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Larry Dawson, VP of marketing

The Evolution Of Human Capital Management (HCM)

A guest series
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WIRED AND WIRELESS: TIME & ATTENDANCE TECHNOLOGY EVOLVES FOR RETAIL

A Q&A with Larry Dawson, Accu-Time Systems

Human Capital Management (HCM) has evolved as retail in general has embraced newer technologies. Pop-up stores and kiosks are appearing with greater frequency, creating new demands on workforce management. Advancements in both wired and wireless communications have helped speed up this evolution while enabling retailers to have greater flexibility with their staff.

Q: RETAILERS NOW HAVE BOTH WIRELESS AND WIRED COMMUNICATIONS AVAILABLE TO THEM. HOW HAS THE AVAILABILITY OF MULTIPLE COMMUNICATION METHODS AFFECTED TIME & ATTENDANCE?

A: Retailers, like other organizations, continually work to adopt new technologies that will help them run their businesses better. In the early datacomm days we saw hardwired connections where retail locations communicated with headquarters via LAN or WAN networks. As wireless technology has improved in speed and security retailers have found that being untethered at the appliance end has many benefits. However, there is a challenge in that we now have mixed data transmission environments. Retailers now use satellite, cellular, and internet connections for communications with their data hosts. Inside the store, near-field communications (NFC), radio frequency identification (RFID), Bluetooth, WiFi, cellular, and Ethernet connections are used for both in-store and enterprise communications for everything from inventory management to customer check out.

Retailers rely heavily on their time & attendance systems and expect them to integrate smoothly with whatever communication infrastructure exists. Time & attendance appliance manufacturers must now build products capable of all of the aforementioned data transmission protocols. My company's products can communicate with servers via a variety of methods. Furthermore, they must be able to communicate in a mixed environment. In other words, one timeclock may be located in a big box retailer's office and another in their receiving dock. The office clock may need to connect via Ethernet and the warehouse clock may need to connect via WiFi. But both must work seamlessly. And they both may need a cellular transmission backup system in case the LAN network in the store goes down. And, in yet another challenge, that same retailer may require their clock outside the employee locker room to transmit employee work schedules to employee-owned smartphones via Bluetooth. Accu-Time Systems' products will securely work within these mixed-communication environments but

times and challenges have certainly changed in just the past decade.

Q: THE RETAIL INDUSTRY IS SEEING A RISE IN MALL KIOSKS AND IN TEMPORARY, SEASONAL STORES. HOW CAN THESE BUSINESSES BENEFIT FROM USING TIME & ATTENDANCE SYSTEMS?

A: Sunglass Hut began as a single Miami mall kiosk. It eventually became a national chain of stores that was sold to Luxxotica Group for \$653 million. Mall kiosks are big business. Nearly every mall has kiosks renting floor space in its most heavily trafficked areas. Kiosk owners have many of the same time & attendance concerns as fixed location outlets. Kiosk owners may only have a few employees for each kiosk. But many kiosk business owners have dozens of kiosks, meaning they may actually have fifty or more employees whose hours they need to calculate, and whose payroll needs to be administered in accordance with state and federal guidelines. Those kiosks may also have limited access to data communication. If they have negotiated secure WiFi access with the mall owners then they can use that network to transmit payroll and punch information back to a host server. But often mall WiFi, if available, is very slow, not secure, and may be an added fee for the kiosk owner. Many kiosk owners are looking at cellular-enabled timeclocks or they're allowing employees to use their personal smartphones to punch in and out using downloaded workforce management applications.

Many owners of fixed location retail stores in highly cyclical markets began negotiating short-term seasonal leases with mall owners as real estate values, and lease rates, rose in the mid-1990s and early 2000s. Store owners saw that the revenue they generated during their off seasons was resulting in a net profit loss after lease, insurance, payroll, and utility fees were calculated. So, they chose to only

open stores during their peak seasons. This makes payroll calculation extremely important because their window of operation is narrow. A Halloween costume, swimming pool toy, or tax preparation retailer must make the maximum amount of profit within just a two to four month period. If employees are miscalculating their hours worked or are fraudulently punching in and out for each other (buddy punching) then profit can erode very quickly.

Time & attendance systems are critical tools for seasonal store management. But, like kiosk owners, access to communication infrastructure can be a challenge. And like kiosk owners, management often relies on employee-owned smartphones or cell/WiFi-enabled timeclocks. Accu-Time Systems' products can be cellular, WiFi, Ethernet, or Bluetooth-enabled, allowing the real-time or batch collection of punch data. IT professionals try to avoid the use of employee-owned devices for what most consider a corporate financial transaction. So, fixed timeclocks like those in our Global Series or our Universal Series, equipped with a variety of communication modules is often the safest, most efficient and secure way to collect workforce data from kiosk or seasonal retail locations.



ABOUT THE AUTHOR

Larry Dawson is vice president, marketing, at Accu-Time Systems, an Amano Group Company. Dawson has led the sales, marketing, and product management activities of public and private technology companies for 20 years. He is a member of the Society for Human Resource Management and the Product Development and Management Association.