

PRIMING YOUR DISTRIBUTION CENTER FOR 2017 PEAK SEASON PRODUCTIVITY

Retailers traditionally earn **20% or more of annual revenues from holiday season sales**, and many will have little margin for error entering the final few weeks of the year. In order to effectively manage peak period demands, many companies are already assessing whether their **peak season workforce strategies** are primed to put fulfillment and distribution teams in a position to succeed.

LOGISTICAL CHALLENGES



Online retail spending may reach **9% of total retail sales** by the fourth quarter of 2017.

This will increase labor demands at fulfillment centers, especially near the back end of peak season, as shoppers' expectations of "just in time" delivery increase.



Speedy delivery, such as same-day shipping, is increasingly important to shoppers.



The value shoppers place on delivery speed has increased over



20%

since 2014.

STAFFING STRATEGIES

According to Kronos Incorporated and Future Workplace®

87% of HR leaders think that **employee retention** is a crucial concern in 2017.



If you are competing for peak season labor, **your workforce may be recruited away.**

Unemployment hasn't been this low in over a decade. This tight labor market makes recruiting and retaining workers more challenging.

NATIONAL UNEMPLOYMENT RATE



STRATEGIC SOLUTIONS



Plan NOW!

Create a recruiting and retention plan specifically for the Peak Season.



Create Part-Time Schedules

Take advantage of a workforce that wants part-time positions for the holidays.

Sweeten the Deal

Make sure your current pay rates are competitive, and consider a \$2.00 per hour "perfect attendance bonus" for the most critical weeks of your peak season. This will help you retain your current workforce and improve recruiting options.



Be Flexible

Consider the skills you would like to have versus the skills you truly need. And reconsider second-chance candidates.

Sources:

<https://nrf.com/resources/consumer-data/holiday-headquarters/retail-employment-and-seasonal-hiring>
<https://www.kronos.com/about-us/newsroom/employee-burnout-crisis-study-reveals-big-workplace-challenge-2017>
Congressional Budget Office, Forecast for December, 2017

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