

Promising Workforce Strategies from Across the Reimagine Retail Network

A Retailer Bets on Learning and Development: Goodwill Industries® of San Diego County

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"We realized as we move forward and minimum wage goes up that we are going to have to be much more efficient at what we do. We didn't want to limit the people we hire, because people are what we're all about. We want to retain people through training and development, which will also improve their productivity. Goodwill talks about 'no margin no mission.' We have to continually improve processes to stay competitive."

-Toni Giffin, President & CEO

"We've had a really strong year, and I think it's a result of our investment in learning and development. The engagement of the ambassadors has changed. I've been with the organization 10 years, and I can see the growth. The culture of the organization feels different, and we're getting results."

-Jacky Brown, Vice President of Retail

In today's tight labor market, many retailers face heightened competition for talent and struggle to retain workers. A wave of minimum wage increases across the country has imposed additional pressure on low-margin retailers. Forward-thinking businesses are seeking solutions to attract and retain talent and improve performance. Some are expanding their talent pipeline by engaging populations that have historically faced challenges connecting to the labor market. Others are seeking new training approaches to enhance productivity, including training supervisors to be more effective managers.

In 2016, the state of California and the city of San Diego both passed legislation to increase the minimum wage. Facing higher labor costs, Goodwill Industries of San Diego County (GISD) made a strategic decision to respond to mandated wage increases by investing in new training and operations management practices. By improving stability and mobility for workers, GISD leaders believed they could drive increased productivity and performance in retail stores and strengthen retention. Since making these investments, GISD has increased organizational revenue by 15 percent¹ and internal promotions have increased 46 percent.²

Much can be learned from GISD, a nonprofit organization that operates a retail social enterprise that generates revenue to fund its mission. Founded in 1930 to provide employment and training opportunities, today GISD employs about 1,400 people, nearly half of whom have a disability or other significant barrier to employment. GISD also offers no-fee employment services through Goodwill Community Employment Centers.

GISD processes and resells donations from community residents and is a leader in the growing used goods market. Employees staff 24 retail stores, six bookstores, three clearance centers, and an e-

commerce business, along with 18 donation centers and transportation and processing departments across San Diego County. Earned income from retail operations accounts for 96 percent of GISD's revenue. To fulfill its workforce mission and remain solvent, GISD has had to develop new expertise in and strategies for both employee development and retail operations. Recently, GISD has recruited seasoned retail professionals from large corporations to serve on its senior leadership team.

Reimagine Retail, an initiative of the Aspen Institute Economic Opportunities Program funded by the Walmart Foundation, explores ways to enhance job quality and improve mobility for the retail workforce. In San Diego, we partner with the San Diego Workforce Partnership, an innovative workforce development board. The Workforce Partnership supports GISD and other employers to provide resources to promote development and advancement opportunities for retail workers. We recently visited San Diego to tour GISD retail stores and meet with frontline staff and managers of both training and retail operations. We learned how GISD has adapted its culture and operations to enhance job quality and business performance in response to minimum wage increases. The sections that follow lay out four key GISD practices observed during the visit that offer lessons for other retailers and workforce development providers:

- Leverage minimum wage increases to strengthen the capacity and productivity of the workforce
- Develop career pathways that clarify advancement opportunities
- Invest in leadership development for frontline workers and store leaders
- Build a culture that reinforces learning and development

¹ To date, GISD reports that this revenue increase has enabled it to remain financially viable and generate a reserve despite increased labor costs.

² 96 percent of revenue is generated from retail operations; GISD's revenue increase also includes a small percentage of other funding sources.

Two years after the minimum wage increase, GISD has improved jobs for workers. Store leaders see development as their core objective; most say a store leader believed in them, and that they want to pay it forward by supporting current workers' growth. Along with higher wages at all levels, GISD has adopted more transparent career pathways and greater opportunities for training, advancement, and recognition. "I would say we're seeing a stronger workforce," District Manager Christy Latson says. "Our customer service has improved over the years, and that's major."

Retailers and workforce development organizations across the country can learn from Goodwill's decision to respond to a mandated wage increase by investing in training and increased operational efficiency. Lessons from GISD's experience can help businesses adapting to minimum wage increases, those seeking to get ahead of minimum wage legislation as a competitive advantage, and retailers looking for new approaches to improve jobs while improving business performance. Workforce development professionals can also learn about the challenges retailers confront when responding to a minimum wage increase and practices that can help their business partners adapt while supporting workers.

Spotlight on Impact

From 2016 to 2018, GISD saw the following performance improvements, which leadership attributes in part to its heightened investments in workers:

Organizational revenue: 15 percent increase

GISD has maintained consistent margins and generated a reserve despite increased labor costs.

Internal promotions: 46 percent increase

Practice 1: Leverage minimum wage increases to strengthen the capacity and productivity of the workforce.

“It became more strategic to create a compensation structure and a path to be able to develop people to do more, so that we could continue our business without having to let people go.”

– Fabia Parkinson, Vice President of Human Services

A growing number of states and municipalities across the United States are passing minimum wage legislation, putting pressure on lower-wage industries, including retail. While the federal minimum wage has remained \$7.25 since 2009, the minimum wage has

increased in 27 states and the District of Columbia since 2014, and 42 cities and counties have adopted minimum wages above their state minimums.³ In San Diego, the minimum wage increased to \$11.50 in 2017 and will increase to \$15 by 2022.

How Minimum Wage Legislation Impacts GISD

Legislative History

- **April 2016:** California passed the Fair Wage Act, a statewide initiative that outlined a five-year schedule to increase the minimum wage from \$10 to \$15 an hour.
- **July 2016:** The city of San Diego, via ballot referendum, accelerated the incremental rate of increase. In 2017, the city’s minimum hourly wage rose to \$11.50, one dollar above the state’s minimum wage.

Wage Increase Implementation Schedule⁴

Year	California ⁵	City of San Diego
2016	\$10.00	\$10.50
2017	\$10.50	\$11.50
2018	\$11.00	\$11.50
2019	\$12.00	\$12.00
2020	\$13.00	\$13.00
2021	\$14.00	\$14.00
2022	\$15.00	\$15.00

³ <https://www.epi.org/minimum-wage-tracker/>

⁴ https://www.dir.ca.gov/dlse/faq_minimumwage.htm; <https://www.sandiego.gov/treasurer/minimum-wage-program>

⁵ Applies to firms with 26 employees or more; smaller firms are also covered under the law but the implementation schedule moves more slowly.

In San Diego County, retail businesses make up 19 percent of total employment and have had to adapt quickly.⁶ GISD's Vice President of Human Services Fabia Parkinson recalls, "In 2016, the California minimum wage law passed. Because the bulk of our organization is at the entry level, we did some rough calculations that it would cost us over \$9 million. Not to mention wage compression. If an entry level person is making \$15, what is the supervisor making?"

GISD decided to take a proactive approach in 2016 by raising wages in key positions and addressing compression across the organization. Alongside a larger investment in wages, GISD aimed to establish training and career pathways with the goal of increasing productivity and sales among both frontline workers and store leaders.



A GISD worker sorts clothing. GISD employees appreciate having the autonomy to make decisions (within the organization's framework) on how merchandise is priced and displayed.

⁶ https://workforce.org/wp-content/uploads/2018/06/retail-lmi-full_report_2016-11-02v2.pdf. Note that this source includes restaurants.

Practice 2: Develop transparent career pathways that clarify advancement opportunities.

“When we first started out here, it wasn’t laid out in steps. You didn’t really know how you were supposed to advance. Now that they’ve started doing the leadership classes and the career pathways, it’s laid out for you. They show you what you need to do. As long as you’re working on this and completing these tasks you have no problem moving forward within the company.”

– GISD Assistant Manager⁷

GISD sought ways to increase productivity and performance in retail stores to remain solvent while paying higher wages. A first step was creating a career pathway that guides staff development and performance expectations from ambassadors (GISD’s entry-level workers) to store managers. Articulating advancement opportunities for workers can increase staff engagement and clarify what it takes to be successful in their roles.⁸ Together, GISD upskilling experts from the learning and development team and operations experts from the retail team defined the core skills needed to succeed in GISD retail stores, including customer service, communication, and conflict management. They then designed training

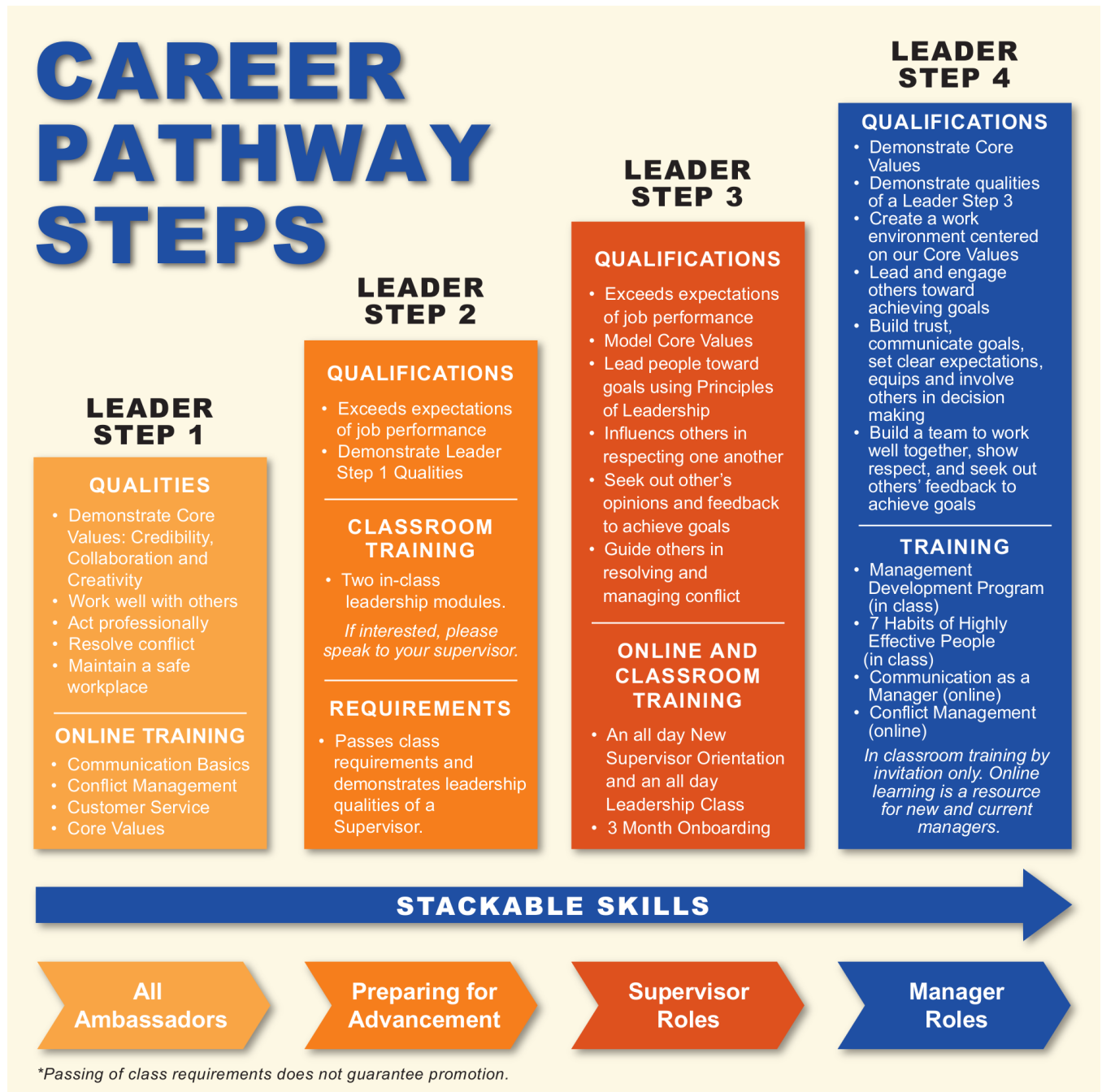
and advancement pathways to drive increased efficiency. After setting these pathways, experts communicated the pathway steps (including wages for each role) to workers at all levels, using methods such as discussions in team huddles and flyers in break rooms. GISD’s learning and development and retail operations teams continue to work together to make pathways and associated training more effective and accessible. Recently, GISD began offering frontline worker training in video format to standardize and provide greater access to training for frontline workers across all stores.

GISD’s career pathways steps are detailed in Figure 1:

⁷ Throughout this publication, we refer to store-level GISD staff members anonymously or by their first names based on individual preferences.

⁸ <https://www.fsg.org/publications/investing-entry-level-talent>.

Figure 1



Typical retail employment structure is such that far fewer jobs are available for managers than for entry-level employees. Recognizing this, GISD offers cross-training and leadership development opportunities to keep employees engaged and learning new skills as they prepare for positions to become available. Leaders also acknowledge that some employees may find opportunities to advance in their careers outside

of GISD. As Giffin explains, “We understand developing our employees and providing Career Pathway Steps will lead some employees to leave GISD for career advancement, and that’s okay. We want to improve the employability of every person that works for us or comes to us for services. It is our mission and we rejoice when people receive a better opportunity.”

Practice 3: Invest in leadership development for frontline workers and store leaders.

“We need to develop our leaders not only because it’s consistent with our mission, but also because it sets the environment for an engaged workforce. When we develop our leaders, we develop our organization.”

– Toni Giffin, President & CEO

Alongside the development of its career pathway, GISD invested in leadership development training as a strategy to increase productivity. By preparing supervisors and managers to lead the growth and development of their staff, GISD believed it could bring out the best in frontline workers and enhance store performance. President & CEO Toni Giffin explains that this investment represented a shift from promoting supervisors and managers based on technical skills to developing them to be leaders and coaches in their stores. “In the past, we would promote someone because they were good at their job — but there’s a big gap between doing a task well and being someone who can lead others. We weren’t equipping our store managers to mediate, to coach — they had the technical skills, but not necessarily the critical thinking to be a leader.”

Central to GISD’s leadership development approach is a framework that both guides how store leaders manage business operations, such as developing and monitoring strategies for meeting store goals, and offers a set of leadership principles for managers to direct and engage their staff to meet goals. Store leaders learn how to communicate goals and value staff so that ambassadors understand their roles and take responsibility for meeting goals.

GISD launched its leadership development program for supervisors in 2015, followed by its program for store managers in 2016. It has also recently developed a program that introduces leadership training to ambassadors and prepares them to take on supervisor roles.

Developing Supervisors as Leaders

In 2015, GISD began investing in frontline supervisor training as a strategy to improve store productivity. As Giffin explains, GISD chose to raise wages across store-level positions to alleviate wage compression and improve supervisor performance. “Supervisors went from a range of \$13 to \$15 per hour to \$15 to \$18. We asked, if we are going to pay more, are they ready to do more? Our supervisors have to be able to manage people, inspire, coach, take disciplinary action, communicate, document — everything management needs to do. That’s when we put all our supervisors through the training cohort. It’s very hands-on. You have to be able to demonstrate what you learned in class. It has really taken learning to the next level.”

Supervisor Training Highlights

In 2015, GISD launched a supervisor training consisting of two full-day sessions over a three-month period. The training focused on leadership skills that prepare supervisors to take on the expanded responsibilities of leading their teams. Supervisors were able to apply classroom learning in their jobs and through a final presentation. Sessions took place during work hours at GISD's workforce development center and staff were compensated for the time they spent in training. Highlights included the following:

1. **Leadership Training (Day One)** – Supervisors learned about the leadership principles and how to use them to build their team.
2. **Management Training (Day Two)** – Supervisors learned about management frameworks and had opportunities to apply them to their work through role-playing scenarios.
3. **On-the-job assignments and journaling (between trainings)** – Supervisors practiced learning on the job, for instance by leading morning huddles. They also kept a journal reflecting on how they applied the principles of leadership in their work.
4. **Final presentation (end of training)** – Supervisors presented their learning to a small panel of directors and described how they planned to organize and manage their teams.
5. **In-store coaching (monthly)** – Managers met with supervisors during the three months following training to check in, provide support, and encourage supervisors to make store-level decisions.

As GISD has formalized its career pathway steps, it has refined its supervisor training.⁹ In an effort to provide leadership training and advancement opportunities to staff at all levels, GISD has also begun offering leadership training to prepare ambassadors for supervisor roles.¹⁰ In this frontline worker training, participants learn more about supervisor roles, how to oversee daily business operations, and principles for leading teams. Assignments completed between two full-day sessions allow workers to apply classroom learning on the job. At the end of training, workers who achieve proficiency on a final assessment are eligible for promotion to supervisor positions.

⁹ GISD now runs a condensed version of the supervisor training as part of Leader Step 3 in the career pathway. For additional information, see the Career Pathway Steps diagram on page 7.

¹⁰ The frontline leadership training is part of GISD's career pathway Leader Step 2. For additional information, see the Career Pathway Steps diagram on page 7.

In Their Own Words: Staff Reflect on Supervisor Training

From the executive team to training participants — many of whom are now assistant managers and managers — GISD staff cite benefits of the supervisor training that range from improved leadership skills to increased productivity.

“The training started out about us and reflecting on our leadership,” explains Shay, a supervisor training participant who is now an assistant store manager. “How do we plan, delegate, and make decisions? It helped me build up my team.”

Participants report that the training helped them provide frontline staff with the autonomy to make decisions. At GISD, workers sell unique goods that change daily, so building workers’ confidence and competence to exercise good judgment, such as when interacting with customers or making pricing and display decisions, is critical. “Building trust was huge,” says Shay. “Once you provide clear expectations, you have to step back and trust your team to do the work, and let them have a voice and be part of the process. I learned to develop my staff.”

Notably, the executive team points to increased confidence and critical thinking skills among store supervisors as important drivers of increased productivity. “Before the cohort, supervisors would often go to the assistant manager and ask questions when they needed something solved; that delays the process,” explains Vice President of Retail Jacky Brown. “Now they’re able to make more decisions themselves — it expedites the process. They’re coming in and being proactive. That helps the assistant manager focus on other things — for instance, how do we meet the revenue goals?” Director of Workforce Development Melissa Esten adds, “Each time you have to make a decision, it’s costly. Now you’ve made it a quicker response to customers, to employees. We’ve driven the decision making down, and so we’ve been able to revise supervisors’ job descriptions.”

Fostering Collaborative Management Through the Management Development Program

The Management Development Program (MDP), designed for store managers, takes place during a four-month period and is an applied learning model in which managers practice building a team and creating an engaged work environment.¹¹ Through the training, managers participate in Process Action Teams (PATs) to address issues critical to the business and make recommendations to drive operation

improvements. At the end of the training, managers present on their experience building a team to collaboratively solve problems.

Process Action Teams are a key component of MDP. Working in small teams, managers confront organization-wide challenges and work together to propose solutions. In addition to contributing to managers’ learning and development, PATs enable GISD to gather staff input and make process improvements. The experience also teaches

¹¹ The Management Development Program is part of career pathway Leader Step 4. For additional information, see the Career Pathway Step diagram on page 7.

managers the value of frontline staff as sources of new ideas and improvements, a lesson they bring back to their stores.

Past PATs have tackled ways to process inventory more efficiently and balance store policies with staff autonomy. Different PATs often tackle different components of a key organizational challenge, which helps foster cross-team learning and provide GISD with a comprehensive set of recommendations. For

example, one MDP cohort addressed the donation process, with individual PAT teams focusing on different stages, including intake, transportation logistics, and merchandise processing. “The goal is for managers to experience a collaborative, shared management style to bring back to staff,” explains Esten. “We talk about how this is ‘caught not taught,’ we’re trying to create a simulated environment where managers learn by doing. They bring it back to stores, and ambassadors are catching it too.”

Key Components of Process Action Teams

Teams address a real-world problem – Real problems both engage managers and reveal solutions the organization can implement. “It was exciting to work on a real-world issue that needed improvement in the organization,” says one store manager. For example, one team recently developed strategies to improve new staff onboarding.

Teams are cross-functional – Team members represent departments from retail to transportation to maintenance. This exposes managers to different facets of the organization and allows teams to draw on varied expertise to design solutions.

Each team member plays a role – Teams inventory each member’s personal strengths and create team roles such as recorder and team leader. “Building the team is part of the process,” explains a GISD maintenance manager. Amber, a store manager, adds, “You have all of these different personalities and experiences everyone brings.”

A sponsor provides support – Each group works with a director-level sponsor who provides guidance, mentorship, and structure as teams develop their strategy. “We gained a lot from the sponsor’s input,” recalls a GISD recruitment manager.

Teams present findings – Teams present their final recommendations to organizational leaders, sponsors, and other PATs in the cohort, giving team members an opportunity to demonstrate leadership and learn about others’ recommendations.

Learning to Manage Change and Continuous Improvement

GISD staff of all levels report that the leadership training program helps prepare managers to oversee new ways of doing work at their stores. “With a focus on continuous improvement, we’re coming into stores and testing out new systems and new ways of doing things,” explains Vice President of Finance David Wardlow. “Our store managers with strong leadership skills help mitigate risk. This is an area where leadership development has really paid off.”

For Store Manager Amber, the training has helped her both support her team and boost sales as they adapt to a new building and new systems. “The training really helped with the transition; we’ve had very few hiccups. We have a whole new system for moving merchandise through the store, and our staff is engaging positively. I think the training helped me clearly communicate about the changes and get buy-in for what we’re doing. Now we’re more productive, and we’ve been rocking our sales.”

Another store manager reflects on how the program helped him transfer decision-making authority to ambassadors. “The concept of trusting your employees and empowering them to make their own decisions really resonated with me. I maybe didn’t do that prior to the management training. Just giving them the tools and allowing them to make mistakes and learn from them. Letting them know that if they make the wrong decision, that’s okay. We can figure out why they made that decision and then try to analyze their process to see if we can learn from it.”



Leaders across GISD support the organization’s learning and development strategies. Featured in this profile: Luis Becerra (Director of Retail, third from left); Jacky Brown (VP of Retail, fifth from left); Toni Giffin (President & CEO, center left); Fabia Parkinson (VP of Human Services, sixth from right); Melissa Esten (Director of Workforce Development, third from right); and David Wardlow (VP of Finance, far right).

Practice 4. Build a culture that reinforces learning and development.

“The training provides information, but our culture is built at the store-level. There is a constant feedback loop between learning and development and what’s happening in our retail stores.”

-Toni Giffin, President & CEO

In focus groups with GISD workers at all levels, most say their favorite thing about coming to work is the GISD mission and its fun, supportive culture. One assistant manager says he is motivated by “the culture. In our store we’re really a team and almost a family. We help each other out. I worked at another retailer where I felt like a cog in the machine. Here it’s great because we support each other and work together to achieve a goal.”

Retailers looking at GISD’s example may wonder if it is unique to mission-driven nonprofits. However, many for-profit retailers have similarly achieved high workforce productivity and retention by galvanizing workers around shared values. For example, online shoe retailer Zappos built a fast-growing business and loyal customers by institutionalizing core values and hiring employees who buy in to them.¹² GISD’s process for instilling principles and building culture offers lessons to for-profit retailers and nonprofit partners alike.

In conversations with GISD leaders, managers, and frontline workers, a set of shared norms emerges. Under the leadership of Esten, GISD has established a **learning culture**¹³ where everyone is encouraged to be both a learner and a coach. As Giffin explains, “Everyone is on a career path; everyone is in paid training.” Esten, Giffin, and employees at all levels highlight GISD’s methods to share and institutionalize its values, naming the following practices as key reinforcers of organizational culture:

- **Put policies and values in writing** – GISD has developed extensive written policies to ensure values and associated practices are transparent. One store manager recalls, “I used to manage gas stations, and the policies they had there were very basic. Here, we have many more policies and procedures and core values and lots of principles. It’s very helpful and it’s just our culture.”
- **Repeat norms early and often** – GISD’s many policies are made clear and accessible through online videos, team huddles, and daily practices that help staff internalize values. GISD employees learn memorable frameworks and are encouraged to apply them often in their work. For example, managers who have completed supervisor training are quick to reference the “Five Principles of Leadership” as the guiding framework that shapes their interaction with their staff.
- **Provide workers with the freedom to innovate** – While GISD standardizes practices through written policies and online videos, workers don’t feel constrained by the rules. GISD policies give employees at all levels the autonomy to make decisions and share their ideas. Brown explains that during daily team huddles, frontline staff are encouraged to share their opinions and ideas. “Instead of waiting until something becomes a problem, this helps us address it right away.”
- **Reward participation to foster buy-in** – Acknowledging excellent performance

¹² <https://www.forbes.com/sites/danpontefract/2015/05/11/what-is-happening-at-zappos/#5f2927694ed8>; Zappos goes as far as asking employees to re-write the company’s “Culture Book” (<https://www.zapposinsights.com/culture-book/digital-version>) each year to ensure that staff at all levels are actively committed to the company’s mission and values.

¹³ <https://www.aspeninstitute.org/blog-posts/strategic-guide-to-building-a-culture-of-learning>

provides a constant reminder of the values that matter most at GISD and aligns workers with these values. Leadership describes how GISD managers motivate frontline employees to learn and demonstrate its 12 aspirational values, including honesty, workplace safety,

and customer satisfaction. Brown explains that when managers “see one of their ambassadors demonstrating those values they can recognize it during the daily huddle and give them a button that represents that particular value.”

Employee Spotlight: How One Staff Member Draws on the Supervisor Training to Build Store Culture

I've had a long journey at Goodwill — I just completed my seventh year. I'm 25 and still figuring out certain aspects of my life. Goodwill has been a good opportunity for me to grow and to build my network.

When I first moved to San Diego, I was having a hard time in terms of stability and family-wise. My brother got hired at Goodwill as an entry-level processor, and a few months later, another position opened up. I was given the opportunity to start as a processor; no one else gave me an opportunity.

I worked really hard and showed that I was dedicated. I got promoted to a level 3 processor and then became a supervisor. I had some managers tell me, ‘Wow, you're really smart.’ They tried to push me on a path to grow. I like to share this philosophy and really focus on developing people.

I've seen a huge change ever since the supervisor training program. Expectations for store leaders went up. We don't just talk about what's expected, but talk about why; that's what separates our culture. The leadership principles we covered in the cohort helped open my eyes. They opened the door for me to be responsible for employees' development.

Then I got an opportunity to become assistant manager at a different store. When I got there, it was very behind on goals. When a store is not performing, there's a cost. We turned it around following the steps of the cohort, like involving our team. We turned the store around without letting anyone go.

Now I'm a store manager. I still go back to the principles and use them with my team. I ask, ‘Did you set expectations? Did you communicate the goal overall? Did you explain why we're doing this?’ I know I like helping people and I've become a lot more business oriented. Regardless of where I end up, whether it's a district manager at Goodwill or another company, I'll value what I learned here and take it with me.

- Mickey, Store Manager

Beyond Training: Coaching and Development at the Store Level

To build culture and improve productivity, Goodwill employees are expected to develop others — in fact, it is built into many employees' job descriptions. "The reality is that everyone here is a coach," says Luis Becerra, Director of Retail Operations. "In our stores, managers are the head coaches."

Several store-level practices support coaching and development of GISD's retail employees:

1. **Aligning store leaders' performance metrics to ambassador development** – In addition to measures related to stores' financial performance, store leaders are evaluated on metrics related to staff development, including employee morale, retention, training opportunities, and internal promotions. When asked what performance metrics they are responsible for, both supervisors and managers note the centrality of "staff development."
2. **Onboarding** – New staff are introduced to GISD's career pathways during onboarding and have opportunities to identify their strengths and consider their goals for career advancement.
3. **Five-minute conversations (quarterly)** – Less formal than annual reviews, ambassadors meet with managers every six months to discuss how they are progressing in their roles and ways to meet personal and professional goals.
4. **Performance reviews (biannually)** – During this formal evaluation, ambassadors meet with managers to review performance objectives, discuss readiness for promotion, and identify personal strengths and areas for improvement.
5. **On-the-job coaching (ongoing)** – Supervisors and managers regularly touch base with ambassadors, providing on-the-job

coaching and feedback in areas ranging from conflict management to setting up window displays.

Giving Workers Autonomy to Make Decisions and Meet Goals

Supervisors and managers are encouraged to invest in their staff, giving ambassadors autonomy to make decisions and the voice to drive continuous improvement. One GISD store manager describes guiding ambassadors to provide input and make decisions as an important part of her role. "I have fun at work. I like being able to develop the employees and give them the opportunity to set expectations and then let them get to that bottom line however they're going to go about getting there. It's awesome to watch them grow."

Several GISD practices support workers to exercise autonomy and provide input:

1. **Financial transparency** – GISD communicates openly with staff at all levels about financial performance and business goals. Ambassadors understand the connection between their own contributions and these goals, increasing their sense of ownership and engagement and encouraging them to suggest improvements to strengthen GISD's performance.
2. **Team huddles** – Daily huddles serve as a space for ambassadors to learn about store goals and provide input on how to reach goals and improve operations. "I have employees telling me what they think needs to be done to achieve our goals, and they have a plan," reports one assistant store manager.
3. **Pairing standardization with autonomy** – By standardizing processes ranging from sorting donations to displaying merchandise, ambassadors understand what is expected of them and can complete routine tasks efficiently. This allows them to **focus their**

mental energy¹⁴ on improving existing processes and coming up with creative ways to increase sales.

4. **Cross-training** – Ambassadors have opportunities to train in different roles across GISD stores, from processing donations to working the cash register. Cross-training teaches ambassadors to understand different parts of the business, positioning frontline workers to suggest process improvements and collaborate across teams. Additionally, enabling employees to perform varied work helps keep them challenged and engaged and prepares them to grow into new roles. It also gives managers greater flexibility in how they deploy their workers, supporting more stable scheduling practices.

Mining Workers' Ideas to Meet Store Goals

According to GISD's store managers, creative sales strategies often come from the front line. Managers

involve staff in strategies to help boost sales. One store manager recalls, "We don't usually have a lot of shoes because we're a bookstore, but recently an ambassador came to me and said we'd received a huge shipment of shoes. She asked what I thought we should do, and I asked, 'Well what do you think?' That's when she suggested a shoe blow-out sale. We don't normally put shoes out on the floor, but I said, 'Okay, let's try it.' And it was a hit! At the end of the day, I think there were only four pairs of shoes left. It was so cool, and I was high-fiving everybody and congratulating the team for the suggestion. We're open to suggestions from every member of the team."

Store Manager Amber tells her own story of drawing on ambassadors' ideas to meet sales goals. "I'm seeing ambassadors individually take parts of the store and pitch new ideas, such as, 'Let's sell all red stuff, or all bikini tops and do it to boost our sales. They see the numbers because I'll go back and tell them, 'We're at this number and things are selling.' And then to give them the credit in front of everyone, that's huge."



A GISD retail store employee prepares a display rack. GISD employs about 1,400 workers in San Diego County.

¹⁴ <https://goodjobsinstitute.org/standardize-empower/>

Valuing Workers as Assets: Lessons Learned From GISD

“We have a 3.3 percent unemployment rate in San Diego, so we can’t just put out job postings and expect to get great candidates. We have to develop staff internally if we want to continue to grow. Our return on investment in our workers speaks to our bench strength, it speaks to our store managers and assistant managers — they are for the most part home-grown.”

-Luis Becerra, Director of Retail Operations

GISD’s response to California’s minimum wage increase offers important lessons for retailers and their workforce development partners. Rather than cutting labor in response to the wage hike, GISD chose to invest in the company’s greatest asset: its workforce. This commitment to a long-term investment in workers started with leadership, who understood that organizational change is hard and takes time. “You may not be able to do it all today, but months from now, it’s going to be like you’ve been doing it all along,” says Giffin. “You have to remember that when you’re going through changes, improvement is not always a straight line. There are lots of curves and switchbacks in the road.”

Through patience, and a close partnership between its learning and development team and retail operations team, GISD created transparent career pathways, strengthened training programs at all levels, and fostered a learning culture. The resulting 15 percent revenue increase over two years — and 46 percent increase in internal promotions over the same period — suggest that GISD is on the right track. Retailers around the country facing minimum wage increases, seeking to get ahead of minimum wage legislation as a competitive advantage, or simply taking steps to improve job quality for their workers have much to learn from GISD’s promising practices.

Reimagine Retail is a project to explore ways to enhance job quality and advancement opportunities for workers in retail, made possible by a grant from the Walmart Foundation. This is the first in a series of profiles by the Workforce Strategies Initiative spotlighting promising retail practices from across the Reimagine Retail Network. To learn more about Reimagine Retail, visit [as.pn/reimagine-retail](https://aspenworkforce.com/reimagine-retail). To learn more about the Workforce Strategies Initiative, visit [as.pn/wsi](https://aspenworkforce.com/wsi). Stay up-to-date with the Workforce Strategies Initiative by joining our mailing list ([as.pn/eopmail](https://aspenworkforce.com/eopmail)) and following us on social media ([as.pn/eopsocial](https://aspenworkforce.com/eopsocial)).

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