

Using Culture to Empower Performance:

A Retail Story



WSA | Celebration Story

Organization:
Outdoor Retailer

Industry:
Retail

Employee Count:
18,000 - 20,000

The Landscape

In 2009, a large outdoor retailer hired a new chief executive officer. As the new CEO was building the future strategy of the organization, it became apparent that there was a need to energize the workforce and define the current organizational culture and potentially enhance it in order to achieve strategic objectives.

How the Journey Unfolded

The CEO realized that a re-energized, revitalized workforce, with the right mix of talent, skill, and cultural fit, would be necessary for the company to grow its business. The outdoor retailer needed to focus on people who had a passion for the outdoors, the abilities to succeed in retail, and the factors that motivated and engaged those people.

The initial engagement assessment revealed that the CEO's suspicions were correct. When all stores were assigned to one of two groups based on their level of engagement, it was determined that those stores with higher engagement achieved, on average, \$2.7 million more in sales per store.

The outdoor retailer's next goal was to understand and define the culture of the company and communicate it to all employees as the first step in better exploiting the cultural strengths of the organization. Then, it could better address its employees' engagement, as well as attract and hire the right kind of candidates who could help increase the bottom line.



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The Solution: Focusing on Employees

The company conducted a culture assessment of the organization which allowed the leadership to pinpoint the areas of strengths and opportunities within the company.

From there, an Employee Value Proposition (EVP) was created to communicate the culture and unique personality of the company.

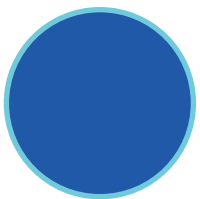
The study of the client's culture found that the people who worked at the company often viewed it as more of a calling than a job. One associate expressed it best when they said, "I was born to work here."

Through the details of the study, we found that the outdoor retailer's employees generally adhered to five value tenets. These tenants became the company's new EVP.

To communicate and instill the outdoor retailer's EVP, WSA created a field guide that managers used to conduct team cultural workshops in order to communicate the five value statements and how they relate to each employee—as well as the good work being done at the company. Each group was encouraged to write down its successes and share them with the rest of the company. These workshops resulted in a repository of stories highlighting the outdoor retailer at its very best.

In addition, WSA created a recruitment-marketing campaign aimed at communicating the outdoor retailer's brand to its employees, and attracting the right candidates who would fit into the company's culture. We also developed the career portals on the retailer's website to reflect the employment brand. The new career site included testimonials from current employees and a cultural fit quiz to more accurately identify the candidates who were "born" to work at this outdoor retailer.

"We are really excited about the progress we have made in evolving our company culture to support the future and vision of the company," said the company's executive vice president and chief administrative officer. "With the establishment of the Corporate Nature of the company and the Born-To-Work-Here campaign, we have seen successes in not only our business metrics but also our retention and employee engagement. We are excited about the future and the next mile markers on this journey."





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The Results of Taking Action

One year after rolling out the “nature of the company,” overall engagement scores rose *significantly*. More importantly, the survey solutions pinpointed that engagement scores of employees who view “the nature of the company” favorably, are more than twice as *high* as those who are either neutral or unfavorable.

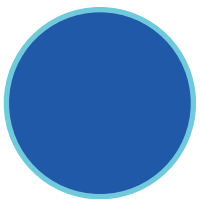
As a result, the outdoor retailer implemented workshops to bring together managers whose groups scored high on the employee engagement surveys and managers of groups whose scores were low. Managers whose groups scored higher taught and mentored managers of the lower-scoring groups and provided support within the company. The groups that initially scored lower on the engagement survey saw an average increase of twenty-one percent (21%) over the previous year's scores.

Best of all, this project once again demonstrated that organizations with higher levels of employee engagement show significantly higher net income and shareholder return. During the *five years of this project*, the retail client's total shareholder return has *increased by more than 1000%*. Yes, *over tenfold!*

One of the outdoor retailer's most important metrics in its retail group is sales-per-labor hour. As engagement scores rose across the company, so did sales-per-labor hour. In fact, stores in the top 50% of engagement, experienced a sales-per-labor hour figure that was over nine percent (9.3%) larger than stores in the bottom half. This translates into millions of dollars more in sales each year.

Engagement scores *became* an integral metric for this client.

“If we don't pay attention to our engagement scores, we're doing so at our own peril,” the CEO said.





Culture Plays a Critical Component in Employee Engagement.

To re-energize and revitalize a workforce, leaders need to understand the dynamics of talent, skill, and cultural fit that compliment and accelerate performance, motivation, and other important drivers of the employee experience.



An Employee Value Proposition Creates a Central Point of Understanding.

The development of an EVP that truly defines a culture accurately creates a deep understanding of “what it's like to work at an organization.” This is a powerful tool for leaders and managers across recruitment, retention, and overall performance metrics.



As Employee Engagement Increases, So Does Revenue.

The higher the engagement across an organization the more motivated and driven employees are to aid in it's success. When employees feel like they truly belong, a sense of empowerment and ownership emerges that drives performance and a sense of pride in the work they do and the leadership they serve.

About WSA

We believe in the power of applying the right science to make people and organizations successful. We believe in empowering business to measure what matters when it matters—so they, in turn, can motivate their people to work harder, stay longer, and care more. We believe that behavioral science is the ingredient for ensuring that employees stay focused on the right things at the right time and with the right momentum. We believe that employee's lives are never better than when they are highly engaged and using their talents to contribute to a company they believe in. And we know that you need a partner who has workforce performance down to a science.