

Success in store

Lessons from leading female store managers



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Welcome

Most retail companies agree that diversity is vital to their future success. It is alarming, therefore, that women remain grossly underrepresented in store management. Stores typically employ large numbers of women, yet few of these make it into a management position – in fact, the vast majority never even consider it as a viable career option. Yet tapping into this pool of talent is vital if businesses are to stay in touch with consumers' diverse and rapidly changing needs and shopping habits.

So what can be done about it? This report aims to explore that question. It grew out of a retailer roundtable discussion at LEAD Network's third annual conference in Brussels in 2015. Participants were keen to find out more about why the gender imbalance exists, and what practical action could be taken to redress it.

We interviewed 25 store managers defined as 'successful' by their retailer. Twenty one were women (most of them married with children) and four men. From these detailed interviews we built up a picture of store managers' experience – what motivates them, what holds them back, what their most important skills and behaviours are, and how companies can help to foster the next generation of female talent.

The report is aimed both at retailers looking for evidence-based strategies to build a more diverse store manager base, and at women considering store management as a career choice. Enabling women to learn from each other's experience is a guiding principle of this report – and indeed underpins the work of LEAD Network too. I hope you find it useful.

Sharon Jeske
Executive Director LEAD Network

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1 Executive summary

Retail companies are struggling to achieve a gender balance among store managers, even though they know that attracting and retaining top talent is vital to their future success.

One of the biggest barriers to aspiring female store managers is the conflict between professional commitments and raising a family. Many women feel they lack the necessary support (at work, home or both) to move up to a demanding full-time role.

Unconscious bias is also a significant obstacle. Our respondents believe that for promising male employees, becoming a store manager is viewed by the company as a logical next career step, while female candidates are not regarded the same way.

Once in post, male store managers are generally seen as more hard headed and results-orientated while women tend to be seen as having a 'softer' style. This can prevent an individual's performance being assessed dispassionately.

Store managers often struggle to maintain a healthy work-life balance, especially at times of transition such as moving to a larger store or new location. A lack of self-confidence seems to be more evident among female store managers than male.

Key recommendations for retailers:

- Provide training on unconscious bias for store managers, regional directors and senior management. Involve senior management in creating a corporate culture that fosters people orientation and authenticity.
- Build women's self-confidence and ambition by making sure there are plenty of visible female role models and strong mentorship programmes for aspiring store managers.
- Assess candidates on both their management and leadership skills. Offer training to high-potential individuals to build key capabilities in these two vital areas.
- Establish practical measures to improve work-life balance. Institute an active work-life balance programme that is monitored and executed by the store manager's boss or operations manager.

2 Why are there so few female store managers?



Source: Ahold Delhaize

Stores tend to have large numbers of female employees, but the vast majority of store managers are men. Clearly, this marked gender imbalance is caused by a complex blend of societal and organisational factors.

Our respondents believe one of the most significant barriers is the conflict between professional and personal commitments, since society still generally expects women to shoulder most of the responsibility for raising a family. As a result, many women find it challenging or impossible to shift from a part-time contract to a full-time role.

A supportive environment both at home and at work is essential if women are to balance family commitments with a demanding store manager position and long working hours. In addition, being a store manager requires a willingness to move around the country – something our respondents felt women were less willing or able to do than men.

Interviewees also report a management bias towards men. They feel that for promising male employees, becoming a store manager is viewed by the company as a logical next career step, while female candidates are not regarded the same way. There was also mention of a lack of suitably qualified female candidates in the talent pipeline.

"I personally feel that despite my effort, my results, my good assessment, I am not the first option as manager for a larger store. Above us, there have to be other criteria, but I don't know what they are."

"It's a job that demands great personal investment. We can't go home and stop thinking about work. The working hours are not easy."

Recommendations

- Require store managers to help their female employees progress by encouraging them to consider a career as a store manager and by giving guidance and mentoring.
- Make store manager a career choice for young talent by promoting female career paths and by showing that gender diversity is actively sought by the organisation.
- Give more exposure to female role models, for example by putting them on stage and/or interviewing them to explain how they overcame obstacles on their own career path. Aspiring store managers need evidence that it is possible to combine a career as a manager with family responsibilities.
- Prepare your organisation by offering:
 - Diversity awareness training
 - Active individual career planning to identify and develop potential store managers
 - A standardised career-planning process for becoming store manager, which is communicated openly to all employees.

3 Defining success



Source: ASDA

When asked to define their success, our interviewees pointed to their leadership and people management skills in addition to more tangible factors, such as a track record of delivering revenue and profit results.

The spectrum of reasons for their success can best be visualised as ripples in a pool. Successful store managers focus on themselves at the centre, with the ripple of responsibility extending outwards to employees, customers, other stores, the company as a whole and ultimately the wider community. These leaders see themselves as role models and they expect their employees to act as role models as well.

This inclusive vision and the ability to manage themselves effectively and sensitively in the context of other people is seen by respondents as a key success factor.

“Take care of your people at all levels and then they will take care of the business”

Recommendations

- Successful store managers bring a strong set of values and a vision. They form a valuable pool of talent from which role models can be drawn to help raise awareness of a career as female store manager.

The word map below reveals the key skills and behaviours of female store managers. Employee-orientation is most often mentioned, followed by results-orientation and vision.



What differentiates a successful store manager from an average one?



Source: Delhaize

It is useful to consider what elevates a run-of-the-mill store manager into an outstanding one. Our interviewees felt this came down to striking the right balance between task-orientation (managing) and people-orientation (leading).

The average store manager is reactive, focuses on tasks at the expense of relationships with staff and customers, and is not particularly passionate or driven. By contrast, successful female store managers identify with their role: they love what they do, are authentic, empower and motivate their team, and look ahead. They treat the store, its employees and customers as if it was theirs – they feel and act responsibly.

"If they asked me today 'Do you have anyone who could take over a store now?' my first two options would be women. It has to do with the way they manage teams, with the question of leadership, and with their own initiative and capability to resolve things."

Recommendations

- Assess aspiring store managers on both leadership and management skills and their ability to balance between the two. Establish a training programme for high-potential candidates to build skills in these two vital areas.
- The importance of 'being authentic' came up a number of times during the interviews. This attribute should also be considered in assessments.

Is there a difference between successful male and female store managers?



Source: Costo Wholesale Spain

Assertiveness is an important skill for both male and female store managers. However, women think they have to work harder than men to project the self-confidence required by the role. Men think that successful female store managers are assertive, while women think they need to be more assertive and self-confident.

Stereotyping is pervasive, by both men and women – male managers are generally seen as more hard headed and results-orientated while women tend to be seen as more intuitive, more people-focused, and less likely to be available and committed if they have a family. This can hamper the appointment of female managers, and prevent an individual's performance being assessed dispassionately once they are in post.

"Male store managers think that the KPIs are most important. Female store managers are more sensitive."

Recommendations

- Provide workshops on unconscious bias, and training for store managers, regional directors and senior management.
- Offer a mentorship scheme.
- Involve senior management in creating a corporate culture that fosters people orientation and authenticity.
- Launch internal (gender) diversity initiatives, such as picture and video campaigns, a diversity day and management statements.
- Tie (gender) diversity to performance evaluation.
- LEAD Network should continue to deliver inspirational articles, videos and events to raise the profile of female role models.

4 The successful store manager in action



Source: ICA

Successful store managers are motivated not only by results but also by the way they reach these results.

From our interviewees' responses, it is apparent that this motivation is complex, with several different layers, including job content (having a variety of different tasks); helping staff to develop; and seeing satisfied customers.

"I'm motivated seeing my colleagues learn and grow in autonomy. I enjoy that the respect I give people, I get it back three times."

"I like talking with shoppers, seeing what we can do better, trying out new things."

Recommendations

- Evaluate potential store managers on all layers of their motivation, such as results, people orientation and customer satisfaction.

How do you engage your employees?



Source: Carrefour

Successful store managers motivate their employees by communicating openly, being enthusiastic and involving them in decision-making. This can be a challenge when dealing with the high turnover of part-time staff.

"Every two years I have a new crew of short part-timers. They are not loyal, only in there for the money, no interest in what is happening, and absorbed by social media. This was not a topic during my induction programme."

Recommendations

- Provide store managers with specific training on how to manage short part-timers.
- Encourage store managers to create a supportive environment where employees can express their views freely and show initiative/be creative without being afraid of making mistakes.

How do you interact with your customers?



Source: Makro

Successful store managers interact with their customers in many different ways. They are socially adept, and also know how to conduct robust market research (for example using social media and focus groups) in order to understand and meet their customers' changing needs.

"We have a coffee corner. Every morning I drink a cup of coffee with my customers and they give a lot of feedback: about the environment, products, other companies..."

"It's not only that you provide a wide range of assortment to customers, or perfect layouts and merchandising, but that you offer a unique service experience, by listening, understanding, showing your professionalism and knowledge."

Recommendations

- Train store managers to develop the wide skill set they need to reach out to customers via different channels.
- Support managers to reach a good understanding of the ecosystem, the market, special interest groups and the wider community.
- Provide a programme that turns this knowledge into action and a unique shopping experience.

5 Finding a healthy work-life balance



Source: Maastricht University

Store managers who feel they have a good work-life balance share five practices:

1. They assume control and, with that, the freedom to organize their own working hours
2. They have routines and processes in place
3. Their employees recognise and respect the need for a healthy work-life balance
4. They have support from their partner and family
5. Their company has an active programme to improve work-life balance.

Our respondents feel their work-life balance is out of kilter when they work long hours to manage the store and perform additional tasks that are expected of them, such as managing top customers, running programmes for the regional network of supermarkets and coping with company restructuring. They find it particularly challenging at times of transition, such as moving to a bigger store.

"The company always invested a lot in training and also in the question of family; I always felt this flexibility. And when the company needed us, it knew it could count on us."

Recommendations

- Establish leading practices to improve work-life balance, focusing on people, process, and system enablement. Share them with store managers.
- Institute an active work-life balance programme that is monitored and executed by the store manager's boss or operations manager.
- Work-life balance is always in flux. Regularly assess whether the store manager is 'settled' or in transition and needing extra support.
- In times of stress, take quick, individual, tactical action. It seems to help best and is much appreciated by the manager concerned.

With what you know now, what would you do differently starting out as a store manager?



Source: Sonae

Most store managers would have done things differently when they were first appointed to the role, knowing what they know now.

Initial lack of self-confidence is the top thing they want to change. This insecurity seems to be more evident among female store managers than male. There are several mentions that the period of insecurity lasts up to a year.

Respondents say they would have assessed their strengths and weaknesses relative to a successful store manager earlier on in their journey.

They would have recognised the value of a coach or mentor more quickly, and would have identified one from the start. And they would have paid more attention to basic management skills including time management, prioritisation, and organisational roles and responsibilities.

"When you're young, you don't know how much you can 'push' the central services at headquarters and change more things in the store."

"I kept my mouth shut for a long time even when I saw that things should be different in the store. I had to build self-confidence to speak up."

Recommendations

Companies can help newly appointed store managers find their feet more quickly by providing individual assessments, workshops and training in the following key areas:

- Overcoming low self-confidence¹
- Strengths and weaknesses versus benchmark profile of successful store manager.
- Finding the right mentor or coach
- Basic management skills
- Dealing with former peers
- Managing and motivating short part-timers.

1. See Vreneli Stadelmaier's book on self-confidence: 'Sure she can. Crush this insecurity' www.sureshecan.com

6 How retailers can close the gender gap



Source: Waitrose & John Lewis Partnership

When we asked our interviewees what their company could do to close the gender gap, the first point to emerge was that there is a clear need to establish awareness that a career as a store manager career is possible for women.

Store managers also want companies to do the following:

- Ensure the company rewards store manager initiative and increases empowerment
- Support store managers in the challenging area of work-life balance through coaching, tools and HR measures
- Encourage female ambition and motivation through the use of role models and cultural initiatives showing the positive role of the family in career development
- Provide training to fill gaps in leadership and networking skills.

CRITICAL CHECKLIST

HR measures

- Assess aspiring store managers on performance and on lived values in line with the desired company culture
- Review processes to make sure that yearly performance assessment is followed by an individual and agreed training plan aligned with the employee's potential
- Provide coaching to potential store managers, accompanying them during the first year of assignment (the coach could be a more senior store manager or sales operations executive)
- Establish rules for time at work (in store)
- Identify internal role models to involve in a communication programme
- Stimulate and support the creation of a network among store managers, for example through networking events and a dedicated social channel such as a blog on the company intranet
- Launch an internal communication programme raising awareness that a career as a store manager is compatible with family life. The target audience should be the entire store staff (we would not recommend explicitly targeting female staff but instead tailoring the content to them).

Communication measures

Use both live events and the company intranet to make sure you reach as wide an audience as possible
Communication programme content should include the following:

- Role model interviews (especially drawn from within the company)
- Information about how to access training to develop key store manager skills
- Signposting to resources on the web (such as external role model biographies and interviews; ways to build self-confidence etc)
- Workshops discussing the challenges of balancing the responsibilities of a store manager with personal life, together with the other typical challenges of women in the role
- Promotion of the store manager network.

Operational measures

- Reflect on the communication flow from headquarters to store (and vice versa) in order to improve store managers' perception of trust
- Increase the involvement of store managers in providing inputs and feedback on headquarter projects related to sales (or sales operations)
- Provide store managers with mobile technology (tablet, laptop) enabling more flexible management of office tasks between home and store.

Training measures

Training modules should include the following topics:

- Career planning and management
- Unconscious bias
- Effective networking
- Task and time management
- Taking and giving feedback (up and down the hierarchy), especially targeting operations executives and including line managers
- Assessing potential and performance without gender bias
- Coaching, potentially also offered to senior store managers

7 Retailer perspective

Sonae

At Sonae, Portugal's largest employer, the issue of gender diversity has risen up the agenda in the past few years. Women now account for about half of the firm's management positions, while three out of nine board members are female. "Promoting gender diversity at a leadership level will bring us benefits in terms of management, competitiveness, economic and financial results, but above all social justice," says Paula Abreu, Human Resources Business Partner.

ICA

By 2020, ICA Sweden and ICA Handlarnas Förbund aim to appoint as many female as male retailers when recruiting, and have an action plan in place to help achieve this. "We want to broaden our recruitment base to ensure that we attract the very best, says Eva Östh, HR Manager. "We are convinced that diversity benefits our business, as we can then take advantage of different experiences and backgrounds that reflect our customer profile."

Ahold Delhaize

Ahold Delhaize is working to ensure its workforce of more than 375,000 people reflects the wider community. Pointing to the fact that 75% of Ahold Delhaize shoppers are women, Subarna Malakar, Vice President, Global Diversity & Inclusion, says: "Building bridges to leadership for women helps build a healthier company culture, which leads to better overall performance and improves the bottom line."

Metro

METRO has a number of initiatives to help develop female talent. Its most recent mentoring scheme has seen the creation of more than 30 mentor relationships to facilitate networking and capability building. "We at METRO strongly believe in the importance of gender equality, starting from our mindsets right through to the implementation of measures across all business units," says Olaf Koch, Chairman of the Management Board of METRO AG.

John Lewis Partnership

At John Lewis, most of the workforce is female and 58% of Partners are women. The organisation actively supports the careers of women so their representation increases in senior positions – including store management. "Retail is a fantastic environment for people with leadership skills to flourish and we know that having a great mix of men and women as leaders will make us a more successful business," says Nicola Paul, Manager, Diversity and Inclusion.

Asda

"At Asda, we want to create a balanced culture where our colleagues can be themselves, no matter who they are," says Charlotte Speak, Talent Senior Manager. The retailer says creating a diverse workforce is central to its mission to be Britain's most trusted retailer. The firm ensures managers grasp the significance of diversity and inclusion, how to manage diversity and how to create an inclusive culture.

Carrefour

Carrefour strives for a good gender balance at all levels of the organisation. In 2013, the company signed up to the UN's Women Empowerment Principles, with each of its country operations developing an action plan. Hilde Hermans, Director HR Business Partner, says: "All our colleagues ultimately mirror our customers – they are as colourful, as diverse and as different. And we are proud of that."

8 Methodology

We interviewed 25 store managers² for this report, 21 of them women and four men. The sample is too small to make any reliable statistical observations and the research is therefore qualitative only.

The project team developed a project proposal, interview questionnaire and nine-month work plan. Participating retailers were asked to identify successful female and male store managers. Interviews were primarily conducted by phone, in English or the local language, with interviewers taking verbatim notes. We guaranteed anonymity for participants and therefore interview notes are not available.

2. Swedish retailing group ICA has an operating model in which stores are independently owned by the shopkeeper, while using ICA branding and products. In this report, our use of the term 'store manager' also refers to ICA store owners.

9 Further reading

1. EY has a website dedicated to advancing gender parity in the workplace, containing a wealth of useful information.

See <http://www.ey.com/GL/en/Issues/Business-environment/women-fast-forward>

2. The McKinsey article Breaking down the gender challenge by Alexis Krivkovich, Eric Kutcher, and Lareina Yee, includes a section on the retail and consumer goods sector that is pertinent to this research. See <http://www.mckinsey.com/business-functions/organization/our-insights/breaking-down-the-gender-challenge>

3. The Network of Executive Women (NEW) in the US has developed a Rising Stars programme that prepares women to take on stretch assignments and more significant roles within their organisation. It is based on a leadership model and 360 feedback tool, the Career Accelerator, created in partnership with the Center for Creative Leadership.

Visit <http://www.newonline.org> or contact Mick Broekhof at mick.broekhof@lead-eu.net for more information.

10 Contact

About LEAD Network

The mission of the LEAD Network (Leading Executives Advancing Diversity) is to attract, retain and advance women in the retail and consumer goods industry in Europe through education, leadership and business development. LEAD Network is convinced organisations can create more sustainable value by leveraging the full talent pool. Our vision is a diverse workforce where both men and women are enabled to contribute their full potential and lead their organisations to the next level of value creation.

For more information

If you would like more information about the findings contained in this report or any aspect of LEAD Network's activities, please contact:

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11 Acknowledgements

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