

# STAFFING UP

Labor Shortages Forcing Creativity  
In Concessions Hiring

BY ANDREW TELLJOHN







**Left, Above:** Paradies Lagardère has worked with organizations in local markets to identify and hire workers, and with airports to find pre-security space to train them so they're ready to work when badged.

Paradies Lagardère hasn't solved all its staffing and labor needs, but the company has significantly narrowed the gap.

The retail and food giant has created partnerships with several organizations in the local markets where it serves airports, such as Arizona at Work in Phoenix. It's working with veterans' groups and groups that support people with disabilities to find employees.

Working with local organizations in its airport markets has been a big help, says Donna Barton, vice president of human resources.

"It's actually exciting," she says. "We are making progress in many different areas."

Under exploration now is recruitment processing outsourcing, which would bring an outside firm in to help screen, interview and extend offers to workers so the company's internal staff could focus on making sure those who do sign on stay.

"It frees up their time to focus on onboarding, engagement and training of those new employees," she says.

## Flexible Hiring, Earlier Training, Beating The Badging Process

Seven months ago, as traffic was inching back up toward pre-COVID levels and demand for restaurants and retail venues was growing, operators struggled mightily to find and retain staff. And it still isn't easy.

Andy Weddig, executive director of the Airport Restaurant & Retail Association, says the same long-term challenges – getting to the airport to work, getting through security lines, parking onsite – are still applicable.

In addition, he says, airports must also contend with burdensome increased labor costs and with Amazon, which "has been busy not only setting the wage rates in this sector of the economy, but they've also sucked in the excess of employees."

As such, retention bonuses and increased wages already set above what similar locations might pay on the street have become routine. And most companies would likely not consider themselves fully staffed, by any stretch, he says.

That said, many operators around the industry have gotten creative and found some new strategies for filling their staffing vacancies and retaining their workers.

Another tactic employed by Paradies Lagardère and others is getting new employees in for training right away so that when they get approval for a badge from the Transportation Security Administration, they are ready to hit the ground running.

Paradies Lagardère is working with airport partners to try to find pre-security space where it is available. If it's not, the company is renting space in the community where the company can mimic airport concessions scenarios workers will face when they start.

"Having the location that allows us to give them thorough training before we actually have them on the floor customer facing, we need to do that behind the scenes," Barton says. "That's another area we are really focused on right now, which is going to make a huge difference – is already starting to make a huge difference – in retention."

**SSP America** also has been trying to mitigate the badging process by having new hires start working right away in pre-security locations where possible. "If we can somehow get around the waiting period for badging – not all airports will allow somebody to work in a pre-security environment without a badge – when we can, we are trying to do that," says Deputy CEO Pat Murray.

**High Flying Foods** has seen its staffing situation improve significantly in the last six months. President Kevin Westlye credits the company's expanded human resources team for some of the improvements.

The company has been far more flexible during the hiring process than in recent years, he says, holding jobs available for folks who might not be able to start right away due to vacations or the need to take time to care for sick family members. The company has agreed to move back start dates, but gotten badging processes started right away so, “when they return, they are ready to go,” he says.

## Benefits Ending, Laws Changing

Over the last year, High Flying Foods has spent more time and attention on retention, through improved benefits and the encouragement of greater community involvement. The latter enhancement was brought on through employee surveys conducted to help determine how the company could boost retention.

Every bit helps. Where at the beginning of 2022, the company was struggling to find staff to fulfill required hours of operation, it now is staffed well enough to be operating at full hours at all airport locations.

“It’s been steady and consistent.” Westlye says. “There was no one event that triggered it.”



**Above:** Collectively, the industry is still struggling to find workers, says Andy Weddig, executive director of the Airport Restaurant & Retail Association. Where they have, he adds, increased expenses still make hiring burdensome.

But external factors have played a role, as well, Westlye says. The end of enhanced unemployment benefits, in place during COVID, has driven an expanded labor force. During COVID, workers from California, he notes, could make more than \$1,000 a week between state and federal unemployment. Many who made that much were slow to return to work, though that’s starting to change.

“Perhaps people were saving money then but have spent most of that savings and are slowly returning to the workforce,” he says. “That’s been beneficial.”

Another change that has helped not only recruit but also retain cooks in California are recent law changes cutting in cooks and back-of-house workers on tip pools. Retention is up in the California airports served by High Flying Foods, Westlye says.

“Historically, when cooks were not allowed in the tip pool, when it was busy, they didn’t like it because they simply had to work harder,” he says. “The front of the house liked it because they could make more money. Now that cooks get a small slice of the pie from the tips, they also like when it’s busy. So, the teamwork, the morale, the camaraderie, and the paying attention to little things like extra mayo or no mayo, is going much smoother over time. We see the future where tip pools, at least in California, are part of how you recruit and retain cooks.”

## Cash Talks

While companies have spent significant time and resources on hiring and retention, sometimes it just comes down to cash. Rod Tafoya, president and founder of **Mission Yogurt**, says those who work at his restaurants at **Denver International Airport (DEN)** have significant challenges with getting to work, what with the airport being located so far out of city limits.

He’s testing out a \$100-per-week travel stipend to help offset the costs.

The company already had implemented its “Talent Knows Talent” referral program that has led to 70 hires and “Mission Cares,” a nonprofit founded in support of company employees who can apply for rainy-day grants for unforeseen hardships. Mission employees can both contribute to the fund or apply for the grants.

The \$100 stipend is new and will be studied for tweaks or expansion.

“It considers the amount of time that our team has to allocate out of their day to come to work at the airport,” Tafoya says. “It can be a challenge and time consuming for the crew to get there.”

This would be in addition to the company’s policy of paying for parking or for Regional Transportation District train passes. The program is just getting started. Tafoya anticipates having about 350 of his employees interested in the program. He’ll be hiring a bunch more over the next year, as well, with several new locations opening in the first quarter of 2023.

“We need to consider that as part of our hiring,” he says. “We’ll gain some insight after a month to see if we get a few more people interested in coming to the airport.”

Opportunities to increase pay helped **LaTrelle’s Management Corp.** stay close to fully staffed throughout the busy summer months, as well, says Chris James, business development director. In some locations, the company offered \$2-an-hour pay bumps through the summer and all hourly employees received a \$500 bonus for working through the summer, which significantly reduced turnover.

LaTrelle’s implemented a referral bonus of up to \$300 for employees who find someone who stays on for at least 30 days. And, in locations where brands allowed it, the company implemented tips that can equal \$7 to \$8 an hour more in additional pay.

“Nothing crazy, but it has worked for us,” James says. “We’re nearly fully staffed in the majority of our locations at this point.”

## Technology Adds Versatility

Walk-in stores have and self-checkouts have been popular with customers and have made existing employees more versatile, says Alysa Zawistowski, senior vice president of people with **Marshall Retail Group/InMotion**.

WHSmith, she says, had previously utilized the technology. Its implementation system-wide “helps with customer service and allows the existing employee base to be more flexible, agile and productive while improving sales in general,” she says. “Just Walk Out Technology may also help in the long run, but employees are still required to act as ambassadors. To help educate the passenger, management oversight is still required.”





As such, the company still needs employees. And Zawistowski agrees with those saying the talent pool has deepened recently, as people return to work. Her company has focused major recruitment efforts across its portfolio based on increased hourly rates and benefits.

Paradies Lagardère's Barton agrees both that the technology-based stores are important and that they do not eliminate the need for quality workers.

"It's redirecting that labor to where we can be really providing that first-class service we want to have," she says. "We want to make sure we have our products lined up so our customers are not having to wait. It's taking the associates we have and being able to redirect them to be more customer facing."

## Airport Contributions

Many airports have held job fairs and conducted community outreach to help draw employees to the airport for all their partners. A few have found ways to stand out. Paradies Lagardère's Barton says **Charlotte Douglas International Airport (CLT)** has been particularly helpful in helping source employees through job fairs.

And **Indianapolis International Airport (IND)**, according to SSP's Murray, helped its concessionaire partners pay bonuses to any

employee who picked up extra shifts during the holiday season in 2021.

Airports have been a mixed bag in the levels to which they've assisted operators, he says. But starting at the top with IND Executive Director Mario Rodriguez and Senior Director for Commercial Enterprise Marsha Stone, officials there have "taken the view that you get more with a carrot than with a stick," Murray says. "That's helped a lot."

Through the airport's "Launch to it" program, the airport offered \$100 a week for six weeks, for a maximum of \$600, for any worker who took on extra shifts, says Brian Shaw, director of concessions and air service at IND. Almost all the airport's business partners participated in the program and the result was increased staffing that allowed a lot of locations to stay open longer.

"The thought process was to be part of the solution," he says. "We take a lot of pride and value in being as good a partner as we can with our operators. At the end of the day, we live and die with the quality of their staffing and the numbers of their staffing."

IND is looking at overhauling its employee recognition program. It's likely going to reprise the "Launch to it" program heading into the 2022 holiday season. It's also providing gift cards or gas cards for operators to give to employees who drive

**Above:** SSP America added a recruiting department that previously had been unnecessary to source hourly workers. Staffers also have gotten used to handling tasks more efficiently.



**Below:** During the 2021 holiday season, Indianapolis International Airport helped operators pay bonuses to any employees who picked up extra shifts. Officials say they want to be part of the staffing solution for their partners.

to work, and is looking at providing support for operators to help offset the costs associated with those businesses paying for Uber or public transportation for their workers. These programs come on the heels of employee surveys that shone a light on the transportation difficulties faced by concessionaire workers.

"Employees live kind of far from work and it's difficult for them to get to work because of the lack of public transportation," Shaw says. "We're taking that info in real-time and trying to institute ways to help employees out and help operators out, as well."

Many airports, adds Zawistowski, continue to help by being flexible in re-opening stores and in the hours stores are open, industry sources say. However, the airport community collectively "could do a much better job, collectively, talking up the opportunity for a career in aviation, as we basically cover a tremendous amount of varying roles that could offer a long-term solution, not just a short-term fix," she says. "This would help lift the bar for all stakeholders."

## Unusual Times

While the employment picture for many operators has improved at least a bit over the last six months, Murray says it remains just a bizarre time to be in the restaurant sector, airport or elsewhere.

"We're in the oddest spot for labor in gosh knows how long," he says. "I've lived through labor challenges in my restaurant time, but nothing like this."

Between the lingering psychological effects of the pandemic, concerns with inflation and a possible recession, significant increases in wages and "other stuff, it has just changed things," he says.

SSP has, as others have, instituted significant retention bonuses for employees who stick around three months or longer and wage increases for those who show up for all their shifts. The company has added a recruiting department it did not previously have and tapped it with the responsibility of finding hourly workers.

"You're working on every kind of new edge to find employees" Murray says. "You're trolling the Internet for people, you're setting up outreach events, etc. If I dumb it down to where are we, I think we're marginally different than we were heading into the summer."

On the upside, he adds, the company is, out of necessity, probably operating a bit more efficiently than ever before.

"You just kind of get used to it, unfortunately," he says. "You get used to getting things done that weren't practical previously." ■







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