



Reclaiming Store Labor in Canada

Putting Hours Back on the Sales Floor



Executive Summary

Canadian retailers are not short on labor effort — they are short on productive, customer-facing time. The opportunity is not to add hours, but to convert the effort already in stores into visible selling, service, and execution.

Even with continued investment in store labor, execution gaps persist. Associates are increasingly pulled into a growing set of operational exceptions that compress the time available for consistent customer engagement and floor-ready execution.

That pressure is intensifying in a Canadian market where demand, wages, and shopper expectations are all rising at once:

- Monthly retail sales reached **\$73.0 billion** in April 2026¹
- Retail sales grew **2.1% in Q1 2026** — a seventh consecutive quarter of growth²
- Average retail wages rose to **\$23.08 per hour** in 2024³

The implication is clear: every labor hour must work harder — not by asking associates to do more, but by removing the friction that keeps their time from creating value.

The Challenge: Labor Is Being Misallocated

Store operations have absorbed steadily more complexity without redesigning the work around it:

- More frequent price changes and resets
- Greater volatility in deliveries
- Growing omnichannel fulfillment demands
- A rising volume of exception-based work

The result is a structural shift in how store labor is consumed. Associates now spend more of the day reacting to task flow, exceptions, and timing issues — and less of it serving customers, replenishing the floor, and protecting the shopping experience.

This misallocation rarely shows up cleanly in a labor budget. A store can look appropriately staffed on paper yet still struggle when work arrives at the wrong time, in the wrong sequence, or with too many avoidable interruptions.

¹ The Daily — Retail trade, April 2026

² The Daily — Retail trade, March 2026

³ Retail trade - 44-45 - Salaries and wages - Canadian Industry Statistics - Innovation, Science and Economic Development Canada

The Canadian Context

The core issue is global, but several features of the Canadian market sharpen the labor equation:

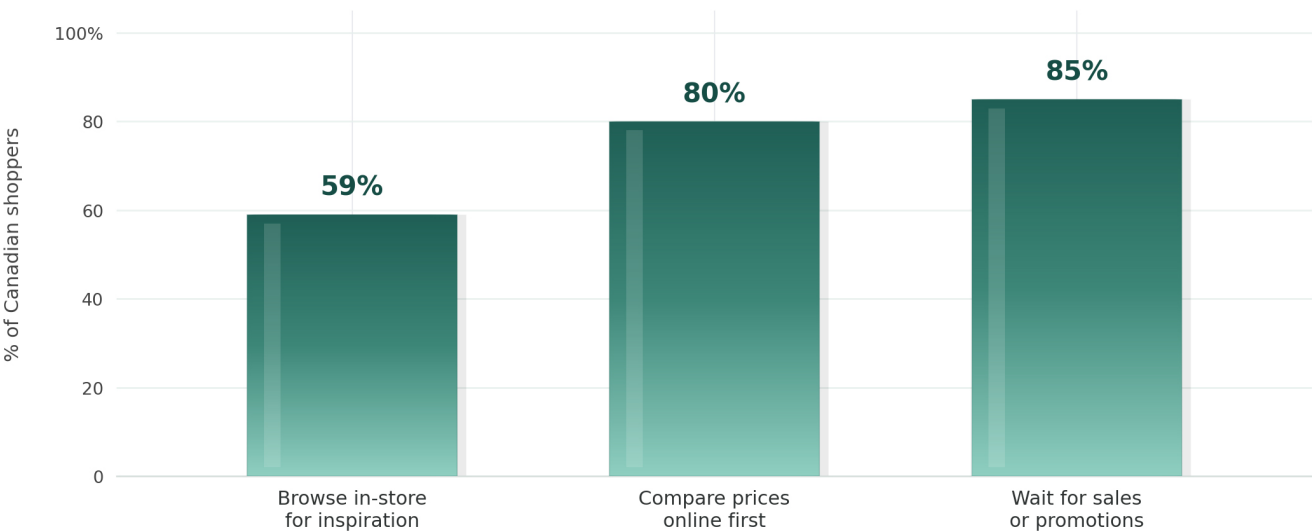
- **Geographic dispersion** — longer supply chains and greater operational variability
- **Store-as-fulfillment model** — a heavier burden carried by store labor
- **Regional labor-cost pressure** — a rising cost attached to inefficient work

Customer Behavior Insight

- **59% of Canadians** plan to browse in-store for inspiration
- **80%** compare prices online before purchasing
- **85%** wait for sales or promotions

Together, these behaviors point to one reality: stores remain central to the shopping journey, but customers now expect them to deliver inspiration, efficiency, service, and value simultaneously.

How Canadian Shoppers Approach Retail



Canadian shopper behavior — see note 4.

⁴ Canadians Keep Gift Spending Steady — and Push Deal-Hunting to New Heights - Retail Council of Canada

The Core Insight

This is not primarily a staffing problem. It is a **process-design problem** — one that determines whether labor is spent on planned, customer-relevant work or absorbed by avoidable operational noise.

Most store operating models were never designed to protect customer-facing time. Instead, they let upstream volatility land directly on the floor:

- Work arrives unpredictably
- Tasks are sequenced for upstream convenience
- Stores absorb variability in real time

The Guiding Principle: Design Operations Around Customer Time

Customer-facing time should be treated as a scarce, valuable operational asset — measured, protected, and actively managed with the same discipline as inventory, margin, or payroll.

The strongest operators reframe the management question from volume to timing and impact:

FROM “How do we get all the work done?”

TO “How do we ensure the right work happens at the right time — with minimal disruption to customers?”



Three Principles of High-Performing Stores

1 Proactive Operational Visibility

Advance visibility into deliveries, workload drivers, and exceptions before they disrupt the day — so managers plan labor around customer traffic rather than react to surprises.

2 Frictionless Product Flow

Faster movement from truck to shelf, with fewer delays between receipt, staging, replenishment, and selling availability — fewer touches and fewer backroom bottlenecks.

3 Strategic Task Sequencing

Non-customer work deliberately moved outside peak hours wherever possible, reducing congestion when traffic is highest and keeping associates available for customers and priority execution.



Where Labor Is Lost: Six Critical Store Processes

1. Inbound Visibility & Delivery Reliability

Unplanned or unreliable deliveries force real-time labor reallocation, pulling associates off the selling floor.

Canadian reality: transportation variability and long-haul logistics raise disruption risk, making advance visibility especially important.

2. Backroom & Truck-to-Floor Execution

When product lingers in the backroom, stores lose selling time and associates handle the same inventory multiple times.

3. Merchandising, Pricing & Change Management

Frequent resets, promotional activity, and price updates pull labor from customers during peak hours when tasks are not sequenced and simplified.

4. Omnichannel Fulfillment

BOPIS and ship-from-store expand customer options but compete directly with service when fulfillment work is not clearly prioritized and timed.

Key insight: official data shows e-commerce is a meaningful but still-developing share of Canadian retail, so stores must support selling and fulfillment simultaneously.

5. Front-End & Daily Routines

Opening, closing, and daily service routines carry redundant or low-value steps that accumulate into meaningful lost time across the week.

6. Enablers: Labor, Tools & Governance

Sustained improvement requires changing the operating system around store labor, not just the task list: labor aligned to traffic, tools that surface exceptions, and clear store-level decision rights.

The Canadian Retail Market at a Glance

Demand, momentum, and wage pressure are all climbing together — which is exactly why timing and process discipline now carry a higher premium.

\$73.0B

Monthly Retail Sales

April 2026

+2.1%

Q1 2026 Sales Growth

7th Straight Positive Quarter

\$23.08

Avg. Retail Wage

per hour, 2024

Canadian retail market indicators — see notes 1–3.

Labor Cost Reality

Average retail wage: **\$23.08 per hour** in Canada (2024)³.

As wage floors rise, every inefficient hour costs more — making process discipline a margin and service imperative, not just an operational preference.

The Outcome: Reinvesting Time Where It Matters

Reclaiming store labor is not about working associates harder. It is about removing friction so effort converts into customer-facing impact and stronger execution. Retailers that redesign store processes around customer time can turn operational discipline into results visible on the floor:

- More hours on the floor during peak traffic
- Faster, more accurate execution
- Reduced manager overload
- Improved conversion and customer satisfaction

Why This Matters in Canada

Several forces are converging: retail demand keeps growing, labor costs keep rising, and customers are more informed and value-focused. The margin for inefficiency has never been smaller. The tolerance for inefficient work has never been lower, and the cost of poorly timed work keeps climbing.

Bottom Line

Canadian retailers do not simply need more labor. They need more intentional use of labor — with store processes designed to protect the moments that matter most to customers. Those who redesign store operations around customer-facing time will be better positioned to:

- Improve service and conversion
- Absorb operational complexity
- Deliver consistent execution across diverse markets

The retailers that win will not be those with the most labor — they will be the ones that use it most deliberately, with operating models that turn store effort into measurable customer and execution impact.

MEET THE EXPERTS



Keith Jelinek

Senior Managing Director
keith.jelinek@ankura.com



John Frehse

Senior Managing Director
john.frehse@ankura.com



Emily Warden

Director
emily.warden@ankura.com



Ankura Consulting Group, LLC ("Ankura") is a leading global consulting and expert advisory firm that partners with organizations at critical inflection points. Driven by its mission — Driving Excellence, Delivered with Humanity™ — Ankura delivers end-to-end solutions across conflict, crisis, performance, risk, strategy, and transformation by combining the judgment of seasoned, multidisciplinary experts with advanced technology and analytics. With more than 2,000 professionals serving 3,000+ clients around the world, Ankura brings deep industry insight, collaborative problem-solving, and innovative tools to help clients protect, create, and recover value. For more information, please visit ankura.com.