

Increase Profitability and Support Continuous Improvement with Automated Labour Management

Food and beverage manufacturers face many inherent challenges in their business — low margins, perishable raw materials, and strict regulatory compliance. From field to supermarket, labour plays a key role in overcoming these challenges. Labour can also make or break the success of the operation. For example, having an uncertified employee on the line during an audit can spoil months of continuous improvement efforts. Excessive absenteeism can hurt production schedules and result in costly overtime, infringing on already razor-thin margins.

Kronos for Food and Beverage can help better manage the most controllable factor in food production — labour — by helping control costs, improving workforce productivity, and minimising compliance risk. Most important, food manufacturers must meet production goals and keep costs down while maintaining a strict focus on food safety. A key component of any food safety program is having a safe workforce. The Kronos Food and Beverage solution can help create a safer workforce by automating labour policies that put safety first and providing tools to meet mandatory record-keeping requirements.

Control operational expenses and protect margins

With razor-thin margins, food manufacturers have to maintain a strict focus on controlling operational costs. Labour is the largest controllable expense, and Kronos can help eliminate unnecessary labour costs. By automating processes for collecting worked time, and calculating pay, Kronos can help eliminate payroll overpayments and mistakes.

Kronos can also help reduce unnecessary labour expenses that result from activities such as time theft — employees taking vacation time they don't have, early arrivals, or incomplete shifts. With automated absence management tools, Kronos can help food manufacturers reduce unplanned absenteeism and the associated expenses such as overtime needed to fill the resulting open shifts.

To protect margins, a clear understanding of all operating costs associated with production is vital. Kronos provides valuable information to support this effort by offering organisations visibility into actual labour costs, by tracking both direct production and indirect labour costs. Food manufacturers can utilise this detailed labour cost data to make better decisions about pricing, product, and mix strategies.

Improve workforce productivity and support continuous improvement

Manufacturers of food products face rapidly changing production environments based on the availability and quality of raw materials, as well as seasonal fluctuations in demand. Likewise, the ability to process fresh ingredients on the same day as delivery is key to efficient and profitable operations. To get the food out the door at its freshest, food manufacturers need to align labour resources to meet fluid production plans.

Kronos can help. With workforce scheduling tools that show what resources are on site and whose skills and certifications meet the job's requirements, managers can quickly find the “best fit” employee for each job, automatically accounting for company or union scheduling requirements such as seniority rules. In the event that a work center is falling behind, managers can quickly reassign labour from other departments to help keep production on track. Additionally, Kronos for Food and Beverage drives continuous

Key Benefits

- > **ELIMINATE PAYROLL OVERPAYMENTS** and mistakes
- > **GAIN VISIBILITY** into actual cost of labour
- > **AUTOMATICALLY ALIGN LABOUR RESOURCES** to meet production plans and demand
- > **STREAMLINE MANAGEMENT** of contingent labour
- > **FACILITATE** compliance
- > **HELP ENSURE COMPLIANCE** with accurate record keeping

improvement efforts. For example, Kronos provides detailed tracking of time for both labour and equipment, giving visibility into the reasons for direct and indirect hours and helping identify labour waste. This analysis can enable production adjustments to improve cycle times, which can lead to increased throughput.

To meet fluctuating demand, food manufacturers commonly rely on temporary workers rather than hire permanent company employees. Kronos for Food and Beverage provides workforce planning tools that help managers identify potential staffing shortages. The Kronos solution also streamlines the process for identifying and onboarding large numbers of contingent workers, allowing them to get in the field or on the production line quickly.

Minimise compliance risks

Regulatory labour compliance is a driving factor for the entire food manufacturing industry. To aid customers in meeting these requirements, Kronos for Food and Beverage supports compliance by helping ensure that employees are paid at the right rate for all worked time, creating the perfect paycheck. As regulations also continue to evolve, Kronos provides the tools needed to enforce standards and policies — accurately and consistently — across all eligible production workers and helping to eliminate over- and underpayment.

In addition, Kronos can ease the burden of compliance by automating processes for administering leave policies. For organisations with unions, Kronos simplifies adherence to union agreements by automating work, pay, and scheduling rules.

Support workforce safety

Workforce safety is challenging due to the food manufacturing industry's high dependence on temporary employees; the need to accurately keep records regarding workplace injuries and illness; and constant preparedness for FDA and customer audits.

Kronos for Food and Beverage makes it possible to drive high levels of workforce safety with tools that help identify employees who have undergone safety trainings. This becomes more important in today's environment where the use of contract workforce is increasing. Automation allows disciplinary policies for health and safety incidents to be enforced consistently, and employee tracking helps enforce compliance with mandatory training requirements. Additionally, Kronos can automate fatigue management policies by enforcing requirements for breaks and rest between shifts. Kronos also provides tools for maintaining accurate records of work-related illnesses and accidents, a critical requirement for compliance.

Summary: Control costs, improve margins, promote safety

Food manufacturers deal with unpredictability every day in the form of cyclical growing and harvest seasons, bursts of high and low volume, and variances in delivery and distribution networks. Kronos for Food and Beverage can help better manage the most controllable factor in food production — labour — by centralising and automating workforce management processes. With Kronos, food and beverage manufacturers can better control costs, improve workforce productivity, and minimise compliance risk, all while putting workforce safety first and meeting mandatory record-keeping requirements.

“Kronos real-time solutions enabled us to make our workforce management processes better and more effective. As a result, we increased productivity and improved employee satisfaction.”

**Ranendra Datta, Vice President and Chief Information Officer,
SAB Miller India**

