

### **Q&A: New Approaches to Engaging Retailers**

#### **Participant Questions & Speaker Responses**

On July 23, the <u>National Association of Workforce Boards</u>,<sup>1</sup> <u>Corporation for a Skilled Workforce</u>,<sup>2</sup> the Aspen Institute <u>Economic Opportunities Program</u>,<sup>3</sup> Nancy Snyder Consulting, and leaders from three workforce boards - San Diego Workforce Partnership, Chicago Cook Workforce Partnership, and Denver Economic Development & Opportunity – held a webinar to share learning about how workforce boards across the country are engaging with the retail sector. Drawing from recent research and experiences in the field, the webinar focused on the challenges, opportunities, and promising practices emerging from retail-focused work.

The webinar drew a large, engaged audience, and we were pleased to receive a high volume of thoughtful questions. Since we were unable to address all questions during the webinar, speakers worked collaboratively to respond to submitted questions. Our responses are provided below.

<sup>1</sup> https://www.nawb.org/

<sup>&</sup>lt;sup>2</sup> https://skilledwork.org/

<sup>&</sup>lt;sup>3</sup> https://www.aspeninstitute.org/programs/economic-opportunities-program/

### Retail and Hospitality 🗒

#### Have any of the boards divided retail out from hospitality?

The boards that Nancy Snyder interviewed worked with hospitality and retail together as part of a larger cluster which usually included retail, hospitality and tourism/entertainment.

NAWB interviewed 12 boards about their work with retail. We did not ask whether they worked on retail as part of a larger effort with hospitality, but many mentioned that they did. Since we did not specifically ask the question, we don't know whether the ones that did not raise it themselves are or are not working with retail within a larger hospitality cluster.

During a recent round table, we found that Hotel mobility is not a linear movement for example someone starts in Housekeeping, but may move to front desk and then to banquet. Since Retail is linear would it be better to separate Hotels and Retail? Thoughts?

From CSW's research, many of the foundational skills in retail and hospitality are similar: work readiness, customer service, and digital literacy, for example. However, the occupational skills in hospitality are more specific. When the boards that Nancy Snyder interviewed were working on programming that addressed occupation-specific skills – such as apprenticeship and preapprenticeship – they generally focused their work with one employer and that employer was more often in the hospitality industry.

The Aspen Institute's field-based research with retailers also suggests that not all retail career paths are in fact linear, given the diversity of roles in the retail sector. For example, we have interviewed store leaders who have spent time working in security/loss prevention, inventory management, and other roles as part of their path to management.

## Retailer engagement 🛂

# Can you please say more about the challenges and solutions offered that engaged airport retailers?

Denver International Airport is the 20<sup>th</sup> busiest airport in the world and the fifth busiest airport in the United States, with 64.5 million passengers traveling through the airport in 2018. You can imagine how many jobs it takes to run an airport of its capacity. One of the most unique characteristics of our airport is that we have a Workforce Center located inside the airport which serves as a hiring resource for the airport. Following are some of our current challenges and we are working with our airport employers to find solutions to these challenges.

Challenge	Solution
Space is very limited in the airport and employers cannot often find space to conduct hiring events, interviews, orientations and training classes.	Our Workforce Center is a value-add to the airport. We maintain a calendar and schedule employers to use our training room (with 12 computers), conference room and office space to conduct their hiring events, interviews, classes and meetings. Employers can also use the Workforce Center as a Business Center to make copies and send faxes for business purposes; lastly, we have a Resource Center with six computers which job seekers use for job searching and employers utilize for online applications and pre-screening assessments.
Finding enough qualified candidates for open positions.	We conduct industry research and provide data for our employers to support salary, job descriptions, and benefits allowing to employers to remain attractive to job seekers and competitive; market our airport jobs through our workforce channels (One-Stop Operator), Business Services networks, and other Workforce Centers located in partnering Counties to create interest; host weekly customized job events in the Workforce Center and quarterly job fairs at the surrounding Recreation Centers to attract talent.
Overcoming language barriers.	Providing ESL classes including (Workplace English, Customer Service and Cultural Competencies) for airport employees; employers bring an employee that speaks English and other languages to the hiring events to help with applications and interviews; utilize our Language Line or interpreter depending upon the event.
Retention of talent.	We work with our employers on writing job descriptions, career path conversations, and scheduling (flexible or staggered schedules) for employees that desire to work more than one job at the airport.

#### Are small business retailers coming to boards or being recruited by boards?

From Nancy Snyder's interviews it is a little of both. She heard that the smaller retailers were much more likely to take advantage of their programming than the large employers, thus making them a better target for outreach.

NAWB asked the boards working with retail why they were, and 44% indicated that it was because retail companies approached the board and asked for assistance. We did not ask whether these companies were smaller retailers. However, as we mentioned in the webinar, boards are mostly working with small- or medium-sized companies.

# Can you elaborate more on the dynamics between workforce boards and retailers? Where have they found success in navigating difficult conversations that challenge norms around job quality in retail?

Among the boards Nancy Snyder interviewed, many were hesitant to raise job quality issues because it was already challenging to engage retailers in partnership activities. However, they noted that perception of low wages and other job quality concerns were one of the barriers to boards working with retailers, indicating that there is need and interest in building this capacity.

San Diego Workforce Partnership has made job quality a core pillar of their strategy, including engaging retailers in conversations about practice change and supporting job-seekers to find best-fit opportunities. As described on their <u>website</u>,<sup>4</sup> "We are working to help businesses create quality jobs, workers advocate for and seek out jobs that lead to economic opportunity and security, and policymakers support policies that advance the dignity of work."

NAWB asked whether boards are working on job quality issues with retailers. As we mentioned in the webinar, just under one-third of the boards support policies/practices that increase wages and benefits (29%) and work with employers to redesign jobs to more fully utilize workers' skills (29%). Nearly half (42%) of boards do not work with companies on internal policies and practices to build job quality and stability.

# How did some workforce boards move from initial strategies with employers (e.g., job fairs) to more intensive approaches/partnerships?

From Nancy Snyder's research, the more transactional activities – often provided by the career center – helped them to develop a trusted relationship with a decisionmaker in the business so they could reach out to them when a partnership or programming opportunity developed and the business was much more likely to engage. The discussions often focused initially on the pain points of the businesses and proposed a solution with very little risk to the business. Grant funds would pay the cost, the board would facilitate the design and implementation of the solution and the solution was addressing a big enough pain point for the employer that they were willing to commit their time and in some cases, refer their employees to a program.

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<sup>4</sup> https://workforce.org/jobquality/

# Question for Nancy - did the six boards set priorities for which retail employers they wanted to work with, for instance, regarding compensation and scheduling?

From Nancy Snyder's research, the boards were eager to work with employers who valued their programming and they prioritized work with those employers. For example, for boards offering incumbent worker programming, they wanted to work with firms that allowed some flexibility in scheduling so that they employees could make it to the training on time. Another example is prioritizing employers that were willing to start an employee with a Gold Star certification at a higher wage than someone who did not have the certification.

NAWB's survey asked why boards chose particular retailers to work with, and 64% indicated that a retailer's job quality (e.g., hours, wages, benefits) played a part in the decision.

### Training and credentials

#### Do we feel that the credentialing is not being used because retailers do not know about it?

One board found that hospitality employers valued credentialing more than retailers. Another started programming with a credential but found that the retailers did not recognize the value of the credential.

## Can you please speak to the slide about credentialing and speculations about why it hasn't taken?

As NAWB mentioned in the webinar, only 18% of workforce boards working with retail know that they are using national credentials with retail. Forty-one percent (41%), however, do not know whether they are using national credentials or not, so the total percentage using credentials with retail may be higher. The survey did not ask why this was the case, but in its interviews, NAWB did hear from boards that retailers were not recognizing the credentials.

# So, do you think it would be beneficial for industry specialists to educate employers on credentials?

From NAWB's perspective, educating employers about credentials could certainly help increase their value. Credentials are only valuable if employers know what they are and make hiring (and promotion, raise, and bonus) decisions based on the attainment of those credentials. Boards may find that individuals will be unwilling to spend the time (and perhaps money) to participate in a credential program if the credential has no value to them. The skills encompassed in a credential might still be valuable, and could help shape an education and training program, but the final awarding of the credential may be unimportant to the individual being trained. If a credential is not being valued in your community, you might want to develop a certificate that lists skills attained for graduates to use in their job search.

#### What kind of subjects are they teaching? Is it focused on helping workers move up the ladder?

The NAWB survey found that all (100%) of the boards working with the retail industry provide training in soft skills. Other training these boards provide are job seeking skills (94%); customer service skills (87%); and financial literacy (77%). From our interviews we found that some boards are focused on helping workers move up the ladder, while others did not have success with incumbent worker training. Some boards also consider their retail work as providing individuals with an entry job that can launch them into other sectors and advancement there.

# Could Nancy share more about the stipends offered to incumbent workers? How much and was it provided at certain training completion points or milestones?

In the case of the MassHIRE MetroNorth retail management program, the stipend was for \$550 for completion of a 50-hour program.

#### Have retailers looked at developing "apprenticeships" as a way to recruit new workers?

NAWB's literature review indicated that some companies are considering the apprenticeship model. Also, in our survey, 17% of boards indicated that they were using apprenticeship with retailers.

In Denver, we have a good example of how apprenticeships are being used to recruit new workers. Denver Workforce Services, our One-Stop Operator ResCare (WIOA-co-enrollment for supportive services) and Prodigy Coffee House collaborated to offer an eight-day preapprenticeship training for opportunity youth ages 18-24 who:

- Want to try something new and different
- Are disconnected from traditional school/work experiences
- Want to learn, grow and contribute to something meaningful

During the eight-day Pre-Apprenticeship Training, participants receive 60 hours of occupational skills training including (workplace culture, customer experience/hospitality, professional communication, cash handling, extraction & brewing, workplace math and conflict mitigation & de-escalation).

Upon completion, youth enter a year-long Barista Apprenticeship program in which they have the opportunity to participate in a variety of work-based learning opportunities including work experience, on-the-job training, ServSafe Food Handler and First Aid Certifications.

### Job quality 🎗

#### What is included in "programing to build a positive organizational culture?" (on the Board Activities w/Retailers to Build Job Quality slide)

Examples of programming that could help to build a positive organizational culture might include working with retailers to provide frontline manager training that instills supportive supervisor practices, or other capacity building supports to promote diversity, equity and inclusion in the workplace.

#### How do you define job quality?

NAWB's definition of job quality usually encompasses good wages, benefits, and consistent scheduling, but I am sure that there are additional components that others would include.

There are many job quality definitions and frameworks partners can refer to, including resources from the National Fund for Workforce Solutions,<sup>5</sup> Pacific Community Ventures,<sup>6</sup> Brookings,<sup>7</sup> the Good Jobs Institute,<sup>8</sup> Reimagine Retail Chicagoland,<sup>9</sup> and others.

Did you conduct any analysis on the boards that were working on indicators of job quality, and those who mentioned elements of job quality as an obstacle to working with retailers? Were there any correlations?

NAWB did not conduct that analysis.

How did the boards choose the activities they did to build job quality and stability with retailers? Is there data/research that validate these retail workforce needs?

San Diego Workforce Partnership conducted labor market research with a focus on the retail sector to understand job quality needs and related business opportunities. An explanation of their research methodology and findings is available here.

<sup>&</sup>lt;sup>5</sup> https://nationalfund.org/initiatives/job-quality/

<sup>6</sup> https://nationalfund.org/wp-content/uploads/2018/02/Report-Moving-Beyond-Job-Creation.pdf

<sup>7</sup> https://nationalfund.org/wp-content/uploads/2018/02/Report-Moving-Beyond-Job-Creation.pdf

<sup>8</sup> https://goodjobsinstitute.org/

<sup>9</sup> https://www.reimagineretailchicago.org/wp-content/uploads/2019/07/Reimagining-Employer-Engagement-A-Toolkit-for-Providers-1.pdf

Were there boards that successfully engaged with employers about the business impact of poor workforce practices (e.g., low wages)? Did any identify best practices or tools to compel employers to improve their workforce practices?

NAWB did not conduct any if these studies, but we have developed a toolkit to help boards engage with the retail sector, which will be released soon. In it we identified a few resources you might be interested in:

- Cost of Turnover Tool,<sup>10</sup> Aspen Institute, March 18, 2019. Tool to calculate the cost of turnover for individual employers.
- How to Improve the Engagement and Retention of Young Hourly Workers,<sup>11</sup> Kimberly Gilsdorf, Fay Hanleybrown, and Dashell Laryea, Harvard Business Review, December 6, 2017. An article on how employers can improve engagement and retention.
- Stable Scheduling Increases Productivity and Sales.<sup>12</sup> Results of a controlled experiment analyzing the effect of stabilizing the schedules of hourly retail jobs on the financial performance of stores.
- <u>The Good Jobs Strategy</u>,<sup>13</sup> Zeynep Ton, MIT Sloan School of Public Management, 2014. A
  book discussing how retailers can create good jobs for employees and have lower costs,
  higher profits, and greater customer satisfaction.

#### What are the strategies that San Diego WB is using to improve job quality?

San Diego is just starting to embark on this journey and we expect it to take a long time, but here are some of the strategies that we've started working toward:

- Through research, create or adopt a definition of quality which includes a list of quality job characteristics.
- Create a process by which every individual meeting with a career counselor at our career centers engages in conversation where they think about and identify the elements of a quality job that are most important to them.
- Set organizational goals that prioritize job placements into roles that meet a certain threshold for an individual's job quality priorities.
- Identify a signaling mechanism by which job opportunities can be labeled with various job quality elements.
- Educate and support employers in pursuing strategies that improve the quality of jobs at their companies.

<sup>10</sup> https://www.aspeninstitute.org/publications/cost-of-turnover-tool/

<sup>11</sup> https://hbr.org/2017/12/how-to-improve-the-engagement-and-retention-of-young-hourly-workers

<sup>12</sup> https://www.ssa.uchicago.edu/sites/default/files/uploads/2018\_Stable\_Schedules\_Study\_Report.pdf

https://smile.amazon.com/s?k=the+good+jobs+strategy&i=stripbooks&crid=UNX788I8R69G&sprefix=the+good+jobs%2Caps%2C143&ref=nb\_sb\_ss\_c\_2\_13

### Retention and advancement \*\*\*

# Any best practices from workforce boards in increasing retention rates for workers in retail post-hire?

Our research didn't uncover any specific practices for increasing retention rates for retail workers post-hire, however we know that one important retention strategy, investing in the education, training and development of workers, is also good for a company's bottom line. FSG's report, Investing in Entry-Level Talent: Retention Strategies That Work, 14 identified four impact hiring strategies and 14 evidence-based practices for business leaders, nonprofits, workforce organizations, and foundations to consider in their work to improve economic opportunity for workers. UpSkill America and the Workforce Strategies Initiative at the Aspen Institute also developed a cost of turnover tool 15 to help businesses calculate the tangible cost of worker churn and better understand the return on investment that could be realized by addressing retention issues.

# Are any of the boards experimenting with longer term job seeker strategies whereby they continue working with individuals as they are on the job while pursuing a longer-term career goal?

Our research didn't surface any examples of workforce boards providing longer term services, however there are other organizations experimenting with different approaches to working with businesses on retention and advancement. One example is the WorkLife Partnership, 16 and their approach called the Sustainable Workforce Model, named for its goal of ensuring workers can sustainably perform at their best. It is unique in that employers are really investing to support their frontline workers, covering 70% of the program's costs. WorkLife Partnership is part of the WorkLab Innovations 17 network and you can learn more about this work through an Aspen Institute Economic Opportunities Program interview with Liddy Romero, 18 Job Quality Fellow and executive director of WorkLife Partnership.

<sup>14</sup> https://www.fsg.org/blog/entry-level-retention-makes-billion-dollar-difference-business-and-society

<sup>15</sup> https://www.aspeninstitute.org/publications/cost-of-turnover-tool/

<sup>16</sup> https://worklifepartnership.org/

<sup>17</sup> https://www.worklabinnovations.org/

<sup>18</sup> https://www.aspeninstitute.org/longform/job-quality-fellows-profile-series/liddy-romero/

### Entrepreneurship "

When Denver does its entrepreneur competitions is there any partnering with funders to help those with potential? What kind of training would help to get more potential entrepreneurs on a path to building a company?

For this particular entrepreneurship/mentorship series and shark tank we used our Chicago-Cook Reimagine Retail grant to fund the seed money awards of 5,000 for first place, \$3,000 for second place, and 1,000 for third place.

Denver worked with one of our community based organizations, MiCasa Resource Center to provide the one-week training based upon their current successful 12-week Entrepreneurship Program. The trainer gleaned curriculum that was most important to help small businesses develop a business plan and take their small business to the next level. Participants were required to attend all classes and made a commitment to attend one-on-one coaching sessions with a MiCasa Business Consultant. Topics included:

- Financial cost/pricing
- Marketing and branding
- Understanding contractual agreements
- Certifying your business (small business, minority/women and/or disadvantaged business)
- Small business licensing and zoning
- Building and maintain your credit score
- Business plan



#### Did they break WIOA into pre-employment vs incumbent worker training?

From Nancy Snyder's research boards used WIOA funding the pay for staff at career centers focused on retail and co-enrolled higher level retail workers in incumbent worker training (coenrolled in WIOA and the grant-funded program). They targeted higher level workers who were interested in management careers as a way of ensuring that they could meet the income requirements.

### Staffing \*\*\*

You mentioned dedicated workforce that allows you to amplify success. What types of positions/roles are those dedicated resources and what skills do they possess?

From a research perspective, San Diego has a team of people with the following roles and skills:

- Three research analysts and a research director, all with master's or Ph.D. and experience in quantitative and qualitative research; and two part-time research assistants currently pursuing master's degrees.
- Most relevant skillsets amongst the team include data analysis using a range of methods and tools (STATA, R, Excel, etc.), evaluation & measurement, data visualization, writing & presentation, survey & experimental design.