

SAN DIEGO COUNTY LABOR MARKET ANALYSIS

RETAIL INDUSTRY

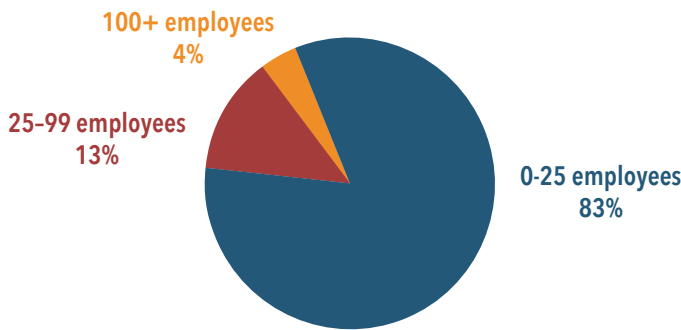
NOVEMBER 2016



The retail industry sector employs approximately 286,100 workers, making up 19.2% of all jobs in San Diego County. In addition to its considerable impact on local jobs, sales tax revenue and quality of life in San Diego County, retail also plays a critical role in developing essential skills in the region's workforce and introducing young people to the world of work. For the purpose of this report, retail is defined as an industry sector comprised of companies that sell goods directly to consumers (i.e., business to consumer or B2C). Due to the industry sector's economic and workforce importance in the region, this study analyzes the retail labor market and its opportunities for career advancement.

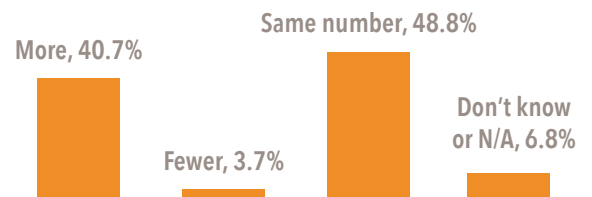
More than 80% of retail firms in San Diego County are small businesses, employing fewer than 25 workers at their locations.

San Diego Retail Businesses by Employment Size



Overall, retail employers projected to grow approximately 6.7% in employment over the next 12 months. This is more than double the actual average annual growth rate of 3.3% between 2011 and 2016. Of the 324 employers surveyed for this study, 40.7% expect to have more employees at their Southern California locations in the next 12 months.

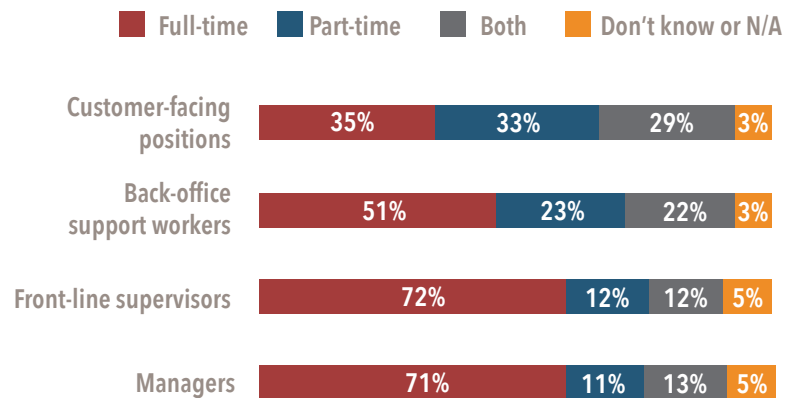
Retail Firms Expectations of Employment Growth in the Next 12 Months



To better understand the workforce expectations of retail employers, this labor market analysis categorizes retail occupations into four general clusters:

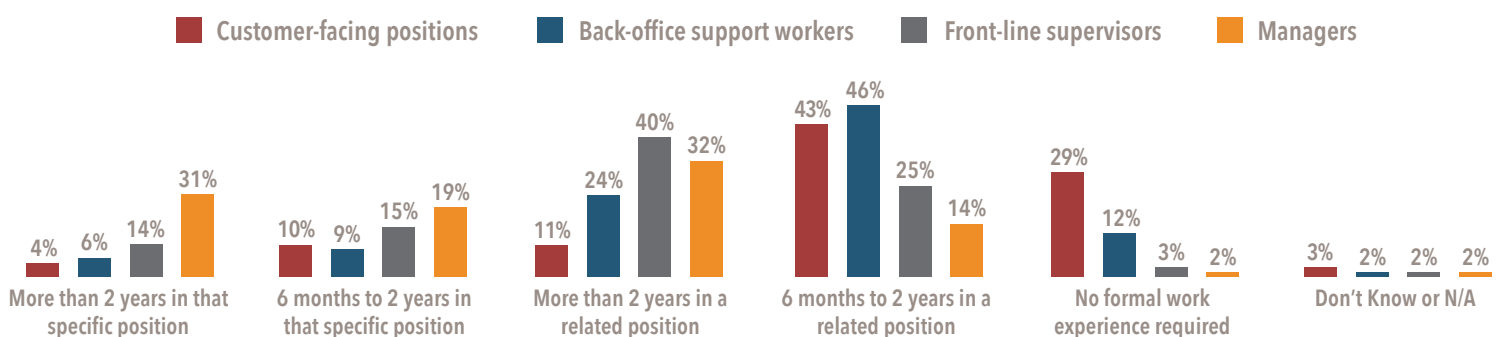
- Customer-facing positions** (e.g., retail salespersons, cashiers, customer service representatives)
- Back-office support workers** (e.g., stock clerks and order fillers, packers and packagers, office clerks)
- Front-line supervisors** (e.g., front-line supervisors of retail salespersons)
- Managers** (e.g., general and operations managers, sales managers)

Part-time vs. Full-time Employment



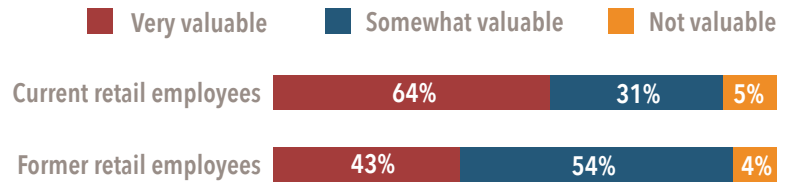
Depending on the position type, employers reported having different expectations of workers within the occupational clusters.

Typical Experience Expectations of Retail Employers by Occupational Cluster

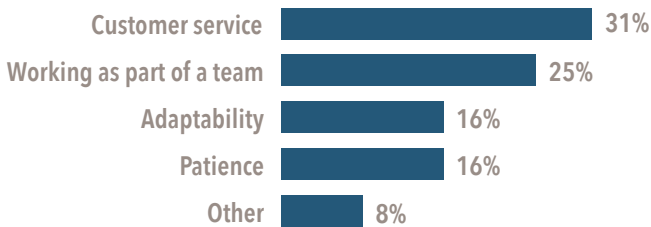


In analyzing the opportunities for career advancement, 67 former and current retail employees were surveyed for this study. Current employees were more likely to rate retail industry work experience as “very valuable” compared to former employees (64% vs. 43%).

Value of Retail Industry Work Experience



The top five skills that current and former employees reported learning from retail that contributed the most to helping them succeed in their career include:

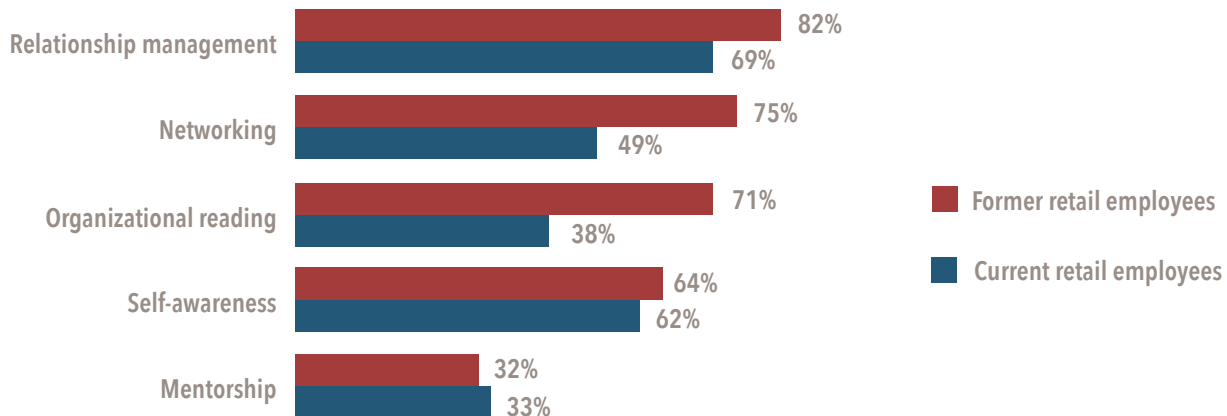


The top five factors that current and former retail employees reported to have the most importance in their successful career navigation (or ability to successfully advance to new jobs with increased pay and responsibilities) include:



When asked to rate the importance of the following activities for their career advancement, both current and former retail employees overwhelmingly indicated relationship management as the most important activity in advancing their careers.

Importance of Activities Related to Career Advancement by Current and Former San Diego Retail Employees



RECOMMENDATIONS

- Workforce development programs that support retail career advancement should focus on relationship management (maintaining personal connections, taking notes on contacts, demonstrating value in professional conversations, and being a good listener), customer services skills development, and emphasis on work ethics
- Employers who want to retain current workers and promote from within would benefit from developing internal training programs that provide relevant work experience and allow existing workers to advance to higher positions
- Current and prospective retail workers would benefit from improving their self-awareness (taking formal assessments, evaluating their own career pathway, and determining own strengths and desires), which is reported to be the second most important activity in advancing their careers, yet 59% of current workers spend fewer than 4 hours on this activity.

ACKNOWLEDGMENTS

This report resulted from a regional collaboration in San Diego County. This San Diego Workforce Partnership (SDWP) commissioned, edited and designed the report. SDWP would like to acknowledge the advisory group and the 300+ representatives from companies, initiatives and programs in San Diego County who participated in surveys, interviews and focus groups for this report. This study could not have been produced without their support.

- Ryan Young, Sarah Lehmann, Phil Jordan and Josh Williams — BW Research Partnership, Inc.
- Chris Strom — Chicago Cook Workforce Partnership
- Tina Ngo Bartel and Sarah Burns — SDWP
- Richard Barrera — San Diego Unified School District
- Howard Eskew — San Diego Mesa College
- Lee Goodman — Jerome's Furniture
- Julia Harvey — SeaWorld



CHICAGO COOK
WORKFORCE PARTNERSHIP



Funding for this initiative is part of a \$10.9 million grant the Walmart Foundation made to The Chicago Cook Workforce Partnership. The two-year grant program is the largest investment to date as part of Walmart and the Walmart Foundation's Opportunity initiative, which aims to increase the economic mobility of workers in retail and adjacent sectors by working with nonprofits, educational institutions and government agencies to make it easier for front-line workers to move faster into roles with more responsibility.

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