# Technology and skills in the future of retail work: A summary of findings

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# About this report

This report summarises findings from the first two phases of a three-phase research project, which aims to understand how women and men understand and experience the changing nature of work in retail, and their hopes and fears for the future of the industry.

This report contains insights developed through in-depth interviews with 30 senior stakeholders in the retail industry and retail-adjacent sectors and industries (including, food and beverages, home and lifestyle, finance and technology, and logistics), union officials, industry association leaders, and retail consultants and researchers.

Insights from these interviews, along with understanding of the extant research, informed the design of a nationally representative survey of retail workers. This survey was administered between September – October 2021, yielding 1160 responses. Findings from these first two phases of our study will be used to inform the next phase of our research.

# Executive Summary

Retail work is undergoing profound transformation, with rapid changes including digitisation, the collection and use of big data, and automation reshaping the industry and the skills required to work within it. These transformations have the potential to entrench and even exacerbate existing inequalities within the industry. Based on interviews with 30 senior stakeholders in retail and retail-adjacent industries, and a representative retail, fast food and warehouse worker[1] survey (n=1160), this report examines perceptions and experiences of intersecting technological transformations occurring in the Australian retail industry and the changing skills sets required for the future of retail work.

The retail industry is Australia's second largest employing industry, with its workers representing approximately 10% of the Australian labour force.[2] A majority of retail employees are women, and it is the third most feminised industry in Australia.[3] Younger workers are over-represented in retail,[4] and over half of the retail workforce are employed on part-time or casual contracts.[5]

## Key findings from stakeholder interviews

- First, retail stakeholders identified the **growth of online shopping** as a key transformation in the retail business model. The rise of omnichannel modes of selling has prompted a re-think of the role of traditional 'bricks and mortar' stores. The work of frontline retail staff is changing too, with new roles created to fulfil online orders and a shift towards self-service systems for customers. As more women than men are employed in frontline, customer facing roles, such changes could have a potentially gendered impact.

- Second, the retail stakeholders we interviewed observed that retailers are **increasingly using big data** to manage their businesses. Alongside more informed customers who are able to conduct extensive product research online before purchasing, retailers are using data analytics to better understand and shape pre-purchasing decisions, build post-purchase loyalty and to make data-driven decisions about how best to use resources and how to optimally allocate and manage staff.

- Third, there are **greater expectations of frontline, customer-facing retail workers** to value add to the shopping experience with deeper product knowledge and more personalised service.

- Fourth, there are concerns amongst retail stakeholders about who may be being 'left behind' in the **digital transformation** of the retail workplace. Though automation seems to be reshaping jobs and tasks rather than displacing workers, such changes may see workers with higher order skills fill these new roles. Strategic leadership is also needed to develop systems of reskilling and upskilling of the workforce that recognise, reward and build on the skills currently used by the workforce.

- Last, the centrality of **the customer experience and consumer journey is shaping the skills expected to work in retail**. While ecommerce and digital transformations in retail are changing some of the jobs and duties performed by retail workers, non-technical skills such as customer service, sales skills and emotional labour skills are seen as of paramount importance by workers themselves for their own success at work.

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[1] Hereafter referred to simply as retail worker.
[2] Australian Bureau of Statistics (2021) *Labour Account Australia, June 2021*. https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-account-australia/jun-2021
[3] Australian Bureau of Statistics (2020) *Gender Indicators, Australia*. https://www.abs.gov.au/statistics/people/people-and-communities/gender-indicators-australia/2020
[4] Australian Human Rights Commission (2019) Everyone's business: Survey on sexual harassment of members of the Shop, Distributive and Allied Employees' Association. https://humanrights.gov.au/everyones-business-sexual-harassment-sda-members
[5] ABS, (2020) *Gender Indicators, Australia*.

## Key findings from a survey of retail workers

Insights from our worker survey on technology and its influence on job security, performance management and future skills reveals:

- Around two-thirds of retail workers said they were **not concerned about automation or online shopping** having a negative impact on their job or working arrangements. However, one quarter of retail workers were concerned that they would lose work if they did not keep up with the technical skills required. By comparison 35% of retail workers were **concerned about by being replaced by cheaper labour**.

- The relatively low level of concern about the impact of automation or online shopping on their job or working arrangements suggests that displacement due to automation or online shopping may have already occurred. Workers in permanent and more secure forms of employment were among those least likely to be concerned about displacement. In contrast, a higher proportion of **retail workers from non-English speaking backgrounds reported feeling vulnerable to displacement by technology-driven changes in the industry** and were more likely to feel insecure at work. Such perceptions may reflect these workers' more vulnerable position in the labour market, or experiences and perceptions of discrimination within the sector.

- **Two in five retail workers reported that their employer used technology to surveil them at work,** and nearly half thought that customer feedback was used in their performance evaluation – placing them under near constant scrutiny by management and customers.

- Three-quarters of retail workers said they felt adequately trained in the technologies needed to do their jobs. This finding was particularly strong for younger workers who have grown up with contemporary digital technologies. However, workers whose jobs are at greater risk of automation, such as **non-frontline warehouse workers, were more likely to report that they would benefit from more training in how to use retail technologies.**

- When asked to assess the skills required for success in retail work, survey respondents identified **human orientated skills in customer service and emotional work** as being more important than technical skills. However, customer-oriented skills were even more important for frontline workers, and technical skills were more likely to be important for office-based and distribution workers.

# Interviews with Retail Industry Stakeholders

This section features interviews with senior stakeholders from across the retail industry, including those in food and beverages, home, work and lifestyle, specialty retailing, management, and logistics sectors, as well as those in retail-adjacent industries such as consulting, research, finance, technology, and skills and training, and senior members of retail unions, industry associations and government agencies to better understand the profound changes occurring in the retail industry.

Senior retail stakeholders spoke of the dramatic way in which the Covid-19 pandemic advanced digital and technological transformations that were already occurring in the industry. We explore four of these issues in further detail here; namely, the growth in online and omnichannel shopping, the influence of big data in all aspects of retail work, automation and the reshaping of jobs, the value of customer experience, and the changing skills required in the future of retail work.

## Online shopping and digital transformation

Every retail stakeholder we interviewed identified the growth of online shopping and the digital transformation of retail as key factors reshaping the industry. There was widespread agreement that online shopping had expanded dramatically during the Covid-19 pandemic. Those retailers with established digital systems were able to capitalise on the growth in customer demand online, while those unprepared for digital disruption lost market share and revenue due to their limited online presence, legacy systems, or lack of resources that prevented them from pivoting online quickly. Some identified that larger retailers now have roles in store dedicated only to online fulfilment. The scale of online engagement and digital transformation was widespread.

The rise of online shopping has also precipitated changed thinking about the relationship between online shopping and bricks and mortar stores, leading to an increased focus on a 'frictionless,' omnichannel mode of selling comprised of physical and digital retail.

> *"Retail, for it to be successful has to be digital, so it's got to be digital and physical retail married as one with a frictionless experience for both." (Industry association)*

Stakeholders spoke in interviews about the need to have efficient systems to deliver a seamless shopping experience for customers. These systems involve digital technologies that allow visibility of the stock in real-time and processes to move stock quickly to fulfil customer orders. In part, omnichannel selling requires a re-thinking of the role of the bricks and mortar store. Stakeholders spoke of the store as a 'showcase' to market the brand, allow customers to 'touch and feel', provide superior product knowledge from sales assistants, while also acting as a distribution point to fulfil online orders.

> *"I think retail teams are being asked to do more than ever before. You know, previously, you know, ongoing back 20 years ago, you just needed to be a good salesperson. You know, a good people person. Now, you have to be you know, technically savvy. You need to understand process. You need to be able to deal with instore and online customers. You need to be able to problem solve in far more complex settings." (Retail consultant)*

Requirements for stores to multi-task in their role by blending customer service with online 'fulfilment' has led to increased demands on retail workers. While some larger stores have roles solely focused on online service, in other stores retail workers are required to manage online orders and couriers, check emails, serve customers, maintain the physical space — all under time pressure to meet customer expectations online and in person.

## Big Data in all parts of retail work

Part of the digital transformation of retail involves the generation and analysis of Big Data. Stakeholders spoke about the increasing importance of data to develop insights and actionable intelligence on customer demand to boost their profitability by maximising their efficiency and minimising excessive

costs. Stakeholders recognised the amount of data available – from point-of-sale systems to loyalty systems to digital media marketing engagement – to the point where some felt "retailers are drowning in data" (Retail consultant). Retailers have enhanced ability to track and influence not only customer purchases, but all stages of the purchasing journey from the pre-purchase research that customers do, to their post-purchase engagement with loyalty programs and commitment to the brand. Retailers are also using Big Data to deliver more personalised service to customers. Acting on loyalty programs and point of sale data, retailers are able to develop insights to target their marketing and supply of products to better meet the needs and habits of customers. Retailers are tapping into the customer perspective.

> *"The experience that I have in the store… the way I shop or if I shop online or the products that I purchase and what matters to me.' How do we market? How do we make sure that we provide you the right content that you like?" (Food and beverages retail employer)*

While retailers are investing so much in understanding and tracking their customers, some stakeholders spoke of their challenge in making connections between data points and being able to accurately the meaning of data.  This has led to a strong demand for skilled data analysts in the industry.

> *"The negative, of course, is that most retailers haven't been prepared for this digital disruption and they may be caught up with old legacy systems and people."*
> *(Industry association)*

Stakeholder interviewees also spoke of the influence of Big Data on the management of frontline retail employees. Technology enables the tracking of aspects like stock flows, scan rates, picking rates, and how quickly orders are fulfilled to inform performance management.

> *"The one that worries me the most in terms of the future of work is this notion of flexibility and this concept that you are responding to the needs of the customer but you don't have the needs of workers underpinning that at all.  And so there's tech systems in place that measure the traffic and customer flows and the roster's all determined based on that. They're not determined based on what the needs of the workers might be or their childcare arrangements or their other family and caring responsibilities or just their life decisions in general." (Union leader)*

Tracking of peak customer traffic and stock replacement also influences the rostering process, with rosters developed based on data insights of projected customer demand. Union stakeholders spoke extensively about the negative consequences this can have on retail workers, particularly those with care-giving responsibilities, who are more likely to be women, echoing other findings from the sector.[6]

## Automation and the re-shaping of jobs

The prospect of automation and the loss of jobs was another issue of concern raised by retail stakeholders in interviews. Some identified a decline in the number of workers in 'bricks and mortar' outlets such as department stores, given moves to online shopping, and in checkout roles given the widespread use of self-service checkouts. Women were seen to be particularly vulnerable to displacement or job loss, given their predominance in these roles. Stakeholders noted the need for leadership by organisations and governments to ensure that the responsibility for reskilling is not borne by individual workers themselves. Participants noted that many of the retail workers at greatest risk of job loss were the least likely to be able to re-skill, given the time and costs associated with retraining, particularly for women workers with caring responsibilities.

> *"When you're trying to hold down a job that is the current job, whether it's going to be automated or not, you still have to do that job to get paid today.  You're trying to manage your kids and all of their education and extracurricular activities. Often*

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[6] Cortis, N., Blaxland, M., and Charlesworth, S. (2021). *Challenges of work, family and care for Australia's retail, online retail, warehousing and fast food workers*. Sydney: Social Policy Research Centre, UNSW Sydney.

*a woman, you're someone who is also in a caring role for elderly parents. … do you have time to re-skill?" (Home, work and lifestyle retail employer)*

Most stakeholders spoke of automation re-shaping work rather replacing workers, with new roles and tasks identified in the move to online shopping and omnichannel selling. The role of online fulfilment and picking for click and collect orders was nominated by many stakeholders as an example of where workers have been re-deployed rather than replaced by technology. Other new roles include concierge managing the flow of customers, and virtual sales assistants in-store who customers online can chat to about products. Where technologies have been introduced that replace certain tasks, such as product finder apps that tell customers where in the store products are, stakeholders from large retail employers spoke of how this would allow workers to spend more time with other customers, answering question about products and providing advice, rather than just directions. Even with self-service checkouts moving from supermarkets to other retail stores, workers are still needed to manage the flow of customers and troubleshoot problems. However, stakeholders also suggested that while the overall number of people employed in retail was unlikely to change dramatically, at least for the foreseeable future, technology was more likely to replace repetitive and manual handling tasks and create more high-skilled roles that need additional training and qualifications.

> *"Maybe we have more automation in our business but that doesn't necessarily mean we'll have less people, it just means we'll use people in more critical thinking type capacity but also you need a more elevated education to be able to do that, so potentially less of that sort of manual labour. Definitely on my side what I'm seeing happen through factories and that sort of perspective, you know, where you'd have people doing really dirty manual labour type jobs in the past, you're definitely seeing that transition to robotics." (Food and beverages retail employer)*

Stakeholders expressed concern that some cohorts of workers may be left behind because of digital disruption. Older workers in particular were identified as particularly at risk of being disadvantaged by expectations about their technological capabilities. Concern was raised among stakeholders that cost pressures may push employers to hire workers who already have the skills required, rather than investing in upskilling their existing workforces. In particular, there was a perception that certain technological skills are being seen as "life skills not work skills" (Leader, Industry association) with employers finding less need to spend time training workers on using digital devices. Automation may also disproportionately impact workers with disabilities employed in manual handling roles whose roles may be replaced by robotics, and may limit the number of entry level jobs.

> *"I suppose, the biggest challenge is going to be that a lot of those first – what I call first jobs, you know, the entry level retail job, working behind a counter, I think the quantum of those will reduce, and that's going to be a challenge in terms of young people getting the opportunity for their first job." (Retail consultant)*

Stakeholders also recognised barriers that some retail workers may face when using new employee management systems that rely on technology. Interviewees spoke of the introduction of workplace apps to manage all aspects of work, including signing in and out of work, online training, company policies, leave, rostering and general company communications.

> *"We have to keep reminding employers that, you know, it's great, you know, you've designed this fantastic, whizzbang app that allows you to do all of these things, but you can't rely on that as the only method that you do these things, because some of your employees can't afford that type of technology. It's not just about age, it's also about access to technology, which particularly for our members, and for people working in low-paid sectors, you can't assume that those workers are able to afford that kind of technology." (Union leader)*

Union stakeholders identified potential problems with this relying on workers having devices capable of accessing the workplace app, having to use their own data and having knowledge of how to navigate the app. They spoke about how additional shifts may be allocated via an app or SMS, potentially fragmenting patterns of work, requiring employees to be constantly monitoring their employer's online

portal even when not working and potentially disadvantaging those employees with caring responsibilities unable to respond immediately.

## The customer experience and future skills

The way consumers interact with retail brands has evolved considerably over the past two decades. Consumers have increased access to detailed product information and online product reviews, and have come to expect greater levels of service and engagement from retail employees. Several stakeholders spoke of customers being able to access detailed product information on their smartphones, making them at least as knowledgeable about the product than the sales assistant, driving up customers' expectations of retail workers' knowledge. Every stakeholder we interviewed emphasised this transformation in nature of the retail-to-consumer relationship, which has altered the balance of power between retailers and consumers.

> *"If you're working in a face-to-face role in retail, and a customer comes in and asks you something about a product, and you can't provide them with accurate information, and you know, value add to that, the attitude will be, well, why did I bother coming into the store? I'll just go home, and I'll Google it, and I'll buy it online, because you know, I'm not getting any value from dealing with somebody in a face-to-face" (Retail consultant)*

Consequently, stakeholders emphasised the need for frontline retail workers to provide a richer, better customer experience than they would find shopping online.

> *"That's one of the focuses in actual skills within retail, is to really skill up the staff to interact with customers, whether that's on the shopfloor, whether that's in the call centres, in the service lines. And we're seeing a lot more retailers come to us to look at how to do that, how to skill up their store staff. It's no longer acceptable to just kind of ignore your customers as they walk through the store." (Retail consultant)*

Not only have expectations of retail workers' product knowledge increased, frontline workers are also expected to know how the store's online platform operates, as well as new popular methods of payment, including buy-now-pay-later systems. Stakeholders argued that customer service would likely be the most in-demand retail skill in the near future. Additionally, however, many stakeholders also indicated that retail workers would be increasingly required to understand their stores' online platforms (both internal- and external-facing), and to navigate new modes of payment, such as buy-now-pay-later systems. Although some stakeholders we interviewed from retail employer groups believed that retail workers – particularly younger workers – could easily pick up these new skills, the union representatives we interviewed expressed concern that these new technological and customer-focussed skill requirements were not being adequately addressed in the training packages offered by employers, or in the award wages paid to retail workers. Specifically, union stakeholders expressed concern that workers' technological skills were not being recognised or formally credited through certification. Some perceived the current award classification structure to be inadequate in recognising the skills required to interact with high-tech systems and argue that new classifications should be designed to recognise more advanced technological skill.

> *"I think the challenge is that we need to make sure the skills are recognised... In the future when we're talking about skills we need to make sure the skills packages are up to date, training reflects what actually needs to occur and people need to be skilled at, and we also need to recognise formally the skills that people already have and bring to the space." (Union leader)*

# Survey of Retail workers

Considering key changes in the Australian retail industry, we surveyed retail workers for their views about the future of retail. The survey sought to understand perceptions, experiences, aspirations, and anxieties regarding the future of work and technological changes among workers in the retail sector.

To understand differences among retail workers we compared and contrasted workers on five key demographic factors. We chose these factors to try and unpack the different experiences among retail workers, especially in an industry that compared to the Australian labour market as a whole is disproportionately populated by women, casual and young frontline workers.

The five key demographics are:

- frontline worker status: frontline 64%, non-frontline (distribution) 22%, non-frontline (office) 14%
- gender identity: women 61%, men 39%
- employment status: fulltime 40%, permanent parttime 22%, casual 38%
- age group: under 30 44%, aged 30-50 34%, over 50 22%.
- language spoken at home: only English 81%, a language other than English, 19%.

Worker status is divided into three categories to capture a variety of job types. Frontline workers were those in customer facing, service roles, with non-frontline workers split into those working in back-end, non-customer facing roles such as; distribution workers, shelf stackers (store replenishment), online shoppers, warehouse workers and fast-food cooks and kitchenhands, and those non-frontline workers in professional retail roles such as office workers in corporate environments, visual merchandisers, purchasing and supply logistics clerks.

In terms of thinking about the intersection between these demographic categories:

- women from a non-English speaking background were more likely than the average to be in frontline work; while men from a non-English speaking background were more likely than the average to work in non-frontline distribution jobs.
- women who are frontline workers are much more likely to be employed on casual or part-time contracts; and women aged under 30 are much more likely to be frontline workers than the average

## Technology and Job Security in Retail Work

When focusing on aspects that contribute to retail workers' concerns about losing their job or experiencing a reduction in the number of working hours, the majority of workers in these industries claimed to not be concerned about the use of new technology, or the role of automation having a negative impact on their job or working arrangements. Instead, they were more likely to be concerned by being replaced by cheaper labour.

The survey revealed that:

- 34% of workers (n=384) were "somewhat concerned" or "35 concerned" that machines or computer programs will be used to replace human workers
- 32% of workers (n=361) were "somewhat concerned" or "very concerned" they will lose their job because of the growth in online shopping
- 35% of workers (n=395) were "somewhat concerned" or "very concerned" that they will be replaced by someone who is willing to do their job for less money
- 24% of workers (n=275) were "somewhat concerned" or "very concerned" that they aren't about to keep up with the technical skills required to do their job

The four figures below show the extent of concern retail workers have for their own future job security and hours at work, disaggregated by the five key demographic factors.

*Figure 1: Concern that machines or computer programs will be used to replace human workers*
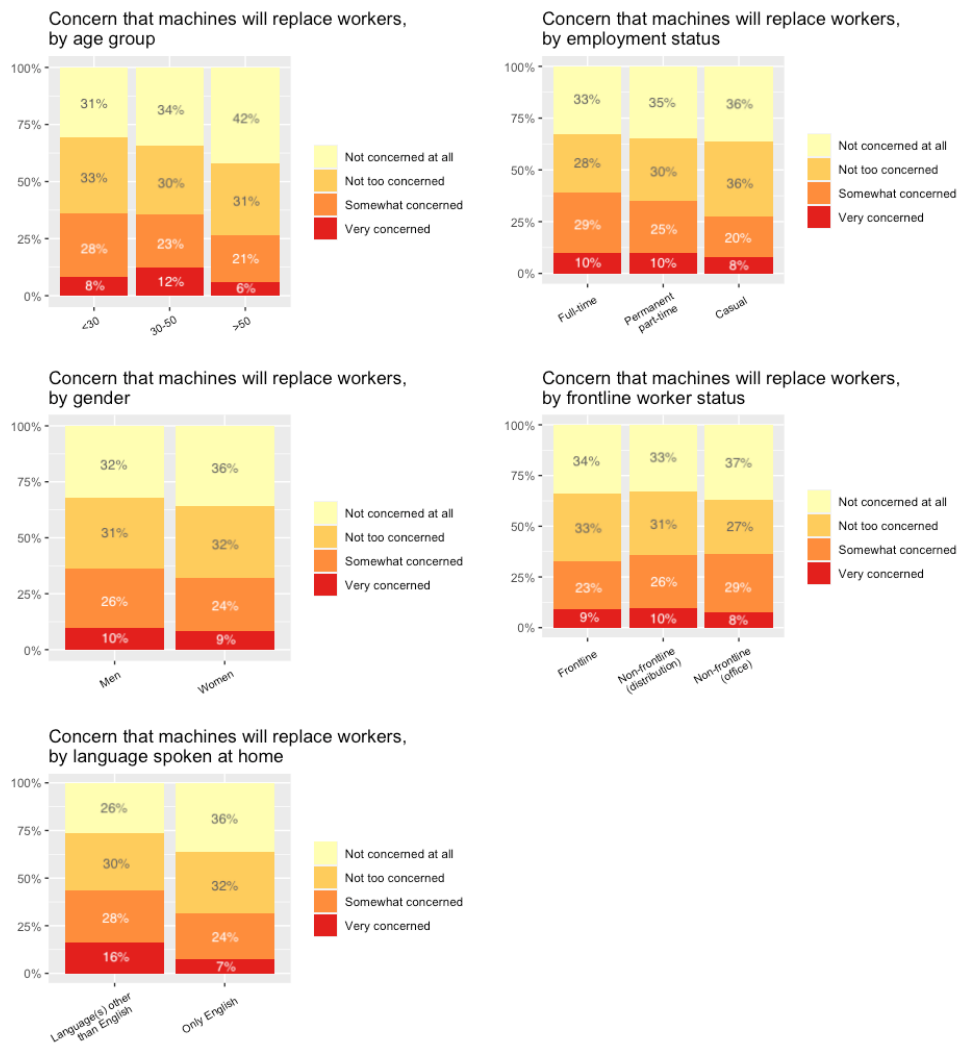


Concern that machines will replace workers, by age group

Concern that machines will replace workers, by employment status

Concern that machines will replace workers, by gender

Concern that machines will replace workers, by frontline worker status

Concern that machines will replace workers, by language spoken at home

*Survey question: "How concerned, if at all, are you about losing your job or experiencing a reduction in the numbers of hours you currently work because… Machines or computer programs will be used to replace human workers"*

## Concern about growth in online shopping, by age group

## Concern about growth in online shopping, by employment status

## Concern about growth in online shopping, by gender

## Concern about growth in online shopping, by frontline worker status

## Concern about growth in online shopping, by language spoken at home
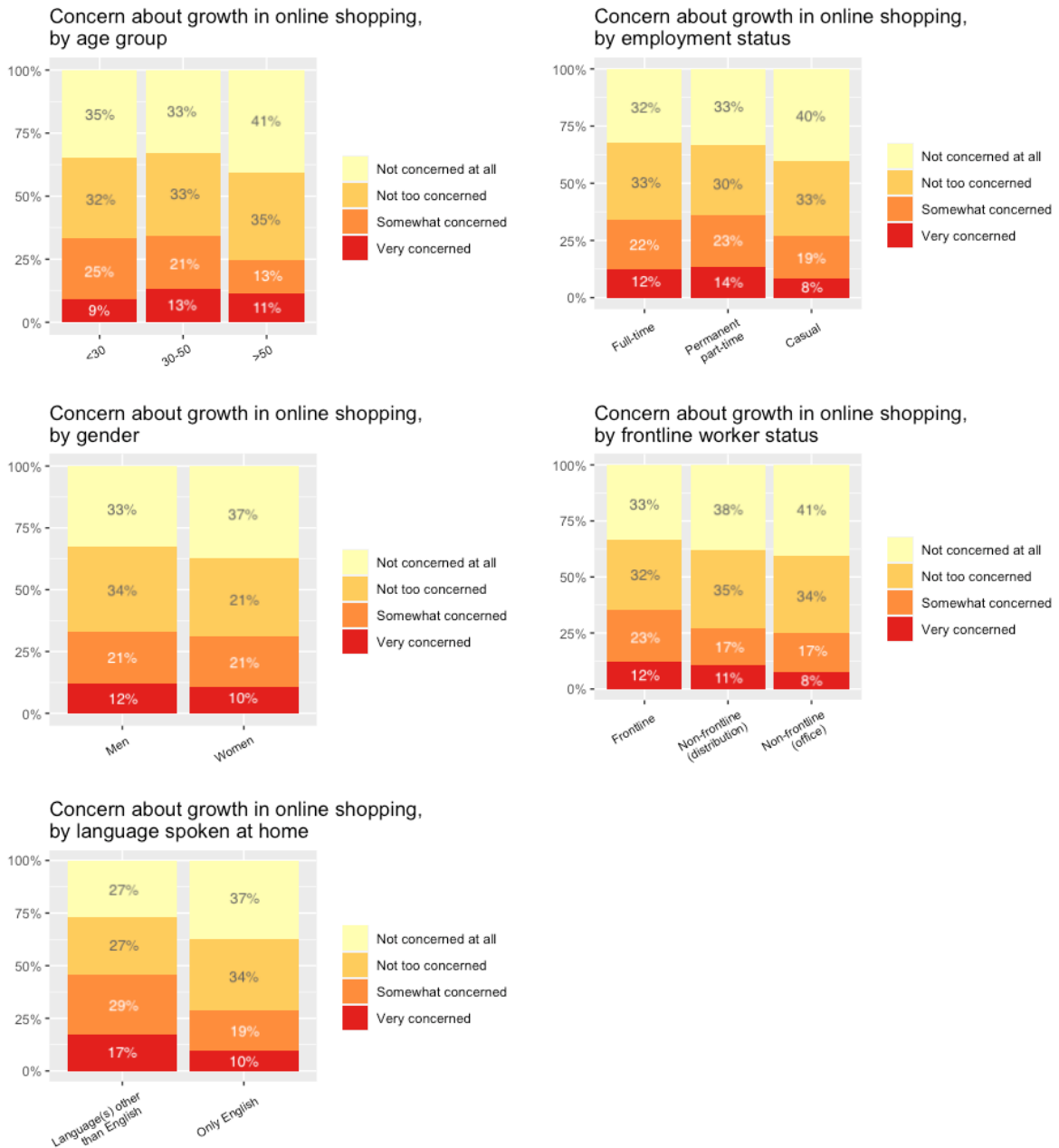
*Survey question: "How concerned, if at all, are you about losing your job or experiencing a reduction in the numbers of hours you currently work because… Of the growth in online shopping"*

Overall, just under a third of retail workers felt somewhat or very concerned about losing their jobs or experiencing a reduction in hours because of the growth in online shopping. But workers aged over 50 and those in non-frontline (office) roles were both *less* likely to be concerned by online shopping affecting their jobs, as both of these groups are more likely to be in permanent (non-casual) employment, despite change within the industry. Interestingly those in non-frontline (manual/distribution) roles were also less likely than frontline workers to be concerned by being displaced by online shopping. These groups probably perceive an ongoing need for both distribution of food goods in the era of online shopping, as well as an ongoing need of a casual workforce in the retail industry, especially in essential stores such as supermarkets.

In contrast, respondents who said they spoke a language other than English at home were much more likely than those who said they only spoke English at home to feel somewhat or very concerned about losing their jobs or experiencing a reduction in hours because of the growth in online shopping. As will become apparent throughout this section, people from a non-English speaking background felt vulnerable to displacement by changes in the industry and were less likely to report feeling of secure in their working arrangements. Such perceptions may reflect these workers' relatively more vulnerable position in the labour market, and/or their relatively greater experiences and perceptions of discrimination within the sector.
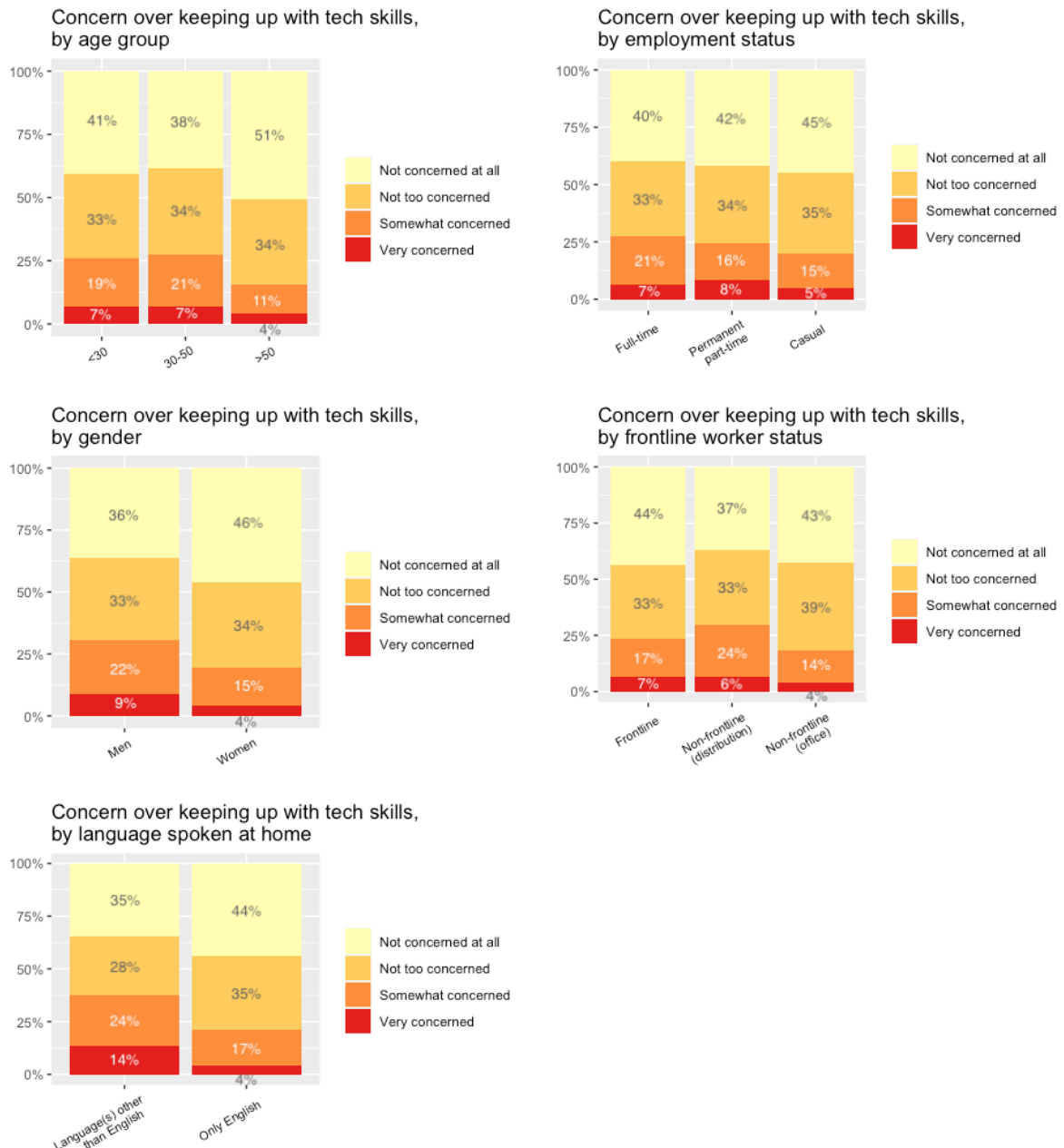
*Figure 3: You will be replaced by someone who is willing to do your job for less money*
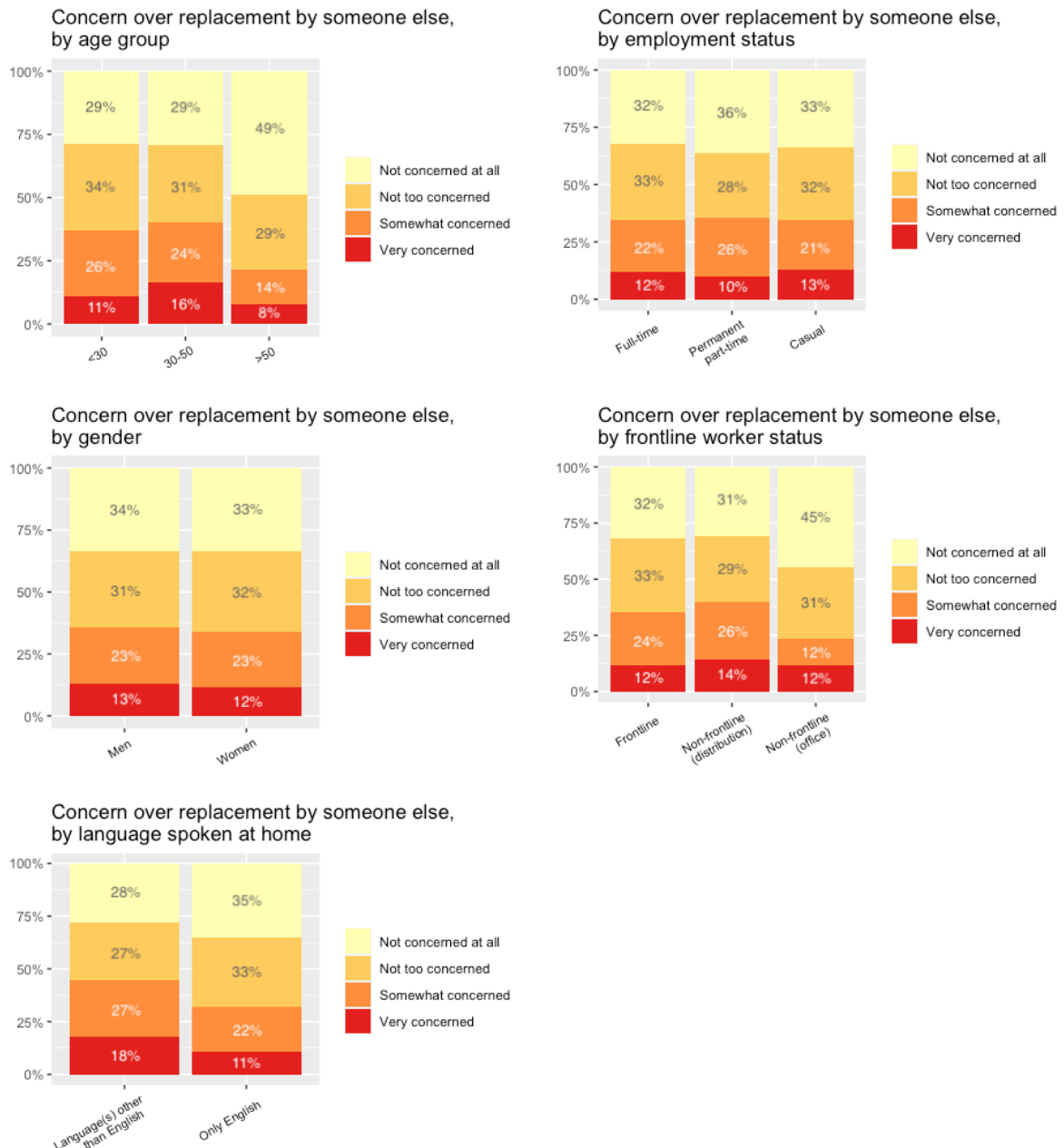


*Survey question: "How concerned, if at all, are you about losing your job or experiencing a reduction in the numbers of hours you currently work because... You will be replaced by someone who is willing to do your job for less money"*

Just over a third of retail workers were very or somewhat concerned about losing their job or experiencing a reduction in the numbers of hours they currently worked due to being replaced by someone willing to do their job for less money. Those aged between 30-50, and those working in non-frontline distribution jobs, were most likely to feel somewhat or very concerned about displacement by cheaper workers. Similar to the previous two items, Figure 3 also shows that retail workers from non-English speaking backgrounds felt much more concerned than other workers about being displaced by workers willing to perform their jobs for less money.

*Figure 4: You aren't able to keep up with the technical skills required to do your job*



*Survey question: "How concerned, if at all, are you about losing your job or experiencing a reduction in the numbers of hours you currently work because… You aren't able to keep up with the technical skills required to do your job"*

Last, while less than a quarter of retail workers were concerned about losing their jobs or experiencing a reduction in the numbers of hours they worked because they weren't able to keep up with the technical skills required to do their jobs, older workers and office-based workers were much *less* likely to be concerned about this. In contrast non-frontline, distribution workers were *more* concerned than frontline and office workers about not keeping up with technical skills. Men were also more concerned than women, as were workers from non-English speaking backgrounds more than English speaking background retail workers, about not keeping up with the technical skills required to do their jobs.

## Conclusion: Technology and Job Security in Retail Work

In asking retail workers about their concerns about the future of work and what might displace or reduce their hours a few patterns became clear. Overall, most workers were not hugely concerned by the shifts that have been happening already in the retail industry. Perhaps this is because much of the displacement from new technologies has already occurred, and jobs have already changed. Yet in an industry that is disproportionately casualised, fears and inequalities within the industry persist. As shown above, non-English speaking background workers are consistently more concerned about the future of their jobs. Retail workers in non-frontline work particularly in warehouse distribution are also concerned about the changes happening within their jobs, such as being replaced by machines or cheaper labour. Whereas overall older workers and office based workers seem to be more confident about their own working futures. There was only one item where we found any gender differences in concern about the future of work: and here men were much more concerned than women about keeping up with the technical skills needed in their work. This reinforces the gendered patterns of work in retail industry where women are mainly working on the front line, and men are more likely to work in non-frontline work in distribution or fast food.

## Technology, Performance Management and Training in Retail Work

The previous section examined new technologies being implemented at work and the perceived impact on the displacement and hours of retail workers. This section looks of how technology and associated training is being used in current workplaces. As noted in the introduction the rapid implementation of new technologies within workplaces also intensifies the experience of work through surveillance by employers and the increased use of customer feedback in evaluation of worker performance.

Workers themselves are often expected to rapidly adapt to the introduction of new technologies within retail stores or warehouses; and we can see below that three quarters of workers feel that they are receiving the training that they need while less than half think that they need even more training to improve their efficiency and do their work faster.

The survey revealed that:

- 39% of workers (n=446) "agree" or "strongly agree" that their employer uses technology to check up on them at work;
- 49% of workers (n=544) "agree" or "strongly agree" that their employer/workplace uses customer feedback to measure their performance at work;
- 74% of workers (n=849) "agree" or "strongly agree" that they feel sufficiently trained in how to use the technology needed to do their work; and
- 44% of workers (n=498) "agree" or "strongly agree" that better training in how to use new technologies would help them to do their work faster.

Figure 5: I feel that my employer uses technology to check up on me at work
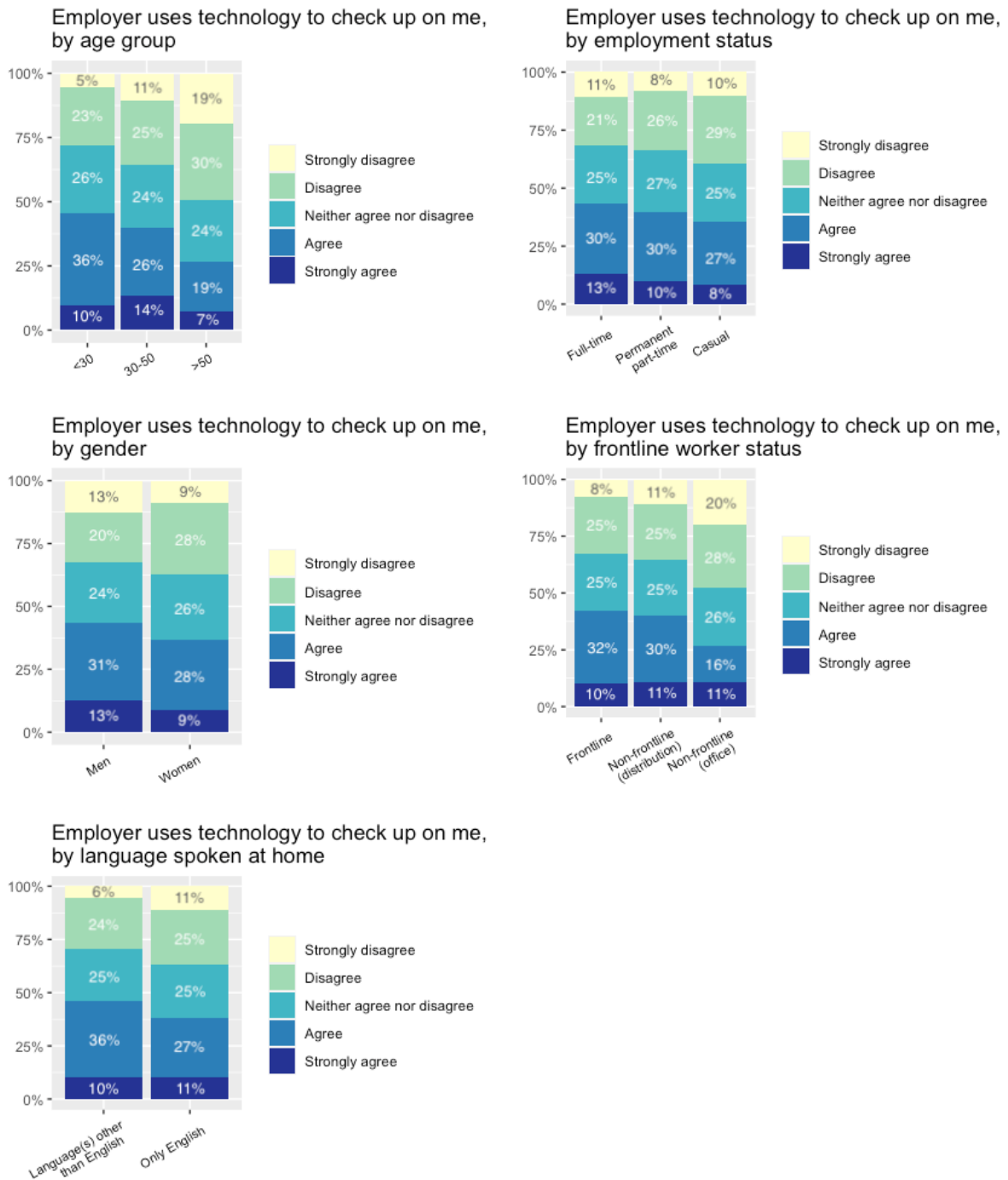
**Employer uses technology to check up on me, by age group**

**Employer uses technology to check up on me, by employment status**

**Employer uses technology to check up on me, by gender**

**Employer uses technology to check up on me, by frontline worker status**

**Employer uses technology to check up on me, by language spoken at home**

Survey question: "Below are some statements on the use of technologies in your _main_ job. Please indicate the extent to which you agree or disagree with the following statements: I feel that my employer uses technology to check up on me at work"

Younger workers under 30 years old, non-English speaking background workers and men working in retail, were all more likely to agree or strongly agree that their employer/workplace uses technology to check up on their work. Older workers and those working in offices were much less likely to be concerned by surveillance of this kind.
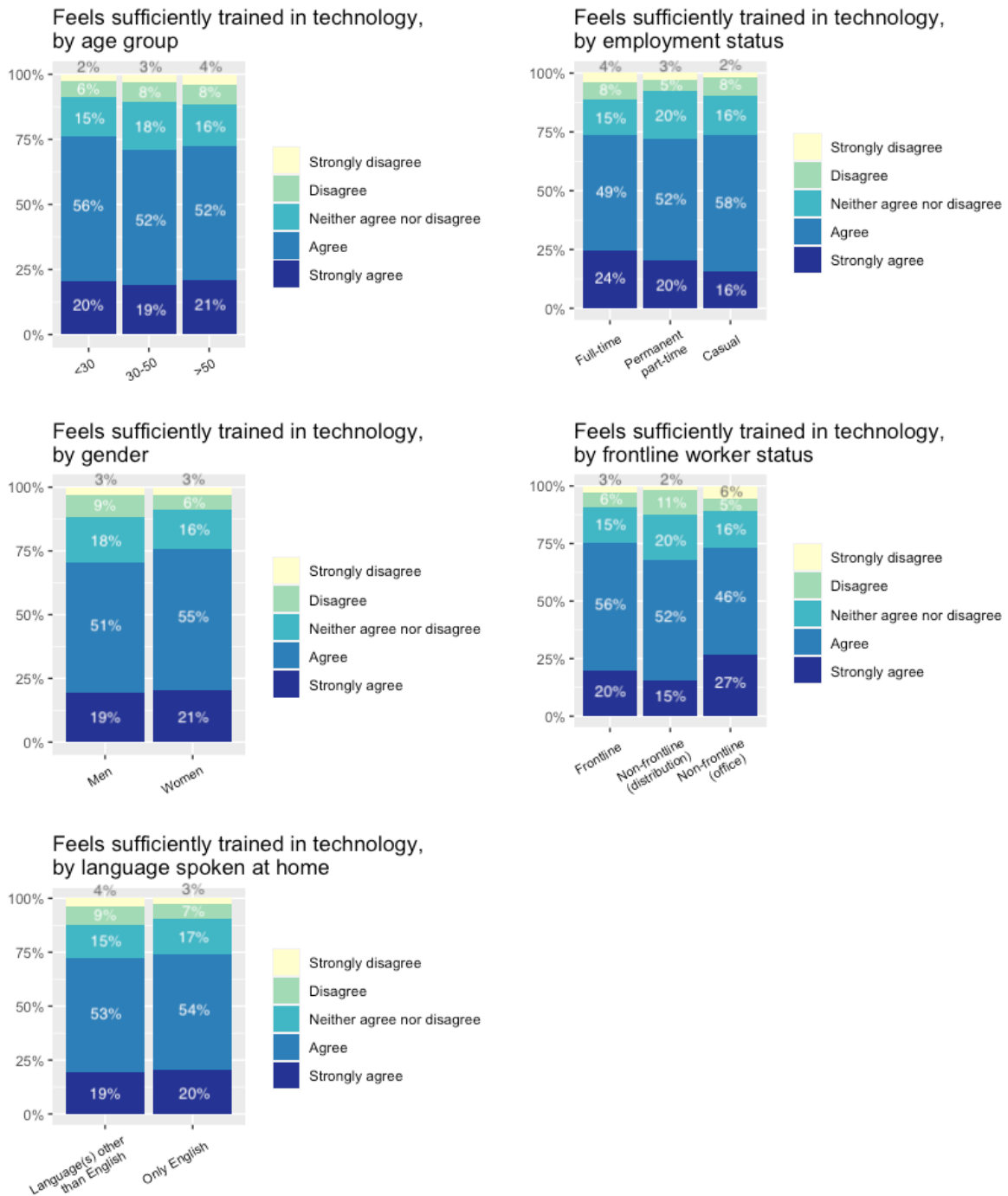
Figure 6: My employer/workplace uses customer feedback to measure my performance at work
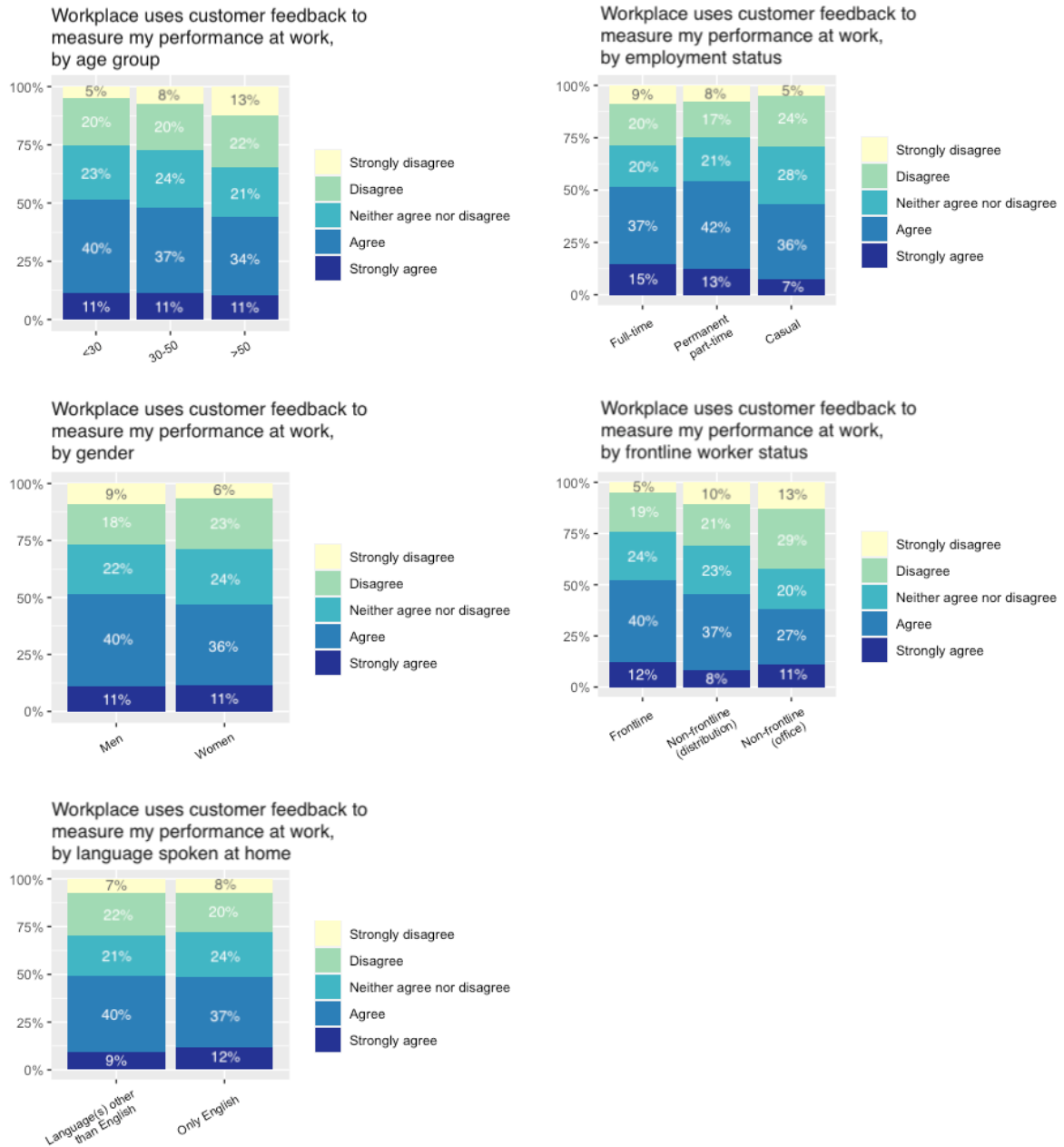
## Workplace uses customer feedback to measure my performance at work, by age group



## Workplace uses customer feedback to measure my performance at work, by employment status



## Workplace uses customer feedback to measure my performance at work, by gender



## Workplace uses customer feedback to measure my performance at work, by frontline worker status



## Workplace uses customer feedback to measure my performance at work, by language spoken at home



*Survey question: "Below are some statements on the use of technologies in your <u>main</u> job. Please indicate the extent to which you agree or disagree with the following statements: My employer/workplace uses customer feedback to measure my performance at work"*

**Nearly half of all workers agreed that their employers use customer feedback to evaluate their work performance. But only casual retail workers and those working in a non-frontline (office) role were** *less likely than the average* **to agree that they were subject to these kinds of customer driven forms of performance feedback.**
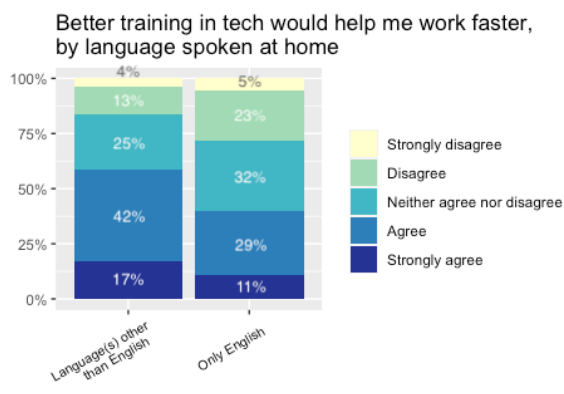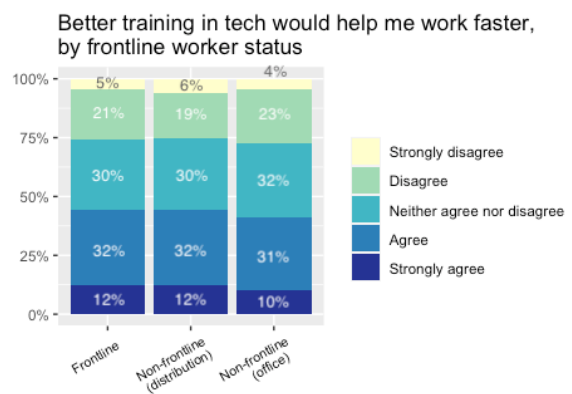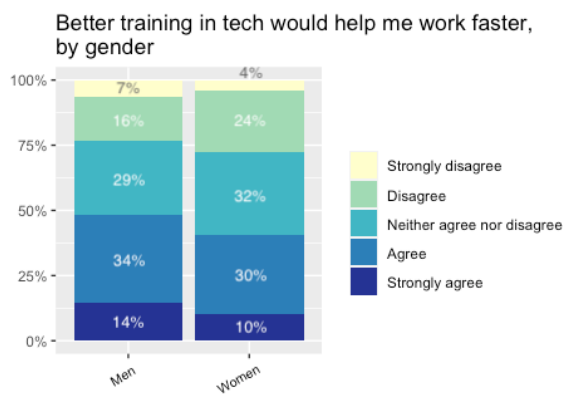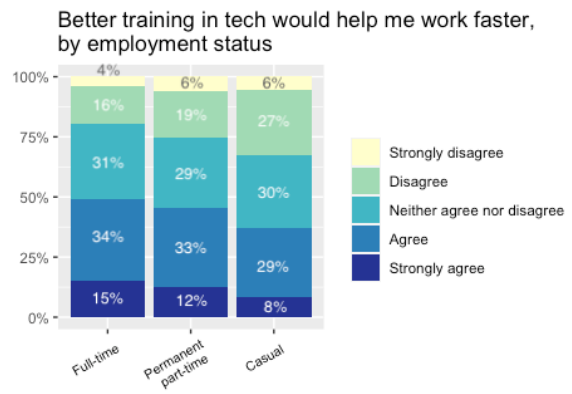
*Figure 7: I feel sufficiently trained in how to use the technology needed to do my work*

**Feels sufficiently trained in technology, by age group**

**Feels sufficiently trained in technology, by employment status**

**Feels sufficiently trained in technology, by gender**

**Feels sufficiently trained in technology, by frontline worker status**

**Feels sufficiently trained in technology, by language spoken at home**

Survey question: "Below are some statements on the use of technologies in your _main_ job. Please indicate the extent to which you agree or disagree with the following statements: I feel sufficiently trained in how to use the technology needed to do my work"

Nearly three quarters of retail workers agreed or disagreed that they felt sufficiently trained in the use of technologies at work, and there were very few differences among workers. The exception is non-frontline distribution workers who were slightly less likely to agree that they felt sufficiently trained.

Figure 8: Better training in how to use new technologies would help me to do my work faster
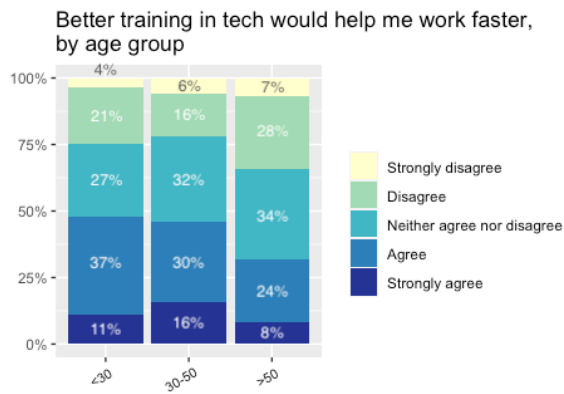
Better training in tech would help me work faster, by age group



Better training in tech would help me work faster, by employment status



Better training in tech would help me work faster, by gender



Better training in tech would help me work faster, by frontline worker status



Better training in tech would help me work faster, by language spoken at home

*Survey question: "Below are some statements on the use of technologies in your main job. Please indicate the extent to which you agree or disagree with the following statements: Better training in how to use new technologies would help me to do my work faster"*

Just under half of retail workers consider that having better training in how to use new technologies would help them to do their work more efficiently. Full-time workers, and workers who speak a language other than English at home are more likely to agree with this statement than the average worker; while older workers and casual workers were much less likely to agree that they needed more training.

## Conclusion: Technology, Performance Management and Training in Retail Work

With the influence of big data and the digitalisation in the retail industry, surveillance at work warrants further investigation with a large portion of workers believing that their employer uses technology to check up on them at work. Workers' perceptions in relation to customer feedback and its relationship to their performance evaluation also has implications when it comes to addressing the prevalence of customer abuse. The centrality of the customer to retail business operations exposes a potential blind spot when a workers' performance at work is judged on customer feedback. This was seen to mostly

affect full-time and permanent part-time, frontline workers, who are predominantly women, and who are also more likely to experience customer abuse. Finally, when it comes to further technological training, retail workers already feel adequately trained, especially younger workers who have grown up with the internet and other contemporary digital technologies. However, it is those whose jobs are at greater risk of automation, such as non-frontline warehouse workers, who were more likely to feel inadequately trained in the use of new technologies.

## Skill sets for retail work

With technologically enabled changes in the retail industry there comes a renewed focus on what kinds of skills will be required in the future of retail work. With increased digitisation, whether it be via omnichannel systems used to search for products online and instore, fulfill and dispatch online orders in store, and organise click and collect services, there is an assumption that technological skills will be paramount, surpassing the need for other more human skills. However, what is evident in the survey of retail workers is the increased perceived value of customer service skills, and the emotional labour required of retail workers in the changing retail environment. These findings reveal gendered expectations of customer service and the emotion work attached to interactions with customers. Further to this, perceptions around the importance of skills varies depending on frontline or non-frontline status. For instance, technological competencies are most likely to be "very important" to those working in non-frontline office-based jobs.

The survey revealed that overall:

- 96% of workers perceived communication skills to be either "fairly important" or "very important" to being successful in their job
- 96% of workers perceived getting along with other people to be either "fairly important" or "very important" to being successful in their job
- 94% of workers perceived customer service skills to be either "fairly important" or "very important" to being successful in their job
- 93% of workers perceived patience to be either "fairly important" or "very important" to being successful in their job
- 68% of workers perceived computer skills to be either "fairly important" or "very important" to being successful in their job

Figure 9 sets out three skill sets, that index the skills that respondents evaluated on the survey: customer service skills; technological skills; and emotional labour. As shown below, it is clear that most workers view each of the ten skills listed as "fairly" or "very important". Through aggregating the responses of the ten skills into three core sets, we can get a broader sense of how three core skill sets are valued by workers for being successful in their jobs.

Figure 9: Workers' perceptions of the importance of the skills that comprise the three skill sets for success at work: technological, customer service and emotional labour
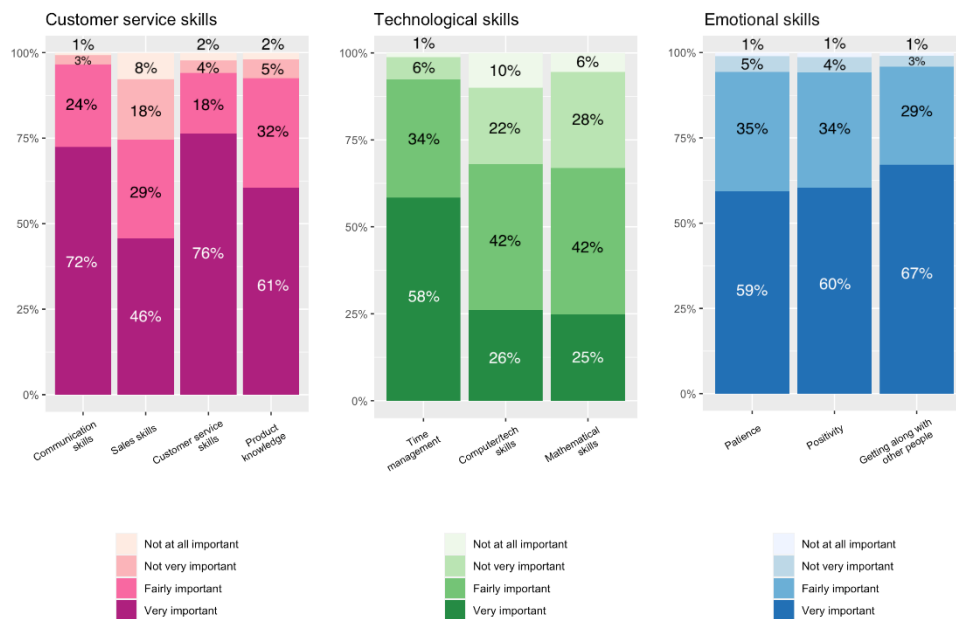
*Survey question corresponding to the customer service and technological skills: "Thinking about your <u>main</u> job right now, how important are the following skills to being successful in your job?"; survey question corresponding to characteristics associated with emotional labour: "How important are the following behaviours to being successful in your <u>main</u> job?".*

Overall, the aggregated Figure 10 below shows that computer and technological skills and mathematical skills are perceived as the least important skills to be successful in retail jobs, with customer service orientated skills and emotional labour skills being more important. However, within the category of customer service skills, customers' increased product knowledge and the newfound understanding amongst retailers that customers come into a physical store already knowing what they want to buy may explain workers perceptions on the importance of sales skills and product knowledge.

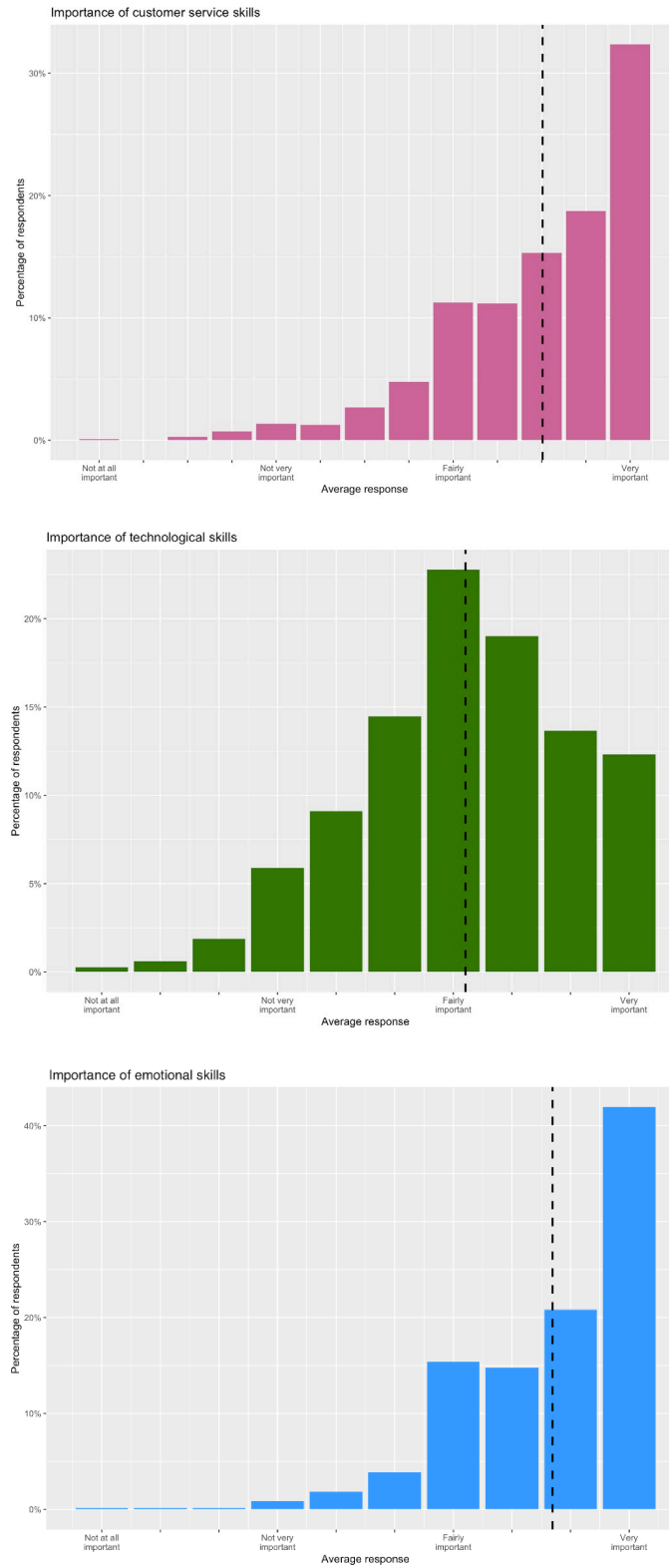Figures 10 shows the distribution of the values of each of the three skill sets with the range and modal value, and the highest average of the three variables (as indicated by the dashed vertical lines on the graphs). Emotional labour can be seen as the skill group perceived most strongly by workers to lead to success in the workplace, closely followed by the distribution and average for customer service skills. By

contrast, with the lowest mode and average, the technological skills set is the one that workers view as less important for being successful at work.

A more nuanced picture emerges when we compare the three skill sets by different demographic groups. By far the most obvious demographic difference was the difference between men and women's responses. Overwhelmingly, as Figures 11 and 13 indicate women were more likely to identify customer service-related skills and emotional labour skills to be key to being successful in their jobs. Yet there are less stark gender differences when it comes to views on the importance of technological skills, men appear to be more polarised than women, with the former more likely than the latter to be represented at both ends of the distribution (Figure 12).

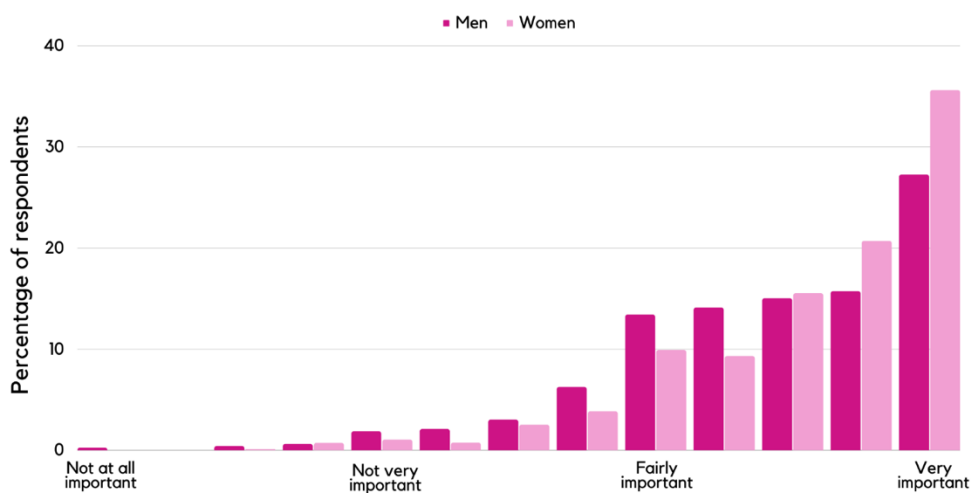*Figure 11: Perceived importance of customer service skills by gender*



*Figure 12: Perceived importance of technological skills by gender*
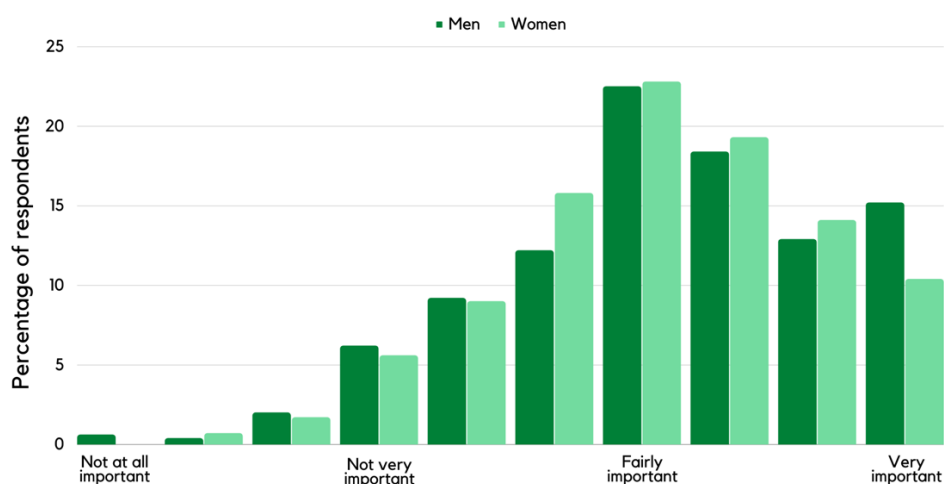


Considering the skills that contribute to the emotional labour skill set, both men and women rated them highly as contributing to success at work. However, it is important to also consider the performance of skills such as 'patience', 'positivity', and 'getting along with other people' are often gendered traits that women are assumed to innately possess, or expected to demonstrate. This is, perhaps, reflected in the fact that women were more likely than men to view each of the skills relating to emotional labour as

'very important', while men were more likely to view them as 'fairly important'. Among women: 64% viewed patience as 'very important' by comparison with 53% of men; 63% viewed positivity as 'very important' by comparison with 57% of men; and 70% viewed getting along with other people as 'very important' by comparison with 63% of men.

*Figure 13: Perceived importance of emotional skills by gender*
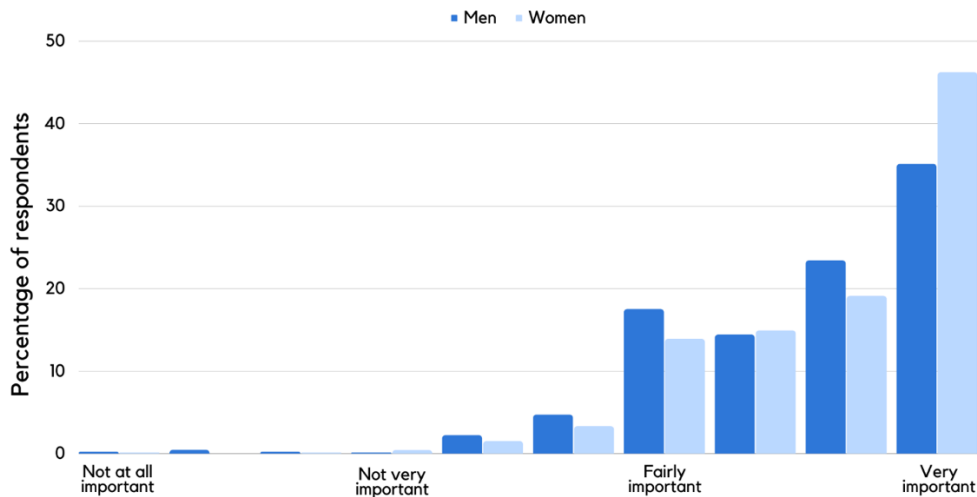


Beyond gender differences, it is also important to consider how retails workers' position as either frontline or non-frontline workers may influence their perceptions of the importance of different kinds of skill sets. Figure 14 suggests that frontline workers are, unsurprisingly, more likely to place more importance on customer service skills than non-frontline workers.

*Figure 14: Perceived importance of customer service skills by frontline status*
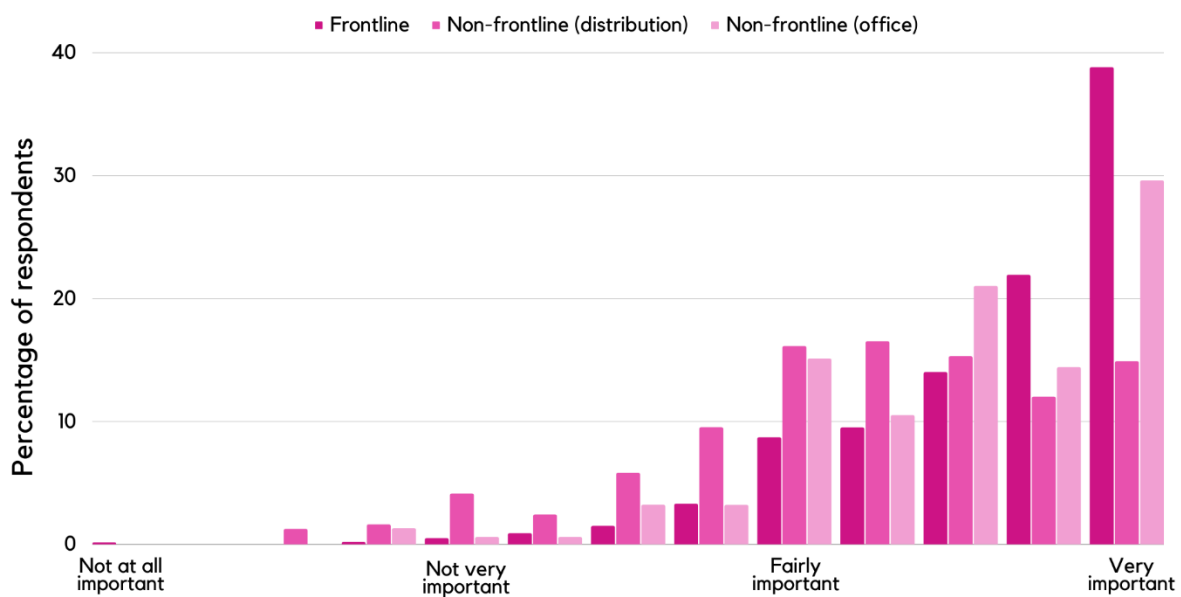
By contrast, non-frontline (office) workers are most likely to view technological skills as more important, followed by frontline, then non-frontline (distribution) workers (Figure 15). Similarly, non-frontline (distribution) workers are less likely to place as much value on emotional labour skills as non-frontline (office) and frontline workers (Figure 16).

*Figure 15: Perceived importance of technological skills (composite variable) by frontline status*
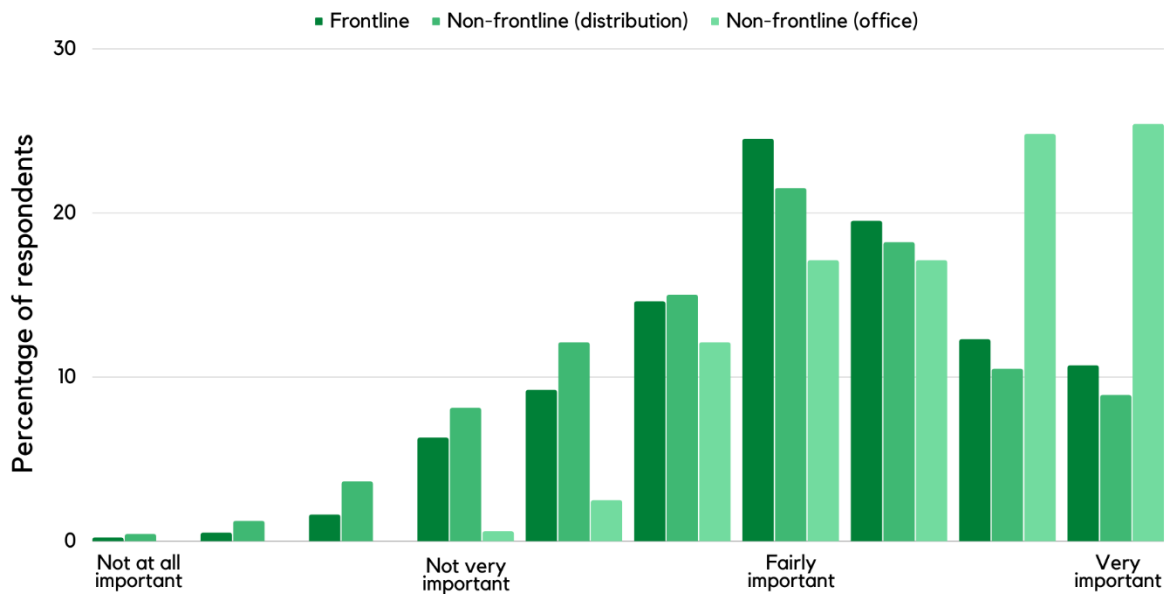


*Figure 16: Perceived importance of emotional skills (composite variable) by frontline status*
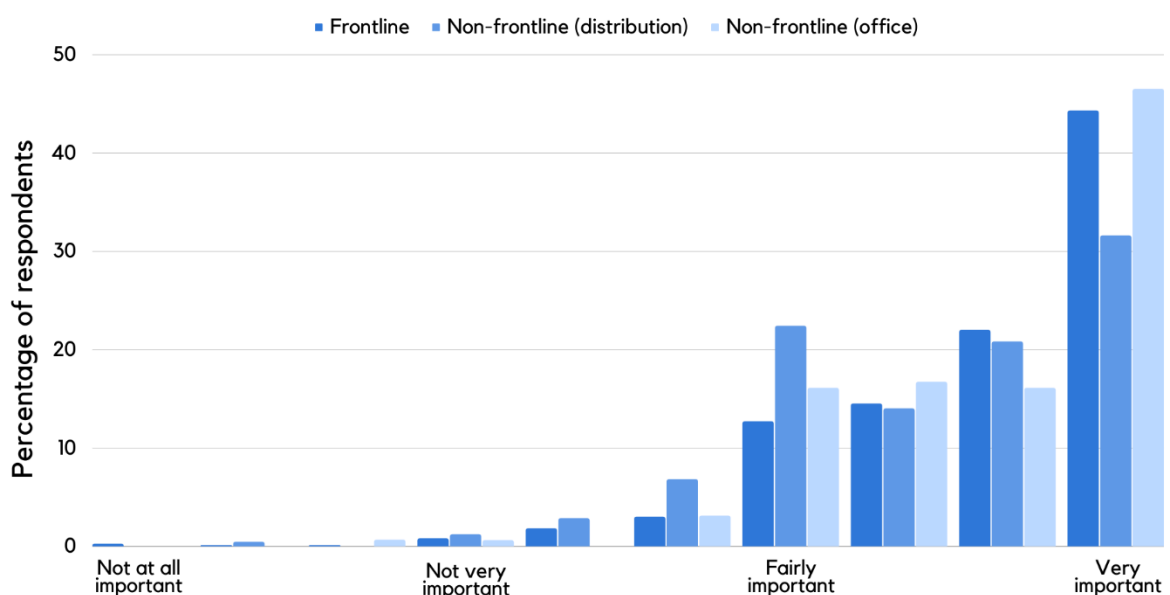
## Conclusion: Skill sets for retail work

This section of the report covered what retail workers consider to be the skills to enable success in retail work. We found that they think that there are a range of skills that are very or fairly important, yet the most important are customer service and communication-oriented skills. We then created indexes of three core skill sets: emotional skills, customer service, and technological skills, that reinforced that technological skills are secondary to interpersonal skills in the retail workplace. We did however find that there were differences and differences based on gender and whether or not workers were in the frontline or not in the front line. For frontline workers customer-oriented work was even more important and technical skills were more likely to be important for office and distribution workers. Suggesting that the variations within the retail workforce are integral to consideration of any future equity initiatives.

# Appendix

## About this project

This project, *Designing Gender Equality into the Future of Work* uses mixed-methods, action-based research conducted in four phases over a three-year period. This project aims to investigate how women and men understand and experience the changing nature of work and their hopes and fears for the future. This project expects to generate new knowledge about the gendered dimensions of workplace change using an innovative and engaged research design that focuses on the legal profession. Expected outcomes of this project include an enhanced and coordinated capacity to build gender equality into the future of work.

1.  This project asks: how do we build upon women's and men's current workplace experiences to construct a more gender-equitable future of work? To answer this question, the project uses qualitative interviews, an online survey of practicing solicitors, and industry co-design to: Identify workplace transformations currently unfolding in the legal profession and map connections to gender inequality;
2.  Capture how women and men employed in these areas make sense of and respond to workplace changes, and their concerns and hopes for the future; and
3.  Develop and test concrete strategies to build an equal and inclusive future of work in the law.

## Methods

### Stakeholder interviews

In the first phase of our research, we interviewed 30 senior stakeholders in retail and retail adjacent industries. These stakeholders were identified for their expertise in and knowledge of the retail industry, and included leaders in major retailers, academics and retail consultants with expertise in retail business, human resource management, and technology, senior members of state, national and/or international industry associations, senior members of key regulatory bodies, and senior leaders from government, non-profit agencies.

The following table provides a breakdown of senior stakeholders by category:

| Category | Stakeholders interviewed |
|---|---|
| Leader, Food and beverages retail employer | 5 |
| Leader, Home, work and lifestyle retail employer | 3 |
| Leader, Retail management and logistics | 4 |
| Leader, Industry association | 3 |
| Official, Government organisation | 3 |
| Union leader | 4 |
| Retail consultant | 8 |
| **Total** | 30 |

Stakeholder interviews, which were conducted between October 2020 and April 2021. Throughout the report we quote verbatim from these interviews. In line with approval received from the University of Sydney Human Research Ethics Committee, and our own commitments to participants, any identifying details have been removed.

## Retail worker survey

A nation-wide online survey was administered by IPSOS Social Research to their online panel between 28th September – 7th October 2021, including a final broadly representative sample of 1,160 aged 16+ workers: 705 women (61%) and 455 men (39%). The highest level of education attained for a majority of respondents was a high school diploma, or some secondary school education (45%), and just under half earned no more than $40,000 annually (47%). Survey respondents worked in the following retail industry sectors:[7]

- Specialty and lifestyle retail (n=367, 32%);[8]
- Food retail (n=321, 28%);[9]
- Fast-food and takeaway (n=271, 23%);[10] and
- Wholesale and logistics (n=225, 19%).[11]

The majority of workers have only one job (79%), with a mix of workers being in full time, part time and casual jobs. Among those who have more than one job, a casual job (51%) is the second job for a majority.

*Table 1: Demographic descriptions of survey respondents*

| | Category | Count (n) | Frequency (%) |
|---|---|---|---|
| **Age group** | < 30 | 505 | 44 |
| | 30 - 50 | 396 | 34 |
| | > 50 | 259 | 22 |
| **Gender** | Men | 455 | 39 |
| | Women | 705 | 61 |
| **Language spoken at home** | English only | 938 | 81 |
| | Language(s) other than English | 222 | 19 |
| **Frontline worker status** | **Frontline worker** <br><br> (i.e. working in one of the following, public-facing roles sales assistant; store manager; assistant or department manager; checkout operator and cashier; retail supervisor; online shopper/ personal shopper/ online fulfilment; | 735 | 64 |

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[7] Total exceeds 100%, as certain respondents reported more than one job

[8] Reported industry sector (SQ2): Florist; Bookstore; Newsagency; Pharmacy; Jeweller; Fashion apparel store; Entertainment; Communication and technology retailers; Sport, recreation and leisure; Home living store; Homeware, trade and gardening; Franchise, chain and department stores

[9] Reported industry sector (SQ2): Supermarkets; Liquor store; Fruit and vegetable grocer; Specialty food store

[10] Reported industry sector (SQ2): Takeaway business; Fast food retailer

[11] Reported industry sector (SQ2): Transport, postal and warehousing; Wholesale trade; Manufacturers, producers and importers

| | | | |
|---|---|---|---|
| | pharmacy assistant; "other" positions written in and identified as being frontline) | | |
| | **Non-frontline worker (Distribution)**<br><br>(i.e. working in a non customer facing-frontline role such as manual/distribution workers: store-person; shelf stacker/replenishment; online shopper/personal shopper/online fulfilment; night-fill; warehouse worker; fast-food cook; kitchenhand) | 257 | 22 |
| | **Non-frontline worker (Office)**<br><br>(i.e. non-frontline office workers: visual merchandiser; warehouse manager; purchasing and supply logistics clerk) | 161 | 14 |
| **Employment status** | Full-time and permanent | 448 | 40 |
| | Part-time and permanent | 247 | 22 |
| | Casual (including those on short-term contracts and freelance and gig workers) | 438 | 38 |
| **Number of jobs** | 1 | 924 | 82.5 |
| | 2 | 172 | 15.4 |
| | 3 or 4 | 24 | 2.1 |
| **Highest level of education attained** | High school diploma; some secondary school | 515 | 44.7 |
| | Vocational diploma/certificate | 307 | 26.7 |
| | Tertiary diploma (undergraduate or postgraduate) | 329 | 28.6 |
| **Mean personal income (annual)** | < 40,001 | 506 | 47.4 |
| | 40,001 - 80,000 | 392 | 36.7 |
| | > 80,000 | 169 | 15.8 |
| **Number of children** | None | 653 | 56.3 |
| | 1 or 2 | 366 | 31.6 |
| | 3 or more | 141 | 12.2 |
| **Care responsibilities** | Yes | 417 | 35.9 |
| | No | 743 | 64.1 |

*Table 2: Retail workers' gender by frontline status across linguistic background, employment status, and age*

| Gender | Language(s) spoken at home | Frontline status | | |
|---|---|---|---|---|
| | | Frontline | Non-frontline (distribution) | Non-frontline (office) |
| Man | Speaks language(s) other than English | 49% (n=43) | 31% (n=27) | 20% (n=17) |
| | English only | 53% (n=194) | 29% (n=107) | 18% (n=65) |
| Woman | Speaks language(s) other than English | 68% (n=91) | 22% (n=29) | 10% (n=13) |
| | English only | 72% (n=407) | 17% (n=94) | 12% (n=66) |

| Gender | Employment status | Frontline status | | |
|---|---|---|---|---|
| | | Frontline | Non-frontline (distribution) | Non-frontline (office) |
| Man | Full-time | 54% (n=130) | 20% (n=47) | 27% (n=64) |
| | Part-time | 45% (n=35) | 48% (n=37) | 6% (n=5) |
| | Casual | 54% (n=67) | 38% (n=47) | 7% (n=9) |
| Woman | Full-time | 62% (n=128) | 16% (n=32) | 22% (n=45) |
| | Part-time | 75% (n=126) | 17% (n=29) | 8% (n=13) |
| | Casual | 75% (n=235) | 20% (n=61) | 5% (n=16) |

| Gender | Age | Frontline status | | |
|---|---|---|---|---|
| | | Frontline | Non-frontline (distribution) | Non-frontline (office) |
| Man | < 30 | 58% (n=95) | 35% (n=58) | 7% (n=12) |
| | 30 - 50 | 52% (n=82) | 25% (n=40) | 23% (n=36) |
| | > 50 | 46% (n=60) | 28% (n=36) | 26% (n=34) |
| Woman | < 30 | 79% (n=268) | 17% (n=56) | 4% (n=15) |
| | 30 - 50 | 65% (n=153) | 18% (n=42) | 17% (n=39) |
| | > 50 | 61% (n=77) | 20% (n=25) | 20% (n=25) |

# Contact

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Gender Equality in Working Life Research Initiative**

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The Gender Equality in Working Life (GEWL) Research Initiative at the University of Sydney is a multidisciplinary research initiative leveraging several decades of research expertise on women's working lives to establish an action-oriented, practical approach to building a gender equal future of work.

The GEWL Research Initiative offers unique, research-informed insights, developed using new workplace data, to produce targeted and effective gender equality interventions.

We provide nuanced, rigorous and 'next-generation' research, that explores solutions that are:

- **Fit-for-purpose**. Providing an understanding of the different impact on diverse groups, different jobs and with tailored insights and solutions, rather than one-size-fits-all.
- **Mutually beneficial**. Providing an understanding of shared valued outcomes for employees, business, and society.
- **Quantified**. Measuring the short- and long-term outcomes, costs and impacts with relevant analytics.
- **Innovative**. Drawing on evidence from new sectors, pandemic practices & international experience to develop different approaches.

Partnering with business, government and civil society GEWL undertakes rigorous engaged research on gender equality at work and in careers across sectors and industries to co-design evidence-based solutions to pressing problems.

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