



Axonify™



State of Workplace Training in Retail

Insights for retailers that want to elevate associate performance



Foreword

From the desk of
Laura Martin, VP Marketing at Axonify

With the demands of omnichannel, a shift to online shopping, and more knowledgeable customers (who come into the store armed with research) the list of expectations on retail associates is long—and growing. To empower workers to meet (and, even exceed) these expectations, while remaining competitive, employers must fuel their people with relevant, on-the-job training.

For the second year in a row, Axonify has set out to gain a comprehensive view of the state of workplace training. As part of our mission, we believe in highlighting the importance of providing the right kind of training to drive measurable business results.

In the first year of our study (2016), we found that more than one-third of retail employees did not receive any formal on-the-job training and that similar proportions felt that the training provided by employers was boring or ineffective. We also discovered that the situation in retail was particularly concerning. Fewer employees working in the retail sector believe training is effective in helping them perform on the job, when compared with other industries.

Our latest study, “State of Workplace Training” (conducted in November 2017), contains strategic insights that are of great value to retail leaders, such as:

- **Focusing on what associates need to do on the job:** More and more, leaders recognize that different roles have different needs. For example, less experienced retail associates require different training than more experienced employees. Similarly, associates who work in different parts of the store require different types of knowledge. Therefore, personalized and relevant training is essential for associates to perform their jobs effectively.
- **Engaging associates with on-the-job training:** Poor engagement levels can negatively impact retention, productivity and, of course, the bottom line. Employers must deliver on-the-job training that appeals to, and includes, all associates. This can be particularly challenging in retail, where a deskless environment is prevalent.
- **Providing continuous learning opportunities:** Employees feel it is important to receive regular, frequent training. When delivered in short bursts, employees are more likely to retain information—a finding from the study which is backed by what we know from cognitive science about how our brains work to remember information.

Our survey findings corroborate what many leaders already know: workplace training is not just a learning and development problem; it's a business problem.

We hope you consider these insights when looking for ways to optimize business results in 2018 and beyond.

Sincerely,

Contents

Foreword 1

Methodology 3

Survey demographics 3

Key findings 4

The current state of training in Retail 4

Feedback on training effectiveness in the workplace 4

Cause for concern: Retail employees are 5
experiencing eroding levels of engagement

The training frontline employees want 5

 1. Easy to Complete and Understand 6

 2. Engaging and Fun 6

 3. Personalized and Relevant 6

 4. Ability to Apply Training on the Job 6

 5. Knowledge On-demand 7

Next steps: A way forward for Retailers 7

Case in Point: At Home 9

2017 results indicate a continued lack of formal on-the-job training for frontline employees

30% **MILLENNIALS**
Ages 18-34

35% **GEN X**
Ages 35-54

35% **BABY BOOMERS**
Ages 55+

Methodology

In November 2017, we commissioned Ipsos, a global market research firm, to conduct a cross-industry survey to help us gain a better understanding of the state of workplace training. This report draws on results from the survey to provide insights into how leaders—specifically those in Retail—can deliver bottom-line business results by creating more knowledgeable, high-performing employees.

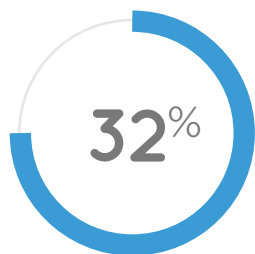
The research hypothesis is that there is significant opportunity for employers to better engage their workers through effective training. The conclusions and recommendations presented in this report are based on results from the survey as well as Axonify's industry-leading knowledge.

Survey demographics

The survey that underpins the 2017 State of Workplace Training includes responses from more than 1,000 U.S. adults over the age of 18 who are part- and full-time employees from industries including Retail, Logistics, Manufacturing, Sales, and Finance and Insurance. This report contains highlights from the full sample as well as the retail group.

In addition to segmentation by industry, respondents were also broken down by generation. Key demographics include the following:

- Millennials, ages 18-34 (30%)
- Gen X, ages 35-54 (35%)
- Baby Boomers, ages 55+ (35%)



A surprising 32%
of Retail employees
do not receive
workplace training

Key findings

The survey results were illuminating and provided a wealth of data and insight regarding the current state of workplace training. In keeping with the research hypothesis (that there is significant opportunity for employers to better engage their workers through effective training), we have identified the following key findings:

- Almost a third of retail employees (32%) say they don't receive any formal training, which is higher than any other industry surveyed
- The number of employees acknowledging the effectiveness of training has increased, but formal on-the-job training has not
- Workplace engagement has increased in importance to employees
- Effective training helps employees feel more engaged
- Employees feel that delivery methods impact training effectiveness

The current state of training in Retail

There's no question that the right kind of training is critical to help employees achieve key performance objectives. However, while 90% of all employees surveyed indicate that workplace training helps in job effectiveness, only 77% of retail employees believe this.

Perhaps this is because associates are not receiving a significant amount of training. Currently, less than half of retail employees (45%) receive training via online or a mix of classroom and online training, while 11% receive only classroom training. Even more surprising is that a third of associates (32%) report that they receive no formal on-the-job training (down slightly from 34% in 2016) despite the positive correlation it has with workplace engagement.

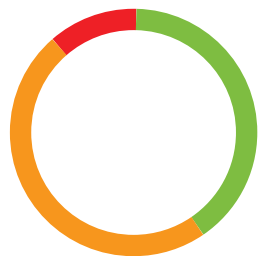
Feedback on training effectiveness in the workplace

When all respondents were asked to rate the effectiveness of workplace training on a scale of 1-5, 57% of all employees surveyed say that training is extremely or very effective in helping them succeed on the job. However, in retail, only 35% of employees believe this (down a surprising 6% from 2016).

64% of employees in the retail industry feel that training is only somewhat or not very effective. The retail employees cited various reasons for the ineffectiveness:

- 30% of employees who say their training is not extremely/very effective say this because training is boring and does not engage them
- 29% among this group feel they receive too much information at once
- 22% of retail employees who do not find their training to be extremely effective/very effective only receive training a few times each year
- 20% among this group don't find training to be very effective because they forget most of the information in a short period of time
- 8% believe training is ineffective because they are not paid to complete training during working hours
- 5% don't have time to participate in training
- 5% believe they're trained on the wrong content

fig. 1
Workplace Training Engagement
Levels in Retail



■ EXTREMELY ENGAGED
■ SOMEWHAT ENGAGED
■ DISENGAGED

Most employees want to learn and succeed on the job. If provided with the right training opportunities, these employees will enjoy learning, feel more confident as they build their expertise, recognize that the company is investing in their growth, and look forward to coming to work on a regular basis.

Cause for concern: Retail employees are experiencing eroding levels of engagement

92% of retail employees feel that formal workplace training positively impacts their job engagement: 31% indicate they are extremely engaged (down from 36% in 2016), 61% indicate that they are somewhat engaged, and 8% of say they feel disengaged, which is equal to the proportion of all employees who say the same (8%).

The training frontline employees want

Results from this survey show that workplace engagement has increased in importance to employees in all industries, including retail. Not only have specific training elements related to engagement increased in importance year over year, they have also become more important to employees than other training attributes.

**Fuel your people
and power your
organization with
effective on-the-job
training**

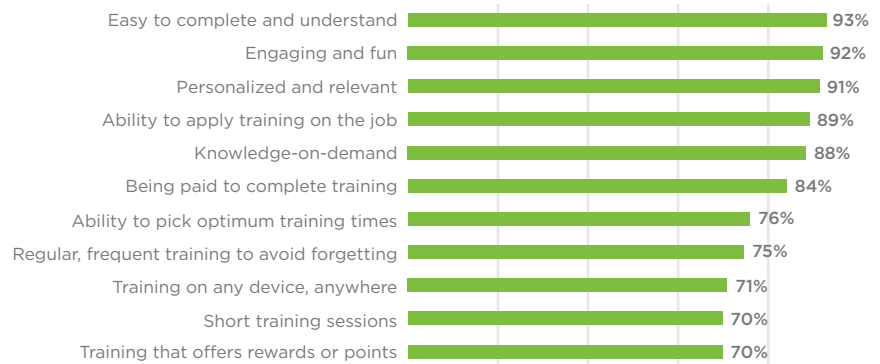


fig. 2 – Top training attributes in Retail (2017)

As Figure 2 illustrates, in 2017, employees placed higher emphasis on training that is easy to complete and understand, engaging and fun, and personalized and relevant to them.

Let's explore some of the top-rated training attributes in greater detail:

1. EASY TO COMPLETE AND UNDERSTAND

93% of all retail employees feel it is essential that training is easy to complete and understand, with more than half of employees (64%) placing a very high value on this. Overall, retail employees cited this as the most important attribute for formal workplace training in 2017.

2. ENGAGING AND FUN

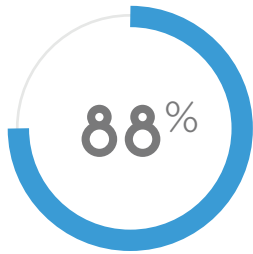
Close to a third (30%) of employees in retail suggest that the training they currently receive is boring and does not engage them. So, it comes as no surprise that 92% of employees want training that is engaging and fun. In fact, 41% of employees identify this aspect as very important.

3. PERSONALIZED AND RELEVANT

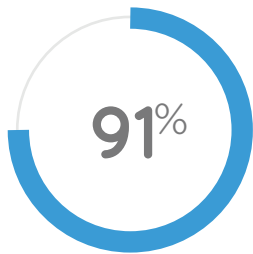
Training that is personalized and relevant remains a top attribute, with 91% of employees valuing this. Currently, 5% of employees feel that the training they receive doesn't apply to their role.

4. ABILITY TO APPLY TRAINING ON THE JOB

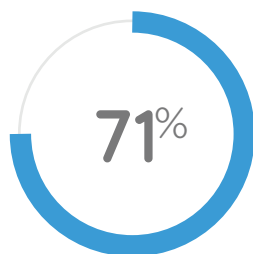
For 89% of retail employees, being able to apply training on the job is an important attribute. For associates on the retail floor, training and development must be relevant. Otherwise, they will not be able to achieve their primary goal of providing the best customer experience. The majority (88%) of employees surveyed place a high premium on being paid for training—especially Gen Xers (92%) and Millennials (89%).



Percentage of employees who indicate that knowledge on-demand is important to them



want training that is personalized and relevant



want access to training on any device

5. KNOWLEDGE ON-DEMAND

88% of employees indicate that knowledge on-demand (the ability to access information in the moment of need, from anywhere and on any device) is important to them.

There is a positive correlation between effective on-the-job training—that is, training that is concise, appealing, tailored, compensated, and accessible—and an organization's overall performance. Employers that provide their workers with the knowledge they need to be successful on the job can drive business outcomes that increase revenue or decrease expenses.

The following section provides recommended next steps for business leaders looking to fuel their people and power their organization with effective on-the-job training.

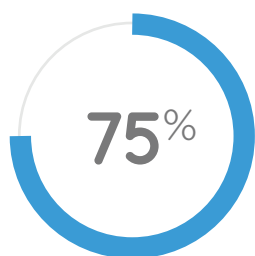
Next steps: A way forward for Retailers

As the results of this survey indicate, today's employees believe training is an important part of job success. The problem is that traditional training approaches are not designed to give employees what they need to achieve their potential at work. This means there is a huge disconnect between the perceived value of training on the business.

With the Axonify Microlearning Platform, organizations have a more effective way to train their people. Instead of simply delivering training, they can drive business results by meeting the needs of each individual employee. By providing a personalized learning experience that fits into the workflow—and can be completed in minutes—Axonify helps ingrain the knowledge employees need to change their behavior, and achieve organizational business goals. And because Axonify's approach is proven to deliver bottom-line results, training becomes a critical part of business success.

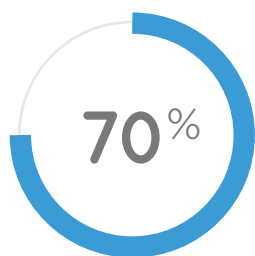
"I'm thrilled with the decision to use Axonify. But it's more important to say that my field operations people are thrilled with the decision. We've been able to deliver them an end-to-end solution that will evolve and grow with our business, scale with our business, and require very little of their time and attention from a day-to-day standpoint. And, yet, we've given them very engaging tools to help support the development of their teams."

VALERIE DAVISSON
Chief People Officer of At Home



want regular,
frequent training so
they won't forget

Over time, it is easy
for employees to
lose information from
memory when they
aren't provided
with opportunities
to retain it



More than two-thirds
(70%) of employees think
it's important to have
short training sessions

Here are 5 things you can do to improve training in retail environments:

1. Focus on what employees need to do on the job

Different roles have different needs. An associate in the toy department, for example, will require different training than a cashier. Due to the varied nature of their jobs, it is essential that employers give workers on-demand access to the information they need to perform their jobs. Among this segment, 91% of survey respondents say training that is personalized and relevant is also a key requirement for job effectiveness.

The Axonify Microlearning Platform provides employees with the targeted knowledge and training they need to complete tasks that are unique to their job, while learning at their own pace.

2. Engage employees with on-the-job training—anywhere, on any device

In industries where many employees are “deskless,” it can be difficult for employers to interact with their employees regularly or pass knowledge on to them. Completing training can also be challenging for deskless workers because it means employers often need to take them off the floor, which can be a logistics nightmare. This likely explains why 71% of retail employees surveyed feel it's important to receive on-the-job-training on any device, from anywhere.

The Axonify Microlearning Platform was developed with deskless workers in mind. It's easy for workers—whether they are serving customers on the retail floor or at the cash register—to access knowledge in the moment of need, on their device of choice. With the growing pressures to adopt digital practices, Axonify allows employers to keep employees, especially deskless ones, up to speed on new products and practices within their retail environments.

3. Provide continuous learning opportunities

Over time, it is easy for employees to lose information from memory when they aren't provided with opportunities to retain it. One-fifth (21%) of survey participants, who report that they don't find training effective, say this is because they forget most of the information they learned within a short period of time. Specifically, 17% of Millennials and 19% of Gen Xers report this happening to them. However, for employees 55 years and older, this number jumps up to 25%, suggesting that retention measures are especially important for this employee group. Three-quarters (75%) of retail employees want regular, frequent training so they don't forget the information.

The Axonify Microlearning Platform combats “forgetting” by making learning continuous, empowering, and irresistible. The built-in adaptive technology in the platform automatically targets the areas where employees need the most help, while also ensuring they remember the information they already know over the long term.



Employees can quickly participate in learning without losing time on the job or experiencing information overload

4. Align with how the brain learns and remembers information

More than two-thirds (70%) of employees think it's important to have short training sessions. This is likely because cognitive research has shown the brain can only remember a small amount of information at one time and that this information must be repeated over time, using proven memory-building techniques, to retain it over the long term.

The Axonify Microlearning Platform creates a continuous learning environment, delivering small, daily bursts of microlearning in a Question/Answer format—typically comprising 3-5 questions that take 3 or 4 minutes to complete. This allows organizations to constantly reinforce information from previous learning sessions or deliver net new knowledge. Employees can quickly participate in learning without losing time on the job or experiencing information overload.

5. Connect training to behavior and results

Simply providing training doesn't help the business move the needle. Instead, organizations need to work backwards to define the business objectives they want to achieve, identify the ideal behaviors employees need to exhibit to realize those objectives, and then build the training content that will help employees learn the correct actions to take to impact those objectives.

Axonify allows organizations to connect training directly to on-the-job behaviors which, in turn, allows them to measure the impact on business results. By providing short bursts of daily training, Axonify ensures employees build their expertise on an ongoing basis. The platform continually monitors training results as well as progress towards business goals, and this allows leaders to identify any potential gaps or risks. The premise is this: when employees learn the content successfully, their on-the-job behaviors will improve, and this will result in enhanced job performance which will help the business achieve its objectives.

Case in point

No one would have ever imagined a bankrupt Garden Ridge Pottery retailer would transform into thriving home décor brand, At Home. But, with the birth of At Home, the organization completely reinvented itself in less than 24 months and became one of the top retailers in the US.

With the swift establishment of more than 100 At Home stores across 28 states, and plans for continued rapid expansion, there was an immediate need to get more than 3,000 employees trained quickly. Even though many retailers were implementing learning management systems (LMSs) to train their associates, At Home knew it needed a more modern training

at home

90%

REDUCTION IN
ONBOARDING TIME

36%

DECREASE IN SAFETY INCIDENTS

78%

PCI COMPLIANCE IN 2 WEEKS

solution that was lean, scalable, and effective. The LMS wasn't any of those things. So, the company chose Axonify to become the backbone of its entire training process.

With Axonify, At Home can train 2,500 associates—with no field support—in 4 weeks, which would have previously taken 6 months. (A 90% reduction in onboarding time). The company has also achieved significant improvements in safety and compliance: Axonify has contributed to a 36% drop in safety incidents among associates who are active on the platform, and within two weeks of pushing out annual Payment Card Industry (PCI) compliance training to 3,200 associates, At Home reached 78% completion—an incredible turnaround rate!

Read the full case study at: axonify.com/customer-stories/at-home/