost-saving needs with anticipated employee needs. Employees can choose from among these models and adjust them into numerous variations until they create their specific, preferred schedules. In this manner, management offers a menu of winners, and employees make their selection from this menu and fine-tune it. The results can be surprising.

5. **Work smoothly with unions**

It is important to work with unions and managers before, during and after negotiations, within cooperative situations and, the other extreme. The consultative approach for working with a union allows union and management to work together to implement better systems for deploying personnel while improving employee morale. This often means implementing schedules outside the current contract and requires a letter of agreement but typically results in the best employee schedules.

Given less union cooperation, management may consider implementing improvements inside the current contract, such as taking advantage of management’s current right to implement new schedules and sticking with solutions that better fit the current union contract.

In the event the union is unwilling to participate in any cooperative fashion, then you can work with supervisors to provide management with a negotiating manual upon completion of the project. The manual is an itemization of suggested contract language changes with associated cost impact. It contains guidelines for management to use when negotiating cost savings and schedule improvements during future contract negotiations.

In almost all cases, you can save significant money by designing schedule changes that work for employees in a union environment. Do not wait until negotiations begin because the schedule may be used as a bargaining chip during negotiations and result in a less satisfactory solution for your business or your employees. Focus on scheduling independent of contract negotiations to get the best schedule for all parties concerned.
6. Improve communication at all levels

Even employees working 9:00 a.m. to 5:00 p.m., Monday through Friday can be dissatisfied with their schedules. By stating, the company needs clearly after listening carefully to what your workforce prefers, then allowing employees to select from a menu of scheduling options that will meet these needs, both management and employees obtain a better understanding of each other. This is a powerful first step toward building team rapport, improving morale, and increasing productivity.

7. Work from the bottom up to ensure top performance at all levels

Involve all levels of management and supervisors to institute schedule design change. Do not forget the hourly employees.

Do not change schedules needlessly Do not change schedules unless there is significant financial gain for your business. This is especially true in profitable, employee-friendly companies where most employees are accustomed to working 9:00 a.m. to 5:00 p.m., Monday through Friday.

Do not wait for a crisis to develop. It is more difficult to find the correct solution when operating under extreme pressure. Do not change schedules just because sales are increasing. Make deployment of personnel an ongoing priority.

Taking time to make changes pays off. Many managers wait until a crisis erupts to change schedules. For example, a company on a five-day workweek, working excessive weekend overtime and burning out employees, needs to go to seven-day operations tomorrow! You can change schedules during a crisis, but you may end up with only a short – term fix rather than a long-term solution. Probably today, someone in your corporation is making decisions to buy new capital, build a new facility, hire more employees, expand or launch a new product. By rethinking your concept of time and scheduling, you can achieve your goal faster and with less capital outlay.

Many managers believe their industry, business or plant is unique, and therefore proven scheduling principles will not work for them. Often management uses this as an excuse to maintain the current system. In addition, managers usually view themselves as scheduling experts at making the current schedule work! Managers often operate with the wrong fundamental scheduling system from the outset, sustaining hidden costs while trying to make the wrong system work.