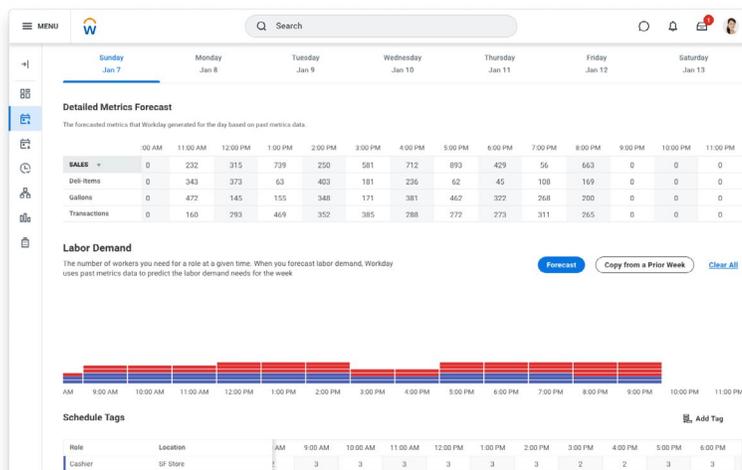# Workday Labor Optimization.

For businesses with fluctuating labor demand—such as retail, hospitality, and food services—labor costs can quickly skyrocket, negatively impacting profitability and revenue goals. At the same time, organizations are competing for quality workers, who are increasingly requesting more control over their work lives, as well as more stability and growth opportunities.

With Workday Labor Optimization, managers and schedulers can efficiently schedule their workforce with precision while also balancing worker preferences with business parameters, compliance, and labor needs.

Sales forecast and labor budget.

Workday Labor Optimization was built from the ground up with an AI-based optimization engine at its core. The solution works with Workday Scheduling to generate optimized shift schedules and worker assignments based on fluctuating labor needs. Combined with Workday Scheduling, the solution balances changing business goals with worker availability, preferences, and skills to generate optimized shift schedules for industries with large, dynamic hourly workforces.

The labor optimization engine harnesses AI to create optimal schedules that accommodate an extensive number of worker preferences and business constraints from throughout Workday Human Capital Management (HCM) and Workday Financial Management or external systems. The intelligent decision-making capabilities analyze operational data to suggest needed labor and automatically match workers with the right skills, preferences, and availability into shifts.
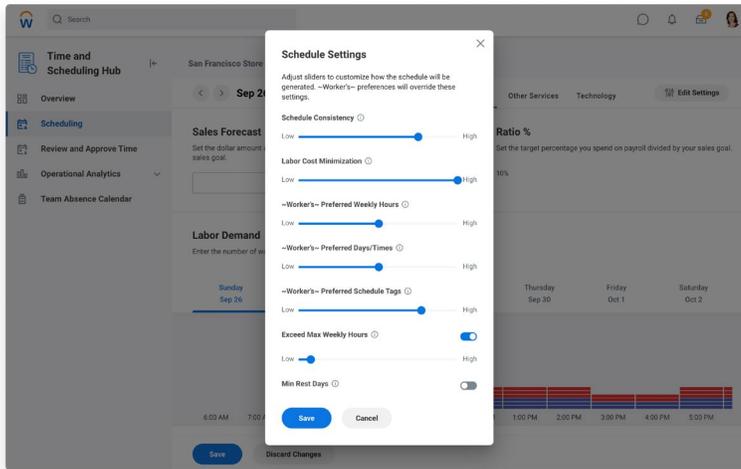
Key Benefits

- Handle tens of thousands of scheduling scenarios, generating optimized schedules and assigning workers in seconds

- Maintain tight control of labor costs, and eliminate needless overtime and waste

- Maximize operational efficiency with automation and labor optimization KPIs

- Easily flex schedules as demand fluctuates

- Achieve sales, revenue, and other business targets with precise shift coverage

- Drive productivity by matching the right workers with shifts

- Measure schedule quality informing scenario planning to support business objectives

- Benefit from unification with Workday Scheduling, Workday Time Tracking, Workday Absence Management, Workday HCM, and the rest of the Workday suite for frictionless, accurate workforce management
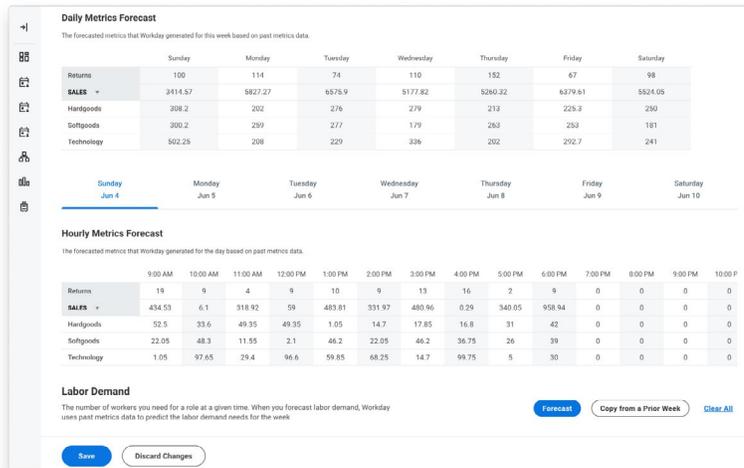
Adjust schedule settings.

Optimize schedules and labor instantly.

Are your labor demands fluctuating? Let machine learning (ML) take care of it. The ML-based forecasting engine is trained on historical data to identify patterns and trends, and uses this information to predict future outcomes. It also uses advanced algorithms to adjust for various factors, such as weather data, holidays, nearby events, or store promotions. All these factors help ensure accurate and reliable forecasted metrics.

Workday generates a labor demand based on future metric predictions, showing managers how many people are needed during each hour increment for the day for each role.

ML-based demand forecasting.

Key Features

- AI-powered labor optimization engine
- Simultaneous generation of shift schedules and worker assignments
- Worker assignment by availability, preferences, and skills
- Built-in schedule optimization score and productivity measurement
- Recommendation of replacement workers
- Ability to schedule shifts in 60-, 30-, or 15-minute increments
- Visibility into coverage gaps
- Ability to leverage ML-based forecasting engine to generate future scheduling driver predictions
- Volume-based rules to determine labor demand
- Fixed labor activities to capture operation tasks

Results

- Saving store managers 30 to 40 minutes per week on scheduling activities.
  Mister Spex
- Two-thirds of the time saved on weekly scheduling activities by managers.
  On Running
- Consolidated 22 systems to 1 with Workday.
  Lore Group

The AI-powered labor optimization engine at work.

Shift shaping.

The engine automatically determines the best variety of shift lengths and begin/end times to cover labor demand while taking worker availability, minimum weekly hours, and other constraints and objectives into account.

Shift assignment.

The engine simultaneously assigns workers to shifts while adhering to business and worker preference constraints and optimizing to meet objectives.
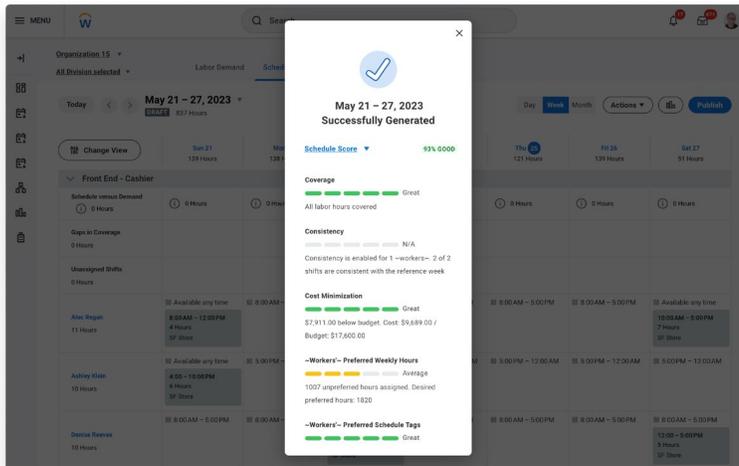
Schedule score.

After generating a schedule, the engine responds with a schedule score that represents the overall quality of the schedule across a variety of dimensions, including the objectives set at the time of schedule generation.

Recommended worker replacement.

For those workers who are not able to make their shift, the engine automatically recommends replacement workers for an existing shift.

Schedule score.

To explore how Workday Scheduling and Workday Labor Optimization can help you, please visit: **workday.com/scheduling**

With Workday Labor Optimization, embedded AI gives you the power to match your labor demands with worker preferences, generating optimal shift schedules for workers as well as the business.

Labor optimization is a critical aspect of workforce management for organizations with a large hourly workforce and that need flexibility to schedule and manage workers across locations, shifts, and roles.

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workday.