



The Youth Market: A Valuable Resource

The recent scarcity of job candidates means competition is heating up to get and keep the best. Human resource development activities can give an edge.

By **GEORGE F. KIMMERLING**

Though training and development often concerns an individual organization's work force needs, the future of the profession is shaped by forces outside its domain. Presently, work force demographics are restructuring the U.S. economy: a situation which is sure to be a boon for the HRD profession. Training departments can expect increased attention from their organizations' strategic planners, and, in turn, an improved image in the eyes of America's business people.

Its effects are still somewhat on the horizon, but the baby bust is advancing into the workplace. Why HRD professionals should eagerly anticipate its arrival and training's tie-in with greater economic forces are important.

Younger workers, aged 16 to 24, are few. With a surplus of jobs rather than workers, companies are going to have to plan ahead in order to attract and keep entry-level workers. The equation is simple. As Anthony Carnevale, the American Society for Training and Development's (ASTD) vice president for government affairs and chief economist, puts it, "If you can't go out and buy what you want, you have to make it." With fewer prepared tellers, retail salespeople, or fast-food workers available, organizations are faced with training the newly hired themselves, shaping candidates into the employees they need, and working hard to keep them on board.

For the last 15 years, with rates of high unemployment, such worries were rare. The employment rate has not been as low since before the Johnson administration, when federal spending for social programs

and the war in Vietnam put many to work. Employers were able to pick and choose among candidates, selecting the best and the brightest to fill positions in all industries. But the shortage of people freshly entering the work force is causing certain industries to look hard at their selection, training, and retention policies.

A problem for whom?

Particularly affected are quickly growing service industries where customer contact is crucial. Bill Yeomans, manager of training and development for the J.C. Penney Company, says one way to help ease the employment crunch would be to automate services. However, that would require a drastic change in the way retail operates. "With the ways in which people are now shopping, the department store needs people," he says. "Unless the retail industry changes and alternate ways of shopping become more heavily used, the situation will grow worse."

Many employers must focus on finding candidates who can demonstrate basic skills in literacy and mathematics, as well as culture-sensitive skills: dealing with people and understanding the demands of expected organization behavior. One way to do that is to train employees who don't already have the skills you're looking for and then work hard to keep them. Developing a career-oriented employment program and a competitive compensation and benefits package are proven solutions.

Companies will also have to market themselves to attract the best. Promises must be made so that candidates feel there's something extra for them in working at Corporation X rather than Y. This all adds up to greater expense for the com-

pany, yet more business for its training and advertising departments.

Advertising a positive company image is important to J.C. Penney. Yeomans thinks that his store's reputation as a good place to work carries clout with job seekers. So does its stability as a nationwide firm. That all helps as competition heats up for recruiting younger workers: there is a great deal of competition with "other stores in the mall."

A safeguarded industry

Not all customer service occupations are facing the threat of a dwindling work force. Al Hinkle, associate director of human resources for the American Bankers Association, notes that the demographic change brings about two problems: "When times are good [low unemployment], there's a turnover problem and those employees that do show up don't have the skills." However, at entry-level most banks have adjusted to screening candidates. That candidates will have few skills is already taken into account; there's no crisis for the banking industry.

"Bank employers are always bringing people into banking who don't have banking skills," says Hinkle. They must hire tellers without public contact or money-handling experience. The selection process has some built-in fail-safes. "If the new employee has such a low level of skill, then they probably wouldn't make it through the training and probation period," points out Hinkle.

In terms of numbers of candidates, Hinkle notes that the banking industry is somewhat safeguarded by its own trends. Recent waves of mergers, for example, have left new and acquiring banks with an abundance of candidates to fill empty positions.

George F. Kimmerling is an associate editor for the Training & Development Journal.

A retail problem

As many as four years ago, *The Wall Street Journal*, discussing the shortage, noted "...industry may rise to the challenge with added aid for vocational education, increased retraining of older workers, and foster introduction of robots that eliminate some low-skilled jobs." But the question is whether or not companies are providing on-the-job training; the training that statistics show provides over 85 percent of salary growth during a career.

Alice McCord, senior vice president for personnel at the National Retailers Association (NRA), says the problem is critical. The NRA is in the process of doing a survey on the problem of the labor shortage, possible solutions, and future trends. It's formulating labor economic projections and a hard data base.

"Perhaps training will be the solution in the smokestack industries, but not in retail. In retail, the employees are predominantly part-timers. Companies aren't going to invest training dollars in part-timers: those who work only 10-20 hours a week," says McCord. Typically, now, the industry faces a young, poor-quality applicant. "The problem is turnover," according to McCord, and efforts to retain workers, not training, will get emphasis.

If training *per se* isn't the solution, certainly human resource solutions are applicable. McCord says gradually stores will reduce the number of part-timers and move toward a full-time work force that companies will invest in. Yet retail poses specific hurdles to the full-time staff. "Retail operates on peak traffic periods that can't accommodate full-time workers. With a full-time staff, stores wouldn't be able to stack their staff for peak hours and reduce it when there's little business. There would be a surplus of clerks waiting around with little to do.

"When you get full-timers," McCord continues, "then you'll make changes in payroll and training. Some companies have started this." McCord says this is happening in the traditional department store, which offers items at full price and isn't in a mall. Its work with higher margins and a steady flow of customer traffic makes the move to full-timers more feasible.

"In retail trades and others it's going to be a problem even if they don't recognize it now. But," McCord re-emphasizes, "it isn't really a training problem; it's really a retention problem. The solution is to reduce turnover."

Yeomans adds to the list of problems.

"Recruitment has been a classic problem in retail. It isn't a glamorous industry, but it is fun and a good way to make a career.

"Penney's has just come out with a new recruitment package that targets different media. Penney's runs contests and gives awards for people who bring in referrals, friends who take jobs at Penney's." Signs in stores play up their teamwork atmosphere, and a good benefits package and incentive program are designed to attract. "The store manager gets a whole menu of options to choose from."

All these efforts are, however, market-specific where recruiting is tight. Where that is, is not easily described. "You can't separate the problem in terms of suburban and urban. Rather, there are suburban shopping malls where it's a problem and others where it isn't," Yeomans explains. "In an affluent area, for instance, where the people are professionals and upper middle class, people either don't have a need to work or don't want jobs in the retail industry. In others, where family income and education might be less, retail is a good place for a job."

The A&S solution

Although many companies are just now faced with the prospect of redesigning their training practices, career development opportunities, and compensation and benefits packages, some are out in front.

Nancy Manis is the director of corporate responsibility for Abraham & Strauss Stores, a retail department store chain headquartered in Brooklyn, New York, and part of the Federated Department Store empire. To them, training is very important; increasingly so since, as Manis points out, "By 1990, it's going to be harder and harder to hang on to people who want the jobs we're offering."

Manis speaks proudly of one particular solution that's paid off well. "Of course we train all our employees, but the Career Opportunities for Brooklyn Youth (COBY) program is special. Its purpose is to recruit, screen, train, and hire the young unemployed in downtown Brooklyn," which Manis asserts still has a top rate of unemployment.

According to Manis's 1985 data from the Municipal Research Institute, Brooklyn has been the hardest hit of New York City areas by the population shift and unemployment. Unlike its neighbors, Queens, Manhattan, and Staten Island, Brooklyn has seen a decline in private sector employment. In fiscal year 1986, 21

percent of Brooklyn residents live below the poverty level. \$5,344 is their average per capita income, and \$14,644 the median income.

COBY was developed in response to the imbalance evident in the employment rates of the various areas A&S serves. Without any advertising, one Christmas 11,000 people lined up at 6 a.m. all ready to take seasonal work, though not enough was available. Seeing all these people willing and able, A&S felt it had to do something to contribute to the redevelopment of downtown Brooklyn, not yet experiencing the revitalization that other New York boroughs were enjoying.

COBY is funded by participating industries including Brooklyn Union Gas, Consolidated Edison, Phizer, IBM, and A&S. COBY recruits and offers employment potential screening. Then the young person either chooses a particular industry to go into or may have to go where the jobs are. "Like the rest of us," says Manis.

There's no shortage of young, willing workers in Brooklyn. And that surplus is an answer to other areas' shortages. COBY participants are transported to A&S suburban stores. "This kind of help in the suburbs is hard to get," according to Manis. And as a result of the COBY success, local branches have been exploring the possibility of doing similar programs in their communities. In Manis's view, COBY is "a spur and an encouragement to local groups" to whom A&S can provide consulting.

During the heaviest season (October 31 through December 31) COBY is especially important. COBY offers career opportunities for young people to get experience, see the retail industry, and consider it as a potential career track. Possible jobs at A&S include sales, stock, and sales support.

COBY's *sine qua non*

In the COBY program, "training is the key to its success." COBY operated without its training component at first and saw a high rate of termination among participants. Now that training's a part of the program, that rate is under 10 percent. Participants are trained on-site, in stores like Paramus, Woodbridge, and Short Hills in New Jersey, and Manhasset, Long Island.

One special feature is the three-processed training that COBY offers through A&S. Managers, counselors, and participants are all trained. And, according to Manis, it's necessarily cross-cultural training. The

young urban unemployed share a different culture than those who manage the stores in the affluent suburbs," says Manis. "Often the affluent think stereotypically about the urban kids." COBY training works to end prejudice so that the two populations can understand each others' lifestyles. In addition, human relations training about racism—personal and institutional—dwells on the positive: how to do well at your job, get along with people, and enjoy your work.

Train me on the bus

Counselors, who ride the bus with participants, number 2 for each 40 participants. The bus provides a new kind of training facility. Counselors are there to discuss problems before they become obstacles that undercut productivity and positive program benefit. Going to and from work, the participants and the counselors have the opportunity to discuss daily experiences and difficulties. The COBY counselors work closely with each store's personnel department.

The program's total training success is in its mixed media support and the support it gets from the entire organization. There is extensive use of role-play, effective when dealing with attitudes, and great participation by management.

The role-plays enable the participants, both young employees and managers, to talk about their anxieties. On the part of the participants, "the amount of anxiety is enormous," Manis says. Role-play enables them to depersonalize their worries enough to discuss them with some objectivity.

The eager participation of managers occurs because managers realize the benefits that directly accrue to the stores because of this program. Even the company president makes a visit to the training session to talk about his own career in retail and encourage budding careers.

Now that training is COBY's central component at A&S, there is increased cooperation from management who previously feared the entrance of these new employees. "There was great staff assistance," says Manis. "Training has helped get wonderful cooperation." So, successful training has created self-perpetuating program success. Because the training was effective, managers were less resistant to the new employees. And, after allowing the new employees a chance, the managers, seeing their benefit, began to participate in the training sessions, making them more effective.

Yet COBY's success is cost-effective. Manis notes that there has been little added increase in training cost. "And how can you account in money terms for the benefit in goodwill and publicity?"

Manis is working to get something like a statewide COBY program funded, available for any urban area ringed by affluent suburbs in a 25- to 50-mile radius. The partnership of the private and public sectors is necessary to its success. Neither can do it alone. Indeed, since its second year of operation, the City of New York has picked up the transportation tab.

The crew's the thing

The Burger King Corporation presents a different, yet thorough, effort at solving serious entry-level staffing problems. Through career incentives for younger workers, attention to senior citizen workers, and management training, Burger King is very positive about its future.

Jo Hutcherson, assistant manager of public relations, outlined the company's entry-level programs. The nationwide Crew Educational Assistance Program (CEAP) provides employees the opportunity to apply for post-high school tuition assistance. Applicants must have a C average, have been employed by Burger King for at least three months, and work at least 15 hours a week. The program is one year old and, Hutcherson says, is greeted with high interest.

Through CEAP, employees can earn up to \$2000 toward technical or vocational school, college, or university tuition. Money is paid quarterly over a two-year period in installments of \$200 and \$400. As an effort to reduce turnover, it's very effective. The turnover rate has been cut to one-fifth the rate in nonparticipating stores.

Working alongside CEAP, a scholarship program began last year in the Atlanta and New York regions. Now nationwide, it awards \$1000 to applicants who qualify with a C average and a tenure of three months at Burger King. Each applicant can win up to two times. There were seven winners in the first round, but since the program has caught on, Hutcherson expects 100 winners from the present pool of 600 applicants. The number of winners is tied to a percentage of total applicants.

Lastly, the Crew Ladder Advancement Program communicates to crew members that they can work their way to management positions. Actual Burger King staff appear in a major media campaign to advertise career possibilities. Their "get all

you need to succeed" slogan emphasizes that with a will to succeed and employer-provided training, employees can build careers at Burger King.

Nontraditional employees

In Boston, senior citizen help has been very important. Advertisements aimed at recruiting them appear in major media, senior citizen publications, and senior centers. Though now they make up only three-tenths of 1 percent of Burger King employees, Hutcherson sees that number growing. "Senior citizens make excellent employees." They have more flexible schedules and can work, for example, the increasingly important breakfast shift, which often interferes with the schedules of school-age people.

From technical to management

"Participants have said it's a hard week but very beneficial. Because of the high turnover in an unstable work population, it's frustrating trying to manage well and ensure customer satisfaction." Hutcherson reflects on "People: The Winning Edge," a management training course held at Burger King University at corporate headquarters in Miami.

The program began two and one-half years ago and represents a change in focus for Burger King training: from technical to management training. As Don McNutt, the program's coordinator explains, "Burger King realized that to grow as a system it needed to spend time training managers to deal with customers and employees. That's where they're going to get the results."

All professors are "operations people," brought in for this 18-month to two-year appointment. They may have been crew members, assistant managers, or district franchise managers. "It's a development opportunity for them too," says McNutt, and that creates mutual growth. They share their common experience and show how to apply it on the job.

To participate, applicants must send in their registration form and be either a restaurant manager or promotable assistant manager in either a corporately owned store or a franchise. Applicants are picked on a first-come, first-served basis.

Though resource materials may include some of the more popular books on organization culture, Burger King University has developed its own training and management philosophy: "People are our most important resource." Managers must

look at themselves as people and put themselves in another's shoes before deciding which approach to take with that person. Because there's shared experience, professors teach learners "not to forget where they've come from" and that "they have to have power to make change and make a difference and nobody else can make a difference but them," says McNutt.

Techniques center on sharing work experience. Learning occurs in the classroom through lecture and more informally on the break and in the hotels through interaction. "Because of the nature of the material, we have to practice what we teach them and we know. Therefore, it works," says McNutt. "We practice it not only in the class but out in the halls, in the hotel, on the bus, in the dining room, in the homework, and in personal assistance to the learners. It's the creation of a total learning environment where the theory is reinforced all during the week."

Lectures are presented more along

group facilitation lines where participants generate the content of the class. Group exercises, one-on-one pairings, case studies, experiences in stress and communication, skill practice, and conflict management are used. In class, the use of surveys and self assessment tools measures leadership style and participants' abilities to communicate. Each learner sets self-paced goals and plans for applying the training back on the job.

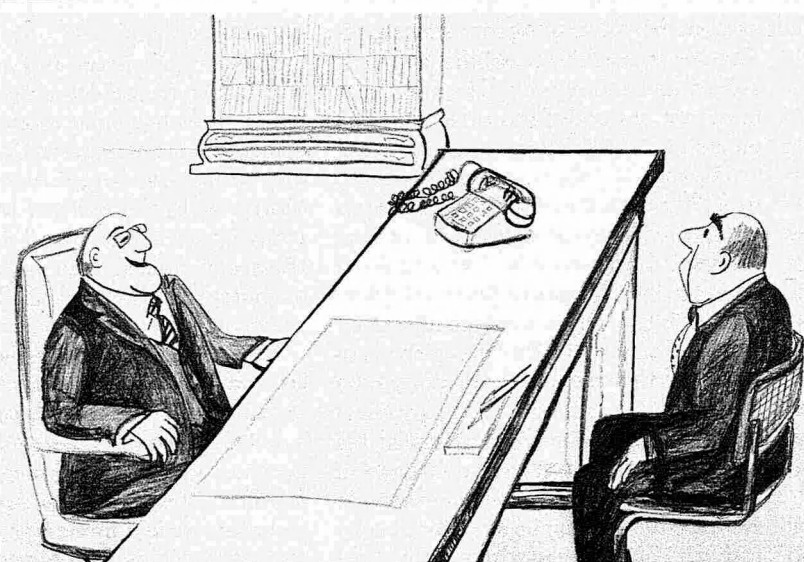
According to McNutt, a major part of the training focuses on "creating the right environment to retain workers. We have a process of management: planning, organizing, control (training and development), daily operations, and motivating. But, throughout the whole process communication makes it effective."

To reduce turnover, learners analyze performance problems in terms of how the work environment affects performance. Employee relations are analyzed through Maslow's theory of needs: how the work

environment helps employees meet those needs and what direction and specific encouragement is needed. The university offers learners a menu of tools to use in creating the right work environment.

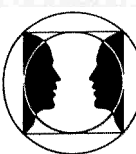
The learning context, not only its content, is crucial. Advantages come from having the course at headquarters. "There is recognition in coming down to headquarters," says McNutt. He fears the program would lose its synergy if moved to the field. That's a key to success: students sharing international experience. Burger King also doesn't want to risk losing program consistency in letting others deliver the training, even though transporting the present staff presents an enormous expense.

The Burger King Corporation budgets \$1.5 million for this and three other programs. So far, 3,000 managers have completed "People: The Winning Edge," all at corporate or franchise expense. Registration is now open to other Pillsbury-owned



NLP? It's like salt, it adds flavor to any experience.

John



Grinder Laborde Associates

5 years applying NLP technology to business

Genie Z.

1433 Webster
Palo Alto, CA 94301

Name _____ Title _____

Address _____ City _____ State _____ Zip _____

Phone _____

Credit Card: MC Visa American Express CC # _____

EFFECTIVE MANAGERS CHECK OUT LEADING EDGE TECHNOLOGIES...

Need more information NOW
Call 800-228-4089, in California, 415-326-6613

In house and public seminars

Sales Excellence


Communication Excellence

Negotiation Excellence

SEND ME A COPY OF...

Book - "Influencing with Integrity," Dr. Genie Z. Laborde, published by Syntony Publishing. The readable book on NLP for business. 30,000 copies in print! \$19.95 plus shipping. Add \$1.26 tax for California residents.

Book - "90 Days to Communication Excellence" with 111 exercises. Book to accompany "Influencing with Integrity." \$9.95



chains like Godfather's Pizza and Haagen-Dazs Ice Cream.

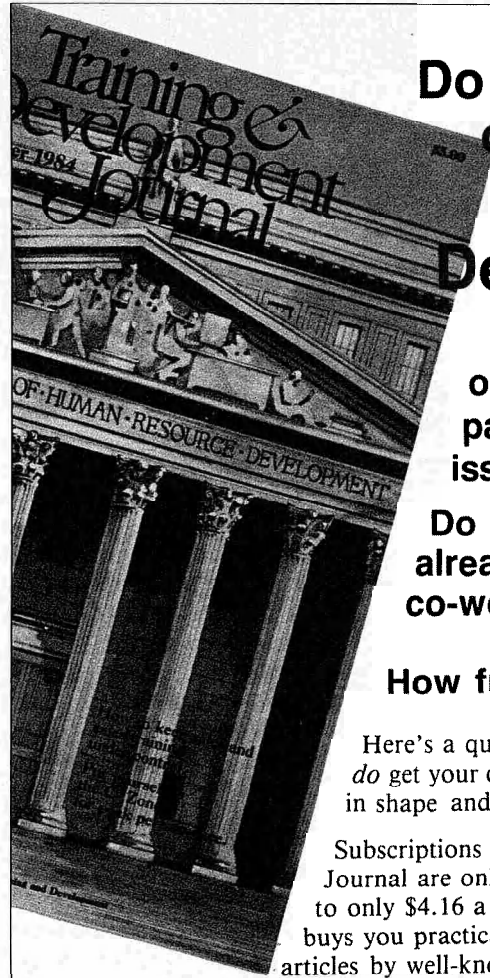
Corporate change

What the final structural effect of such demographic change will be on companies is uncertain. Although it's only a hunch right now, ASTD's Anthony Carnevale sees solutions that will ripple throughout all employee levels. Mid-level people could be called upon to change their job descriptions and pick up some of the work previously performed by entry-level workers. That way, not all the changes will occur on the bottom rungs, and companies won't get stuck with employees whose skills don't measure up.

The baby bust coincides with problems in demography throughout an organization. While the shortage of entry-level workers causes a surplus of jobs, the aging baby-boomers are creating a surplus of employees of middle age and middle management. While they vie for better positions within the corporate structure, tensions are heating up. That alone will put the pressure on career development efforts.

Moreover, older workers approaching usual retirement age are being kept on the payroll longer because of the great cost of pension payments to retired workers. While the early retirement program once was an easy answer to the crowded work force as baby-boomers entered, now that one-time solution is creating new problems, and is too expensive to maintain as the ranks of retirees swell and with them, companies' expenditures.

According to Carnevale, low unemployment "drives training and development." While the personnel department receives front-line attention when there are many candidates, training departments come into prominence when candidates are scarce and in need of remedial training. The demographic shift is forcing companies to look ahead and put in place mechanisms to provide themselves with a work force that can deliver customer service at a time when that product is in increasing demand.



Do you get your own copy of Training & Development Journal...

or do you get a pass-along June issue in October?

Do you get copies already clipped by your co-workers?

How frustrating!

Here's a quick way to be sure that you *do* get your own ASTD magazine on time, in shape and full of help!

Subscriptions to Training & Development Journal are only \$50 a year. That works out to only \$4.16 a month. Your \$4.16 a month buys you practical and thought-provoking articles by well-known authors in the field.

Training and Development Journal is a lifesaver when it comes to state-of-the art AND classic training advice. The ASTD magazine means better business for you AND your organization.

Don't continue to be a pass-along. Subscribe today to the ASTD magazine.

Better yet, become a member of ASTD and receive the Journal free!

To: ASTD, 1630 Duke Street • Box 1443 • Alexandria, VA 22313

Yes, I'm tired of pass-me down issues! I want my own subscription to Training & Development Journal.

Yes, I want to know more about the benefits of ASTD membership. Send me a Fact Book.

Name: _____

Title: _____

Organization _____

Address _____

City _____ State _____ Zip _____

Visa MC Bank Number

Credit Card # ---

Expiration date / Amount \$ _____

Signature _____