

Workforce in the retail industry

Transcript

00:05:30:01 - 00:05:39:05

MARGARET BELDEN:

Second quarter U.S. general merchandise sales were down from the prior year, driving some retailers into layoffs following the 2021 retail boom. Is this a short-term adjustment or are layoffs and hiring freezes a new normal in retail in terms of how you look at it for 2022 and potentially beyond?

00:05:40:06 - 00:07:06:06

KEVIN KELLY:

Margaret, I see that within retail, it's so specific to an individual company as far as how they're doing and whether or not their merchandise and products are resonating with the consumer. And if there's demand there, they're going to continue to grow no matter what's happening in the economic landscape. And it's critical that they continue to really evaluate what is happening at their individual retailer. We all read certain things with respect to economic environment and others, but I will say this. Retail is super dynamic. We've seen a lot of companies in past years go through the bankruptcy process. Some liquidated, some merged, and then others come out even stronger than before. And I think that in the past, too, right, we never let a pandemic go to waste, never let a crisis go to waste.

And many retailers truly sharpened their pencils, evaluated workforce needs, evaluated overhead, evaluated certain non-critical expenses, and truly came out a little bit leaner, especially those that maybe shed debt through a bankruptcy process or another debt restructuring. So it's not a one-size-fits-all. It's absolutely going to be company-specific as we think about how workforce management is going to happen in the future.

00:07:06:06 - 00:07:21:17

MARGARET BELDEN:

Thanks for that insight, Kevin. I think it is unpredictable for certain, and I think every industry has its challenges. Kevin, it's wonderful to be here with you today. I'm glad we had the opportunity to talk about this topic and look forward to our next chat.

00:07:22:07 - 00:07:25:08

KEVIN KELLY:

My pleasure. Thank you, Margaret. I appreciate it.