

Great Places to Work are Great Places to Shop

The best mirror of a company's potential is its staff. "To be a great place to shop, you need to be a great place to work," says Doug Fleener, president of Massachusetts-based retail consultancy Dynamic Experiences Group.

The Container Store, for example, has been recognized as one of *Fortune's* 100 Best Companies to Work For. The company attributes their success to the inordinate amount of training they provide new associates. Where other retailers only give new hires 7 hours of training during their first year, The Container Store invests 235 hours of formal training with every first year associate. Instead of suffering with turnover as high as 120% a year seen by other retailers, The Container Store has only 8% turnover among full-time staff members and 20% among part timers.

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In another example, compare the attitudes between flight attendants at Jet Blue or Southwest, with those at any of the bankrupt big six airlines. From reservationists to airport agents to the in-flight crew, Southwest's team reflects the upbeat, positive climate evident in the company's financials. Flying United, however, is one dreary, gloomy encounter after another.

Similarly, compare the Costco team with that of Sam's Club. Costco is another company on the *Fortune* 100 list. Their team members are courteous and eager to help. Nearly all of them proudly sport pins recognizing their longevity with the company.

Sam's Club staff members, like those of their Wal-Mart parent, are often cited as the most disrespected, poorly-treated in the country. While for the time being, Wal-Mart may be financially successful, it is facing the country's largest private civil rights lawsuit in history. Nearly 1.6 million former Wal-Mart employees have been certified as a class in their lawsuit alleging sexual discrimination against them.

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In his book *First Break All the Rules*, Marcus Buckingham relates a company's performance to the answers on 12 specific questions posed to its employees. Buckingham defines high performance companies as those with growing sales, high margins, customer loyalty and low employee turnover.

The study, conducted during his tenure with the Gallup Organization, was based on in-depth interviews with a million employees, including 80,000 managers, in over 400 companies. The study measures how *engaged* associates are in their work. As team members become more engaged, they give better service, are more productive and are less likely to seek other jobs. They're happy, customers are happy and the company is happy.

It's no surprise that in Buckingham's study, the best managers had the most highly-engaged teams. There are several keys to their success.

First, they have the right people in the right jobs. No job is perfect, but the best ones match the staff member's strengths and talents to the core responsibilities of the job. A highly-skilled technical person, who may be great at installation and system design, may not be the one to help the customer understand how the system works once it's in their home.

Second they set expectations for their team members. The expectations are based on defined outcomes, not on rote processes. Instead of mandating that their associates make 10 cold calls per week, they give their team sales quotes to reach. Highly-engaged team members know what their responsibilities are and how they are going to be evaluated. They know how their jobs fit into the overall direction and goals of the company.

The best managers know that each employee needs to be continually motivated. It's not enough to provide an annual review or monthly commission checks. Workers need to know that their managers care about them as people and want them to succeed. Engaging managers give frequent feedback, and give their teams the opportunity to share and to provide input.

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Finally, the most successful managers develop their team members and help them cultivate career paths. They encourage them to learn and grow, sometimes knowing that in doing so they may lose their best players to other areas in the company. Nonetheless, they are like farm teams helping their associates get to “the show.”

In order to see how your associates may mirror your company’s potential, have them all complete the Marcus Buckingham survey. Coach your managers so that they understand the results and can help move their workers closer to “5” on all the questions. Repeat the survey in three to six months and see what has improved.

In time, you should see a more productive, more profitable reflection. You’ll also see a better staff and more customer loyalty.

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How Engaged is Your Team?

On a five point scale, where “5” is *extremely satisfied or true* and “1” is *extremely dissatisfied or not true*, how satisfied are you with the following items. There are no “right” or “wrong” answers, be honest.

Do I know what is expected of me at work? _____

Do I have the materials and equipment I need to do my work right? _____

At work, do I have the opportunity to do what I do best every day? _____

In the last seven days, have I received recognition or praise for doing good work? _____

Does my supervisor, or someone at work, seem to care about me as a person? _____

Is there someone at work who encourages my development? _____

At work, do my opinions count? _____

Does the mission/purpose of my company make me feel my job is important? _____

Are my co-workers committed to doing quality work? _____

Do I have a best friend at work? _____

In the last six months, has someone at work talked to me about my progress? _____

This last year, have I had opportunities at work to learn and grow? _____

First Break All the Rules Marcus Buckingham © 2003