

IN SEARCH OF IMPROVING EMPLOYEE PRODUCTIVITY

by
Robert M. Stross
W. T. Sistrunk & Co., Inc.
Lexington, Kentucky

I'd like to share with you some of the current research and training programs being used to increase employee productivity at retail store level. Secondly, I will share some new thoughts on how to obtain retail goals through the cooperative involvement of store employees.

We share with other industries in the '70's new production techniques and equipment innovations--our meat cutters cut meat from a box--our bakery/deli departments reconstitute frozen entrees--our grocery stock crews work with new pallet jacks, price markers, and shelf tag systems, and our cashiers are now trained on ECR equipment, as opposed to the mechanical registers of the past. Our store managers deal in new vocabularies and terminologies: ECR, upgradeable, interface, PLU's, velocity codes, standalones, and EPOS systems.

Despite obvious trends toward larger retail grocery stores, space age computer technology and a multitude of other new equipment items for use by grocery retailers, our labor productivity has failed to keep up.

Many of our organizations have one or more of the following people problems--absenteeism, low output, low effort, dissatisfaction, frustration, tardiness, lack of enthusiasm, defensiveness, time-wasting, and inconsistency. Independent store operators, as well as chain store managers, are much concerned about these human conditions in their stores, which

are often due to a lack of understanding motivation. Dean Spitzer, Digital Equipment Corporation, calls it motivational mismanagement.

With the combined increased capital costs of new equipment and processes, coupled with the new wage and hour floors established by the federal government, and faced with stagnant productivity gains, the grocery retailer of today finds himself in trouble.

The retailer also is faced in many areas with a dwindling labor supply. He is confronted with a new type of potential employee--one probably born after 1958, who lives in blue jeans, speaks a different vocabulary, who considers a job in a grocery store to be exceedingly easy or somewhat beneath his untried skills. All of the foregoing puts a tremendous burden upon the food retailer in putting together a store team which can master new equipment, work together well, follow the store manager's lead, and keep the customers satisfied.

Management tools available to the contemporary store manager emerge from the management functions of planning, organizing, supervising and leadership. The tool which most directly affects employee motivation is leadership. We see in 1978, that obeying authority is not automatic--employees will not "obey" out of respect to a title. If they obey, however, they obey the person who holds the title. Eugene J. Jennings, professor of management at Michigan State University,

in a recent Associated Press article stated. "In recent years respect for authority has diminished in the corporation, as in some other institutions, while respect has grown for executives who lead by cooperation and team building." More and more employees are asking the question, "Who is this store, rather than what is this store?"

The authoritarian management style is fading away and in its place is a more benevolent participative style, which places more emphasis on openness between manager and his people. For example, Walter Geis, Copp's Grocery Company Vice President, recently developed a survey instrument, graded using the Likert scale, to measure employee feelings about store objectives, policies and procedures. The store manager, too, was rated on his management style, his decision-making ability, his planning ability, and the degree of acceptance of store policies and procedures by employees.

This survey was issued to eight (8) stores. The results were compiled and shared with employees during a feedback session in which they discussed, in the manager's presence, how they felt about the store. Overall results indicate employees could see where participative store managers were listening to their ideas and were tuning in to their needs. Many of the recommendations made by the employees were implemented immediately into the store operating plan. Overall results--a greater feeling of teamwork among the employees, and an immediate increase in sales and profits in each of the eight (8) stores. (Sounds similar to the results of the Hawthorne study of many years ago.)

Bill Stafford, Director of Training for Fleming Companies in Oklahoma City, was asked by corporate staff to generate, at store level, standards of performance for management positions throughout all

Company divisions. The resulting training program, implemented some eight (8) months ago, was presented to individual stores by sales managers from each distribution center. The task was to create self-developed position descriptions for store management and department heads, who could then add standards of performance to the completed position description.

The results, interpreted just last month, were that most stores were able to establish sound lines of communication, responsibility and authority throughout the store, and to eliminate "rule by the boot." My point is--the store supervisory teams wrote their own descriptions; they became involved in documenting their efforts towards reaching store goals. New employee styles demand new management techniques in order to match the needs of employees with store level goals.

The key to achieving store goals is motivation, according to Dan Fusting, President, Human Resource Development, Inc. of Louisville, Kentucky. If we take the word motivation and split it down the middle, with the addition of one letter, we find the words motive and action. A synonym for motive is guide. In essence then motivation is a guide to action. Motivating others is accomplished through the management function of leadership in guiding employees towards achieving store goals. Traditionally, the tools of motivation were incentive, expressed through some form of verbal or physical reward, or fear, expressed through some form of verbal, written, or physical punishment. In meeting the needs of contemporary store employees, these traditional motivating tools are both temporary and may be negative, since absence of reward can be regarded as punishment. Therefore, we need positive motivators to help meet employee's needs and to accomplish store goals.

The strongest force that guides all of us as human beings is the effort to attain a meaningful goal. Many performance problems listed in my introduction can be attributed to the fact that employees do not see their jobs as relevant to their goals. So they slow down, layout or quit. The store owner or store manager, therefore, has a two-fold task--to write out or list the store's goals and to communicate these goals to his employees. If the employee can relate to them and can see that accomplishing them will help meet his individual needs, the resulting employee will become a part of a highly motivated, charged-up work force. Where goals are totally absent in the store, people problems will be constant.

All human beings have needs. The need for achievement, for affiliation, for approval, and the need for power exist in each of us. These need levels vary from day to day, from year to year, from hour to hour. Our employees have the same needs. If the store manager is in touch with his needs and aware of store goals, and if he possesses a language to communicate these goals to his employees, then he is well on his way to increasing the motivation of his people. For example, in order for an employee to satisfy the need for achievement, he or she must have technical work skills and human relation skills, more of the former than the latter. It is the technical skill area where more research and more programs are available today than ever before.

Recent research into the most effective means of teaching technical work skills to entry-level employees has led Kimm Hannan, Training Director for McLain Grocery Company of Massillon, Ohio, to develop and implement a programmed learning course series, which consists of twelve (12) programmed learning texts covering basic store principles for all departments. The vocabulary in

the series is contemporary, the principles are up-to-date, and the program is now being marketed through McLain on a nationwide basis. These self-learning programs are being used by many McLain retailers for cross-training purposes, as well as for basic technical skill development.

My own Company, W. T. Sistrunk, makes extensive use of the audiscan self-instruction system, teaching basic grocery skills with slide/sound cartridge and workbooks. The multiple cue learning process can be carried out with minimal supervision, either in the store or in the employee's home.

UPC Resources of Massachusetts, recently adapted the audiscan approach and utilizes an audiscan 4,000 projector with variable speed control and foot pedal to conduct individual cashier training on the NCR 255 and Data Terminal 440 ECR Systems. The cashier trainee controls the speed of learning and has instant feedback when mistakes occur.

Bill Stafford, Training Director for Fleming Food Companies, has developed a complete set of ten (10) minute slide/sound programs, with discussion question modules, presentable to instore entry-level employees. Such programs can be conducted by either the store manager or a Company sales manager.

W. T. Sistrunk also uses a Mobile Training Center for retail employee training, which is a specially-designed 27 foot motor home. We take the unit as a mobile classroom onto an individual store parking lot and work with a single store's employees or with one department's employees from five (5) to six (6) stores nearby for a one (1) to three (3) hour period, depending upon the class being conducted. These "mini-sessions" evolved out of full-day workshops conducted in years past, which, while effective, were also costly, in terms of

pulling employees away from the store for a full day at a time. Current employee development trends indicate the need for high impact, condensed programs designed to teach thoroughly a few skills at a time, as opposed to long, drawn out programs, where the student may lose interest early in the session.

While this approach is used for part-time and entry-level employees, our training for department heads, assistant managers and store managers includes working with them in full-day formats once or twice a year, depending upon their expressed shortfall areas. This method allows management people to interface with each other, while being exposed to up-to-date techniques in motivation, planning, organizing and supervising. In other words, the entry-level employee's

concentration is more with technical skills: the store manager's concern is more with conceptual and human relation skills.

Recapping, the human resources challenge affecting the retail store operator is tremendous. Like all major concerns it needs to be put into basic perspective and solutions implemented one-step-at-a-time. Given an adequate human relations skills base, the store manager must then define the goals, or work goals, of his organization in such a way that individual employees can understand how their needs can be met by working in their present job. If his efforts, combined with efforts of his staff, can develop an environment in which people will enjoy working, the result will be better attitudes, higher morale, higher productivity, lower turnover, and a more successful retail business.