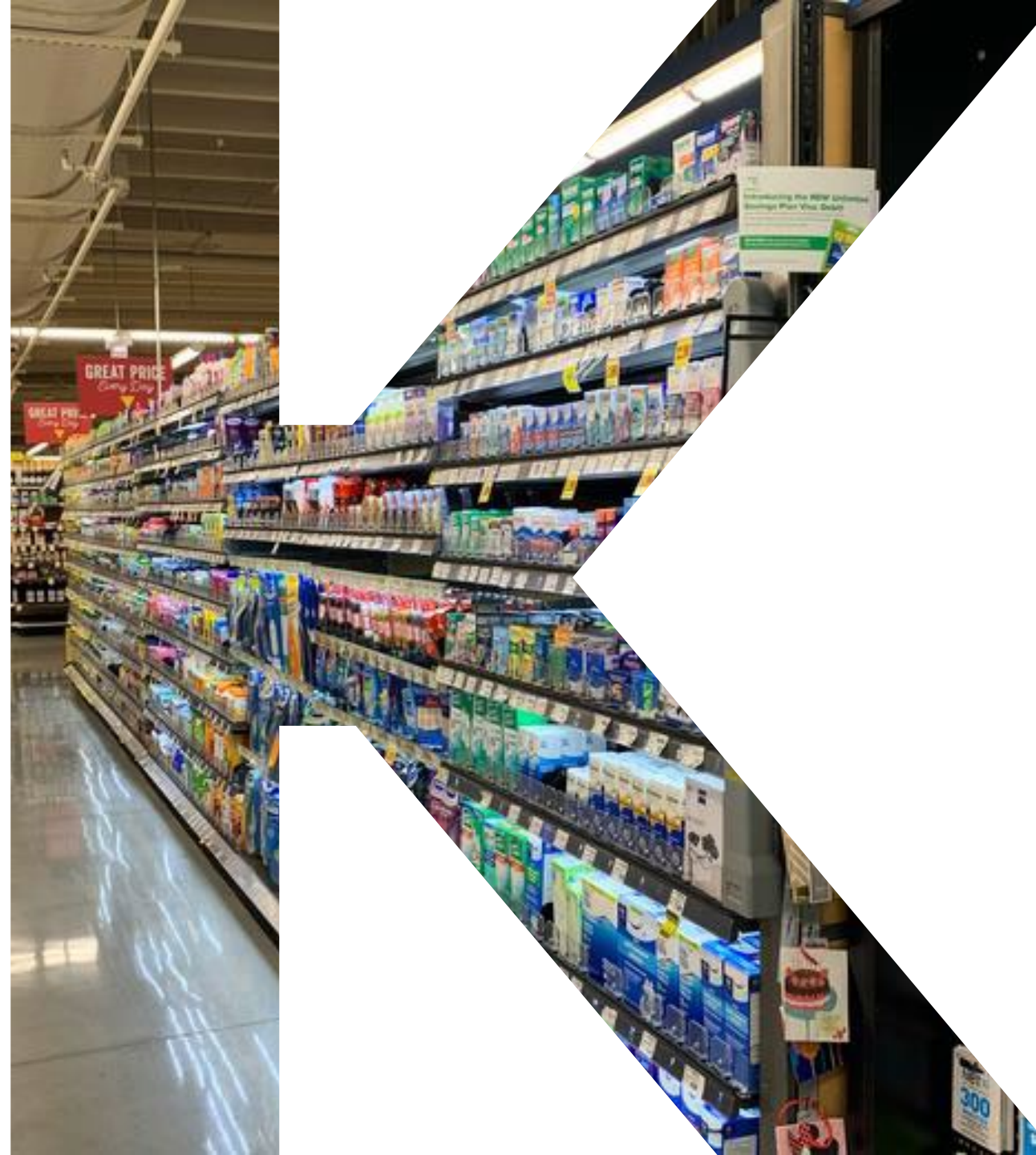


How to win in today's labor market

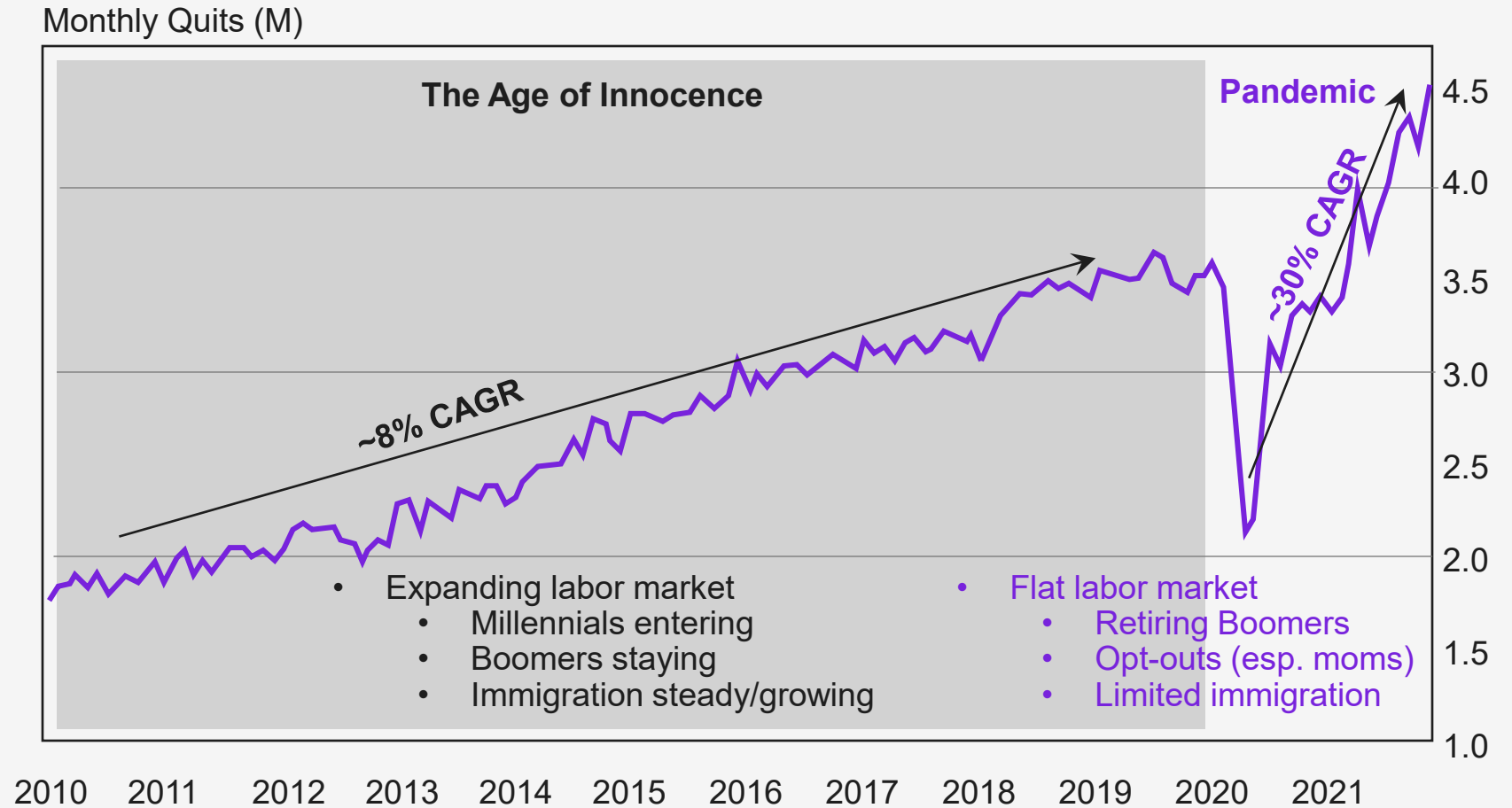
NACDS Regional Conference
January 25, 2022

KEARNEY



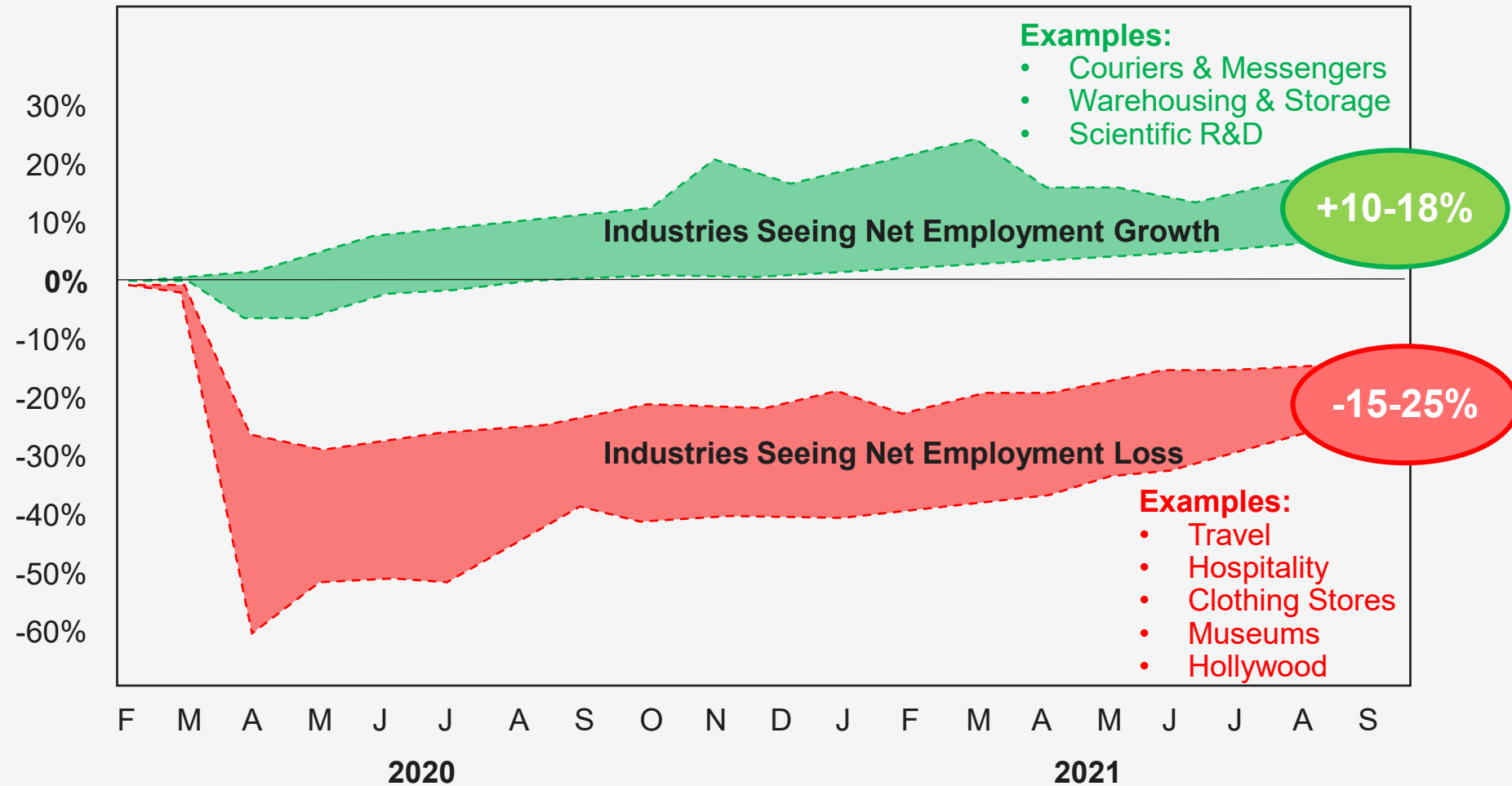
The rate of
quitting jobs
has increased
~4x...
exacerbated by
less favorable
demographics

Monthly US Voluntary Job Terminations (Quits) [2010 – 2021]



Job Growth / Decline is uneven by industry... it mirrors what you're living

Change in US Jobs Numbers by Month (vs Feb 2020)



A person is kneeling in a pharmacy aisle, looking at shelves filled with various boxes of medicine. The shelves are stocked with many different brands and types of medications, including boxes labeled 'Cough', 'Allergy', and 'Noir 70%'. The person is wearing a white shirt and dark pants. The background shows more shelves and a pharmacy counter area.

The labor market is facing unprecedented disruption

10.9M

open jobs in the United States
as of July 2021

+35%

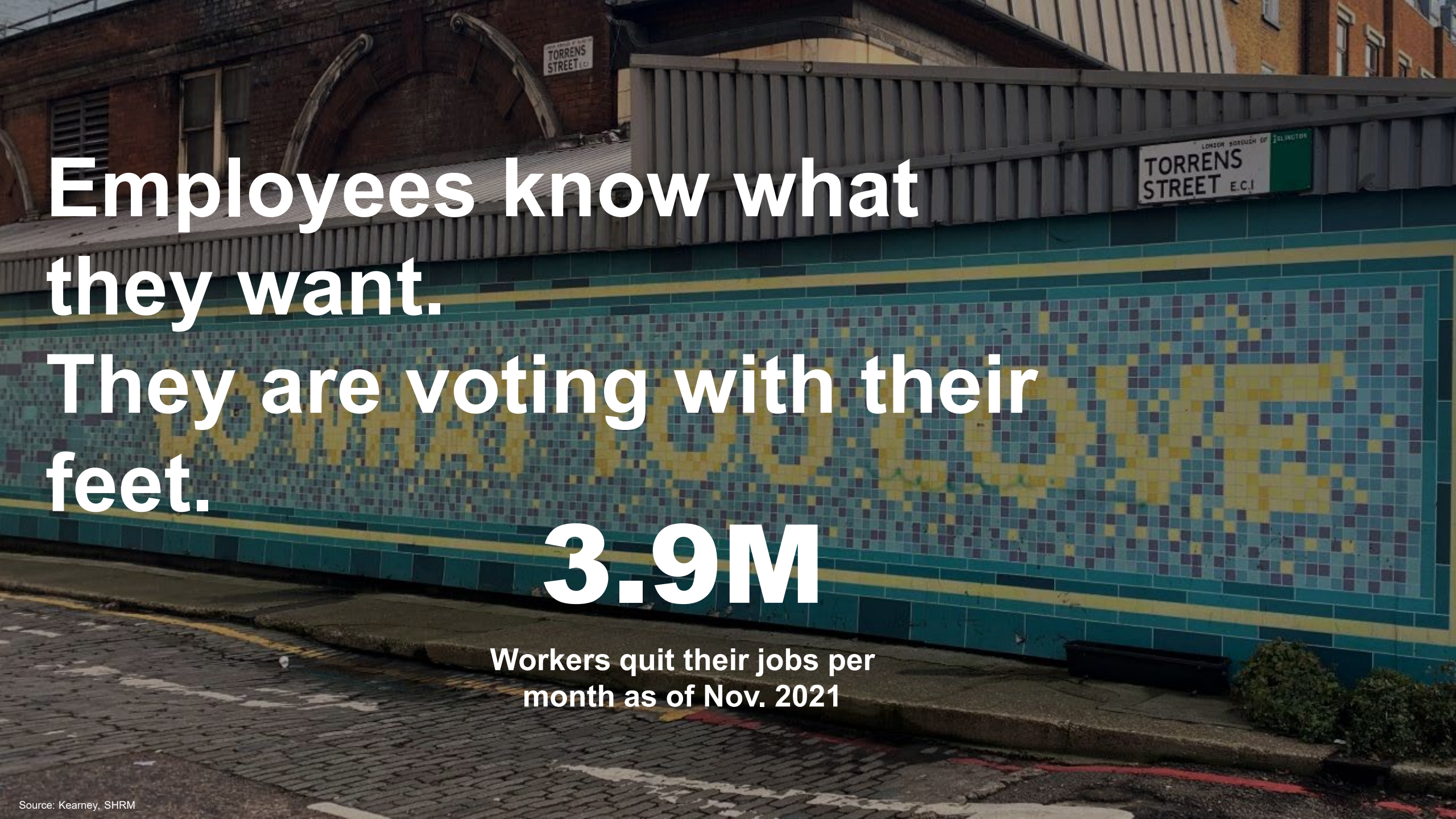
open pharmacy job listings
in 2021 versus previous year

80%

of independent pharmacies
having trouble filling roles



**This is a new era of
employee experience.
How will you win in today's
labor market?**




Employees know what
they want.

They are voting with their
feet.

3.9M

Workers quit their jobs per
month as of Nov. 2021



**Do you know what your
employees want?
Are you asking the right
questions?
Are you getting candid
answers?**

Understanding how your employees value their jobs requires assessing each dimension of their Employee Value Proposition



**Employee
Value
Proposition**



Purpose and Meaning



Nature of the Work



Compensation & Benefits



Work/Life Integration

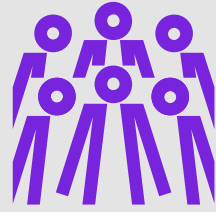


Manager & Teammate Support



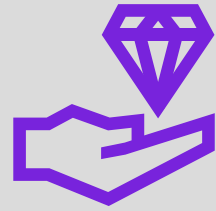
Development Opportunities

To win in the labor market, organizations must learn what their employees want



Create a culture of candid feedback

Foster psychological safety across the organization to welcome open feedback



Collect feedback/employee experience insights

Collecting feedback in different ways – e.g., anonymous forums, 1:1 conversations, (close to) real-time feedback, etc.



Cultivate belief that organization can change

Create a plan to action on feedback, where appropriate, to show tangible action and feed the belief in the organization's ability to change



Opportunity for **competitive advantage** through **employee experience**



Clothing Retailer uncovered an equity problem via Employee Value Proposition assessment



**Why do people work
for your company?**

A person wearing a dark jacket is standing at a light-colored wooden counter. On the counter, there is a black payment terminal with a screen, a clear bottle of hand sanitizer labeled 'SHIELD', and a black sign with white text that reads 'LIVE YOUR ADVENTURE'. The person's hands are near the payment terminal. In the background, there are some boxes and a person's arm in an orange shirt.

What does it mean to take action?

Nike delivers compelling employee experience by activating initiatives across EVP levers



Source: Kearney



Purpose and Meaning

Passion for sport unites Athletes:
"We all have something in common"



Nature of the Work

Opportunity to **engage with community**
Always getting new, innovative products



Compensation & Benefits

Great store discounts
Athletes wear the world-class gear they sell



Work/Life Integration

Athletes build **strong relationships beyond just work**



Manager & Teammate Support

Even when it gets stressful, they **"make it work as a team"**



Development Opportunities

Ability to **learn different roles**

Companies are offering a variety of approaches to each lever according to their strengths and capabilities



Purpose and Meaning



“The brand’s focus on corporate social responsibility, philanthropy, and supporting employees through wellness programs and the **actual implementation of inclusion and diversity values into the stores is what makes the brand successful.**”



Nature of the Work



“Your assignment changes every hour which keeps the job varied and helps the day fly by.

Every employee does everything... If you're stuck on a task which isn't your favorite, don't worry, things will change in an hour!”



Manager & Teammate Support



“Co-workers were very supportive. Management was always very flexible around my school schedule and really cared about me as a person!

It's a fast-paced environment that keeps you on your toes!”



Compensation & Benefits



“They treat their workers well with **great benefits, 401K plan**, and a free executive membership, and in return, Costco's turnover rate is one of the lowest in the country.”



Work/Life Integration



“I built lasting relationships with amazing women whether they were customers, collaborators, coworkers, or managers.

The hours were flexible, the management put in a ton of effort to make my schedule manageable, and my work was always appreciated.”



Development Opportunities



“I have never learned and grown so much as I have with my time with Microsoft...there are many resources to utilize to help further your career internally or externally.

I feel like I have a voice, as large as the company is, which I think really speaks to just how much it values its employees.

Pharmacy and Drug Stores Demographics

65%

Women

~30%

People of Color



Everyone has a role in helping your company win in the labor market

Non-Exhaustive

Source: Kearney



Human Resources
Help shape new roles and org structures, learning initiatives



Finance
Assist with budgeting and selecting new financial tools



IT
Support new system roll-outs and updates internally & externally



Marketing
Craft updated employer brand messaging & materials



Operations
Help shape new roles, process redesigns in alignment with goals

All functions

must be committed to improving the employee experience . . .



...and **all levels** within functions must drive this effort



Senior Leaders
Own the message, broadcast support for improving



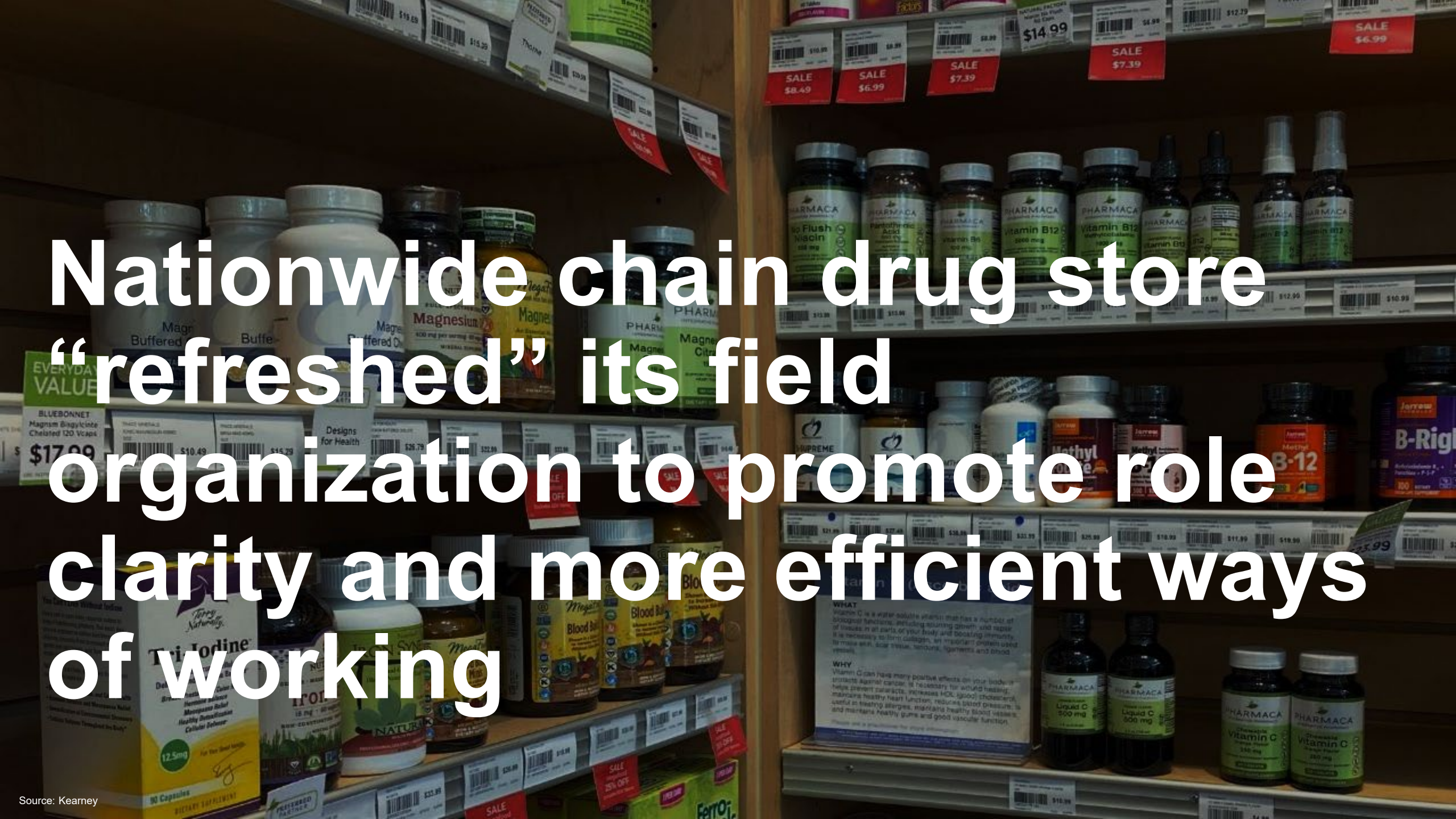
Middle Managers

Support senior leaders' messaging by 'living the values 'on the 'ground'.



Entry Level

Provide insights to guide leaders' decision making, be willing to try new initiatives

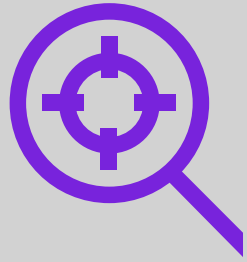


Nationwide chain drug store
“refreshed” its field
organization to promote role
clarity and more efficient ways
of working

A close-up, low-angle shot of an hourglass. The glass is clear, and the sand is a light beige color. The sand is in the process of flowing from the left bulb to the right bulb. The background is a blurred wooden floor and a dark metal railing. The lighting is warm, creating a golden glow. The hourglass is the central focus, with the sand flow creating a sense of movement and time passing.

How are you going to win in the labor market?

Chain Drug
Stores can
start their
journey to
winning in the
labor market
with the three
A's



Acknowledge the problem(s)
specific to your organization

1



Add employee experience to the
CEO agenda as a top 5 priority

2



Assemble and activate a
changemaking squad

3

Thank you



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