



HEMA

HEMA & REPL

REPL Help HEMA Reduce
Labour Costs By £3m



REPL

THE CLIENT

HEMA is a leading European retailer with 725 stores and 19,000 employees across nine countries.

Founded in 1926 as the Netherlands' first department store, the company has built a reputation for its self-branded line of affordable, design-led housewares, home furnishings and clothing, alongside a sustainable food offering.



OBJECTIVE

As a multi-category retail business, HEMA needed a new workforce management system to address every corner of their complex operations.

Their chief consideration was to improve workforce efficiency, productivity and compliance across all its stores. The natural results of these would be reduced labour costs and higher customer service levels.

Mischa Gijrath, efficiency manager at HEMA, said: “At both the corporate and regional levels, we had no visibility into whether we would be able to meet our labour budget or service level from week to week.

“We needed to forecast our sales, labour demand and salary costs more accurately. That would enable our board of directors to adapt our staffing strategy if labour costs were increasing. At a district level, it would permit regional managers to adjust their salary costs per store to meet local budget targets.”

Another goal was to encourage collaboration and best-practice sharing among employees in different regions to boost engagement and morale. **“The knowledge at the store level is quite high,”** Gijrath added. **“We wanted to communicate with employees, as well as get their feedback.”**



SOLUTION

- ▶ HEMA undertook a rigorous selection process to identify the right technology solutions and implementation partner for this major project.
- ▶ After evaluating 12 software vendors, they chose JDA Workforce Management including JDA Advanced Scheduling, JDA Time & Attendance and JDA Task Management.
- ▶ The natural implementation fit was REPL, a JDA Global Gold Partner with the right knowledge and experience of making the software work to the very best of its abilities.



RESULTS

- ▶ In the first six months, HEMA lowered their costs by £3m. They achieved a full return on their investment and eliminated 200,000 hours of labour.

RESULTS

COST REDUCTION

The figures above speak for themselves. Gijrath said: **“If you look at the workforce management solution as a cost reduction programme, then we’ve succeeded by more than 200%.”**

SCHEDULING

By matching employees’ time and skills to actual store traffic, HEMA improved scheduling accuracy by 18% and reduced overall hours worked by 200,000: all without compromising customer service.

Gijrath said: “We noticed that our associates were not scheduled at the right time and in the right place. Using the JDA solution, we have succeeded in improving our efficiency by looking at demand and adjusting our schedule accordingly, without lowering our service level.”

FORECASTING

REPL’s bespoke implementation has also led to greater forecasting accuracy, impacting positively on customer service and employee engagement.

“When we started the project, we chose certain algorithms that matched our business,” added Gijrath. **“Nowadays, the forecasting engine on sales is off by only 1 or 2 per cent. This is a really, really good result.”**

“If your sales forecasting engine predicts those sales well, it’s our experience that the metric that provides your labour demand is also good. That gives us a lot of insight into labour demand and costs, which enables us to improve our customer service by having the right people at the right time and in the right place.”



PRODUCTIVITY

Time and attendance insight has given HEMA better visibility into productivity which increased by 3% during the first six months.

“Today, employee scheduling is very transparent,” Gijrath said. **“We can see exactly which people are in the stores on a daily basis. We can see if stores are going up or down in sales.**

We can rank the stores by productivity. We couldn’t do this in the past.”

HEMA can also look at its productivity levels for certain departments across stores, pinpoint where there are issues and discuss how productivity can be improved.

“For example,” adds Gijrath, **“The food department is always very time-consuming and we have already implemented several improvements in our daily business processes to achieve better productivity. For example, we can assess if we still need service with pastries or can we use self-service? Can we change the way we wrap products, or the way we check out?”**

COMPLIANCE

The final piece in HEMA’s integration jigsaw is their solution’s task management capabilities. As they introduce new employee practices, JDA Task Management helps colleague communication and installs a consistent way of doing business.

“Within the solution, there is a dashboard where you can see the compliance of stores,” said Gijrath. **“When regional managers visit a store, usually there is a lot of discussion about why people aren’t doing things in a certain way. Now we have that insight beforehand and can manage by exception.”**



THE REPL DIFFERENCE

As a world-leading JDA implementation partner, REPL had the expertise and experience to support the entire project and deliver it on time and on budget.

The solution was delivered swiftly and professionally with minimum disruption to HEMA's day-to-day operations.

Working collaboratively, we provided project management, functional and technical consultancy, and industry insight into all aspects of workforce management and system implementation.

REPL have played a vital role in HEMA achieving its workforce efficiency, productivity and compliance goals across their stores.



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