

CUSTOMIZED HIRING EVENTS

A Guide to Engaging Opportunity Youth





Customized Hiring Events

High rates of employee turnover are common across many sectors in Canada, including the restaurant, retail, and hospitality industries.¹ How can businesses like these increase retention rates and minimize costly turnover? One way is by tapping into a demographic that is often overlooked: *Opportunity Youth*.² Opportunity Youth are people between the ages of 18 and 29 who are not engaged in school, training, or the labour force. Many have experienced challenging circumstances in their lives that keep them disconnected from employment opportunities.³

¹ For example, based on member data, *Linked-In* estimates turnover rates of 19.3% for retail salespeople, 17.6% for food service professionals, and 17% for hospitality professionals. See: Booz, M. (2018). "These 3 Industries Have the Highest Talent Turnover Rates." March 15, 2018. <u>bit.ly/302UL8i</u>

² See Appendix 1 for a definition of Opportunity Youth.

³ A study in the US suggests that "younger workers stay in their first job for about 18 months on average. But for Opportunity Youth, the figure is more than twice as long—40 to 45 months." May 25, 2018. <u>bit.ly/3kLhkb1</u>

Starting in 2017, *Starbucks Coffee Company*[™] began actively recruiting this demographic to work in their Calgary stores.^{*} Starbucks anticipated that the approach would result in a win-win, helping them to meet their hiring needs while also supporting their efforts to positively impact the broader community. What they *didn't* anticipate was that the strategy would result in an increase in retention rates among other recruits, a phenomenon that has been observed by other employers as well.⁴ As one Starbucks manager pointed out, Opportunity Youth sometimes require more upfront work to attract and support, but once engaged, they often prove to be loyal, long-term employees.

Opportunity Youth really want to hang onto the job they have so that they can gain employability skills. They value that because they need an entry level job, and this helps them in their career progression."

YEC COMMUNITY RELATIONS LIAISON



^{*} Starbucks first began working with Opportunity Youth in Toronto in 2015 as part of a national commitment to "tackle critical youth unemployment rates" by "committing 10% of [their] store hires to motivated young people who have a strong desire to work, but are facing various barriers to employment and need more support in finding paths to opportunity." (<u>bit.ly/307rnoE</u>). As part of the national roll-out for this commitment, they began actively recruiting Opportunity Youth in Calgary in 2018. This article describes the hiring process that was undertaken in that city.

⁴ David, Christina. City of Calgary Youth Employment Centre. (Personal Communication). November 13, 2020. Other companies have also reported increased retention rates among Opportunity Youth. For example, CVS Caremark have also seen increased retention rates (60%) compared to regular employees (30%). See: *Connecting Youth and Business: A Toolkit for Employers* available at <u>bit.ly/3b5Y0R3</u>

So, how do you tap into this key demographic? This guide outlines one approach: *customized hiring events*. Opportunity Youth are often disconnected from employment-related networks and resources, and many experience barriers that impede their entry into the labour force. For this reason, hiring strategies for this demographic need to be designed in ways that:

- Ensure that recruiting messages reach them,
- Ease the discomfort and uncertainty associated with interviewing for a job,
- Set candidates up for success,
- Address barriers, and
- Quickly establish a sense of connection and belonging with the company.

Working in collaboration with the *City of Calgary Youth Employment Centre* (YEC)[†], Starbucks has been running customized hiring events for Opportunity Youth in Alberta for over three years. During that time, they've learned a lot about how to structure and adapt hiring processes in ways that meet the needs of both employers *and* Opportunity Youth.

Here's how they do it ...

Starbucks' Story in Numbers



⁺ The City of Calgary Youth Employment Centre (YEC) provides free career and employment services to youth age 15 -24. YEC staff help youth to become job ready and support them in finding and maintaining employment. They also work with employers, building their capacity to attract, recruit and retain youth.

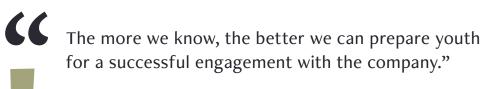
Partner with a youth employment service

Starbucks' Calgary-based Opportunity Youth strategy started when they partnered with the Youth Employment Centre in this city. What is the value of engaging with a service like YEC? Being experts in this field, youth employment agencies know how to reach and support this demographic, and can enhance outcomes related to recruitment, hiring, and retention.

YEC's partnership with Starbucks began with a deep dive into the company's values, culture, and hiring needs. YEC staff took a number of approaches to developing their understanding of the company, including:

- Meeting with hiring managers,
- Reviewing documents,
- Conducting onsite visits, and
- Attending orientations for new staff.

Based on the information gathered during the initial phases of the partnership, they were better able to design and support a hiring process that would be effective for both the employer and the youth applicants.



YEC COMMUNITY RELATIONS LIAISON



Develop a targeted recruiting strategy

Traditional recruiting methods don't always work with youth. Because YEC understands this population well, they are able to develop outreach and communication strategies that increase the likelihood that hiring opportunities will reach this demographic. For example, they encourage employers to:

- Reach out via social media platforms that are not typically used for recruiting (e.g., Tik Tok or Instagram),
- Embrace innovative messaging (e.g., introducing a gamified element),
- Set up displays at local events where they are likely to encounter a lot of young people and can interact with them face-to-face,
- Host a Hiring Day where youth can come in, talk to a manager, learn about the opportunities, and apply for a job.

"Marketing to youth is different. It has to be interactive, relationship-based, sometimes gamified —they're not all interested in the same things and many will not be interested in a post about a hiring event. You also have to understand what images appeal and where youth go to know where to advertise." YEC COMMUNITY RELATIONS LIAISON

They also work with employers to:

- Make their processes more youth-friendly (e.g., encouraging companies to accept in-store applications as a lot of Opportunity Youth prefer face-to-face interactions rather than simply applying on-line), and
- Enhance their job descriptions (e.g., providing suggestions for language and images that are more likely to appeal to this demographic).



Provide support

One of the key benefits of working with a youth employment service is that they are able to provide additional supports for barriered youth in ways that significantly increase their chances of finding and maintaining employment. YEC works with Opportunity Youth to strengthen their capacity to attain and maintain employment with Starbucks by providing application support, conducting mock interviews, and working with them to cultivate the skills needed to be successful in the workplace (e.g., time management, reliability, communication skills, teamwork, etc.).

We use whatever interview process the employer uses. So, for example, if they do group interviews, then we take them through a group process. Starbucks interviews are one-on-one. They've given us their interview questions so we're able to prepare youth based on the real thing."

YEC EMPLOYMENT COUNSELLOR

They also provide employer support so that businesses like Starbucks are better able to retain Opportunity Youth and address any challenges that might arise. Throughout their partnership, YEC has provided coaching and support to Starbucks' hiring managers, and has facilitated training on:

- Helping Opportunity Youth to feel welcome in the workplace,
- Making stores more youth-friendly,

"

- Providing support to Opportunity Youth employees,
- Managing challenges, and
- Developing a mentor system for new hires so that they feel supported in the workplace.

These and other supports help to ensure that Opportunity Youth are able to be successful in the workplace.



Structure for success



We have really honed in on what our needs are and what qualities are with the what qualities are critical in an employee - things like being personable, being a morning person, being available to work mornings, demonstrating guestcentric values... I think that's helped with retention."

STARBUCKS DISTRICT MANAGER

Starbucks' customized hiring events are structured in a way that works well for both the company and the applicants. Here are some of the ways that these events differ from conventional hiring fairs:

Candidates are pre-screened

Almost everyone that interviews at a Starbucks' customized event gets hired. That's because YEC pre-screens candidates to ensure a good fit. This is where the foundational work of understanding the company's needs and values pays off for both the employer and the applicant.

The event is hosted at YEC's offices

Starbucks' Opportunity Youth hiring events are held at the YEC offices, an environment that the applicants know well and where they are more likely to feel comfortable.

Interviews are pre-scheduled

These hiring events are by invitation only, and interviews are pre-scheduled. This works better than a drop-in approach because the act of making a commitment increases the likelihood of follow-through.

Interviews are based on Starbucks' real-time needs

There's a one-to-one ratio between the number of interviews and the number of positions available, which means that everyone who participates has a high chance of walking away with a job. This serves to heighten the candidates' confidence and motivation, making no-shows extremely rare.*

The preferred work location is taken into account ahead of time

Before the event, youth are able to pre-select the quadrant of the city they'd like to work in. They are then paired with the hiring manager responsible for that district.[†] This ensures a better geographical fit and helps to address barriers related to transportation.

> "Many youth don't have a driver's license or access to a vehicle - and it's not just Opportunity Youth. There's a bit of a mismatch there: employers assume everyone has one, and youth assume they don't need one. Getting insurance is also difficult at this age. This can be a huge barrier." YEC COMMUNITY RELATIONS LIAISON

^{*} Out of the 35 participants scheduled for an interview at the hiring event observed for this article, 34 attended (and the one candidate who did not attend called in advance to cancel).

[†] Note: Flexibility is built into the process so that hiring managers can hire for locations in other quadrants if needed. For example, if the needs of the stores in the northeast do not align with the availability of an interviewee, the hiring manager will present the youth with other options.

Hiring is done on the spot

On-the-spot hiring is an important accommodation for Opportunity Youth, many of whom have pressing financial needs and can't afford to wait several weeks to hear whether they've been successful.[‡] Starbucks accommodates real-time decision-making by positioning a team onsite with a spreadsheet that outlines the hiring needs for each store, as well as details like bus routes and schedules. When hiring managers determine that a candidate is a good fit for Starbucks, they leave the interview briefly to consult with the onsite team. Watching this team function is a remarkable experience: they quickly juggle multiple variables (bus routes, schedules, store needs, location, etc.), matching candidates' requirements with the needs and locations of their stores. A typical conversation goes something like this:

Hiring Manager: "The candidate lives in the Southwest and is available to open, but she doesn't have a car. What do we have that's on an early morning bus route?"

District Manager: "Nothing in that quadrant – but what about this store? They have afternoon shifts available, and there's a bus that runs right by there."

Together, they work to find an appropriate placement for the youth based on location and availability.

"We started using the spreadsheet after the first few [hiring events] and that resulted in new hires whose availability didn't match the needs of the store. This way, we know there's a match."

STARBUCKS HIRING MANAGER

Feedback is given on the spot

Youth who are not successful in attaining a position with Starbucks are given immediate ideas for ways to improve their interview for next time. Starbucks' hiring managers also meet with YEC staff at the end of the day to offer feedback on unsuccessful candidates so that YEC is better able to support them in the weeks that follow.

⁺ Starbucks schedules their shifts 2-3 weeks in advance, so there is already a potential delay of a few weeks. This way, there is no additional delay.

Anticipate potential barriers

Sometimes small barriers (e.g., transportation issues, confidence issues) prevent Opportunity Youth from participating in the workforce. Starbucks found real-time ways to mitigate some of these barriers.

Easing anxiety

Starbucks' hiring managers realized that they could make the interview process less intimidating with one small change: Instead of having YEC staff walk candidates to the interview room, hiring managers now greet the young person in the reception area and walk them there themselves. This is such a small accommodation, but it works on a couple of levels. First, youth have an opportunity to chat informally with the hiring manager before the interview begins. Walking and chatting helps them ease into the conversation gently, and establish a rapport with the manager before engaging in a formal interview. Second, the hiring manager has an opportunity to get a sense of the youth's social skills – an important consideration for anyone who will be working with the public.

Addressing transportation-related barriers

Transportation presents a particular challenge for companies like Starbucks, where shifts start as early as 5:00 AM. Starbucks' managers take transit schedules for each of the stores into consideration during the interviews in an effort to address this barrier for candidates who are transit dependent. They also consider factors like whether parking in the area is free or not. These types of details are discussed by the District Manager and hiring manager before deciding on an appropriate placement for each new hire. Customized Hiring Events How to Engage Opportunity Youth

Cultivate a sense of belonging

Research shows that small signals associated with belonging and inclusion can have an outsized impact on employee retention⁵. When Starbucks works to accommodate a youth's transportation needs or scheduling issues, they demonstrate a level of personalization that tells youth they care about them. They also cultivate a sense of belonging by celebrating each youth's success: At the end of the interview process, every new hire is taken to meet the District Manager and other team members gathered in the YEC boardroom. When they walk in, they are greeted with cheers and applause. Each youth then has their photo taken with the manager who hired them. (They're given one of Starbucks' iconic green apron to wear for the photo). They are also given a Starbucks gift card as a thank you for applying to Starbucks. These are small gestures, but they constitute the kind of belonging signals that engender longer-term retention rates.

⁵ A call centre in India, for example, increased their retention rate by 250 percent by ensuring the interview process delivered "a steady stream of individualized, future-oriented, amygdala-activating belonging cues." See: Coyle, D. (2018). *The Culture Code: The Secrets of Highly Successful Groups*. New York: Banthan Books, p. 39.

Refine the process

After every hiring event, the team meets with YEC staff to debrief the process and consider ways to make it even better. Starbucks has achieved a high level of success with their customized hiring events because they are intentional about integrating new learnings and identifying small ways to further enhance the process.

Repeat

Starbucks continues to invest in these types of customized hiring events with Opportunity Youth because the pay-off is significant: By actively seeking to engage Opportunity Youth, Starbucks is meeting their business needs while also contributing positively to the broader community.



By supporting these young people, we believe we can create real pathways to opportunity for these new hires while driving [our] business forward and strengthening the communities we serve."

STARBUCKS, BIT.LY/3KGVALG

Pandemic Post-Script

The hiring event that comprised the basis for this case study took place in early March 2020, just before Alberta went into lockdown to address rising rates of COVID-19. As with other food and beverage outlets, Starbucks stores were closed for several months, and revenues were impacted. Despite this, when businesses started to reopen in Calgary, Starbucks was able to onboard all 24 hires from the March event.

Futher Information

If you're interested in further exploring ways to engage Opportunity Youth, please check out the following resources:

"It's Time to Change How We Hire Young People" – tgam.ca/3kHqoza

The Ultimate Opportunity Youth Hiring Toolbox - bit.ly/3re4JQ7

Civic Action's Hire Next Initiative - bit.ly/3bU4kvl

Connection Youth and Business: A Toolkit for Employers – <u>bit.ly/2PrdzvH</u>

Opportunity for All Youth - <u>bit.ly/2NZbFSL</u>

Resources for Career Professionals Working with NEET Youth - <u>bit.ly/3qh2Ssm</u>

Calgary Employer Forum – <u>bit.ly/3uRAPTV</u>

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Appendix 1 Opportunity Youth Defined

Traditionally, this group of youth has been known as NEET youth. NEET refers to young adults that are not in Education, Employment or Training. Young people in these circumstances are often disconnected from networks that can help them to connect to education and/or early employment. There are many factors that may contribute to this:

- Poverty which results in a lack of transportation, appropriate work clothes, and more limited access to internet or phone
- Experiences of homeless or precarious housing
- LGBTQ2S+
- Disability such as a mental illness, or a learning disability
- Childhood trauma
- Indigenous youth, whether urban or from their home community
- Racialized youth including newcomers and refugees
- Past addiction
- Not finishing high school
- Previous criminal history

Some youth experience several of these circumstances, which makes it hard for them to participate in our labour force and community. Innes, M. (2020). *Engaging Indigenous Peoples: Lessons for Funding and Program Design.* <u>burnsfund.com/wp-content/uploads/2021/03/</u> Engaging-Indigenous-Peoples_Lessons-for-Funding-and-Program-Design.pdf

About the Collaborative Funders' Table

In 2017, the Collaborative Funders' Table (CFT) launched a collaborative funding initiative with the goal of improving employment prospects for Opportunity Youth in Calgary. The initiative focuses on the interface between 'supply' (youth and youth serving agencies) and 'demand' (employers). The goal is to ensure that youth seeking work are better prepared to meet the needs of employers, and that employers are better able to recruit and retain youth. The Collaborative Funders' Table includes: the Calgary Foundation, the United Way of Calgary and Area, Burns Memorial Fund, the RBC Foundation, the City of Calgary, JPMorgan Chase Foundation, and other anonymous donors.

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For more information on the initiative, please contact:

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