



In This Issue

Choosing the Right Time and Labor Management Technology

Optimizing Worker Productivity While Reducing Labor Costs

Fair Labor Standards Act (FLSA) Overview

Microsoft...Business Productivity Online Standard Suite

DataPro Solutions Newsletter - June 2010

Choosing the Right Time and Labor Management Technology

The right labor management system is not properly decided in cost. "How much does a system like this cost?" This is an upfront question that some organizations will ask without considering the cost to benefit ratio for their organization. A labor management system (LMS) can offer an organization multitude of business needs that ease the total cost. The value of the LMS needs to be tailored around your organization needs, is how you will get the most bang-for-your-buck. "The data collection and pay computation specifications, attendance and scheduling demands all the way to top level reporting and visibility and the lowest level end user functionality. Put a dollar figure behind the benefit of these requirements of the cost of NOT getting it right". The labor management system are business systems not just another technology, the selection of a LMS is important. The reason behind a LMS is for operational needs that benefit the organization and it meets the financial and strategic objectives of the employer.

The second part of a labor management system is focused on the environment. The use of paper for time cards, records and scheduling along with many other uses can be costly to the environment and the budget. Going paperless can help with eliminating errors and touches of documents for the environment but will also save time. The use of electronic documents will provide the managers the option to work remotely at home and save trips to the office when scheduling and payroll needs approved. An exercise in the laying out the logistics of people processes and data can reveal numerous opportunities to save time and energy.

Excerpt of Article by Lisa Disselkamp. For full article click

<http://www.eliminatepapertimecards.org/green-x3-choosing-the-right-time-and-labor-management-technology/>

For assistance or additional information on this topic, email Tony Cook tonyc@datapronw.com or call (888) 658-6881 or (509) 532-3530 ext 315.

Optimizing Worker Productivity While Reducing Labor Costs

Labor management systems (LMSs) are used primarily as a way for distribution operations to manage and track its labor activities. This includes real-time interaction with warehouse management and warehouse control systems in order to collect data on what workers are doing, how many locations they have visited, what inventory they have handled, what equipment they have used, and what paths they have traveled.

Most often used within the supply chain, an LMS helps a distribution operation improve worker

productivity by providing the ability to:

- report on all labor activity;
- compare labor activity to historical data; and
- report labor activity against established labor standards.

According to an article by Modern Materials Handling, LMS sales are on the rise-it's one of the fastest growing segments in the supply chain software market today.

How Can an LMS Benefit my Distribution Organization?

A LMS enables distribution managers to forecast the number of workers required to perform estimated work down to the day, shift, and job level. It works by storing the established standards for each and every key task performed within the distribution center in a database. Managers can then determine-for each worker-the actual time it takes to perform a specific task. Actual time can then be compared to the standards that have been established for that task. With this information, workers receive immediate feedback on their performance.

Having access to this invaluable information helps managers facilitate the:

- completion of performance reviews;
- creation of performance targets;
- measurement of actual productivity against expected performance;
- calculation of incentive and compensation rates;
- creation of productivity reports;
- forecasting of staffing requirements;
- tracking of worker's time; and
- simulation of the changes to material handling procedures and processes.

In essence, an LMS allows distribution organizations to:

- improve labor planning;
- determine "cost to serve" by specific customer or order or market segment;
- involve workers in the development of processes and standards;
- increase worker productivity;
- decrease employee turnover;
- reduce asset costs;
- enhance customer service; and
- reduce warehouse labor resource costs.

Labor Management: Providing the Proper Tools and Training for Distribution Workers

In a recent study, The Supply Chain Consortium found that the average temporary distribution worker requires between 20 and 96 hours of training. It goes onto say that when managers can see and predict incoming work, they can plan their labor needs in advance-ensuring that their workforce has the training it requires to be productive, without blowing the warehouse's labor budget.

The success of any labor management program relies on whether workers have the proper tools to accomplish their goals. It's a distribution manager's job to provide these tools, which include:

- proper training;
- a method for tracking workers' progress;
- a method for providing feedback to workers about their performance; and

- an incentive program for rewarding high performance

A LMS typically interfaces with existing warehouse management systems (WMSs) but can be implemented in other ways as well. For example, if your organization is already using an enterprise resource planning (ERP) system with warehouse management functionality, then the addition of an LMS just might be the stepping stone you need toward better managing your labor force's productivity. Just because you have a WMS doesn't necessarily mean you have LMS functionality.

For additional information, please email Tony Cook tonyc@datapronw.com or call (888) 658-6881 or (509) 532-3530 ext 315

Fair Labor Standards Act (FLSA) Overview

The FLSA establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in Federal, State, and local governments. Covered nonexempt workers are entitled to a minimum wage of not less than \$7.25 per hour effective July 24, 2009. Overtime pay at a rate not less than one and one-half times the regular rate of pay is required after 40 hours of work in a workweek.

- **FLSA Minimum Wage:** The federal minimum wage is \$7.25 per hour effective July 24, 2009. Many states also have minimum wage laws. In cases where an employee is subject to both state and federal minimum wage laws, the employee is entitled to the higher minimum wage.
- **FLSA Overtime:** Covered nonexempt employees must receive overtime pay for hours worked over 40 per workweek (any fixed and regularly recurring period of 168 hours - seven consecutive 24-hour periods) at a rate not less than one and one-half times the regular rate of pay. There is no limit on the number of hours employees 16 years or older may work in any workweek. The FLSA does not require overtime pay for work on weekends, holidays, or regular days of rest, unless overtime is worked on such days.
- **Hours Worked:** Hours worked ordinarily include all the time during which an employee is required to be on the employer's premises, on duty, or at a prescribed workplace.
- **Recordkeeping:** Employers must display an official poster outlining the requirements of the FLSA. Employers must also keep employee time and pay records.
- **Youth Employment:** These provisions are designed to protect the educational opportunities of minors and prohibit their employment in jobs and under conditions detrimental to their health or well-being.

Visit: <http://www.dol.gov/elaws/faq/esa/flsa/toc.htm> for other FLSA questions and answers.

Microsoft Business Productivity Online Standard Suite

Microsoft Business Productivity Online Standard Suite is a set of messaging and collaboration solutions hosted by Microsoft, and consists of Exchange Online, SharePoint Online, Office Live Meeting, and Office Communications Online. These online services are designed to give your business streamlined communication with high availability, comprehensive security, and simplified IT management. Your business benefits from always up-to-date technologies that are deployed rapidly, maximizing your valuable IT resources and reducing your need for infrastructure investments.

For customers who need more than one standalone service, the Business Productivity Online Standard Suite provides the best value to customers by bundling multiple services at a discounted price.

For assistance in finding the right Microsoft products and solutions that fit your needs, please call (888) 658-6881 or (509) 532-3530 ext 315 or email Tony Cook tonyc@datapronw.com