Smart Access
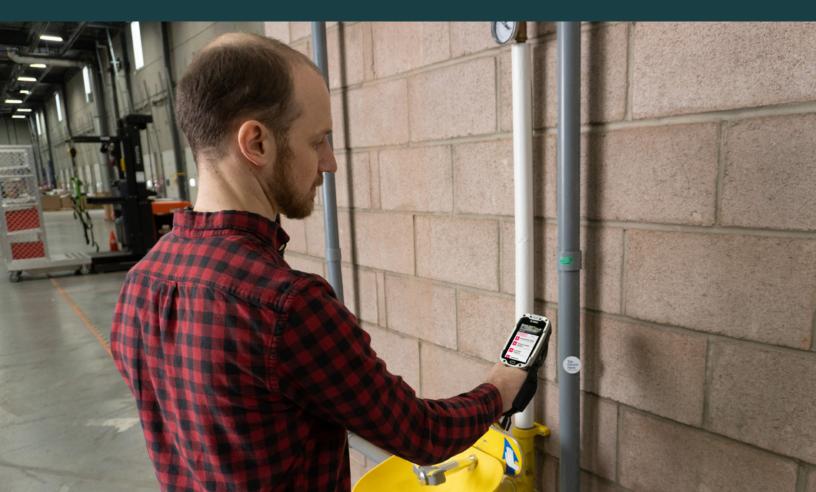
Think Your Supply Chain Is Agile?

Not Without An Adaptive Workforce

New Approaches To Communication, Training And Execution Boost Supply Chain Strength

Introduction

Retail experienced rapid, profound change in the wake of the pandemic. Sudden shifts in consumer demand not only revealed stress fractures in retail supply chains; they also exacerbated some shortcomings in how they operate. Overnight, retail distribution facilities and stores needed to reallocate staff to manage surges in volume and increases in absenteeism. At the same time, they were creating and implementing new processes designed to keep workers safe — and then changing them again as more was learned about the virus.

> More than 40% of retail leaders expect to increase their total supply chain investment, with the primary goal of improving speed, agility and resilience.
>
> *- Bain & Company*

The need for greater agility in supply chains is a common theme in retail industry discussions these days. More than 40% of retail leaders expect to increase their total supply chain investment, with the primary goal of improving speed, agility and resilience, according to Bain & Company. But a truly agile — and anti-fragile — supply chain involves more than alternate sourcing, new transportation routes and improved logistics. An adaptive frontline workforce is also an essential ingredient.

Traditional approaches to managing, training and communicating with frontline workers break down when changes come so rapidly. For example, say a manager needs to shift workers trained for shipping into receiving in order to cover a large inbound delivery because regular workers are in quarantine. That manager needs to provide quick retraining not just on processes but in using equipment safely. Preparing training materials typically takes months, so the manager must improvise. That ends up costing the retailer in productivity, safety, speed and ultimately, turnover, when workers no longer feel confident doing the job.

> **At Walmart, small teams of associates will be cross-trained and given ownership of the work for their area for everything from in-stock to visual standards.**

Leading retailers are embracing new ways of organizing, training, re-skilling and cross-skilling their workforces to achieve the agility they need for today's fast-changing market conditions. Walmart, for example, is replacing hierarchical and task-specific approaches with small teams of associates who will be cross-trained and given ownership of the work, led by store and team leads and coaches. A major U.S. home improvement retailer is taking a similar approach. They're using a new breed of location-aware frontline training platforms to achieve this flexible, cross-trained vision to boost agility, productivity and worker satisfaction, so every worker is capable of performing every task.

Challenges Of The Workforce Status Quo

Current methods used to attract, train and retain supply chain workers — those working in distribution centers as well as in stores — are not only costly but often ineffective.

More than 75% of retailers report attracting, hiring and retaining good warehouse workers as a moderate or major challenge.

U.S. retailers experienced an overall turnover rate of **38.1%** from March to August 2020.

Turnover costs the typical warehouse between **$3,000 and $10,000** per lost employee.

57% of employees overall encounter significant barriers in their day-to-day work, often due to change.

Many retailers train supply chain workers only for the tasks they need to start a specific job, with little or no follow-up. This training typically takes a 10/20/70 approach — 10% upfront, 20% with a job shadow and 70% on the job. But there are problems with this design. Not only does it leave retailers with a narrowly trained workforce unprepared to shift quickly to new tasks, but often the training quickly goes stale. Gartner found that employees apply only 54% of the skills they learn, while roughly one-third of skills workers needed three years ago are no longer relevant. Yet Deloitte reports that only 17% of companies have made "meaningful investments" in reskilling initiatives.

What's more, job shadowing is expensive, impossible to scale and inconsistent; since it's tough for managers to control how skills are taught in the field, individual work styles get passed along during the shadowing process — even those not consistent with the safest vetted practices.

In addition, developing relevant training materials can be both costly and time-consuming, involving forming a team, writing, filming, editing and so on. With today's pace of change, by the time new materials are released, processes may already have shifted. With every process change, operations must wait for this slow, cumbersome, expensive training development method to complete before they can effectively retrain.

This style also relies in part on memorization; workers are taught a skill out of context and must recall and perform it accurately in a setting that's different from where they learned it.

Sadly, those aren't the only issues. Most training is one-size-fits-all, rather than being personalized for the skill of the worker. Training content is rarely available on the warehouse or store floor where it's needed, and when workers do turn to training materials to learn or recall how to do something, it's hard to find exactly what's needed in a sea of content.

Some companies try learning management systems or digital training to help, but these don't solve the problems of expensive and slow-to-create content, and still require the worker to search for the right content when it's needed most.

Hiring challenges, high turnover, inadequate training and managers preoccupied with addressing all of these challenges mean worker satisfaction stagnates. Employees who feel underappreciated, commoditized and without confidence that they have the skills to do the job either leave or perform poorly. That may be why 68% of retail leaders say they do not have adequate supply chain management bench strength.

How Workforce Training And Communication Are Changing

The rapid changes of the past year have left many companies struggling with the speed and effectiveness of their approach to training and reskilling frontline staff. Retailers need more dynamic tools for training and communicating with supply chain workers that not only enable them to pivot quickly but also tap new understanding about how workers learn. This requires training content to be:

TAILORED TO THE EXACT WORK SITUATION

A new, location-aware approach to frontline training eliminates the fluff and puts only those things the worker really needs to know right into the flow of work, where and when they need it. Workers can find and view this content as often as they need to, and immediately use it to perform a skill efficiently and safely. A great platform even customizes that content to the role and current skill set of that worker. That means:

- No memorization
- Self-paced, personalized learning
- Responsibility for learning shifts from supervisor to worker
- Supervisor becomes a coach confirming competency, rather than an instructor
- New hires can start working on day one

Early adopters find workers prefer this approach. It reduces the cognitive work of remembering and recalling, and employees feel more motivated because they don't have to search for info they need. They can be competent without having to ask for help.

INSTANT

This new breed of location-aware frontline training platform breaks down tasks to their smallest possible components, then puts that micro-content right where it's needed so workers can view and learn in seconds. Need to use that hand truck? A quick scan of a sticker at the hand truck storage area, 30 seconds of short-snippet video content or a task description on the mobile device, and that worker is safely on his or her way. Humans are very good at seeing a short task and replicating it, because it's easier to consume information cognitively when the content is provided in short, small bits and given to them where it's relevant.

> Location-aware frontline training gives retailers the power to deliver microlearning that educates frontline workers through 30-second videos with the scan of a sticker.

FRESH

The best solutions also make creating this content fast and easy — much more like creating an Instagram video than producing classic training materials. That means anyone can create and post new content easily, get fast feedback, modify it quickly and alert workers that there is a new process to view. It becomes a tight feedback loop. So, when a pandemic forces changes, for example, warehouse supervisors can quickly model the new steps, upload that content and signal users to check it out. Training content is always accurate and up to date.

ENRICHING

Agility requires constant cross-skilling and re-skilling of workers. When content is always up to date, readily available and self-driven, retailers are not only giving supply chain employees the tools they need to handle any task at any time — so they can be dispatched anywhere — but also are investing in their development. Machine learning built into these platforms anticipates individual workers' knowledge gaps, and serves up new content to support their development and advance their skills.

This is especially the case for shift leaders. A well-designed location-aware frontline training platform includes leadership content in addition to task instruction, giving these workers on-the-spot insight into how to coach workers through common challenges and instill confidence in their teams.

MEASURABLE

A great location-aware frontline training platform also uses technology to deliver discrete task-based content, enabling coaches to verify worker performance instead of teaching it. Progress meters, completion checklists and other measurement tools not only track worker skills at the individual level; they offer managers detailed visibility into the skill levels and capabilities of their entire workforce, instead of just general training completion. Tracking task-level activity — sometimes called Data Per Learning Asset (DPLA) — supports retailers' safety, compliance and liability goals.

In addition, analytics help managers understand where to focus development of content. Learning and development staff can use insight into the performance and impact of training content to see what content is working well and identify any gaps. This includes feedback provided by workers right in the platform, which is invaluable in matching training to real-world conditions.

Building Skills Builds Agility

Delivering training granularly and in context supports leading retail analysts' recommendations about how to better leverage today's workforce. Gartner, for example, advises organizations to replace the concept of "roles" with "critical skills" to drive competitive advantage in a post-COVID world. That makes easy, rapid cross-training and skill-building an essential capability.

Retailers can not only lower the cost of attracting, training and retaining supply chain talent, but make those new workers productive on day one without impacting supervisor productivity. Employees who feel confident stay on the job, reducing turnover, while supervisors are free to manage their teams and build their own skills, increasing their satisfaction as well. Productivity, compliance and safety improve when workers control their own learning.

Taking this next-gen approach to communication, training and execution means the workforce is always fully cross-skilled. This empowers the retailer to compete on its ability to respond rapidly to new demands, supported by an adaptive workforce well-prepared to pivot with the changes.

Smart Access

Smart Access offers retailers a new learning model to train and reskill frontline workers faster, more effectively, and at scale. Our location-aware frontline training platform runs on workers mobile devices to deliver training that is tailored to the exact work situation, personalized to the individual, and can be consumed in seconds. We equip learning and development and operations leaders to create and distribute learning content to the frontline in days, and rapidly measure learning effectiveness. Find out more at www.smartaccess.io.

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