


Surviving the Drought



The changing climate

- Aging population
- Declining birthrate in developed countries
- Unemployment figures low and falling
- Baby boomers retiring
- Insufficient numbers of Gen X and Gen Y to replace them
- Potential shortfall of 195,000 workers in 5 years in Australia
- 22.1% reduction in retail trade employment levels by 2010



MONASH University THE AUSTRALIAN CENTRE FOR RETAIL STUDIES

More complex labour market

 <p>Baby Boomers 1943-1960 (5.3 million)</p> <ul style="list-style-type: none"> • Worked hard • Now in senior roles • Radical in youth - more conservative later • Conform to rules • Loyal to company • Nearing retirement • Want flexibility & lifestyle balance 	 <p>Generation X 1961-1981 (3.5 million)</p> <ul style="list-style-type: none"> • Independent & self reliant • Friends important • Multi-task • Reject rules • Pragmatic • Some loyalty • Use technology • Want work life balance 	 <p>Generation Y 1982-2001 (4.9 million)</p> <ul style="list-style-type: none"> • Ambitious • Embrace change • Want income to support lifestyle • Stimulus junkies • Embrace technology • Expect fast progression • Want balance – work hard & play hard
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

MONASH University THE AUSTRALIAN CENTRE FOR RETAIL STUDIES

Shopfloor to Boardroom Study

Four Phase Study

- Planned 2007 Survey: Profiling a retail career
- Completed Oct 2006 Interviews: Into the Boardroom
- Completed Sept 2006 Interviews: Climbing the Ladder
- Completed 2005 Interviews and focus groups: Onto the Shopfloor

MONASH University THE AUSTRALIAN CENTRE FOR RETAIL STUDIES

Negative perception of retail career

*"I don't think retail is ever a career of choice, it is something you definitely just fall into.
I mean I don't know anyone who says, 'I want to work in retail when I grow up.'
It is seen as the career of last resort."*

Source: Shopfloor to Boardroom Interview 2005



MONASH University THE AUSTRALIAN CENTRE FOR RETAIL STUDIES

Why do people leave retail?



- #1 reason for leaving: *Feeling undervalued*
- #1 reason for staying: *Attractive Culture*

MONASH University THE AUSTRALIAN CENTRE FOR RETAIL STUDIES

How do we survive the changing climate?



USA

100 BEST COMPANIES TO WORK FOR 2007 FORTUNE

Full list	Companies	States	Size
Best benefits	Pay	Bonus	All stars
Job growth	Turnover	Women	Minorities
Full list			
Rank	Company	Job growth %	U.S. employees
1	Google	67	6,500
2	Genentech	25	9,979
3	Wegmans Food Markets	8	33,737
4	Container Store	14	2,855
5	Whole Foods Market	15	37,806
6	NetScout Appliance	33	3,553
7	S.C. Johnson & Son	0	3,400
8	Boston Consulting Grp.	15	1,434
9	Methodist Hospital Sys.	5	9,424
10	W.L. Gore & Associates	9	4,945

Whole Foods Market

- Founded in 1980
- Leading retailers of organic and natural foods
- 194 stores in USA and UK
- 39 000 employees
- 10 years on Fortune's list



MONASH University

THE AUSTRALIAN CENTRE FOR RETAIL STUDIES

Whole Foods Market

The Whole Foods Business Model:
Holistic Interdependence



MONASH University

THE AUSTRALIAN CENTRE FOR RETAIL STUDIES

Whole Foods Market



- Profit share
- Existing team involved with recruitment
- Bonuses paid on team achievements
- Don't accept 'us versus them' attitude
- Every 3 years all employees vote on their benefits package

MONASH University

THE AUSTRALIAN CENTRE FOR RETAIL STUDIES

Wegmans

- Founded in 1916
- Family owned
- 70 stores
- Over 36 000 employees
- \$4.1 billion turnover
- 7% voluntary labour turnover



MONASH University

THE AUSTRALIAN CENTRE FOR RETAIL STUDIES

Wegmans



- Don't track training costs as expenses
- Using the senses in training and learning
- A new approach to product knowledge
- A learning culture
- Young people can do as good a job as anyone
- Extensive benefits

MONASH University

THE ALBERTUS CHURCH FOR RETAIL STUDIES

The Container Store

- Founded in 1978 by Kip Tindell and Garrett Boone
- Start up investment of only \$35 000
- 39 stores
- Over 3 000 employees
- \$375 million turnover
- 20% growth each year
- 10-12% labour turnover



MONASH University

THE ALBERTUS CHURCH FOR RETAIL STUDIES

The Container Store



- People are their most important asset
- Employees get 241 hours of training in their first year
- Buddying and mentoring
- Celebration mailbox
- Man in the desert
- One equals three
- Pay is 50 -100% above award

MONASH University

THE ALBERTUS CHURCH FOR RETAIL STUDIES

John Lewis Partnerships - UK

- First John Lewis store opened 1864
- 26 John Lewis department stores
- 183 Waitrose supermarkets
- Greenbee direct services
- www.JohnLewis.com
- 3 production units
- A farm
- 6 billion pound turnover



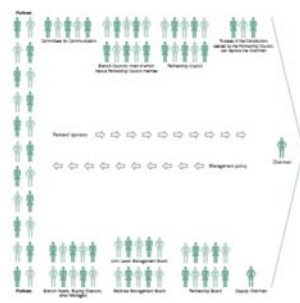
MONASH University

THE ALBERTUS CHURCH FOR RETAIL STUDIES

John Lewis Partnership

- In 1928, a new business model emerged
- 68 000 permanent employees own the business
- Payments calculated for each job role
- Independent committee protects the interests of Partners

The supreme purpose of the John Lewis Partnership is simply the happiness of its members.
John Spedan Lewis



MONASH University

John Lewis Partnerships - UK

Creative Approaches to Learning

- AGM Challenge Video
- Changing Rooms
- The Sky's the Limit
- Sink or Swim
- Ocean Spirit
- Calendar Girls



MONASH University


THE ALBERTUS CHURCH FOR RETAIL STUDIES

John Lewis Partnerships

Coaching creates a culture of empowerment at John Lewis

Focus on:


- Change from command and control to empowerment
- Coaching skills across all areas of business
- Top down, Board of Directors and HOD to show what coaching looks like
- Starting with 875 managers
- Include coaching in all training programs






John Lewis Partnerships

Results:

- Staff turnover reduced by 13%
- 1st and 2nd place in *Verdict* and *Which?* customer service rankings
- 26% overall improvement in employee opinion survey
- 25% increase in employee feeling that their manager helps them do a better job
- 13% increase in number of employees feeling well-trained to do their job



Ken's Apothecary - Malaysia



Ken Lim Looks for:

- Stability
- Beauty (from within)
- Confidence
- Selling skills
- Articulate manner

The trains them in:

- Product
- Competitors
- Marketing and....

Tourism!




And there's more.....



- The Australian context
- Shopfloor to Boardroom
- Generations in the workplace
- Recruitment
- Retention strategies
- Management and leadership





Create your culture

- Training and education
- Reward and recognition
- Benefits
- Salary
- Walk the talk
- Fun
- Recruit the right people
- Put people first






Caretaking the culture



- Plan and design
- Green thumb
- Talk to the plants
- Variety
- Fertilise and water
- Measure the growth

