

Empowering Small Business

Collaborative Learning Presentation

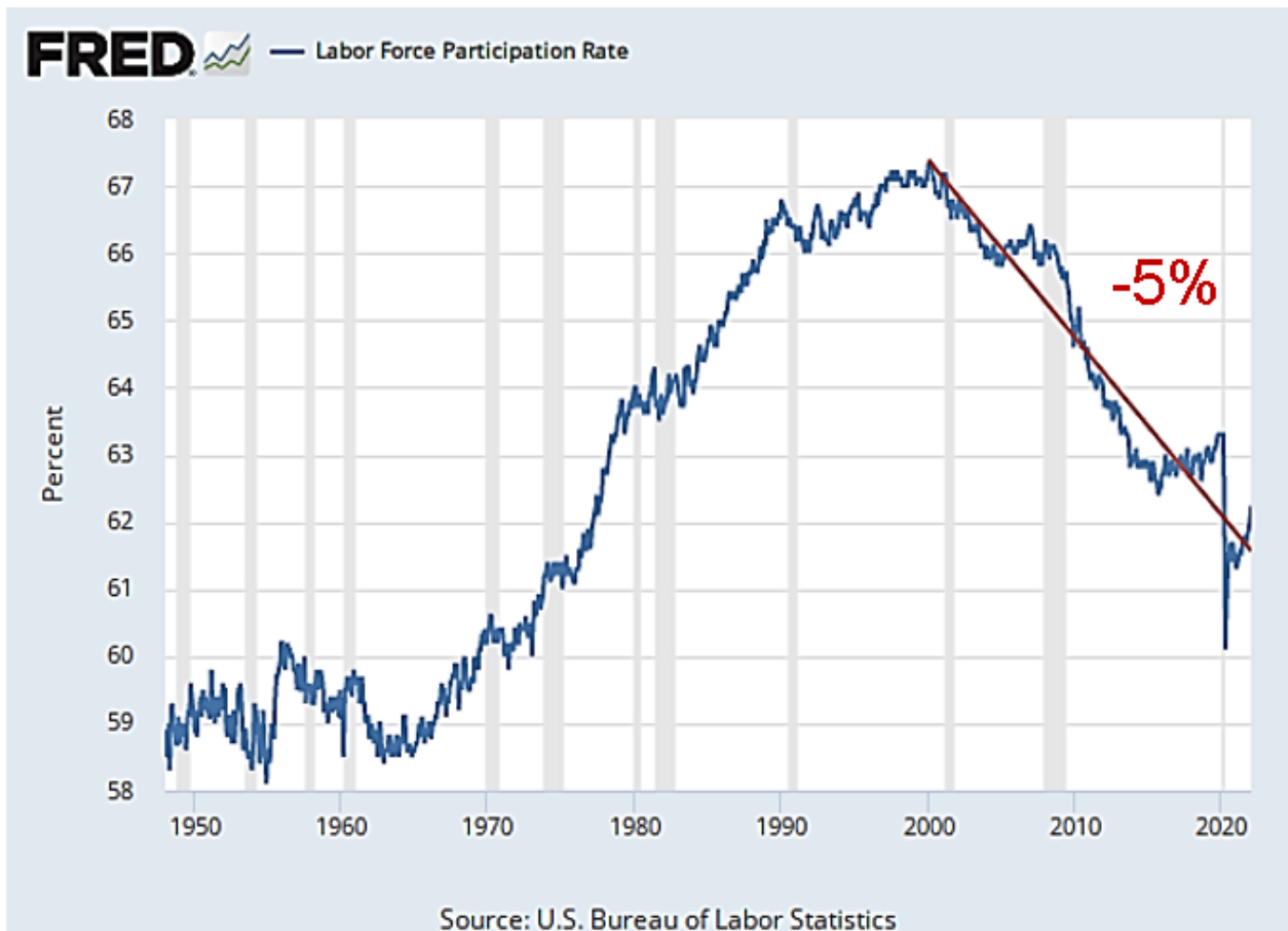
How might we provide resources for the workforce ecosystem to empower small business to implement cost-effective retention strategies to address today's workforce challenges *and* those in the future?





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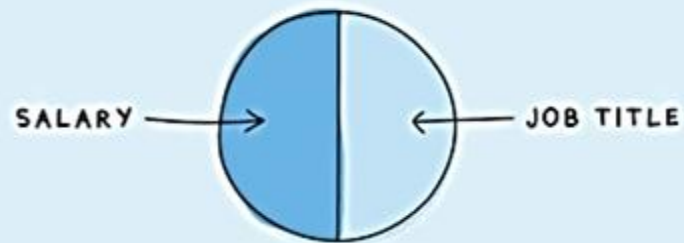
Today's labor shortage is unprecedented



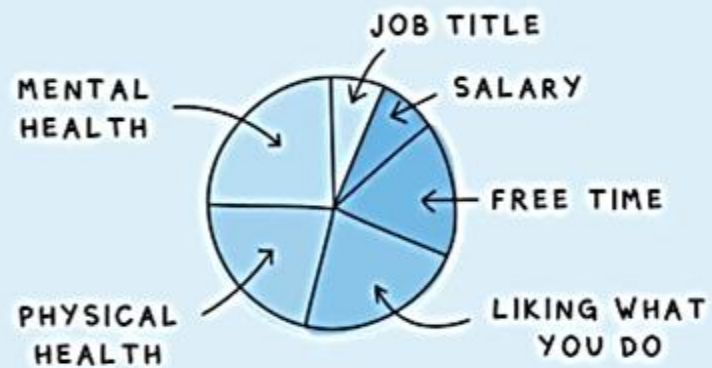
A new reality

Tucson Hispanic Chamber- Work Force Climate Report-2022

HOW WE'RE TAUGHT TO MEASURE SUCCESS



A BETTER MEASURE



adamgrant





90% or more survey respondents believe it is important that their workplace:

- Has a culture that **reflects the current mission**
- Lets them know they **make a difference** in achieving goals
- Provides a **supportive environment** for it's employees
- **Fosters diversity and inclusion**
- **Is motivating**
- **Recognizes their work performance**
- Has a **strong training program**



Currently ~7 out of 10:

- Believe their workplace provides **clear expectations**
- Believe their workforce promotes an **innovative mindset**
- Believe they are working in a collaborative team environment
- Are comfortable **confiding in their leadership**
- Are comfortable **making suggestions to their leadership**

The cost to our businesses

- Gallup

Disengaged workers cost the U.S. between \$450 and \$550 billion in lost productivity per year.

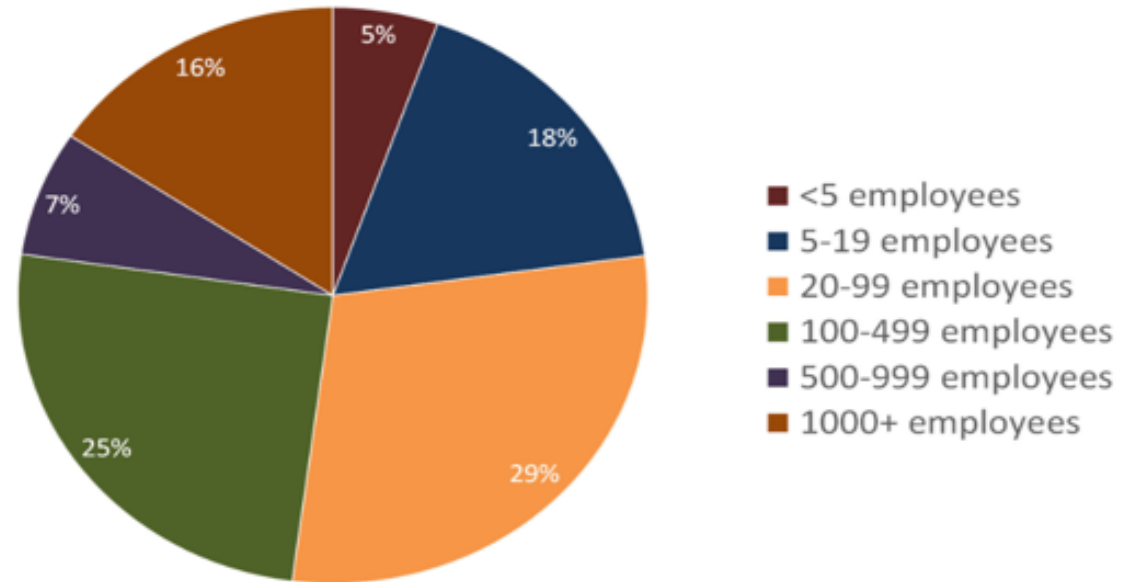
In August 2023, 49% of U.S. employees indicated they were watching for or actively seeking a new job.

The cost of replacing an employee can range from one-half to two times the employee's annual salary.

Why focus on small businesses?

U.S. employees by company size

There are a total of 132,989,428 U.S. employees as of 2019. While larger companies (500+ employees) make up less than 0.5% of entities they employ 23% of the workforce. 25% work at medium companies (100-499 employees). 52% of employees work at businesses with less than 100 employees.



52% of employees work in small business.

A photograph of a desert landscape at sunset. The sky is filled with soft, orange and yellow clouds. In the foreground, there are several saguaro cacti and cholla. The sun is low on the horizon, creating a warm, golden glow. The overall scene is peaceful and scenic.

Why?

The prosperity of Southern Arizona depends on the stability and vitality of all area businesses, big and small. Expanding and strengthening economic activity throughout the region helps ensure healthier community.

- Southeastern Arizona Economic
Development Group Mission Statement

The Problem?

A shrinking workforce that is increasingly seeking job quality.

Small business owners without the capacity to easily implement strategies to increase job quality to ultimately drive Retention, Productivity and Profits.



The logo for AGM, consisting of the letters 'AGM' in a bold, dark grey, sans-serif font, centered within a white rectangular box.

Average employee tenure is 9 years, and 14 years for salaried employees. Their CEO is heavily involved with hiring, 30/60/90day new hire check-ins, and performance management. AGM offers excellent benefits and builds a culture of “employee ownership”.

Build Upon Successes



Recommendations



Design and produce a free access Retention Digital Toolkit to be hosted on websites of Workforce Development Partners, including Chambers of Commerce and other Small Business and Community Groups. The toolkit can be customized for each local community.



Workforce Development Partners who host the Digital Toolkit will build curriculum and deliver training on workforce best practices to be delivered to their small business leaders.

Hey Business Owners!

Do you need to:

**Increase Productivity
Increase Revenue?
Increase Engagement?
Increase Retention?
Increase Attendance?
Decrease Turnover?
Decrease waste/scrap?**

**Increase
Productivity**

**Increase
Revenue**

**Increase
Employee
Engagement**

**Increase
Retention**

**Hire Right
from the
Start**

**Benefits &
Perks**

Best Practices for Employers to Increase Job Quality

Keys to Employee Productivity:

- Recognition - Gratitude, Handshakes, Lunch, Employee of the Month/Week, Special Parking, etc.
- Clarity - in Communication, Training, Job Expectations, effective and frequent feedback, etc.
- Provide Incentives for behaviors you want to increase.
- Provide the tools to do the work.
- Give each employee as much trust, responsibility, control and autonomy as possible.
- Solicit feedback from employees often. Let them help you. The case for Employee Voice.
- Do regular Check-ins (Performance, Career Development, Mental Health & Stay Interviews)
- Build relationships with employees.

Keys to Increase Revenue:

- Promote Continuous Improvement Teams & Discussions. Hold weekly Question Storming Sessions to improve communication and viability of solutions.
- Utilize front line workers knowledge to improve systems, innovations and reduce costs.
- Tie the Values & Mission of the business to the individual work of each employee so they can see and feel their contribution.
- Trusted and engaged employees create satisfied customers. Shrinkage is minimized.
- Collect data from customers to improve performance, sales, identify trends & new ideas.

Keys to Increasing Employee Engagement:

- Create Values & Mission statements for the business with employees.
- Model core values and mission. Like it or not, you are their leader. Demonstrate what you want to see.
- Show employees you care about them personally and professionally with check-ins and stay interviews.
- Recognize & Reward top performers for goals achieved. Non-monetary rewards are just fine!
- Provide Career Development & Growth opportunities, including training, if not actual 'promotions'.
- Tether your fates to your employee partners.

Keys to Increasing Retention:

- Take action on employee feedback from check-ins as much as possible. Fix it.

Next Steps

Within 90 Days:

1. Obtain letters of commitment from local workforce development partners.
2. Consolidate current research.
3. Launch the creation of the digital toolkit through an internship or capstone project.

Within 1 Year:

1. Digital toolkit launch- September 2024 (National Workforce Development Month).
2. Sierra Vista IDA will oversee ongoing creation of tool kit and distribution.



Interview Resources:

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