

Employee Development

"As the staff goes, so goes the store."

WHAT YOU WILL LEARN

- Staff management and development is the most difficult retail skill to master.
- How to get the best performance from your staff.
- How to implement a powerful hiring system.
- How to deliver an effective orientation.
- How to coach your staff.
- The importance of having fun!

A TOUGH JOB

Perhaps the most difficult aspect of a retail business to master is staff management and development. To properly manage your staff, you must enter a world shaded in grey, as opposed to the black and white world of buying, inventory management and sales management.

Retailers often struggle to develop the softer skills required to be successful in this area. It takes a concerted effort and a deep understanding of the critical role played by store staff. With a strong focus, you can greatly enhance the abilities of your employees and harvest the tremendous results they are capable of delivering.

For many years, business experts insisted that the most

important element of a retailer's success was location. While it is still true that maximum exposure and convenience are vital, it can no longer be said that location alone will ensure success. The "Staff Factor" has revolutionized the way we must look at our business.

Many of us will remember the "Four P's of Marketing" from our days in school. They were price, product, promotion (advertising) and place (location). It was said that these four key elements were the sole basis for success in retail.

Yet in today's tough, competitive marketplace where many retailers are disappearing, these four factors account for only a portion of our success. The remainder comes from the magical and elusive "Fifth P" ... PEOPLE!

The Staff Factor simply states that the key to your success is the people within your organization. If you were to examine any number of retail stores today, you would have to agree that many sales are lost by the people working in those stores. Makes sense that we should focus on this area, doesn't it?

Poor service, lack of product knowledge, indifference towards the customer and limited selling skills result in the loss of thousands of dollars in sales each and every day. Imagine the impact on your store's bottom line if each employee was focused on selling and serving every customer that came in your door. Sales increases of 20% to 100 % are there for the taking, but only through the efforts of your staff.

PERFORMANCE IMPROVEMENT

Everyone, including the owner, is capable of at least a 10% improvement

So how do you go about improving the quality of the people working on your sales floor? It begins when you decide who to hire and ends with what you did today to improve that person's skills and performance.

in performance.

Getting the best out of your staff requires your effective implementation of the following programs:

- 1) **Hiring:** Let the winners in, keep the “dogs” out!
- 2) **Orientation:** Show them how to be successful right away.
- 3) **Training:** Skill development is essential.
- 4) **Coaching and Leadership:** Managers must focus on continual development for their staffs.
- 5) **Have Fun!**

The best product in the world doesn't sell itself. It is sold by the staff on your floor. Success depends on getting your people to work with you. Take the time to develop your team and to harness the power of your Staff Factor. It'll make you a winner.

HIRING THE BEST

Many companies will share with you stories about failed training programs delivered to the work force. They will tell you about the extensive efforts they invested in designing programs and the wonderful speakers they used to deliver the workshops. Then they will complain that nothing really changed as a result of the programs. Soon, you will hear the frustration mount in their voices as they declare emphatically that training just doesn't work with today's employees.

Well, nothing could be further from the truth. Training plays a valuable role in your company, and we will explore this later in the chapter. Be aware, however, that training will have limited value unless you have the right people in place to start with!

Winning Ideas

1. Know what works and what doesn't.
2. Only interview candidates who fit your profile.
3. Interview at least four candidates for the position. Give yourself a choice!
4. Use assessments to reduce your subjectivity.
5. Conduct at least two interviews.
6. You must check references.

You can certainly teach most people technical skills. But what most companies are trying to get their employees to do better – namely, provide superior quality service -- is more a function of attitudes and values than it is of skills.

The likelihood of successfully instilling new attitudes and values in employees is extremely low. You see, attitudes and values are things people bring to the table with them when they start to work for you. That's why it is so critical that you hire the right people the first time!

Step One: Develop a profile for the candidate.

Develop a desired profile for candidates based on the qualities of your most successful employees. This can be an arduous process, but it is essential. After all, if you don't know what you're looking for, how will you know when you've found it?

Start with the basic tangibles like work experience, education and personal interests. Then determine if there is a pattern of personality types that tend to succeed in your stores. A number of personality assessment tools are available to help you with this task.

Step Two: Stop wasting time!

Only interview those candidates that fit your profile. You simply don't have time for any other interviews. You must target your efforts on candidates who are most likely to be successful in your store.

Step Three: Interview at least four candidates.

How many times have you found yourself interviewing just one or two candidates, and then hiring one of them? Not much of a choice, was it?!

Force yourself to interview at least four quality candidates for each position. Decisions are best made when good comparisons are available.

✓ Tip

You'll probably need to screen 15 applications to identify 4 good candidates ... so keep recruiting!

Step Four: Use assessments.

Eliminating your “opinion” about a candidate is always beneficial, if not always possible. The use of assessments, or “tests”, allows you to introduce greater objectivity into the hiring process. At a minimum, assessments will give you greater confidence in your hiring decisions by supporting your “opinion” to hire, or not to hire.

Assessments typically fall into a few categories:

- Personality profiles
- Leadership style indicators
- Skill assessments (e.g. sales skills, math and reading comprehension)
- Aptitude assessments (e.g. customer service, sensitivity)

Step Five: Conduct a second interview.

It is imperative that you conduct at least two interviews with your candidates. Given that most initial interviews last less than 30 minutes, it’s virtually impossible to really get to know someone the first time around.

The same person may conduct the second interview. However, it’s often a good idea to have another member of your team do it instead. That will give you a second (and possibly different) view of the candidate.

There’s another good reason for conducting a second interview -- *What does it say to candidates about the importance of the job if they are hired after simply attending a 10 to 15 minute interview?* Clearly, it’s not the message you want to convey. Make them “work” for the job, and in the process, build the value and importance of the position.

Step Six: Conduct reference checks.

As difficult as they may be to check, references are invaluable. You must conduct Reference Checks!

Speak to former employers, supervisors and, in some cases, employees about your candidates. Learn about their responsibilities (are they the same as they indicated?), work performance (the best indicator of future performance is past performance!) and whether or not their former employers would hire them again (if not, are you sure you want to?).

ORIENTATION

✓ **Tip**
A well-designed Orientation Program also serves as your training vehicle for all store level management positions. It allows you to train and promote internally ... every time!

Numerous studies have shown that employees who receive a thorough and proper orientation that allows them to experience success early on in their careers are far more likely to remain with the company two years down the road. Orientation is training that works because it reaches the employee before any other (possibly negative) influences. It is your first and best opportunity to explain the requirements of the job and what it takes to be successful.

The orientation starts during the interview process. Candidates must be told which attitudes and values are accepted, and which ones are not. They need to understand which behaviours are rewarded, and which ones are not acceptable. They need to hear how their performance will be measured. Most importantly, they need to understand how important the customer is in everything the company does at every level.

You should create an initial training plan, called an "Orientation", that must be completed by every new employee upon hiring. Basics such as company background, market position and future goals should be reviewed. The organizational structure and processes, existing personnel and other relevant information must be introduced.

Initial job training should also be covered. For some retailers, the orientation process will take two weeks, while for others it may take several months.

The key to any successful orientation program is to ensure that the necessary time and effort are invested in its planning and implementation. Creating something as simple as a checklist of topics to be covered, then delivering it on a consistent and reliable basis, will often do the job. Try to get management and line employees involved in the process of delivering the program.

TRAINING

"If you think training is expensive, try ignorance."

The success of your business strategy will be in direct proportion to your investment in training. If you "nickel and dime" the effort, you will get nickel and dime results. However, if you understand and commit to the notion that the training investment is significant, your payback will also be significant. The role of training becomes paramount in achieving the improvements you require.

Awareness

Before training, you must make your employees very aware of the need to achieve total customer satisfaction and improve business results. Rest assured that the launch of any new management initiative is viewed with fear, skepticism and even resentment. You must cover the basics when introducing your program, namely:

- Why improve?
- What is our objective?
- What is the new company vision?
- How will the staff be affected?
- How will this be implemented?
- What are the next steps?

When building awareness and initiating training

programs, always begin with senior management and work through middle management before communicating with the front lines. This is critical because management personnel must provide support as soon as the front lines become involved in the training process.

Training is designed, not only to generate new skills and ideas, but also to develop the confidence within your employees that will enable them to challenge the status quo, question complacency and discover improved methods of operation. Without that confidence, your organization will become mired in the ways of the past.

Three different areas of training must be addressed:

- 1) Technical Skills
- 2) Sales and Service Skills
- 3) Management Skills

1) Technical Skills

For most retailers, this is the type of training normally provided (if they offer any training at all). Technical training focuses on the tangible "how to" skills required for the job. Topics often include POS systems, loss prevention and other administrative duties. Without this basic training, your organization comes to a halt.

2) Sales and Service Skills

A well thought out sales and service training program yields tremendous benefits. The challenge is to make it work!

Winning Ideas!

To reinforce sales and service skills, try these ideas:

- Spot quizzes
- PK meetings
- 5-minute pre-shift starters
- Staff presentations at meetings
- Constant coaching!

The keys to an effective sales and service training program are:

- Customize the content to fit your store, staff, products and customers.
- Make the learning fun, interactive and interesting.
- Reinforce the skills every day in your store. It only takes three minutes a day to make a huge difference in performance.
- Make the training part of your daily routines. If serving customers is something that happens every day, then learning how to do it better should happen daily too.

3) Management Skills

“Management Skills” is a wide-ranging and complex topic. For most retailers, developing these skills will require independent learning through continuing education programs, relevant books and online research.

If you really understand the value of management, you already know that you must become a professional student of “how to manage”. Dig in to the topic by signing up for courses or reading books. There’s no shortage of information. If you don’t, you’re cheating yourself and your staff of improved performance!

LEADERSHIP AND COACHING

✓ Tip

Think about the type of leader you’d like to be in your store. Then, start to act like that leader. Pretty

Personal leadership skills include the ability to plan, negotiate, communicate effectively, resolve problems and issues, and build strong relationships. The effective use of these skills allows your work force to become more independent, creative and confident ... things that every retailer would like to see more of within their stores.

*soon, you'll
become that
person!*

Developing these skills is a comprehensive and detailed process. They are not covered in a one day workshop. Instead, they require detailed, long-term programs that address specific needs.

It is said that true leaders are lacking in the retail world today. Yet, there are leaders within every company ... they're just not always found at the top of the organization. Often, it is the front line manager who embodies the true spirit of leadership.

✓ Tip
*The next time
you're talking to
your staff,
imagine
you're being
video taped.
Would you be
proud of what
you see on
tape?*

Coaching is the process of getting improved performance from your staff. Think about sports coaches for a moment. Now think about everything they do in their role as a coach. What they do, you must do with your team. It's very much the same thing.

Coaching skills break down into these six areas:

- 1) **Goal Management:** The ability to ensure staff members have a goal to achieve, and that they stay focused on it (think sales!).
- 2) **Training:** You must be able to train your staff consistently and effectively.
- 3) **Building Relationships:** If you don't like your staff, or they don't like you, there will be no improvement in performance. (Probably the opposite!)
- 4) **Evaluating Performance:** You must continually measure your staff's performance against the goals you have established.
- 5) **Providing Feedback:** You must let your staff know how they're doing, both good and bad. Most managers perform poorly in this area.
- 6) **Motivating:** Create a store environment that attracts your staff and encourages them to perform. When you do, they'll choose the right behaviours.

HAVE FUN!

Winning Ideas

Make your store a fun place to be by trying these simple ideas:

- Make sure the first 30 minutes of every day is positive and fun.
- Answer the phone in a fun way!
- Play games.
- Have contests.
- Hold an event with your team outside of the store.
- Send your staff a bouquet.

The fact of the matter is that today's workers want to have fun on the job. If they aren't having fun, they view their work as dull and meaningless, which leads to a mediocre effort at best. It's been proven time and again that happy employees produce more ... and to be happy, most need to have fun.

Nobody motivates today's workers. If it doesn't come from within, then it doesn't come at all. Fun helps to remove the barriers that allow people to motivate themselves ... and having fun creates the cooperative effort we all desperately need in these tough times.

Don't think you can relegate "fun" to those once-a-year events you already hold. We're talking about letting your staff have fun every single day. It starts with lightening up your own attitude and allowing your people to laugh, celebrate and feel good about themselves and their accomplishments. You need to make superstars of the front line if you want to dramatically increase your sales and profits.

You don't need to be funny to have fun. Just lighten up your attitude and let those around you take more control of their environment. You'll need a full-force effort to launch your fun program and keep it going, but the risk of not implementing one is far too great to ignore. Today's employees demand the right to enjoy their work, and your job is to make sure they do.

If you're one of those old-fashioned autocratic managers, it's time to accept the new realities. Get serious about having fun!

SUMMARY

Getting the best out of your staff isn't easy, but it can be done. Remember to follow these suggestions:

- 1) Hire the best candidates. Your store is only as good as your staff, so take the time to do it right.
- 2) Give your staff a proper orientation to your company and their jobs right away. Take an organized, comprehensive and professional approach.
- 3) Train your staff ... show them everything they need to know. Watch what they do on the floor every day, and teach them how to do it better. The status quo just isn't good enough.
- 4) Become the leader your staff needs you to be.
- 5) Learn how to better coach and manage your staff's performance. It's a challenge that, when tackled ambitiously, will produce great results!

CASE STUDY: EMPLOYEE DEVELOPMENT

Now let's get back to the challenges at Jackson's Department Store. In this segment, you will now focus on Employee Development.

CHAPTER 7: EMPLOYEE DEVELOPMENT

Here comes your new challenge -- staff training and development. Fortunately for Jackson's management team, the staff has always been highly regarded. Their years of excellent customer service reflect their positive relationship with management. As a result, Jackson's feels like a real family atmosphere. However, as with any family, there is always room for improvement. (Just think of your relationship with your in-laws!).

Sales growth and the expectation of an explosive Fall season has forced Jackson's to hire two new team members. Initially, both will be hired on a temporary basis, but Susan hopes to offer them full-time positions.

Numerous potential candidates have been interviewed over the course of several weeks. After a painstaking decision, two successful candidates emerged ... and, if you can believe it, they both start next week. To get them off on the right foot, you and Susan decide to develop a thorough Orientation Program to aid in the training process and provide an outline for other employees to follow.

Luckily for you, Susan found a copy of the Orientation Checklist she had put together for another of her previous jobs. First you examine it, then circulate it to other staff members. Their input is important, as they perform this job every day. These people understand what a new employee should know in order to survive.

Considering all the suggestions offered by the staff, you and Susan finish compiling Jackson's new Orientation Checklist. Now this checklist will serve as the primary training tool for all new employees. Each new employee will be matched with a senior staff person, who will provide training in the areas identified by the checklist (e.g. Jackson's company philosophy and personnel). When an employee successfully demonstrates a working knowledge of these areas, the senior team member will "sign off" on that section.

Senior management anticipates a 7-day training period for new employees to complete their checklists.

SALESPERSON'S TRAINING CHECKLIST

Name _____

Initial each step completed.

1. COMPANY ORIENTATION

A. History

Knows when company was founded. _____

Knows location of all stores. _____

Knows all senior personnel. _____

B. Philosophy

Understands why Jackson's is in business. _____

Knows why customers like to shop at Jackson's. _____

Knows his/her role exactly. _____

C. Personnel

Knows date payroll is distributed. _____

Understands wages, hours, deductions. _____

Knows about employee reviews, probation period. _____

Clear on vacations, time off, leave of absence. _____

Informed about training period. _____

Understands scheduling format. _____

Aware of open door policy. _____

Knows how to read schedule. _____

Knows how to fill out worksheet. _____

D. Layout

Able to locate all merchandise within the store. _____

Understands category breakdowns. _____

Capable of reading SKU tag. _____

2. SALES AND CUSTOMER SERVICE

A. Customer Service

Able to clearly state the importance of customer service.

Dresses appropriately at all times.

Wears name tag at all times.

Follows up with all special requests.

Maintains a pleasant manner with customers.

B. Opening the Sale

Approaches customers promptly.

Uses opening lines that have nothing to do with business.

Smiles and makes eye contact with customers.

Acknowledges all customers, even when busy.

Drops everything to accommodate a customer's needs.

C. Fact Finding

Asks numerous intelligent questions.

Uses open-ended questions.

Listens to what the customer says.

Reinforces/reiterates what the customer said.

D. Demonstrating the Product

Sells benefits, not features.

Gets customer to touch, feel, try on.

Shows enthusiasm for merchandise.

Uses information uncovered in fact finding.

Paints pictures in the customer's mind.

E. Adding On

Uses a casual, non-threatening approach.

Attempts an add-on with every sale.

Uses creative and intelligent choices for add-ons.

- F. **Handling Objections**
Listens to the entire objection. _____
Acknowledges what the customer has said. _____
Doesn't become defensive. _____
Able to handle the price objection. _____
- G. **Closing the Sale**
Attempts to close every sale. _____
Demonstrates various closing techniques.
- H. **After the Sale**
Invites the customer back. _____
Sincerely thanks the customer. _____
Reinforces the customer's decision. _____

3. DAILY OPERATIONS

- A. **Routines**
Helps with general cleaning of store. _____
Replenishes stock as required. _____
Keeps stock room neat and orderly. _____
Efficiently assists with transfers. _____
Knows how to do markdowns. _____
Knows how to set up a sale. _____
- B. **Sales Awareness**
Correctly fills out own goal chart. _____
Completes sales summaries. _____
Aware of sales results and goals. _____
Understands productivity report. _____
- C. **Miscellaneous**
Knows shipping and receiving procedures. _____
Knows policy for breaks. _____
Knows overtime policy. _____
Capable of receiving shipments properly. _____

-
- Follows up problem shipments properly. _____
- Answers telephone properly. _____
- Minimizes personal telephone use. _____
- Encourages phone shoppers to shop in person. _____
- Follows employee discount procedures. _____
- Follows parking regulations. _____
- D. **Merchandising**
- Capable of following plan-o-grams. _____
- Understands merchandising by class. _____
- Knows the different types of fixtures. _____
- Knows the different sizes and uses of hangers. _____
- Understands rack signing and hang-tagging. _____
- Knows how to properly display merchandise. _____
- E. **Security**
- Follows bag check procedures. _____
- Waits until second person arrives before entering. _____
- Understands everyone leaves together at closing. _____

4. REGISTERING SALES

- A. **Routine Sale**
- Obtains customer names for mailing list. _____
- Can use debit and credit card machine. _____
- Understands authorization process for credit cards. _____
- B. **Cash Register Operation**
- Uses salesperson's number consistently. _____
- Registers routine sales correctly. _____
- Uses appropriate void and no sale procedure. _____
- Hands change back to customers properly. _____
- Verifies requirements for personal cheques. _____

-
- Obtains approval for personal cheques. _____
Processes debit and credit card transactions properly. _____
Knows how to change the register tape. _____
Knows how to handle travelers cheques. _____
Able to calculate and process foreign currency transactions. _____
- C. **Discounted Sales**
Able to calculate proper discounts on merchandise. _____
Knows procedure for pricing damaged/defective goods. _____
Properly writes up returns on damaged goods. _____
- D. **Merchandise Holds**
Knows policy (time limit, etc.). _____
Completes hold form properly. _____
Puts hold merchandise in proper place. _____
- E. **Gift Certificates**
Knows policy (amount). _____
Rings in properly. _____
Logs in transaction properly. _____
Knows what to do when certificate is redeemed. _____
- F. **Exchanges**
Knows policy. _____
Able to handle exchange on sale merchandise. _____
Promptly re-tags exchanged merchandise. _____
Knows how to handle exchange when:
 New purchase is greater than exchange. _____
 New purchase is less than exchange. _____
 One item is exchanged from a multiple sale. _____
 Same item, but different size or colour. _____
- G. **Returns/Refunds**
-

Knows refund policy on routine sale. _____
Writes up routine return properly. _____
Knows return policy on layaways. _____
Knows refund policy on special orders. _____
Knows how to refund cash. _____
Knows how to handle refund purchased by cheque. _____
Knows how to handle refund on credit card
purchase. _____

H. **Special Orders**

Knows policy (time, restrictions, deposits). _____
Promptly orders special merchandise. _____
Follows up all special orders. _____

5. PRODUCT KNOWLEDGE: Able to demonstrate the following products:

Plan for training and development:

Employee understands and can demonstrate all of the above points.

Date _____ Manager _____

I understand and can carry out all aspects described in this checklist.

Date _____ Employee _____

Place in personnel file.

With this straightforward method for training new staff, Susan's attention swiftly turns to existing staff members. Since Jackson's never put much emphasis on staff training in the past (beyond a visiting supplier reviewing basic product knowledge), Susan seriously considers retraining the group. She knows that in order for her store to succeed, her staff must improve their individual performances. Without the new skills she's providing, they may not be able to do it alone.

Susan has placed you in charge of investigating various training options. Early on, you concluded that three main areas needed to be addressed: Selling Skills, Customer Service and Product Knowledge. Suppliers have the greatest amount of "product knowledge;" so they will train Jackson's current employees in this area. This training will take place right in the store. If suppliers cannot train on-site, their assistance will be requested in putting together "Product Information Sheets".

In order to move Jackson's in the right direction, an outside company will have to facilitate both the "Selling Skills" and "Customer Service" training. After careful deliberation, Jackson's chooses a company with a solid reputation for its workshops. Initially hesitant, the staff ends their training positively. They are excited about the new information they have learned, and are demonstrating increased energy, enthusiasm and vigour. Senior management has enjoyed watching the sales staff's new skills in action.

Skeptical about all-in-one-day training sessions, Susan devises her own quirky little scheme. Knowing the most effective training requires daily effort, Susan cheerfully concocts "Jackson's Training Calendar." This single-page desktop prop lists a training activity for each day of the week. Proudly, Susan announces that she spent all night perfecting her masterpiece (while the rest of us just wish she hadn't). The activities can be performed in five minutes, tops. They extend the focus on selling and service developed in the workshop and reinforce the newly learned skills.

Words that came to mind as one read "Jackson's Training Calendar"? Bright; simple; effective and easy! Now comes the fun part ... putting what we've learned into practice and watching the results!

TRAINING CALENDAR

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
3 Opening Lines Per Person.	8 questions to Determine Needs: Provide scenario.	PK Day: Each person presents a product in detail to staff.	Presentations: Each person does 2 complete FBA presentations.	Start to Finish: Role-play selling scene from beginning to end.	Adding On: Do presentation to peer, focussing on add-ons.
PK Day: Each person presents a product in detail to staff.	3 Opening Lines Per Person.	Handle Objections: 1. "Just looking." 2. "Too much \$." 3. "Not sure."	Presentations: Each person does 2 complete FBA presentations.	Quiz: List 7 Steps of Selling Model and keys to each step.	Start to Finish: Role-play selling scene from beginning to end.
Closing: Role-play 2 closing techniques.	Presentations: Each person does 2 complete FBA presentations.	3 Opening Lines Per Person.	8 questions to Determine Needs: Provide scenario.	Adding On: Do presentation to peer, focusing on add-ons.	Building Repeat: Role-play the end of a sale at the cash counter.
Presentations: Each person does 2 complete FBA presentations.	8 questions to Determine Needs: Provide scenario.	Start to Finish: Role-play selling scene from beginning to end.	3 Opening Lines Per Person.	Handle Objections: 1. "Just looking." 2. "Too much \$." 3. "Not right brand."	Closing: Role-play 2 closing techniques.