THE 2023 WAR FOR FRONTLINE TALENT

hot paper lantern

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The role and identity of the frontline worker went from unseen and unsung to heroic and heralded during the COVID pandemic, and for good reason. Around the world, these are the 2.5+ billion people who operate behind the scenes and serve as the backbone of the global economy.

With a heightened focus on the needs, desires, and expectations of today's employees, it's critical for companies to place their humans at the heart of their operations; in fact, it's what's necessary to survive in this volatile and competitive business environment.

In efforts to identify the most important practices for enhancing the employee experience of frontline workers and attracting talent, the Hot Paper Lantern (HPL) team spoke with more than a dozen HR, talent acquisition, and communications executives to discuss how they plan to tackle the attraction and retention issues of 2023, and the areas in which they are focusing change efforts.

Based on our research, we outline below the broad trends facing frontline employers, taking a closer look at the retail, manufacturing, and hospitality industries, and offering a spotlight on the operational nuances of call centers.

The four biggest things you'll take away from this report include the following:

1 *Examples of how the frontline employee experience is being transformed to provide more flexibility and balance*

2 *Innovative strategies to create a complementary brand and employee experience that attracts candidates and benefits employees and customers*

3 *Insights on the ways in which technology is being deployed for candidate engagement and to improve the work experience*

4 *The critical role of listening & communications - particularly at the manager level - in building a relationship of mutual trust*

NEW YEAR, MORE CHANGE

A common thread among all of our conversations was the consensus that people are tired from being on a roller coaster of change in every area of their lives. Amid that change, a recent Monster.com poll tells us that 96% of all workers are looking for new jobs in 2023[1]. They are seeking higher income to offset the impact of inflation or for better conditions to create more balance in their lives, and they see job-hopping as the best way to achieve those goals.Yet, as the economy slows down, employees are less apt to make a job change than they were in the earlier part of 2022.

Looking ahead in 2023, we believe this will be a year for experimentation and for doubling down on communications. Those who can adapt and evolve to the ever-evolving nature of today's landscape will be best prepared to win as an employer of choice regardless of economic conditions. As communicators, it's our job to have our fingers on the pulse of this change, to be informed, maintain a strategic mindset, and ultimately to communicate clearly and in a way that resonates – with both prospective and existing employees.

SCHEDULE A MEETING

[1]*CNBC, January 2023*

EXPLORE OTHER INDUSTRIES WHEN DESIGNING EXPERIMENTS

Given the many common shifts in employee expectations and employer approaches, there's an opportunity for industries to learn from one another -- to look at current developments in talent acquisition and related areas, and at how various factors and conditions are driving disruption.

For example:

- The retail and hospitality industries have offered apps for employees to manage online schedules and shift changes. Can this become a model for the manufacturing industry, which critically needs to increase its labor pool with a younger, more diverse employee base?

- We can draw lessons from flawed applications of automation in customer service as we seek to integrate AI and machine learning into other industries. Who hasn't felt the need to speak with a human representative when prompted, or in some cases, misunderstood, by an automated voice? Yet, in spite of these challenges, chat tools offer a world of possibility in smoothing out the experience of prospective and current employees by providing access and information on their terms and availability.
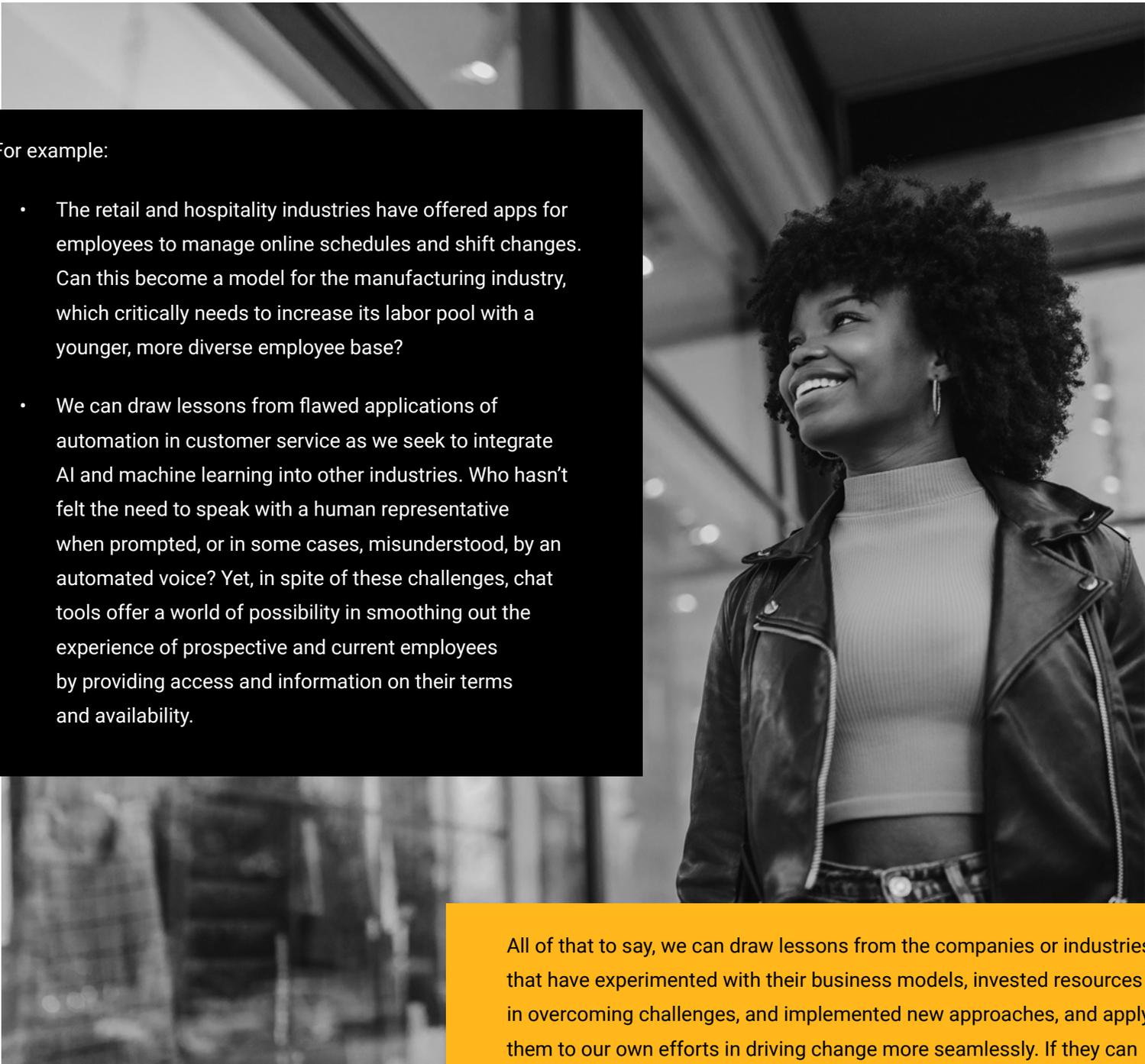
All of that to say, we can draw lessons from the companies or industries that have experimented with their business models, invested resources in overcoming challenges, and implemented new approaches, and apply them to our own efforts in driving change more seamlessly. If they can do it, you can too. Read on for thought starters.

HOW WELL DO YOU UNDERSTAND WHAT YOUR EMPLOYEES WANT & NEED?

First and foremost, frontline employees are looking for flexibility. But what does flexibility look like for them?

For frontline workers in a call center, it may manifest as having the ability to work remotely. "I think that one of the biggest reasons why people are leaving is they want remote work," said a seasoned call center manager for a financial institution.

For others, it's more about scheduling flexibility. Frontline employees want the ability to choose and change schedules on a mobile app. In some cases, they don't wish to work full-time hours. In others, they want to design their own schedule. "The biggest shift for us has been this mindset shift as an employer - that instead of having 10 full-time team members, it's okay to have 30 part-time team members," shared a hospitality executive.

While communications professionals are not making these decisions, knowing what shifts are taking place and informing other functional leaders of the trends and changes underway can help your organization stay a step ahead – a necessity in the war for talent.

An executive in the manufacturing industry said it best:

"Sometimes you have to take a leap of faith -- you have to manage the communications, but you have to do something different for people to see that there's an alternative way."

In some situations, there is an opportunity for talent acquisition, HR, and communications to do something different to bring the brand of an organization to life for prospects and employees.

Some of the ways we're seeing businesses bridge the gap between the external and internal experiences are:

- Creating pop-up brand experiences for new recruits. One hospitality organization deployed this method of recruiting after seeing the success of pop-up experiences with its guests.

- Ensuring internal events and communications receive the same or similar creative branding as external communications.

- Leveraging social media as a way to reach prospective and current employees, spotlighting employees and employee-generated content across channels.

Often, we see organizations providing an incredible brand and customer experience, while the employee experience pales in comparison. One internal communications leader in a manufacturing company posed the question, "If we wouldn't do it for our customers, why would we do it for our employees?"

SPEED TAKES PRECEDENCE IN THE CANDIDATE AND EMPLOYEE EXPERIENCE

To fill critical roles, it's important to be the quickest – a trait not commonly associated with large enterprise organizations, though there are efforts to change that. *The Wall Street Journal*[2] recently reported that employers are cutting down on steps in the hiring process, including the elimination of interviews altogether to attract applicants quickly and effectively. This makes sense when "the average hourly person can walk into a maintenance shop in their hometown, hand the hiring manager their resume and go to work that day," said a global talent acquisition executive in the manufacturing space.

This sentiment was echoed by professionals in retail and hospitality. "The idea that a person's going to come to our store or apply online, we can't just be foolish to think that we're the only game in town… if you don't catch them then, somebody else is going to and now you find yourself in a wage battle," shared a retail leader.

A burgeoning area in which speed can also make a difference is employee compensation. With the popularity of Uber Eats and other instant-pay service options, employees in more traditional roles are challenging the standard payroll period system. A hospitality leader shared a story of a team member who questioned why they weren't being paid on a daily basis. The executive explained that the payroll system could not accommodate that, which the employee understood. But is that the end of the story? Should it be? In the face of an increasingly competitive environment, this same leader is evaluating the potential for a 72-hour pay cycle. He feels the need to evolve the standard, but is also wary, noting, "Every new solution we come up with leads to two new problems."

Speed matters when it comes to communications, as well. In this area, we need to meet our interested candidates and our employees where they are. And they're not on email – the standard of most organizational communications. Candidates are mobile oriented 24/7 and prefer texts. In the communications world, employers must know their audience's style and needs: mobile/text is typically the desired form of communication. Many companies we encounter struggle with mobile and text adoption due to IT or HR concerns, but it is possible. We work with global companies who have found a way to overcome such issues and are able to increase engagement and alignment as a result.

To sum it up:

> "If you can win on speed and quality of experience, you've got a good head start," said a retail professional.

ON CULTURE

When we asked about the role of culture in attraction and retention, we received a variety of responses -- some related to varying definitions of culture, and others meant to ensure that talk of culture does not become a barrier to inclusion. From every angle though, it's clear that culture counts. Here's some of what we heard:

- A global talent acquisition executive in the retail space reinforced one of the most common definitions of culture: It's what people say and how you get things done when no one's looking. He added, "If you treat people like you want them to be a part of your culture, and that they are what drives the organization, particularly at the frontline," you have a better chance for success.

- A CHRO at a global manufacturing company said, "Culture gives common language to people." But at the same time, another manufacturing executive added "It's really important to get very clear around what you mean when you talk about culture, because it can be where unconscious bias comes in… and it's important to understand how culture resonates at different levels within the organization."

- Culture is instilled at the top by leadership. "It's at the heart of every decision we make… If there's not a benefit to one of [our three culture components], we're not going to be spending our time on it," said a call center manager. Regularly communicating how core cultural components connect to managers' decisions, actions and communications reinforces culture.

- "Culture is very important. It's the DNA that you're signing up for," said a hospitality executive. "You may have an employee who only works with you one day a week and has three other jobs. If we can immerse them into a company culture, when they leave or go to another company, we want them to say, 'I was only there one day a week, but man, it was a great experience.'"

MAINTAIN A RECRUITING MINDSET

When a new hire starts, most organizations conduct 30 , 60 and 90-day check-ins to ensure the employee remains committed, and to identify any challenges that may have arisen. This process is often viewed as an opportunity to avoid early attrition. If all seems well, the HR or talent professionals involved will shift back to recruiting new talent.

However, a senior executive in the hospitality industry pointed out that this mode of thinking may need to change: "Even after signing up for a job, accepting the job going through orientation, and working for the first 90 days, people are still out there in the market looking for a job. Everybody's shopping in the same pool." People are constantly looking for the better opportunity.

THE IMPORTANCE OF RE-RECRUITING

With these changing dynamics, placing an emphasis on re-recruiting is a worthy focus area. Re-recruit efforts aim to remind employees why they signed on for the role in the first place. "When I think about how to win the war on talent today, it's making people feel like they're a part of something bigger than themselves," shared a global talent acquisition executive in retail.

While not a new idea, it has gained momentum as a smart retention strategy following the Great Resignation. "Most organizations don't have a re-recruit team... because it can be expensive, but there is the hidden cost of turnover that leaders don't see in the bottom line."

The art and science of re-recruiting lies in the understanding of when and how to re-engage with new hires and longer-term employees. Distinct communications programming and support around the employee value proposition -- focusing on why people work at the company and what makes it special -- can provide foundational support. Partnering with HR and talent teams conducting meaningful outreach to specific employee groups is also an effective strategy. Examples of these efforts include networking luncheons and executive meet and greets.

EMPHASIZE MANAGER COMMUNICATIONS

"I would love our people leaders to engage more with their employees," shared a CHRO at a global manufacturer, shedding light on a critical component of a positive work culture and one of the most significant factors impacting retention. Managers need to be able to provide direct and detailed information regarding the state of the business and employee compensation and benefits -- reinforcing a transparent and trusting culture.

From the manager's perspective, when working with direct reports, "my job is to help coach and guide them to help them become better leaders, and to help them develop their employees," a call center manager told us. However, typical management training and leadership education programs do not focus enough on the critical communications skills necessary to create sufficient engagement, alignment or understanding.

"Success is when they feel pride in the work that they're doing. They see the bigger picture," commented a manufacturing leader. That's only possible with consistent communications that provide context and clarity.

HPL HOT TIPS

If you are facing any of the above challenges, we recommend:

1. Understand your employees' desired experience by implementing listening programs, surveys, and thorough analyses of existing data sets. If this information doesn't exist, use this as an opportunity to build systems that capture meaningful data.

2. While you're at it, do the same for your most needed talent.

3. Experiment with re-recruiting efforts, potentially funneling some of your existing talent acquisition budget into re-engagement and recognition programs for newly hired employees.

4. Invest in deeper communications training and skills development as part of your leadership and manager training programs.

Need help getting started? Let us know how we can assist.

CONTACT US

RALLYING FOR RETAIL

Attraction and retention in a retail environment is very much a local game. When we consider the experience of the store associate in a retail environment, one talent acquisition leader likened the job seeker's search, of going from one store to the next, to creating "their own version of the career fair in the mall."

As a company, differentiating oneself is essential when the competition is varied and growing. When a prospective employee is on the market for a retail role, word-of-mouth is still a successful driver of talent attraction. In addition to offering referral incentives, leveraging existing employees and their positive experiences through an ambassador program is another way to create and drive a humanized talent campaign. The more personalized, the better. "When we have a great story about a team member or associate, it is much more influential," shared one internal communications leader at a global retailer.

Leveraging brand reputation as part of an employee value proposition can also help attract employees, especially when they had a prior positive experience and affinity with the brand. A newcomer to a major retail chain told us, "the people I have engaged with have such a passion for the brand and the values of the organization." That sentiment is echoed whenever he shares where he works with people outside of the company: "Every time I say it and no matter where I am, there's always a smile on their face and every person has to tell me their experience." This focus on "why us" that taps into deeply held associations with the brand are incredibly powerful and effective in influencing prospective employees, while also maintaining longer-term employees.

With much of the hiring and employee engagement happening at the local level and with the local leadership, retailers need to work hard to create a similar experience for all candidates regardless of the format of the hiring process -- whether online or in-person. At the local level, providing frameworks, playbooks, ideas, and problem-solving resources will drive candidates and improve that process. As organizations identify successful locations and case examples, they must "recognize these areas and provide actionable things that someone else can do," shared a talent professional.

We know recognition works in the realm of communications; it motivates people, and when best practices yield results for others, it's a win for everyone.

THE USE OF AI

For the online hiring, automation and AI is increasingly essential to create a consistent experience and to maintain an ongoing communications cycle with candidates, allowing prospects to interact with what feels like and sounds like a recruiter to answer any of their questions at any time. This recruiting experience can and should translate into the employee experience as well, where candidates can engage on their schedule and raise other questions that come up in the course of their work experience.

HPL HOT TIP FOR RETAIL

Prioritize decision-making speed for candidate hiring, engage with new hires around your unique brand attributes to create affinity, and give local leaders the tools to engage with employees authentically & effectively.

Let's make it happen together.

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THIS IS HOSPITALITY?

Changes since 2020 in "flexibility, work/life balance, and technology have had a far bigger impact on the industry than we anticipated," an operations executive in the hospitality market shared. These changes include how appearance is both perceived and expected in a hospitality environment. For example, a hallmark in hospitality in the past has been the uniform looks of servers, bartenders, and cleaning personnel. The intent is for the staff to blend into the background -- to be unseen.

"No longer does a customer care what uniform a bartender is wearing. Now they're more into the engagement piece and they don't care about the uniformity," commented that same executive. There is a changed perception about individual style, colored hair and tattoos, which has become more acceptable, both by guests and employees. This has led to more lax guidelines and policies around appearance, and more focus on creating the right brand experience.

At the same time, a luxury hospitality executive told us that with heavier attrition, 60% of his workforce is new and has come from a wide range of other industries. "For the first time in a long time, it's helping the hotel business think a little differently." One worthy area to explore innovative approaches is in the onboarding process. In hospitality, the guest is looking for a great experience, and in luxury environments, it may be an experience the employee servicing the guest may not have experienced before, which leaves a lot to the imagination. Incorporating immersive experiences into onboarding can help people understand the desired experience while also providing a valued perk.

There are other ways to bring the customer experience into the employee experience on an ongoing basis, like providing access to tennis courts and equipment or offering a spa service as recognition. These seemingly small perks can become powerful experiences that attract and retain, as well as impact performance and provide better customer service.
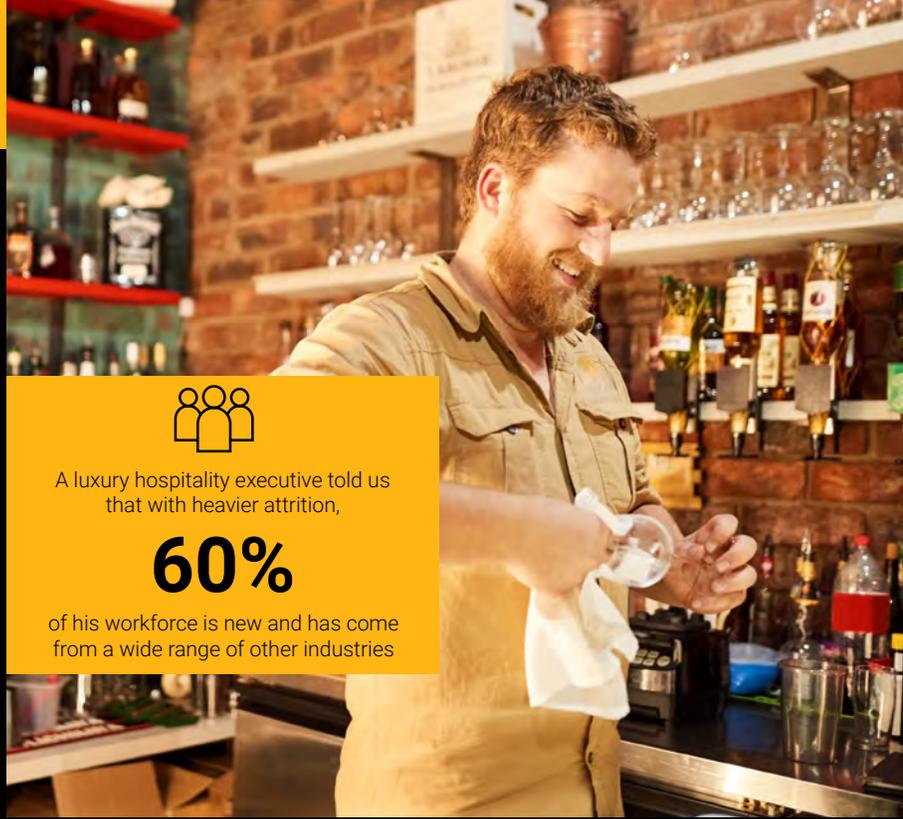
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Another distinct shift among employees is the way they prefer communicating and interacting with the organization and management. Many employers will tout an open-door policy, but increasingly employees do not want to walk through that door. There is less willingness to directly approach a manager or member of leadership, so the onus is on the leader. Having regular opportunities to engage -- whether through onboarding, orientation, scheduled check-ins, manager meetings, town halls, or small group discussions -- provides managers a pathway to building rapport.

By asking deeper questions and being inquisitive, you can make a real connection and learn more about the employee experience. "[While] a lot is said, a lot is not said anymore. People don't want to say a few things. You have to understand that through their behavior," shared a hospitality executive.

HPL HOT TIP FOR HOSPITALITY

Leverage your customer experience to create a meaningful employee experience. The end results are employees who feel valued and have a stronger understanding of the service and experience they're expected to provide to guests. **Ask us how.**

CONTACT US

THE COMPLEXITY OF MANUFACTURING

High on the list for manufacturing organizations -- in the U.S. and globally -- is the need to expand the talent pool to prepare for an aging workforce. This has been a priority focus for decades, but was exacerbated in the wake of the pandemic, layoffs and what could be difficult working conditions.

Diversity, equity, and inclusion efforts are one way to help open that door for new pools of talent. However, there is a mindset and perception challenge to overcome. For some, older generations feel they paid their dues through hard work and difficult work environments. They feel younger employees need to do the same, creating a resistance to change.

In other organizations, recruiting women into manufacturing can be challenging. U.S. Census data that shows women make up about 47% of the American workforce, but just under 30% of the manufacturing workforce.[3] Environments with fewer restrooms for females than for males may make it difficult for a growing population of women. Moreover, a resistance to maternity policies may arise because "we have no women." It becomes a chicken and egg scenario, because "you're never going to attract women if you don't have the basic benefits and expectations met," shared one manufacturing executive. By increasing the percentage of women in the manufacturing workforce from 30% to 35%, a huge portion of open positions in the manufacturing workforce could be filled.[4]

Many of the competitive opportunities for manufacturing employees are offering more flexible schedules. One manufacturing executive said, "Not everybody wants to work 40 hours, and I don't think historically people have always wanted to, but there was no other option. And now, there are, quite frankly, options."

Of course, there are significant financial barriers to creating flexible scheduling

options in manufacturing; the nature of the job is simply not conducive to flexibility in hours or schedule. But achieving that is not impossible. Some organizations are starting to experiment with schedules for smaller populations, with great success.

In some ways reaching prospective employees is almost as difficult as reaching employees already onboarded with a business. Frontline workers in a manufacturing setting are often difficult to connect with via traditional communications methods. Many companies rely on phone calls with prospects and emails with employees, which is unrealistic for people who don't work on a computer. Those companies that have not implemented mobile communications and texting options position themselves at a disadvantage.

HPL HOT TIP FOR MANUFACTURING

Build strong working relationships with your IT and HR teams to explore and create solutions for mobile/text engagement with your employees. While you're at it, create a Future of Work taskforce to help build the future of the manufacturing work experience. **We can help.**

CONTACT US

3,4 *CBIA, October 2022*

SECURING CALL SERVICE PROFESSIONALS

Many of the companies within the industries mentioned in this report have a variety of frontline workers. Call centers and call center agents are common across most, and these employees have similar needs and experiences. According to Gartner, only one in three customer service representatives are engaged; disengaged representatives are 84% more likely to look for a new job.

A common refrain applies here as well: It's all about the experience. Call centers are working to attract and retain employees are implementing the following:

FLEXIBILITY: More and more call centers are shifting to remote work. For centers that have not shifted to hybrid or remote options, the biggest concern is being able to provide a quality experience for customers. Concerns like lower productivity or background noises need to be addressed in order to provide this option for workers. As we heard, the impact of not providing these options -- which will likely become commonplace -- will reduce the talent pool and make it hard to retain talent.

TECHNOLOGY: Nothing new here. Every industry is being upended by the speed at which technology is advancing, at least to some extent. For call centers, investing in and maintaining a strong knowledge center/solution will improve the agent experience. Transcribing calls and leveraging AI/machine learning to surface solutions and information will best support the caller.

Other ways agents can leverage technology is through chat groups where employees can ask each other questions and more quickly share information and resolve issues. Coupling these solutions with scheduling apps and other tactics to support agents' work needs will go a long way.

RECOGNITION: Annual moments like Customer Service Week, which is celebrated in October by 60 countries worldwide, provide a ready-made opportunity for celebration. But recognition is more than a once-a-year effort.

Baking moments of recognition into regular communications will embed appreciation into the fabric of the business and its culture. For example, reading friendly customer emails aloud in Town Halls or posting positive feedback on your website or company social media lets your employees know that they're appreciated and valued. As one call center manager with whom we spoke said, "For most of our agents…what satisfies them is knowing they have provided good service."

HPL HOT TIP FOR CALL CENTERS

Lean into your data-centric mindset by fusing together performance metrics, talent acquisition metrics, and communications messaging metrics. The combination will give you a powerful roadmap for successful attraction and retention. **Interested? Reach out to talk.**

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