

# A Leadership **PEOPLE STRATEGY** for Food Retailers



- ▶ **ATTRACT**
- ▶ **RECRUIT**
- ▶ **TRAIN**
- ▶ **RETAIN**

**Project 10** May 2003

a study conducted for

**THE COCA-COLA**

**RETAILING RESEARCH GROUP,  
EUROPE**

by Roland Berger

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# FOREWORD

The Coca-Cola Retailing Research Group, Europe (CCRRGE) is dedicated to the development of a better understanding of the food retailing and allied merchandise distribution business in Europe. The focus of its energies is to identify, and then to study, selected critical issues and problems and, when appropriate, to present the findings in a suitable forum, so that full advantage of the information can be taken to further develop and enhance the effectiveness of the food retailing distribution business.

This report represents the finding of a study commissioned by the CCRRGE to consider the relevant employment issues and trends in food retailing in Europe, and to recommend best practice in attracting, recruiting, training and retaining people in this sector.

The project was carried out by Roland Berger Strategy Consultants and the work took place from May 2002 to April 2003.

More information about the work of the **Coca-Cola Retailing Research Group, Europe** and how to order further copies of this report can be found at [www.crrge.com](http://www.crrge.com)

# ACKNOWLEDGEMENTS

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# CONTENTS

	Page
About this Report	1
Executive Summary	3
<b>1 THE CHALLENGE: FOOD RETAILERS MUST BECOME EMPLOYERS OF CHOICE</b>	<b>8</b>
<b>2 EXECUTING A SUCCESSFUL PEOPLE STRATEGY</b>	<b>17</b>
<b>3 RETAINING AND MOTIVATING COMMITTED EMPLOYEES</b>	<b>31</b>
<b>4 ATTRACTING THE RIGHT PEOPLE INTO FOOD RETAILING</b>	<b>39</b>
<b>5 RECRUITING THE RIGHT PEOPLE</b>	<b>45</b>
<b>6 TRAINING THE SKILLS OF STORE EMPLOYEES</b>	<b>52</b>
<b>7 THE PEOPLE STRATEGY COCKPIT</b> MANAGING A SUCCESSFUL PEOPLE STRATEGY	<b>61</b>
<b>APPENDICES 1 - 8</b>	<b>69</b>

## ABOUT THIS REPORT

To remain successful in an increasingly competitive and fast-paced market, food retailers need a dedicated and skilled workforce, especially in their stores. Food retailing is, and will remain, a “touch and feel” people business, where technology might replace functions that are repetitive and low value-adding, but where passion, creativity and superior know-how in all customer-facing activities will increasingly separate the winners from the losers in the marketplace.

The focus of competitive advantage in food retailing is moving away from the process-oriented tasks that computers can do, towards the human tasks that computers cannot do: ‘people things’, needing sensitivity, imagination, inventiveness, inspiration – all things where store employees can make a real difference. But many food retailers are having trouble finding and retaining suitable employees, particularly those with the right attitudes and skills; the industry is not seen as a “first choice” by many prospective and current employees who want work that they find interesting, challenging and satisfying; they also want to feel that their talents and skills are being developed.

To make their companies a more attractive place to work, food retailers must invest in their employees, and address the major problems they face in attracting, recruiting, training and retaining high quality people.

‘A Leadership People Strategy for Food Retailers’ is the tenth in a series of research projects to be undertaken by the Coca-Cola Retailing Research Group, Europe. Its purpose is to identify the relevant employment issues and trends in food retailing in Europe and to recommend best practice in attracting, recruiting, training and retaining people in this sector.

The work is intended to complement the CCRRGE’s previous report: ‘The Store of the Future’, which was published in October 2001. This report predicted significant shifts in shopping behaviour over the next 15 years and, as a consequence, the need for food retailers to adapt their store formats, and to define and implement appropriate consumer relationship strategies. The implication for those retailers who seek to create an ever-closer relationship with their consumers, is that they will increasingly depend upon having the right people working in their stores.

This study is targeted at senior executives, human resources and store managers, and aims to answer the following questions:

- ▶ What are the influences of a retailer’s corporate strategy on required attitudes and skills of store employees?
- ▶ What can be done to increase commitment and motivation of high achievers at store level?

- ▶ What role does the store manager play in implementing both business and people strategy?
- ▶ How can food retailers benefit from best practice in other customer-facing industries to improve the attraction, recruitment, training and retention of store employees?
- ▶ How can HR activities be monitored and continuously improved?

The study is based on an in-depth analysis of grocery retail employees and human resources activities of major food retailers, as well as best-in-class companies in other customer-facing industries. The research work builds on three main sources:

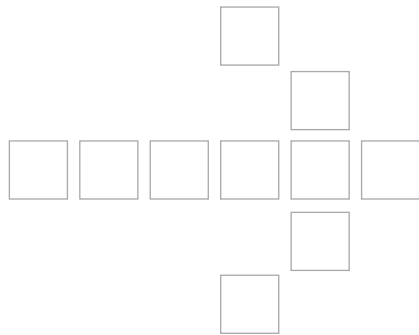
Desk research and workshops with executives from 14 CCRRGE member companies to develop a clear understanding of the problem and the scope of possible solutions.

Benchmarking of human resources activities of food retailers and best in class companies in other customer facing industries. Fifteen interviews with HR managers and company executives added in-depth knowledge to the quantitative data.

A survey of 660 top performing store employees from three European countries (France, Poland and Germany), to understand the drivers of organisational commitment and motivation.

‘A Leadership People Strategy for Food Retailers’ emphasises the need for food retailers to become employers of choice, and provides a strategic framework and the human resource tools for use at store level, along with easy-to-use checklists for the successful implementation of an effective People Strategy.





# EXECUTIVE SUMMARY

## A Leadership **PEOPLE STRATEGY** for Food Retailers

**The Challenge:** Food retailers must become employers of choice

- ▶ Executing a successful people strategy
- ▶ Retaining and motivating committed employees
- ▶ Attracting the right people into food retailing
- ▶ Recruiting the right people
- ▶ Training the skills of store employees
- ▶ The People Strategy cockpit – managing a successful People Strategy
- ▶ Conclusion

### **The Challenge: Food retailers must become employers of choice**

Food retailers are experiencing significant human resource problems. Many already have trouble finding and keeping suitable employees to work in their stores and socio-demographic and consumer changes will make the situation worse in the future.

Despite being one of the largest private sector employers in Europe, the food retailing industry is not considered to be an employer of choice. It fails to meet the expectations of current and potential employees in terms of work content, learning opportunities and work/life balance.

High employee turnover in food retailing of up to 30% leads to significant costs. Taking action to reduce these costs could improve operating margins by up to 0.5 percentage points.

The situation is aggravated by demographic developments, such as a shrinking workforce, an aging population and the changing value systems and expectations of potential employees.

Customer-facing employees, especially store managers, are fundamental to the delivery of superior customer satisfaction and the successful implementation of business strategies. However, despite their importance, employee needs, behaviour and attitudes are often not properly understood.

By failing to adopt best practice strategies and processes, many food retailers' HR departments are not dealing with these challenges appropriately.

Additionally, only a few European food retailers use tools and methods common in other consumer-facing industries for attracting, recruiting, training and retaining store employees.

### **Executing a successful people strategy**

Aligning retail and people strategies will be a key success factor for food retailers in the future. Each retail strategy requires different attitudes and skills from store employees. Overall, the emphasis on attitude and leadership is much greater for store managers and employees working to service-oriented strategies because of their greater consumer involvement, higher service level and the freedom to make their own decisions.

It is critical that food retailers understand their employees. This study focuses on high achievers – those employees fulfilling the required attitudes and skills for their position and showing a high commitment to their work. 660 high achievers working in hyper and supermarkets were interviewed. The survey shows that the competitive success of their employer and the work challenges of their job have a major influence on organisational commitment. Leadership is highly important

for department managers and non-managerial staff.

By their leadership, store managers play a crucial role in motivating and retaining employees. They represent the company; embody its culture and values; they lead their sales staff on a daily basis, ensuring satisfaction for customers and store performance.

### **Retaining and motivating committed employees**

The required leadership style for store managers depends on the retailer's business strategy and positioning. Store managers of transactional retailers have a relatively low leadership complexity. They have clear and precise rules and processes to work to and therefore act more as "manager".

On the other hand, store managers of partnership retailers have to assume a greater leadership role, encouraging new ideas, being willing to take risks and so act more as "leader".

Leadership principles have to be in line with the overall company strategy and should be derived 'top down', based on company vision and strategy and 'bottom up', based on employee surveys.

Crucial activities to increase commitment and motivation of store staff include: a focus on employee retention at store level; the assignment of responsibilities and involvement of store employees in developing joint solutions; the creation of challenging tasks; good communication and information-sharing on goals and results.

Since store managers play such a key role, analysing their performance and improvement potential through 360 degree feedback is vital. This type of assessment helps store managers to understand how effective they are and the consequences of their actions – good and bad.

### **Attracting the right people into food retailing**

To attract the right candidates, it is key to understand the decision criteria they use to select their employer. To appear attractive, food retailers first have to communicate that the company fulfils the expectations of its current employees. Once food retailers make themselves attractive on the inside, they become more attractive on the outside as well. Expectations of potential employees are influenced by the retailer's business strategy and are different for each target group - school leavers, older employees, part-timers or women.

The poor employer image of food retailers, combined with demographic changes, will require an increasingly active search for suitable candidates. It is very efficient to involve current high achievers in the process of attracting new store employees. Family members and friends are also important. For most

participants in the employee survey, the most common source of initial contact with their employers was through relatives or friends.

All attraction methods should build on the retailer's corporate identity and the internet will become increasingly relevant for attracting younger target groups such as school leavers and students.

### Recruiting the right people

Trends in food retailing and related industries show that the focus of recruiting should shift away from an analysis of skills, towards the exploration of candidates' attitudes.

Attitudes will become increasingly important for those retailers pursuing partnership or retailer-driven strategies. Attitudes tend to be innate, while work skills can be quickly acquired through experience or training.

A wide variety of powerful recruiting tools - such as structured interviews, aptitude tests and personality profiling - are being used by best practice companies to assess the attitudes of prospective employees.

The recruiting process itself should be fast and efficient, so that good candidates can receive early feedback and are given a good impression of their prospective employer. Through these measures, food retailers can actively enhance their image in the labour market.

### Training the skills of store employees

While the *recruiting* process should focus on hiring employees with the right attitudes, the *training* process will focus on adding to their skills.

Successful training starts right from the first minute of employment. Best practice food retailers use thoroughly planned induction programs to create a good first impression, to demonstrate their commitment to new employees and to stress cultural values.

The concept of knowledge as a corporate asset elevates learning to a strategic level for the delivery of competitive advantage. Web-based E-learning is being piloted by some progressive food retailers. Organising training through a *corporate university* coordinates training know-how and HR measures with strategic and cultural initiatives.

### The People Strategy cockpit – managing a successful People Strategy

Successful implementation and management of the People Strategy requires proper monitoring of key measures and results. Each HR process should be measured: from retaining store employees, to attracting, recruiting and training them effectively. Without knowing the results of HR activities, it is impossible

to manage them properly. The *people strategy cockpit* provides such a controlling function.

The *people strategy cockpit* focuses on a few key performance indicators for each of the HR processes: retention, attraction, recruitment and training. Taken together, these components give store managers, the human resources department and the board members a quick and comprehensive understanding of the impact of their People Strategy.

The implementation of the People Strategy must be supported by an effective HR organisation. The presence of a board-level HR director shows that people count and are crucial in delivering superior customer value.

### Conclusion


For the food retailer, the delivery of good quality customer service and the creation of satisfied customers will become increasingly reliant upon a committed, competent workforce. The importance of having an effective People Strategy will assume an increasing priority as food retailers compete in a tightening labour market to attract and keep the best people to work in their stores.

A Leadership People Strategy for Food Retailers has developed several new and innovative concepts:

- ▶ The identification of the drivers of organisational commitment for high achievers among food retail employees
- ▶ The definition of employee work attitudes and skills most appropriate to different retail strategy types as a prerequisite to aligning Corporate and People strategy for food retailers
- ▶ The development of a coherent and practical HR Process measurement system for food retailers

Additionally, the study identifies:

- ▶ The need for improved employee understanding in food retail
- ▶ The crucial role of the Store Manager in successful store operation
- ▶ A structured approach to implementing a successful People Strategy
- ▶ Best practice examples for attracting, recruiting, training and retaining store employees

A decorative graphic consisting of a grid of squares. The word "Chapter" is written in a grey, sans-serif font, with the letter "C" partially overlapping a square. To the right of "Chapter" is a large, bold, red number "1".

# Chapter 1

## **THE CHALLENGE: FOOD RETAILERS MUST BECOME EMPLOYERS OF CHOICE**

- 1.1 Image, recruitment & retention problems lead to increased costs for food retailers
- 1.2 Demographic change & employee expectations will aggravate the situation
- 1.3 Changing consumer demands impact food retailers & their employees
- 1.4 European food retailers fail to adopt “best practice” HR strategies & processes

“It is our job to keep the best store-level employees within the company  
– the longer people stay, the more efficient they are at work”

**Jacques-Edouard Charret, Groupe Casino**

## The Challenge: Food retailers must become employers of choice

Food retailers are experiencing significant human resource problems. Many already have trouble finding and retaining suitable employees, but socio-demographic and consumer changes will further aggravate the situation, forcing food retailers to take action quickly and effectively.

### 1.1 Image, recruitment and retention problems lead to increased costs for food retailers

#### 1.1.1 European food retailers are among the largest private sector employers

From a macroeconomic perspective, retailing is one of the largest private sector employers in Europe. For example, in the UK the retail industry is the largest sector, employing 3.0 million people, which represents 10.1% of the workforce. In Germany, the retail industry is the second largest sector, with 6.8%, slightly exceeded by the construction industry with 7.3%. Other service industries, like banking and insurance, provide fewer than half the jobs offered by the retail industry. Many *food* retailers are also among the biggest private employers - e.g. *Wal-Mart* is the biggest private employer worldwide with more than one million employees in the US alone. Worldwide, *Carrefour* and *Ahold* employ 380,000 and 450,000 people respectively, while *Tesco* is the biggest private employer in the UK with 193,000 employees.

#### 1.1.2 Food retail companies are not seen as being employers of choice

Different employee target groups have widely varying opinions on retail companies. School leavers - one of the major target groups - show very little interest in retailing – over half cannot imagine working in retail, citing unattractive job content, high stress levels, low salaries and long working hours as the main reasons. A second group of potential employees are workers from other service industries, such as hotels, restaurants or banks. These employees usually have a sound basic training and the crucial customer service experience, but they hardly ever switch to retail, despite the offer of attractive job roles and career paths.

*School leavers and workers from other industries are not attracted by retail working conditions*

Potential employee target groups have different expectations regarding their work. For example, young people deliver high work performance only if the work they are doing makes sense and is enjoyable. A study has shown that 73% of teenagers in the year 2000 were *performance oriented*; up from 69% in 1996. School leavers (employees under 20 years of age) also expect good training and proper learning opportunities in order to build a solid foundation for their career. The picture changes for other age groups: employees aged between 20 and 30 years expect challenging work and career development opportunities; employees older than 50 are strongly motivated by good working conditions and targeted training.

Working mothers - another major target group - are interested in challenging work as well, but they require part-time work and flexible working hours that can be adjusted according to their needs. Although retailers have up to 80% female employees (many of whom are mothers), expert interviews have shown that the need for flexibility is rarely met. The working conditions for this large group are often so disadvantageous that many do not stay in retail and even see unemployment as a more attractive option.

*Different employee target groups have different expectations*

Because of their failure to meet the expectations of these various employee target groups, food retailers are finding it increasingly difficult to attract and retain store-level employees. High employee turnover also leads to considerable additional cost.

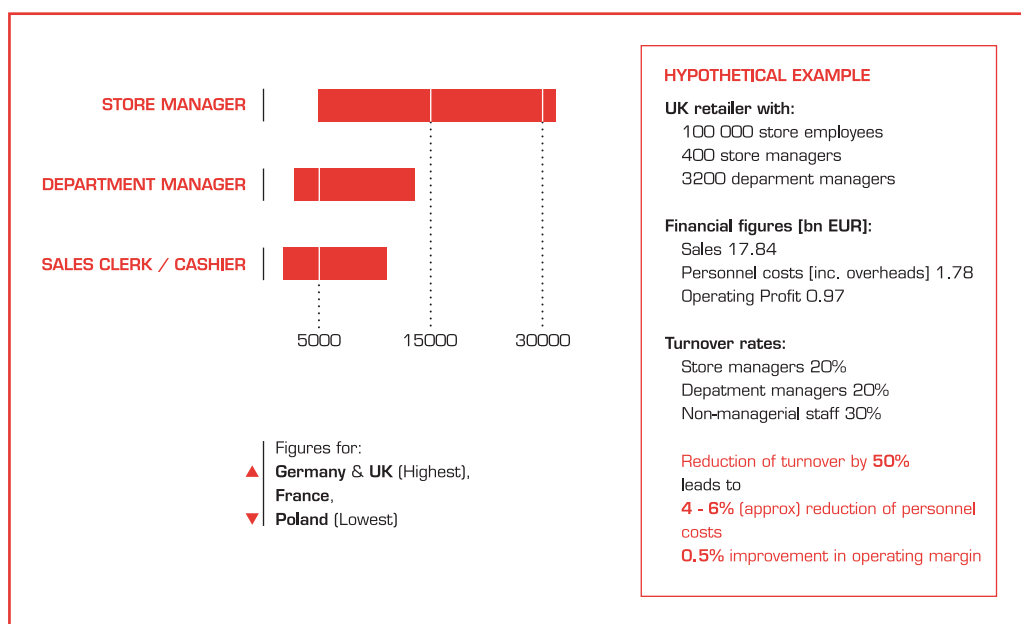
### 1.1.3 High employee turnover in food retailing is costly

Staff turnover rates of more than 30% are no exception in food retailing, significantly impacting the bottom line for food retailers, due to the constant need to attract, recruit and train new employees. Given the numbers working in food retailing, this easily adds up to thousands of jobs that need to be filled each year. High staff turnover also creates costs for terminating employment contracts. The hidden costs due to the lower performance of new employees are harder to measure, but undoubtedly exist.

*Staff turnover causes significant costs – visible and hidden*

Estimates of the replacement cost per employee vary across different hierarchical levels and countries, ranging from 2,000 EUR for a sales clerk in Poland, to 32,000 EUR for a store manager in the UK or Germany.

**Figure 1** Replacement cost range per employee





### 1.1.4 Improving employee retention rates leads to significant cost savings

It follows that the potential cost savings for food retailers are significant. Take, for example, a hypothetical UK retailer with 100,000 employees, employee turnover rates of 20% for store and department managers and 30% for non-managerial staff. If staff turnover rates could be reduced by 50%, it would generate an annual cost saving of approximately 90 mil EUR for the retailer – a reduction in personnel costs of between 4% and 6% per store, depending on their personnel costs ratio. This could equate to an improvement in operating margin of up to 0.5 percentage points. (See Appendix 1 for cost saving calculation)

*Customers require a consistent level of quality that can best be delivered by experienced staff*

High employee turnover at store level can also have a serious customer service impact. Customers expect to receive a consistent standard of service and store employees with sufficient experience are better qualified to meet this requirement. As the demands and expectations of consumers change, so the focus on employee retention will become even more important.

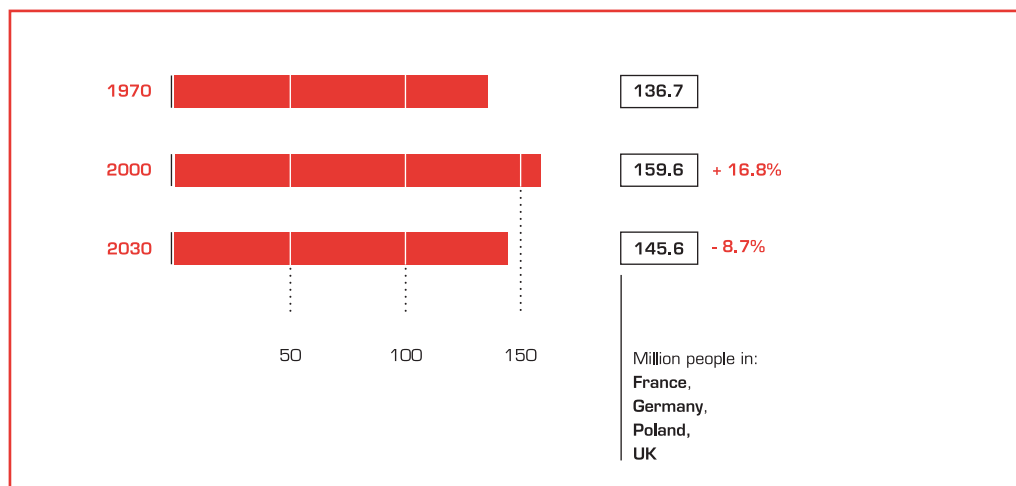
## 1.2 Demographic change and employee expectations will aggravate the situation

### 1.2.1 Working population is falling

*Demographic developments are seriously aggravating the situation*

A key socio-demographic effect exacerbating the current situation is the fall in the working population. For instance, the French, German, Polish and British population aged 15 to 64 years will decrease by 8.7% between 2000 and 2030 from around 160m to 146m people. As the working population diminishes, so the competition for suitable employees will increase. The image of food retailing as a potential employer will become increasingly important, as will its ability to attract older workers into the business.

**Figure 2** Population<sup>1</sup> aged 15 - 64 will decrease 8.7% by 2030



Source: OECD, CRRGE, Roland Berger

### 1.2.2 Migration will continue

In most European countries the proportion of foreign or foreign-born workers is increasing. For example, in Germany it now stands at 9.1%, while in Spain and Portugal the number of immigrant workers increased by 80% between 1988 and 1998 and this trend is expected to continue.

To become suitable for employment in food retailing, where there is a requirement for good communication with customers on a daily basis, it is important to provide this segment of the workforce with additional training in language. Additionally, differing expectations and values require specific inter-cultural skills.

### 1.2.3 Employee expectations are changing

Large parts of the workforce in food retail are women - *Extra* and *Casino* have up to 80% female employees in their stores. Currently, nearly 60% of all women in Europe (aged 15 to 64 years) are working and this proportion is expected to increase. But as other industries start to employ more women too, so competition will grow and encourage food retailers to provide more advantageous working conditions suited to this group and their expectations.

*Competition for working women will increase*

The balance between working life and private life is expected to assume even greater importance for employees in the future. The provision of a sound work/life balance is already a major influence for 65% of younger people. Additionally, the importance of the employer's social prestige is expected to rise.

These trends will push all employers - not just food retailers - to create jobs which are interesting, challenging, and rewarding, with sufficient flexibility in terms of working and private time. Failing to do so will lead to higher staff turnover and absenteeism.

*Work/life balance will be more important in the future*

### 1.2.4 Motivation and absenteeism affect food retailers

The food retailers we surveyed experience average absenteeism rates of up to 5%. But in urban areas this reaches as high as 10% of all working hours. The difficulty in attracting and recruiting replacement employees in the larger cities often prevents store managers from discharging frequently absent or unreliable workers.

Today, it is certainly getting harder to attract and keep good employees. The demographic and value system changes that are taking place have raised their expectations and the demands they are placing on their employers. The flip side of all this is to understand what demands and requirements food retailers can realistically expect to place on their employees.

### 1.3 Changing consumer demands impact food retailers and their employees

#### 1.3.1 Consumer demands are changing

*Social changes  
drive changing  
customer demands*

Changes in society such as the further fragmentation of households, more working-women, increasing time pressures and the rise of consumer power, combined with technological developments, are changing the nature of consumer demand. This, in turn, is impacting store formats and the way these fulfil certain customer needs. For example, supermarkets have to offer specialist ranges, informed service and an inviting ambience to satisfy “expert” shoppers. While time-starved consumers are tending to purchase food more opportunistically, often for immediate consumption. In response, food retailers are providing highly convenient shopping options, such as pre-packaged meal solutions, easy store access, fast checkout procedures or home delivery services. Thus, each store format has to serve the varying “shopping missions” and needs of its customers.

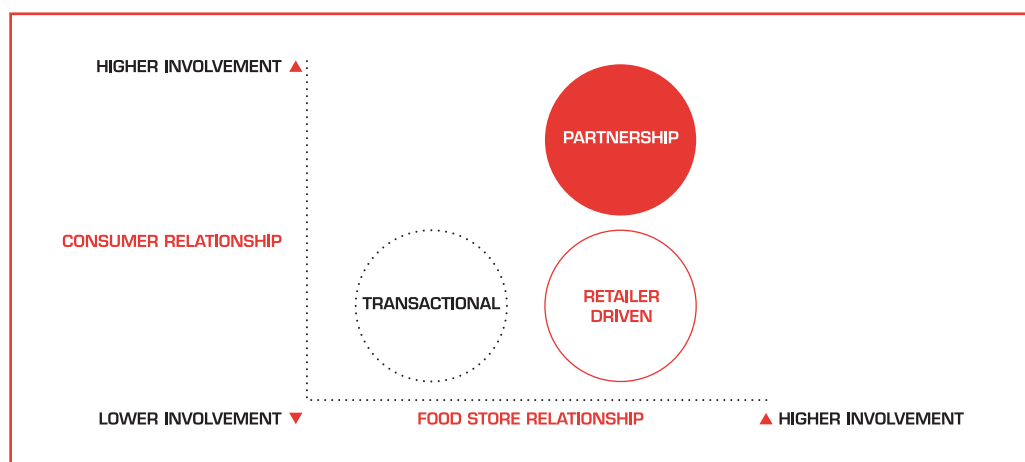
For further details on social change, shopping missions and their impact on store formats, please refer to the 2001 CCRRGE report “The Store of the Future”.

#### 1.3.2 Consumer relationships drive food retailers’ strategies

Developing the right *consumer relationship strategy* will become increasingly important for food retailers. Typical questions in this context are: How does the consumer trade off price for service for a particular retailer? Does the core shopper base have any particular emotional associations with the retail brand proposition? Are customers interested in a dialogue with the retailer and do they want to get in-depth information about offers and products?

These questions lead to the design of different types of consumer relationship strategy, based on the degree of involvement the retailer wishes to have with the consumer and the involvement the consumer wishes to have with the retailer.

**Figure 3** Parameters of consumer relationships in the future

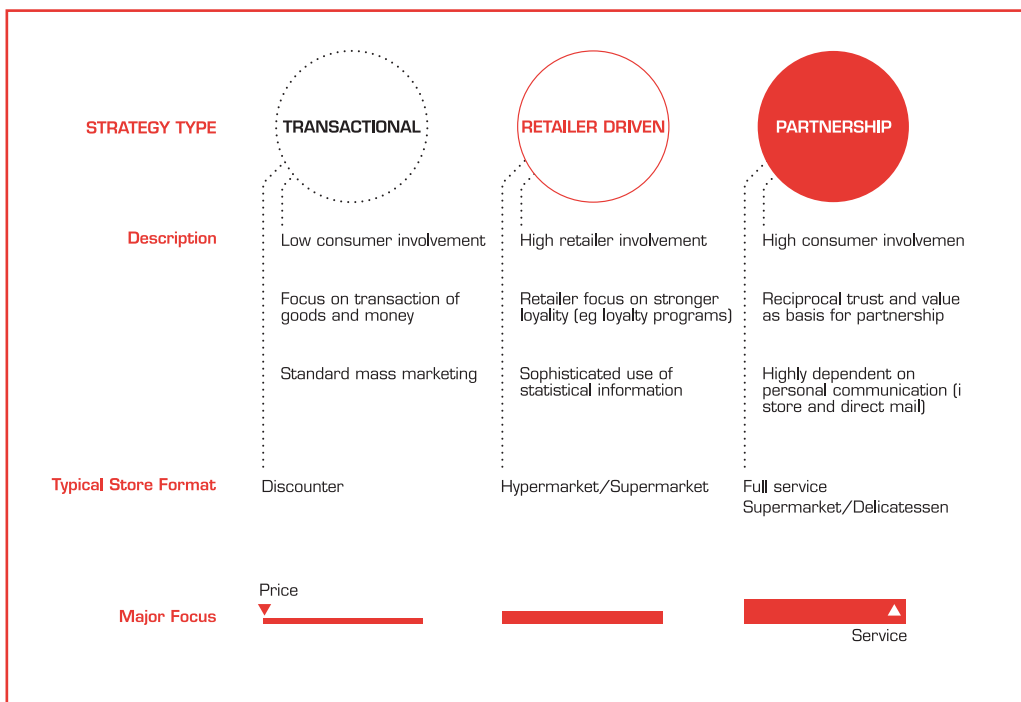


Source: The Store, “The Store of the Future”, CCRRGE, Roland Berger

The *Transactional* relationship is the least “involved” for either party, while the *Retailer Driven* strategy depends on technology and loyalty scheme data to keep the passive consumer consistently in touch and informed. Consumers are highly involved if they seek an active, ongoing dialogue with the retailer - the *Partnership* strategy type relies on this interactive involvement with the consumer.

*Three retail strategy types can be distinguished*

**Figure 4** Consumer relationship strategies and implications



Source: The Store, CCRAGE, Roland Berger

Each consumer relationship strategy type becomes operational through a store format, and is dependant upon the skill set and attitude of the store employees for its delivery. For the partnership strategy, the corresponding store format would be a delicatessen or a full-service supermarket, such as *Superquinn* in Ireland. Large discounters, such as *Aldi* in Germany, typically follow a Transactional strategy, which relies least on customer-facing staff. But most food retailers are adopting a Retailer Driven strategy, which corresponds to hypermarkets and supermarkets and will increasingly depend upon store employees to provide good customer service and a more interesting and enjoyable shopping experience for the consumer.

*Food retail strategies drive the role of store employees in executing the strategy*

As food retailers develop their consumer relationship strategies, so ultimately it will affect the demands that they will place on their employees and the attitudes and skills they will require.

## 1.4 European food retailers fail to adopt “best practice” HR strategies and processes

### 1.4.1 Other retail sectors are preferable to potential employees

Although many food retailers call their staff “our most important asset” and despite the fact that employees are their second largest cost factor, HR is quite rarely represented at board level. Advanced companies in other retail sectors put more emphasis on their human resource processes. Companies like *Pret A Manger*, *IKEA* and others have out-performed food retailers, which has helped them to win the competition for the best people.

### 1.4.2 Failing to attract the best people

*Food retailers fail to attract specific target groups*

Historically, a generic and reactive approach to attract new employees has been adopted by food retailers, which is unrelated to specific target groups or their expectations. Most simply wait for candidates to approach the HR department or the store manager to apply for a job. Very few have cooperative ventures with schools, labour offices or employment agencies to actively encourage suitable candidates. Traditional advertising is most common with the store manager placing local ads. The internet is not widely used to attract a younger target group.

### 1.4.3 Failing to recruit the best people

*Food retailers recruit for skills, not for attitudes*

Typically, food retailers recruit for skills, but even those that are focusing on attitudes often fail to use valid recruiting tools to test them adequately. Unstructured interviews, mainly performed by store managers and lengthy recruiting processes contribute to a poor employer image, especially for good candidates with alternative job offers.

While they place great importance on customer and market research, in contrast, food retailers rarely conduct proper personnel research, nor do they analyse current or potential employees using quantitative or qualitative measures.

### 1.4.4 Failing to train the best people

*Training unable to fully unleash employee potential*

Few retailers provide proper induction programs for new staff. Training then takes place mainly ‘on-the-job’ where store managers are unsupported in the analysis of training needs or their regular delivery. Recently developed training techniques such as E-learning and action learning have just arrived in the industry. And most food retailers are only now considering the idea of a *corporate university*, thus failing so far to centralise training activities and strategic and corporate initiatives across different formats and regions.

### 1.4.5 Failing to retain the best people

There is a need to concentrate on retaining high achievers, and separating out the under-performers who have a negative impact on the performance and motivation of all employees. Despite this, employees at store level tend to be retained regardless of performance or attitude.

Additionally, adequate HR control measures are not in place, preventing a detailed approach from being taken towards retaining specific employee groups such as high achievers, working mothers and part timers. And although most retailers conduct regular employee surveys, they often fail to react to the findings by taking effective action.

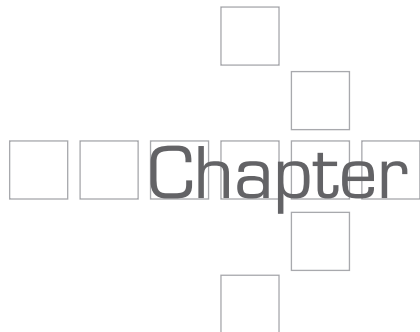
*Adequate HR  
controlling system  
is missing*

### 1.4.6 Food retailers have a people problem

Food retailers certainly have a people problem.

The challenge will be to adapt existing HR tools and processes from other industries to their own needs and then implement them, helping to meet the expectations of store employees.

The next chapters offer food retailers a People Strategy approach that will enable them to generate concrete action plans for implementation by headquarters, HR departments and by store managers.



# Chapter 2

## **EXECUTING A SUCCESSFUL PEOPLE STRATEGY**

- 2.1 Committed employees with the right skills & attitudes enhance customer satisfaction
- 2.2 Aligning People Strategy with Corporate Strategy
- 2.3 Building superior employee understanding with a focus on high achievers
- 2.4 Organisational commitment survey and findings
- 2.5 The crucial role of store managers

“Good people want to do a good job, you should just support them doing it.”

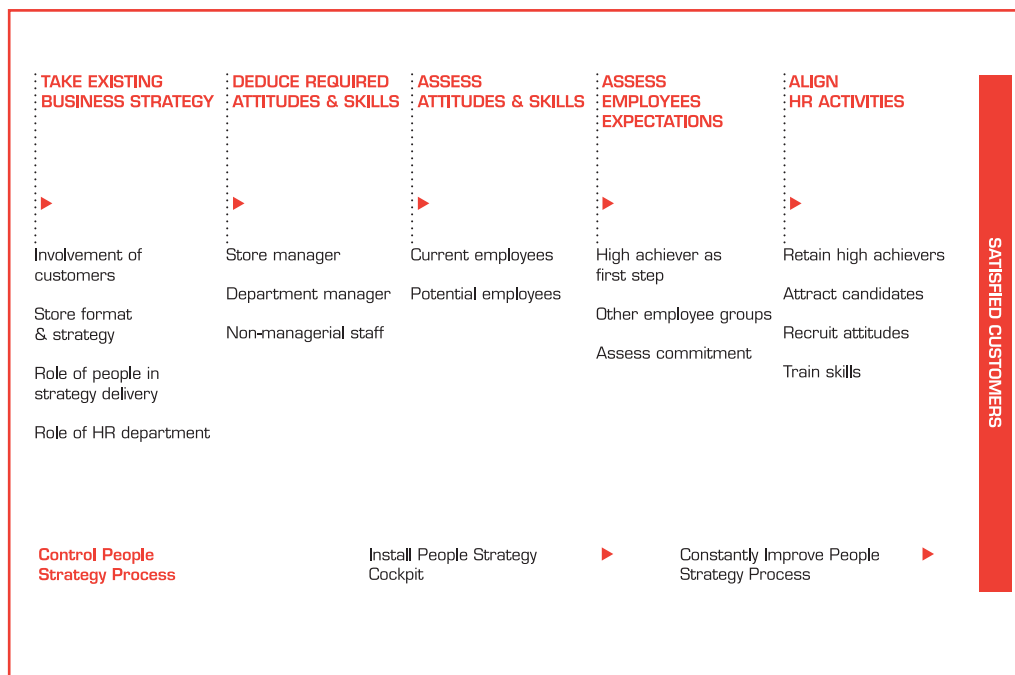
**Helmut Hörz, Extra Verbrauchermärkte**

## 2.1 Committed employees with the right skills and attitudes enhance customer satisfaction

### 2.1.1 Five steps to implement People Strategy

The successful implementation of a best practice People Strategy requires five crucial steps in order to ensure the basis for enhanced customer satisfaction.

**Figure 5** Implementing the People Strategy leads to satisfied customers



Source: Roland Berger

The logic of this approach works as follows:

**Step 1:** Define the overall business strategy in sufficient detail to form a sound basis from which to derive the role of store-level employees (especially the store manager) in its implementation. It should also define the role of headquarters (in many companies mainly the HR department) in supporting the stores in their core function of serving customers.

*People strategy can be aligned to business strategy in five steps*

**Step 2:** Provide a thorough definition of the required attitudes and skills for the customer-facing store functions. This step leads to a better alignment and consistency between the Corporate and People Strategies of the retailer.

**Step 3:** A detailed assessment of the existing attitudes and skills of current and prospective employees takes place. This should be combined with step 4.

**Step 4:** An analysis of employee expectations is required. The starting point for many retailers who want to concentrate their efforts will be understanding the expectations of their high achievers, since these people are critical to company success and will have a strong influence on other store-level employees.



Step 5: The fifth step covers the HR activities for retaining, attracting, recruiting and training employees. These four areas are dealt with in detail in chapters 3, 4, 5 and 6.

*A People Strategy cockpit ensures the continuous improvement of the People Strategy*

In order to ensure continuous improvement and to track progress, a measurement system needs to be established, providing top management and store managers with a “cockpit” from which to steer their People Strategy. Each process step from *attracting* to *retaining* has its specific measures. Taken together, the People Strategy cockpit gives store managers, the HR department and the Board a quick and comprehensive understanding of the effectiveness of the implementation of their People Strategy.

### 2.1.2 Key elements to implement People Strategy

The key elements and success factors of this approach can be summarised as follows and will be explained in detail:

- ▶ Align the People and Corporate Strategies, i.e. the required attitudes and skills as well as all HR activities in alignment with the overall food retailer’s Corporate Strategy
- ▶ Understand your employees and their expectations as well as (or even better than) your best customers and start with the high achievers
- ▶ Drive organisational commitment mainly through a strong market position and a challenging work environment
- ▶ Make the store manager the centre of attention, since he/she has a pivotal role in executing the strategy successfully

## 2.2 Aligning People Strategy with Corporate Strategy

### 2.2.1 Employees need attitudes and skills

Each employee needs a certain set of attitudes and skills to master the requirements of his or her job:

*Attitudes* are, for example, customer orientation, integrity and the ability to cope with stress. *Skills*, on the other hand, can be divided into work skills and leadership skills.

*Work skills* are expert knowledge, or planning and organisational skills.

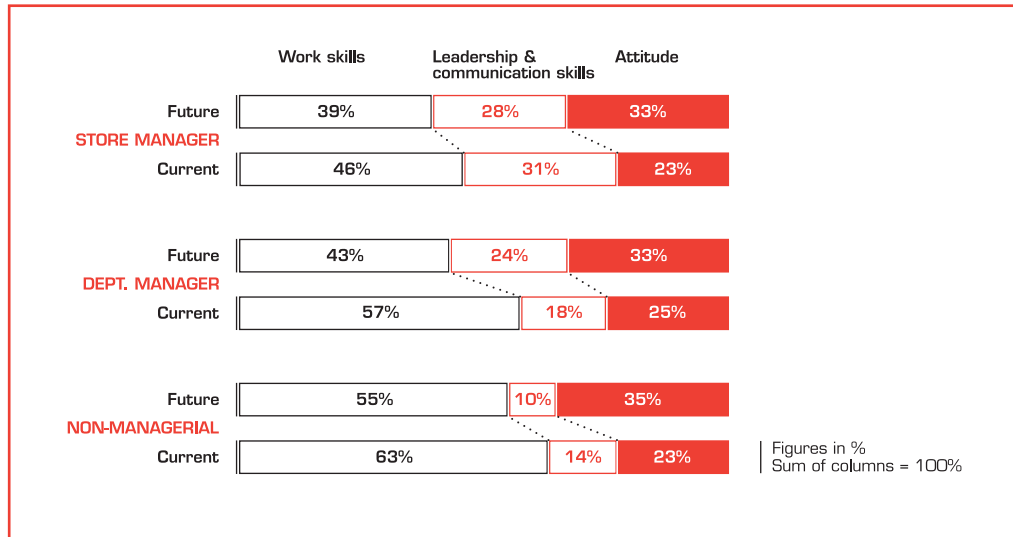
*Leadership and communication skills* include motivating and developing others, leadership itself, cooperation and teamwork, and communication and persuasiveness.

(For a detailed definition of attitudes and skills, refer to Appendix 2)

### 2.2.2 The emphasis between employee attitudes and skills is changing

The participating members of the CCRRGE identified some general trends in store employees' attitudes and skills.

**Figure 6** Attitudes will become more important as the importance of work skills decreases



Source: Assessment of CCRRGE participants, Roland Berger

As customer needs are changing, so employee attitudes are becoming increasingly important in fulfilling their needs. Work skills reduce in importance for all levels – they can be trained fairly quickly. Leadership and communication skills become more important for department managers, reflecting their need to support the store manager.

*Attitudes will become more important for store employees*

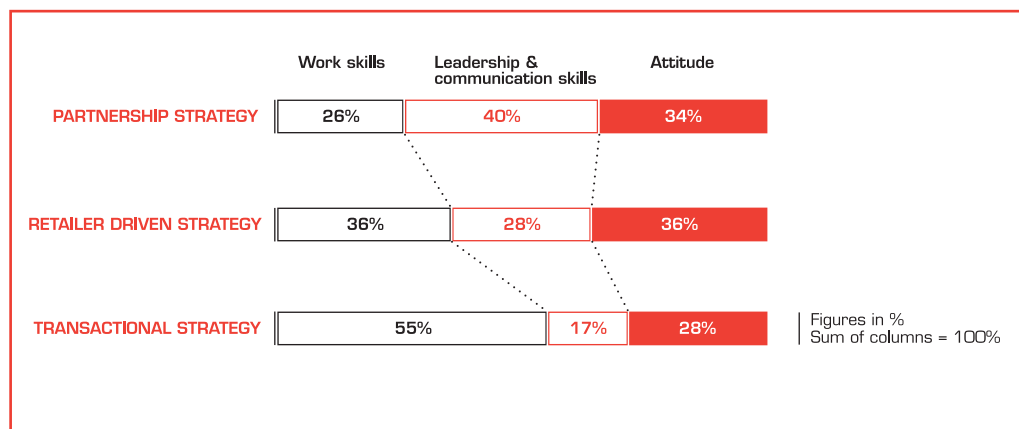
### 2.2.3 Different retail strategy types require different employee attitudes and work skills

It is here that a key conclusion of this report comes into play: aligning corporate and people strategies will be a key success factor for retailers in the future.

Depending on the food retailer's business strategy, different sets of attitudes and skills are required for different store level jobs. The participants of the CCRRGE assessed these against the Transactional, Retailer Driven and Partnership strategy types (see section 1.3.2)

The importance of attitudes and skills for store managers (figure 7) varies according to the degree of consumer involvement and service level. Higher consumer involvement and service level requires more leadership and communication skills. Thus, for store managers working to the Partnership strategy, store leadership and communication skills become most important, whereas work skills are central to the store manager's role in the Transactional strategy type.

*Required attitudes and skills of store employees depend on the retail strategy type*

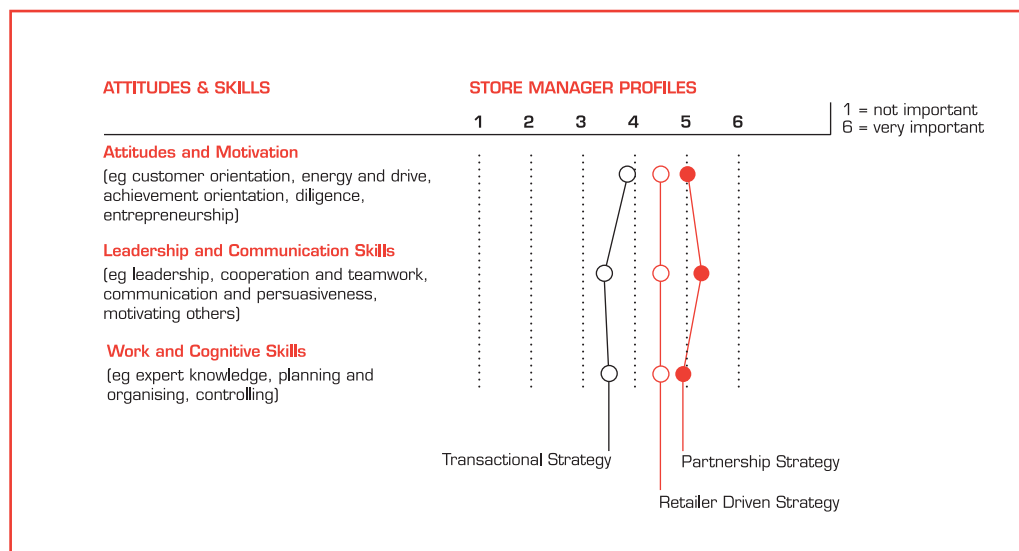
**Figure 7** Importance of attitudes and skills for store managers by retail strategy type

Source: Assessment of CCRRGE participants, Roland Berger

Overall, the emphasis on attitude and leadership is much higher for store managers working to Retailer Driven and Partnership strategies.

#### 2.2.4 Analysis of required store manager attitudes and work skills by retail strategy type

A more detailed analysis reveals the main differences in attitudes and skills for store managers between the different strategy types (Figure 8).

**Figure 8** Attitude and skill profiles for store managers by retail strategy type

Source: CCRRGE, Roland Berger

#### Attitudes:

A Partnership strategy, with high consumer involvement, service level and the freedom for store managers to make their own decisions (e.g. *Superquinn*) requires managers with superior customer orientation, entrepreneurship, achievement orientation, energy and drive. A Transactional strategy, where consumers do not expect high service levels (e.g. *Aldi*), requires less customer orientation, but more

diligence to accomplish the highly standardised procedures and formalised work programs.

#### **Leadership and communication skills:**

It follows that the Partnership strategy also requires store managers with advanced leadership and communication skills to communicate with and guide staff and customers to constantly improve store operations and customer satisfaction. For Transactional retailers, these skills are less important, as standardised procedures tend to substitute for leadership.

#### **Work skills:**

Control skills are vital for Transactional store managers, where standardised tasks must be accomplished efficiently. Analysing and serving Partnership customers needs mental agility, creative problem solving, planning and expert knowledge.

#### **2.2.5 Attitudes and work skills for department managers and non-managerial staff**

Leadership skills are less important for department managers and non-managerial staff. However, across the three retail strategy types, the importance and emphasis of attitudes and skills for all grades of staff remains basically the same as for store managers (see Appendix 3).

#### **2.2.6 Corporate culture and values are important**

While the attitudes and skills of store employees are integral to business strategy, the influence of corporate culture and values has an important impact as well.

Many of the world's largest and most successful food retailers have a distinct corporate culture that is highly influenced by the vision and the values of their founders.

*Corporate culture  
and values  
influence employees*

Entrepreneurs like *Sam Walton (Wal-Mart)*, *Karl and Theo Albrecht (Aldi)*, *Feargal Quinn (Superquinn)* or *Gerard Mulliez (Auchan)* started their retail businesses with a clear vision. They built their business with a passion based on certain beliefs, attitudes and values that enabled their companies to prosper and grow and had a major influence on their employees as well. So, each corporate culture demands certain employee values in addition to their attitudes and skills.

## WAL★MART®

Sam Walton opened his first store in 1962. Forty years later, Wal-Mart generates annual sales in excess of 190 bn EUR with over 4,500 stores.

Sam Walton believed early on in customer service and striving for excellence. He built on several rules, which are implemented in stores. For example, the '10-foot-rule' (whenever an employee is within 10 feet of a customer the employee has to greet the customer) or the 'sundown rule' (meaning that each task has to be fulfilled within the same day). Regarding HR policy, Sam Walton especially focused on a family-like atmosphere, with open communication, an internal suggestion system and recruitment in non-traditional target groups.

Based on this culture, Wal-Mart managed to achieve a highly attractive employer image – it is ranked among the 100 best companies to work for in the U.S., and received 4,000,000 applications for 90,000 new jobs in 2001 - proving that culture and vision have a fundamental impact on people strategy.

Source: Wal-Mart (<http://www.walmartstores.com/>), CCRRGE, Roland Berger

## 2.3 Building superior employee understanding with a focus on high achievers

### 2.3.1 Developing Employee Relationship Management

Moving towards a vision of one-to-one marketing and stronger customer relationships, retailers spend vast amounts of money on customer research, loyalty card programs and other techniques to better understand different customer segments, their needs, attitudes and behaviour.

Conversely, few retailers place a similar emphasis on developing a better understanding of their employees, their needs and expectations, their likes and dislikes, their commitment, their ideas and so on. We are convinced that – with significantly less investment – it would make sense to apply the same thinking to employees as to customers. The development of an ERM (Employee Relationship Management) program could provide the understanding and insights into employee attitudes and motivation that would contribute to the achievement of Corporate Strategy.

At the outset, in order to concentrate resources, the ERM program would be better to focus on specific employee segments, such as high achievers, instead of addressing all employees.

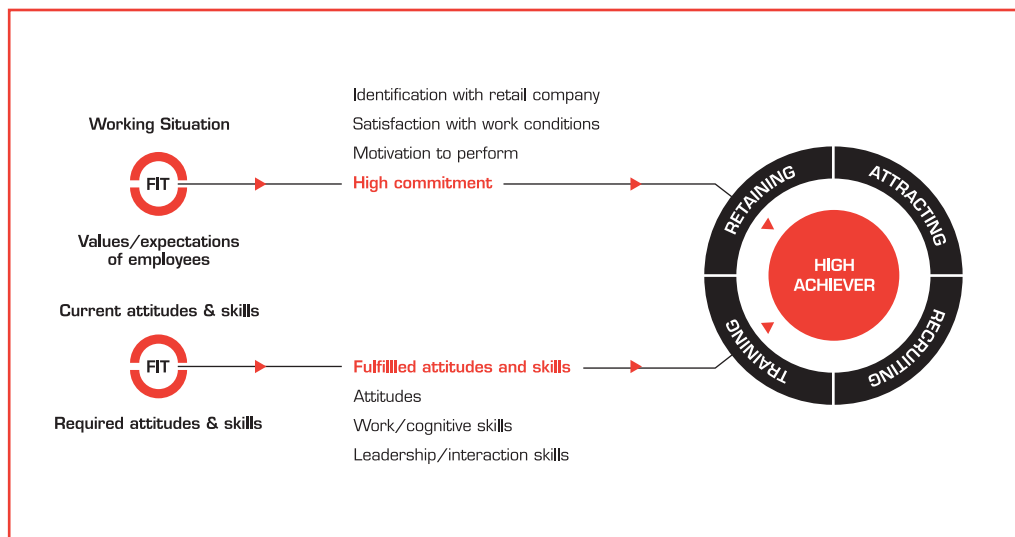
### 2.3.2 High achievers are vital for food retailers

High achievers are those employees having the attitudes and skills required for their specific retail job, while demonstrating *high commitment* towards their work. *Attitudes and work skills* are those appropriate to the employee's role and the retailer's chosen strategy type. However, attitudes and skills are not sufficient for top performance; in addition, employees must be highly committed.

*High employee commitment is vital for top performance*

Committed employees are proud of working for their employer, their tendency to leave is low and they are highly motivated. High achievers give their commitment when their expectations are met regarding work content, working conditions, leadership, remuneration, etc.

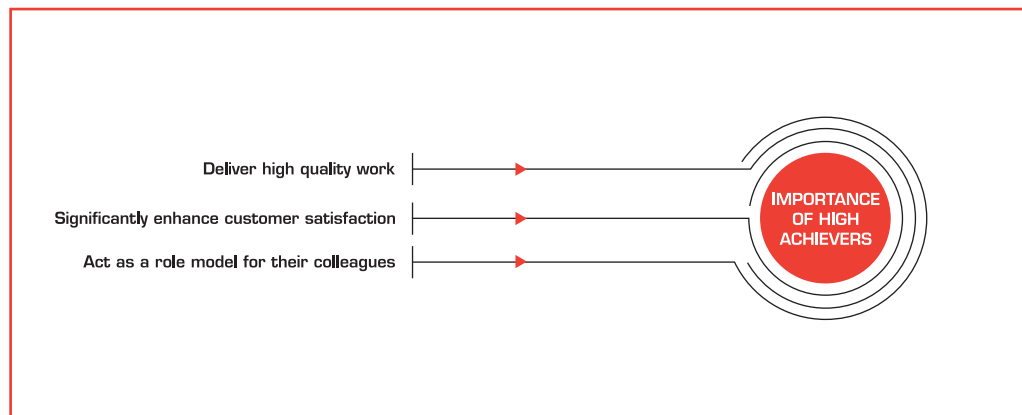
**Figure 9** High achievers fulfil required attitudes and skills and demonstrate high commitment



Source: Roland Berger

By conducting an employee survey, food retailers can clarify the expectations of their high achievers. Subsequently, an incentive system can – within certain parameters - be designed to meet their expectations and build the basis for increased employee retention and greater attractiveness in the labour market.

High achievers are so important to the food retailer because they deliver high quality work, enhance customer satisfaction and act as a role model for their colleagues. Clearly, each food retailer should focus on retaining their best store staff, on training employees to become high achievers and on recruiting those who have the potential to be high achievers. Skilled and motivated employees unleash the full potential of food retailers in executing their specific food retail strategy.

**Figure 10** High achievers make the difference

Source: Roland Berger

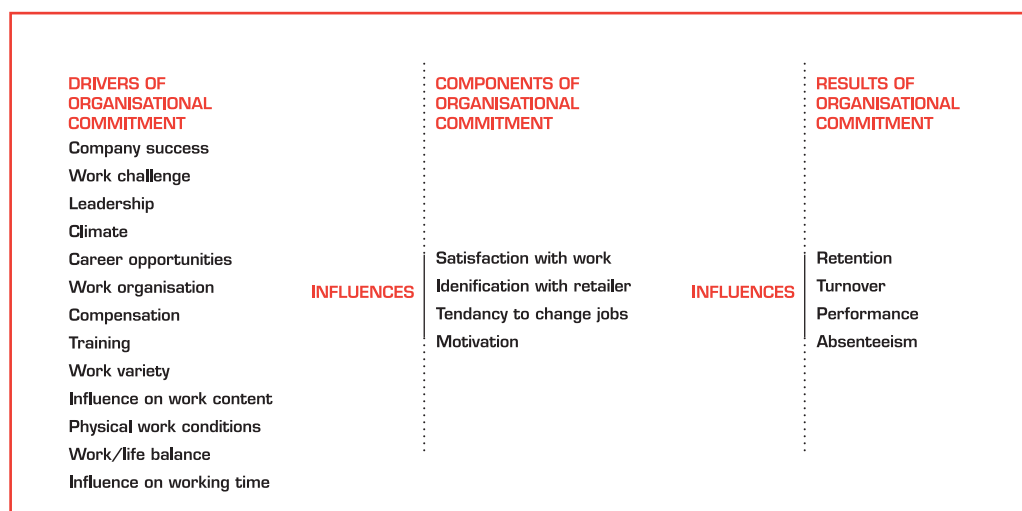
## 2.4 Organisational commitment survey and findings

### 2.4.1 Components of organisational commitment

Organisational commitment is driven by various factors. We conducted an employee survey to identify the factors that food retailers have to control to ensure high employee commitment.

*The level of organisational commitment predicts employee turnover, absenteeism and dedication to work*

Organisational commitment consists of various components: motivation, tendency to change job, satisfaction with the work and identification with the employer (Figure 11). It is a highly reliable indicator for predicting: employee turnover, dedication to work and absenteeism. Research by Roland Berger has proved that low organisational commitment can lead to a doubling of employee turnover rates and a 50% increase in the absenteeism rate.

**Figure 11** Organisational commitment of store employees influences retention and performance

Source: Roland Berger

### 2.4.2 Survey objectives and participants

This study was designed to provide answers on *how* employee commitment can be improved and which factors are the most effective for that purpose.

*High achievers from retailers in Germany, France and Poland were questioned*

We asked 660 permanently employed, customer-facing high achievers in France, Poland and Germany about their commitment to their employers. All employees are working in hypermarkets or supermarkets.

This survey is unique, in as much as it focuses exclusively on high achievers, and provides insights into how to attract and retain this essential group of employees.

The survey is also unique since we focused our analysis on factors *influencing* organisational commitment. Usually, employee surveys indicate if employees are satisfied or dissatisfied with their working conditions. The important question is really to what extent their satisfaction, or lack of it, influences motivation and retention.

As employees from three retailers in three countries participated, this study serves as an example of what conclusions can be drawn from an employee survey. Each food retailer has to conduct their own analysis to factor in the effects of their particular corporate strategy, culture and structure.

Looking at the profile of the respondents in the survey:

- ▶ 65% are women
- ▶ 93% have frequent contact with customers
- ▶ 73% percent work full-time
- ▶ 34% of all participants work in stores with less than 40 employees, 17% work in stores with 40 to 60 employees, 12% work in stores with 60 to 80 employees, 3% work in stores with 80 to 100 employees and the remaining 33% work in stores with more than 100 employees

### 2.4.3 Survey Findings

Two factors were identified as having a major influence on the organisational commitment of store employees at all hierarchical levels:

- ▶ The competitive success of the food retailer
- ▶ The work challenges of their job

Food retailers with a strong market position and a strong brand are considered to provide a secure working environment. Challenging work makes the employee



feel that they are accomplishing something and have the opportunity to learn and apply their skills. (See Appendix 4 for a full list of influencing factors)

### Factors influencing organisational commitment by job category

The degree to which these factors influence organisational commitment varies among job categories. Store managers, department managers and non-managerial staff are motivated for different reasons. (Figure 12)

**Figure 12** Factors influencing organisational commitment

RANK	STORE MANAGER	DEPARTMENT MANAGER	NON-MANAGERIAL STAFF
①	Work challenge	Company success	Company success
②	Company success	Work challenge	Work challenge
③	Career opportunities	Physical work conditions	Work organisation
④	Influence on work content	Leadership <sup>2</sup>	Leadership <sup>3</sup>
⑤	Work variety	Work organisation	Physical work conditions

1) Results of undimensional regression analysis

2) Leadership facets: communication and information, help and support, feedback on results, team orientation, organisational skills

3) Leadership facets: communication and information, team orientation, superior credibility, help and support, feedback on results, problem management, learning climate

Source: CCRAGE Employee Survey (N=660), Roland Berger

### Store Managers

*Store managers' commitment is linked to career opportunities, discretion and variety of work*

For store managers, development and career opportunities have a strong influence on their commitment to the firm.

Influence on the tasks they perform and the decision-making power to change things in their stores have an additional influence on their commitment. They also desire a broad range of tasks and lower volumes of routine work.

### Department managers and non-managerial staff

*Department managers and non-managerial staff want good leadership practices, physical conditions and work organisation*

For department managers and non-managerial staff, good leadership by store managers has a major influence on organisational commitment. More than half of the top ten influencing factors are components of leadership. [See 2.5 for further elaboration on leadership issues]

Department managers and non-managerial staff want good physical conditions and work organisation. They need to know what to do and how to do it. Good equipment, clearly defined responsibilities and continuously improved work processes support them in doing a good job. Each of these factors is strongly influenced by the store manager, further emphasising the pivotal role they play in driving organisational commitment.

Competitive success, work challenge, work organisation and leadership have broadly the same influence on male and female employees, working both part-

time and full-time. Women and part-time employees care more about their physical working conditions, while men and full-time employees are more influenced by good career opportunities.

With the exception of store managers, none of the survey groups rated compensation as a major factor in their organisational commitment. While store employees are not very satisfied with their compensation (2.3 on a scale from 1 to 6 and last ranked out of 24 variables in terms of satisfaction), this dissatisfaction does not have a major impact on their organisational commitment (ranked 13 out of 24 variables).

*Compensation does not have a major impact on commitment*

## 2.5 The crucial role of store managers

Since most of the factors influencing the organisational commitment of department managers and non-managerial staff are connected to leadership, the store manager has a crucial role to play in retaining and motivating store employees.

### 2.5.1 Store managers drive retention and performance

Store managers are usually the only “official” management contact for store staff in food retailing. They represent the company; embody its specific culture and values. The manager is the company in the eyes of the employees.

Store managers lead their sales staff on a daily basis, ensuring satisfaction for customers and store performance. Case studies in food retailing show that the performance of a store is directly linked to the performance of the store manager. Simply by changing him or her, financial results of poor performing stores have been shown to improve and vice versa.

A Roland Berger study of the 10 best and the 10 worst performing stores in terms of operating margin for a major European do-it-yourself retailer has shown the high impact of store manager leadership. There is a clear correlation between the attitudes and behaviour of the manager and the performance of the store.

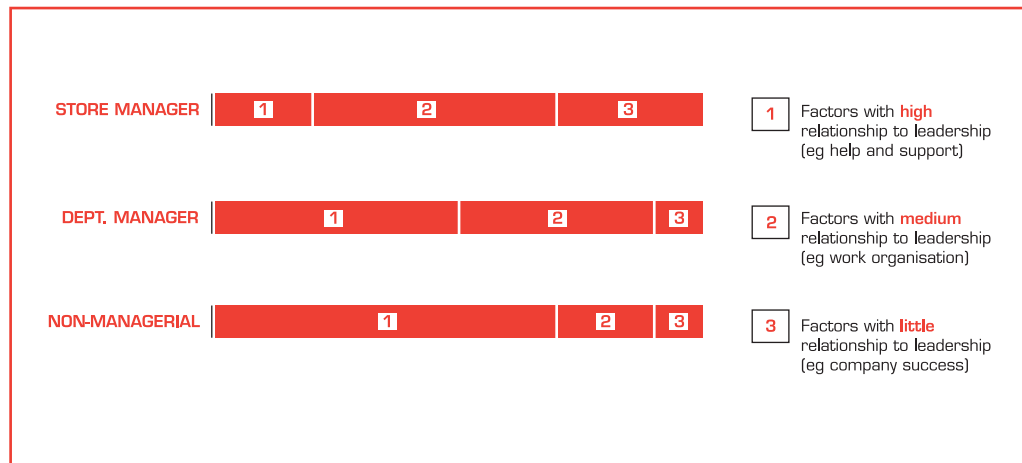
*Store managers leadership styles influence the bottom line*

In those stores with high operating margins, targets are agreed upon between the store manager and staff. To fulfil those targets, the store manager gives freedom for self-management and self-development. Only in critical situations does the store manager reduce the options open for decision by the staff. Conversely, in stores with low operating margins, the store managers follow a far more directive leadership style. In this case, cooperative leadership has proven to be more successful than an authoritarian approach.

### 2.5.2 Leadership factors influencing organisational commitment of department managers and non-managerial staff

Our employee survey showed that most of the 24 factors influencing the organisational commitment of department managers and non-managerial staff are connected with leadership (Figure 13).

**Figure 13** 9 out of 10 top influencing factors on organisational commitment are directly or indirectly linked to leadership



Source: CCRRGE Employee Survey (N=660), Roland Berger

Work challenge, work organisation and physical working conditions are indirectly influenced by the store management. Furthermore, half of the first ten top ranked variables for department managers and more than half for non-managerial staff are directly related to their superior's behaviour.

Good management communication, help and support, feedback on results and team orientation enhance organisational commitment for both hierarchical groups. They want:

- ▶ to be well informed about the company's business success, strategy and goals, and how they can contribute to them
- ▶ a superior who is interested in their results and interested in them personally
- ▶ direct and immediate feedback on their results and praise for good work
- ▶ a team leader who lets them participate in developing ideas and contributes to the fun of work

*Specific leadership facets have a high impact on store employees' commitment*

Additionally, non-managerial staff require credibility, problem management and a learning atmosphere from their superior. Organisational commitment can therefore be enhanced by leaders who: stand up for their store staff and justify and explain their decisions; try to find solutions to problems instead of looking

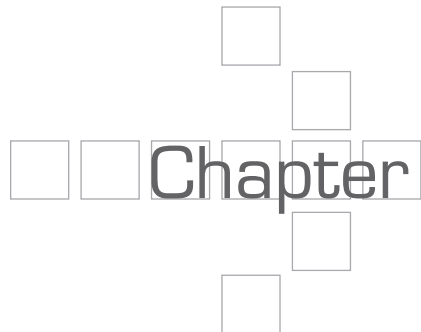
for someone to blame; encourage their staff to learn from mistakes instead of blaming them for failures.

By encouraging and building organisational commitment, the store manager can:

- ▶ drive down absenteeism and ultimately costs
- ▶ retain more employees for longer
- ▶ enhance the organisation's attraction to new employees
- ▶ be the lynchpin between Business Strategy and People Strategy
- ▶ develop a creative and challenging working environment
- ▶ explain the business mission, vision and strategy to store staff
- ▶ make clear the role each store employee has within the strategy and
- ▶ act as a role model.

"Leadership has to drive the execution of the strategy. It is all delivered by the store managers - they make it happen"

**Cormac Tobin, Superquinn**



# Chapter 3

## **RETAINING AND MOTIVATING COMMITTED EMPLOYEES**

- 3.1 Retail strategy influences leadership style
- 3.2 Principles of strategically focused leadership & increased organisational commitment
- 3.3 Action to be taken to improve motivation & retention
- 3.4 Assessing store manager leadership performance
- 3.5 Underperforming leaders – raise their performance or replace them

“Hopefully, the results of this survey will be communicated and discussed in our store. Then we can start improving things.”

**Anonymous employee survey comment**

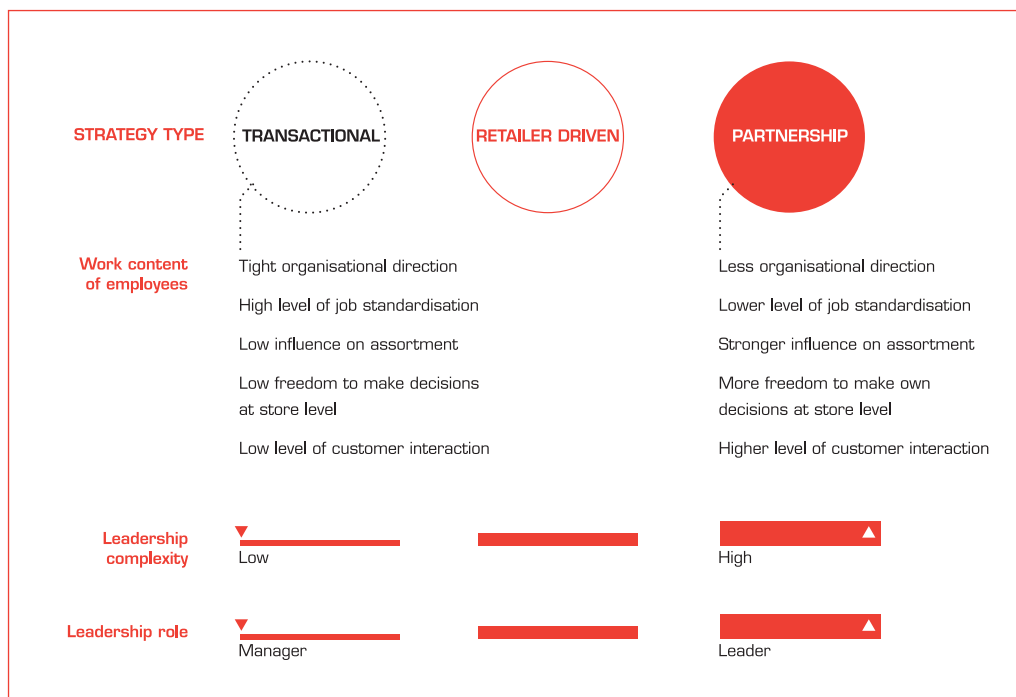
### 3.1 Retail strategy influences leadership style

The right leadership style for store managers depends to a large degree on the retailer's business strategy and positioning.

Retailers with a Transactional strategy such as *Aldi* are characterised by a small product range and limited customer service. The level of interaction with the consumer is low. Tasks are clearly defined and have to be performed systematically. The organisation has clear rules, programs and directions. In contrast, a Partnership strategy supermarket such as *Superquinn* has more freedom within a certain framework, e.g. less fixed rules, encourages a higher level of interaction with customers, allows employees more room to improvise etc.

It follows that leadership style has to be adapted to the retailer proposition. We have identified two different styles of leadership: *Transactional* leadership and *Partner* leadership.

**Figure 14** Leadership style should complement retail strategy



Source: Roland Berger

#### Transactional leadership

Transactional leadership is not very complex. A Transactional retailer has clear and precise rules and processes. Therefore, store managers need to give fewer instructions on the tasks to be performed and just have to check that they have been completed correctly. Customers of Transactional retailers are primarily interested in getting good value products at low prices. Customer interaction is consequently less important. The retention and motivation system should therefore be focused around a “work for money” concept. Employees are rewarded for following the store manager's instructions.

*Transactional leadership has a “work for money” orientation*

### Partner leadership

Partner leadership is more complex. Store managers and staff interact with customers a lot. They also initiate and implement changes to the assortment and services to satisfy customer needs. Employees may have developed relationships with their customers. In this case, the reward should not be linked to the fulfilment of particular tasks but rather to the solution of problems.

*Transactional retailers require “managers”, partner retailers require “leaders”*

These strategies are also implemented in very different ways. Transactional store managers can focus on implementing the rules in a more rational way at a certain distance from the employee and, therefore, act more as a “manager”. In contrast, store managers in a partnership retailer should act more as “leaders”, encouraging new ideas and willing to take risks. They have to communicate clear and acceptable goals, to which employees can relate.

The employee survey confirms these findings. Criteria such as knowing (and agreeing with) the company objectives and having the opportunity to work autonomously, were rated higher than more traditional criteria, such as remuneration. Partner leadership reduces the hierarchical differences between leaders and followers. They both work together to get the job done.

## 3.2 Principles of strategically focused leadership and increased organisational commitment

To implement strategically focused leadership, some guiding principles have to be defined and followed. There are two ways to do this – a “top down” approach, developing guiding principles around the business strategy or a “bottom up” approach, using employee surveys to assess the leadership needs of the employees. Both approaches should be used in conjunction.

### 3.2.1 Company strategy as the driver for developing leadership principles - a top down approach

*Derive leadership principles from food retailer's corporate strategy*

Leadership principles have to be in line with the overall company strategy. Managers are usually surprised to find that only a fraction of their store staff know and understand the company's mission and/or strategy. Educating employees about the company's direction and the importance of their contribution to it, is a crucial success factor for food retailers. It not only helps to achieve the company's desired goals but also to retain employees in general, and high achievers in particular.

## METRO Group

*Extra* developed its leadership principles based on the company's vision. The vision was then translated step by step into leadership principles. These principles are backed by quantitative and qualitative objectives and specific leadership tools. With them, *Extra* aims to improve leadership quality within their stores.

Leadership objectives set the target. They are either qualitative (e.g. build trust and motivation, strengthen corporate culture) or quantitative (e.g. improve retention rate by 4%, reduce absenteeism by 0.8%, raise leadership quality by 0.2 index points). The leadership principles describe the ways to achieve these objectives. Principles include setting objectives, measuring results, informing employees, and expressing criticism and rewards. To help their store managers, *Extra* developed certain tools for each leadership principle. These included job descriptions, guidelines for feedback talks, employee involvement and personnel planning tools.

Source: Extra (<http://www.metro.de/>), CCRAGE, Roland Berger

While the company's strategy drives the development of the leadership principles, its vision, culture and values must also be taken into account. *Pret A Manger*, for example, has put their values, such as "quality" or "passion", on the walls of each store so that all employees are reminded of these basic values all the time. But if the company does not follow its own principles, then employees will not buy into them. For example, if a Partnership strategy retailer values customer care, then an employee should not be penalised if he/she prioritises serving a customer ahead of other operational tasks. The store manager again plays a pivotal role in implementing these values. Store managers lead by example; they are role models for their staff; they have to "live" the values.

*Store managers have to live food retailers' values*

### 3.2.2 Employee commitment as the driver for developing leadership principles – a bottom up approach

Looking at the employee survey, there are some clear leadership principles that are the main factors determining employee commitment. These can provide us with the basis for a "bottom up" approach to defining the characteristics and behaviours of a strong store or department manager. They should:

*Derive additional leadership principles from employee surveys*

- ▶ Communicate openly and frequently. Encourage a communicative atmosphere that is honest and friendly. Inform employees about the objectives of their work and why they should put in the extra effort.



- ▶ Create rules together with the team they are managing, following these rules as closely as possible. Support the team in exchanging ideas and thoughts to ensure a positive teamwork environment
- ▶ Justify their decisions honestly and ensure staff understand why certain decisions have been made. Avoid compromising their own credibility and represent the employee's position loyally to other parties within the organisation
- ▶ Help and support employees. Care about their results and make them feel that they and their efforts are important
- ▶ Give immediate feedback to their employees. Praise in public and blame in private
- ▶ Look for solutions, not for someone to blame if something has gone wrong
- ▶ Encourage employees to see failure as an opportunity to learn. Implement their suggestions for improvement where possible and make them feel that they can influence the work they are doing

Having developed the leadership principles, they now have to be implemented and controlled.

### 3.3 Action to be taken to improve motivation and retention

#### 3.3.1 Information and control system

Store managers need information about the organisational commitment of their employees. Food retailers should therefore establish an information and control system that addresses retention and motivation issues.

*Gain information on costs of turnover, retention rates and drivers of retention and motivation*

The system should be segmented by different job categories, covering areas such as retention rates of different employee groups and different stores, costs of employee turnover and the main drivers of retention and motivation for these employee groups.

#### 3.3.2 Employee surveys and exit interviews

To build this information, employee surveys and exit interviews should be conducted. Exit interviews are valuable, since former employees are likely to give honest feedback, identifying specific issues that could easily be addressed if only the employer knew about them.

*Tesco*, for example, uses exit interviews as a troubleshooter with every individual who leaves voluntarily. Given *Tesco's* size, this is a massive undertaking. However,

*Tesco* realises the value of this information. The results of the interviews are evaluated and any issues raised are turned into opportunities to improve retention of current staff.

### 3.3.3 Action plans to address research findings

To translate the survey results into specific action plans and measures, workshops with store employees should be conducted. The integration of store employees in this process satisfies their need to be involved and to participate in the development of their store.

*Involve employees to create specific actions*

### 3.3.4 Accountability for motivation and employee retention

Store managers should be made responsible for controlling the issues of motivation and retention. Their personal performance measures and variable pay should include leadership outcomes such as the rate of organisational commitment, employee retention rate and rate of absenteeism for their store. (See chapter 7).

*Make store managers responsible for retention and motivation*

### 3.3.5 Focus on the key factors influencing organisational commitment

Improving organisational commitment positively affects the bottom line of each store and, therefore, the competitiveness of the food retailer.

*Increase commitment to improve competitiveness*

Our research shows that the three most influential factors on organisational commitment are: competitive success of the retailer, work challenge and leadership. Food retailers and store managers should focus on these issues to efficiently improve retention and motivation.

*Focus on major factors to increase organisational commitment*

### 3.3.6 Focus on work challenge and high achievers

High achievers want meaning in their job and wish to learn and make tangible achievements. Thus, appropriate work assignments should be found (e.g. via job rotation, job enlargement, project work and/or individual development programs). Food retailers like *Carrefour*, *Extra*, *Superquinn* and *Tesco* have already implemented these types of programs, which are often integrated into broader career development programs at store level to develop both non-managerial staff and department managers.

*Give employees challenging tasks*

### 3.3.7 Focus on good communications and information

As we have said, a major factor generating commitment is good communication between the store manager and store employees. Remembering that the competitive success of the employer is also a key driver of commitment, the communication of business strategy, goals, and actual performance versus key competitors becomes critically important.

*Communicate with and inform store employees*



Superquinn and Tesco communicate organisational strategy and targets to their store employees once a year. Department and store managers receive several updates during the course of the year. All employees receive weekly or monthly information covering areas like performance and financial results, special product or service offerings and information on customers. Additionally, department and store managers are also informed of employee activities. Thus employees at all levels are well informed on the organisation's operations and activities and are encouraged to act in an open and honest manner, whilst maintaining a strong focus on their contribution to company performance through their daily work.

Source: Superquinn (<http://www.Superquinn.ie>), Tesco (<http://www.tesco.co.uk/careers>), CCRAGE, Roland Berger

### 3.3.8 Focus on store manager leadership style and behaviour

The store manager's behaviour must be consistent with the strategy in order to avoid frustration and cynicism.

"I know our business strategy, but I cannot see that my store manager is living it."

**Anonymous employee survey comment**

*Lead employees individually* Employees have to be led individually, since every person has different goals. There is no "one-fits-all" leadership style to achieve commitment.

*Invest to attract and recruit the right people* Investing in attracting and recruiting people with the right attitudes, training them properly right from the beginning and concentrating on high achievers will ultimately increase employee commitment, customer satisfaction and store performance.

## 3.4 Assessing store manager leadership performance

A number of assessment tools can be used to analyse department or store managers' performance. With 360-degree feedback, the manager receives anonymous feedback from superiors, peers, subordinates and, possibly, customers. The results are then compared with the participant's own self-assessment and should be communicated in a manner that helps him or her to enhance performance by capitalising on strengths and eliminating weaknesses.

This type of feedback helps store managers to understand how effective they are now, what they could be doing differently and the consequences of their actions - good and bad.

*Leadership assessment delivers valuable feedback on leadership performance*

Research indicates that if leadership feedback is done systematically, with the right tools, facilitation and appropriate coaching, it has significant and sustained benefits. Specifically, it can improve performance and lead to sustained behavioural change over time at all levels.

Best practice examples show that when introducing leadership feedback in food retailing, it is appropriate to start with high performing store managers, first using it as development tool before using it for assignment or compensation purposes.

For example, *Tesco* uses 360-degree reviews to support the development of their department and store managers. After the assessment, managers actively seek out further development opportunities.

### 3.5 Underperforming leaders – raise their performance or replace them

In this chapter, store and department managers have been identified as major influences on organisational commitment and employee retention within the food retailing industry. Furthermore, the majority of key influences on organisational commitment are components of leadership.

*Leadership drives organisational commitment*

The down side of this leadership influence is that poorly performing managers will cause significant harm to their organisation. For this reason, management assessment systems that give a real insight into their leadership performance are vital to food retailers seeking to improve employee retention and motivation.

If store or department managers fail to perform, they need to be trained accordingly. Should their performance still not improve, then the company should replace them. They have the potential to do more harm than good.

*Performance of store managers is pivotal*

A decorative graphic consisting of several small, empty squares arranged in a cross-like pattern around the word 'Chapter'.

# Chapter 4

## **ATTRACTING THE RIGHT PEOPLE INTO FOOD RETAIL**

4.1 Meeting employee expectations

4.2 Searching for suitable employees

4.3 Communicating corporate identity  
& using the Internet

“To attract new employees, look inside your company first, not outside – analyse the expectations of your employees, fulfil them and then talk about it”

**Rainer Klöters, dm**

## 4.1 Meeting employee expectations

### 4.1.1 Understanding employee decision criteria

To attract the right candidates, it is key to understand the decision criteria they use to select their employer. These decision criteria can be taken from employment market research and, preferably, from employee surveys.

In order to appear attractive, food retailers have to communicate that the company fulfils the expectations of its employees. This helps them to attract good candidates and become an employer of choice.

### 4.1.2 Employee expectations differ for each target group

Expectations of potential employees are influenced by the retailer's business strategy. For example, Transactional retailers such as *Aldi* use salaries as a big incentive to attract candidates. On the other hand, Partnership strategy retailers such as *Superquinn* will focus more on work incentives, such as job variety or work challenge.

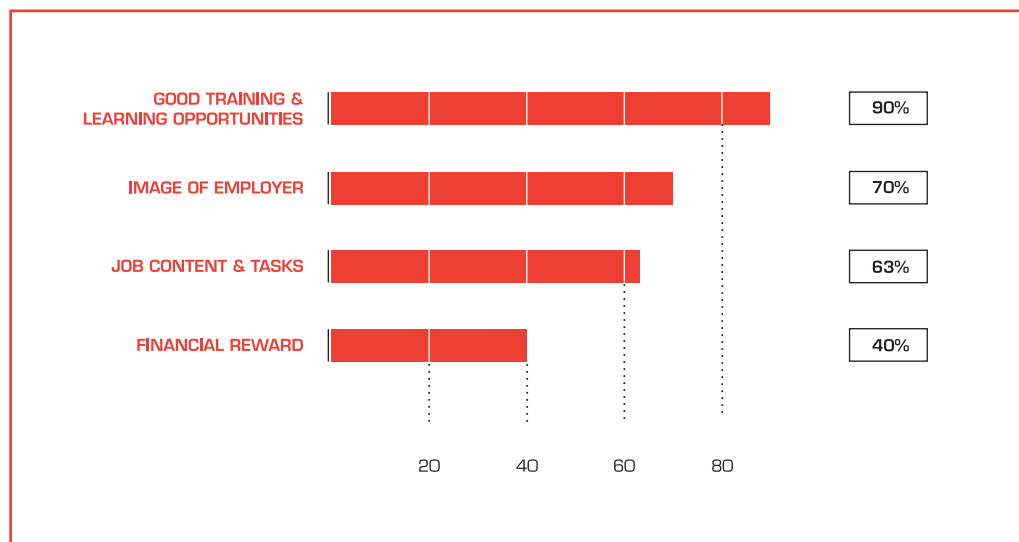
*The incentives attracting candidates vary according to the retailer's strategy*

The employee survey in chapter 2 identified that the competitive success of the company, work challenge, leadership and physical working conditions are important to top candidates attracted to working in hypermarkets and supermarkets. However, these expectations can vary with regard to hierarchical positions, age or gender.

#### School-leavers

An employment survey (Figure 15) revealed that school-leavers expect good training and learning opportunities. They look for employers with a good image and want tasks with a high degree of variety. Only 40% of leavers mentioned remuneration as a decision criterion. The survey also showed that customer interaction - with people in general - is seen as the main advantage of working in retailing.

*To attract school-leavers training and learning opportunities are required*

**Figure 15** Employment decision criteria for school leavers

Source: Interviews with school graduates, Roland Berger

## Women

*(Part-time working) women appreciate support to improve work/life balance*

The situation is different for (part time working) *women*, the main workforce in food retailing. Striking the right balance between work and family is often more important to them. Consequently, some best practice retailers offer incentives to improve work/life balance to attract women. *Tesco's* maternity benefits, for example, exceed the UK statutory requirement (six weeks at 90% pay followed by 12 weeks at just over GBP 60) by giving up to 14 weeks full pay and a further four weeks on the statutory minimum. At *Timpson* – an English shoe repair and key cutting company with 320 branches – women are offered flexible work, career breaks and support (including financial) with nurseries and childcare after having had a baby.

## Older people

*Older employees still want training and advancement opportunities*

*Older employees* (>50 years) are still very interested in training and career development, as our employee survey revealed. Instead of concentrating on a younger workforce that is steadily decreasing in size, food retailers should invest in training and advancement opportunities for high-performing older employees. Some older employees require reduced work times. *Asda* for example, allows a three-month unpaid winter holiday, known as the “Benidorm break”.

“I am interested in further development. But if it comes to promotion they only think about the colleagues who are younger than 40”

“We have some young department managers, who do not perform. I cannot understand why some of my good older colleagues are not promoted”

**Anonymous employee survey comment**

### 4.1.3 Targeting employee groups to reflect the customer base

Attracting candidates in a targeted way also means considering the retailer's customer groups. *Pret A Manger* and *B&Q*, UK's number one Do-It-Yourself retailer, are good examples of this. *Pret A Manger* attracts younger employees with different ethnic backgrounds to fit their urban target customer group. *B&Q* primarily targets older candidates, as they are more likely to be interested and experienced in DIY. Additionally, their share of the population will be growing further.

*To define the target employee group, the target customers should be taken into account*

**B&Q**

B&Q is not only an innovator in the DIY sector, but has also used very innovative HR methods with its over 50s employment initiative. In the late 1980s, B&Q was rapidly expanding. Opening stores all over the UK and recruiting staff on a large scale were major challenges. The company therefore had to focus on less typical candidates, such as women returning to work after a career break, long-term unemployed people and the over 50s. After a detailed review, B&Q decided to focus its recruitment drive on the older generation. These tend to have significant DIY expertise and can leverage their long experience. B&Q still hires employees of all ages to reflect the diversity of its customer base and to ensure that stores can benefit from new ideas and expertise that come from using younger and older employees.

Source: B&Q (<http://www.diy.com/>), CCRIGE, Roland Berger

By addressing the right issues for different target groups through advertising, food retailers can build their image as an employer of choice. The expectations raised by an image campaign have, of course, to be fulfilled at work, or it will be a wasted investment.

*To be an employer of choice in the long run, job ads and image campaigns have to be in line with reality*

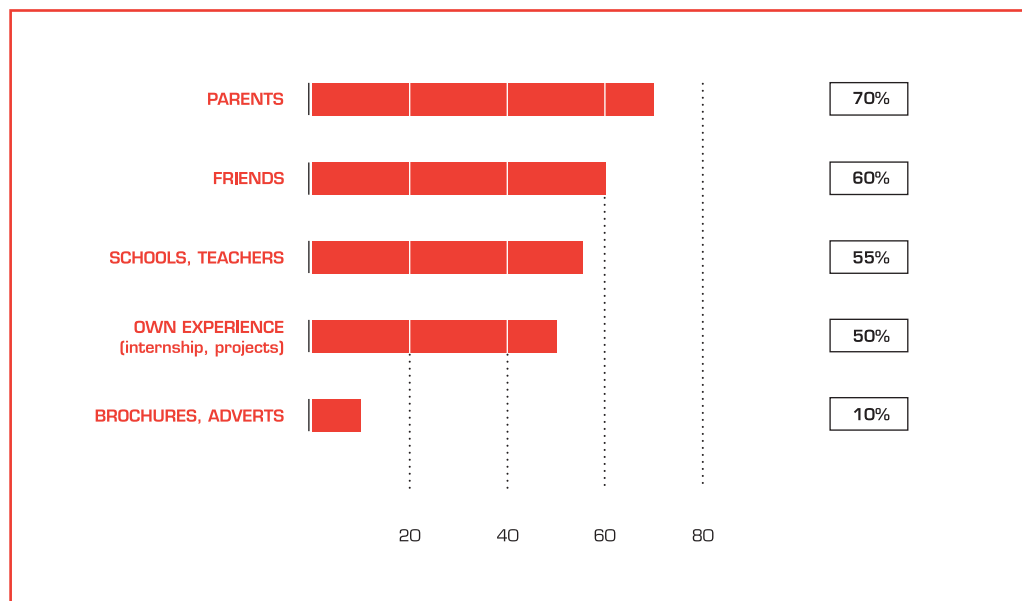
## 4.2 Searching for suitable employees

The poor employer image of food retailers and demographic changes, will require an increasingly active search for suitable employees.

### 4.2.1 Sources of advice and information

Active searching requires an understanding of how specific target groups obtain information on a prospective employer. School leavers, for example, rely heavily on personal information from parents, friends and teachers when choosing their first job (Figure 16).



**Figure 16** Sources of information and advice for school leavers about their first job

Source: Expert interviews, Interviews with school leavers, Roland Berger

*Family members and friends are the most valuable source of information*

Empirical data from our employee survey underlines the importance of integrating family members and friends into the attraction process. The most common source of contact with employers was through family members or friends (30% of participants), while only 25% were attracted through newspaper ads, (10% via employment agencies, 10% by job ads within the company and 25% via other tools like company brochures, temporary employee agencies, Internet).

“We have to directly address students, teachers and parents”

**Hans F. Mayer, Metro AG**

#### 4.2.2 Actively marketing to potential employee groups

Making contact with school leavers at an early stage is especially important, as more than two thirds of them do not have specific career plans and most have only a vague understanding of the typical job roles available to them in the retail industry. Building closer relationships with schools and colleges enables food retailers to be in contact with parents, teachers and candidates at an early stage.

*Best practice retailers establish contacts actively*

For example, *Carrefour* visits local schools and presents the company and the job opportunities they have to offer directly to the students themselves. *Superquinn* provides candidates with a better understanding of the food retail sector and the employment opportunities on offer with “open house events”. Employees are encouraged to invite friends and introduce them to recruiters. *Tesco* is also integrating current employees into the recruiting process via their “hire-a-friend-program”. A similar cooperation can be put in place with temporary employment agencies, labour offices or job fairs to attract candidates from a wide variety of sources.

Specific articles or advertorials about the company, job opportunities or special employment initiatives can contribute to developing a positive picture of the potential employer. For example, the German perfumery chain *Douglas* uses articles in lifestyle magazines to promote their image to young female candidates.

*Articles and events  
build positive  
image*

Younger groups can be targeted by organising events that appeal to potential candidates, but provide an indirect and less formal means of approaching them. For example, retailers should consider using their car park to host sports competitions (e.g. streetball, football or inline skating) or music events in collaboration with sports equipment manufacturers, radio stations or youth clubs.

### 4.3 Communicating corporate identity and using the Internet

For most food retailers, recruiting people used to entail writing a job ad and pinning it up at the store entrance. Some retailers still operate this way. But, in the future it will be increasingly difficult to create sufficient awareness or get the attention of suitable candidates using this sort of approach.

Recruitment advertising should always be in line with the corporate identity; i.e. a consistent use of company mission statements, colours, logos, and fonts.



The employee advertising campaign included the design of ads carrying the Carrefour corporate brand and helped to transform the corporate identity. Partnerships with schools, universities and industry organisations were relaunched to enhance overall visibility, to convey a professional image and to convey the opportunities for training and responsibility, in order to counter the perception of low salaries.

Source: Carrefour (<http://www.carrefour.com>), CCRIGE, Roland Berger

As the competition for talent and the use of alternative media by all target groups increases, the appropriate use of new technologies to maintain share of voice becomes crucial for attracting new employees.

The Internet can promote an innovative image as a company and as an employer and is particularly suited to attracting specific target groups such as school leavers or students. For example, *Deutsche Lufthansa*, the biggest German airline, successfully linked its HR communication with its customer marketing initiatives to increase awareness.

*The Internet  
promotes an  
innovative image*



# Chapter 5

## **RECRUITING THE RIGHT PEOPLE**

- 5.1 Recruiting for attitudes
- 5.2 Effective recruiting requires tailored assessment methods
- 5.3 Recruitment process as foundation to hiring the best people
- 5.4 The recruitment process communicates the company's external image

“Attitudes – this is what makes good people in the retailing business”

**Roland Vaxelaire, Carrefour Belgium**

Successful recruiting is the most important personnel “development” tool. Recruiting the right store employees can improve customer service and satisfaction, while reducing training costs. Trends in food retailing and related industries show that the focus of recruiting store employees should shift towards the exploration of candidates’ attitudes. The recruiting process in itself could be used to improve an employer’s image.

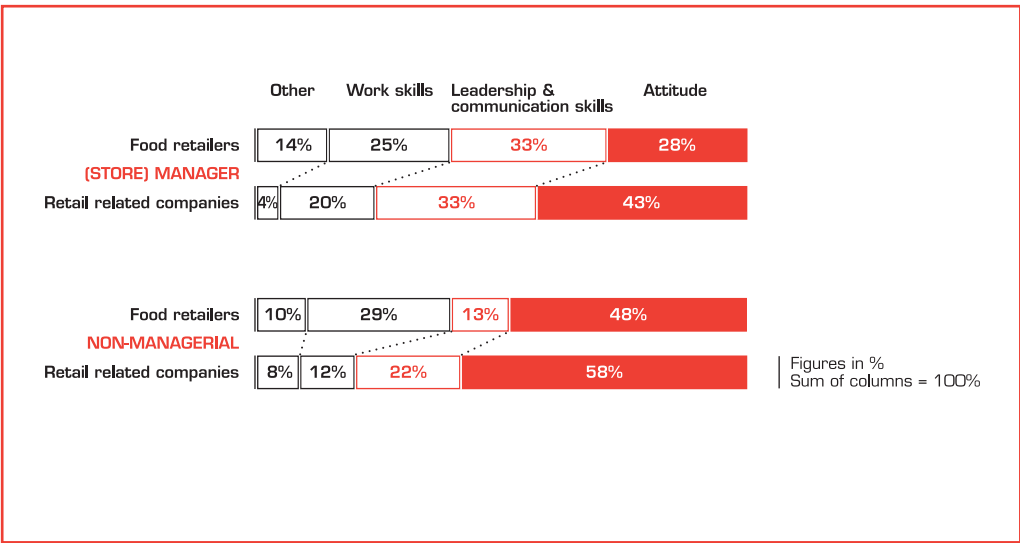
### 5.1 Recruiting for attitudes

#### 5.1.1 Recruitment criteria for food retailers and retail related companies

Our analysis of food retailers and retail-related companies revealed that, in the selection process, attitudes are of great importance to both groups, particularly for non-managerial staff. However, recruiters in retail-related companies like *Eurodisney*, focus more on attitudes than their food retail colleagues at all levels of recruitment. (Figure 17)

*Attitudes are the most important decision criteria for selecting store employees*

**Figure 17** Recruitment criteria for food retailers and retail related companies



Source: Assessment of grocery retailers and retail related companies, CCRRGE, Roland Berger

#### 5.1.2 Recruiting for attitudes – Rationale

There are several reasons why food retailers should also shift towards a more attitude-oriented recruiting process, especially for non-managerial staff.

##### Attitudes are necessary for customer service

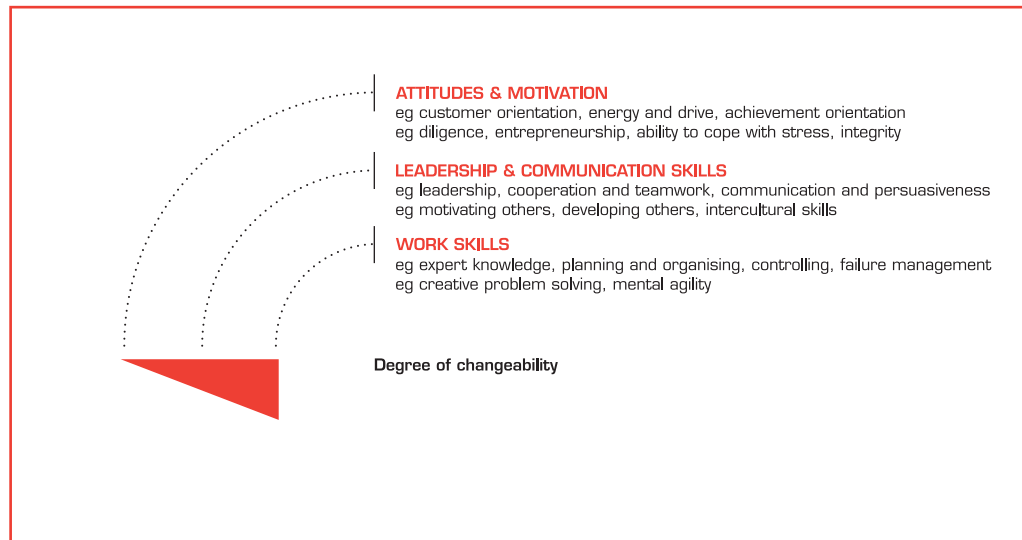
First, our retail survey (Chapter 2.2) and discussions with retail experts show that attitudes are becoming more and more important for all store employees, especially in food retail operations pursuing a Retailer Driven or Partnership strategy. Senior executives in food retailing are particularly convinced that employee attitudes are far more important for good customer service than employee skills.

*Attitudes are important enablers of customer service excellence*

### Attitudes are harder to train than skills

Secondly, attitudes are either innate or learned through the accumulation of experience over a lifetime (Figure 18).

**Figure 18** Attitudes and motivation are difficult to change - work skills can be trained fairly easily



Source: Misc. research, Expert interviews, Roland Berger

*It is difficult  
and expensive to  
change employees'  
attitudes*

Supermarket employees, who are required to be proactive, take the initiative and actively approach customers, must be extrovert and possess attitudes such as energy and drive. In contrast, work skills, such as handling a cash register or product knowledge, can be acquired over much shorter time periods through work experience or specific training.

### Attitudes attract alternative candidates

Thirdly, recruiting for attitudes, as opposed to skills, attracts a new group of candidates to the food retailing industry. Eurodisney is an example of an employer whose attractiveness is driven by its recruitment focus on attitudes.

“Why are we so attractive? Because we recruit for attitudes. We don't care about knowledge or diplomas, we care about attitudes, anything else they can learn.”

**Veronique Ilharreguy, Disneyland Resort Paris**

As discussed in chapter 2.2, the required attitudes of employees will depend on the business strategy type that the retailer is pursuing – Transactional, Retailer Driven or Partnership. And each attitude profile requires different recruiting methods.

5.2 Effective recruiting requires tailored assessment methods

In the past, store managers or regional managers, without any specific training, often recruited by conducting unstructured interviews. Decisions were mainly based on “gut feeling”. Today, a wide variety of powerful recruiting tools, such as structured interviews, aptitude tests and personality profiling, are being used by best practice companies.

*Valid, accepted, and cost efficient recruitment methods have to be applied*

However, the applicability of a recruiting tool depends on three factors: validity of results, acceptability to candidates and costs.

Figure 19 Valid, accepted and cost efficient recruiting tools for different jobs

MANAGERIAL STORE STAFF (store & department managers)	NON-MANAGERIAL STORE STAFF
Structured interviews (by trained interviewers)	Structured interviews (by trained interviewers)
Test of intelligence	Trial jobs (incl. internships)
Assessment centre	Performance test (eg thoroughness)
Performance test (eg thoroughness)	Test of attitudes (eg customer orientation, integrity)
Test of attitudes (eg customer orientation, integrity)	

Source: Misc. research, Expert interviews, Roland Berger

5.2.1 Validity of recruitment tools

A recruiting tool is valid if the employer can rely upon it to predict an applicant’s future job performance with sufficient accuracy. In reality, recruitment tools are seldom exhaustive, tending to focus on certain aspects of job performance. For example, written aptitude tests can be used to evaluate customer orientation, or the ability to cope with stress, while an integrity test can predict behaviour such as shoplifting, but not customer orientation. So they need to be combined together with structured biographical interviews, which are a valid predictor for job performance if conducted by trained interviewers. (For a guideline on structured interviews see Appendix 5)

*Structured interviews are valid recruitment tools*

Performance tests for thoroughness and concentration are a valid tool to predict a cashier’s performance. Intelligence tests have a high validity in predicting work success in managerial positions, while school results and graphology are fairly invalid indicators of future work success or performance.

### 5.2.2 Acceptability of recruitment tools

Acceptance of a recruitment tool refers both to its conformance to legal requirements and its potential to influence an employer's image. There are regional differences in the acceptability of tools by applicants. For instance, structured interviews are widely accepted all over Europe, but graphology tests are highly accepted only in France. Performance tests that assess intellectual and cognitive skills are not well accepted in the UK, Germany or the Benelux countries.

### 5.2.3 Costs of recruitment tools

The cost efficiency of recruiting tools for store employees needs to be considered. For a retailer with a widespread store network, a centralised assessment centre is likely to be an inefficient way to process large numbers of applicants, but appropriate for managerial positions.

*Online assessment tests can be cost efficient*

Online assessment tests can be used for recruiting store staff in a very cost efficient manner, with the added benefit of providing immediate access to the results of the test. For example, the "NEO-FFI" test only costs about EUR 25 per person. The combination of low cost and high relevance makes online assessment tests suitable for all levels, especially if combined with structured biographical interviews.

There also appears to be a strong tendency to use a team of two or three people for final candidate selection. This selection team normally decides unanimously on each candidate's selection or rejection. Thus helping to prevent "wrong" decisions based on personal attitudes.



Disneyland Resort Paris, the theme park operated by Euro Disney, focuses on structured interviews for their Cast Members (i.e. entry level jobs). Interviewers from HR department, as well as experienced line managers always ask the same questions. They are specifically trained on properly using the questionnaire and explicitly know from their experience what attitudes to look for.

Source: Euro Disney (<http://www.eurodisney.com>), CCRRGE, Roland Berger

## 5.3 Recruitment process as foundation to hiring the best people

### 5.3.1 Three step process – pre-selection, testing and interview

Best practice companies in this study, check and screen candidates with multiple processes. These typically contain: pre-selection, testing and final selection.

Pre-selection is based on a CV assessment combined with a questionnaire and/or telephone interviews, which helps to reduce process time. Online tests can further increase the efficiency of the whole procedure. Weak candidates drop out early and therefore do not go through the more time-consuming and costly recruitment processes of assessment and interview.

*Different recruitment steps ensure fast and efficient process*

For example, *Deutsche Bank* uses a three step process to recruit their branch employees. Pre-selection as the first step evaluates the (online) application. Secondly, applicants have to conduct written tests, focussing on communication skills, customer orientation and cognitive skills. Final selection then takes place with group discussions and interviews, giving recruiters the opportunity to select from a highly capable group of applicants.

### 5.3.2 Speed and good communication count

A fast and efficient recruiting process is necessary to get the best people. First, this ensures that the process is impressive in the eyes of the candidate. Secondly, if applicants are talented and suitable for the position, it is very likely that they will have other offers as well.

Best practice retailers take only seven working days to recruit permanent non-managerial store employees from the date of first contact. For store managers, the process should not take more than 21 working days from receipt of application to final decision. However, cutting the recruiting cycle time has to be achieved without reducing the quality of the decision.

As soon as a job advert is published, times and places for interviews or tests should be blocked out. This avoids delays due to lack of availability of key interviewing staff. Upon receipt of applications, candidates should be sent notification that sets clear expectations of the process cycle time (e.g. a standardised letter thanking them for the application and indicating the time required to pre-select candidates).

*Speed and good communication fosters retailer's image*

Candidates should receive acceptance or rejection feedback within a week of the decisions being made. If a retailer can match best practice process times, it leads to faster decisions on candidates and enhances the retailer's image. (See Appendix 6 for details)





## Lufthansa

For flight attendants, Deutsche Lufthansa screens required language skills and attitudes like customer and team orientation. Applications can be made via mail or Internet. School diplomas are not required for flight attendants at all – language skills and good looks are required. Pre-selection takes place via telephone. Final selection is based on a “talent test”: structured interviews with HR psychologists for customer and service orientation, group exercises for communication skills and team orientation and tests for thoroughness and language skills. The whole recruiting process takes 21 days, which will be reduced further with technological improvements. Thus, applicants receive fast and fair decisions – and Lufthansa gets the required employees on board quickly.

Source: Deutsche Lufthansa (<http://www.lufthansa.com>), Roland Berger

### 5.4 The recruitment process communicates the company's external image

Each candidate is not only a potential employee, but also a current or potential customer.

Furthermore, each candidate is likely to relate their experience of the company to relatives and friends, who could be prospective candidates or consumers themselves. It is unavoidable that the recruitment process is a channel of communication for the company's external image.

*Best practice companies use the recruitment process to market and distinguish themselves from competitors*

Best practice companies use 20% of their interview time to actively present the company. For example, *Douglas* introduces applicants to the company by letting them talk to potential colleagues and showing them round the workplace. When the decision on selecting or rejecting a candidate has been made, applicants receive fair and constructive feedback on their capabilities and performance.

In addition, best practice companies keep in touch with applicants between the date of the job offer and the candidate's decision. They also make a point of periodically keeping in touch between the acceptance of the job offer and the candidate's actual start in the company. This should always be done if the time gap is fairly long, e.g. for school leavers who decide on their future job in spring but don't start work until the summer or autumn.



# Chapter 6

## **TRAINING THE SKILLS OF STORE EMPLOYEES**

- 6.1 Training needs depend on retail strategy type, attitudes & skill levels & hierarchical position
- 6.2 Training new store employees with induction & mentor programs
- 6.3 Company specific training by store & department managers
- 6.4 E-learning offers new ways of training
- 6.5 Corporate university combines all training efforts

“Why do we use induction programs for all hierarchical levels?  
Because it is the key to our future success.”

**Knut Faremo, NorgesGruppen**

Training for store employees has one major focus – skills. As discussed already, it is easier to train skills than it is to change attitudes. While the *recruiting* process should focus on hiring employees with the right attitudes, the *training* process will focus on adding skills.

## 6.1 Training needs depend on retail strategy type, attitudes & skill levels and hierarchical position

### 6.1.1 Training to suit retail strategy types

A food retailer's strategy defines the required attitudes and skills of store employees (Chapter 2). It follows that training needs will depend on the strategy type as well.

*Retailer Driven and Partnership strategy retailers require more training than Transactional retailers*

Transactional retailers have to focus on training the controlling skills of their store managers. This requires less training than Partnership or Retailer Driven strategy types which focus on issues such as expert knowledge, problem solving or planning. Customer orientation also has to be adapted to their specific way of serving customers, advising and informing them on products, or dealing with complaints.

Best practice food retailers, such as *Tesco* or *Superquinn*, devote up to 10 days per year to training their store employees. Training plans such as *Pick 'n Pay's* "Blue Book" or *Superquinn's* "Steps to Success" emphasise the need to train store employees in order to satisfy customers.

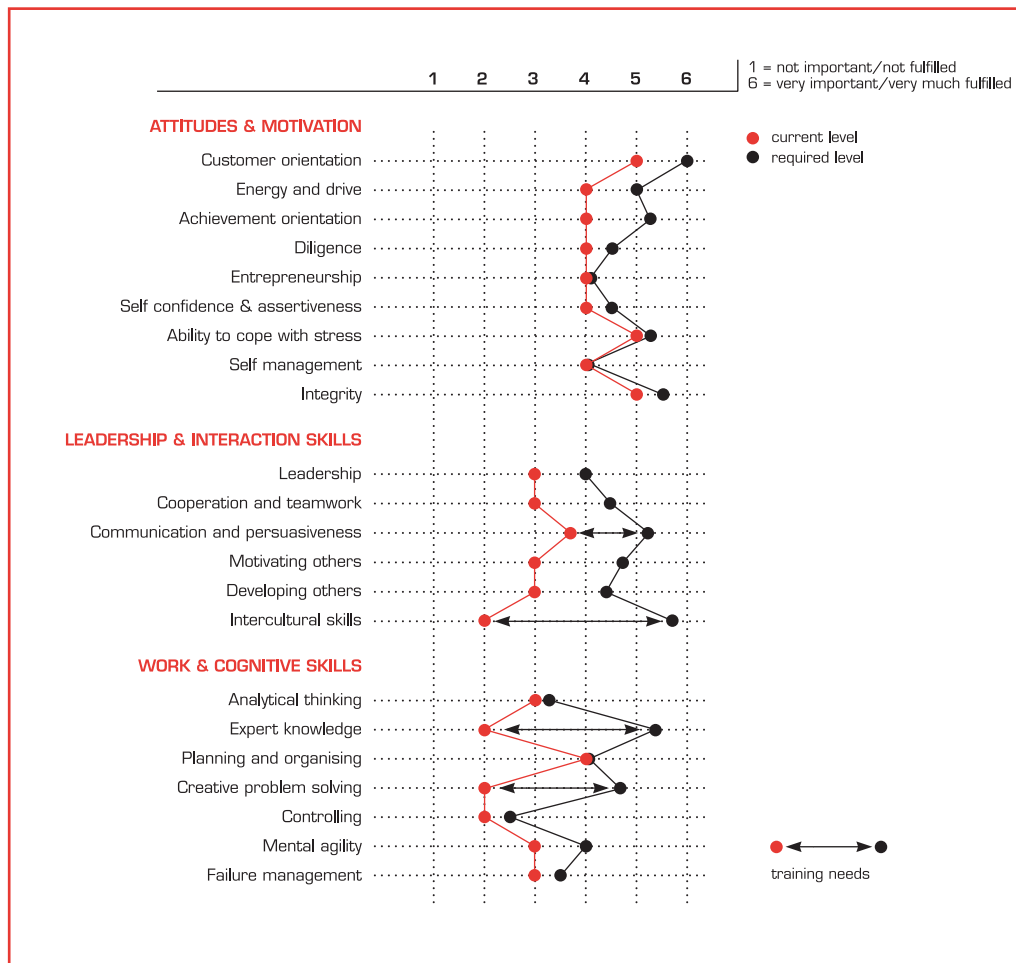
### 6.1.2 Identifying specific training needs

*Assessment of individual training needs must be based on required skills and attitudes that can deliver a specific retail strategy*

Existing attitudes and skills can be assessed downward by the store manager, upward by subordinates, or through a 360 degree assessment that integrates superiors, subordinates and peers. Training needs can then be identified through a gap analysis of *actual* attitudes and skill levels versus the *required* levels to deliver the retail strategy.

The gap analysis (figure 20) will also serve as a basis for the *attitudes-skills-index* (ASI) that is required for successful control of training efforts (see also Chapter 7)

**Figure 20** Identifying specific training needs by gap analysis



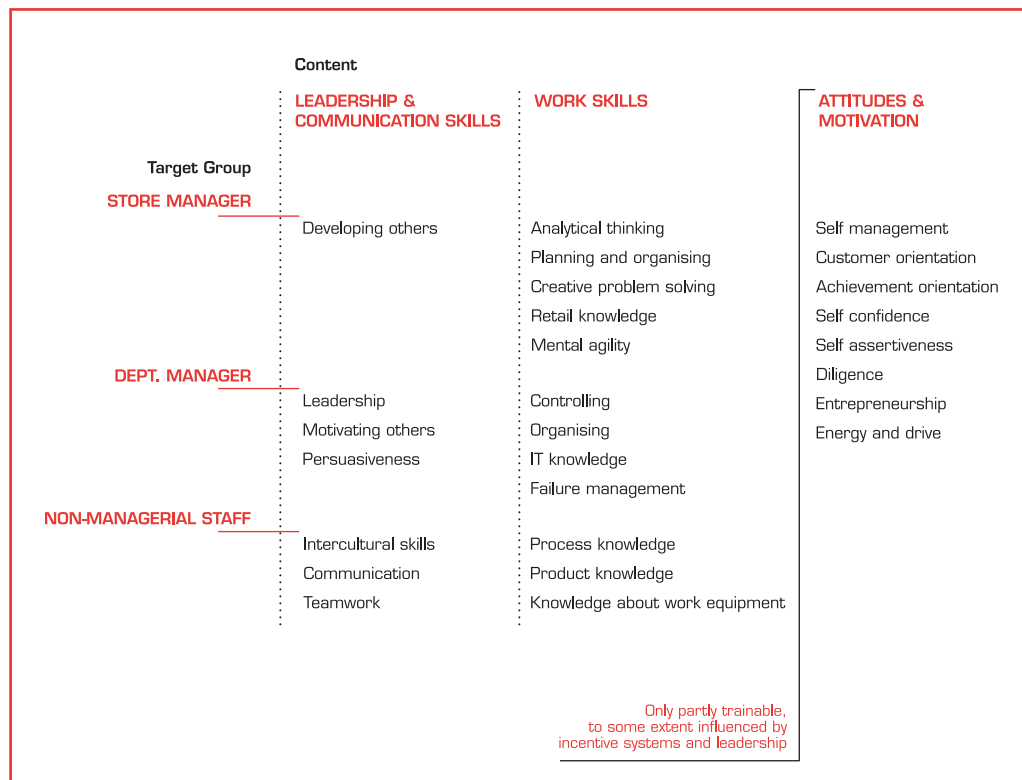
Source: Assessment of CORRGE participants, Roland Berger

### 6.1.3 Training according to hierarchical position

As employees progress up the hierarchy, the nature of skill training develops from product and process knowledge for non-managerial staff, to managerial skills such as analytical thinking, planning and leadership. (figure 21)

*Developing attitudes requires incentive systems and good leadership*

Since attitudes are difficult to 'train', a strategy is commonly employed where behaviours that are hard to train directly are encouraged by incentive systems. For example, store managers influence the adoption of specific attitudes by giving feedback and rewarding desired behaviour.

**Figure 21** Skills require training, attitudes can be influenced by incentives

Source: CCRRGE, Roland Berger

## 6.2 Training new store employees with induction and mentor programs

### 6.2.1 Training starts right from the first minute of employment

Induction programs are the first experience of training for store employees. It is widely agreed that the introduction of new employees to the organisation in a structured manner helps to create a good first impression of their new employer.

Best practice food retailers use thoroughly planned induction programs. They start the induction program with a presentation on company strategy and objectives. This is the new employee's first introduction to the corporate culture. New hires are then trained during the first days and weeks on their specific tasks and general work procedures.



The induction program at *Superquinn* covers job-related information as well as extensive information on the company. During the first two days, every new employee focuses on the company philosophy, its history and its general principles and guidelines. All this relates to customer service – the main value at Superquinn. Additionally, new colleagues are trained on job functions specific to their position. For example, cashiers receive instruction on the checkout system, while food processing employees get in-depth information on food safety and quality. The induction program is delivered by both line managers and colleague coaches, i.e. the HR specialists at each store.

Source: Superquinn (<http://www.superquinn.ie>), CCRIGE, Roland Berger

Various benefits can be credited to induction programs: food retailers show that they care about their store employees and that each one of them is important to the business. New employees quickly learn how to do their specific job, how to serve customers and how to behave. (A full checklist on induction programs is provided in Appendix 7)

*Food retailers, employees and customers benefit from induction programs*

### 6.2.2 Mentor programs supporting induction programs

Special mentor or peer assignments support the induction program. Mentors or peers help new employees to feel valued on a personal level and can act as a catalyst for rapid integration into the company. This can reduce employee turnover in the early stages, where crucial first impressions are being formed. Mentors are responsible for providing further information to new employees, showing them how the organisation works, giving them feedback and advice.

Mentor roles should be performed by superiors who are not directly in charge of the new employee (e.g. a manager of the wine department mentoring a new sales clerk in the fresh fruit department). This tends to provide a more open environment for the new employee to express views or uncertainties that they might prefer not to raise with their immediate manager. Alternatively, mentoring can be performed by experienced peers who work in the same department, but are not their direct manager. For example, *Tesco* provides “buddies” to help new recruits feel welcome and to guide them during the first few weeks. Duties for a “buddy” include teaching new recruits on general housekeeping and where to find products.

*Mentor programs support the integration of employees within the organisation*

Another best practice approach is to encourage store employees to proactively identify their own training and development needs during the induction phase, instead of offering compulsory seminars, as demonstrated by *Pick ‘n Pay*:

“Our basic induction to our company is a “Journey of Discovery”. 80% of the learning and answers are to be found by the new associate on the shop floor in the work place. This process ends with a development interview with a director. Passing on the passion personally”

Sean Summers, Pick 'n Pay

### 6.3 Company specific training by store and department managers

Store or department managers play a pivotal role in providing company specific training of skills and the development of attitudes.

*Store and department managers are valuable to delivering food retailer specific training and thus enforce company culture*

Best practice food retailers such as *Superquinn* or *Carrefour* use their store managers to deliver more than 50% of their training programs to store employees. So the responsibility for delivering training is given to staff who have direct knowledge of individual employee needs, daily operational processes and customers. There are further benefits of this approach: delivering training can be integrated in the career development plans of managerial staff and managers are ideal role models for the demonstration of specific cultural values and attitudes during each training session.

At *Superquinn*, for example, store and department managers always stress specific customer orientation and attitudes necessary to deliver outstanding customer service. The training can then be linked with the daily work of the employees, helping them to use the newly gained knowledge immediately.

### 6.4 E-learning offers new ways of training

#### 6.4.1 Employees learn at their own place and at their own pace

*E-learning can help to train a large number of store employees at the same time*

E-learning describes training that is delivered via electronic means. Today, e-learning is basically linked to web-based solutions, leveraging the Internet's interactive nature and its visual and content-rich environment. E-learning enables companies to train a large number of employees at the same time, often in 'remote' locations. This is especially important for food retailers, where store employees are spread over a large number of outlets. Additionally, users can proceed through a training program “at their own pace and at their own place”. They can access the training at any time, and only as much as they need, making it especially suitable for part-time employees.

#### 6.4.2 E-learning provides time and cost efficient training

*Training costs and time can be reduced by e-learning*

Training delivered via electronic means can help food retailers to reduce both training costs and time involved. If there are sufficient PCs or terminals available in-store, significant savings can be made in travel costs. The initial cost of developing e-learning materials is higher than for traditional methods, but the permanent costs of running such training programs are known to be considerably

lower. In some cases, the time required for certain interactive, self-training programmes can be half that of the same instructor-led training, further reducing training costs.

### 6.4.3 Applying e-learning for food retailers

Currently, e-learning is especially suited for training skills like product, process or IT knowledge. In the future, attitudes such as customer orientation or other behavioural topics could be addressed on an interactive level. The acceptance of e-learning can be enhanced by linking it to conventional classroom training, where it can be used to prepare for training sessions or to offer post-training support.

*E-learning focus on skills*

E-learning is being piloted by some progressive food retailers. B&Q has successfully finished a pilot project and has implemented an e-learning infrastructure throughout its stores.

**B&Q**

B&Q has recently introduced e-learning to train its staff. Following successful implementation, the e-learning infra-structure now provides more than 28,000 users in over 310 stores with access to online courses offering an introduction to e-learning, health and safety topics and basic IT skills. These courses help B&Q staff to deliver improved customer satisfaction to more than three million customers every week.

*"We've seen considerable cost savings already through decreased time to deliver training modules and increased confidence in employees who have been trained on the platform. These are just the immediate benefits - the medium-term benefit will be increased customer satisfaction with more knowledgeable people in the stores to serve our customers."* said Adrian Jones, eTraining Manager at B&Q.

Source: B&Q (<http://www.diy.com>), Business Wire, CCRRAGE, Roland Berger

Accor, the French hotel and services group, also uses e-learning and intends to double the level of training offered to employees without any increase in overall cost. For example, their induction program starts with a CD-ROM, where all relevant information on the group and its services is included. Every new employee has to work through the CD to acquire a basic knowledge of Accor.

Accor combines traditional classroom training with e-learning. Seminar times have been cut by electronically delivering introductory information. After the training, employees can discuss their newly acquired knowledge in chat rooms and newsgroups within the company's intranet. Basic training, such as software knowledge or food safety, has been transferred to electronic self-learning tools, increasing the efficiency and the effectiveness of Accor's training efforts.



## 6.5 Corporate university combines all training efforts

The concept of knowledge as a corporate asset elevates *learning* to a strategic level for the delivery of competitive advantage for food retailers.

### 6.5.1 A coordinated approach to training

*Corporate universities put training into a strategic perspective*

Corporate universities coordinate training know-how, corporate strategy, culture and change initiatives, ensuring that:

- ▶ learning goals for store employees are directly linked to the retail strategy
- ▶ specific corporate values are reinforced
- ▶ training for relevant skills (and attitudes where possible) is planned into future retail strategies

Thus, the role of training departments changes from reducing existing skill gaps to delivering the attitudes and skill sets that will drive competitive differentiation in the future.

The actual delivery of the training content changes as well. Corporate universities employ a variety of learning methodologies, including case study discussions, simulations, lectures, “fireside chats” and - more recently and with greater emphasis - action learning. The most common approach is a mixture of classroom training and e-learning.

### 6.5.2 External involvement and effects on image

*Corporate universities use co-operative ventures to provide state-of-the-art knowledge*

Corporate universities co-operate with traditional universities, non-governmental institutions and external trainers to provide state-of-the-art knowledge, tailored specifically to the needs of the organisation.

The presence of a corporate university can also give the business an edge in its quest for “best employer” status. For example, the *Lufthansa School of Business* works together closely with several leading business schools around the world and uses its business school to foster the company image and attract new employees.

*Food retailers can use corporate universities to improve employer image*

More recently, the corporate university concept has been evolved into that of a company ‘profit centre’. Here, the corporate university is responsible for training not only the corporation’s complete internal ecosystem, but also its customers, partners and suppliers.

For example, *Disney Institute*, the ‘university’ of *Walt Disney World* in the US, created management development programs that they could sell to other corporations to cover operating expenses.

These programs are automatically linked to their convention centre and amusement park, generating cross-selling opportunities. *Accor* promotes training courses to external companies, too.



*Accor* was a pioneer of the corporate university concept, having set up Académie Accor back in 1985. It was the first company university in Europe in the services sector, training 10,000 people annually.

*"More and more skills are required of our staff members today, as a result of complex markets, the creation of new lines of business and the arrival of new technologies",* explains Jean-Jacques Gressier, General Manager of Académie Accor.

Thus, the academy integrates ongoing innovation and adaptation for the whole Accor group. Nevertheless, the academy is just one pillar in Accor's widespread commitment to training and it helps to *"develop management practices to enable employees to take full advantage of the changes in Accor"*, emphasises Jean-Jacques Gressier.

Source: Accor (<http://www.accor.fr>), CCRRGE, Roland Berger



## **THE PEOPLE STRATEGY COCKPIT - MANAGING A SUCCESSFUL PEOPLE STRATEGY**

- 7.1 People Strategy cockpit indices cover the whole HR value chain
- 7.2 Reorienting People Strategy measurement to drive business performance
- 7.3 The people organisation supporting the People Strategy

“People are key in delivering a retailers strategy. Dealing with people issues will be essential to success in the 21<sup>st</sup> century.”

**Tim Mason, Tesco**

Successful implementation and management of the People Strategy requires proper control of key measures and results. Each HR process step has to be controlled, from retaining store employees, to attracting, recruiting and training them. Without knowing the outcomes of HR activities, it is impossible to manage them properly. The People Strategy cockpit provides such a controlling function.

*HR activities must be measured in order to effectively manage them*

“You cannot manage, what you cannot measure”

**Peter Drucker, researcher, author, management guru**

The People Strategy cockpit can be described as an HR scorecard. Its goal is to align the HR system with the overall strategic objectives. The cockpit results are the basis for HR decisions and, ultimately, for the successful implementation of the People Strategy.

*The People Strategy cockpit is an HR scorecard for store employees*

## 7.1 People Strategy cockpit indices cover the whole HR value chain

The People Strategy cockpit focuses on a few key performance indicators to provide an index for each of the HR processes: retention, attraction, recruitment and training.

**Figure 22** The People Strategy cockpit provides measures to control the HR value chain



Source: Roland Berger

### 7.1.1 Retention index

Fulfilling the expectations of employees leads to higher commitment and retention levels. Thus, the retention index contains

- ▶ commitment index (CI)
- ▶ retention rate
- ▶ rate of absenteeism
- ▶ leadership index (LI)

*The organisational commitment index describes tendency to change jobs and work motivation*

The commitment index (CI) describes the tendency of employees to change jobs, as well as their motivation. The CI is created by conducting an employee survey and comparing the actual results with target values. The result of our employee survey with high achievers suggests a CI target value of 75%. It is important to actively measure and manage the index, since it not only indicates levels of retention and motivation of existing staff, but also influences rates of absenteeism and the attraction of new employees.

*High employee retention positively correlates with high commitment*

The retention rate positively correlates with high commitment. General employee turnover rates are often imprecise, making it more difficult to create effective turnover reduction programs. And if retention is the retailer's objective, then retention rate is the key measure. Assessing retention rates for more specific employee groups can enhance the diagnostic value of this measure. If, for example, the retention rate of new recruits is very low, it can be assumed that food retailers would have to focus on improving the fulfilment of new employee job expectations. The benchmark is set by a best practice food retailer, which currently achieves a retention rate of 90% for permanent store staff after one year of work.

High absenteeism is a result of low commitment and low job satisfaction. Best practice retailers achieve a rate of 1% for store managers and 3% for all store employees.

*The leadership index reveals the degree of employee satisfaction with store and department managers*

The leadership index (LI) reveals the degree of satisfaction of store employees with store and department managers and is based on clearly defined leadership principles (see Chapter 3.2). These leadership principles should be adapted to fit to the retailer's strategy and specific employee groups' expectations. To set the target value of the leadership index, use the assessment sheet in Appendix 8. Previous project experience suggests a target value of 75% for the index.

### 7.1.2 Attraction index

As described in Chapter 4, attracting new employees should focus on their expectations. The commitment index for various employee groups is a useful indicator of company attractiveness. Three additional key performance indicators for attracting employees are:

- ▶ rate of unsolicited job applications
- ▶ number of applications received per new job
- ▶ fulfilment of Internet standards

A high rate of unsolicited applications demonstrates that a company conveys a good image externally and attracts employees without advertising specific vacancies. A high number of applications received provides a larger talent pool from which the company can choose.

The fulfilment of Internet standards is necessary due to the growing importance of this technology. Best practice retailers and retail related companies use benchmarks for website content and design.

Best practice retailers receive unsolicited applications at a rate of 60% of total applications, receive up to 40 applications per job offered and fulfil 76% of the Internet standard.

### 7.1.3 Recruitment index

Three key indicators should be used to assess recruitment performance:

- ▶ hit rate
- ▶ length of recruiting process
- ▶ recruitment cost per employee

The recruitment hit rate indicates the percentage of job offers that are accepted. Good food retailers reach a target of 50% (i.e. every second candidate receiving a job offer actually joins the company).

*Hit rate and length of recruiting process are indicators of an effective recruitment process*

The benchmark for the length of the recruiting process for store employees in food retail ranges from seven working days for non-managerial staff, to 21 working days for managerial levels from receipt of application to final decision.

Recruitment cost per new employee provides a strong measure of recruitment efficiency, but this varies significantly by Teographic region, and is highly dependent on job function.

#### 7.1.4 Training index

Key performance indicators for training employees are:

- ▶ attitude-skills index (ASI)
- ▶ training cost per employee

*The attitude-skills index indicates the alignment of Business and People Strategy*

The effectiveness of training requires the measurement of the attitudes and skills of employees before and after training initiatives. The ASI is based on the *required* attitudes and skills of store employees for the chosen retail strategy. The *actual* attitudes and skills of employees are analysed and compared with required levels. It is possible to track the improvement of the ASI over time as it increases for companies with successful training strategies. The ASI target value for each retailer depends on current fulfilment levels, but previous experience suggests 80% as an achievable target.

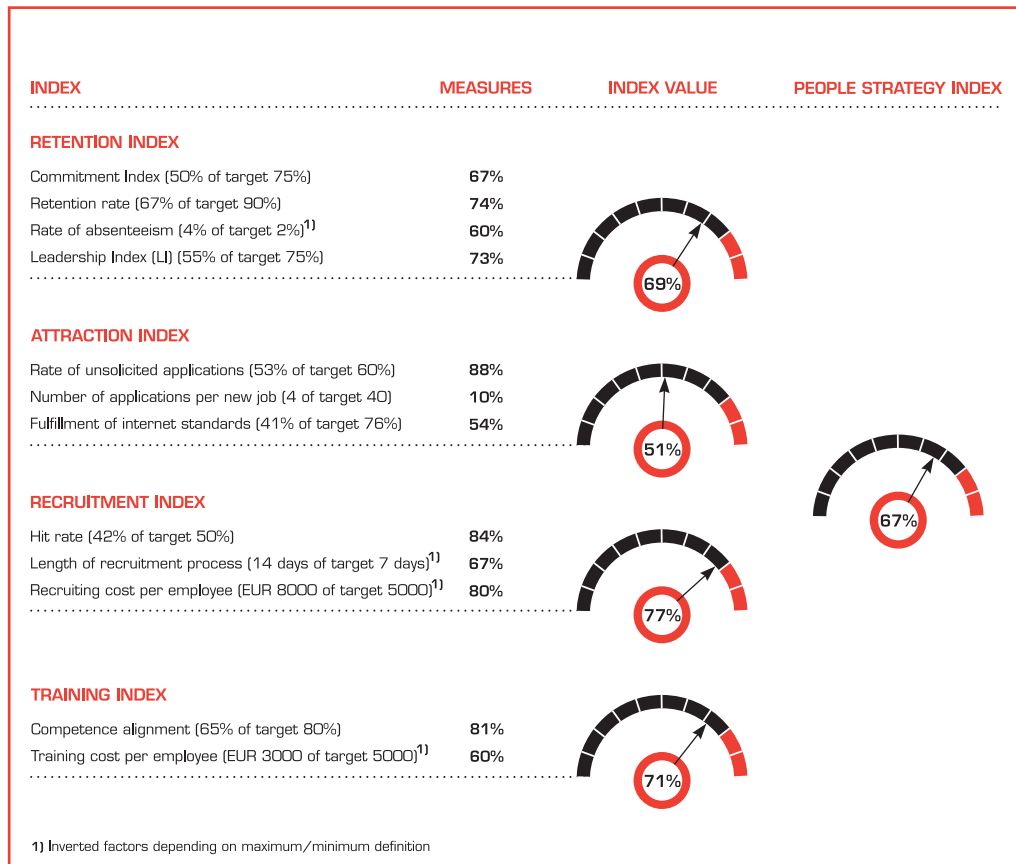
*Costs of training need to be assessed*

The training cost per employee is another key training indicator. The cost of formal, off-the-job training is assessed according to different job categories. Again, the actual cost of training varies for each food retailer depending on function and geographic region. Alternatively, the number of training days per employee could also be used as an indicator. Best practice retailers annually provide between 5 days of training for permanent staff and 10 days for store managers

#### 7.1.5 People Strategy index example

Figure 23 illustrates the indicators of the People Strategy cockpit for a hypothetical food retailer. Each measure and index can be weighted and applied to specific company requirements. In this example, all measures and indices are equally weighted for simplicity.

**Figure 23** The people strategy index is an overall measurement tool to evaluate strengths and weaknesses of HR activities



Source: Roland Berger

## 7.2 Reorienting People Strategy measurement to drive business performance

### 7.2.1 Expanding the people strategy cockpit

A 'balanced scorecard' approach provides a practical and integrated framework that helps food retailers to understand the impact of HR on their business performance and to focus on specific HR activities. This concept is based on two key premises:

For any company to succeed, the expectations of three sets of stakeholders – employees, customers and shareholders – must be satisfied. If food retailers ignore the expectations of one set of stakeholders in preference to another, their business will suffer in the long run.

All three stakeholder groups are interrelated. In a people business like retailing, employee attitudes and behaviour have a particularly high impact on consumer satisfaction and loyalty. In turn, consumer attitudes and loyalty influence financial results and shareholder satisfaction. Finally, shareholder satisfaction affects employee commitment by providing further opportunities for company growth, development and compensation.

*Food retailers should measure the link between employee and customer behaviour and financial results*



A 'balanced scorecard' only becomes useful as a value-generating tool once performance measures are actually quantified, gaps are identified and action plans are created to close these key performance gaps.

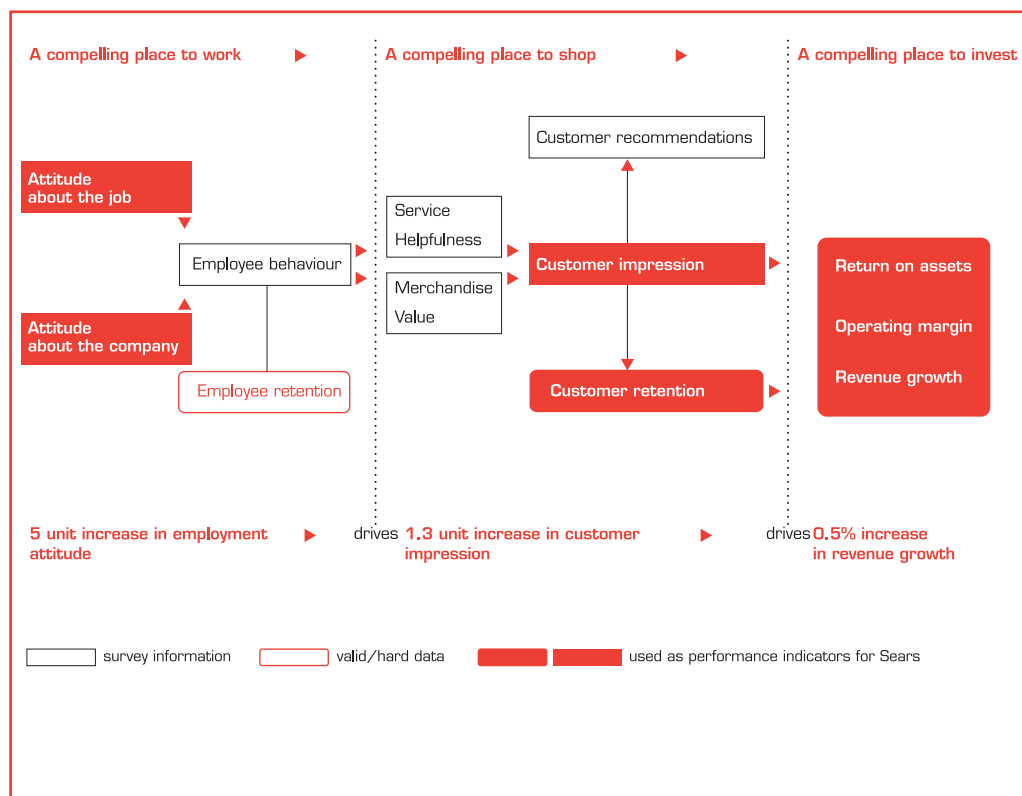
### 7.2.2 Sears measure financial results of HR activities

*Sears*, one of the largest US retailers, has managed to successfully develop such an empirical model and has tested the link between HR activities and financial results. *Sears* was able to prove that specific employee attitudes towards the job and the company directly affected customer attitudes, behaviour and, thus, financial performance.

*Sears developed a proven model to link employees and sales*

The magnitude of these interrelationships was described as follows: a 5 unit increase in employee attitude led to a 1.3 unit increase in customer retention and a 0.5% increase in revenue growth. At *Sears*, this 0.5% increase in revenue growth translated into additional retail revenues of 160 million USD in 2000. (Figure 24)

**Figure 24** The employee-customer-profit chain at *Sears* illustrates the interrelation of the stakeholders



Source: Harvard Business Review, Roland Berger

The company identified distinct HR drivers to improve customer-related employee behaviour in a cost-efficient way. For example, investments in good working conditions led to higher customer loyalty, whereas empowered teams did not.

All of these HR drivers relate to company strategy, culture, structure, HR practices and customers. As a result, each food retailer must evaluate its own people drivers in order to improve consumer satisfaction and subsequently the bottom line.

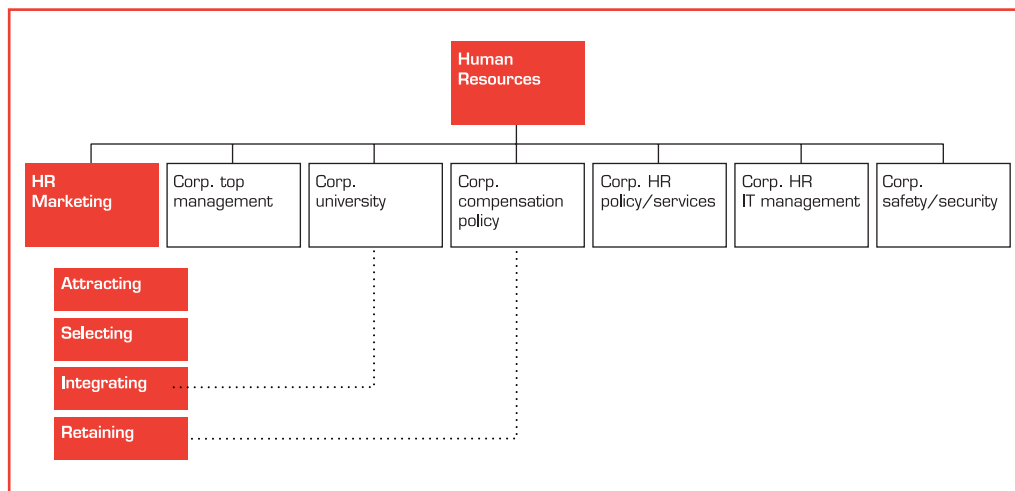
### 7.3 The people organisation supporting the People Strategy

The implementation of the People Strategy must be supported by an effective HR organisation. It is widely accepted that employees are one of the main sources of competitive advantage. Unfortunately, while many companies we analysed have a distinct recruitment function within their HR departments and spend huge amounts of money on recruiting employees, they spend considerably less on actively retaining them.

*Superior HR organisation and HR presence at Board level support the successful implementation of a People Strategy*

One best practice company can be seen as an exception to the rule. The company has organised the HR department along the HR value chain (figure 25). Each step, from attraction to retention of employees, is managed by its own distinct sub-department. These sub-departments actively cooperate with each other on training - for example, through their “Corporate university” or on compensation through their “Corporate compensation policy”. The HR director views this organisational structure as a key element of their high employer attractiveness and successful retention strategy.

**Figure 25** The organisational structure effectively supports the HR value chain

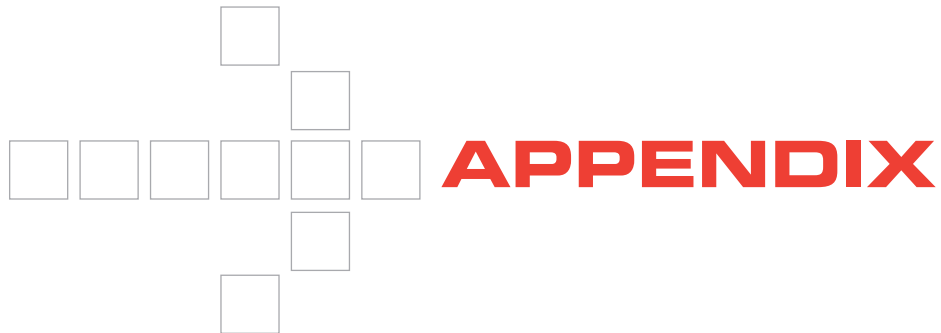


Source: Best practice company, CORRGE, Roland Berger

Last but not least, the very presence of a board level HR director shows that people count and are crucial in delivering superior customer value.

“People are key in delivering a retailer’s strategy.  
Dealing with people issues will be essential to success in  
the 21<sup>st</sup> century.”

**Tim Mason, Tesco**



## **A Leadership** **PEOPLE STRATEGY** for Food Retailers

- A.1 Cost saving potential of employee turnover reduction**
- A.2 Detailed description of employee attitudes and skills**
- A.3 Required attitudes and work skills for store employees**
- A.4 Factors influencing organisational commitment**
- A.5 Recruiting - structured interview guide**
- A.6 Recruiting - best practice recruiting process**
- A.7 Training - checklist for induction program**
- A.8 People Strategy Cockpit - Leadership Index**

## Appendix 1: Cost saving potential of employee turnover reduction

**Reducing employee turnover by 50% leads to an improvement in operating margin of 0.5% points**

	CURRENT	POTENTIAL	GAP
Employee turnover 1)	20%	10%	-50%
• store manager/ department manager	30%	15%	-50%
• non managerial staff			
Staff	17.84	17.84	0%
Personnel costs 2) 3)	1.78	1.69	-5.1%
Operating profit	0.97	1.06	+9.3%

Operating margin	5.4%	5.9%	+0.5% points
------------------	------	------	--------------

1) UK retailer with 100,000 store employees (400 store managers, 3,200 department managers)

2) Personnel costs incl. overhead 10% of sales

3) Replacement costs for store manager: 24,000 EUR; department manager: 10,000 EUR; non-managerial staff: 6,000 EUR; costs include termination, replacement, training, learning curve/performance

Source: Roland Berger

## Appendix 2: Detailed description of employee attitudes and skills

Attitudes and Motivation	
Customer orientation	Acts to fulfil customers' needs; actively addresses customers; listens and responds to customers
Energy and drive	Is proactive; takes the initiative; recovers quickly
Achievement orientation	Has a "can do" mentality; strives for excellence; is career-driven; loves to compete with others
Diligence	Works hard without complaining; works overtime
Entrepreneurship	Shows passion for business and company; is enthusiastic about new business ideas and trends; knows the market well; is decisive
Self-confidence and assertiveness	Has confidence in own ability and judgment; is able to set limits for customers and subordinates; is able to take command of face-to-face situations; knows own strengths and weaknesses
Ability to cope with stress	Is able to work effectively under pressure; stays calm when being provoked or attacked
Self-management	Has good time management; shows commitment to reaching targets; is self-motivated to do so; is able to balance action and reflection
Integrity	Acts to ensure honesty or fairness in dealing with others; keeps promises if possible; is reliable

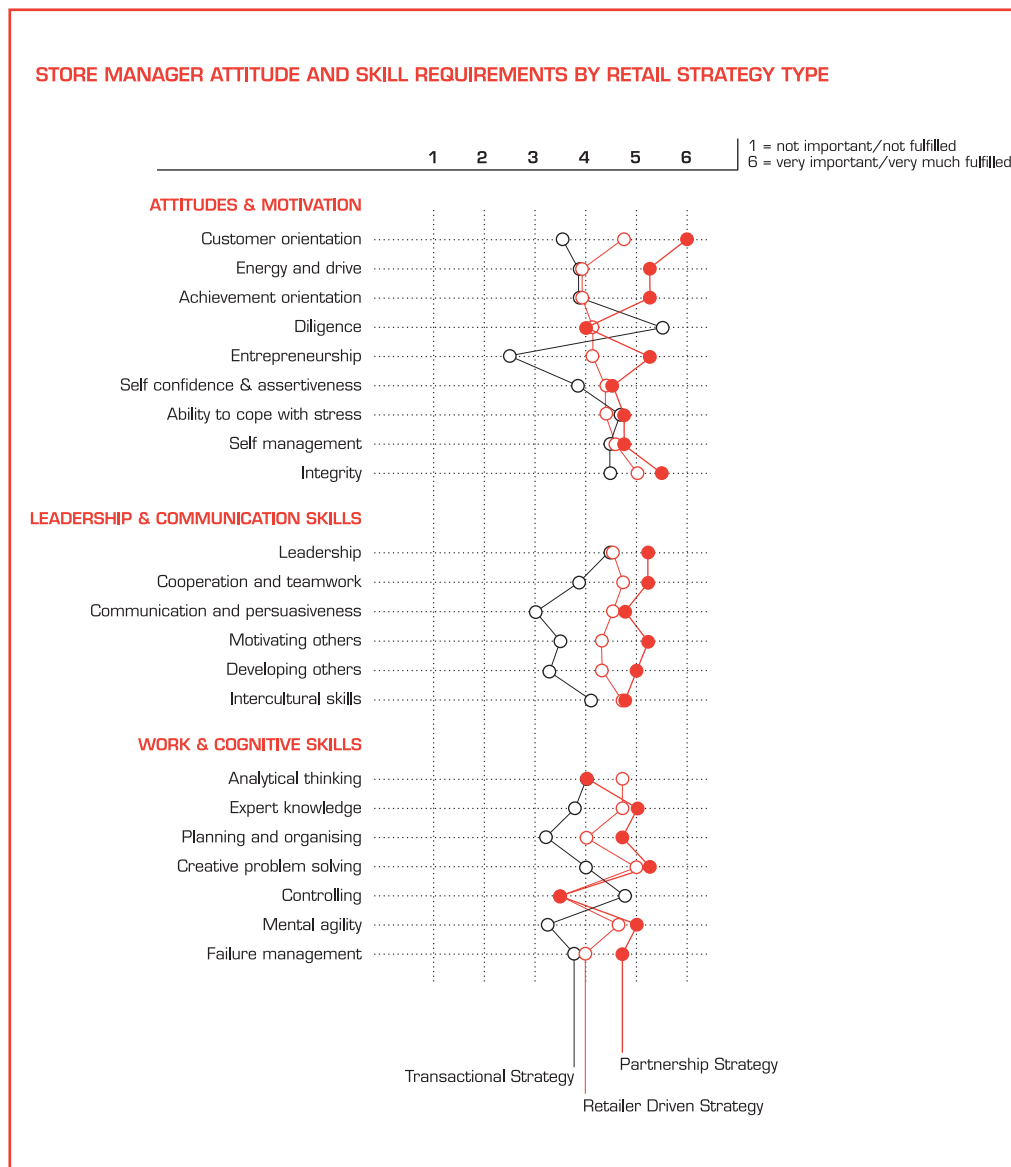
## Appendix 2: (continued)

Leadership and interaction skills	
Leadership	Shows strong concern for people; delegates tasks; acts as a role model for subordinates
Cooperation and teamwork	Is extrovert; builds strong team relationships; is able to see things from others' perspectives; reduces conflicts
Communication and persuasiveness	Seeks out opportunities to talk to customers, colleagues, and subordinates; tries to convince others of his/her own ideas; calculates the effects of words and actions
Motivating others	Encourages and supports subordinates and/or colleagues facing problems; gives daily feedback
Developing others	Helps others to learn and grow; provides training opportunities for new subordinates
Intercultural skills	Treats employees and customers from other countries and ethnic groups with respect; is open to cultural diversity

Work and cognitive skills	
Analytical thinking	Comes to logical conclusions easily; sees implications or consequences of a situation or information; identifies patterns and relations/correlations; is clever
Expert knowledge	Has broad specific and functional product and process knowledge; knows the market and competitors; knows how to use new technologies
Planning and organising	Sees the big picture; anticipates obstacles; switches to an alternative strategy early on to reach business goals
Creative problem solving	Is able to find solutions quickly; is able to simplify problems and come to a pragmatic solution
Controlling	Personally supervises all important aspects of store management processes; criticises subordinates or colleagues who fail to perform as expected
Mental agility	Is able to deal with multiple issues; is flexible in generating new ideas to overcome obstacles
Failure management	Deals effectively with mistakes, improves over time and with experience

Source: Roland Berger

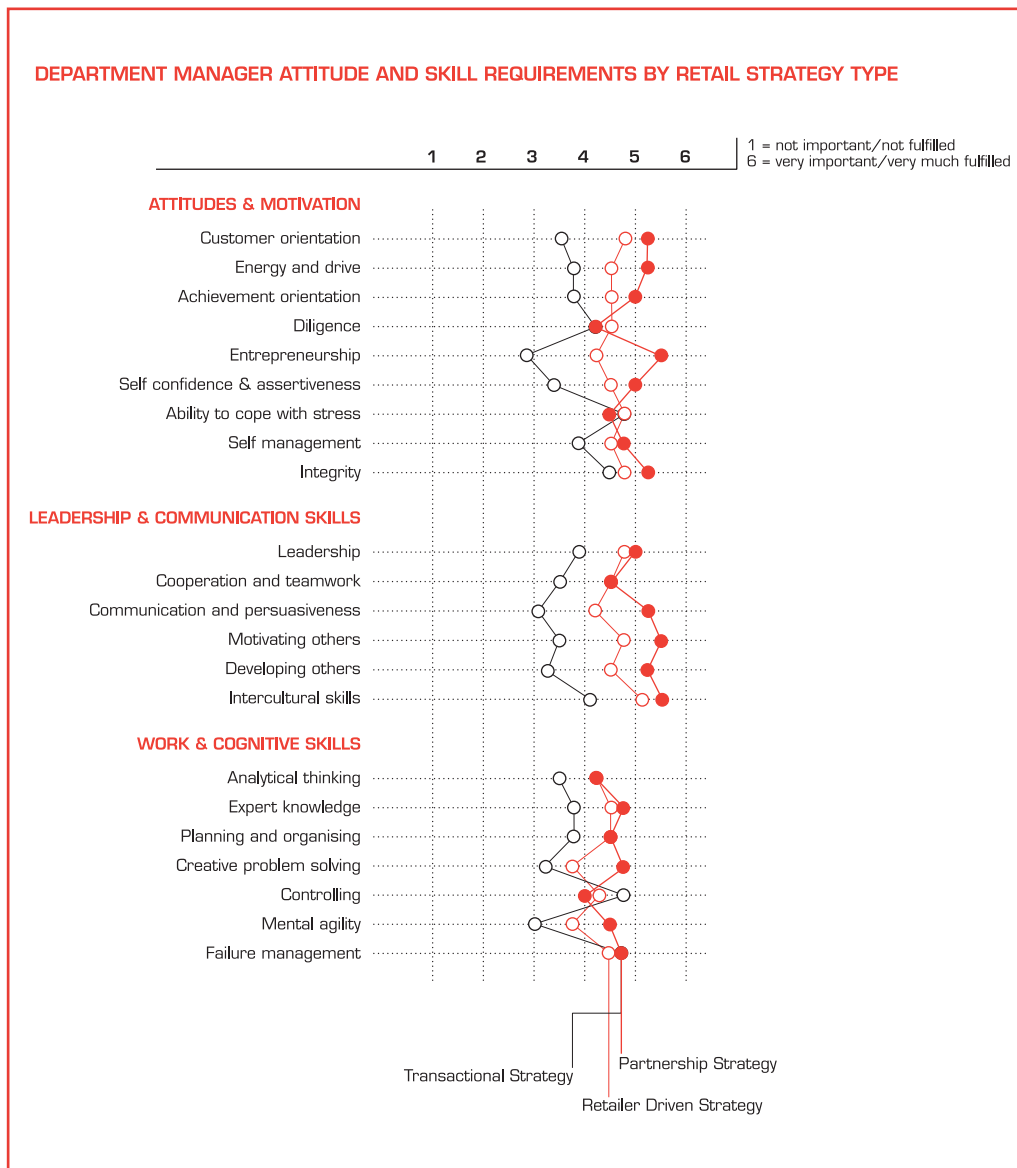
### Appendix 3: Required attitudes and work skills for store employees



Source: Assessment of CCRRGE participants, Roland Berger

Store Managers working to *Partnership* and *Retailer Driven* strategies require more leadership and communication skills than managers working for *Transactional* retailers.

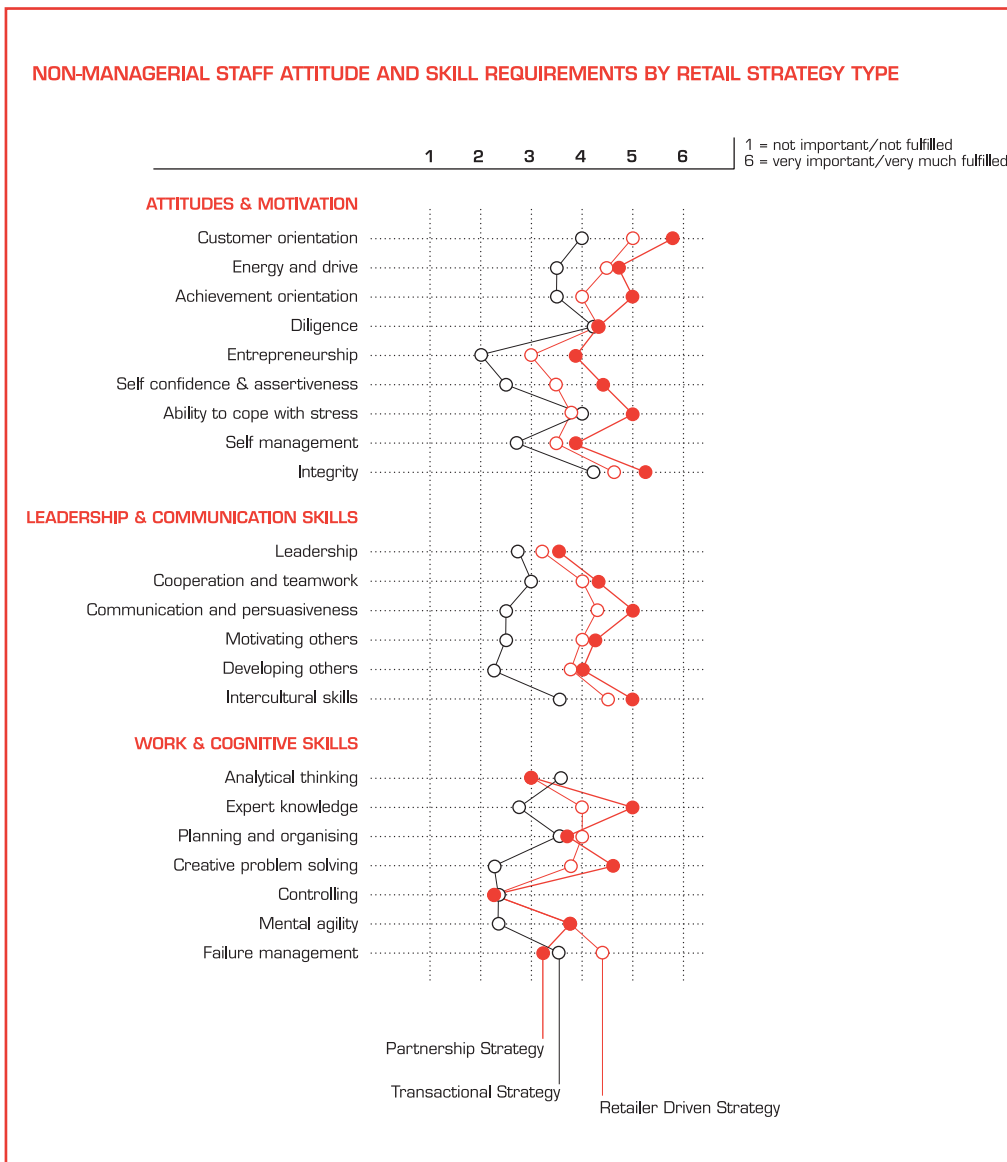
### Appendix 3: (continued)



Source: Assessment of CCRRGE participants, Roland Berger

The work and cognitive skills requirements of department managers are similar for each retail strategy type.

### Appendix 3: (continued)



Source: Assessment of CCRAGE participants, Roland Berger

Non-managerial staff in *Partnership* strategy stores have the greatest need for attitudes and communication skills



## Appendix 4: Factors influencing organisational commitment

### FACTORS INFLUENCING ORGANISATIONAL COMMITMENT in alphabetical order

- |                               |                              |                          |
|-------------------------------|------------------------------|--------------------------|
| 1 Career development          | 9 Goal orientation           | 17 Physical conditions   |
| 2 Climate                     | 10 Help & support            | 18 Problem solving skill |
| 3 Communication & information | 11 Influence on work content | 19 Superior credibility  |
| 4 Compensation                | 12 Influence on working time | 20 Team orientation      |
| 5 Competitiveness             | 13 Involvement of others     | 21 Training              |
| 6 Conflict solving skill      | 14 Job variety               | 22 Work challenge        |
| 7 Fairness                    | 15 Learning climate          | 23 Work life balance     |
| 8 Feedback                    | 16 Organisational skills     | 24 Work organisation     |

Source: Roland Berger

## Appendix 5: Recruiting – structured interview guide

Effective recruitment processes for store employees are amongst the most important personnel development tools for food retailers. This interview guide is designed to cover all relevant aspects of recruiting. Nevertheless, it is necessary to adapt this general guide to the chosen retail strategy, the required attitudes and skills, and the job position being recruited.

The interview follows five phases:

*Warm up:* welcome applicant and ask general questions, give information on interview length and procedures, provide pleasant atmosphere

*Interview:* see guideline, inform applicants on taking notes during the interview

*Information:* on position, work environment, introduction to (potential) work place and colleagues

*Questions:* answer applicant's questions

*Closure:* information on further decision process and time, short feedback, farewell to applicants

The interview itself focuses on evaluating attitudes and skills. Thus, questions should focus on critical incidents, i.e. asking candidates to describe specific situations they experienced in the past, what they did in that situation and the results of their actions.

For example, on customer orientation:

“Imagine your experience with customers. Please describe a situation in which you had to deal with a customer complaint (situation)?

What did you do in that situation (procedure)?

What was the result of your actions (result)?”

Additionally, open questions should be asked in order to establish a communication flow – applicants should talk and reveal information.

The following four pages provide a structured guide for interviewing permanent store recruitment candidates.

Applicant's name: \_\_\_\_\_

Position applied for: \_\_\_\_\_

Interviewer's name: \_\_\_\_\_

Potential starting date: \_\_\_\_\_

Full-time/part-time: \_\_\_\_\_

Date of Interview: \_\_\_\_\_

General interviewer comments/recommendations:

Please indicate your **judgement of the applicant's capability** using the following scale:  
 1 = very low, 2 = low, 3 = average, 4 = high, 5 = very high, n.a. = not applicable,

1 2 3 4 5 n.a.

Fit to food retail	Test of fit between working preferences and food retail working environment	(Assign high values for interest in retail, fit between expectations and food retail work) What are the reasons for your application?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		What specific interests do you have in the food retail industry?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		Generally, what is important to you with regard to work?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		What should your future workplace look like, so that you would enjoy it and have fun at work?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Attitudes and motivation	Customer orientation	Please describe your customers in your last job. What are they like? (Assign high values for mentioning positive attributes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		From which experience with customers did you learn the most? What did you learn? (Assign high values to relevant learning)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		What does a typical customer situation look like? How do you deal with a customer? (If applicable, perform a role play with the applicant as store employee. Assign high value for being friendly, listening to customer, responding appropriately etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		How would you deal with a customer complaint? (Assign high values for being friendly, listening to customer, responding appropriately etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		Which principles do you consider important in customer service? (Assign high values for customer orientated and supportive approaches)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		What measures can be taken to ensure maximum possible customer satisfaction in supermarkets? (Assign high values to high quality/quantity of suggestions)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Energy and drive	How could you contribute to customer satisfaction in your new position? (Assign high values to high quality/quantity of suggestions)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		What do you do in your free time? (Assign high values for actively using free time)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		Describe a critical situation in your life? How did you deal with that situation? What were the results? (Assign high values for active and target orientated approach)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		Notice the impression of the candidate, e.g. voice, gesture, mimic. Assign high values for active and positive impression.						

Please indicate **your judgement of the applicant's capability** using the following scale:

1 = very low, 2 = low, 3 = average, 4 = high, 5 = very high, n.a. = not applicable,

1 2 3 4 5 n.a.

Attitudes and motivation	Energy and drive	Please describe a situation in which you initiated a project, or in which you assumed a leadership role. <i>(Assign high values for assuming leadership, taking responsibility)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		Describe a situation in which you experienced a setback. How did you react? <i>(Assign high values for fast recovery, intention to do it again/better)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Achievement orientation	What are your personal and work related goals? <i>(Assign high values for clear goals)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		What do you do to achieve your personal and work related goals? <i>(Assign high values for plans on achievement)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		Please describe an achievement that you are very proud of and that demanded a lot of attention and time. <i>(Assign high values persistent proceeding)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Diligence	Think of your plans for the future. How important is work within that plan? <i>(Assign high values for high value of work)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Entrepreneurship	What would it mean to you to work for a retail company? Which of your strengths are particularly relevant to working in this business? <i>(Assign high values for interest in and passion for food retail industry)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Self confidence & assertiveness	Please describe your personal strengths and weaknesses. <i>(Assign high values, if applicant starts with strengths and strengths fit to retail environment)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		How do you use your strengths and deal with your weaknesses in daily work life? <i>(Assign high values for knowing own weaknesses/ strengths and ability to take that into account in daily life)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Ability to cope with stress	Please describe a situation in which you experienced stress. How do you usually deal with stressful situations? How do you feel in these situations? <i>(Assign high values for existing strategies and methods to cope with stress)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		What did you do in your former job? <i>(Assign high values for experience with stress)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Self management	How do you organise your own work and tasks? <i>(Assign high values for precise / concrete ideas on how to manage work problems)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		What do you do when priorities conflict with each other? Please describe an example from past experience. What did you do? What were the results? <i>(Assign high values for effective strategy to reduce conflicting priorities)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Integrity	Describe a situation in which you were unreliable at work. What was the reason for that and what did you do to change this? <i>(Assign high values for honest and reflected reasons and evidently appropriate solution)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Describe a situation which went totally wrong. What are the reasons that it went wrong? Whose fault was it? What did you do to deal with that failure? <i>(Assign high values if applicants integrates himself as reason for failure)</i>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Please indicate **your judgement of the applicant's capability** using the following scale:  
 1 = very low, 2 = low, 3 = average, 4 = high, 5 = very high, n.a. = not applicable,

1 2 3 4 5 n.a.

Leadership and interaction skills	Leadership	Imagine a team situation. Which role do you normally play within a team? <i>(Assign high values for being a leader within the team)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		How would you describe your way of leading subordinates, your leadership style? Please give an example of your experience. <i>(Assign high values for meeting required leadership style)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		What is important for you as a superior? What is not so important for you? <i>(Assign high values for meeting required leadership style)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Cooperation and teamwork	Please describe a situation in which a conflict within your team arose. How did you react to the conflict? What did you do to resolve it? <i>(Assign high values for effective conflict solving strategies)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Communication and persuasiveness	Please describe a situation in which you had to convince someone to do something. Did it work? What were the reasons for that? <i>(Assign high value for using convincing strategies)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Motivating others	Describe the last time that you had to criticise somebody for something they did. How did you phrase your criticism and how did the person criticised react? <i>(Assign high values for constructive criticism and precise perception of the other's reaction to the criticism)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		How do you motivate your colleagues or other people? Please describe a situation in which you motivated someone to do something. What did you do? What was the result? <i>(Assign high values for ability to motivate others)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Developing others	How important do you regard personnel development and training of employees? What have you done in the past to develop employees? <i>(Assign high values for high importance and sufficient use of developing employees)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Intercultural skills	What is your experience of working with colleagues from other countries or cultures? What are the main differences? How did you like these working situations? How did you solve problems arising from these situations? <i>(Assign high values for cultural awareness and sensitive dealing with problems)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		Do you enjoy travelling abroad? Tell me about your experiences of travelling <i>(Assign high values for high interest on other countries)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

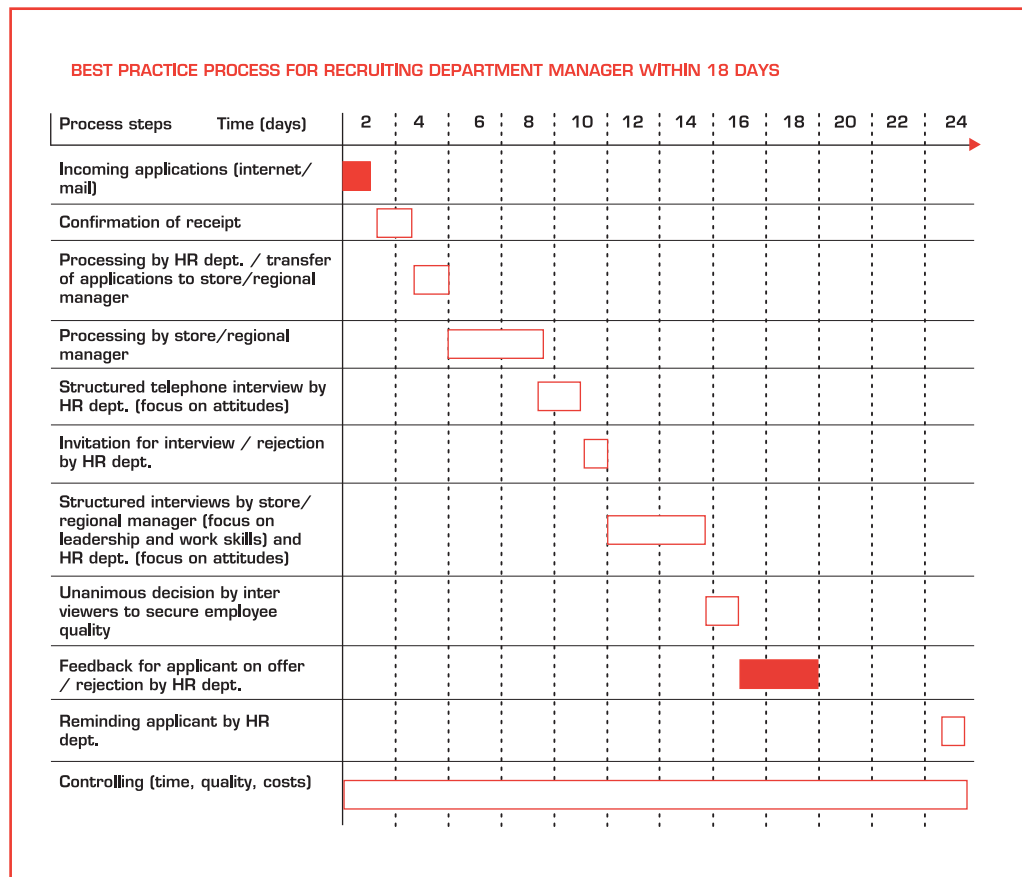
Please indicate **your judgement of the applicant's capability** using the following scale:

1 = very low, 2 = low, 3 = average, 4 = high, 5 = very high, n.a. = not applicable,

1 2 3 4 5 n.a.

Work and cognitive skills	Analytical thinking	If our store sales increase by 20%, by what percentage do you expect our profit to increase? <i>(Assign high values for appropriate path of reasoning)</i>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
		What are the biggest challenges for the food retail industry within the next few years from your point of view? <i>(Assign high values for knowledge of industry, challenges and appropriate path of reasoning)</i>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Expert knowledge	Please describe your past experience of the work place. <i>(Assign high values for profound experiences in relevant work place)</i>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
		How difficult do you think it would be for you to learn and deal with the technology used in food retail? <i>(Assign high values for open minded attitude towards technology in relevant work place)</i>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Planning and organising	Please describe how you plan your work. What do you do if tasks conflict with regard to content and time? How do you react if you cannot follow your original plan? <i>(Assign high values for good planning and switching to alternative strategies)</i>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Creative problem solving	Please describe a situation in which you changed work procedures within your department. What were the reasons for changing them? How did you change them? What were the results of your changes? <i>(Assign high values for identifying problems and creatively solving them)</i>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Controlling	How do you ascertain that your work procedures are the right ones? How do you react if colleagues do not follow these procedures? <i>(Assign high values for knowing procedures, relevant controlling measures and discussing potential improvements)</i>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Mental agility	Have you experienced situations in which your work procedures did not lead to successful results? How did you deal with this? How did you manage to improve? <i>(Assign high values for flexibility and effective strategies to overcome obstacles)</i>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Failure management	What has been your biggest failure? Please describe how you dealt with it. <i>(Assign high values for admitting failures and effectively dealing with them)</i>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

## Appendix 6: Recruiting – best practice recruiting process



Source: Best practice example, CCRRGE, Roland Berger

## **Appendix 7: Training – checklist for induction program**

### **Principles and policies**

The checklist provided below is designed to assist in the delivery of a positive induction experience for a new employee. It is a useful and practical guide to the roles, responsibilities and various steps entailed in the successful induction of staff. Nevertheless, the information contained should be adjusted to company principles and policies.

### **Step 1: Written contract and “Welcome Pack”**

Ensure the applicant signs the written contract. After the contract is signed, send out or hand over a “Welcome Pack”. The “Welcome Pack” should contain information about the company, all the forms that may be required, and a pre-paid envelope to ensure the forms are returned.

### **Step 2: Superior's contact with new employee**

The new employee's superior should contact the new employee and determine his or her needs, any particular questions and concerns. This helps to begin a positive working relationship and is a useful opportunity to answer questions and discuss any particular induction requirements the new employee might have. Finally, it is imperative that the superior makes arrangements to structure the first day at work – at the very least, this should detail the date, time and place where the new employee will be met.

### **Step 3: Prepare for the induction**

Good planning will be helpful in bringing the new employee up to speed with his or her daily tasks, the workplace itself and all relevant resources. This should be provided in a written document. The new employee will find it extremely beneficial to have as much information as possible to rely on it in times of uncertainty. Try and remember what it would be like for you if you stepped into this job today – what would you need to know? What is the job description? What is special about the tasks to be performed? Who are the key customer groups or suppliers in the work context? Which other staff members will the new employee interact with on a day-to-day basis? What is the record-keeping system? How does it work? What records does the employee need to fill out regularly? Where can the new employee get additional information? If applicable, who would be the mentor that the new employee could ask? Is there anything special the new employee needs to know, e.g. tricks, information?



## Appendix 7: (continued)

### Step 4: Notify staff

It is important to notify and prepare existing staff for the arrival of a new colleague. Even though some of them may have been involved in the recruitment and selection process, they will all have an important role in the induction.

### Step 5: First day

Try not to “overload” the new employee with information immediately. Phase the transfer of information slowly over the induction period. Include a brief explanation of the induction program and the schedule for the first few days. Monitor the progress of the new employee throughout the program, and ensure that someone is available for contact and questions.

- ▶ The new employee should be met promptly at the agreed place and time by the agreed person. Keep in mind that this is the first opportunity to formally introduce the new employee to the company and the workplace environment, and it is important to make a good impression.
- ▶ Introduction and discussion about the company, the workplace and the induction activities. This is a good opportunity to ask and answer questions, begin to build a professional relationship and explain to the new employee what they can expect of the induction program and of the first few weeks of their new job. It is very important to complete any administrative forms as soon as possible, e.g. tax card, social security documents, transfer of keys or staff ID card. The relevant forms should have been included in the “Welcome Pack”.
- ▶ Once all the preparations and checklists have been completed, the actual workspace should be introduced. Explain to them where they will work, where materials or resources are located, where they can deposit any personal belongings etc. The new employee can then begin to familiarise himself or herself, get comfortable with the environment and begin learning about their role.
- ▶ Introduce new employees to their immediate work colleagues and, subsequently to other useful colleagues/contacts in the organisation during the next weeks. If applicable, introduce the mentor for the new employee at an early stage
- ▶ Show new employees the complete store, i.e. the wider work environment. This should include the location of toilets, recreation rooms, and emergency procedures.

## Appendix 7: (continued)

### Step 6: First week(s)

A suggested framework is set out below. Nevertheless, a whole day should be the minimum period of time for effective induction and engagement in the following areas:

- ▶ Start with an explanation of the induction program timetable to help set expectations for the new employee. Then introduce them to the store, to achieve a basic understanding of the organisation and store-based work processes. The introduction should cover the retailer's goals and strategy, the type of work done, how it fits with other functions within the organisation, and its unique added value to the company and to the workplace itself.
- ▶ It is important for the new employee to get necessary keys or a staff ID card. This is a valuable symbol for the new employee in their transition into the new position.
- ▶ At least once during the induction period, there should be an informal meeting, e.g. a morning coffee or lunch break that will permit the new employee to meet colleagues in a social setting. Existing staff will also appreciate such an opportunity.
- ▶ A mentor system is an excellent way to help new employees acclimatise to their new work environment. They can assist with formal work issues, but they are most valuable as a confidential and sympathetic advisor as well as a source of information for more sensitive issues such as staff personalities, how to 'get ahead,' behavioural standards, general procedures and other parts of the company culture.
- ▶ Specific features of the new employee's tasks should also be integrated in the induction program. Special work procedures, systems, and tools, e.g. scanner systems for cashiers, meat cutting machines or baking ovens etc. need formal instruction.
- ▶ The HR manager is a very useful contact for the new employee. If there are questions or difficulties which the new employee is reluctant to discuss with his or her superior, the HR manager is a possible alternative to a mentor. Any queries regarding human resources issues can also be directed to the HR manager. If applicable, try and make an appointment at the HR manager's office, simply to ensure that the new employee will know where to find it.

## **Appendix 7: (continued)**

### **Step 7: The review**

At a suitable time after the induction program, review the process with the new employee and immediate staff members to gain their direct feedback on the appropriateness of the content, and how effective the program was for their needs. How did it go? What was missed out? What could be improved for future inductions?

Source: ECU, Roland Berger

## **Appendix 8: People strategy cockpit – leadership index**

The *leadership index* (LI) can be derived from comparing actual and target fulfilment of leadership principles. Using the assessment sheet, subordinates, peers and superiors can rate the fulfilment of leadership principles. Since leadership principles differ for every retailer, the questionnaire has to be adapted accordingly (see Chapter 7).

Source: Roland Berger

## LEADERSHIP INDEX - ASSESSMENT OF LEADERSHIP PRINCIPLES

Assessment for: \_\_\_\_\_

Assessment by (tick box): Self ☐ Superior ☐ Peer ☐ Subordinate ☐

Date: \_\_\_\_\_

Please indicate **your judgement of the superior's capability** with regard to leadership principles using the following scale:  
1 = I do not agree at all, 2 = I do not agree, 3 = I neither agree or disagree, 4 = I agree, 5 = I agree very much, n.a. = not applicable

			1	2	3	4	5	n.a.
Leadership Principles	Information and communication	He/she informs me about the objectives of my work and why I should try hard and put in the extra effort	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		He/she communicates openly and frequently	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		He/she encourages a communicative atmosphere that is honest and friendly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Motivate others	He/she creates rules together with my team	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		He/she follows these rules as closely as possible	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		He/she supports my team in exchanging ideas and thoughts to ensure a positive team environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Credibility	He/she does not compromise his/her credibility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		He/she justifies his/her decisions honestly and makes me understand why he/she made this decision	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		He/she represents my position loyally to other parties within the store or the organisation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Help and support	He/she helps and supports me	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		He/she cares about the results of my work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		He/she makes me feel that I and my efforts are important to him/her	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Feedback	He/she gives immediate feedback to me	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		He/she praises in public and blames in private	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Achievement orientation	He/she looks for solutions, not for someone to blame if something has gone wrong	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Developing others	He/she encourages me to regard failures as an opportunity to learn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		He/she implements my suggestions for improvement if possible and makes me feel that I can influence my work setting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>