Real-Time Access: Giving workers mobile access to real-time reports and alerts can lead to greater efficiency.

Internal Affairs

Employee use of smartphones, tablets
for company business has retailers pondering ROI

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With smartphones becoming commonplace, many retailers are plowing resources into various mobile marketing, loyalty and payment applications as a way to reach their customers.

But what about internal organizational uses for mobile technology? Seems obvious. And yet, by all accounts, the capabilities of electronics at the consumer level have far outpaced what employees can take advantage of on the job.

"The challenge to why mobile isn't used more inside each organization is deciding who pays for the device or service—the business or the employee?" says Chip Stadjuhar, president and CEO of Skyline Products, Colorado Springs, Colo.

Alluding to a chain that took back cellphones it gave employees because of prohibitive costs, he says, "Instead of it being a cost issue, [retailers] should be evaluating it on what operations could be run [using mobile technology] and then who in the organization should have it."

Murphy Oil USA, El Dorado, Ark., found a return on investment from all of its field managers using tablets. "If you want your district manager to use information to target specific tasks, you need to put it in their hands," says Melissa Lindsey, manager of internal communications and business programs for the 1,100-store chain. "If you have 10 to 15 stores, you

have the information right there."

Among the benefits tied to mobility include:

► Real-time information.

► Flexibility on the road, especially for traveling managers.

► Nimbleness in the store, so visiting district managers don't interrupt store operations.

► More customer face time for store managers, in that they can access information while on the sales floor.

► Ability to act. With some solutions, managers can electronically deal with issues such as changing street postings.

Soon the industry won't be able to ignore the benefits of internal mobile

solutions, according to Stadjuhar. "The world has changed," he says. "For the c-store industry, there's the corporate office and site level, with much of the workforce out in the field."

"Mobile is inevitable. Just like when PCs came out—everyone would eventually use them," says Greg Gilkerson, president of PDI, Temple, Texas. "Smartphones are devices we've had for a long time. It's logical in a time-compressed world. … People want to set up shop at home or Starbucks or on the road."

Murphy's Solution

For Murphy Oil, using mobile devices internally was a secondary step. What it needed initially wasn't a mobile solution but an application that would help coordinate and prioritize what employees do at the store level.

In the past, employees would get calls or e-mails from marketing, human resources, loss prevention or operations, each wanting the store manager to do something. Such tasks varied in importance and by deadline, but no one was prioritizing if a new display arrival took precedence over an equipment alert or cleaning the restrooms. It was common to see a dozen yellow sticky notes around the computer screen with to-do items scrawled on them, Lindsey says.

"Tasks were getting lost, and there would be no priority," she says. "We needed to have the information compiled, prioritized and in one spot."

"Everyone in corporate thought their project was more important and they could send anything to the c-stores at any time," says David Andrews, director of marketing and communications for Reflexis Systems Inc., Dedham, Mass., a company that offers time-management solutions. "But it's more intense at c-stores; with few employees, it puts more pressure on them."

About a year and a half ago, Murphy rolled out the Reflexis solution, which consolidated tasks from across corporate departments and prioritized them. Everything from promotion changes to product recalls fell into the process, eventually streamlining communication and allowing for more precision in the field.

For example, with a hurricane wreaking havoc on its markets last summer, Murphy stayed on top of the storm's movement, allowing the company to selectively communicate to affected stores.

For Murphy, the mobility piece came as data from the task-management solution bubbled up to the district-manager (DM)

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level. DMs could monitor how successfully store managers get through daily and weekly tasks, helping in the audit process. With reports at their fingertips, district managers could instantly address concerns store by store without bumping employees off their back-office computers.

"We're able to get a lot more information and have a quicker turnaround to recover information," Lindsey says. "It helps with accountability … and gives division mangers a follow-up tool that can directly impact stores that haven't complied."

Murphy is now working with Reflexis to add a program that will boost the amount of data managers receive, as well as improve report quality. "We're constantly evolving," she says. "If we need more functionality, we'll be able to … make those enhancements."

The larger goal is to expand mobility throughout the company to include consumer applications. Murphy is reviewing ways store staff can reward customers via mobile devices with a code or gift card sent directly to their tablet or phone. "It's all about instant gratification," Lindsey says.

Mobile Potential

Though internal uses for mobile technology are in the distant future for many c-store chains, Stadjuhar of Skyline says certain parameters exist. Smartphones and tablets have obvious differences in screen size and thus will differ in reporting format and in how much data the device can show.

"The general idea with the mobile offering is to enable a similar level of clarity that you get sitting on a computer onto a smartphone," Stadjuhar says, citing the difficulties involved because of how a phone is smaller and far less functional than a computer. "A mobile phone is more action-oriented. … It's not going to give you a giant report, but it will do specific functions."

For example, a retailer can cruise through e-mails or make a quick choice on an app, then follow up with a larger report later. "It's always a light and fast capability," Stadjuhar says. "But because people are so mobile, it allows for real-time notification of problems and subsequently action."

He cites companies having to adhere to below-cost-selling laws. To receive a real-time alert about non-compliance is "tremendous," he says. In the past, retailers would get fined before they even found out they were potentially selling below cost. They'd have to backtrack and figure out what their cost and prices were. Software today combined with the mobile

aspect can react and set aside crucial information needed for follow-up reports.

"There is all kinds of clarity you get when you're carrying a [mini] computer in your back pocket," Stadjuhar says.

Essentially, the mobility can cut through steps. Take a district manager who receives an alert that a store is mistakenly selling gas 19 cents below what it ought to be selling. For many businesses, the manager will have to call a help desk, which would engage corporate, which would then initiate action.

With proper authorization, pricing software and smartphone technology in hand, the manager can change the store's electronic price sign with a few keystrokes.

Such changes can occur at a single unit or swath of stores. "It's a real-time course correction," Stadjuhar says. "Most devices can trickle up the bad [alerts], but this is the ability to fix it quickly."

Shrinking Workforce

Yet another advantage comes with a workforce that already holds personal smartphones. Andrews of Reflexis says labor-scheduling software today can put store schedules online. If an employee texts that he or she is sick, a manager can post the shift availability to his staff. Those employees can log on, see the opening and decide whether to take the shift.

"So instead of a store manager going back into the office to look at a paper on the wall saying who's available, he can do that right from the floor—send out an instant message, text or e-mail, 'Hey guys, there's a shift available,' " Andrews says. "And he's doing all that from inside the store instead of inside an office."

The importance grows as companies strive to do more with less. The c-store model already has cashiers, store managers and area supervisors in the field at a 10-1 ratio over those at corporate, Stadjuhar says. Mobility becomes an advantage to managing that business correctly.

As companies seek leaner business models, the back-office PC will disappear, Stadjuhar says. That's because companies won't be able to afford an employee in the back office, and they'll use mobile devices to allow reporting to get done on the sales floor. "The store manager will have a tablet or smartphone as the primary mechanism to communicate and report back to corporate," he says. "It doesn't make sense for people to be in the back room, even for a time clock."

Tech Development

What eventually must occur is a convergence among perceived benefit, cost justification and then, finally, technology.

Many technology suppliers had to hold off until advances allowed them to act on mobile solutions. Gilkerson of PDI says his company had to wait. For his firm, a barrier was the different platforms that emerged for smartphones and tablets. Until recently, the only way to offer mobility was to develop a solution for each of the major mobile providers, which for PDI wasn't cost effective.

Eventually, PDI bypassed the issue by developing a mobile-friendly website. It solved the problem of having to develop integrated solutions for each provider and for each device. But that became an option only as Web tools became more robust, Gilkerson says. With these new tools, his company was able to create touch-screen capabilities for smartphones and tablets that tied back to the Internet and the customer's database.

So instead of accessing an app downloaded onto a smartphone or tablet, the user logs onto the mobile website and then has the capability of using the touch screen to navigate the site.

"We're just seeing the tip of the iceberg as far as mobility and capability," Gilkerson says. "It is the new normal."

Crawl, Walk, Run

With the potential and benefits clearly pronounced, why are most retailers hesitant to turn their business into a "mobile" unit?

Andrews of Reflexis offers an answer through a series of quick questions: Who's going to own the phone? If it's the company, it's a big cost. If it breaks, who replaces it? Should it be on a native (or in-house application) or Web browser?

In addition, smartphones differ in screen size, physical format and capabilities. Some phones may be able to use a company's solution, while some may not.

Plus, retailers may inadvertently put the cart before the horse. Not having a process in place that a mobile platform will complement can prove meaningless. Andrews says a company must first determine its business model. What are the most important things it has to do? How does it hold for accountability? How can it streamline communications?

If the organization values real-time information, then how is the information gathered and analyzed? In other words, how does it become usable? Retailers have to devise answers because mobility will only quicken the delivery of bad information.

Receiving important alerts is a tremendous advantage, Andrews says, but only "after you've done the initial blocking and tackling." ∎