



# UKG<sup>TM</sup>



Do More with the  
Same in Logistics  
and Distribution

# Improving culture, efficiency, and productivity through effective people operations

Faced with ongoing economic uncertainty coupled with geo-political constraints, European logistics and distribution companies are looking for ways to stay competitive and profitable. Businesses need to invest more in innovation and technology – from AI to real-time tracking of operations and EVs, which requires diverting funds from other areas of the business. While a few big players have cut jobs, most companies are seeking to rein in costs without resorting to layoffs. Instead of doing more with less, many supply chain organisations are taking steps to do more with the same by focusing on employee retention, improving capacity utilisation, and operational efficiency.

Business leaders should never underestimate the impact of the people operation function on employee engagement, customer service, and the bottom line – for better or worse. People Operations cater to all processes and systems required to manage the workforce. According to ID Logistics<sup>1</sup>, it costs about £6,600 to replace a warehouse employee when you factor in recruiting, onboarding, and training, while other experts, such as SHRM<sup>2</sup>, believe this cost to be even higher. Because your employees are your most valuable asset, putting people first is not only the right thing to do – it is a smart business strategy. Your organisation can achieve significant gains by building a culture of trust, empowering employees, and leveraging intelligent automation to streamline processes, reduce costs, uncover hidden labour capacity, and reallocate resources on the fly.





## Drive retention with happy and engaged employees

With a 49% turnover rate in transportation, warehousing, and utilities in 2022, it is easy to see how those costs can add up quickly across a large organisation.<sup>3</sup> High turnover costs, however, are just one reason to invest in employee engagement and retention. Not only are engaged workers more likely to stay with their employers, but highly engaged business units realise an 81% reduction in absenteeism and a 14% improvement in productivity.<sup>4</sup> This means higher output, reduced reliance on contingent workers, and better business outcomes.

Beyond providing competitive pay and benefits, your organisation can adopt other proven strategies to keep employees happy and engaged so they will stick around and go the extra mile on the job. Keep reading to learn best-practice strategies that can help your company do more with the same — optimising your people operations to weather the current economic climate and pave a successful path forward.

## Pay your people accurately — every time

Several research outcomes show that workers will start looking for another job after just a few issues with their payslips. That is a serious incentive to get payroll right. After all, a payslip is about more than money for your people; it is about their livelihood. Paying employees promptly and precisely is not just a matter of fairness or compliance — it is a strategic imperative that directly impacts operational efficiency and morale.

Your organisation can deliver perfect payslips with automated payroll that addresses complexities and reduces manual errors so employees can trust gross-to-net calculations. You can also build employee trust with transparent processes that make it easy for your workers across your operations centres to understand their pay from any device.

Implementing accurate payment systems involves leveraging automated people operations solutions that minimise errors and ensure compliance with labour laws and union agreements. Furthermore, transparent communication about payment processes, such as wage structures and overtime calculations, enhances clarity and trust.

# Create a culture of trust and belonging

Most Distribution and Logistics companies aim to improve amenities and ensure safety, but building an engaged workplace requires creating a culture of trust. When your people feel valued and have a sense of belonging, they are empowered to do their best work. This is accomplished by investing in promoting employees' well-being, listening to their feedback and concerns, and offering them equitable opportunities. Moreover, ensuring equitable treatment of all staff members through consistent policy enforcement enhances employee engagement, nurturing a culture of transparency and fairness.

Nurturing employees throughout their lifecycle, from hiring to talent management, amplifies their sense of belonging and well-being. This investment in their growth drives satisfaction and effectiveness and fuels a sense of loyalty. Listening to their feedback, offering equitable opportunities, and providing a safe work environment further fortify the culture of trust.

To solidify your commitment to such a culture, consider pursuing recognition as a Great Place to Work™. This designation, rooted in employee feedback and independent analysis, showcases your organisation as one that values trust and prioritises an exceptional employee experience. In conclusion, fostering a culture of trust is pivotal – it elevates retention by creating an environment where employees flourish and choose to stay for the long haul.

**Organisations that have a high trust level with their employees outperform those with low trust by 186%.<sup>5</sup>**

## Support the whole person inside and outside of work

It is crucial to figure out what really matters to your employees. Surveys can help leaders understand each employee in their entirety, including their preferences and aspirations both inside and outside of work. Technologies that support easily accessible communication can connect you with employees on a deeper level by listening and gathering feedback, celebrating key achievements, and collecting ideas on topics that interest them and can be fruitful for the organisation. The latest conversational technology allows you to measure communication impact and engagement with key metrics to help guide communication strategies based on effectiveness, trending content, and top contributors.

To minimise flight risk, you also need to provide opportunities for employees to learn and grow. Investing in a formal training and development program can be a win-win for your people and your business. It gives employees a way to expand their skills and advance their career paths. At the same time, cross-training helps increase workforce resilience while ongoing skills development creates a stronger internal talent pool from which to promote. Investing in employees' growth not only benefits the company but also enables their workforce to perform roles beyond their day-to-day job descriptions – therefore, they are able to do more with the same. This can lead to a more diverse and skilled workforce, which will ultimately contribute to the success of the organisation.

**Companies that care about the whole person, not just the employee at work, outperform the market by 16,5%.<sup>5</sup>**

# Empower your people with modern technology

Millennials and Gen Z are expected to make up the bulk of the workforce in the logistics industry in the near future. According to a Dell, Inc. study, 80% of Gen-Zers want to work with the latest technology, and 91% say workplace technology would influence their job choice among similar employment offers.<sup>6</sup> These findings suggest that enhancing the employee experience with the latest technology can go a long way toward attracting and retaining top talent. Fortunately, current innovations in people operations solutions have enabled organisations to integrate technology across an employee's life-work journey.

## Connect the personal and the professional

More employers in the logistics and distribution space are embracing the need to see each employee as a whole person and support them both at work and in their personal lives. They are implementing intelligent systems that listen, coordinate feedback, and help detect bias, elevating people's ability to make meaningful decisions. In addition, forward-looking employers are adopting flexible, intuitive solutions that give people at all levels of the organisation the autonomy to solve problems proactively.

## Empower employees and managers

Whether they are ordering food, booking rides, or signing up for gym classes, people increasingly rely on mobile apps as an integral part of daily life. Therefore, it is not surprising that employees want the same convenience and ease of use to stay connected and get things done on the job. Efficient communication with workers is crucial in the fast-moving world of distribution and logistics, where meeting service level agreements (SLAs) is of utmost importance. With limited access to desktops and laptops, workers depend heavily on mobile technology to stay connected and informed. Your organisation can empower your employees with mobile self-service tools that make managing their schedules and performing routine tasks on their mobile devices fast and simple with minimal manager involvement.

- Punch in and out of shifts
- Request time off
- View and approve timecards
- Request a shift change
- Swap shifts with a co-worker
- Pick up open shifts to earn more
- Engage with peers and exchange ideas
- Complete surveys

Similarly, managers appreciate being empowered to manage at the moment from any location with the ability to approve timecards, time off, and shift swaps; reallocate resources; monitor key performance indicators (KPIs); receive proactive overtime and compliance alerts; get intelligent recommendations for filling shifts; and offer shifts with incentives to ensure better coverage — all on their mobile devices.

## Get intelligent insights and recommendations

Artificial Intelligence is used by several distribution and logistics companies to optimise routes, predict demand, and enhance inventory management for more efficient and cost-effective operations. Now, AI is also changing how companies manage their people operations. Intelligent systems and analytics, powered by AI and machine learning, provide proactive people-centric insights, predictions, and recommendations. These powerful insights help management understand employee preferences, deliver a more personalised work experience, and make informed decisions — across HR, payroll, scheduling, and talent management — that benefit both the individual worker and the business.

In addition, some workforce solutions leverage AI to learn employee behaviours and proactively guide people through targeted notifications. For example, if an employee has a high rate of tardiness or absenteeism, the solution will send a reminder before each of their shifts. Even better, managers can measure the impact of these notifications on employee behaviour over time.

# Increasing productivity for better business outcomes

To deliver perfect orders that are accurate, damage-free, and delivered on time at the right cost, your organisation needs to optimise your workforce — a goal best achieved through the effective use of automation. In logistics and distribution, automation often brings to mind major process changes involving product-handling robots, automated storage and retrieval systems, self-driving forklifts, and drone deliveries. However, even smaller automation improvements can have a significant impact on productivity. For example, modern people operations technology can unlock hidden capacity and free valuable resources to dramatically boost output.

## Automatically generate best-fit schedules

Modern people operations systems provide powerful, rule-based automation and built-in intelligence to streamline tasks, identify opportunities for improvement, and make AI-powered recommendations to speed and guide decision-making. Automatic creation of best-fit schedules — based on employee skills, availability and preferences, anticipated demand, and relevant labour laws and regulations — helps ensure optimal staffing coverage for every shift, every day, to maximise productivity.

When creating schedules, you need to sweat the small stuff to truly optimise productivity. For example, you should consider building in short breaks between meetings and shift changes so employees can grab a snack or visit the restroom, thereby minimising non-productive time on the clock. In addition, when scheduling employees, make sure they get enough rest between and during shifts to avoid burnout and comply with labour laws and safety standards. Leveraging technology, these tasks can be automated, removing the manual burden and boosting manager productivity.

**Automated scheduling can reduce the time managers spend creating and managing employee schedules by up to 80%.<sup>7</sup>**

## Make schedule optimisations in real time

Creating best-fit schedules is challenging enough, but managing them is even more difficult, with employees demanding flexibility and last-minute changes. That is why frontline people managers need actionable insight into their team's productivity — in real-time — so they can adjust on the fly to keep orders and deliveries on track. Dashboard views allow managers to monitor KPIs at a glance, right on their mobile device, and dive deeper into data to uncover issues and take corrective action.

Automated alerts keep managers informed of unexpected changes from day to day and shift to shift. For example, modern people operations systems send alerts when employees call out or do not show up — and generate automated call lists with intelligent recommendations for filling open shifts with qualified, cost-effective employees who are available to work. Alerts can also notify managers of late arrivals and early departures so managers can reallocate resources as needed — and then initiate conversations with the employee if the behaviour persists.

According to Nucleus Research, organisations can reduce total payroll spend by more than 5% on average by optimising scheduling processes.<sup>8</sup> The study revealed that organisations were able to achieve these labour cost savings by configuring optimal shift lengths, defining overtime governors/limits, and providing real-time visibility into actual labour versus planned labour. Built-in intelligence, rule checking and shift coverage functionality help organisations put the right person in the right place at the right cost for optimised workforce utilisation.

# Drive efficiency gains to control costs and stay agile

Doing more with the same requires that organisations identify opportunities to drive efficiencies across people and processes. Innovative people operations solutions provide intelligent scheduling automation that leverages sophisticated algorithms and predictive analytics to optimise staffing for smart, cost-effective workforce utilisation.

There are several people operations capabilities you can implement to simplify schedule optimisation and empower managers to control other aspects of workforce management, such as their labour spend.

At Howard Tenens, the new norm is a culture of continuous improvement and efficiency: in its first year with UKG Ready®, weekly administration of hours decreased by 70%, and time spent dealing with pay issues at sites decreased by 80%. Howard Tenens' drivers have stayed loyal despite high demand for their services elsewhere and expressed their support for the new system in a company-wide survey.<sup>9</sup>



The tracking and reporting tools have been hugely beneficial for improving efficiency. We are now much better prepared for potential volatility with the new solution in place.

Sophie Berry  
Group CI & Efficiency Manager,  
Howard Tenens Logistics



## Identify inefficiencies and optimise operations with data

Workforce analytics can also play a key role in labour optimisation, allowing your organisation to set benchmarks against organisational budgets and goals with KPIs, metrics, and thresholds. Analytics deliver the real-time insights, backed by data, your managers need in order to identify, manage, and optimise opportunities for labour cost savings and process improvements. For example, these insights help them cost-effectively align schedules to fluctuating business demands by making adjustments to minimise wasteful overstaffing and avoid unplanned overtime.

Logistics organisations often struggle to merge operational and payroll data, relying on a cumbersome process that involves multiple reports and spreadsheets. This process often is not completed until after the pay period ends, meaning managers and executives must wait for visibility into their non-productive time and variances from standards until it is too late to take action. As a result, they cannot strategically leverage their labour data to drive productivity and profitability. People operations systems that allow you to bring data together from payroll, workforce management, field devices, and more can enable actionable insights that can reduce inefficiencies and errors while improving visibility.

## Streamline routine manager and employee tasks

Doing more with the same involves completing work more efficiently so each employee can accomplish more every day on the job. In addition to automating schedule creation and simplifying adjustments, people operations technology streamlines routine tasks so managers can focus on revenue-generating activities from wherever they are on any device.

- Review and manage timecards and schedules
- View and act on schedule and time-off requests
- Perform job and work rule transfers
- Manage timecards and schedule exceptions
- Attach incentives to hard-to-fill shifts

Mobile self-service capabilities also help employees access information and find answers independently instead of involving their manager or HR, thereby reducing effort and saving valuable time.

### Automation = Time Savings

- Using manual systems, it typically takes a manager 10–15 minutes to evaluate and approve one time-off request.
- For a manager with 30 reports, each of whom gets 10 vacation days, this adds up to 300 (30x10) potential requests if employees take time-off one day at a time.
- Spending 15 minutes on each request (300 X 15) totals 1.5 hours per week.
- With automated time-off approvals, managers could free up 1.5 hours per week (75 hours ÷ 52 weeks) for higher-value work that drives business goals.

## Automate enforcement of compliance rules

Compliance requires a proactive strategy to keep pace with rapidly changing laws and avoid costly fines and litigation. Modern people operations solutions offer workforce management technology that automates the calculation of hours, overtime, and holidays to minimise compliance risk. In addition, it takes labour laws, union rules, safety standards, and certifications and licensures into account when creating schedules and filling shifts, so your people are only working where and when they should be. Some systems will even send managers proactive notifications with recommended next steps to help them quickly adjust their actions before compliance violations occur — protecting your employees, reputation, and bottom line.

## Optimise the workforce for today and tomorrow

The future looks incredibly bright for distribution and logistics companies that embrace technology and build a strong culture strategy. By capitalising on the opportunities presented by these powerful people operations tools and talented people, these organisations can drive growth and deliver exceptional service to their clients. A people-first culture will not only give your organisation a strong competitive advantage, but it will also help you build greater workforce resilience and agility to handle future volatility and come out ahead. You will achieve real autonomy and flexibility by connecting people to their colleagues and roles with purpose and amplifying human impact by understanding human signals, offering exponentially higher productivity, optimising teamwork, and providing more opportunities for people to support one another and their communities.

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## About UKG

UKG is the workforce intelligence platform that puts workforce understanding to work. With the world's largest collection of workforce insights, and people-first AI, our ability to reveal unseen ways to build trust, amplify productivity, and empower talent, is unmatched. It's this expertise that equips every worker to deliver experiences that set their brand apart — because great organisations know their workforce is their competitive edge.

UKG Distribution

# UKG™

HR, Pay, & Workforce Management

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