



A TALE OF TWO MANAGERS

Four ways direct communication can improve productivity and efficiency in stores

By Noel Goggin

INTRODUCTION

Aaron has been a store manager with a rapidly growing U.S.-based retailer for eight years. He loves his job, the people he works with, and the business he works for – and it shows in the way his establishment looks, operates, and attracts customers.

As the company seeks to gain an industry foothold outside of its home base, Aaron has become recognized as a valuable asset: His stores, after all, are the face for new consumers in different markets.

However, what Aaron is doing, and what he could be doing are very different.

Currently, there is a huge opportunity for retailers to reinvest store management time by using employee management technology to provide more direct communication of tasks to stores. Consider the following facts:

- More than 70 percent of store management time is spent off the store floor
- The majority of communication to each store is not store-specific
- Generic instructions need interpretation at each store, and often redirect personnel to other data sources to complete a single task



In short, Aaron's time is not always spent where it should be – on the floor.

How does Aaron currently operate as a manager, and how will he operate with more direct communication? This article will examine the four major changes necessary for growth in efficiency and productivity.

THE FOUR CHANGES

1) One Source, No Ambiguity

A Current Scenario:

Aaron spends a great deal of time in the back office, sifting through multiple forms of communication regarding new promotions, price changes, returns and shipments. As a result, Aaron has to deal with the following:

- Instructions from departments across corporate in various forms
- An inbox constantly full of e-mail
- Voicemail that needs constant follow-up
- Faxes and data packets with ambiguous visuals and instruction
- Unavailable or incomplete resources required to get the job done

As a result, Aaron might have to wait for receipt of fixtures required to build out a new promotional display, for example, or return slips may not have been received for a recall.

This chaotic environment means Aaron's time can easily be consumed with trying to determine what needs to be done to optimize his store, and track down resources and details to complete these tasks.

The Productive Situation:

Aaron now has a single source of actionable tasks for the store – a single, prioritized Inbox. As a result, the following have occurred:

- He has eliminated the need for voicemail, e-mail, and hard copy communication to carry out his duties
- He no longer receives confusing duplicate or triplicate messages, or inconsistent instructions
- Aaron and his team work through a single prioritized list each day

2) Clear, Concise, Complete

A Current Scenario:

Aaron spends time trying to determine what is relevant to his store before passing on the modified instructions to team members to get the job done. Examples of instructions for a day's work might include:

- Place promotional signage in front of doorway
- Set new merchandise on fixtures
- Deposit previous week's take

And while Aaron and the store team don't have much difficulty carrying out each of these tasks, the simple instructions given are often fraught with complications:

- There's construction blocking the front of the store – where should the signs go instead?
- The new merchandise hasn't arrived yet – to whom should he report the problem?
- The bank is closed today – where should the cash go?

Receiving answers to all of these questions takes time, as administrative personnel scramble to find out who has the solution. Aaron, in turn, will have to provide direction to the store team.

The Productive Situation:

Aaron and store team members receive tasks in their inboxes with all of the information required to get their jobs done. Instead of instructing to "set new merchandise on fixtures," the task detail reads:

- Clean shelves and/or fixtures prior to setting new merchandise
- Set merchandise on fixtures while following included instructions
- Print and tag all merchandise with price stickers
- Contact assistant manager if product is missing
- Advise management when completed

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Aaron and his colleagues have very clear, concise instructions, while the district manager has visibility into the status of any given task. Work to be completed by other team members goes directly to their inboxes, taking Aaron out of the delegation equation. Aaron has the ability to monitor the status of these tasks and intervene as necessary to coach or mentor team members, or provide corrective action.

The results are a more efficient operation, with a manager who can take corrective action immediately as issues arise.

3) Right Tasks, Right Labor

A Current Scenario:

Because Aaron and the team receive instructions through various communication mechanisms, it is very difficult for them to prioritize projects as they come in. For instance, Aaron might receive two tasks on a given Monday:

- Go to the copy shop and print off 1,000 promotional flyers for distributing over the next week
- Catalog and replace toothpaste on shelves with new variety (revise examples from existing material)

The fact that the first might be time sensitive is often lost on Aaron in the chaos of backroom work, bureaucracy, and ambiguous communication. As a result, Aaron might end up at the copy shop instead of taking care of business at the store, or assign the second project to an untrained employee.

The Productive Situation:

Aaron knows exactly how each task for his store needs to be done, when it needs to be done, and who – in particular – needs to do it. He doesn't waste any more time picking up slack for untrained employees, and he doesn't assign work to staff that aren't able to carry it out. Because of direct communication, the following has occurred:

- Tasks for store personnel, including Aaron, are listed in a prioritized list every morning, taking into account the due date and time for each task, and the relative importance of each task
- The content of these jobs is store-specific, so there is no question about where new products go on the shelves, or where new promotional materials need to be placed
- The content for each job is tailored to each store based on size, format, merchandise mix, etc. The time allocated to complete the task is also specific to that store, accounting for efficiencies, measures and store layout

4) Job Well Done

A Current Scenario:

Because Aaron spends so much time in his store's back room, he often has difficulty getting enough time on the floor. This often results in further delay of tasks already held up, simply because Aaron isn't told about them in a timely fashion.

To allay the difficulty, Aaron makes a point to gather progress information while on the floor. However, given the administrative tasks he spends the bulk of his time on, Aaron can only devote about 8 percent of his day toward working with his team to ensure these tasks get done – less than 40 minutes. While the bulk of his tasks are completed, smaller, albeit less important ones often go unnoticed.

As time goes on, time-consuming problems arise when the volume of stalled tasks becomes too high, and real issues begin to arise that consume even more hours. Aaron as store manager – and best salesman – has less time on the floor, and thus the business as a whole loses out on him optimizing store performance.

The Productive Situation:

Aaron has taken responsibility for providing timely, corrective action based on reports from the store. If there is a problem with a task being late or held

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up by a third party vendor not arriving, data is provided to highlight the problem. Since responsibility for corrective action has become a priority for Aaron, he is better able to spend time on the floor, and remain constantly aware of how each task is being handled. He is also available on the floor to help with sales and mentor his team in real-time.

The Bottom Line

By implementing direct communication with execution management technology, large companies can give back managers an additional 13 percent of their time to spend on the storeroom floor – more than an hour's difference each day for each manager.

That kind of strategic thinking builds innovative businesses with increased profits, fulfilled employees and happy customers.

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About RedPrairie

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With 20 global offices providing services to over 40,000 sites in 50 countries, companies trust RedPrairie inventory, workforce and transportation solutions to deliver an immediate increase in productivity—with the flexibility to adapt as business needs change.

At RedPrairie, we understand today's operational demands and we're committed to delivering solutions that work. We're committed to delivering solutions for the real world.

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