



THE HUMAN TOUCH

Convenience store retailers are deploying technology tools to connect with employees By Melissa Kress

OVER THE PAST SEVERAL YEARS, there have been countless conversations around technology in the convenience channel. In fact, a record number of industry stakeholders converged in Nashville, Tenn., in late April for the 2019 Conexxus Annual Conference — lending even more proof to the growing importance of technology in the industry.

However, many of the conversations revolve around consumer-facing technology. How can convenience store retailers tap into innovation to reach their shoppers? Is it through digital signage? Messaging at the pump? Loyalty programs? A mobile app?

Yet, there is another side to the tech coin: employee-facing technology. A growing number of c-store operators are turning to tech solutions to manage everything from communicating with employees to scheduling.

“In technology, you are always chasing the bouncing ball because consumer expectations, and client expectations, change fast and get more demanding every time. We clearly see that in our industry. Consumers have ever-increasing expectations of what retailers can do for them,” said Rick Sales, president of Abierto Networks, a digital engagement technology provider.

“But what I think is interesting, and what we are discovering, is that sometimes retailers forget that their employees are consumers, too,” he added, noting that retailers also need to look at their employees as consumers of the information they are trying to get across.

“If you look at your employee as a consumer of information, then you can appreciate that, with information presented at the right time and in the right way, you can modify the behavior of an employee just as you can modify the behavior of a consumer,” he explained.

Based in York, Maine, Abierto Networks began in 2005 working in point-of-sale (POS) technology and credit card technology, focused on convenience stores and c-store foodservice. The company eventually migrated to marketing technology. Today, Abierto Networks teams up with retailers that have multiple locations to implement a one-to-many environment where central office and multiple geographically located stores can connect through a single platform.

Altoona, Pa.-based convenience store chain Sheetz Inc. is one retailer that is utilizing Abierto Networks' employee engagement kiosks. The two companies joined forces approximately three years ago, and the kiosks are now deployed at all Sheetz stores as a key piece of the retailer's employee engagement and internal communications strategy.

"Sheetz has always been a visionary group of people. I think one of the cultural differences between Sheetz and other people is that they are open to trying many things and learning from trying," Sales said.

Sheetz approached Abierto Networks with what Sales calls "a very interesting proposition." Since Sheetz employees are not allowed to use their personal devices at work, the challenge was to figure out how it could communicate with its employees when most people default to their mobile devices.

"There is a lot of technology out there and it's all amazing; there are many shiny objects on the beach. But at the end of the day, it's really the combination of the technology and the understanding of the application that gives you something that works," Sales said. "The technology by itself doesn't know what to do."

Sheetz sought to create a curated message mix of information that combines tools for success, additional training pieces and metrics relevant to that store's team.

"In Sheetz's brilliance, they figured out a way to have a non-friction conversation about something that is difficult to talk to people about who are not very engaged with your company: How do we do better?" Sales said.

The engagement kiosks accomplish that. Sheetz can relay store metrics to employees and mix that in with other messages — such as store meetings, uniform ordering, training tips, and employee recognition like birthdays and anniversaries.

Right on Schedule

Des Moines, Iowa-based Kum & Go LC is another convenience store chain that is exploring ways to use technology to make its workforce operations more efficient.

With 400 sites across 11 states, the c-store retailer was challenged with finding a way to make it easier for managers to get shifts covered. Store managers or

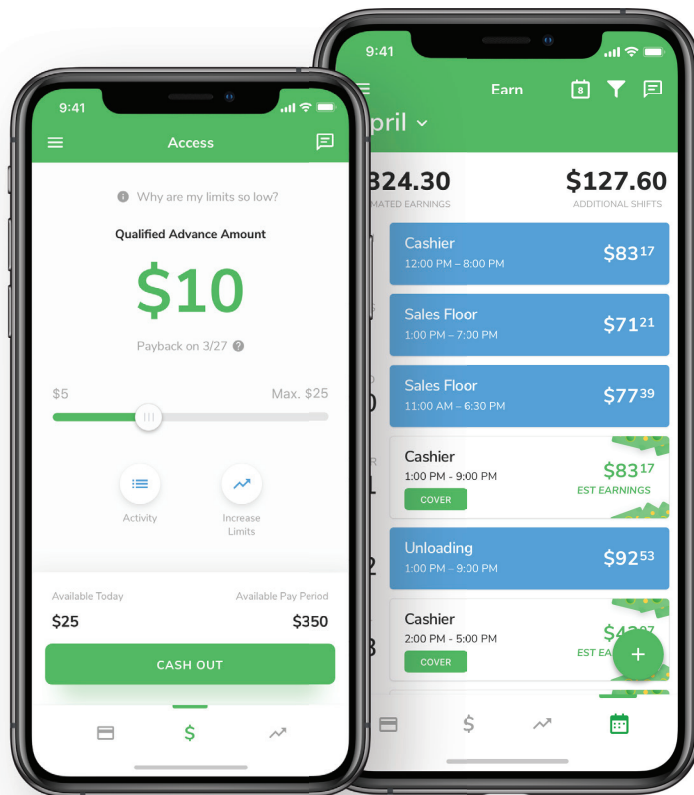
assistant managers would take the shifts, driving up overtime costs. Knowing there was technology out there that could help, Kum & Go connected with Branch, a mobile-first technology provider that helps organizations increase schedule and financial flexibility for hourly employees.

Branch's application helps companies pool labor, reduce employee turnover, save on overtime costs from paying other associates or managers to cover a shift at the last minute, and save on administrative costs — freeing up the manager to take care of other responsibilities, according to Atif Siddiqi, founder and CEO of Minneapolis-based Branch.

"It's been a terrific find. Branch has been great to work with. It's a fun adventure," said Jon Renaud, director of operations for Kum & Go.

Branch is, at its core, a shift-sharing application and, according to Renaud, the c-store operator has found Branch attractive for two main reasons:

1. It works with its current scheduling system, Kronos. Through Branch,



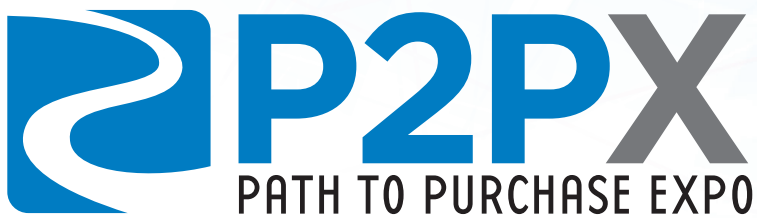
Kum & Go utilizes Branch, a shift-sharing mobile app, to make it easier for the chain's managers to get employee shifts covered.



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associates can find coverage for their shifts by sending notice out to everyone in the district. This opens up the shift to about 100 to 125 people.

- Branch has a communication feed, similar to Facebook, that is internal and can be used by the district or by the store. The app's feed is a communication tool and place for positive reinforcement, not a task manager.

Kum & Go piloted the Branch app in Arkansas and saw an adoption rate in the 90-percent range very quickly, Renaud noted. In addition, general managers went from covering two to three extra shifts a week to maybe one per month.

"We saw a decrease in overtime and an increase in the average number of hours our part-time associates worked. It was a win-win," he said. "We have now rolled it out across the entire company and have seen a more than 90-percent adoption rate. It's a terrific tool."

Chainwide, according to Siddiqi, after Kum & Go implemented the Branch app, its overtime decreased by 25 percent and employees worked, on average, an additional 2.5 hours. There was also a 10-percent reduction in turnover and managers were covering 70 percent less shifts.

By decreasing employee turnover, companies also save on the cost of recruiting and onboarding new employees — which can come in around \$2,500 per employee, Siddiqi cited.

"We have seen success when there is good engagement from not just the employees, but managers also. It takes buy-in from all levels," he said.

Managing Time

Likewise, to improve scheduling, Golden Pantry Food Stores earlier this year selected HotSchedules, a provider of workforce and back-office solutions for the retail, restaurant and hospitality industries, to support its scheduling, forecasting and labor management initiatives.

After focusing on implementation, the Watkinsville, Ga.-based operator of 37 convenience stores is now beginning to roll out the platform to its c-stores and team members.

HotSchedules, which has several offices



Employee engagement kiosks, deployed chainwide, are a key piece of Sheetz's internal communications strategy.

including one in Atlanta, primarily focuses on the restaurant industry, but it is seeing a lot more interest in adjacent markets where employees have dynamic schedules as c-stores and grocery stores compete more with restaurants, explained David Cantu, co-founder and chief customer officer at HotSchedules.

The technology solution is designed to work for both employees and managers. Employees can leverage HotSchedules — whether through the app or online — to request time off, trade shifts and change availability. Managers can build schedules based upon employee availability.

In addition, built into the platform are compliance needs specific to state regulations like overtime, child labor and predictive scheduling. HotSchedules provides alerts to managers as to whether a team member may go into overtime or be in violation of some compliance.

Built with the operator in mind, Cantu said the goal of HotSchedules is to have "a seamless system in place that becomes a system of record for everything."

"The intent was to build a more streamlined, efficient solution than an excel spreadsheet with all the information necessary for a manager to access from any computer to build a sound schedule with the employees' needs in mind, as well as any alerts around compliance," he said.

Labor management technology has changed over the past five years, shifting from a purely manager focus to now a more holistic approach, according to Cantu. Now, it's evolved to where employees have a lot of input as to when they can work.

"It hasn't just become labor management focused, it has become team member focused, as well as compliance focused," he said. **CSN**