

Already Have an LMS?

It Might Not Be Enough To Drive Out Costs

Productivity. That's what Labor Management Systems promise to deliver. The implied benefit is lower labor costs. Right? But most operations that implement an LMS are disappointed to find that even when productivity metrics go up, they aren't capturing the labor cost savings they first imagined.

What's missing from LMS systems is a holistic approach to Labor Management--based on the cost to do every activity in an operation, not just productivity metrics. The ultimate goal of an LMS should be to [reduce and optimize the overall cost of labor](#), not just to increase the productivity of your workforce.

Increasing the productivity of a workforce does not necessarily translate to a reduction in cost for that workforce. In fact, unless an LMS takes into account all of the factors that influence labor cost, it cannot hope to provide accurate information let alone reduce overall cost.

Getting to the root of what influences labor cost

100% time capture - Easy Metrics integrates every operational data set (WMS, Timeclock, JobCodes, Telematics, Robotics, ERP, and more) into one place. Its own proprietary data-capturing tool ensures 100% of the hours (and therefore dollars) spent on the floor are captured and reported upon.

LMS is just one data feed - Once this data is captured, Easy Metrics integrates all of these disparate data sets into a single, transformed dataset that can be displayed through the 65+ built-in reports in the Easy Metrics application. Easy Metrics also provides



Your LMS data in OpsFM

- Understand what influences your labor costs
- See your labor performance across every facility in one place
- Track missing time and gap time
- See true cost of labor by product type
- See true cost of labor by customer
- Reward with Pay for Performance
- Drive a culture of financial responsibility

private data marts for their customers, which allows customers to visualize this transformed data using whatever BI tool they currently leverage. Therefore, Easy Metrics views LMS data as just another data set that they can integrate in order to provide their customers with full-spectrum financial reporting and visibility across distribution networks, and even across corporate verticals.

Missing and Gap time - Aside from productivity reporting expected from any LMS, Easy Metrics also provides visibility into Missing and Gap Time (wasted time) which gives operations leaders insight into their team's true utilization. Where is time being spent? Is time being spent appropriately? Are internal resources being allocated intelligently? Are supervisors managing their team well? These are questions that Easy Metrics can help you answer before you even begin thinking about productivity. In fact, productivity is supplemental to the KPI's mentioned previously. Without visibility into hours spent, an operator cannot hope to drive out waste.

Where Finance meets Labor

Cost to Serve - Three other incredibly beneficial functions that Easy Metrics can provide to customers who already have an LMS system, are Cost-to-Serve reporting, PFP programs, and labor forecasting. Because Easy Metrics integrates with and merges many different data sets within an operation's distribution network, it makes detailed activity-based costing possible. Revealing labor costs by product type, customer, employee, shift, facility, and department is only possible with combined data sets. This allows operations and business teams to evaluate their relationships with vendors and clients in terms of cost, and even allows them to re-price their product lines so that they receive the optimal gross margin off of every sale. The true cost of labor by customer or product type is a critical financial metric, previously invisible to operations.



Your LMS is just one data source that only skims the surface of exposing all the factors that influence labor cost. Integrating your LMS data in an OpsFM solution gives you pane of glass visibility, so you can drive out waste, and improve activities and processes with high labor impact faster than traditional continuous improvement methods...and do it across your entire network of operations in one place.

Pay for Performance

Similarly, many clients who already have an LMS turn to Easy Metrics because of their expertise in Pay-for-Performance. With over 20 years of operational experience and PFP programs implemented, and a wealth of best practices in their arsenal, no other company can institute as successful a PFP program as Easy Metrics. From structure, to maintenance, to adoption, Easy Metrics has instituted dozens of successful PFP programs in many different industries for the world's leading companies and brands.

Labor Forecasting

Easy Metrics has also been able to provide their clients with simple-to-use labor forecasting. Using historical information, Easy Metrics can accurately predict how many FTE's your operations will need in order to process incoming volume (by facility, department, and process) adjusting for current changes in productivity. Together, Cost-to-Serve, PFP, and Labor Forecasting reporting make up an extremely valuable supplemental suite for customers who already use an LMS.

OpsFM - Operations Financial Management

Easy Metrics views LMS data as extremely valuable data that they can integrate with and use to provide holistic reports to operations already using an LMS. Easy Metrics' industry leading Operations Financial Management (OpsFM) solutions were developed to integrate multiple data sources, including LMS's, from multiple facilities into one place. Productivity reporting alone, although powerful, does not offer visibility into cost, and without visibility into cost, operations teams cannot accurately spot areas to drive out waste and reduce labor cost across their network. If you want to run an efficient operation, and make intelligent decisions about your business, OpsFM is the perfect supplement to your existing LMS.

OpsFM - is a combination of best practices, cost accounting, tools, and culture that increases an organization's ability to deliver services and products at high velocity by understanding the unit economics of labor—how much it costs to do everything in an operation. The understanding of cost and waste enables organizations to evolve and improve activities and processes with high labor impact faster than traditional continuous improvement methods. This speed enables organizations to serve customers better, and profitably compete in the market.

About Easy Metrics

Easy Metrics fuels operational excellence in distribution operations.

Operations and finance leaders use Easy Metrics' API integration platform and machine learning to analyze, plan, and forecast their labor spend so they can drive operational speed and efficiency, price their products and services profitably, and drive employee engagement.

With Easy Metrics, they translate raw operations data from multiple data sources into their costs by: activity, process, facility, people, and equipment. They use actionable reports across their network to optimize labor spend, cut waste, plan facility investments, and drive labor strategies that ultimately fuel the growth of their business. Find out more at www.easymetrics.com.