



The Executive's Guide to Workforce Optimization

Learn how to unlock:

up
to **20%** more capacity

up
to **10%** in payroll savings

122X ROI

Read the guide



GUIDE

The Executive's Guide to Workforce Optimization

The untapped opportunity hiding inside your workforce

Labor costs account for up to [70%](#) of total business expenses — yet many executives can't measure the ROI of their workforce investments. Why is that?

For most organizations, workforce efficiency remains a blind spot. Leaders can pull up real-time financial metrics, sales forecasts and marketing ROI at the click of a button. But when it comes to linking workforce performance to profitability, they're often left guessing. As a result, companies waste [20-30%](#) of workforce capacity each year through hidden inefficiencies — costing millions in unrealized value. Without clear visibility into how labor investments translate into business results, executives struggle to align workforce planning with agility and growth goals.

In today's volatile market, that disconnect is no longer sustainable.

Workforce optimization has emerged as a [strategic imperative](#) for the entire C-suite — not as a cost-cutting tactic, but as a proactive lever for driving profitability with data-driven insights. It's the key for [unlocking new capacity](#) for growth — without adding headcount.

This guide outlines:

- Why workforce optimization is essential
- What data you need
- How to use ActivTrak
- Real-world examples

Workforce optimization isn't about doing more with less — it's about doing the right work, at the right time, with the right investments. Organizations that prioritize it will be the best equipped to drive sustainable growth.



Why workforce optimization is so important

Whether your role is focused on revenue, operations or cost management, the pressure to identify hidden inefficiencies and quantify ROI extends to nearly every aspect of business.

These aren't just interesting findings — they represent massive opportunities to recapture value. But solving the root problem takes more than just data. It requires turning workforce metrics into meaningful financial insights. Why? Because one ill-advised decision can create lasting ripple effects. Reduce headcount too much and you run the risk of [employee burnout](#). Approve too many new hires and you may face issues with [underutilization](#) and a [lack of work](#).

These dynamics have elevated workforce optimization from a management function to a boardroom priority. So what makes it so essential — and how can your organization use it to drive growth?

Did you know that the average employee spends nearly three hours a day on unproductive tasks like unnecessary meetings and emails? Or that many companies unknowingly pay for costly, duplicate roles due to a lack of proper headcount insights?

Nearly half of the software licenses organizations pay for go unused and overly rigid RTO policies cost companies millions in attrition. Workforce optimization brings clarity to all this and more.

Adding financial context to your workforce data empowers:

- **CEOs** to ensure workforce investments drive measurable financial returns, eliminating inefficiencies that drain [EBITDA](#).
- **CFOs** to control labor costs and maximize ROI by transforming productivity data into quantifiable financial gains.
- **COOs** to make better use of resources and enforce policies with real-time visibility into workforce operations.
- **CIOs** to align tech investments with actual usage, ensuring digital tools deliver measurable gains while reducing costs.
- **CHROs** to make data-driven decisions that unlock untapped potential and ensure accurate headcount planning.



Putting workforce optimization into practice

Workforce optimization is essential for improving efficiency, reducing costs and sustaining long-term growth. The six components below pair strategic value drivers with practical solutions — giving executives a clear, scalable framework to align workforce investments with business results.

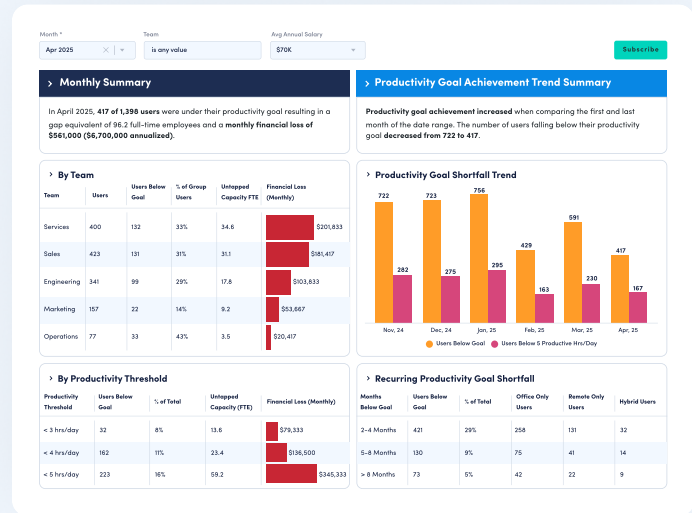
✓ Identify inefficiencies and quantify financial impact

Understanding where value is lost is just as important as knowing where it's gained.

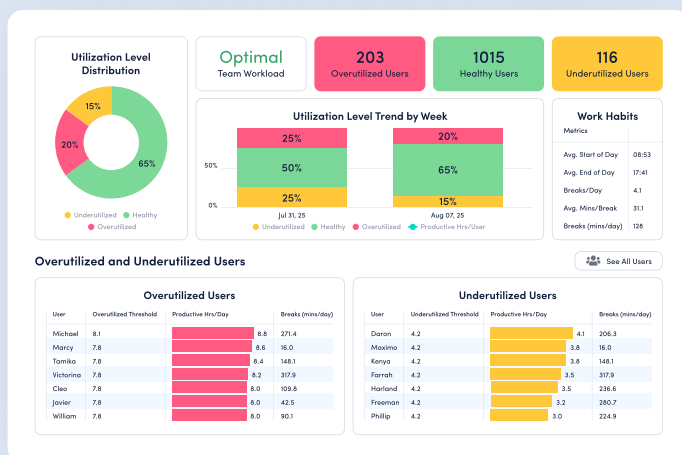
Without clear visibility into how time and resources are spent, inefficiencies build up and inflate costs. [Workforce optimization](#) starts with identifying untapped capacity and converting performance gaps into financial metrics. This gives leaders the insight needed to protect margins and make more strategic planning decisions.

Recommendation

Use **ActivTrak Workforce Utilization** to map untapped capacity to FTEs and salary costs. Filter by department, location or productivity thresholds to uncover savings opportunities and prioritize actions that align workforce investments with business priorities.



Early adopters report up to 20% reductions in idle capacity within 90 days and 10% payroll savings.



✓ Balance workloads across teams

What if you could achieve "just right" workload distribution?

Overstaffing drains resources while understaffing strains teams and hurts performance. A strong workforce optimization strategy aligns the right people with the right work, preventing burnout and reducing waste.

Recommendation

Use **ActivTrak Workload Balance** to spot imbalances, redistribute workloads and prevent unnecessary hiring. Real-time activity data makes it easy to see when existing teams have capacity to take on more work.

New to ActivTrak? [Sign up for free](#) and get full, unlimited access for 14 days.



✓ Align time to high-value work

How much time do your employees spend on work that drives results?

When employees spend too much time on low-value tasks, performance and profitability suffer. Knowing how time is distributed across core and non-core work allows leaders to correct focus drift and reinforce what drives results.

Recommendation

Use **ActivTrak Activity Alignment** to compare time spent on high-value vs low-value work. Identify coaching opportunities and help managers guide their teams toward more impactful outcomes with built-in frameworks that improve focus and output.



✓ Maximize productivity by location

Where are your teams most productive — and does your real estate strategy support them?

Data gaps in remote work planning can hurt performance and lead to poor office space investments.

Understanding where employees are most effective helps optimize [flexible work](#) policies, reduce real estate costs and boost productivity.

Recommendation

Use **ActivTrak Productivity by Location** to evaluate productivity across work environments. Identify which teams thrive in-office, remotely or in hybrid setups, then [align space planning](#) and flexible work models to match.



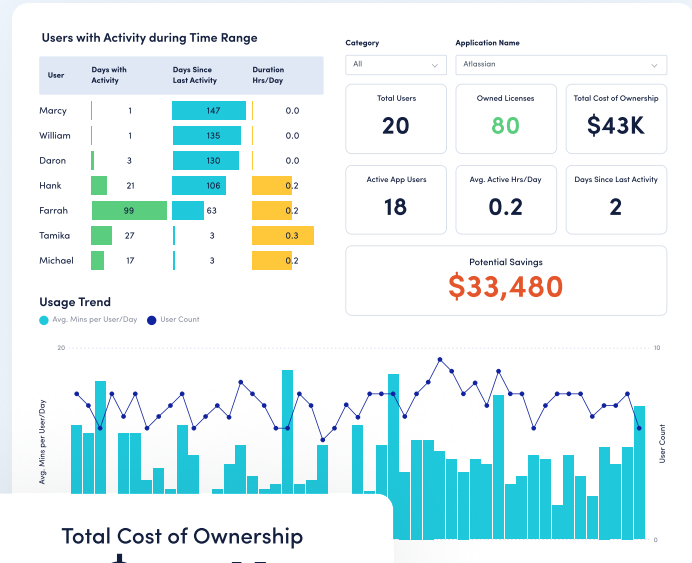
✓ Optimize technology investments

Are you getting full value from your software investments?

Without visibility into actual software usage, organizations waste thousands on unnecessary licenses – and teams miss opportunities to leverage valuable tools. [Strategic technology license planning](#) helps leaders eliminate waste, negotiate smarter contracts and optimize efficiency to deliver measurable returns. It also helps to enforce policies aimed at mitigating compliance risk.

Recommendation

Use **ActivTrak Technology License Optimization** to identify underused licenses, track adoption rates and right-size software investments.



Total Cost of Ownership
\$43K
 Potential Savings
\$33,480



Sales Team Member	Avg. Productive Hrs/Day	Avg Sales Tools, Email & Meeting Hrs/Day	New Opportunities/Hr Rate	# of New Opportunities Created	vs. Group Avg.
Victorina	6.5	4.7	12.7	101	▲ +102.5%
Tamika	6.4	4.7	12.9	74	▲ +44.4%
Farrah	7.1	5.4	15.4	65	▲ +30.3%
Daron	5.8	4.1	11.7	50	▲ +14.5%
Marcy	6.1	4.9	3.0	42	▼ -18.7%

✓ Connect workforce data to business outcomes

Workforce insights are essential for ROI clarity – but they're only part of the picture.

Workforce data is more valuable when it's tied to business performance. Integrating productivity metrics with systems like CRM, finance or help desk tools enables deeper insights, faster reporting and better decisions across departments.

Recommendation

Use **ActivConnect API** to embed workforce data into BI tools like Power BI, Tableau and Looker Studio. Leverage pre-built templates to jumpstart analysis and measure workforce impact across sales, service technology and more – without starting from scratch.



These reports bring financial clarity to the ROI of your workforce investments, enabling:

- **CEOs** to ensure workforce investments deliver measurable returns.
- **CFOs** to prevent unnecessary spending.
- **COOs** to streamline operational models.
- **CHROs** to improve performance and reduce burnout.
- **CIOs** to optimize technology investments.

“ActivTrak's edge lies in deeper utilization analytics, AI-driven coaching and planning capabilities that go beyond reporting to actionable intelligence.”

Ethan Ray

Senior Research Analyst
S&P Global Market Intelligence
451 Research



The ROI of workforce optimization

These real-world success stories demonstrate how organizations across industries have transformed operations using workforce analytics.

Uncovering \$1M+ in labor savings

After 18 acquisitions and a shift to remote work, [Echo Global Logistics](#) needed better visibility into the productivity of its 2,500-employee workforce. Workforce optimization enabled executives to identify untapped opportunities, transforming how they allocate resources and make headcount decisions. As a result, the company achieved over \$1M in labor savings (annualized) and was able to:

- **Align finance and operations teams** with shared workforce data for strategic decision-making.
- **Prevent unnecessary hiring** by identifying and activating underutilized talent.
- **Integrate productivity metrics into EBITDA-** focused decision-making.

Achieving 122X ROI with workforce analytics

When [Parts ASAP](#) rapidly expanded — acquiring 18 companies and growing to 65 locations — the company sought to consolidate operations while transitioning to remote work. Workforce optimization empowered leadership to achieve \$6.82M in added value — a 122X return on investment — through expense reduction and revenue gains, allowing them to:

- **Improve overall employee productivity by 18%** after uncovering and addressing unproductive behaviors.
- **Decrease non-productive time by 42%** through targeted coaching conversations.
- **Generate 12,000 additional productive hours** monthly across their workforce.

Make data-driven workforce decisions with ActivTrak

High-performing companies turn workforce visibility into business value. The sooner that starts, the stronger the return. With ActivTrak, you can get started right away. Our [workforce optimization software](#) equips you with data-driven insights to reduce waste, optimize workforce investments and drive growth. It's all the executive-level workforce metrics you need to get (and stay) ahead.

Are you ready to see how workforce analytics can transform your business? Start today with these resources:

- [Watch the webinar](#) to learn how you can unlock productivity gains and financial impact.
- [Read the blog post](#) to discover how workforce analytics helps unlock EBITDA growth.



Executive checklist for workforce optimization

Follow these six steps to transform your workforce investments into measurable financial gains.

1. Identify inefficiencies and quantify financial impact

- Analyze workforce data to find untapped capacity and performance gaps.
- Translate productivity gaps into financial loss to protect margins.
- Use **Workforce Utilization** to uncover potential savings by team, role or region.

2. Balance workloads across teams

- Analyze over- and underutilization in real time to right-size teams.
- Prevent burnout and boost retention by addressing imbalances early.
- Leverage **Workload Balance** to align talent and resources with demand.

3. Align time with high-value work

- Audit how time is spent across core vs. non-core activities.
- Shift time away from low-impact activities like excessive meetings or low-impact tasks.
- Use **Activity Alignment** to coach teams toward performance that drives results.

4. Maximize productivity by location

- Understand productivity trends across remote, in-office and hybrid teams.
- Align flexible work policies with actual productivity trends.
- Apply **Productivity by Location** to guide real estate decisions and hybrid or remote work policies.

5. Optimize technology investments

- Audit software usage to compare license allocation with actual adoption.
- Eliminate or consolidate underused tools and reduce overlapping spend.
- Use **Technology License Optimization** to right-size tech investments.

6. Connect workforce data to business outcomes

- Integrate workforce analytics with BI, finance, CRM and ops systems.
- Tie productivity metrics to revenue, EBITDA and operational KPIs.
- Use **ActivConnect API** to embed workforce insights into dashboards and decision-making tools.

Unlock cost savings and growth faster with ActivTrak.

Organizations using workforce optimization software gain:

- Up to **20% more capacity**
- Up to **10% in payroll savings**
- **122X ROI**

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