



Don Pancho
AUTHENTIC MEXICAN FOODS

HERITAGE
YOU CAN TASTE

Labor Market Challenges: Worker Recruiting & Retention

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Reser's Fine Foods/Don Pancho

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The slogan "HERITAGE YOU CAN TASTE" is displayed in a gold, serif font. The text is set against a background of blue, textured wood grain.

HERITAGE
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June 2nd

**National
Rocky Road
Ice Cream Day**



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June 2nd

- Rocky Road
 - If you are on a Rocky Road, you are experiencing a difficult period and have a lot of problems.

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Agenda

- Challenges in **Recruiting** Workers
- Challenges in **Retaining** Workers
- Employee Engagement

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Recruiting Challenges

- Aggressive Recruiting vs. Passive Recruiting
- Generations in the Workplace
- Internal/External Hires & Employee Referrals Programs
- Training - Supervisor Interviewing and Selection Techniques
- Flexible Hours / Scheduling - Job Seeker Perspective
- Passing a Drug Test
- Culture Fit
- Low Unemployment – Case Study

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Recruiting Challenges

Aggressive Recruiting

Use technology to increase visibility and when you find a great candidate, you have to shower them in compliments and convince them your company is the opportunity they've been waiting their entire career for.

VS

Passive Recruiting

Since **passive** candidates are not actively looking for a job, they are less likely to be interviewing with other companies.

- Recruiters Food Industry Knowledge - Recruiters Can Be Biased
- Walk the Floor



Recruiting Challenges

- What are the five generations?
 - Here is a quick overview of the five generations by birth years:
- iGen, aka Generation Z: born 1996 and after.
- Millennials, aka Generation Y: born 1977 to 1995.
- Generation X: born 1965 to 1976.
- Baby Boomers: born 1946 to 1964.
- Traditionalists: born 1945 and before.

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Recruiting Challenges

- **Internal/External Hires**

There is no one-size-fits-all approach when it comes to deciding whether to hire externally vs. internally.

Look outside

Look Within

- **Employee Referrals Programs**

Advantages

Disadvantages



Recruiting Challenges



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Recruiting Challenges

- Supervisor Training
 - Interviewing and Selection Techniques (**Role Play**)
 - Show applicants the production floor
 - Applicants texting/Twittering about their interviews
 - Lack of Sense of Urgency
 - Applicants waiting more than 30 minutes

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Recruiting Challenges

- Flexible Hours / Scheduling
 - We need employees to work set schedules but They want to set their own work schedules.

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Top 8 Challenges – *Job Seeker Perspective*

Meeting Applicant Needs – *Worksource Oregon*

1. Close Home
2. Daily Flexibility
3. Child Care
4. Pay
5. Weekly Schedule
6. Less Work for More \$
7. Culture Fit
8. Drug Testing

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Recruiting Challenges

Passing a Drug Test -

Tremendous challenge in hiring and keeping good employees.

Drug-Free Workplace Act was enacted in 1988

Many companies are reluctant to acknowledge publicly that they've dropped marijuana testing

This is going to become the new "don't ask, don't tell"



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Recruiting Challenges

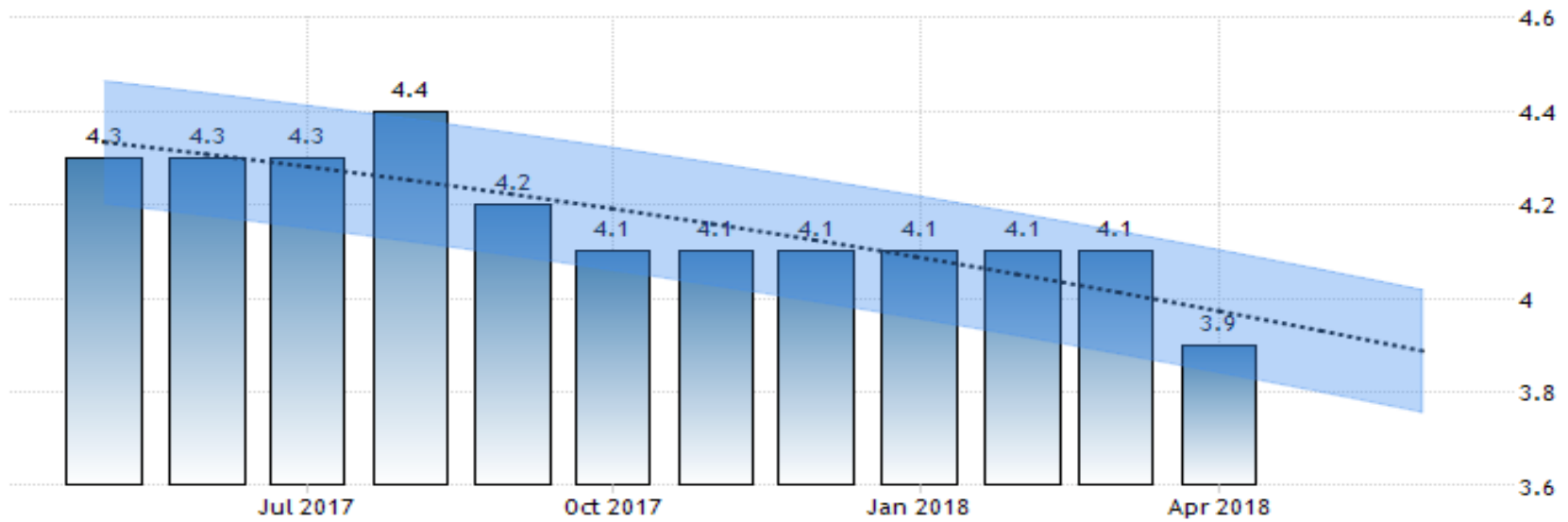
- Culture Fit

- Applicant's Lack of Industry knowledge and evaluating workplace culture.
- Culture is the behavior that results when a group arrives at a set of *generally unspoken and unwritten* rules for working together.
- An employee who is a good cultural fit will work well within the environment and culture you have created.



Recruiting Challenges

US UNEMPLOYMENT RATE



SOURCE: TRADINGECONOMICS.COM | U.S. BUREAU OF LABOR STATISTICS

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Recruiting Challenges – UE History – Bureau of Labor Statistics

| Year | Unemployment Rate (December) | What Happened | Year | Unemployment Rate (December) | What Happened |
|------|------------------------------|--|--------------------------------------|------------------------------|---|
| 1929 | 3.20% | Market crash | 1965 | 4.00% | Vietnam War |
| 1933 | 24.90% | FDR's New Deal | 1974 | 7.20% | Watergate. Min wage \$2.00 |
| 1934 | 21.70% | Depression eased thanks to New Deal. | 1981 | 8.50% | Reagan tax cuts. Min wage \$3.35 |
| 1935 | 20.10% | | 1991 | 7.30% | Desert Storm. Min wage \$4.25 |
| 1936 | 16.90% | | 1997 | 4.70% | Min wage \$5.85 |
| 1938 | 19.00% | | FLSA starts min wage | 2000 | 3.90% |
| 1940 | 14.60% | U.S. draft | 2001 | 5.70% | Bush tax cuts. 9/11 attacks |
| 1941 | 9.90% | Pearl Harbor | 2009 | 9.90% | ARRA. Min wage \$7.25. Jobless benefits extended |
| 1943 | 1.90% | Germany surrendered | 2014 | 5.60% | Unemployment at 2007 levels. |
| 1945 | 1.90% | War ends. Min wage \$.40 | 2015 | 5.0% | Natural rate |
| 1950 | 4.30% | Korean War. Min wage \$.75 | 2016 | 4.70% | Presidential race |
| 1961 | 6.00% | JFK. Min wage \$1.15 | 2017 | 4.10% | Dollar weakened |

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Recruiting Challenges

- Case Study



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Recruiting Challenges - Low Unemployment (Self Employed)

How many food trucks are in the US?

- The average food truck employs around 3-4 people (a conservative estimate) including the owner. **3 million food trucks** would mean about 10 million Americans work in food trucks. According to the U.S. Bureau of Labor statistics. Jul 20, 2012
- Food Truck Employee Interviews – Competing for potential applicants
- Owner with 25 food trucks – Family running the business / Veterans
- Ex-Employee - Working in the food truck was a very exciting experience, I was able to develop my communication skills even more, I would interact not just with the employees but with the customers as well. – Free Lunches

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Recruiting Challenges - *Worksource Oregon*

- Businesses don't always communicate what they need clearly (many assumptions that people "know what we're talking about")
- Perception - the work environment as being dirty and very physical
- Increasing specialization of tools, machines and other equipment
- Limited training in industrial technology
- Shift work, most job seekers have issues with 2nd and 3rd shift
- Limited public transportations to many "Industrial Areas"
- Lack of Awareness of Non-production types jobs in Manufacturing

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Retention Challenges

- Top 8 Reasons Employees Quit
- What Happens After Hire
- Supervisor's Role
- Lack of Branding (internally)
- Current Immigration Climate / Current Labor Market
- Onboarding – Fail to Keep Momentum

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Retention Challenges

- Top 8 Reasons Employees Quit
 1. A Lack of Work-Life Balance
 2. Supervisor Lacks People Skills
 3. A Toxic Work Environment
 4. Lack of Proper Training
 5. Too Little Coaching and Feedback
 6. Feeling Undervalued/Disengaged
 7. Onboarding Process
 8. Long Working Hours



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Retention - What Happens After Hire

Valuable Success Metrics

- Retention Rate of Hire
- Time to Hire
- Number of Referral Hires
- Onboarding
 - Total Hours of Training
 - 30, 60, 90 Day Employee Reviews -- Do we know who is doing them?

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Retention Challenges

Supervisor's Role (**Role Play**)

- Supervisor's Lack of Skills or Knowledge of Job Responsibilities.
- Managing Emotions
- Lack of Assertiveness
- Employees Leave Bosses, Not Companies
- The #1 Communication Problem for Supervisors?

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Retention Challenges

- Onboarding – What Happens After Hire
 - First Day on the Job
 - First Time Meeting a Manager/Supervisor
 - First Time Meeting Coworkers
 - First Time with Work Projects and Tasks
- Momentum
 - The quantity of engagement vs. an administrative process



Retention Challenges

- Lack of Branding (internally)

- Branding is all of the ways you establish an image of your company in your customers' eyes.
- Many companies still believe that "brand" is simply an external promise that has nothing to do with internal company culture, processes, or mission. They could not be more wrong.
- If employees are not aligned with your brand, then your company cannot align with your customers.

HR needs to be key part of the brand building process. Why? Because people are your most important brand assets. They are your brand ambassadors. It's essential to align recruiting and hiring to the brand promise so you can attract the right people.



Retention Challenges

- Current Immigration Climate
 - Employees with work authorization through Deferred Action for Childhood Arrivals (DACA) that will be expiring soon are facing challenges with renewing work authorization.
- Current Labor Market
 - There are better opportunities out there!



Top Challenges – Summary

Recruiting

1. Local Competition
2. Meeting Applicants Needs
3. Wages
4. Hours/Schedule
5. Legalization of Recreational use of Marijuana

Retention

1. Supervisor/Leads
2. Work-Life Balance
3. Lack of Engagement
4. Training & Development
5. Current Immigration Climate

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Let's Discuss Recruiting / Retention Ideas

- Word of Mouth – Effective Old Fashion Way
- Bulletin Boards vs. Mobile Phones
- Partner with Local High Schools and Youth Training Programs to Offer internships and educate students, teachers and parents on jobs in Manufacturing
- Posting Flyer – Food Trucks
- Food Truck Recruiting Event (Mobile Job Fair)
- Internal Maintenance Apprentice Program
- Employee Resource Groups in sourcing, recruiting and hiring process

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Employee Engagement

What is Employee Engagement?

Gallup defines engaged employees as those who are involved in, enthusiastic about and committed to their work and workplace.

- In other words, **employees** are willing and able to put in **discretionary efforts**.

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Employee Engagement

Does your supervisors have a sense of Purpose?

- Thinking outside the box
- To have purpose and meaning in the way we spend our time
- Customer Orders vs. People

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Employee Engagement

- Surveys – Summer/Fall 2018
- Introduction / Purpose
- Questions
- The Process
- Employees Recommendations
- Data Results, Analysis and Findings
- Communicate – Departments
- 1:1 Supervisor Meetings

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Employee Engagement

- Introduction / Purpose

- The Company X conducted an Employee Survey in July 2017. The employee survey participation was completely voluntary and anonymous. The purpose of the survey was to find out how our employees feel about working at Company X. The survey will help the organization to create ways that will improve Retention and Recruiting.

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Employee Engagement

- **Survey Questions**

1. **Why are you working at Company X?**

- ¿Por qué está trabajando en la Empresa X?

2. **What one thing would you change if you could about working at Company X?**

- Si pudiera, ¿qué cosa cambiaría mientras que trabaje en la Empresa X ?

3. **What would cause you to leave Company X?**

- ¿Qué cosa causaría que usted dejara su trabajo en la Empresa X?



Employee Engagement

- **The Process**

- At Company X we will have **three groups** to work with to generate and analyze our dynamics of our diversify generations. Survey should take no more than 5 minutes.

- 1. This group consists of employees with 1 year or less.**
- 2. This group consists of employees 1 year to 10 years.**
- 3. This group consists of employees 10 years to now.**

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Employee Engagement

1- Why are you working at Company X?

| Row Labels | Benefits | Career Opportunities | Close to home | Family work here/Referred | Good Company | Like the Schedule | Like the job | Like the People | Other | Need a job | Grand Total |
|------------|----------|----------------------|---------------|---------------------------|--------------|-------------------|--------------|-----------------|-------|------------|-------------|
| Total | | | | | | | | | | | |

2- What one thing would you change if you could about working at Company X?

| Row Labels | Nothing | Better Comm./Organi | Safety | Replace Smocks | Schedule | Supervisor Training | Pay | Transportaion | Other | Better Attitude | Grand Total |
|------------|---------|---------------------|--------|----------------|----------|---------------------|-----|---------------|-------|-----------------|-------------|
| Total | | | | | | | | | | | |

3-What would cause you to leave Company X?

| Row Labels | Nothing | Health Reasons Retirement | Safety/ Accident | Family/Personal Emergency | Work Schedule | Termination | Better Pay | Unfair Treatment / Lack of Comm. | Other | Lack of career Op | Grand Total |
|------------|---------|---------------------------|------------------|---------------------------|---------------|-------------|------------|----------------------------------|-------|-------------------|-------------|
| Total | | | | | | | | | | | |



Employee Engagement

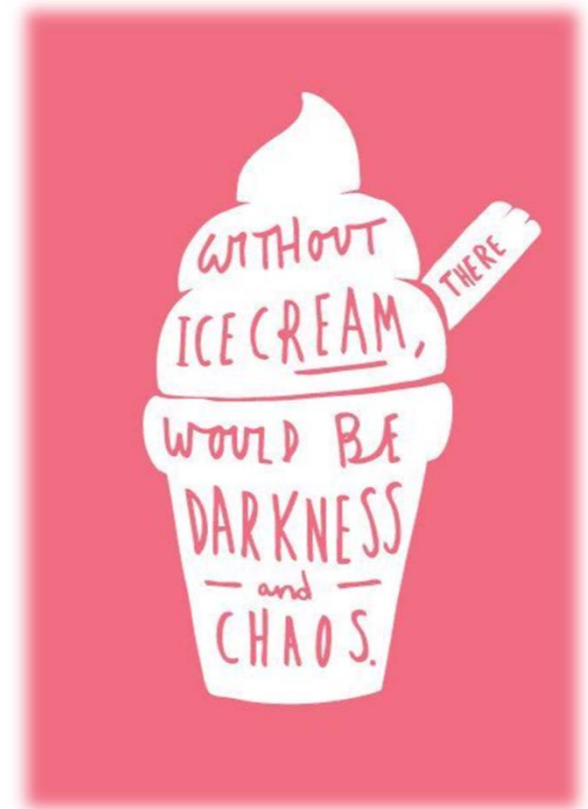
- Employee Recommendations
 - Discuss results with a few employees (3-5 per shift) who responded to the survey.
 - To Empower them to be part of the solution
 - How we go about the recommendations
 - To make improvements to survey results knowing business needs still need to be met
 - HR facilitates discussion
 - Results: Quality Communication / Retention Team

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Employee Recruiting and Retention is a Rocky Road...

... But WE decide if it's made up of OBSTACLES or Ice Cream!



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