

# Sectoral Brief

## Commerce

### Social Dialogue

More than in any other sector, social partners in commerce recognize a very close direct correlation between customer and employee satisfaction. Because commerce workers, especially in retail trade, interact extensively with shoppers and customer service is a fundamental differentiator across the industry, a happy employee usually makes for a happier customer. Conversely, unfriendly or grumpy service staff is a guaranteed turn-off for the average customers who are unlikely to tolerate unhelpful or unfriendly service and are certain to vote against such retail outlets with their wallets. There is therefore acceptance by both employers on one hand, their workers and trade unions on the other, that cooperative labour-management relations are crucial to profitable and sustainable commerce businesses. In this regard, social dialogue is increasingly recognized as an important tool for maintaining and enhancing a harmonious industrial relations climate, most importantly when managing change.

The tripartite meeting on social and labour implications of the increased use of advanced retail technologies, held in Geneva in September 2006, examined the role of new technologies in shaping the employment landscape in commerce, adopting a set of conclusions emphasizing the need to reconcile the interests of all stakeholders in the face of an ever-changing sectoral environment. The conclusions identify factors driving technological and structural change in the retail industry and their employment effects; emphasize balancing enterprise flexibility, worker security and employability in the context of introducing advanced retail technologies; underline social dialogue and harmonious industrial relations for long-term productivity growth and improved employment conditions; and propose action by the ILO to assist and support constituents to advance the Decent Work Agenda in the sector.

The global dialogue forum on vocational education and skills development for commerce workers, held in Geneva in November 2008, similarly examined current and future skills needs in the sector as a basis for designing skills development strategies and vocational education programmes for workers. The forum's points of consensus cover issues relating to: 1. Ensuring training meets the evolving skills requirements of large, small, medium-sized and informal commerce enterprises while enhancing commerce workers' employability; 2. Improving vocational training systems and making them more responsive to the needs of commerce enterprises for better skilled staff; 3. Key elements of action plans to improve commerce workers' skills and employability; and 4. Skills forecasting and skills identification systems.

Another global dialogue forum on adapting work processes and the working environment in retail commerce to the needs of older workers in relation to changing work processes and the working environment in retail commerce was held in Geneva in September 2011. Noting that high labour turnover in the industry will have major implications for its prospects in terms of competitiveness and development in a context of ageing populations and current or future labour shortages, the forum proposed measures to attract and retain older workers in terms of employment; working conditions; occupational health and safety; flexible working; and training and staff development.

The focus of the sectoral social dialogue in recent years has generally been on its value in change management, whether as a result of globalization and restructuring; mergers and acquisitions-related restructuring; or as change derives from the labour effects of technological innovations. The key issues for social dialogue have revolved around:

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- a) maintaining workers' employability, training, education and health in the long term;
- b) enhancing customer service and customer satisfaction, while improving business efficiency, productivity and profitability through the redeployment of staff to jobs involving new skills; and
- c) assisting staff to obtain new skills required by dynamic labour markets and thus remain employable and earn adequate wages.

This social dialogue recognizes the exceptionally strong direct relationship between worker satisfaction and the productivity and profitability objectives of enterprises in the sector.