



## Retain frontline talent through flexibility, opportunity, learning and a compelling employee value proposition

Insights from Deloitte

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Frontline retail workers are critical to your success. They handle products, enable the health and safety of your workplaces, and are instrumental to the customer experience. They often make up the majority of a company's workforce, yet many times do not receive the same attention and programs as those in corporate positions—and continue to turnover at alarming rates. Many retail workers are voicing their dissatisfaction over current

conditions more overtly with a rise in unionization. Burnout, health concerns, and the pressures of childcare shortages led many to leave these positions, with turnover peaking to 64.6% in 2021, compared to 52.3% of the average private sector worker<sup>1</sup>. The Society for Human Resources Management (SHRM) emphasizes the importance of retention and its contribution to employee's productivity<sup>2</sup>. If organizations can better retain their talent, imagine a 1%

increase in productivity resulting from increased retention among thousands of stores – this can have a profound impact on cost savings.

To reap these benefits, organizations need to rethink the frontline worker experience. Those with meaningful programs and opportunities can reduce turnover, spend more time upskilling rather than on foundational training, and turn frontline

1. Bureau of Labor Statistics: Job Openings and Labor Turnover Survey

2. Managing for Employee Retention, SHRM

employees into loyal, proud brand ambassadors.

Here are four strategies to quell turnover and retain frontline workers.

### **Provide scheduling flexibility to workers**

Associates need flexibility and predictability in their schedules. Recently one quick service restaurant operator saw success in retaining their frontline workforce after announcing a 3-day work week. Employees are provided a consistent schedule consisting of 14-hour workdays, three times a week with the same group of people on the identical schedule. This scheduling allows convenience, transparency, and can help create teams who know each other and their skills very well. The store has reported their retention of employees has been “very strong”.

Retail schedules and manufacturing/distribution shifts may not be the most attractive for some – working nights, weekends, holidays may not be ideal. For others who are looking for a non-traditional schedule to work around school, a primary job, or to accommodate family commitments, retail may be a perfect career choice. Whether this is a primary job or part-time work, a relatively stable schedule and accommodations to reasonable requests for schedule changes are hugely important factors to retail workers. In addition, having advance visibility to their shifts, and consistent hours (and thus, pay) can be contributing factors to whether workers leave or stay with an organization. For some, providing the opportunity to pick up additional shifts could also be important. While it may be difficult for retailers to predict sales patterns and callouts, retailers can consider implementing tools that make it easier for workers to have visibility to and sign-up for extra shifts, even across multiple locations.

### **Retain workers for the frontline win**

Keeping employees for the long term starts with focusing on their first experiences with your organization. Placing new hires where they can thrive will help them feel like they can succeed. Maintaining open communication and feedback channels can help employees feel like they are heard. Companies can use feedback technology to aggregate and sort anonymous data<sup>5</sup>. Providing flexibility, utilizing workplace technology and building trust to keep employees satisfied and productive, longer can enable organizations to retain their people.

Ready to reimagine career growth and agility for frontline workers? Give us a call to continue the conversation.

### **Help workers see the long game**

Retail workers come to these positions with all different levels of experience and career aspirations. For some, it's a first-time job, for others it's an extra paycheck, and there are those that are looking to make it a career. Regardless of why someone might join, companies should be clear from the beginning what a career could look like if you start on the frontline. Formalizing a career framework so that frontline workers – regardless of their aspirations and goals – can find a path that works for them. Organizations that are able to communicate these role expectations upfront are able to give employees an idea of what life could look like at their company. Some innovative companies have been able to bring this to life by using virtual reality to depict company culture or give a peak into what typical days in the life of workers<sup>3</sup>.

Skills-based hiring, as described in the first article in this series, is the first step to retention success. Organizations that track the skills of their workers can use this data to open new doors and internal opportunities for their people. With a talent pool of skilled frontline workers, you can fill a pipeline toward more responsibility and salaried work. If you've already matched and hired candidates with the right skills, those new hires and employees will be able to leverage and build on their skill strengths and stay engaged. Who better to serve as a shift supervisor than someone who has merchandised product, stocked shelves, serviced customers, worked a register, and other tasks associated with day-to-day operations?

Companies should constantly be evaluating their frontline talent pool to help them track and manage their skills so they can select people who can be groomed for more responsibility and upward or mobile career paths. Although some companies may say they do this informally, they may benefit great if a formal process is put into place. Formal processes help provide structure to a program so that it's executed consistently across the organization, employees and managers know what to expect, and it enables the outcomes needed.

Focusing on skills helps organizations placing employees in positions best fit for them which in turn has a positive effect on retention. Retailers (and other companies) are seeking intelligent solutions to determine how to predict who will be successful in the future. Done well, career mobility is about investing time and energy into your frontline people for their growth and the benefit of the organization.

### **Prioritize learning for employee confidence and organizational success**

A multi-billion US packaged goods company launched an employee survey to understand the current state of workforce experience. Most frontline workers stated that they were unaware of available career opportunities, and 70% of managers indicated career growth would keep them in the long-term. As a result, the business launched campaigns to formalize career pathing, enhance communication, and invest in skill development<sup>4</sup>. Investing in learning will not only enhance the skills and quality of workers, it will also lead to greater employee engagement.

3. 8 Innovative ways companies are using virtual reality to recruit, Samantha McLaren

4. Deloitte's Executive Summary on Flowers Foods: Bakery Workforce of the Future

5. Trader Joes Podcast, Episode 2

The ability for frontline workers to learn, connect, and drive innovation and effectiveness can differentiate your employment opportunity from competing jobs. Organizations where learning is at the heart of the corporate culture are shown to be [higher performing than their peers](#). It can be on-the-job training live or Virtual Reality/ Augmented Reality (VR/AR) enabled, formal instruction, outside classes, or all of the above. Providing job-centric upskilling is the first step, followed by monitoring whether employees thrive or progress in their jobs or improve their performance, and measuring if employees stay longer. Digital learning platforms and tools (e.g., adaptive learning platforms, custom mobile applications, collaboration tools, and social media) now fuel a training model where employees have access to information and learning content wherever they are.



An avenue to retain qualified frontline workers is to build internal certification programs. These programs recognize employees as they pass standards of skill proficiency, for example, a grounds technician could become certified by performing certain landscaping tasks. The certification process allows employees to work toward goals, be recognized for new skills, and add certifications to their resume.

A highly publicized effort has been [Amazon's pledge](#) of US\$700 million to upskill 100,000 of its US workers by 2025. Some of the programs, including Amazon Technical Academy, Associate2Tech, and Machine Learning University, target the development of technical skills for in-demand jobs, helping to keep frontline workers current in both the theory and application of emerging technologies.

### **Prioritize the Employee Value Proposition (EVP) for organizational success**

High hourly rates and attractive sign on bonuses might get people in the door, but there are other components that will compel them to stay; a compelling Employee Value Proposition (EVP), can help build trust and result in the retention. Four generations are in today's workforce (Baby Boomer through Gen Z), each with their own unique desires when it comes to what will entice them to stay at their job. While many

Baby Boomers may desire stability, Gen Zers may want flexibility to accommodate their ever-changing schedules. Trader Joe's focus on EVP is evident in their company values. Kaizen, as Trader Joe's defines it is that everyone in the company owes everyone else a better job every day. Instead of requiring stores to do their own budgeting, they set their own targets and are expected to do better each year. This philosophy fosters a welcoming and comfortable work environment<sup>6</sup>. This practice provides an emotionally healthy work environment that builds trust and can lead to retention.

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