

Cross-Training to Achieve Operational Efficiencies

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We've been in the "new normal" long enough to not call it "new" anymore. Despite pressure from competition and rising minimum and livable wages, co-ops continue to work to be the employer of choice in their communities and to offer great compensation packages. We all know efficiencies are the main way we can afford to stay competitive, but other than just asking staff to do more faster, or increasing accountability, what else can co-ops do?

Enter the concept of cross-training

Work demands ebb and flow throughout the day in various departments, meaning that those staff who are trained in only one department may have times when they can't keep up with the workload, and other times when they are being paid to wait for a customer to assist or for something more to do.

An effective cross-training program can—at a minimum—ensure that departments needing extra help can get it. More sophisticated programs can reduce the need for additional staffing, freeing up personnel dollars to go towards higher wages where those are needed. For example, The Merc Co+op in Lawrence, Kansas, raised entry level wages from \$9.35 to a livable wage of \$12.35 (using the CDS Consulting Co-op – NCG model) by creating a massive cross-training program that reduced the number of employees by 20 and increased overall Sales Per Labor Hour (SPLH) by more than \$10.

Cross-training has other benefits besides creating efficiencies and saving labor dollars. It brings the staff together and creates a sense of teamwork, making people feel good about coming to work. It allows departments to handle callouts and other labor crunches without negatively impacting customer service. And depending on how it's designed, it could be in itself a career path. If universal clerk positions are created at a higher pay rate, it could prepare people to apply for higher-level jobs in different departments once they develop broader skill sets.

There are a variety of ways that cross-training can be implemented. Many small co-ops need to have fully cross-trained employees out of necessity, but even larger co-ops are finding solutions by expanding employee cross-training programs. At any scale, successful cross-training requires careful planning and continual commitment.



Keys to successful cross-training

• Alignment with organizational goals –

A co-op that emphasizes alignment and collaboration toward organizational goals gives a cross-training program a strong foundation on which to build. Co-ops often end up compartmentalized into department silos, focused only on department goals. But for increased productivity through a more fluid and multi-functional staff, the employees have to see how their work is connected to the larger organizational—not just departmental—goals.

• Recalibrated performance targets –

One of the biggest challenges with launching a new cross-trained staff

is reconciling the new blended labor goals against the need for increased sales per labor hour (SPLH). For co-ops that are used to laser accuracy on each metric shown by department, there is an adjustment in focusing more on storewide goals. But taking the time to make the math work ahead of time with sales per labor hour goals and scenario testing, along with robust staff training on the new metrics, will help ensure realistic storewide goals are set and achieved.

Do not expect that by erasing department goals productivity will magically increase at the store level. It will likely have the opposite result if the staff and managers aren't all totally focused on driving storewide SPLH together.

• **Communication tools that keep things on track** – Everyone employed at the co-op should know what the storewide SPLH goal is and where they are at in relation to that goal. This may require daily and weekly huddles along with printed or electronic boards to continuously update the progress toward goals.

• **Choosing who to cross train** – For smaller co-ops (fewer than roughly 20 – 30 staff) where each person wears many hats, it is sometimes necessary to have everyone cross-trained to at least some degree. For mid-sized co-ops, it can be better to start with just those who really want to learn another department and have demonstrated consistent competence in the skills of their current department. Someone who has not mastered the skills of their current job should not be a candidate to add on another job. Some large co-ops have been able to make a specific job description for staff who are trained in multiple departments and can fill in as needed. Typically, these positions are paid at a

higher level than other entry-level staff, due to the expertise required.

- **Decide staffing paths or zones** – As stated above, depending on a co-op's size, getting all staff trained into all store departments may not be feasible or realistic. Some co-ops create cross-training programs within core pathways or zones. This allows co-ops to combine specific departments or related tasks to their specific needs. Some departments, such as wellness, may still require unique and specialized staffing whereas other departments may be grouped according to physical location in the store or type of sales department, such as fresh foods vs. stable center store categories. The key is to group by core skills or expertise needed to quickly and aptly serve that department's essential needs. For example, employees who have been trained on safe food handling in one fresh food department may be able to be trained into other fresh foods departments more effectively than staff who have not had any training in handling perishable and prepared foods.

- **A clear process and authority for daily staffing decisions** – In most integrated cross-trained staffing systems, employees may have a main “home department” but can be called on to move to other departments throughout the day or week as different departments' needs arise. Some co-ops have specific positions that only exist as a cross-trained “floater” that gets assigned to a department as needed each day. In order for either of these arrangements to work, there has to be an established system and designated people who act almost as train conductors, anticipating the needs and switching people onto different tracks to meet that day's needs. Staff must clearly understand who is making the decision. And in turn, the floor manager or other designated manager making the call must have responsibility to ensure smooth and appropriate migration of staff in order to meet customer service and productivity goals.

- **A well-developed on-the-job training system** – Food co-ops that want to integrate more cross-training into their stores have to have a well-thought-out system for training staff to each department's specific needs. Using documented on-the-job training programs with designated trainers and training “passports” helps provide consistency and guidance. The development training needs to be broken down into bite-sized pieces so that staff can build knowledge gradually and steadily. It's essential that the culture supports continual training and development as part of the job and not a big add-on that gets squeezed in if time allows.

- **Ongoing training** – Effective training for cross-trained staff isn't complete once they know how to work in a department. Especially for more technical departments like the front-end, it is easy to lose muscle memory and forget procedures for lesser-



used transactions when there are long stretches of time between work in the department. It is important to ensure that cross-trained staff are getting regular opportunities to fill in, even if just to cover breaks, in order to stay up to speed on the workings of the department. Even in departments where the work is less technical such as stocking, procedures change over time.

Hopefully these changes to procedures are being communicated in huddles or team meetings, but the cross-trained staff may not always be in these meetings. Therefore, it is essential to ensure that important information is documented and shared so that the cross-trained staff can jump in during their next shift knowing how operations should flow.

Finding the efficiencies to cover large costs like increased wages can be hard to do. There is generally not one silver bullet that will do it all. But having a cross-trained staff is a good step towards having duties covered with the fewest number of staff possible, without sacrificing service. •

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