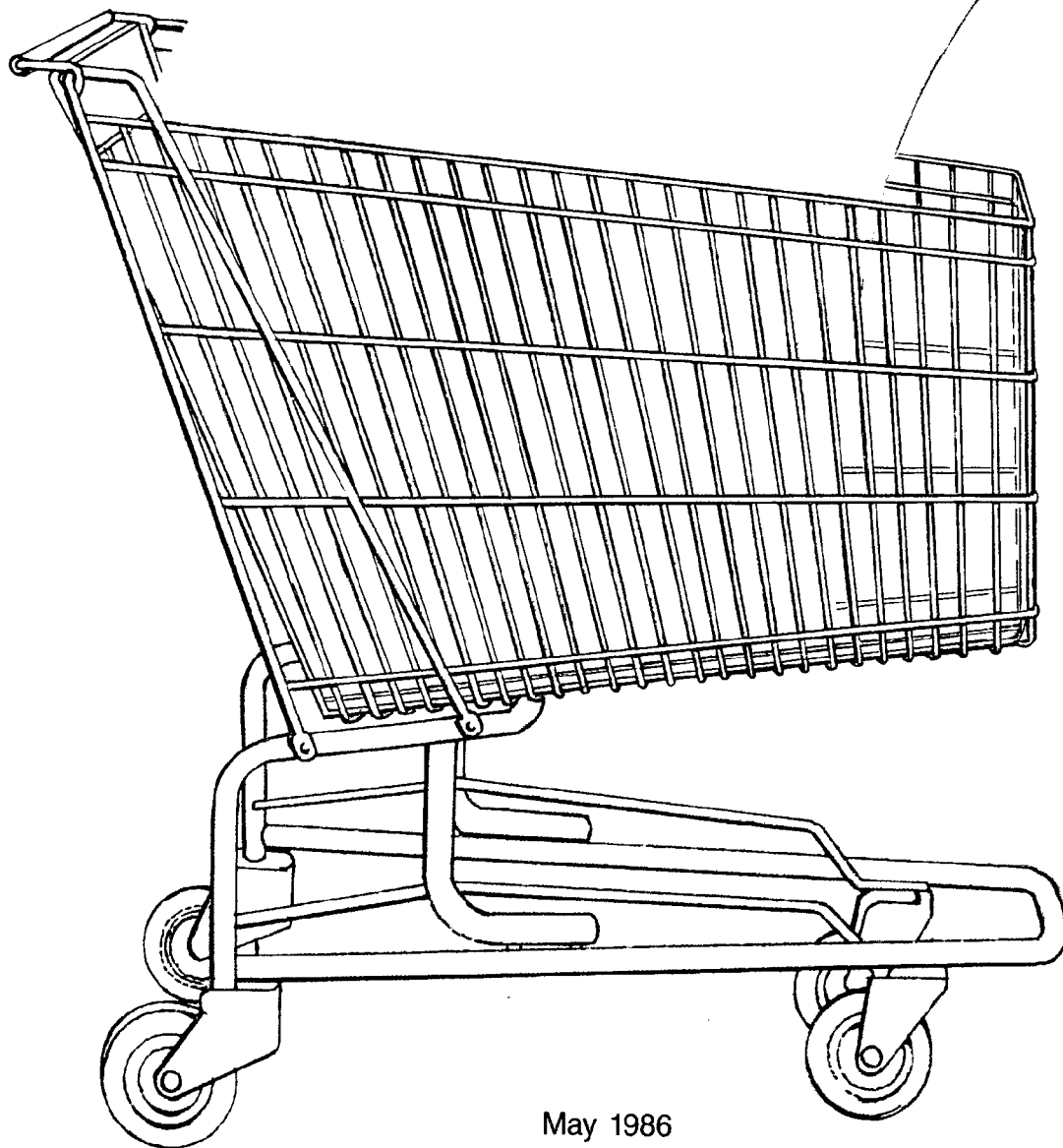


IMPROVING STORE MANAGEMENT EFFECTIVENESS



May 1986

\$24.95

A STUDY CONDUCTED FOR THE COCA-COLA RETAILING RESEARCH COUNCIL BY HUMAN SYNERGISTICS, INC.



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EXECUTIVE SUMMARY

The Coca-Cola Retailing Research Council in this, its latest project, wanted to identify and accurately describe the characteristics of an effective store or department manager in today's supermarket industry. In addition they wanted to know if it was possible to lay out in a clear and understandable fashion the process through which the manager got to where he or she is. Having gone this far the next critical question was, "How can the leadership within the industry take this information and use it to further develop and enhance the qualities of effectiveness?"

This was the direction and thrust that led the Council to launch a definitive search for some answers that would make a difference in the continuing drive for excellence in this highly competitive industry. The purpose of this study was to:

- **Identify what skills or characteristics effective store and department managers possess which ineffective ones don't.**
- **Report those significant differences clearly and concisely to the super market industry.**
- **Provide direction to the industry on how to develop those skills and characteristics in store and department managers.**

Members of the Research Council who identified the industry's need for this study and who provided some very cogent guidance as the study took form and substance are:

Byron E. Duffield, President
Associated Grocers of Arizona, Inc.
Phoenix, AZ

Mr. Hugh C. Farrington, President
Hannaford Brothers
Scarsborough, ME

Mr. Timothy M. Hammonds, Senior Vice President
Food Marketing Institute
Washington, D.C.

Mr. Earl D. Holton, President
Meijer, Inc.
Grand Rapids, MI

Robert Inadomi, President
JonSons Markets, Inc.
Los Angeles, CA

Aaron Malinsky, Executive Vice President
Waldbaum's
Central Islip, NY

Michael McGowan, President
Klauser Corporation
Tacoma, WA

Randall Onstead, Vice President
Randall's Food Markets, Inc.
Houston, TX

Ronald D. Pearson, President & COO
Hy-Vee Food Stores, Inc.
Chariton, IA

D.L. "Dent" Temples, Vice President
Piggly Wiggly Southern, Inc.
Vidalia, GA

James E. Ukrop, President
Ukrop's Super Markets, Inc.
Richmond, VA

A research based management consulting firm, Human Synergistics in Plymouth, Michigan, was retained to take a hard look at the factors influencing store management:

- **personality of the manager**
- **traditional management skills**
- **store-specific skills**
- **the climate within the store**
- **reward systems**

Out of a base of fifteen years of experience in measuring and working with these elements in the field, a new diagnostic questionnaire was created. It was sent to 480 store and department managers to gather their views of themselves and their subordinates perceptions of them and their performance as managers.

The companies which participated in the study are:

- **Brodbeck Enterprises, Inc.**
- **Cullum Companies, Inc.**
- **Hannaford Brothers Company**
- **Hy-Vee Food Stores, Inc.**
- **Klauser Corporation**
- **Meijer, Inc.**
- **The Phillips Company**
- **Piggly Wiggly Southern, Inc.**
- **Publix Super Markets, Inc.**

- Schnuck Markets, Inc.
- Shaw's Supermarkets, Inc.
- Smith's Management Corporation
- Ukrop's Super Markets, Inc.
- Waldbaum's
- Wegmans

Throughout, this report refers to a measure of managerial effectiveness. This measurement gauges how well managers do their jobs, generally. It includes how good they are at the tasks necessary to get the job done, how well they deal with their employees and what kind of leadership qualities they have.

Basically, these points were uncovered about store management effectiveness:

- 1** *There are critical aspects in the way managers do their jobs which can be identified and measured.*
- 2** *Those factors are very consistent across the industry.*
- 3** *There is a great deal of difference between effective and ineffective managers on those measures.*

And probably most important to the growth of your company,

- 4** *They are, for the most part things that can be learned by the people working for you now, if they are motivated to do so.*

What was found was on the one hand predictable and on the other hand surprising. For example, the best managers, not surprisingly, are highly effective in the way they work with people. They listen well, are friendly, goal-oriented, creative and have good self esteem compared to less effective managers. Their skills are well developed in decision making and problem solving, training and developing their employees and in team building.

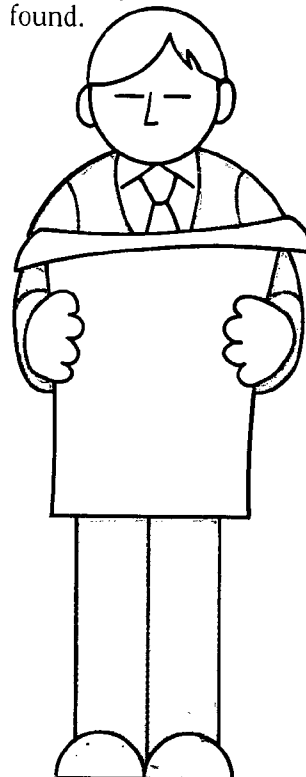
Generally, less effective managers had much fewer of these tendencies and were more argumentative, more authoritarian, tended to avoid making the tough decisions and took fewer risks for fear of failure.

It was a surprise to find that compared to effective managers in other industries effective supermarket managers are:

- **More competitive**
- **More perfectionistic**
- **More directive in the way they work with their subordinates**

Another key finding was that the number of years in the field had no direct correlation with effectiveness, in spite of the fact that in essentially every case the store manager worked his way up from the bottom rather than getting his education elsewhere and coming in at the top. One reason for this finding is that long-term managers fall into two camps: non-promotable people who will continue to manage stores adequately, but not spectacularly, and top-notch people who would rather manage a store than take on any other position offered. The first group will not get much better with age, even though there is quite a bit of room for improvement. The second group may, but they don't have far to go. They are already excellent managers.

Throughout the pages of the report references are made to the store manager. Both store and department managers were studied and it was found that the factors which contributed to their effectiveness were very similar. Department managers are covered specifically only in areas where specific differences were found.



A full description of the methodology of the study is contained in appendix A for the readers review, but it should be noted that several additional steps were carried out to determine if the findings of this study are solid and could be trusted. To gain additional information:

- *personal on-site interviews were conducted with several of the most effective managers about what made them successful, how they got that way and specific examples and descriptions of how they manage their stores.*
- *a follow-up survey was conducted with the top third of the entire group providing more details on the career pattern that brought them to where they are now.*

To validate the results:

- *Corporate executives were asked to evaluate each participating store manager in terms of his or her financial results. This "hard measure" was used to establish that the results of the questionnaires were not simply the outcome of a popularity contest. (Details on how this was done can be found in Appendix D.)*

In summary, the most effective store managers:

- *Have great talents for developing and fully utilizing their employees.*
- *Are go-getters. They have a lot of "hustle" and know how and where their effort makes a difference. They use that knowledge to maximize their effectiveness.*
- *Are complete managers (well balanced). They are good at handling people and all aspects of basic management including in-store technology, store-specific skills, product knowledge, building a positive culture in their stores, and motivating their employees with appropriate rewards.*
- *Set high standards for themselves, their employees, and their stores and see that these standards are met.*
- *Are entrepreneurially oriented. They are creative and innovative to the point of stretching the limits of their authority. The results of their innovations speak for themselves.*
- *Highly value the process of "working your way up" in the company. They feel it was essential to their success and, if the right help is provided, that it will contribute to their employees' success.*

The less effective store managers:

- *Place far less value on participation and involvement of employees in decision making and problem resolution.*
- *Tend to dominate and control their subordinates and require obedience rather than initiation and creativity.*
- *Oppose and stifle new ideas or suggestions for change. Avoid making decisions that have any risk of failure.*
- *Stay with established or past practices rather than testing and experimenting with alternatives.*

To put it another way, believing that your effort makes a difference, setting realistic and challenging goals, using cause and effect logic and taking full responsibility for your own behavior shows up in specific quantifiable measures. Being effective in motivating and involving people is not "soft management" . . . it works!

Finally, the remaining and crucial issue that was addressed was, "So what? Now that I see and understand what an effective store manager is, what can we do to reinforce more of this kind of attitude and behavior in the current population of managers?" And equally important, "What can be done to bring along the next generation of store management?"

Several prescriptions are laid out, aimed primarily at key leadership since that leadership is responsible and accountable for establishing, maintaining or changing the corporate culture within which all this occurs.

About the Report

Here's what you'll find as you read further:

- Within these pages is a kind of roadmap towards excellence in store management. The report progresses through the various factors that were discovered that made a difference between effective and ineffective managers. It discusses:
 - 1 Demographic and store variables, including a look at managers of the larger stores in the study.
 - 2 Personal characteristics of managers.
 - 3 General and supermarket specific managerial skills.
 - 4 Store culture.
 - 5 Reward systems.

In each of these sections "prescriptions" for what you might do to help your managers develop in these areas are presented.

The report continues with some additional thoughts and ideas for you at headquarters and then for store managers.

There is also a series of appendices, each of which goes into much greater detail on the methodology and statistics of this study. They contain information which will answer questions for some readers.

At the end is a glossary of terms used throughout this report.

Sprinkled throughout this report you will find examples of things that work and things that don't work, in the manager's own words. Every attempt is made to create a word or numerical "picture" of what was discovered.

- As to the use and application of the findings of this current study, you may wish to make an investment of time and energy in the following:

- 1** *Key management should review this report carefully. They should set aside a block of time to come to grips with the findings and carve out some initial steps. Several methods could work but it might be done best away from the pressure of everyday operations. Utilizing a skilled meeting leader so that all key players can enter the discussion might be very helpful. One of the early decisions should establish the position taken towards the findings of this report and how wide a distribution of it would be most desirable. The meaning and importance being given to it at the top should be clearly communicated to the organization.*
- 2** *Develop a plan for your own company based on where you stand compared to the effective managers identified in this study.*
- 3** *It will be necessary to insure that adequate resources be available to follow up on this decision. Help may be available from human resource personnel, line management, or outside professionals.*
- 4** *Once the impact of the major findings are studied and understood, it would be helpful to go into some detail with the tables and charts. Also, to read carefully the anecdotal material resulting from the face-to-face interviews. Sometimes this type of information carries*

more meaning than statistics, however valid they might be.

- 5** *There are a number of prescriptions offered. It should be realized that a prescription can only be effective if it's tied to a specific and valid diagnosis. "If the shoe fits" should be kept in mind and a knee jerk response to the report should be avoided. Be sure to identify the real problems and not jump to forming solutions that are based on symptoms rather than causes.*

Things can be done to improve store management effectiveness and this report is designed to help your company move toward that goal.

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GENERAL RESULTS OF THE STUDY

This section is devoted to the explanation of the results of this study.

It will tell you what was discovered through the questionnaire, the interviews, contact with headquarters officers and a follow-up survey. It will present some ideas that you may wish to implement to assure your managers the support and opportunities they need to reach their potential for effectiveness.

In looking over the data, there are similarities between store managers and department managers. To simplify the reporting of this much data, department manager data is reported *only* when it is significantly different from store manager data.

STORE AND DEMOGRAPHIC VARIABLES

Where do you find effective store managers? Are they all running the large, complex stores? Can they be identified easily? Surprisingly, some demographic factors which have been traditionally thought of as contributing to effectiveness do not hold up to investigation.

Findings

Effective and ineffective managers were found in all types of supermarkets. Effective managers were found in large, complex stores and small, traditional ones. Ineffective managers were found in warehouse stores as well as combination stores. Some good managers grossed \$150,000 a week in sales, some poor ones four times that much. If it is assumed that the more effective managers should be concentrated in the more complex stores, it appears that the industry has not been particularly successful at making this match.

One reason for this may be traceable to an interesting discovery. The research pointed out the difficulty of identifying effective managers using traditional demographic measures. It was found that you can't rely on personal characteristics (e.g. years in the business, education, age) to identify effectiveness. They simply don't correlate. While experience and maturity are certainly important, there is a need to go beyond these simple indicators to identify effective managers.

Given the interest in large stores*, the study sought to see if there were some factors which were different for effective managers of large stores than those of average or small stores. Basically, it was found that top managers in large stores look a lot like top managers in any size store, but there were a few differences.

The most significant difference is the strong negative relationship between avoidance, power, and competition** and managerial effectiveness in the large stores. This relationship showed up earlier in the study, but in looking at the volume breakdowns, it is attributable mostly to the managers of large stores. Apparently, the presence of these tendencies in managers does not have the same negative impact

*Here is a definition of the way we divided the total sample:

Large stores - Averaging \$516,000 per week in sales

Medium stores - Averaging \$246,000 per week

Small stores - Averaging \$114,000 per week

**See glossary for definitions.

on effectiveness in the medium and small stores as it does in large ones (and managerial effectiveness in most other industries). Managers in large stores who manage by over-controlling are seen as less effective than those who choose a more participative approach.

The findings with regard to store culture are very consistent across store sizes. Whatever the sales volume of the store, effective managers encourage high achievement, self-actualization, being helpful and friendly. As store size increases, managerial effectiveness is more strongly related to not rewarding argumentative behavior or avoidance of dealing with problems.

Importantly, the excellent managers that were personally interviewed all placed a high value on working their way up through the organization. For them, the time spent in the organization did contribute to their effectiveness. Since the questionnaire results did not support this notion for everyone, it must be assumed that not all managers benefit equally from their years in the business or as managers. It appears the top managers made more of their situations, or they may have been lucky enough to have worked for managers who were good developers. In any case, they all realized the importance of what they learned from other managers and what a significant contribution they could make by devoting quality time to bringing their people along.

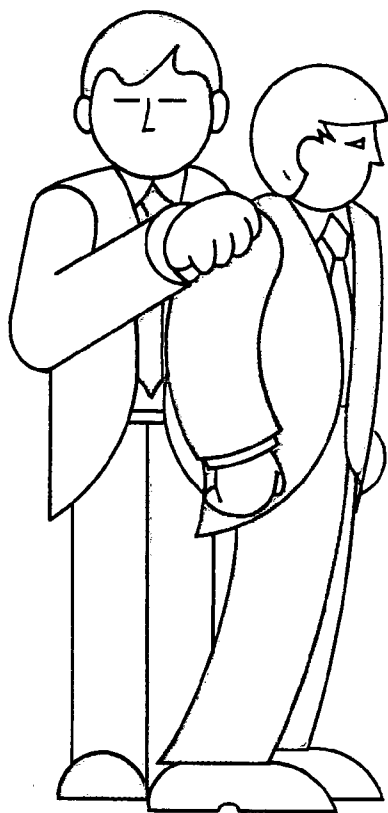
This was reinforced in the follow-up survey, which was sent to the top third of the store managers. It indicated how important on-the-job training **can** be if done well. Ninety-five percent (95%) of those managers said that "working your way up" was either very or extremely important to their development. The case this makes, then, is for quality time, not quantity time. Just being in the business is not enough—the training and development opportunities provided make the difference.

What Headquarters Can Do

The retail grocery business is one of the few businesses left in the world where individuals can start at the bottom and work their way up to the top. Good experiences add to the realm of knowledge so necessary for managing a store. Interviews with, and surveys from the top managers around the country consistently mentioned the importance of

learning from role models—some good and some bad. Providing good role models for all future store managers is a step in the right direction that can be taken by both large and small companies.

Provide a mentor: New managers need a mentor beyond their immediate supervisor who can give them support and encouragement, especially during the first few months after taking over the management of a store. (Less effective managers and those who can use some refresher courses can also benefit from this relationship.) This is an opportunity to use the expertise of those successful, former managers who are now serving at the corporate level. Why not utilize their skills in a more structured way by having each supervise a limited number of managers? They can be used as a resource by the manager, providing coaching in areas where it is needed. While it certainly will not replace formal training, each mentor can maintain a training agenda with specific goals that managers should be able to accomplish. Of course, the relationship between the manager and the mentor must be comfortable to maximize chances for success.



A caution: since the responsibilities of a manager's immediate superior are much the same, care must

be taken to establish this as a role supportive of, not in competition with, that person's responsibilities. The mentor does not necessarily have to do these things, but rather see that they get done, supporting the effect anyway he/she can.

The process doesn't need to be complex. Ask your managers, particularly the ones that are struggling, what they need that they aren't getting. Perhaps there is someone in the corporation with whom the manager can have an open line of communication, or, at least, have easier access to. Nobody knows better what they need than those who don't have it. It can be done informally in the manager's store at regular intervals. Here is a brief description of the process.

- *Identify the traditional responsibilities - the nuts and bolts of the supermarket business and state them as goals.*
- *List the specific objectives that are necessary to meet each goal.*
- *Check managers frequently to evaluate progress.*
- *Make recommendations for improving weak areas.*
- *Reinforce positive behavior.*
- *Listen to the concerns and the ideas of managers.*
- *Communicate your trust and support.*

Some kind of one-on-one professional relationship is important for all managers, not just new ones. Each of the top managers that were interviewed, without prompting, spoke of having a strong working relationship with his/her district manager. While it may not have been so much a mentor/student relationship like the one described, it was a very supportive one. Every top-notch manager has an effective link between him/herself and corporate headquarters—a relationship that each values highly.

Strengthen the relationship with the district manager:

Solidify the relationships between your district or zone managers and their store managers. Organizational development specialists can provide team building or role negotiation sessions to work through the issues. Have the district and store manager focus on clarifying how they can be of help to each other, what each expects of the other, and what each is willing to give. Deal openly with any problems, either procedurally or interpersonally. Get them resolved. If you do not have the expertise (or objectivity) within your company, this is an area where some professional outside help can be very useful.

PERSONAL CHARACTERISTICS

Managers' personal characteristics—what makes them tick—have a great impact on how they manage. Helping managers learn to develop themselves in the positive areas (e.g. achievement thinking or taking a special interest in developing their people) and to reduce their need to do things that get in the way (e.g. exercising excessive power and control over their staff) are major steps in increasing the effectiveness of that manager and, in turn, the store.

Findings

Effective managers are that way partly because of the way they are constituted. They have a high need to achieve things. They are basically healthy human beings, helpful to others and friendly. Within reason, they are also perfectionists, but careful to focus their attention to detail on things that are important and things that they can control. When appropriate, they "do it by the book" but not slavishly so. They do not avoid issues nor need to have power and control over others. They don't argue just for the sake of arguing and don't need to turn everything into a win-lose proposition. Ineffective managers are just the opposite. They don't have much of an interest in, or concern for, people, and they often throw their weight around to remind everyone who the boss is.

The top managers who were personally interviewed were very open about themselves. In interviewing these people, we heard real world support for what we had measured in the questionnaire. The achievement drive, the concern for people, the friendliness and healthy actions were all there. Noticeably absent in the discussions were any inordinate needs for approval, defensiveness, power, prestige, or control over others. Even the competitive and perfectionistic sounding things are actually achievement statements. "We want our store to be number one." It is interesting to note that all those interviewed in depth described common characteristics and behaviors. These findings were reinforced by their subordinates who also agreed that their manager is the best one they have ever worked for. What is probably most significant from the interviews is not that these managers did things well—but the incredible energy the managers put into their jobs, (e.g. hustle) and the unique ways they deal with their employees. These top people often go far above and beyond the call of duty to make their stores the best.

On the top of the list of outstanding skills is people skills—humanistic and helpful behavior and good interpersonal relations—both with employees and with customers. These managers generally maintain a good mood; they seldom lose their temper. Each may have his or her own way of showing anger (a red face, increased activity, etc.), but they always seem to be in control of themselves and the situation. A major reason they are in this business is that they highly value interacting with people.

"He's a good listener" was often mentioned by employees who also find their managers very approachable. They know that they can go to their manager with a problem and expect fair and consistent treatment. These managers demonstrate that they care about their employees; however, they also realize the importance of being firm and in control. They are good communicators who keep their employees "in the know" and make them feel a part of "the team."

Another common characteristic among these effective managers is the satisfaction they get from helping their subordinates grow and develop. There is a special pride in the number of assistants they have helped to move into managerial positions. These managers allow their employees the freedom to try new things. Creativity is encouraged whether it is finding better, faster, or more efficient ways to handle tasks or increase sales or an innovative way to decrease losses or prevent accidents. Each carefully thought out suggestion is considered. This strategy not only encourages growth, but also lets the individual know that his or her ideas are valued. When mistakes are made, they are used as learning opportunities, not as excuses for punishment. A standard response from the managers is that they never ridicule an employee for mistakes or failures. If discipline is needed, it is done behind closed doors.

These managers aren't afraid to admit their own mistakes either. After all, they know that no one is perfect and that the potential for success lies in each new idea.

Every one of the top managers who responded to the follow-up survey said that interpersonal skills were either very or extremely important to their success. The only other item which scored that high was their ability to train and develop employees. When asked what was underemphasized in their company "people skills" was mentioned most often.

When asked an open-ended question about effective management such as "Do you have any additional thoughts about what is important to effective management or how best to get there?" the most frequent response had something to do with having good people skills.

What Headquarters Can Do

If this study report went no further than this page, it would say to both small chains and large, be sure your training priorities deal with the most important factors:

- 1** *For managers to be most effective, they must understand the value of the relationships with their employees. They must know how to be good communicators and trainers. They must also show they care.*
- 2** *Being effective as people translates into being effective as managers. Personal growth and development programs which focus on improving productive traits (achievement, self-actualization, humanistic, and affiliative) as alternatives to destructive ones (avoidance, oppositional, and power) are essential.*

The personal interviews and the Follow-Up Survey consistently repeated the absolute need for good "people" skills if a manager is to be effective. Importantly, many of the managers feel that these skills are underrated by their companies. Some expressed the desire for more formal training in relating effectively with employees and customers alike. They would like to see programs offered on training and developing employees. If managers have to learn everything they know from role models, it may take a long time. With thorough training and good role models, they have a better chance of becoming effective much sooner.

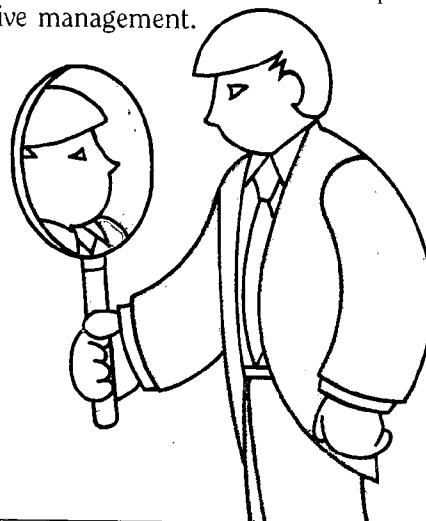
Respond to individual needs: Think about enrolling managers in seminars or workshops which focus on skills like communications or achievement motivation. Determine what each manager needs specifically and match the training to the need. Sending everyone to a Dale Carnegie course because it is readily available is far less effective than offering it to the ones who clearly need it.

Respond to common needs: If you discover that there is a common weakness throughout the

organization that most everyone could use some training in, you have the opportunity to do two things:

- *Closely examine the culture of your organization to see what kind of messages people are reviewing that has them believing this skill or trait isn't important. When most of an organization acts (or doesn't act) a particular way, it is usually because of some norm established within the company. When you discover what it is that is working against getting to where you want your people to be, change it.*
- *Then do some in-house training for everyone to help them learn new approaches. The shared experience is valuable here. This step will not be very effective unless step one is taken care of first (or concurrently). Training people to do something new and then sending them back to an environment which does not support the new approach is at minimum a waste of time, and more often, counterproductive.*

Encourage self-development: Some corporations naturally grow people-oriented managers, some don't. If your company comes up short in this area, establish at headquarters, and then communicate to managers, the idea that it is just as much a part of their job to relate well to, and develop subordinates as it is to be sure the shelves are stocked and the store is clean. A lot of fancy training by psychologists is not necessarily what is required. Most people have a pretty good idea how to get along with other people. Building "the golden rule" into your corporate culture (communicating that it is important to act that way and rewarding those who do) will go a long way towards increasing the humanistic/helpful behavior, which was found to be so important to effective management.



MANAGEMENT SKILLS

Like managers in all businesses, people who run supermarkets need a variety of management skills. Sometimes their jobs require technical skills such as analyzing scanning data; sometimes they require practical skills like planning and organizing; sometimes they need personal skills to handle the needs and concerns of their employees; and sometimes they need to use supermarket-specific skills such as evaluating current marketing strategies. Are there any of these which are clearly more important? Are there any traditional management skills which store managers don't need?

Findings

Every management skill the study measured was positively related to managerial effectiveness. Does this mean nothing was learned? No. What was found was that good managers have a wide and balanced range of skills. They are not exclusively team-building experts nor are they exclusively planning specialists. They do both these things and also solve problems, train their people, work hard, use their time well, and initiate change when appropriate. They pay attention to customer/community relations, sales and marketing strategies, information distribution, and store appearance. These things all contribute to employee job satisfaction and a clear understanding of their roles and responsibilities.

How managers use their time varies among the top people that were interviewed. Some believe in maintaining a "hands on" approach which takes 60 to 70 hours a week. Others have become great delegators and say, "If it takes more than 40 or 50 hours a week, you're doing something wrong." Both philosophies work, depending on the manager. Neither has a significant negative impact on effectiveness.

The outstanding managers interviewed spent a lot more time talking about how they manage their people than about the other skills necessary to do their jobs. They did talk about some of the general and store-specific skills and how they approached them.

Planning and organizing, which includes the task of scheduling, is a critical skill that impacts the whole staff's time. Managers say that planning is necessary so that things will run smoothly. Then, when a problem arises, it won't be so chaotic. They feel that problem-solving and decision-making skills are

extremely important because so many problems and decisions have to be made on-the-spot. Team building and participation of employees are skills that these managers seem to have a special knack for. They also mentioned how important it is to remain flexible and to be prepared for change, especially in the large stores.

Two of the managers emphasized that the bigger the store, the more difficult it is to have personal contact with all employees or with customers. Delegation becomes a critical skill in this case because the manager must depend on the department managers to make these personal contacts. Training of new employees also becomes mostly the responsibility of department managers. Store managers of these larger stores say it is imperative that they train their department managers well and build a mutual level of trust with them to ensure that the store will run smoothly. Although they are unable to meet with every employee, they do touch base each day with each department manager, so they can be apprised of what is going on in each area of the store. This delegation also works as a powerful development tool for helping department managers grow.

All the top managers see that employees are trained for their particular tasks and that they have the opportunity to take on new responsibilities so they can be promoted. They are clear in their expectations for others and are excellent motivators. "He makes us think" is a clear statement of one of the ways managers allow employees to grow. Most of these managers involve their employees in planning and problem solving which adds to the general feeling of being a part of the total store operation. They have a particular sensitivity to the progress their people are making and move them along at an appropriate pace. They don't put them in situations they are not ready for, nor do they neglect to offer new opportunities when the time is right.

When applying to these managers for a job, two important qualities a new applicant must have are a neat, clean appearance and a friendly nature. These top managers prefer to hire young, "green" employees because they are easier to train. They say it is harder to "break them of their bad habits" learned at other stores. Since they have such a clear picture of the way a store should operate, they want to be responsible for teaching the new ones the supermarket business. They want to teach employees the way **they** want it done. Then, if they

are willing to learn, the manager can develop the new employee into an effective, valued employee.

When it comes to some store specific skills, like customer/community relations and maintenance, they have unique ways to communicate their high expectations and to instill commitment in their subordinates. One manager described his philosophy like this: "The store is your home and the customers are your guests. If you are ever in doubt as to what to do, ask yourself what you would do in your home with your guests. If the floor is dirty, clean it; if something needs straightening, straighten it."

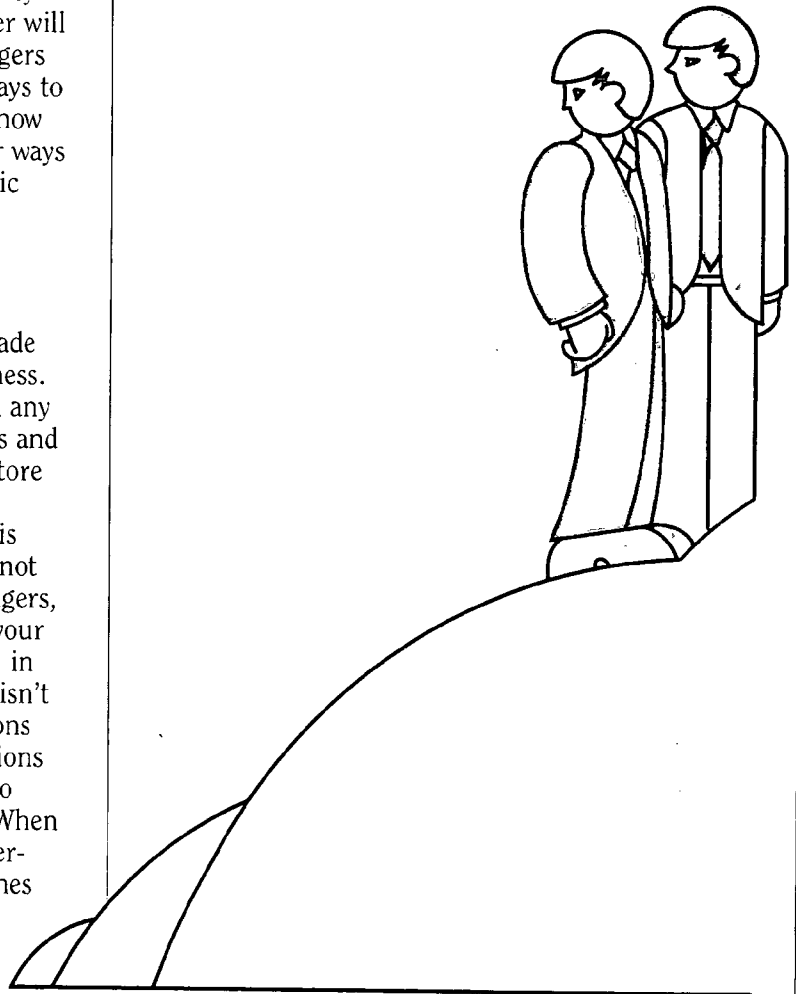
What Headquarters Can Do

The most significant finding in the management skills area is that the most effective managers are not specialists—they have a solid working knowledge of all aspects of general and supermarket management skills. The first priority then is to train managers in the management skills in which they are weak. Ideally, this means that every manager will not go through the same training. Some managers will benefit more from learning about better ways to plan and organize the workflow. Others, who know how to do that, might need some help in better ways to train their people, etc. Finally, when the basic skills are in place, specialized training can be implemented.

Agree on responsibilities: There was a strong relationship between how clear the manager made their roles and that manager's level of effectiveness. It is important to the success of the store, as in any organization, that people understand their roles and responsibilities. This issue doesn't stop at the store level, however. One of the most frustrating and demotivating things a manager can experience is being held responsible for things he or she cannot control. Make it a policy to sit down with managers, face-to-face in small organizations or through your district managers or other corporate personnel, in larger organizations, and work out what is and isn't his/her job. It is amazing to see what assumptions have been made on both sides. Get the descriptions down on paper. Remember, this isn't a session to discuss how to do the job, but what the job is. When the responsibilities are clearly defined and understood by both sides, those should be the **only** ones to which the manager must answer.

Conduct performance reviews: Performance

reviews, if done right, can be a very useful tool in assuring managers get the skill training they need. Too often, they are restricted to looking back at what has not gone as expected. While this assessment is needed to identify the problem areas, it is not enough in itself. The real benefit happens when a manager and his/her direct supervisor use the opportunity to plan a development effort focused on those identified problems. Together they can draw up a list of those skills needed and expected and evaluate the manager. Mutual agreement on where the manager is at this point in his/her development, where he/she ought to be, and how to best get there is the goal of this one-on-one meeting. This also gives managers a chance to provide supervisors with some feedback on how they are doing and how they can be of further help to the manager in attaining those established goals. The concept of PDR, performance **development** and review (with the emphasis on development), is one you can embrace throughout your organization.



STORE CULTURE

The culture or atmosphere of a store is something that can be influenced tremendously by a manager and has a major impact on employees. Which behaviors are encouraged, which are discouraged? What gets rewarded, and what gets punished or ignored? How are people expected to act? This climate which the manager creates can be very satisfying and motivating for the employees, or it can be just the opposite.

Findings

Effective managers encourage employees to be concerned with people by being helpful and friendly, to set goals and do the work necessary to accomplish them, and to act in basically healthy, non-defensive ways. Effective managers also do **not** reward avoidance of tasks or issues, or oppositional behavior (being argumentative and negative).

As the managers talked, it was obvious that they were not just talking about how they managed their people one-on-one but also what kind of an atmosphere they tried to build in their stores so people could grow. They all encouraged their people to think for themselves and would back them on new ideas if they were convinced the subordinates had done their homework. What this did in their stores was create a culture which rewarded achievement.

They also supported, in word and deed, being helpful to other employees and customers and being friendly. Subordinates spoke of a consistent lack of tolerance for slacking off, or avoiding dealing with their job responsibilities.

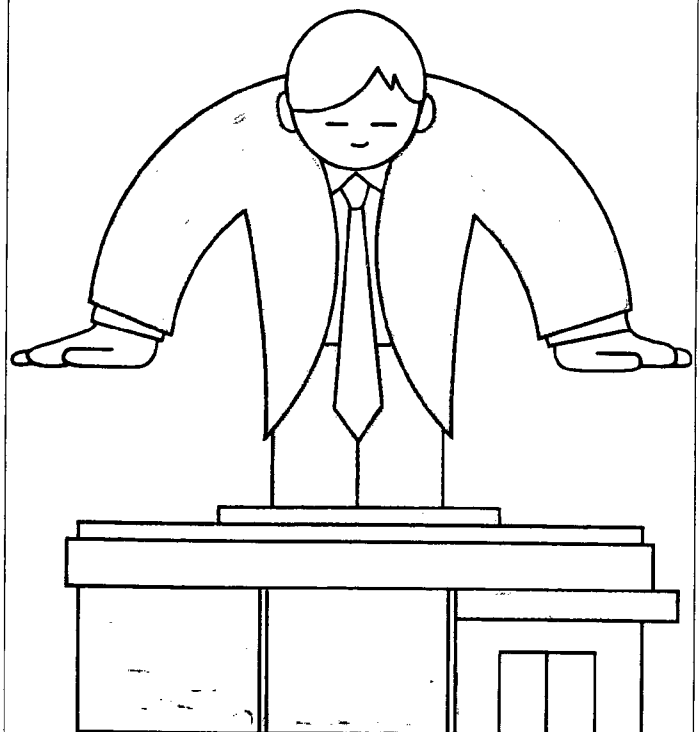
In other words, the top managers built cultures in their stores which rewarded people who acted like the manager: healthy, helpful, friendly, and possessed with a great drive to get things done.

What Headquarters Can Do

People live up to (or down to) what's expected of them. An effective manager will establish and communicate healthy expectations, and make them come alive by being a good role model, encouraging appropriate actions by employees, and rewarding them when they live up to those expectations. Employees working in that climate will create an effective store.

Provide a clear mission statement: Not all managers will have an accurate picture in their minds of what kind of culture is best. Clearly, the top performing managers do, the bottom ones don't. One way companies help managers is to provide them with a model. What you value in your organization, your purpose for being in business, and the way you propose to conduct your business are all part of your philosophy. Does your philosophy coincide with the primary goal for your organization? Does your philosophy consider the effect it will have on the lowest denominator in the organization—the bagger? Does your philosophy provide room for growth for employees? Does it create an environment that allows some risk-taking without fear of failure? Is entrepreneurship and innovation encouraged?

The philosophy that is set at the corporate level needs close scrutiny to make sure that it does, indeed, speak to the values and beliefs held by the organization. There are some organizations that involve people at all levels to develop a philosophy that speaks to the needs and aspirations of all while focusing on a goal that all can agree to support. The grocery store business is a people business, and providing people with guidance should be a primary management consideration.



If your company doesn't have a published mission or philosophy statement with a copy hanging in each manager's office, how about commissioning a task force to develop one? Be sure to include representation from as many levels in the company as you can on the task force. In the smaller companies, it is possible to get input from everyone—store manager on up—in the process. Developing this document may be an eye-opening experience. Publicizing and implementing it can create a renewed cohesiveness throughout the organization, and provide sound guidelines for building a healthy culture in each store.

Communicate and support your mission

statement: A culture is created in an organization when people receive messages about how to act and how not to act. The messages you send to your store managers create the culture they work in. The messages they send to their staff creates the culture in the store. If one of the things store managers hear from you is that it is an important part of their jobs to create an atmosphere in their stores which supports people being cooperative, friendly, hard working, helpful, and innovative, they will then do what they can to deliver the message. Each time you notice, support or reward the manager for doing those things, you increase the probability that he/she will continue to act like you would like.

There is, however, one sure way to short-circuit this process and it is dependent on you as a role model. If something different is happening at headquarters, they will not be convinced that anyone is really interested in whatever the verbal message is. In the role model business, the old adage that actions speak louder than words reigns supreme.

REWARD STRUCTURE

A basic tenant of motivational theory is that people will act (or refrain from acting) based on what they think the outcome will be. Thus, the perceived reward structure can be very motivating, or demotivating. Two important factors must be present for this to work: 1) There must be an effective reward system in place. 2) Employees must know about it and believe that it, in fact, will be implemented if they successfully accomplish what is expected of them.

Findings

Subordinates in a store—the recipients of the rewards—see some very strong relationships between managerial effectiveness and the way managers dispense rewards. Effective managers give them greater autonomy, notice their progress, and provide special recognition when they do their jobs particularly well. The employees also definitely feel better about themselves when they are successful.

There is an important message here. A manager's skill in delivering the rewards that managers have the most control over, relates most strongly with managerial effectiveness. These rewards include:

- *Recognition by the manager of a job well done.*
- *Greater autonomy for subordinates who do well.*
- *Being noticed when things are done properly.*

Significant, but not quite as strong positive relationships, were found between managerial effectiveness and things managers have some control over:

- *Employees' job security will increase if they do their jobs well.*
- *They may get considered for promotion sooner.*

Those things which managers have little control over or ability to deliver did not relate at all to effectiveness:

- *Increase in status or prestige of employee by those at corporate level.*
- *Increase in income for a job well done.*

Thus, effective managers were not held accountable by their employees for things they could not significantly influence.

Top managers don't talk much about monetary

rewards, but they certainly understand the value of recognition for a job well done. All the best managers realize the importance of a pat on the back or an encouraging word. They also keep criticism to a minimum ("He knows we know when we screw up") and always deal with problems behind closed doors so as not to embarrass or belittle an employee.

One of the top managers in the study rewards his employees for their hard work by cooking breakfast for them once a year. It's a small gesture, but it carries a large message. He expects them "...to give 100% all the time," but he shows his appreciation for this commitment and loyalty.

What Headquarters Can Do

Like the people they manage, managers like recognition and rewards when they do their jobs well. Most of the ways you can do that don't cost much. All are appreciated.

Some companies use incentives to reward managers for good work. The reward may be as nice as a trip to Hawaii for the top manager of the year or as simple as a phone call from corporate headquarters for a job well done. Giving out company stock as a bonus is another incentive that is used by some companies. This rewards both the manager and the company because the manager who receives the bonus not only feels a sense of ownership but a deeper commitment to the company as well. Whatever you elect to use as rewards, the key is to enrich or enlarge the reward system so any one of a number of good things might happen to a manager who does well.

Reward your managers: For instance, recognize employees through a company newsletter. This serves as a good way to share new ideas or innovative solutions to management problems. If you want other managers to use these ideas, let the innovator tell them how it's done in a personal interview in the paper. Include a picture, too. This shows the innovator that you value his/her contribution. Other employees hear about the idea from the person who tried it, not as another suggestion from corporate. This form of communication is an excellent way to promote your philosophy by acknowledging the types of behavior that speak to the company goals, beliefs, and values. It also encourages others to be innovative.

Encourage your managers to reward their people:

If managers are to effectively deliver whatever reward system your company has in place, they need to make sure their employees understand (and believe) the following:

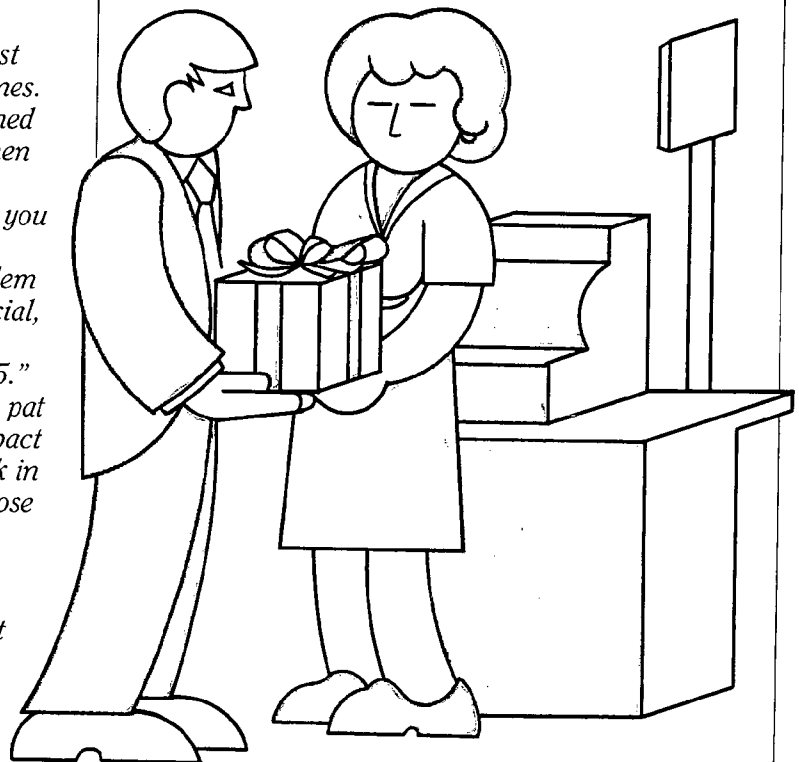
- *There is, in fact, a reward system in place.*
- *Exactly what that system is.*
- *If they do their jobs particularly well, they can and will be recognized.*
- *The system will be applied consistently and fairly.*

To accomplish the first two points, simple communication is all that is necessary. You can make sure your managers know the facts, and they can pass them on, verbally or in writing, to their people.

The third requires a little more attention. The store and department managers need to be as aware of things going well as they are of things going wrong. If good work can't be recognized or managers don't bother to notice, the system fails and a great motivational tool is wasted.

Finally, the last point is most difficult, considering you have human beings as managers. Being fair and consistent is not always easy when personalities are involved. Some hints to pass on to your managers which might help:

- *Make it a point to check out each employee's work from time to time. Avoid focussing on just the employees you like a lot or the problem ones.*
- *Reward when it is appropriate. Nothing is gained by telling people they are doing a good job when they are not. They know better and you come across as either a phony or not knowing what you are talking about.*
- *Reward specific behaviors. If one of your problem people has (surprisingly) done something special, don't say, "You're an asset to this store." Say, "Nice job straightening up that mess on aisle 5."*
- *Use all the rewards available and vary them. A pat on the back twice a day every day loses its impact quickly. Monetary rewards, which seem to kick in automatically, soon come to be expected and lose their motivational value.*
- *Rewards can, and should, be special. Do the unexpected. Make the rewards personal. Two tickets to the game Sunday or the new greatest hits album of an employee's favorite singer delivers far more than it costs.*



MESSAGE TO HEADQUARTERS

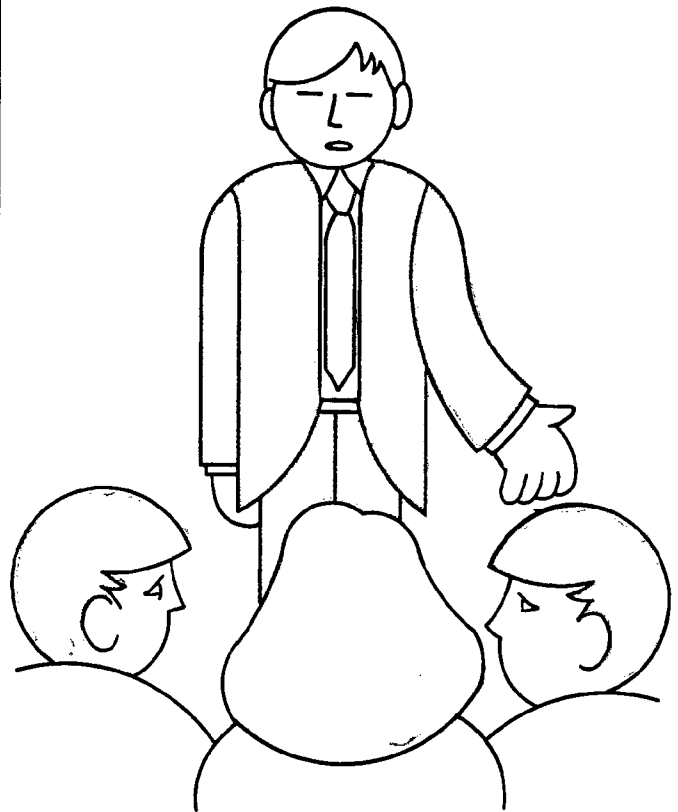
In discussing the data generated on traits and skills that are common to effective managers, some suggestions were made of things that you, the corporate executive, can do. There are a number of other things which are being offered here since they either do not tie in as directly with the factors measured with the questionnaire, or they encompass many of them.

Effective managers are complete managers. One way to improve managerial effectiveness is to insure that whatever your company is doing supports the notion of developing a well-rounded manager. Large companies can look to all aspects of the corporate development program—assessment, selection, training, human resource development, and whatever you have in place or are planning to implement—with the big picture in mind. In smaller companies, out of necessity, focus on and develop the most crucial factors: increasing achievement motivation, helping managers get healthier in general, and building the interest in and concern for, the development of your people. In both cases, redouble your efforts by keeping the characteristics of the most effective managers in mind when you hire and when you decide how to reward people for what they have done.

Developing recommendations for as diverse an audience as this is a difficult task. The "prescriptions" that follow will not apply in every case. They are, however, based on patterns which emerged throughout the study and are solidly supported by the research, the interviews, the surveys, and experience in the industry. If, as you read something, it doesn't sound like it would work in your company, stop and think it over. It might be quite different from what you are doing now, but that might be just what is needed in your situation.

One caution: the effective manager is perceived as more competitive and perfectionistic than his or her peers in other industries. Ordinarily, this produces unwanted stress and can be damaging to health. Research on this in other kinds of businesses shows that competitive and perfectionistic behaviors correlate with higher incidences of stress-related symptoms such as nervousness, sleeplessness, depression, and headaches, and medical problems like ulcers and hypertension. In addition, if a high need for power and an oppositional nature are present, the situation gets worse. Fortunately, those combinations were not found with this group of managers, but rather, they had high achievement

and self-actualizing scores (to go with the competition and perfectionism) which usually have a positive impact on stress-related problems. Since medical data was not gathered on the managers, firm conclusions cannot be drawn. Companies should be aware that the combination of high degrees of perfectionism, competitiveness, power needs, and opposition can create potentially problematic situations. The perfectionism and competition probably won't be damaging, though, if they are directed toward achievable and desirable goals. As long as the competition is aimed at the store down the street, not among employees within the store, and the perfectionism focuses on things that make a difference, rather than things the manager can't control, the manager's health is not apt to be affected adversely. On the other hand, the ineffective manager who doesn't exhibit these behaviors to some extent may be ineffective because he or she has no competitive drive and does not pay attention to details. Without some degree of these behaviors, the effectiveness of the store will be affected. As with most things in life, the key here is moderation.



Communicate Well

The expectations a company holds for its managers and the expectations the managers hold for themselves have a great deal to do with the way they perform. If goals are set too low, achievement will be low. If goals are unrealistically high, managers will get discouraged and lower their own expectations because the goal is unattainable.

Expecting the best from people is the way to get the best from them, but there are guidelines to follow. Expectations need to be communicated clearly with the manager. Not knowing what your superior expects of you can be frustrating. Being given a directive without having the opportunity for input can be demeaning. Achieving a goal set by superiors and never getting any positive feedback can be discouraging. Failing to reach an unrealistic goal and being punished is unfair.

When companies and managers mutually agree upon goals, objectives, and expectations, they greatly increase their chances for success. No one wants to fail. Managers want to succeed. Showing them how their goals fit with the company goals helps them to feel more a part of the company and to feel that their effort does make a difference. Open, two-way communication here is the key.

Expectations must be reasonable and within the realm of the manager's ability to produce. People are different. Their strengths and skills need to be considered when goals are set. If there are weak areas, training and development can strengthen them, thus, enabling the manager to reach higher goals. Challenging goals that require stretching encourage growth; impossible goals produce self-defeating behavior and lower self-esteem.

Utilize the expertise within your organization:

Store managers, district managers, or other corporate personnel may have successfully solved a problem that is similar to one that is plaguing a particular manager. Sharing their solution can be invaluable to the manager with the problem on his hands.

Provide positive feedback: It is important to recognize managers when they are progressing and to reinforce their positive behavior. Encourage and help those who are having difficulty and you will build their confidence and their trust in you. When

feedback is nonexistent, managers have no idea how their work is being perceived. Give specific suggestions and examples of what is done well and what needs improvement and you will demonstrate that you take an interest in your managers. Spread this policy throughout your organization.

Encourage Creativity

Does your company allow for creativity and innovation, or are policies and procedures so rigid that nothing can grow? There is a risk involved no matter what your policy. If you are too fixed on the way things are done, you won't get new ideas and creative ways to solve problems because the fear of failure will be too great for managers to take the chance. On the other hand, if you allow your managers too much freedom, they may try to change everything. How much of a risk are you willing to take? How much risk-taking are you willing to allow your managers?

The most effective managers in our study stretched their level of authority to achieve excellence, but they did their homework first. Plans were well-thought-out before they were put into action. When mistakes were made, lessons were learned, and sometimes a better idea was the result.

Promote innovation: There are a number of things you can do to encourage your managers to be innovative:

- 1** *Be sure your managers know the difference between what is required (e.g. shrink percentage) and what is recommended (e.g. ideal number of people standing in the line at check-out). If they think that everything that comes down from corporate is the law, they will not have any freedom to try new things.*
- 2** *Be sure that your managers know that they have to do their homework before they try something new. Innovation for the sake of innovation is seldom profitable, but a well-thought-out alternative to what is recommended or usually done can be.*
- 3** *If a manager tries something new and has done the homework and it doesn't work out very well, don't jump on him or her for it. Use it as a learning experience, spend some time talking over what went wrong and why, and figure out a way to keep it from happening again. You can't make creativity happen, but*

- 4** *you sure can squelch it.*
Encourage small risks at first. As you get more comfortable with managers' judgments and they learn how to accurately assess situations, larger projects can be taken on.

In the larger chains, the "supervision" of this process is going to be in the hands of the district manager. Make sure they understand all of the above. (You might try it with them, too.)

Expand Influence and Control

The 1984 Coca-Cola Retailing Research Council Report, "Managing the Large Store of the Future: the Role of the Store Manager of 1985 and Beyond," predicted that managers would have an increasing amount of control over hiring and firing, merchandise selection, and pricing. This year's study looked at how much influence store managers, department managers, and corporate/district personnel actually have and how that control relates to measures of effectiveness.

All too often, companies are afraid that by allowing their managers more freedom to make decisions they will lose some of their control. Traditionally, the total amount of any influence and control in an organization correlates with overall organizational effectiveness. Studies show that companies who subscribe to the "expanding pie," rather than the "fixed pie," theory of influence are more effective. In "fixed pie" companies, little delegation or passing of responsibility and control to lower managers occurs because it is believed that there is a limited amount to go around. Managers of "fixed pie" companies believe that by delegating they give away some of their piece of the pie and, therefore, lessen their personal influence.

On the other hand, companies that believe in the "expanding pie" theory pass on responsibilities freely, increasing the amount of influence their subordinates have without diminishing their own stature. Companies that function in this participative way usually produce decisions which are both higher in quality and in acceptance level. Does this hold true in individual grocery stores? It seems to for some aspects of the operation. Effectiveness correlates positively with the total amount of influence the corporate personnel, store managers, and department heads have, collectively, over allocating shelf space, putting up special in-store

displays, training new employees, purchasing and replacing equipment, and rewarding employees for good performance.

The results of the study indicate that increased input from, and responsibility at, various levels in the company (both store and corporate) can have a very positive impact on decisions in a number of areas of operations. If the predictions in the store manager of the future report come true, the outcome should be positive in terms of store effectiveness.

Spread the responsibility around: As your people become more competent in whatever they are doing, allow them more influence in the decision-making process. This will not diminish your position but rather expand theirs and benefit the organization. Think about this:

$$E.D. = Q. \times A.$$

Do you want to maximize the decision making power of your organization? Here's a way to do it.

Effectiveness of your Decisions is the product of the Quality of those decisions times the level of Acceptance for them.

To improve the quality, utilize expertise from all areas of the company. To raise the level of acceptance, involve the people who will be most impacted by the implementation of the decision.

Q.	×	A.	=	E.D.
10	×	0	=	0
0	×	10	=	0
5	×	5	=	25
10	×	10	=	100

Executive's Concept of Best and Worst Store Manager

As an interesting aside, and for your additional information, here are the results of a mini-study we ran.

Members of the Coca-Cola Retailing Research Council were asked to complete two copies of the Store Management Effectiveness Inventory, but from a very different frame of reference than the participating managers. First, they were to respond as if they were describing the best manager they had ever known. On the second questionnaire, they were asked to describe a nonpromotable manager working in the field. The results produced some highly significant correlations which reinforce all our data from the participating managers in the study.

The best manager, in their estimation, is a healthy, self-actualized individual with a well-rounded arsenal of managerial tools encompassing people, task, and leadership skills. The nonpromotable manager is described as just the opposite—defensive, impersonal, unmotivated, and unskilled in management techniques. The most effective managers, as determined by the survey, display all the same personal characteristics and have the same skills that corporate officers say are important in their “best” manager.

The headquarters level holds the key to unlock the potential of its stores. Major policy changes made at this level impact the effectiveness of every store in your chain. It is up to you to lead the way, to make room for changes, to allow for growth — both personal and business. Then the store managers can assume their responsibilities and make the necessary changes within their limits of control.

MESSAGE TO STORE MANAGERS

There are some areas over which store managers have little or no control or influence. They must rely on the decision makers at their corporate headquarters. There are, however, many things you can do in the context of the amount of authority you are given. How well do you use what you have?

Your Greatest Resource

The effective managers that were interviewed use their authority to the limit, trying innovative ideas and using every resource available to them to solve problems. Their greatest resource, of course, is their employees, and it is with these employees that they accomplish their work and create a successful store. They involve all their employees in customer relations, getting them to accept the responsibility for creating a warm, friendly atmosphere.

When problems need to be solved, they listen to suggestions from their subordinates. After all, if a problem exists in a particular employee's area, why not involve him/her? When a solution is found, the employee will be the one who must carry it out. The commitment level to make it successful is much higher when you involve the individual who will feel the impact of the decision.

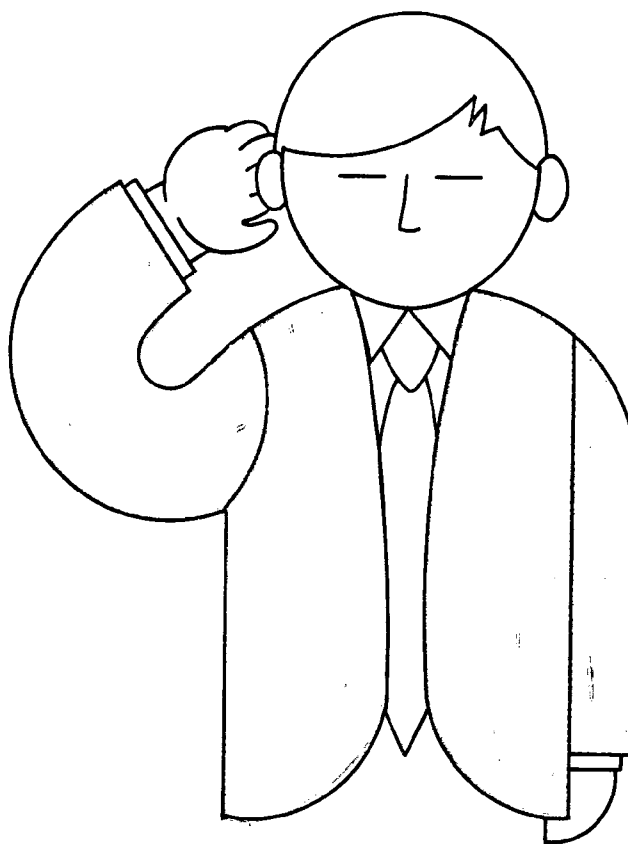
Being sensitive to the needs of your employees does a great deal to build good relationships. One manager we interviewed keeps a calendar handy for employees to record special events that are coming up such as birthdays or senior proms. Then the manager makes every effort to see that work schedules are adjusted so that person can enjoy time off on his or her special day. This gesture is appreciated by employees and also helps the manager in the long run. When busy days require extra effort, these employees are far more willing to help.

One manager showed his thoughtfulness by staying to close the store with the service manager on Christmas Eve. The service manager said that in his twenty-five years in the business, he had never seen another manager do that.

Increase Your People Skills

To increase your people skills, place yourself in another's position and see their point of view for a change. When you develop a curiosity about people, it's amazing what you can learn. Ask questions. Learn to talk less and listen more. Explore the impact of your behavior on your subordinates by

sharing your feelings with them. This is helpful when trying to understand conflicting points of view and the reasons for them. Listen to your employees' aspirations and frustrations. Maybe there is a communication gap. When you discuss things at the feeling level, it helps you to understand others' reactions. Once you learn to accept others more readily and not to place so many demands on them, you will find them more willing to put forth that extra effort when you need it. Listen to the ideas of your employees and make them feel that they count, that their effort makes a difference. Remember, they are your most important resource.



Be Clear About Their Roles

Just as it is not right for headquarters to hold managers responsible for things that are out of their control, so, too, managers must not expect their subordinates to take responsibility for things over which they have no control. Roles need to be clarified at all levels, making the chain of command for responsibilities quite clear.

Communicate More Effectively

The quality of a manager's communication skills can be a factor in the level of trust he/she is able to create in the workplace. Good communication facilitates trust and trust fosters effective communication. The message you receive is as important as the message you send. Here are some principles to follow for improving your communication skills and generating the warmth and mutual acceptance that serves as a base for trust:

- *Ask employees for their ideas and opinions.*
- *Listen more and talk less.*
- *Keep direct eye contact while listening or speaking.*
- *Explain the reasons for things such as why work orders, rules, and a particular task is necessary.*
- *Show employees respect and talk as one adult to another.*
- *Make sure your employees understand what you expect them to do.*
- *Give instructions and assignments clearly, so there will be no misunderstanding.*
- *Consider employees' feelings by trying to see things from their point of view.*
- *Stay calm and cool, even under pressure.*

Just as you need it, so employees need to feel that their effort makes a difference and that their work is meaningful. When employees can share in planning, organizing, and controlling their own work, it becomes more meaningful. When they help set their own goals, they are more motivated to accomplish them because the goals become something they decide to do, not something that is forced on them. Even the most mundane job becomes less objectionable when the employee has a voice in the goal and objective setting. If managers are training and developing their employees the way they should be, letting them participate in some of these processes is a natural step forward.

Train Your People

Effective managers realize the importance of appropriate training and make the most of each employee's skills. When employees are trained thoroughly, the manager does not have to be checking constantly to see if the job is being done right. Waiting to be told what to do or confusion about how to do a job wastes a lot of employees' time and, consequently, yours. Feedback to the employee

about progress is important, too. When employees receive recognition and appreciation for correct behavior, or coaching when improvement is in order, they will be more apt to try to do it right all the time. It is when correct behavior is ignored and negative attention is given for mistakes that the incentive for doing it correctly disappears.

Training should not be limited to the immediate task of the individual. Involving employees in other aspects of the business can pay off, too. Instead of just delivering the financial report to your department managers at a regular meeting, why not try the technique that one of the top managers uses in his store?

Since store meetings can be pretty boring for employees, one manager solves that problem by having his people take turns running the meetings. They want to make a good showing in front of their peers, so they pay close attention to what is going on. They take it upon themselves to study the terminology so they will know what they are talking about. No one sleeps through these meetings anymore. And, now that they understand it better, the whole operation of the store has taken on a new and clearer meaning. They feel more a part of the organization.

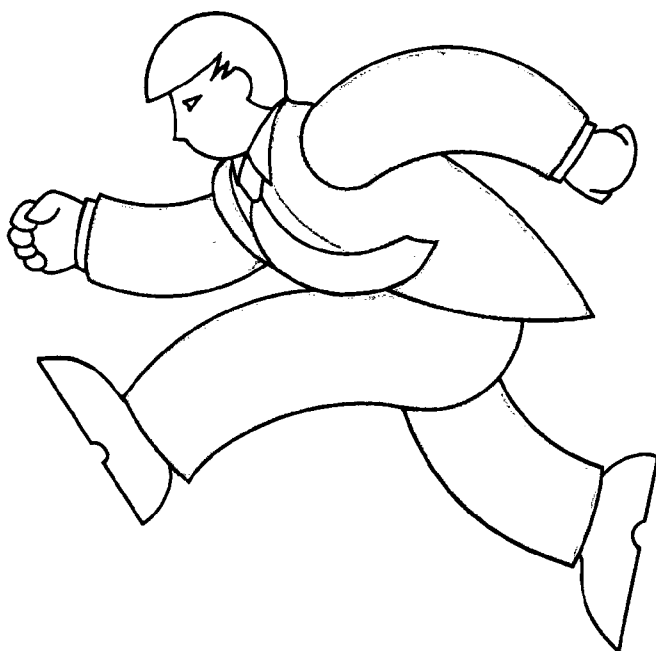
Use Your Time Well

The way you use your time is a big factor in how well you do your job. The most effective managers who were interviewed were quick to point out that many of their activities involved a crisis of one kind or another, and time for handling these crises must be built into their plan if they are to accomplish their daily activities. Delegating to others is a must if you are to be able to oversee the management of the entire store. You can't do it all yourself. Many managers find themselves putting in unnecessary hours that could have been saved by delegating. As stores get larger, delegation gets more and more important.

Helping employees to use their time well will make them more efficient and make your life easier. You can begin by making sure that you are not a factor in the loss of time. If your instructions are clear and timely, there should be no need for employees to be told how to do something over and over. Set a good example for your employees by using your own time wisely. Careful planning and organizing shows them that you value time.

Hustle

"Hustle," that extra energy and enthusiasm that is needed to forge ahead, requires a great deal of stamina, particularly during the busy holiday seasons. Effective managers seem to be able to handle these rush periods without losing sight of the daily routine duties and responsibilities. They plan carefully for that reserve energy that is often needed. They are able to maintain a high level of motivation because they are achievers. They know that what they do makes a difference. They use the control that they are given to make their store successful. Do you?



Improve Your Problem Areas

Opposition

Some of the worst managers around are oppositional. They are hard to impress, resist new ideas, and are constantly testing people. They are always finding fault with something or someone. Since they don't work cooperatively with others, productivity suffers, and very few innovative ideas are ever put into practice. This is a people business. There is no room for someone who deliberately finds fault with others.

To improve oppositional behavior, try smiling more often. It's difficult to stay mad when you're smiling.

Learn to be more trusting. When mutual trust is built between manager and employee, you won't be so apt to look only for negative things. Listen to your employees; let them finish an explanation or an idea before you tear it apart. Try to put yourself in their place and be understanding.

Avoidance

If you find yourself avoiding situations, it is probably affecting your performance and your health. Learn to face conflict and make decisions. Otherwise your work productivity will be chronically late or delayed. These situations don't fade into the woodwork; they tend to get worse.

If you find yourself having trouble delegating, look for the cause. Is it because you're afraid of mistakes? If there is a mistake, do you try to shift the responsibility for it either to subordinates or to something out of your control? This is highly stressful behavior, and it impacts time effectiveness, performance, and productivity. Often, this is a result of dwelling on mistakes of the past. Learning from mistakes is appropriate; living in fear of making mistakes is crippling. Focus on what is happening now—on what needs to be done—and do it.

The Need for Power

Managers who use fear and punishment to motivate their employees seldom achieve the desired results. The need for power, which involves driving, controlling, and manipulating others, becomes a game for seeking status rather than excellence. Controlling others gives a false sense of self-confidence but, in reality, is usually based on fear—a fear of helplessness. Let's face it, you need people to get your job done. That job will be done better by people who are motivated for the right reasons.

Power managers, without realizing they are the cause, create dependent employees who can't make decisions or do anything other than what they are told. Allow your employees to grow; help to develop them. You have nothing to fear by teaching them to think for themselves. When they do the job better, you look better. Work with them—not against them. Show them you respect them both as people and as an integral part of the store operation. Consider their feelings. Your store will run more smoothly, your employees will be happier, and your job will be easier.

Become the Manager You Want to Be

Achievement Oriented

Managers who wish to become more achievement oriented can learn from others who practice this kind of behavior. Achievement-oriented managers believe in self-set goals, and they know that their effort makes a difference in their store. They have high aspirations, enjoy difficult tasks, and are willing to take moderate risks. They are not afraid of making mistakes; they learn from them.

They have a high level of personal energy and go after what they want. They are motivated by their accomplishments, but they also accept a challenge just for the fun of it. High achievers use cause-and-effect thinking to analyze problems and to perceive things objectively and accurately. They take full responsibility for their own behavior and actions.

They are excellent role models. They value personal and interpersonal potentials and try to offer opportunities that help employees develop skills and grow personally. People who operate this way have a healthy, happy, effective way of thinking.

Healthy

The most effective managers that were interviewed feel good about themselves and their accomplishments. They are confident and relaxed in their relationships with others, have good communication skills, and always consider the feelings of others. They are highly respected in the business for their personal integrity and sound judgment. Their unique and independent thought produces creative solutions for problems. Their active, spontaneous, energetic manner makes them fun to know.

Would you be willing to trade in some of your self-defeating ways for the happiness and satisfaction of becoming a more effective manager? Try the following:

- *Have a well-balanced concern for both task and people.*
- *Accomplish the job and develop subordinates.*
- *Make the best use of people and resources to get the job done.*
- *Plan and organize effectively.*
- *Delegate tasks easily.*
- *Motivate employees by emphasizing the inner satisfaction they can get.*
- *Cooperate with others.*

- *Encourage independent and creative thought.*
- *Allow yourself to be open and accepting.*
- *Trust others and yourself more.*
- *Be flexible and relaxed, creative and spontaneous.*

You will be amazed at how quickly you will become comfortable with these behaviors. They will seem natural in no time.

APPENDIX A-METHODOLOGY

Overview

This project was divided into two major parts. The first involved the collection of data from a broad cross section of the industry, focusing on both store and department managers. This was a research study designed to identify skills and behaviors which related to managerial effectiveness. The second part involved the interpretation of the findings and the development of "prescriptions" that could be implemented in the business to raise the overall quality of store management.

The first task was to find those measurable differences between effective and non-effective managers in the areas of task-management skills, people-management skills, leadership, personal style, grocery-store-specific skills, store climate, reward systems, and influence structure. This investigation was conducted in three interrelated ways:

I A comprehensive diagnostic instrument was needed to measure all these areas. Existing studies and current literature were examined, and a management effectiveness questionnaire was developed specifically to gather data for this project. These management effectiveness questionnaires were sent to 240 store managers, randomly selected from fifteen participating companies across the United States. Each manager received a self-description questionnaire (Version I) and five questionnaires to distribute to department managers for them to fill out on him/her (Version II). Everyone who was asked to complete a questionnaire on a manager returned it directly to the researchers, thus, insuring the anonymity of their responses. The participating store managers were asked to put their names on the surveys; the raters were instructed not to. This was done so each manager's results could be returned to him: his/her self profiles and composite profiles of the five others. Data was also collected on department managers in 20 percent of these stores. Department managers who had assessed their store manager were asked to fill out one on themselves (Version III) and distribute five to their employees—cashiers, stock people, etc. so that they could rate the department managers (Version IV). Thus, for 48 stores, there was generated a store manager's self-description, description of the store managers by five department managers, self-descriptions by those same five depart-

ment managers, and descriptions of those five by twenty-five employees.

The companies which volunteered to take part in the study were:

- Brodbeck Enterprises, Inc.
- Cullum Companies, Inc.
- Hannaford Brothers Company
- Hy-Vee Food Stores, Inc.
- Klauser Corporation
- Meijer, Inc.
- The Phillips Company
- Piggly Wiggly Southern, Inc.
- Publix Super Markets, Inc.
- Schnuck Markets, Inc.
- Shaw's Supermarkets, Inc.
- Smith's Management Corporation
- Ukrop's Super Markets, Inc.
- Waldbaum's
- Wegmans

The stores ranged from 9,000 to 200,000 square feet of selling space and grossed from \$65,000 to \$1,500,000 a week in sales. The managers described their store as:

• Conventional	49%
• Superstore	24%
• Combination	18%
• Warehouse	2%
• Super Warehouse	3%
• Megastore	1%
• Other	3%

Below is shown the number of questionnaires that were distributed and the number that were returned (75 percent response rate). In total, there were self-descriptions by 436 managers and description of those managers by 1,737 of their employees. This is a very large sample for a study of this kind.

Response Rate of Sample

Version	Sent	Returned
I	240	218
II	1,200	901
III	240	218
IV	1,200	836

2 Some additional information also was needed which would support or refute, as the case might be, the numbers. Face-to-face interviews with six top-notch managers, as identified by the diagnostic instrument first and then confirmed by their corporate people, were conducted. These informal interviews took place in each manager's store. Many of the managers' subordinates were interviewed, also. If the statistics were to be the bones of this study, information from outstanding people working in the stores would be the flesh.

3 Through the use of the questionnaire, some very effective managers were identified. However, how did these people become that good? A brief follow-up survey was sent to the top third of the managers for additional information. These managers were asked to evaluate how important various things were to their development. They were asked to tell how important several skill areas and personal factors were to their continued success. Following that were questions asking them to identify which skills or factors mentioned were overrated or underemphasized in their companies. Their own comments were sought about what is important to effective management and how best to get there. Then they were asked what they looked for in new hires.

By tying all this information together, a picture could be painted of the effective supermarket manager, and in turn, his or her counterpart—the one who was not setting the grocery business on fire. Good scientific research data would be available, backed up by a face-to-face look at some “superstars” in the industry, supported by a survey of the opinions of managers who had already been identified as being able to get the job done.

The second part of the study was handled by a prescription task force. This group studied the research results, added their years of experience in the management consulting field, much of it within the supermarket industry, and developed the recommendations for change.

The Diagnostic Questionnaire

Description of the Questionnaire

A questionnaire was developed to measure a variety of managerial characteristics and skills. Past experi-

ence indicates that the way managers perceive themselves is critical to how they do their jobs. And, while interesting in and of itself, it becomes far more impactful when compared to, or contrasted with, the way their subordinates see them. For this reason, both “self” and “other” versions of the questionnaire were developed. Since some items were more appropriate at the store manager level than at the department level, and vice versa, in the end there were four versions of the survey. They are:

- I. Store Manager: Self-Description
- II. Department Manager: Description of Store Manager
- III. Department Manager: Self-Description
- IV. Store Employee: Description of Department Manager

The Questionnaire

The basic questionnaire was made up of seven parts:

- A. **Description of the managers' personality traits or styles**—120 items which combine to form 12 categories of 10 items each, measuring such things as interest in achievement, need for approval, competitiveness, interest in helping to develop people, perfectionism, and need for power and control.
- B. **Management Skills**—36 items, creating 9 categories of 4 items each dealing with traditional management skills such as planning and organizing, making decisions and solving problems, training and development, and team building as well as areas more specifically aimed at the store manager, namely change initiation and hustle. This section also included ten summary perception items to measure the manager's overall effectiveness and, in general, to measure his/her skills with tasks, people, and leadership.
- C. **Store-Specific Skills**—14 items measured 4 areas specific to grocery store management. These included customer/community relations, information adequacy, maintenance, and sales and marketing strategy. The “others” versions of the questionnaire included two more areas, job satisfaction and role clarity.
- D. **Store Culture**—36 items provided scores on 12 dimensions, providing feedback on the kind of actions and behaviors that are emphasized and rewarded within a store. These 12 categories are the same as those measured in Part A, so a multi-way comparison can be made between the way managers perceive themselves and the

way they are seen by others and between the kind of climate they think they create and the kind of a climate the others are experiencing. Are effective managers highly competitive and do they instill that competitiveness in their employees? Do the ineffective managers have an inordinate need for power and thus create a staff with a high level of dependency?

- E. Reward System**—8 items were selected to measure rewards, including monetary compensation and non-monetary things like opportunity, security, and recognition. The manager was asked to predict how likely it would be for these things to happen if employees successfully completed their jobs. The other respondents were asked directly whether or not they thought the rewards would be given to them.
- F. Influence**—11 items were picked that represent areas of decision making (hiring and firing part-time employees, selection of merchandise, pricing, etc.). Individuals were asked to select the degree of influence, on a scale of 1 to 5, that they felt store managers, department managers, or corporate/district personnel have to make decisions in these 11 areas. This section was included to tie some of this data into last year's study and, also, to look at the "fixed pie" versus "expanding pie" theories of influence to see what impact, if any, they have on store effectiveness.
- G. Demographics**—Items were included which asked for age, education, experience, and sex of the manager and size, type, complexity, and sales volume of the store to see what impact they have on effectiveness.

Statistical Analysis

The task at hand then was to determine from this data what the identifiable, measurable differences were between effective and noneffective managers. While self-description information was gathered from managers, descriptions by their subordinates were used for the statistical analysis. Comparing self-assessments with feedback from others is very helpful to individuals, but depending on self-descriptions for this kind of analysis is less reliable. For managers to put their names on their questionnaires, fill them out honestly and accurately, and return them to a research organization they have probably never heard of with a name nobody understands requires a great act of faith. All of the assessments of the managers by their subordinates

are anonymous. Those raters were specifically requested not to put their names on the questionnaires. Thus, this data was gathered from a large group with no particular ax to grind. It is because of this anonymity that the descriptions by subordinates are felt to be more reliable and are better suited for analyzing statistically.

Effectiveness Measure

Managerial effectiveness focuses on how proficient the manager is in overall task, people, and leadership skills. This managerial effectiveness measure was validated with a financial results measure later to assure the results were more reliable than a popularity contest. The methodology and results of that part of the study can be found in Appendix D.

Profitability was not used to measure effectiveness because there are many cases in this industry where those indicators do not accurately reflect how well a manager is doing. The manager who takes a store in trouble and brings it up to a break even point, or the manager who "holds the line" in a store in a deteriorating neighborhood will not look as good on paper as one who is doing o.k. in a "can't miss" growing area. In the first two cases, a less effective manager might have gone belly up. Or what of the manager who is in the middle of the pack, profit-wise, but has developed three of the company's last ten new store managers in his/her store? How valuable is this person to the organization? His/her contribution would go unnoticed in the profit/loss statement in spite of being very effective.

The goal was to identify the effective and ineffective managers with a measure that reflected their overall skills (or lack thereof) as store managers. It was necessary to include task skills, people skills, and leadership qualities because it is felt that it is essential for a manager to be strong in all three of those aspects of management. A score was made by averaging the responses for the following overview items (all were preceded by "To what extent does this manager..."):



Task skills

- (A) ...use good analytical skills to make decisions and solve problems?
- (B) ...maintain high standards of performance in this store/department?
- (C) ...handle the administrative tasks of the job well?

2 People skills

- (A) *...get along well with store employees?*
- (B) *...show interest in the welfare of the people who work here?*
- (C) *...treat employees in a fair and equal manner?*

3 Leadership qualities

- (A) *...effectively represent the needs and ideas of the work group to higher management?*
- (B) *...act in ways that encourage commitment from employees?*
- (C) *...motivate people through solid leadership skills?*

It was felt that if a manager's subordinates said all or most of those things happen most of the time, that manager was likely to be a pretty good manager. And on the other side of the coin, if those things seldom happened, an ineffective manager would have been identified.

APPENDIX B-TABLES

How to Read the Results

A word about the tables: Most of the results are presented in tabular form. Tables one through five represent relationships between managerial effectiveness and the various other factors measured. The factors which are compared to the effectiveness measure run down the left side.

On the graphs, significant positive correlations* are marked with a plus symbol (+), significant negatives with a minus symbol (−), and those which do not correlate at all with a zero (0).

Tables six through nine show relationships between managerial effectiveness in different sized stores (based on sales volume) and the other factors measured.

For example:

Personality Factors

Measure	Managerial Effectiveness
Humanistic-Helpful	+
Approval	0
Avoidance	−

What this shows is that there is a significant positive correlation between managerial effectiveness and managers being humanistic and helpful. (The more humanistic and helpful the manager is, the more effective he is as a manager—as one goes up, so does the other.) There is no correlation between a manager's need for approval and his/her score on the effectiveness measure.

There is a negative correlation between a manager's tendency to avoid things and effectiveness (the more avoidance, the **less** effective the manager—as one goes up the other goes down).

When reading the following, keep in mind a few things about correlations.

- 1** *Negative correlations are not “bad” correlations. A negative correlation simply describes a situation where, as one score decreases,*

*A statistical method used to establish the strength of the relationship between two measures. This method includes a test to determine if the relationship is significant (real) rather than random (chance happening).

another score increases. (e.g. managerial effectiveness vs. a need for power and control. The most effective managers have the least need to exercise their power, the least effective have the greatest need.)

- 2** *Positive correlations are not automatically “good” correlations. They describe a situation where both scores move in the same direction (e.g. the friendlier managers are, the more effective they are rated; the less friendly, the less effective).*
- 3** *When we talk about a positive correlation, we are not talking about just the good guys. If we say there is a positive correlation between managerial effectiveness and a high level of achievement, we are saying that good managers are high achievers **and** bad managers are not.*

Definitions of terms used and the factors measured can be found in the glossary.

Table 1

Demographics

Manager's Demographics	Managerial Effectiveness
Years in business	0
Years as a manager	0
Education	0
Age	0
Sex*	N/A

Store Descriptors

Number of departments (complexity)	0
Type of store (conventional, combination warehouse, megastore, etc.)	0
Sales volume	0
Selling area	0

*Too few women to do analysis.

Table 2

Personality Factors

Measure	Managerial Effectiveness
Achievement	+
Self-Actualization	+
Humanistic/Helpful	+
Affiliative	+
Approval	0
Conventional	+
Dependent	0
Avoidance	-
Oppositional	-
Power	-
Competitive	-
Perfectionistic	+

Table 3

Management Skills

Measure	Managerial Effectiveness
<i>General Management</i>	
Planning and Organizing	+
Making Decisions and Solving Problems	+
Training and Development	+
Team Building	+
Participation	+
Trust	+
Hustle	+
Time Utilization	+
Change Initiation	+
<i>Store Specific</i>	
Customer/Community Relations	+
Sales/Marketing Strategy	+
Information Adequacy	+
Maintenance	+
Job Satisfaction	+
Role Clarity	+

Table 4

Store Culture

Measure	Managerial Effectiveness
Achievement	+
Self-Actualizing	+
Humanistic/Helpful	+
Affiliative	+
Approval	0
Conventional	+
Dependent	0
Avoidance	-
Oppositional	-
Power	0
Competitive	0
Perfectionistic	0

Table 5

Reward Structure

Measure	Managerial Effectiveness
Income Increase	0
Autonomy	+
No One Will Notice	- *
Status and Prestige	0
Feel Better	+
Job Security	+
Recognition	+
Promotion	+

*A negative correlation here is good.

Table 6

Personality Factors*Managerial Effectiveness in stores sized:*

Measure	Small	Medium	Large
Achievement	+	+	+
Self-Actualizing	+	+	+
Humanistic/Helpful	+	+	+
Affiliative	+	+	+
Approval	0	+	0
Conventional	0	0	+
Dependent	0	0	0
Avoidance	-	0	-
Oppositional	-	-	-
Power	0	0	-
Competitive	0	0	-
Perfectionistic	0	+	0

Large stores—Averaging \$516,000 per week in sales**Medium stores**—Averaging \$246,000 per week**Small stores**—Averaging \$114,000 per week

Table 7

Management Skills*Managerial Effectiveness in stores sized:*

Measure	Small	Medium	Large
<i>General Management</i>			
Planning and Organizing	+	+	+
Making Decisions and Solving Problems	+	+	+
Training and Development	+	+	+
Team Building	+	+	+
Participation	+	+	+
Trust	+	+	+
Hustle	+	0	+
Time Utilization	+	0	+
Change Initiation	+	+	0

Table 7 (continued)

Measure	Small	Medium	Large
<i>Store Specific</i>			
Customer/Community Relations	+	+	+
Sales/Marketing Strategy	0	+	0
Information Adequacy	+	0	0
Maintenance	+	0	0
Job Satisfaction	+	0	+
Role Clarity	+	+	+

Table 8

Store Culture*Managerial Effectiveness in stores sized:*

Measure	Small	Medium	Large
Achievement	+	+	+
Self-Actualizing	+	+	+
Humanistic/Helpful	+	+	+
Affiliative	+	+	+
Approval	0	0	0
Conventional	0	0	0
Dependent	0	0	0
Avoidance	0	0	-
Oppositional	0	-	-
Power	0	0	0
Competitive	0	0	0
Perfectionistic	0	0	0

Table 9

Reward Structure*Managerial Effectiveness in stores sized:*

Measure	Small	Medium	Large
Income Increase	0	0	0
Autonomy	+	0	+
No One Will Notice*	-	0	-
Status and Prestige	0	0	+
Feel Better	+	0	0
Job Security	0	0	0
Recognition	+	+	+
Promotion	0	0	0

*A negative correlation here is good.

APPENDIX C-RESULTS OF THE FOLLOW-UP SURVEY

The study project sought to get some additional information from top managers on how they got where they are, what they think was important to their success, what they feel is over- and underrated in their company, and what they look for in hiring new employees. Good information about what distinguished the effective from the ineffective managers was available, but not enough information was available about how the good ones got that way. The things heard in the interviews were interesting and valuable. What was needed was more of the same. A follow-up survey allowed us to get subjective opinions to compare with the numbers from the questionnaire.

This survey was sent to sixty store managers, selected on the basis of very positive feedback from their department managers. This represents slightly less than the top 1/3 of the sample. Forty of them responded. The following was asked:

How important were the following to your development as a store manager?

<i>Working your way up</i>	95%
<i>Good role models</i>	83%
<i>Company training programs in people skills</i>	83%
<i>Professional training programs in people skills</i>	65%
<i>Company training programs in technical skills</i>	65%
<i>Professional training programs in technical skills</i>	48%
<i>Formal education</i>	33%

Four people wrote in "Cornell Home Study" on a line marked "other" as somewhat important.

For many managers, "working your way up" and "good role models" are probably the same thing. It is interesting to note that the training experiences most valued are in people skills.

How important do you think each of the following is to your success?

<i>Training and developing employees</i>	100%
<i>Interpersonal skills</i>	100%
<i>Hustle</i>	98%
<i>Traditional management skills</i>	98%
<i>Customer/community relations</i>	95%
<i>Dealing with change</i>	95%
<i>Technical skills</i>	43%

Again, the top managers reinforce the importance of having a well-trained staff and strong people skills. The high degree of importance given to so many areas supports the earlier notion of "the complete manager" with skills in many areas.

Another question asked if any of the skills or factors mentioned were overrated in their companies. Only 12 responses were received to this, seven of which were "formal education." Two people mentioned technology. Obviously a lot of time is not being wasted on things managers don't think are important.

Another question asked if any skills or factors were underemphasized in their companies and this received more responses. Thirty-three things were mentioned. The rough categories:

1. *People skills*—11
2. *Training and developing employees*—5
3. *Technical*—5
4. *Other traditional management skills*—3
5. *Store-specific skills*—3
6. *Dealing with change*—2
7. *Good role models*—1
8. *Miscellaneous*—3

The next item really opened the gates. They were asked if they had any additional thoughts about what is important to effective management or how best to get there. Their answer was a definite "yes!" Specifically, they had 95 thoughts. Again, roughly grouped, with notable quotes, they are:

1. *People skills (there seems to be some pattern developing here)*—53
 - *Communications second to none.*
 - *An effective manager will ensure each employee receives the training they require to complete their job assignments then give that employee the flexibility they require to complete their assignment. After the assignment is complete, a follow-up and a thanks for a job well done is essential.*
 - *Never forget that each person is different and must be handled differently.*
2. *Personal factors*—12
 - *Common sense.*
 - *You have to like what you are doing.*

- *Evaluate your own performance daily, honestly, on the way home.*

3. *Role model—8*

- *Set a good example as a leader.*
- *Try hard to keep your word.*

4. *Traditional Management skills—7*

- *The best way to get there is through good hard work and having some kind of business sense to develop good managerial skills.*
- *Fail to plan. Plan to fail.*

5. *Team building—5*

- *Develop a winning program. Team work it daily.*
- *Let others help you with ideas and then make a decision based on team effort and team work. Anyone having input into a common goal is going to help make it work because they are a part of the solution, not the problem.*

6. *Training and development—4*

- *Train and surround yourself with good people.*

7. *Additional comments—6*

- *Effective management must start with a company philosophy that management strives to implement in our day to day operation.*
- *Learn as much as possible. Even if it is not important then, it will be someday.*

Investigating the issue this way added even more credence to the picture of the effective manager which came out of the research questionnaire and was reinforced by the face-to-face interviews.

APPENDIX D-FINANCIAL RESULTS VALIDATION

The Financial Results Measure

Sometimes there are cases in studies like this one where managers who are well-liked by their subordinates are rated by them as being very skilled as managers when bottom line results don't support that assessment. To make sure that the effective managers that were identified were actually producing and not just "nice guys or gals," their corporate headquarters was asked for a report on how each was performing in terms of bottom line financial results. A straight profitability measure was ruled out because it was understood that there are many special cases in this industry (e.g. a top-notch manager placed in a struggling store to turn it around, a new superstore opening up across the street, a declining neighborhood where holding the line is considered successful) where the manager has little direct control over profits. Corporate executives were asked to rate each participating manager according to this criterion: "To what extent does this store manager provide you with the financial results you expect from this store?" They responded on a seven-point scale ranging from "The results are disappointing. Should be far better," at the low end to, "The results are significantly better than we expected," at the high end.

Although there was some gray area in the middle ground (as would be expected), the managers who were rated by headquarters in the top 25 percent on the financial results measure had statistically significantly higher scores on managerial effectiveness (from the questionnaires) than those rated in the bottom 25 percent. Thus, the managers identified as effective were producing what was expected; those identified as ineffective managers were not. There is a direct relationship between managing well and the bottom line.

A Search of the Literature

In preparation for the Coca-Cola Retailing Research Council study, an extensive review of the accumulated knowledge regarding supermarket management effectiveness was conducted. The strategy underlying this search was to tap two sources of information that would provide insight and guidance for compilation of the questionnaires: (1) the academic and practitioner literature regarding management effectiveness; and (2) experts associated with retail/grocery management from both the academic and practitioner domains. A description of these activities and a discussion of the results of the search follow.

Both the academic and practitioner literature was reviewed through an exhaustive computer search conducted at the University of Michigan graduate and business libraries. Two business and social science databases were scanned for references to management effectiveness within a retail or grocery store context. These databases were selected based upon the extensiveness of their coverage and the quality of the periodicals they contained.

The literature search was supplemented by interviews with two experts in the field of grocery store management.

Despite its extensiveness, the literature search yielded very little information on the topic of retail/grocery management effectiveness. Although the search did uncover some social science studies that had been conducted in retail settings, none addressed the question: What is unique about the retail/grocery context and what managerial styles or techniques seem most suited to that context? Similarly, the business literature offered only very general guidelines that would apply to any management setting, retail or otherwise.

The disappointing results of the literature search were confirmed by the information gathered from the two experts, both of whom reported that the management principles they advocate and teach are derived from general management wisdom and practice. Although both experts placed emphasis on human resource management and particularly on the development of employees, they were not aware of nor did they use special management programs tailored to the grocery store setting. One reported,

for example, that managers-in-training in his organization were sometimes enrolled in Dale Carnegie courses to hone their human relations and management skills. Similarly, the management textbook used in the other's food distribution program was entitled *Management-Minded Supervision* (McGraw-Hill) and contained non-retail-specific management principles.

A review of popular journals exclusive to the supermarket industry revealed many articles explaining the success of a company, a manager, a concept, or a particular program, but none were based on scientific research. The fifty articles selected for examination were compiled primarily from 1985 journals, including *Progressive Grocer*, *Grocers' Spotlight*, *Supermarket Business*, and the weekly newspaper, *Supermarket News*.

In summary, there is a severe paucity of information and knowledge about the area of management effectiveness in a retail setting. The Coca-Cola Retailing Research Council study will partially address this deficiency, and represents a pioneering effort that promises to inform both practitioners and researchers of the correlates of successful leadership in a retail environment.

Effectiveness Measure

1. **Managerial Effectiveness.*** A measure of overall store or department management effectiveness derived from the questionnaire instrument combining basic task, people, and leadership skills.
2. **Financial Results.**** A measure of how well each store manager is meeting the financial goals expected of him/her by the company. This rating was obtained by asking a key corporate officer in each participating company to respond to the following question of each manager: To what extent does this store manager provide you with the financial results you expect from this store?

Personality and Store Culture Measures

1. **Humanistic/Helpful.** Is this manager interested in his or her employees and in their growth and development?
2. **Affiliative.** Is this person friendly, easy to approach and talk to?
3. **Approval.** Does this person try too hard to be liked and accepted?
4. **Conventional.** Does this person "do it by the book?" If so, when appropriate or all of the time?
5. **Dependent.** Does this person wait to be told what to do or initiate things?
6. **Avoidance.** Would this person rather not be around when problems arise, tough decisions have to be made, or extra work needs to be done?
7. **Oppositional.** Does this person argue, for the sake of argument, and question every decision?
8. **Power.** Does this person need to control everything and make sure nobody forgets who the boss is?
9. **Competitive.** Does this person turn everything into a win-lose situation?
10. **Perfectionism.** Is this person's attention to detail appropriate, or does he/she fret over every last thing, even some things over which he/she has no control?
11. **Achievement.** Does this person set goals, concentrate energies where they will do the most good, and enjoy accomplishing his or her objectives?

*For more information on this scale and how it was used, see Appendix A Methodology.

**For more information on this measure, see Appendix D.

12. **Self-Actualizing.** Is this person self-confident, non-defensive, relaxed, psychologically healthy?

Management Skills

1. **Planning and organizing.** How well does this manager plan and organize the work that needs to be done?
2. **Making decisions and solving problems.** Does this person avoid making decisions? How well does this person solve the store's problems, using those situations as learning experiences, rather than looking for ways to place blame?
3. **Training and development.** How much time and energy does this manager put in to developing subordinates?
4. **Team building.** Does this manager set up a competitive or cooperative atmosphere among employees?
5. **Participation.** How much does this person involve people who will have to implement the outcome in the decision-making process?
6. **Trust.** Can this person be counted on to keep his/her word? Does this person hold in confidence things employees share with him/her?
7. **Hustle.** Does this manager act with a sense of urgency and stay on top of things until all the details are taken care of? Does he or she show a high level of energy which sets a good example?
8. **Time utilization.** How well does this person manage his/her time?
9. **Change initiation.** Is this person willing to try new things when conditions warrant a change?

Store Specific Skills

1. **Customer/Community relations.** How effective is this manager in establishing a good reputation for the store in the community?
2. **Sales and marketing strategies.** Do the pricing and merchandising strategies this manager develops put the store in a competitive position in the area? Do they respond to the needs of the customers?
3. **Information adequacy.** Is the amount and quality of operating information or scan data the manager disseminates in the store enough so other people can do their jobs?
4. **Maintenance.** Is the store kept neat and clean? Is the equipment in good repair?
5. **Job satisfaction.** Do you like your job?
6. **Role clarity.** Is it clear what your responsibilities are and are not?

