Quinyx

2024 State of the Frontline Workforce

US Retail Report

Table of contents

Introduction

The US retail industry has shown resilience and adaptability through a period of major growth in e-commerce and automation.

As of January 2024, <u>over 15 million people</u> in the United States work in retail, in evolving jobs across customer service, management, fulfillment, warehousing, and more.

Quinyx surveyed 12,500 global frontline workers to help leaders understand what's most important to these critical employees on the front lines of their businesses. The insights in this report were based on 500 survey respondents working in retail in the US, but the insights align with our global findings.

With high inflation and the cost of living on a consistent rise, it's no surprise that pay emerged as the number one priority. If retailers can't increase pay, they can still meet frontline workers' other top priorities by offering opportunities for career growth and learning, improving leadership skills, and finding ways to reduce day-to-day stress.

In this report, we'll share what the survey data revealed about US frontline retail workers, including their:

- **Priorities in life:** what's more important, career development, flexibility or pay?
- **Attitude towards technology:** why are 73% unhappy with the tech provided?
- **Engagement levels at work:** what's driving 59% of them to want to quit?

With 85% of frontline workers reporting feeling workplace stress and the consideration of quitting rising over 20% from last year, the needs of frontline workers can't be ignored. Let's dive into how you can best meet the needs of your critical frontline workforce.
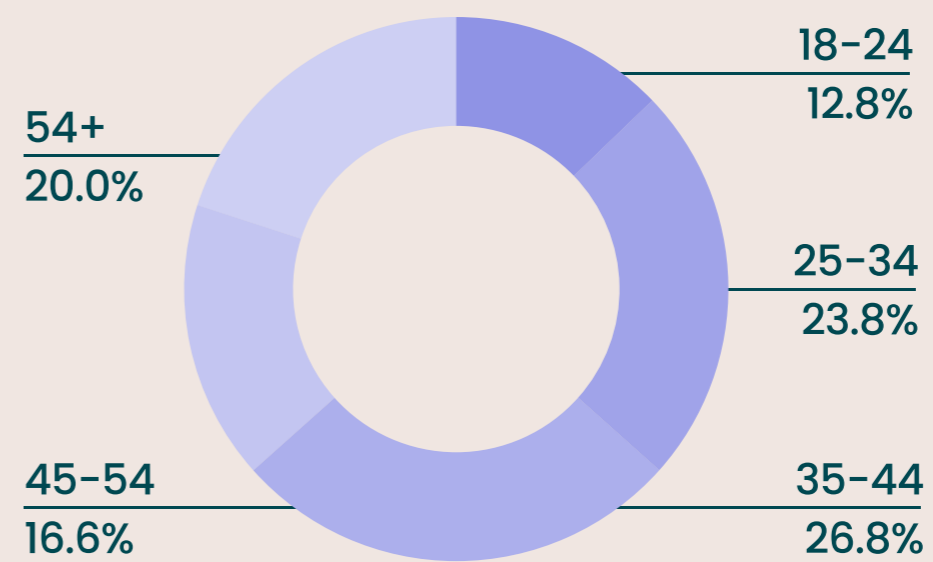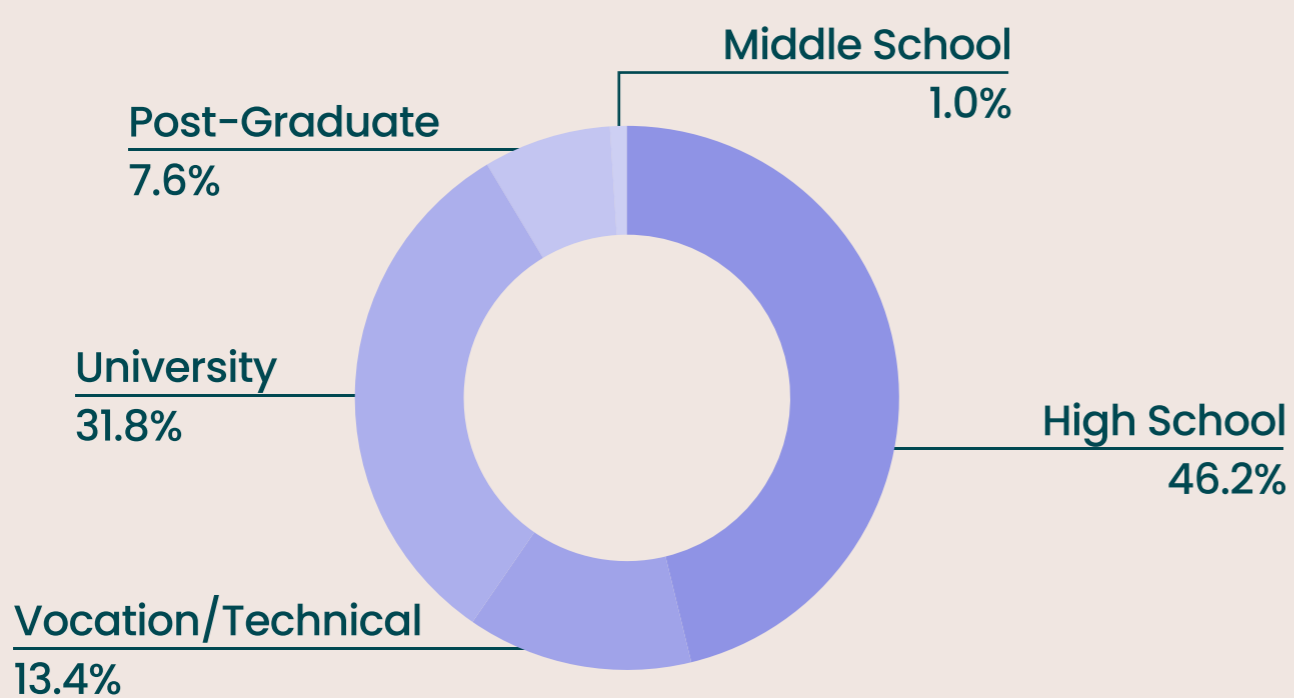
US Retail Frontline Workers

An overview

Frontline retail workers vary in age, and have a range of educational backgrounds and career goals. It's common to have a retail store staffed by a mix of employees who are working full-time and those who are working part-time or temporarily. Here's how this audience breaks down across age, education level, and career aspirations:

Age

18-24
12.8%

54+
20.0%

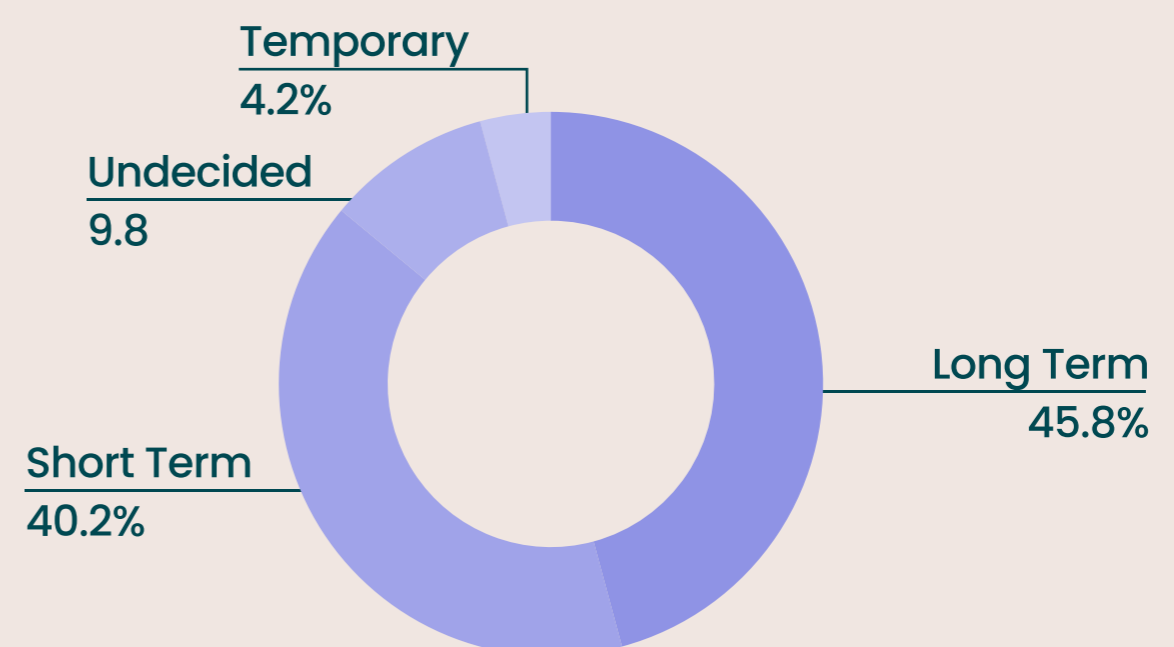25-34
23.8%

45-54
16.6%

35-44
26.8%

Education level

Middle School
1.0%

Post-Graduate
7.6%

University
31.8%

High School
46.2%

Vocation/Technical
13.4%

Career goals

Temporary
4.2%

Undecided
9.8

Long Term
45.8%

Short Term
40.2%

38% of frontline workers are dissatisfied or feel neutral about their job.

A large portion of frontline retail workers today are feeling disengaged or dissatisfied. When asked to rank their job satisfaction, nearly 40% of the respondents reported feeling either neutral or dissatisfied about their jobs.

48%
satisfied

21%
neither

14%
very satisfied

13%
dissatisfied

4%
very dissatisfied
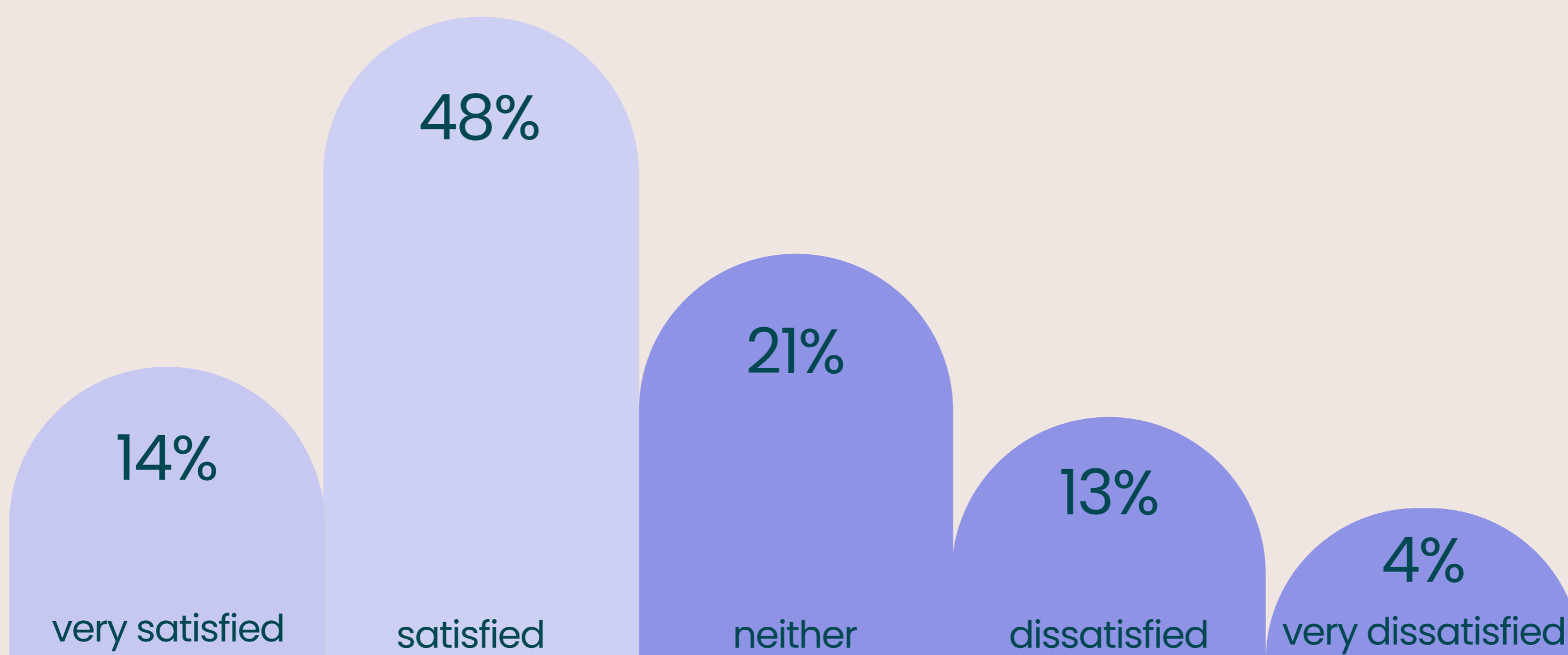
With such a wide range of ages and educational backgrounds staffed on the frontline, it's not easy for individual retail managers or store owners to crack the code of what to offer retail employees to improve their experiences. But Quinyx survey data revealed some issues that stood out as top priorities.

The top 3 reasons for retail worker dissatisfaction — consistent across age, education or career goals — were:

- **The pay is too low**

- **The work environment is stressful**

- **Poor leadership from my manager**

Why does this matter? The satisfaction of frontline workers directly impacts the success of your business. Research shows that companies with highly engaged workforces are 21% more profitable and 17% more productive than those with disengaged staff.

Pay is a big concern, but it's not a top priority in life.

Retail workers made it very clear that their biggest concerns at work relate to their level of pay. This emerged again and again throughout the survey data. Take a look:

- 85% reported experiencing workplace stress, **36% said it was because of low pay**
- The top reason why workers considered quitting their jobs was because of **low pay (48%)**
- Low pay was the **#1 reason for employee dissatisfaction**

Pay is extremely important - except when ranked against other priorities in life. That's when it dropped a bit in ranking.

This signals that frontline workers' desire for higher pay is more out of necessity (to support their families and partners) than any desire to simply be wealthy. They aren't dissatisfied with pay because they want to be rich - frankly they just want to survive.

Unfortunately, this pay gap isn't easily solvable for retail leadership. Pay rates are often restricted by corporate policies or regulated by state laws and guidelines. So leaders are left trying to figure out how to make their employees feel more valued in different ways.

Priorities in Life, In Ranked Order:
1. **Family / Partner**
2. **Career Development**
3. **Friends**
4. **Making Money**
5. **Health/Workout**
6. **Leisure/Hobbies**

In the rest of this report, we identify how to do this through adding flexibility, increasing engagement, and embracing technology.

Flexible Scheduling

Increasing worker flexibility will improve employee satisfaction.

A quarter of retail workers surveyed had changed jobs in the last year. Nearly a third reported doing so to pursue more flexibility - either more adaptable schedules, or to better fit their family needs.

It's not super surprising that **30% of departures in 2023 could have been prevented** if retail management better met the flexible scheduling needs of their teams. The scheduling process for many retail stores is still very manual, with full schedules being thumbtacked to cork boards in the breakroom. So what does this mean in practice? Communication about schedules further in advance, and making it easier to pick up or swap shifts.

What Scheduling Flexibility Do Workers Want?

41% Advance knowledge of schedules

33% "Drop-in" scheduling for varied start times

28% The ability to easily swap schedules within a 24-hour window

Pro Tip!

Organizing and managing schedule changes and updates can take a huge amount of manager time and effort. That's where automation tools like Quinyx's automated scheduling features can help. Managers are able to input all the critical information that goes into building a schedule - availability, requested days off, employee shift preferences, even commute data - and populate a digital schedule that all employees can easily access on their mobile device.

With Quinyx, employees can see their schedule online, far in advance. They can propose shift swaps, request manager approval, pick up shifts where available, and more.
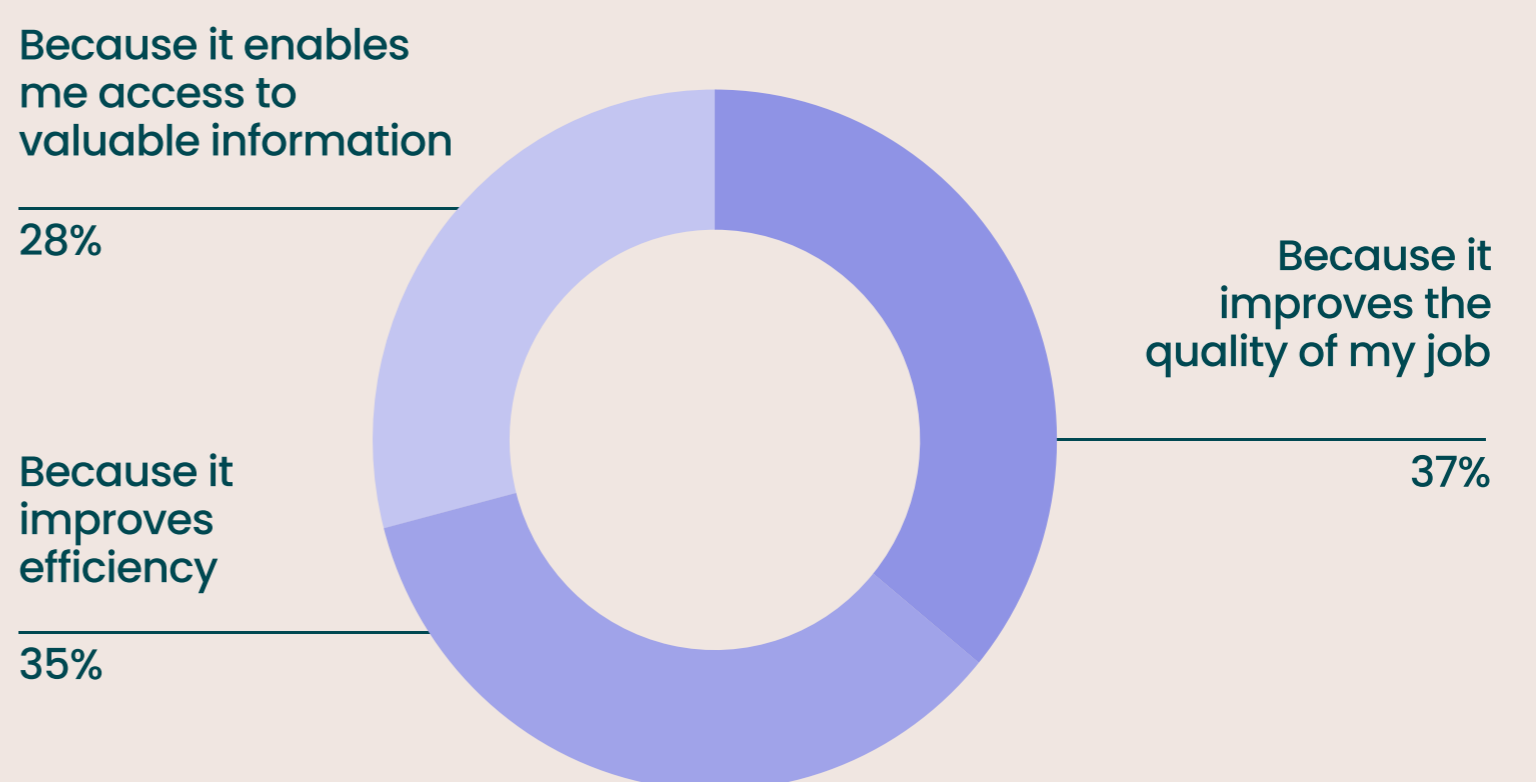
Retail frontline workers want better technology.

The majority of brick-and-mortar retailers have yet to truly embrace digital transformation. But technology is an area of opportunity to invest in to improve worker satisfaction. According to our survey, **73% of frontline retail workers are dissatisfied with the technology provided by their employers.** They feel there is room for improvement.
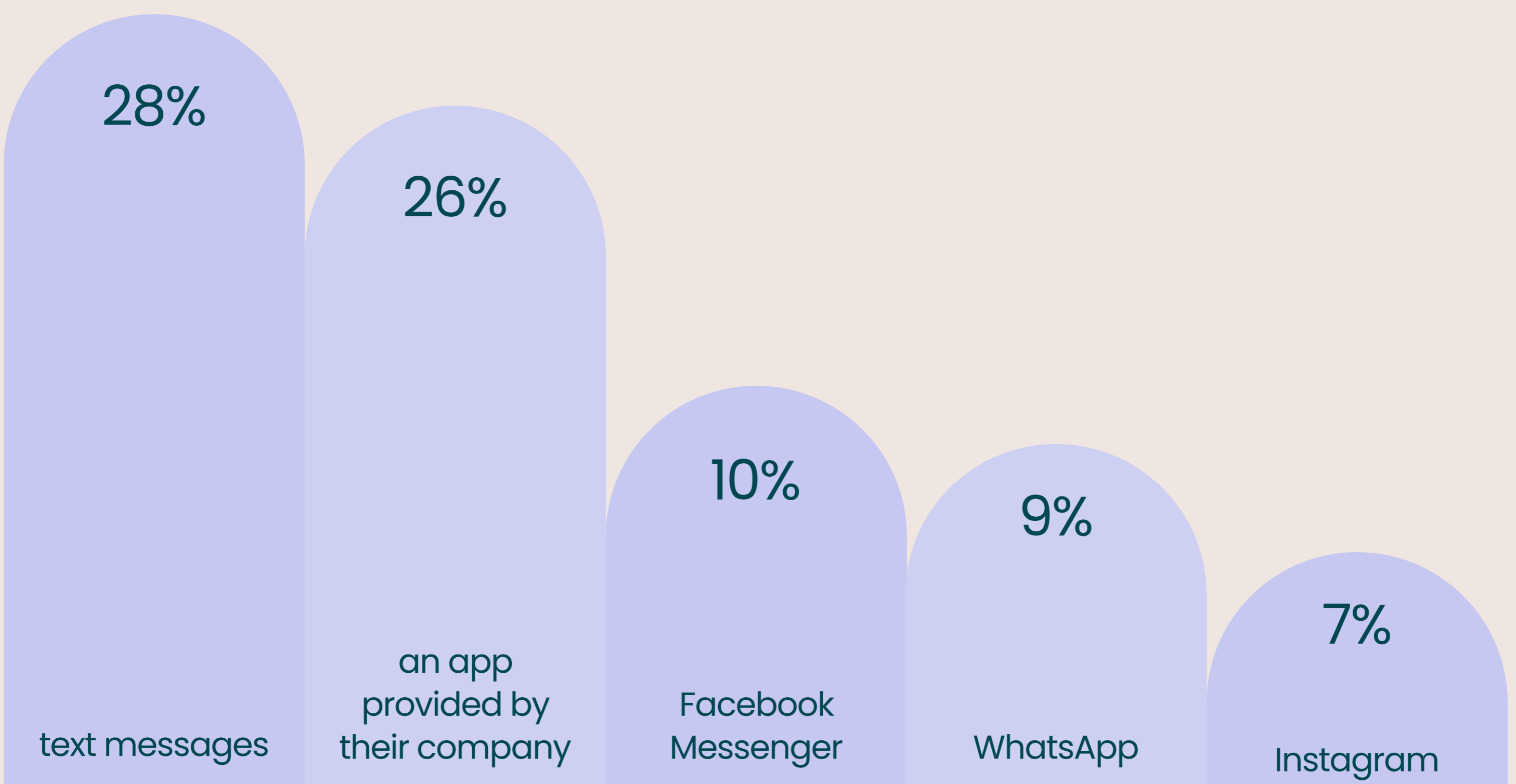
Why are you excited about the future of technology?

Because it enables me access to valuable information

28%

Because it improves the quality of my job

37%

Because it improves efficiency

35%

The largest group of respondents (46%) believe the future of tech will impact their jobs positively — only 19% expect a negative impact (35% don't feel strongly either way).

Where to start with technology? Streamlining communication.

Improving the communication technology provided to employees is a great place to start your digital transformation. This will empower leaders to run a more structured and collaborative working environment. Our data revealed that **28% of frontline retail workers are using SMS to communicate with their colleagues.** This is more than they're using an application provided by the company.

28%

text messages

26%

an app provided by their company

10%

Facebook Messenger

9%

WhatsApp

7%

Instagram

It's not surprising that workers' communication is not consolidated in one place. With organizations looking for a silver bullet to solve communication and engagement concerns, many have resorted to adding tool after tool without moving the needle. Employees are left with too many options, using **2–3 mobile apps on average to do their jobs** (some as high as 20). They have an app for news, for benefits, for scheduling, for pay stubs, for chat... this list continues to grow and it's only confusing employees more.

Employers need to consolidate these fractured communication channels and encourage the use of a single application that offers engagement, as well as personal and community-based messaging.

Pro Tip!

The Benefits of An Employee-Provided Communications Tool

- **Consistency** - managers can set and uphold communication processes, so frontline workers know how to engage.
- **Safety** - worker communications can be monitored by management for inappropriate behavior.
- **Consolidation** - Managers can communicate with their team or individuals, and frontline workers can easily communicate with anyone in the organization.
- **Information sharing** - Every employee knows where to find documentation, news, updates, and more.
- **Judgment-free zone** - frontline workers can ask questions or ask for help in a dedicated environment.

With Quinyx, your employees have just one app to access everything they need to be engaged with your operations, culture, values, and each other. Take a tour of the Quinyx platform that breaks down silos to give your employees consistency, clarity, and a convenient way to ask questions.
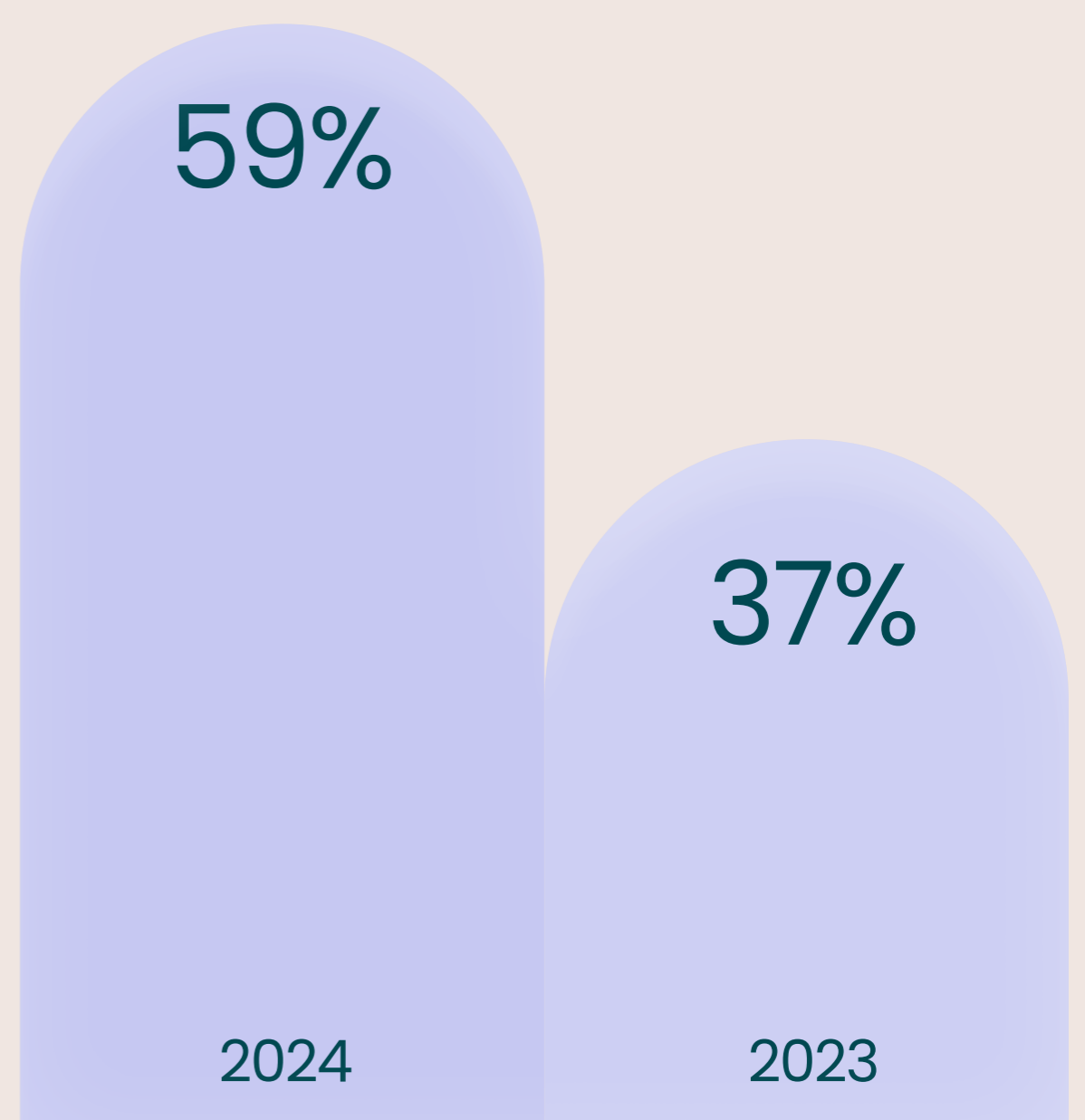
Employee Engagement

22% more retail workers considered quitting in 2024 than in 2023

Retention has been a top concern for retail leaders since the great resignation. According to Shopify, 67% of retailers are short-staffed and 69% find it difficult to find and retain talent. And our data validated that this problem is only getting worse — the amount of retail workers who considered quitting went up considerably over last year. In 2024, **59% of retail workers reported considering quitting their jobs** – up 22% from 2023. Of those considering quitting, 77% feel they have many other job opportunities to move on to.

Why are they considering quitting? When we dug into the cause of workplace stress that 85% of frontline retail workers reported, in addition to desiring more pay, **26% attribute it to stressful work, and 17% to poor leadership**.

While it may not be possible to increase pay or deliver bonuses, investing in improving the skills of retail managers will go a long way in reducing workplace stress, and it may prevent some of these departures.

Good leadership regularly shows appreciation and gratitude toward their best employees, and the business impact of gratitude has been long-proven to decrease burnout.

59%

37%

2024

2023

Frontline workers who considered quitting their jobs

Pro Tip!

Employee engagement software can enable managers to improve communication and maintain a pulse on employee sentiment. Tools like Quinyx allow frontline workers to recognize their peers for their help and reward a colleague with a badge to say thank you. It also enables managers to get instant feedback from their team through pulse surveys, so if engagement is dropping, they can take action right away. The best part? These features are all available within the mobile app frontline workers and managers already use for scheduling and communication, minimizing tech fatigue.

Wrapping up

Frontline workers are more stressed out than ever

Frontline workers are the faces your customers see and associate with your brand. They are an essential part of your business, helping get your products and services out into the world for people to enjoy. And they need your help.

They're feeling stressed, dissatisfied and disengaged. They feel they're undervalued, they crave more flexibility, and they want better pay. And 22% more of them are considering quitting their jobs compared to last year's survey.

With staffing shortages and challenges finding top talent, you want to do everything you can to strengthen leadership skills, and recognize and retain your top performers.

With a holistic approach to managing and engaging the frontline — which includes streamlining communication and technology, offering flexibility, and fostering a culture of recognition — your business will thrive.

How this survey was done

The 2024 State of the Frontline Workforce Report is based on an online survey that took place between February and April 2024. During that time, we received survey responses from a total of 12,500 frontline workers across the retail, hospitality, and logistics sectors. The survey was conducted in 8 countries: United States, United Kingdom, Germany, Netherlands, Sweden, Finland, Norway and Denmark. The US Retail report highlights responses from 500 frontline workers within the retail sector in the United States.

Results were analyzed and compared to survey results from prior State of the Frontline Workforce reports to identify key trends. The most significant findings and what they mean for frontline employers are outlined in this report.

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