

What Employees Are Seeking . . . Beyond “Competitive Pay”

*Learnings & Lessons From
Focus Groups With Tens of
Thousands of Employees*

RCC Retail Human Resources Conference

Thursday April 25, 2024



Key Objectives



Introductions



What is the Canadian LabourWatch Association?



Focus Groups: Methodology, Advantages, Settings & Challenges



Key Findings



Best Practices

Introductions



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Future Shop VP HR
(+ Training, Payroll, Administration)

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Self Employed Mgmt Consultant, 25 years

“Holiday Helper”
@ 40,000 employee global company



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Self Employed Labour Consultant, 18
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Former Management side Labour
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What is the Canadian LabourWatch? Association

23-year-old federally
incorporated, non-
profit organization

Created by RCC &
others

Mission: Informed
Employees, Informed
Choices About
Unionization

Volunteers
responding to
thousands of
employee enquiries

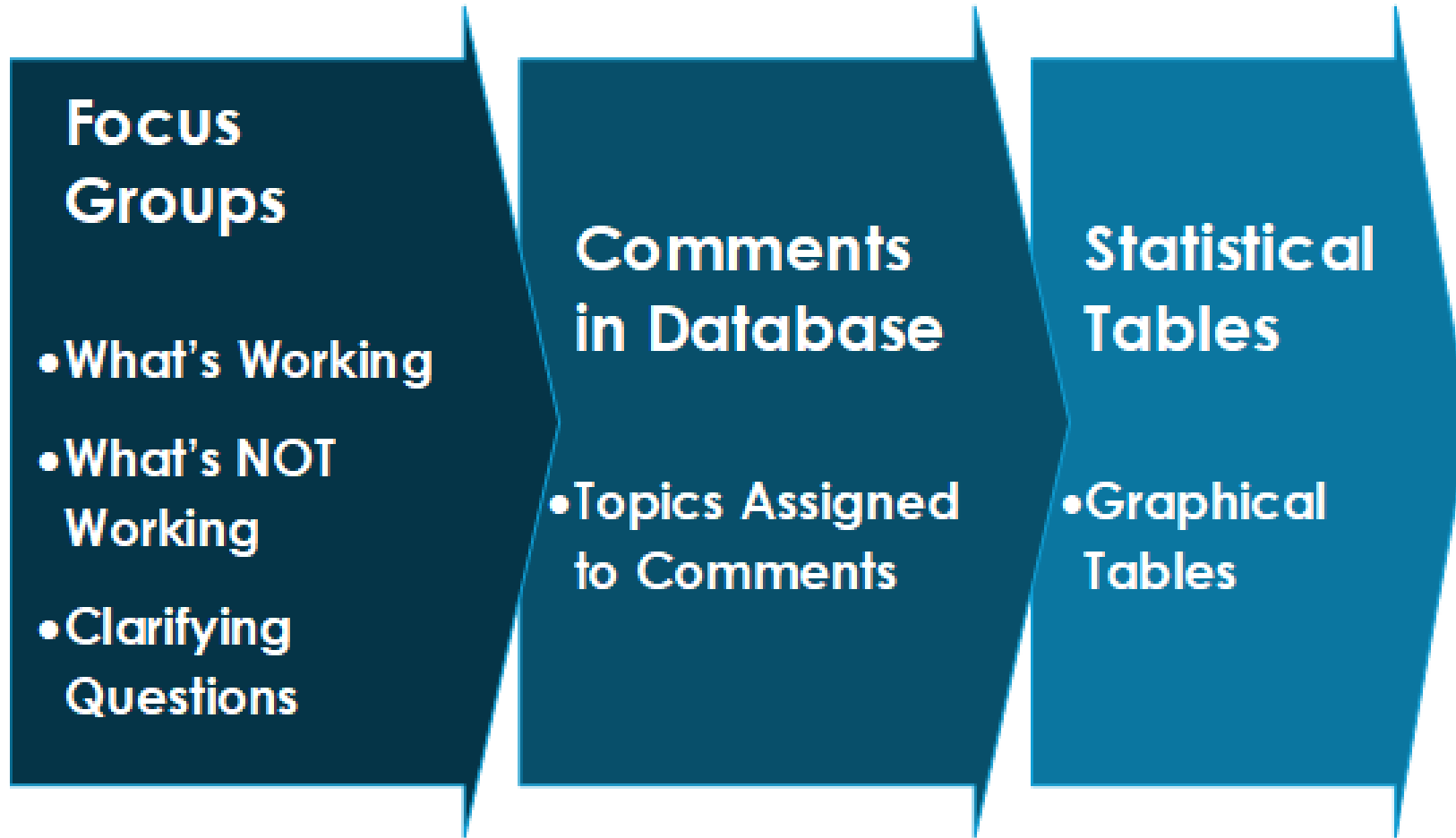
www.LabourWatch.com

www.InfoTravail.com

Focus Groups - Methodology

- **Planned vs 'Fire Alarms'**
- **Who Do We Meet With?**
- **Where?**

- **What Do We Ask?**
- **Variations in Numbers of Attendees**
- **What Do We Do With the Data?**



Focus Group Methodology

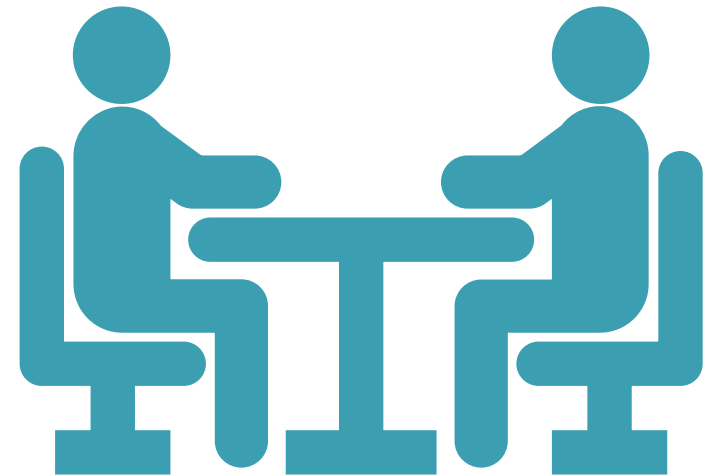


Focus Group Methodology

Focus Groups - Advantages

Engagement Surveys versus Focus Groups

- **Advantages:**
 - **Face to Face – Body Language**
 - **Impartial 3rd Party**
 - **Paid Break**
 - **Topic Choice**
 - **Raw, Direct, Unfettered Discussions – Emotions, Motivation, Concerns, Attitudes, Nuances**
 - **Cathartic Effect**
 - **Dialogue Post Meeting**
 - **Immediate Actions**



Setting & Overcoming Challenges

Setting

What Will Employees Notice?

- Walls, ceilings, glass, neighbouring offices
- Welcoming or not? (beverages, snacks, chairs, room availability, tissue)

Challenges

Confidence of Confidentiality

- For example: view notes

Will it matter if we really talk?

- Past 'useless' climate surveys or skip level meetings
- Facilitator's role – no skin in game

Key Findings: It's Not What You Think!

Competitive Pay & Benefits NOT what employees care most about most of the time when considering unionization



Workplace experiences matter, both big and small: does 'work work'?

From employee centric to 'customer' centric can add up to big problems:



hooks, kettle, water, clocks, lockers, - employee centric equipment, staffing levels, tech – 'customer' centric

Key Findings: Locations May Differ

- **Project: Multiple locations across 1 Province - team of Facilitators**
- **Shelly at 2 stores, same province, same time period**
- **One unionized, other not - completely different results:**
 - Store A (unionized): 76% NOT Working v 24% Working
 - Store B (union free): 36% NOT Working v 64% Working
- **Report**
 - Store A: *“The atmosphere stifled & far less friendly than other locations”*
 - Store B: *“The store had an immaculate presentation, from the way it was organized, to how attentive and friendly staff appeared to be”*

Key Findings: Locations May Differ – Store A

Sub-Topic		What Was NOT Working		What Was Working		Total Comments	
		#	%	#	%	#	%
1	Assistant Store Manager - Store #1	94	99%	1	1%	95	100%
2	Workload, Reduced Hours & Staffing	54	95%	3	5%	57	100%
3	Product Niche	55	98%	1	2%	56	100%
4	Store Manager - Store #1	44	88%	6	12%	50	100%
5	Schedules & Work Assignment	23	85%	4	15%	27	100%
6	Nature of the Work	3	12%	23	88%	26	100%
7	Union	22	100%			22	100%
8	Coworkers & Working Relationships	1	5%	21	95%	22	100%
9	Culture	6	30%	14	70%	20	100%
10	Pay Rate	16	94%	1	6%	17	100%
Sub-Total of Displayed Rows		318	81%	74	19%	392	100%
Total		486	76%	150	24%	636	100%

Key Findings:

Leader Changes Can Be Critical

Store A: Leader Changes Must Be Planned & Managed

- **ASM ranked highest NOT Working (99%)**
 - Not aligned with culture
 - Blunt, gun-blazing, no-nonsense style of enforcing policies
 - Removed 15 min break
 - Controlled the schedule – weekend requirement
- **Stifled atmosphere evident – quiet undercurrent of defiance & mistrust brewing**
 - Wide disinterest in FG participation
 - Challenging Facilitator – ID
- **How employees coped**

Key Findings:

Leaders Are Critical

Store A: Leader Changes Must Be Planned & Managed

- **Store Manager ranked 4th despite long service and hands-on (88%)**
- **Head Office visits seen as inauthentic, causing cynicism:**
 - *“All of a sudden we matter to them.”*
- **Focus Groups perceived as after the fact:**
 - *“They should hire people like you before there is even a union, because now is a little too late.”*

Key Findings: Locations May Differ – Store B

Sub-Topic		What Was NOT Working		What Was Working		Total Comments	
		#	%	#	%	#	%
1	Employee Engagement	2	7%	27	93%	29	100%
2	Workload, Reduced Hours & Staffing	20	95%	1	5%	21	100%
3	Nature of the Work	1	5%	20	95%	21	100%
4	Schedules & Work Assignment	3	18%	14	82%	17	100%
5	Customer / Client Service & Relations	5	36%	9	64%	14	100%
6	Products & Services	13	93%	1	7%	14	100%
7	Coworkers & Working Relationships	1	8%	11	92%	12	100%
8	Growth Opportunities	2	18%	9	82%	11	100%
9	Teamwork			10	100%	10	100%
10	Surveys	10	100%			10	100%
Sub-Total of Displayed Rows		57	36%	102	64%	159	100%
Total		148	40%	226	60%	374	100%

Key Findings:

Feeling Valued

Store B: When Employees Feel Valued, It Shows

- Leader was present, hands-on, ran store like a well-oiled machine
- Employees highly engaged, felt valued, & cared deeply about store look & customer service.
 - *“Other companies are policy oriented. We have a lot of power to make a decision on the spot. I love making customers happy.”*
- Very positive about engagement, nature of work, coworker relationships and teamwork.

Key Findings: Stores in 6 Provinces

- Retained after 1st ever store unionization because organizing spread
- 1st store unionization backstory summary
- Over few months, no further Applications

Participant Description	# Focus Groups	# Participants	Total Population	% Attendance
Front Line Employees	90	475	592	80%
Regional Managers	3	3	5	60%
HR	5	5	5	100%
Store Managers	29	56	68	82%
Total	127	539	670	80%

Top 10 Sub-Topics: All Stores – Mgmt

		What Was NOT Working		What Was Working		Total Comments	
		#	%	#	%	#	%
1	Internal Communication	75	82.4%	16	17.6%	91	100.0%
2	Workload	63	98.4%	1	1.6%	64	100.0%
3	Distribution & Availability	57	96.6%	2	3.4%	59	100.0%
4	Workplace Changes	54	88.5%	7	11.5%	61	100.0%
5	Schedules & Work Assignment	42	85.7%	7	14.3%	49	100.0%
6	Values & Direction	41	50.6%	40	49.4%	81	100.0%
7	Training	38	82.6%	8	17.4%	46	100.0%
8	Staffing Level(s)	38	82.6%	8	17.4%	46	100.0%
9	Employee Engagement	29	45.3%	35	54.7%	64	100.0%
10	Culture	29	42.0%	40	58.0%	69	100.0%
Sub-total of Top 10		466	74.0%	164	26.0%	630	100.0%
Total		1021	68.9%	460	31.1%	1481	100.0%

Top 10 Sub-Topics: All Stores – Non-Mgmt

		What Was NOT Working		What Was Working		Total Comments	
		#	%	#	%	#	%
1	Schedules & Work Assignment	311	74.4%	107	25.6%	418	100.0%
2	Training	255	65.7%	133	34.3%	388	100.0%
3	Internal Communication	244	89.4%	29	10.6%	273	100.0%
4	Store Layout	213	95.5%	10	4.5%	223	100.0%
5	Staffing Level(s)	170	89.0%	21	11.0%	191	100.0%
6	Leadership Above Store Level	158	49.8%	159	50.2%	317	100.0%
7	Values & Direction	145	80.1%	36	19.9%	181	100.0%
8	Culture	136	48.4%	145	51.6%	281	100.0%
9	Knowledge & Experience	122	83.0%	25	17.0%	147	100.0%
10	Distribution & Availability	100	97.1%	3	2.9%	103	100.0%
Sub-total of Top 10		1854	73.5%	668	26.5%	2522	100.0%
Total		4018	68.0%	1889	32.0%	5907	100.0%

One Store's Top 10

		What Was NOT Working		What Was Working		Total Comments	
		#	%	#	%	#	%
1	Store Layout	201	97.6%	5	2.4%	206	100.0%
2	Training	81	80.2%	20	19.8%	101	100.0%
3	Values & Direction	62	83.8%	12	16.2%	74	100.0%
4	Distribution & Availability	47	97.9%	1	2.1%	48	100.0%
5	Health & Safety	46	100.0%			46	100.0%
6	Internal Communication	44	95.7%	2	4.3%	46	100.0%
7	Staffing Level(s)	40	90.9%	4	9.1%	44	100.0%
8	Leadership Above Store Level	39	68.4%	18	31.6%	57	100.0%
9	Schedules & Work Assignment	38	74.5%	13	25.5%	51	100.0%
10	Customer/Client Service & Relations	37	74.0%	13	26.0%	50	100.0%
Sub-total of Top 10		635	87.8%	88	12.2%	723	100.0%
Total		1080	74.9%	361	25.1%	1441	100.0%

Key Findings: Lessons Gleaned From One Store

1. It's not always about competitive Pay &/or Benefits:
 - New Store Layout received highest NOT Working comments from frustrated employees
Described: *“architectural nightmare”*
 - Enough to impact attendance:
“In the beginning, I'd call in sick for my 8 hour shifts at cash. I'd think about the height of the screen, the low keyboards, our phones in drawers... I couldn't think of coming in”
 - Employees concerned with Head Office prioritizing aesthetics over functionality
 - Concerned about customer experience: – *“It freaks me out - we might be losing our way”*
 - Uneasy about higher risks of theft

Key Findings: Lessons Gleaned From One Store

2. NOT Working Comments Were Not A Sign Of Disengagement:

"I want to be part of the solution for these issues, and I hope you read these with a constructive tone and not a whiny one"

"I realize this is a long list of negatives. In general, I am happy at work"

3. Improvements During Process Participation Enthusiasm:

- Timely adjustments made to multiple store areas as Focus Groups continued
- Requests for more opportunities to share insights

Key Findings: Lessons Gleaned From One Store

4. The Call For Help:

- Retailer accused of prioritizing profits over training staff
- New hires felt ill equipped to sell specific merchandise or to work in specific departments
- Employees asked for “*in-training*” buttons to avoid customer frustrations
- Quotes illustrative of employees who care about the customer experience:

“I’ve been asking for a month not to be scheduled in specific departments because I know nothing about 50% of what we sell. I’m just frustrating the customers”

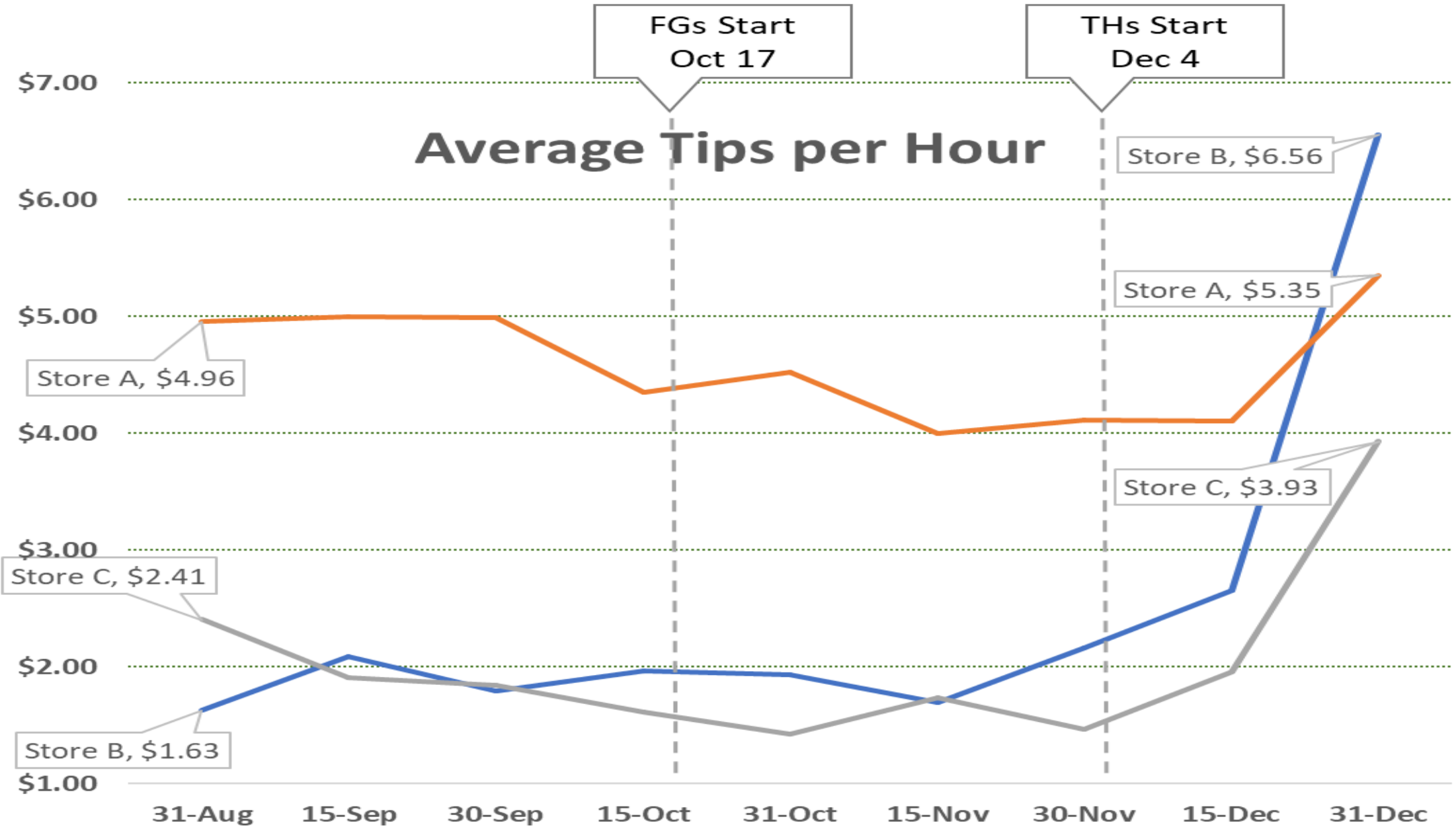
“I call in sick when I see I’m in a specific department”

“I’m not cross-trained to the level customers would expect. It feels crappy if I can’t do my job”

Employees See Right Through to Reality

- Retailer gets surprise Card Check unionization in 1 store
- Quickly implements Tips on a Friday afternoon in all other stores
- Tips back story . . .
- 2 more get unionized
- Focus Groups in all unionized & union-free
- Most involved and lengthy Town Halls - ever

Average Tips per Hour



Retail Union Drive: DCs, Contact Centres, Stores

- Loses a vote in a large DC (just under 1,000 employees)
- Organizing spreads to all other DC's across Canada
- Contact Centres in some DCs
- Part of overall 2,200 employee operation – also a DC, office
- Also added some stores with rumours
- No more unionized, DC decertifies a few years later & after a strike

Retailer's Contact Centre

		What Was NOT Working		What Was Working		Total Comments	
Sub-Topic		#	%	#	%	#	%
1	Scheduling	246	98%	5	2%	251	100%
2	Team Leads/Managers	199	100%	1	1%	200	100%
3	Pay	154	100%			154	100%
4	Communication	112	100%			112	100%
5	Compliance/Metrics	110	100%			110	100%
6	Training	91	98%	2	2%	93	100%
7	Recruitment and Retention	52	100%			52	100%
8	Working Environment	46	98%	1	2%	47	100%
9	Equipment	45	100%			45	100%
10	Operations	34	100%			34	100%
	Sub-Total of Displayed Rows	1,089	81%	1	19%	1,098	100%
	Total	1,242	99%	9	1%	1,251	100%

Range of Pay Concerns @ # 3

- *"I started here 7 years ago at \$10/hour and am only at \$10.50/hour"*
- *"Pay band too narrow, capped at top - compression so little or no difference between long service & new associate pay rates"*
- *"Company never pays overtime"*
- *"Appraisal process is meaningless because everybody gets the same raise regardless of rating"*
- *"Difference between a raise for a Top Rating vs Bottom Rating is only 6 cents/hour"*
- *"Warehouse got raise but we did not"*
- *"We want more accountability for slackers and performance-based pay"*
- *"So many payroll errors that take so long to fix"*

DC for Online Sales

Company Employees & Agency Workers

	# Focus Groups	Actual Participant Count	Total Employee Count
Team Member - Agency	23	108	242
Team Member - Company	17	78	92
Total	40	186	334

DC for Online Sales Company Employees		What Was NOT Working		What Was Working		Total Comments	
Sub-Topic		#	%	#	%	#	%
1	Managers & Leaders	29	78%	8	22%	37	100%
2	Pay Increases	21	95%	1	5%	22	100%
3	Safety Footwear	21	100%			21	100%
4	Performance Metric	16	100%			16	100%
5	Schedules & Work Assignment	16	84%	3	16%	19	100%
6	Pay for More Responsibility	14	100%			14	100%
7	Growth Opportunities	14	74%	5	26%	19	100%
8	Vacation	13	81%	3	19%	16	100%
9	Training	13	87%	2	13%	15	100%
10	Agency Worker	13	100%			13	100%
Sub-Total of Displayed Rows		170	89%	22	11%	192	100%
Total		375	75%	125	25%	500	100%

DC for Online Sales Agency Workers		What Was NOT Working		What Was Working		Total Comments	
Sub-Topic		#	%	#	%	#	%
1	Organization of Work	52	83%	11	17%	63	100%
2	Agency Worker	50	94%	3	6%	53	100%
3	DC Scanners (Condition & Quantity)	46	100%			46	100%
4	DC Carts (Condition & Quantity)	44	100%			44	100%
5	Performance Metric	42	98%	1	2%	43	100%
6	COVID Physical Distancing	22	96%	1	4%	23	100%
7	Health & Safety	21	84%	4	16%	25	100%
8	Training	20	57%	15	43%	35	100%
9	Managers & Leaders	18	39%	28	61%	46	100%
10	Favouritism	15	100%			15	100%
Sub-Total of Displayed Rows		330	84%	63	16%	393	100%
Total		554	75%	189	25%	743	100%

Learnings



Surveys – how accurate ...? ...



In person meetings – internal or external



“MBWA – Management By Wandering Around” & taking action



Thank you