



## Overview & Concluding Recommendations

December 14, 2017



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Workforce Solutions Borderplex

DESTINATION EL PASO



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## HOW TO USE THIS DOCUMENT

This document was created to support the stakeholders and leaders at the Workforce Solutions Borderplex, The Borderplex Alliance, and the City of El Paso in regards to the current needs for training and economic development of the Tourism industry.

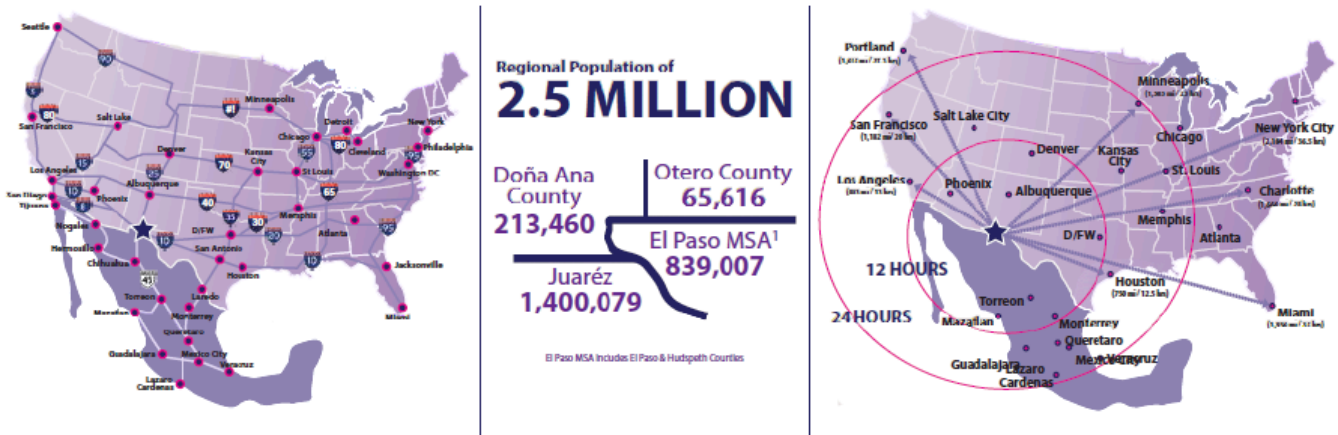
For ease of use, the document is divided into an overview of the region's tourism growth, specific discussion highlights, and concludes with remarks and an Appendix section.

For review of recommendations and next steps, the Introduction serves as a comprehensive overview of the first industry roundtable session, co-hosted and facilitated by the aforementioned entities. Specific sections in the Appendix will provide additional detail to the activities during the two-hour session held to gather information for the report.

Areas of discussion that received special attention during the event are labeled as "Discussion Highlights" to ensure that they are addressed at a later date. Please note that the information provided is culled from third-party data and observations.

## INTRODUCTION

Situated along the U.S.-Mexico border lies a community undergoing an economic renaissance due to strong cross-border industry ties, incubation of one of the largest multicultural and bilingual workforces in the western hemisphere, and booms in industry sector activity. The region often referred to as the “Borderplex” shares economic and workforce outcomes of three contiguous states and two countries. All are united by one strong agenda—a prosperous and globally competitive local economy that consists of multiple growing industry clusters that embrace innovation and have developed an increasingly outward view toward global markets. As a result, the Borderplex is home to more than \$1 billion in trade crossing the border every day and receives more than 13 million visitors to the U.S. from Mexico, infusing \$8.7 billion into our economy. Specifically, the retail industry supports billions in retail-related industry economic growth. Should our thriving U.S./Mexico trade stop, 4.9 million Americans from across the country would be out of work.



The Borderplex enjoys a strong cross-border retail and tourism relationship with Ciudad Juárez as Mexican shoppers show a very high level of brand loyalty. The region also draws shoppers from not only Ciudad Juárez (1.4 million+) but also the capital city of Chihuahua (largest state in Mexico 870,172+) and the neighboring Mexican states of Durango, Sonora, Sinaloa, and Coahuila. The impact of purchases in El Paso by Mexican nationals is substantial by all accounts and is estimated to be more than \$2 billion annually and total retail sales for the El Paso Metropolitan Statistical Area (MSA) is almost \$10 billion per year.

## TOURISM INDUSTRY ROUNDTABLE

On December 14, 2016, the City of El Paso, Workforce Solutions Borderplex, Borderplex Bi-National Economic Alliance, and Incite Consultancy, LLC collaborated to host the first tourism industry roundtable, with sponsorship from Destination El Paso. Employers and training providers leveraged a structured two-hour work session to discuss challenges in the economic and workforce development of the sector and begin a process for addressing those challenges.

After a brief introduction and welcome, the session began with a workshop to discuss the challenges, perceived and real, within the tourism industry. Participants were grouped into work sessions by the following subsectors: (1) hospitality and lodging, (2) dining and bars, (3) entertainment, and (4) retail. Each table had individuals recording key takeaways from the session, as well as a facilitator to help guide the conversations through to a productive endpoint and remain on task.

### Discussion Highlight 1: The need for soft skills.

Within the realm of workforce development, every sector strives to have an employee base that have a mastery of both the “hard skills,” such as management of a registrar, and basic math. However, there is a challenge in training and growing the level of “soft skills” those that support clear communications, conflict management, human relations and team building.

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“We need them (*employees*) to take this type of work seriously.”

*Roundtable employer comment in regards to the level of significance individual employees regard soft skills.*

Across the room, each facilitator worked with the various sub-groups to discuss the challenges but also identify potential solutions during their time together. Suggestions/Highlight included:

1. Leverage the potential pipeline of high school “work ready” individuals.
2. Ensure that customers are the first priority.
3. Each employee should understand the importance of communication via body language, effective verbal communication, and phone etiquette.
4. Employ opportunities to have employees admit mistakes and grow from the lessons learned.
5. Adapt a team-oriented disposition when working with co-workers.

6. Demonstrate leadership potential seen through problem-solving skills and maintaining the employer's best interest.
7. Show a sense of well roundedness in candidates (e.g., a desire to show interest or ability to work across the continuum of customer service).
8. Stay abreast of the latest trends and needs of the client (e.g., gluten free menus, fashion).

Each sub-sector of the industry, although facing various specific challenges given their type/line of work, each voiced the lack of soft skills as being one, if not the biggest challenge facing economic and workforce advancement.

### **Discussion Highlight #2: Equipping Employees With Technical Skills**

Technical skills, defined as the type of talent and knowledge base that affects day-to-day operations from a logistics or industry perspective was also cited as a key challenge. Here the conversations at each table diversified and there was more specificity noted. For example, some industries are more impacted by technological advancements, increased competitiveness, and had varying types of market barriers.

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“The challenge is consistency. There is potential to fracture the franchise/chain experience when one Juarez enterprise rates positively, yet the El Paso counterpart is not of the same quality/caliber.”

*Roundtable employer with a bi-national presence perceiving the challenge through a macro lens.*

Facilitators worked to create solutions. Suggestions/highlights included:

1. Exhibit more flexibility in workflow, duties, and schedules to adapt as the industry evolves.
2. Be conscientious of liability issues (e.g., working in kitchens).
3. Embrace the culture when turnover rate is high (e.g., company culture).
4. Achieve language proficiency.
5. Understand the inability to take certain foods across the border.
6. Support local El Paso enterprises opening in certain locations to avoid market saturation and increased level of competitiveness via marketing.
7. Support entertainment for the tourism industry, which is currently a market barrier.

8. Increase certifications to attain technical competency (comments were also specific to sanitation skills.)

After the tourism roundtable sessions concluded, the employers received presentations from the various training providers. Overviews of the types of services currently offered and potential boutique, custom-tailored curriculum that could be designed were discussed. Borderplex Alliance, Workforce Solutions Borderplex – Business Services Unit, the City of El Paso Economic International Development, and Destination El Paso also made presentations regarding the services they could offer to the employers based on the challenges that were articulated.

Thereafter, a networking session was completed before the event concluded to allow training providers and employers to speak in more detail about potential partnerships. The roundtable concluded with each attendant completing an evaluation.

Since that time, Workforce Solutions Borderplex and its economic development partners have done additional surveying and research associated with the tourism industry in order to gather additional qualitative data from the employers. Included is a snapshot of the retail industry.

### **SPECIFIC SECTOR HIGHLIGHT: *The Borderplex Retail Industry***

#### **Gaps in our Retail Workforce Ecosystem**

1. Lack in curriculum readily and locally available to prepare young adults to transition into the retail workforce
2. No retail-focused association to support the networking and engagement of employers from a system perspective.
3. No retail certification effort.

In January 2017, the Workforce Solutions Borderplex Business Services Unit surveyed their internal retail and retail-related employer network to complement the information culled from the Tourism Industry Roundtable. Initial findings indicate that the El Paso retail workforce is extremely young, between the ages of 18 to 25.

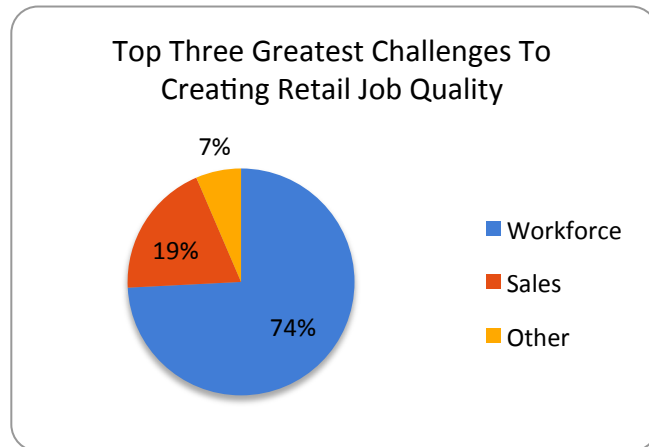
Oftentimes, this is the first job for many out of high school. Moreover, employers experience hiring challenges for positions that need specific skill sets essential in retail, primarily “soft skills,” which was by far the largest issue identified.

“As a specialty store, we must find employers sensitive to our clients’ fashion needs and who can ask the right questions to find this out. Employees must create and act as a personal shopper.”

*Survey response from a national retail shop for men in El Paso, Texas*

## Opportunities for Retail Worker Advancement and Job Quality

**Expected Challenges.** 74% of retail employers surveyed indicated a need for support in building workforce ready skills, also known as “soft skills.” The challenge is that the importance of soft skills is often undervalued, and there is far less training provided for them than more traditional trainings such as sales and register training.



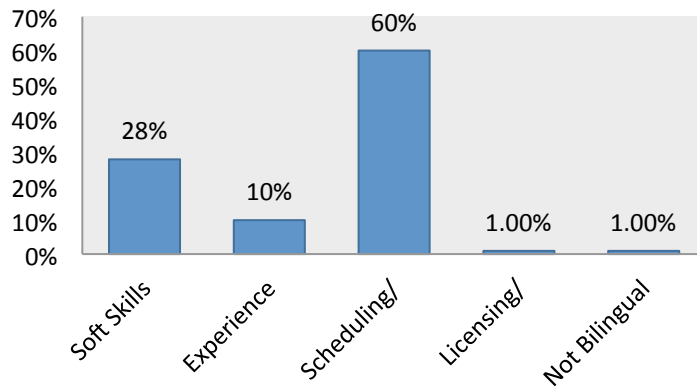
### Retail Sectors Represented

- |                                 |                                      |
|---------------------------------|--------------------------------------|
| Apparel Stores                  | Hobby Toy and Game Stores            |
| Appliance and Electronic Stores | Miscellaneous Retail Stores          |
| Children’s Clothing Stores      | Other General Merchandize Stores     |
| Full Service Restaurants        | Pet and Pet Supply Stores            |
| Grocery Stores                  | Specialty Food Services and Catering |

However, there are other issues that create challenges for employers to create high levels of job quality that are outside of the employee. For instance, employers expressed a challenge to promote or provide continuity in hours because much of their scheduling is dependent on sales. Employers experience lulls and seasonal increases. Additionally, because the workforce is so young, many attending college travel home during the holidays which is the busiest time of the year. Retailers cite that seasonal hires are often lacking professionalism, work ethic, and other skills that are critical during the most important time of their sales year.

Many of the retailers represented in this initiative are a part of a national chain. Some of the issues with this include ensuring that inventory is well-stocked and available for sales. Also, training is dictated by corporate offices and, often times, does not address the cultural nuances for workforce development of a border community.

## Most Pressing Retail Workforce Issues



employer survey, a surveying of military retailers may prove this to be a much larger challenge than currently represented.

Overall, 43% requested training in soft skills and an additional 23% desiring sales training. For specific retail segments, a desire to create a continuing education track to ensure workers stay abreast of the latest trends and integrate that into sales techniques (e.g., commission) was also discussed. Less than 1% requested support in management training.

## CONCLUDING REMARKS

As a result of the round table sessions, post-session evaluation feedback, and the sector-specific surveying, the following are next steps for continued advancement of the industry:

- Lead employers through “positive opportunities” first in order to lay the infrastructure to truly delve into identifying best practices for attracting and retaining talent.
- Finalize the listing of greatest talent needs.
- Provide a compilation of best practices for attendees later as a follow up to the roundtable session.
- Introduce non-traditional training options. For example, create referral systems between business and high school co-op programs.
- Conduct breakaway groups and possibly use white boards to encourage more discussion and engagement evenly across all participants.
- Get more employers by being more systematic, using phone calls for RSVPs and starting earlier.

One interesting find is that of retail stores located on base. El Paso is home to Fort Bliss military base, the second largest installation in the nation, contributing \$24.1 billion to the state’s economy annually. Retailers located in Eagle Crossing often employ military dependents who stated that many were not bilingual or were very transient, leaving as soon as their parents were deployed. Although this issue only represented 1% in the



**Appendix One**  
**Tourism Industry Round Table Discussion**  
**December 14<sup>th</sup>, 2- 4p.m.**  
**El Paso Convention Center**

I. JOINT WELCOME

a. Co-sponsors

- i. Workforce Solutions
- ii. Borderplex Alliance
- iii. City of El Paso
- iv. Destination El Paso

II. PURPOSE

a. Introduction of Industries

b. What To Expect

- i. Each table a different sub-sector
- ii. Facilitator, scribe (note taker), and reporter
- iii. 30-40 minutes of identifying business talent challenges
- iv. Report back to the group
- v. Training providers answer with training solutions
- vi. Closing- where are the themes, matches in training needs/training programs
- vii. Break for visiting TP exhibits/networking

c. Roles and Responsibilities of each group

d. Businesses, Training Providers, Economic Developers

Part I. Businesses articulate problems; all else listen only

Part II. Training providers pitch their programs; businesses and economic developers listen and ask questions at the end of pitch

III. TABLE DISCUSSION BREAK

IV. REGROUP & REPORT OUT

V. TRAINING PROVIDER INTRODUCTION

VI. NETWORKING

VII. CONCLUSION & EVALUATION