smart

RETAIL

PRACTICAL WINNING IDEAS AND STRATEGIES FROM THE MOST SUCCESSFUL RETAILERS IN THE WORLD

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SMART RETAIL

Behaviors

Although a good recognition habit is all about being spontaneous, saying "thank you" whenever you see the need, it helps to have in mind a list of the sorts of things that you will be looking out to give praise for. At the risk of sounding like I've been snacking on a jargon cookie, what you should be basing your recognition on are "observable positive behaviors." Essentially that's all the good stuff people do that you can spot them doing.

When you first decide to introduce recognition, putting together a list of these "observable positive behaviors" helps the whole team to get a handle on what it is that you are looking for. Once you've sat down and really thought about these behaviors, you can stick a list up on the noticeboard. Give a copy to new starters, and use it as a basis for review meetings.

"Observable" is the key word in this bit of jargon. It tells you that the behaviors you are looking for are those that you actually have to "see" happen. Sales is not an "observable positive behavior" because it is an activity that (a) you already measure closely in the performance numbers, and (b) you will be discussing the sales action with each member of the team anyway. How a person makes a sale though—that could easily include a positive observable behavior: going out of their way to find a bit of information for a customer, or selling an item that was right for the customer but that had a lower commission-rate on it for the salesperson.

Those "observable positive behaviors" that relate to helping make customers happy are important. With any luck, such behavior will show up as a sale, but even if it doesn't, that customer has left the store with a good feeling about your business. That is worth its weight in gold but in a way that is very hard to see from looking just at the hard performance numbers.

Take a look at the "Great moments" section in Chapter 9 for a little set of illustrations of observable positive behaviors in action.

Easy ways to "do" recognition

There are two easy routes you can go down to build recognition into your team culture. Doing specific recognition needs to be learned, so don't be

embarrassed that it might not be part of your current style. You will get there by practice. Equally, don't assume that because you do often say "thank you" that you are getting recognition right. I'll lay down good money that, when you are honest with yourself, you will find that 90% of those "thank you" moments are non-specific.

In the years between the first edition and the one you're reading now, loads of managers have fed back that this part of the book is the one they were most skeptical about but that once done had been the most rewarding. I guess I'm saying "disconnect the cynicism for a bit and give this stuff a go—you'll be glad you did."

Method one—The 20-second ceremony

Use a couple of team meetings to make up your team's list of "observable positive behaviors." A good way to get a great list together is to start with the Big Idea, the mission, and values too, and think about the kind of things you can do to support them.

Now make up some "thank you" notes. These should have space on for the recipient's name and a bigger space for you to write down why you are pleased enough to want to say "thank you." Print out a bunch of these and keep some in your pocket at all times. Whenever you see an opportunity to say "thank you," fill one out quickly and go put it into the hand of the person you want to say "thanks" to. You don't even have to say "thanks" if you don't feel you can. You don't have to make a song and dance of it, you don't even have to speak if you feel uncomfortable. What is important is that the exchange of this note is something both of you understand: It tells the recipient that you have noticed and that you are pleased, nothing more, nothing less. Takes about 20 seconds to do.

Dish out blank "thank you" notes to the team as well. Encourage everyone to use these "thank you" notes. Workmates recognizing each other's efforts has almost as much power as when you do it. You have really cracked it when you get customers to fill in "thank you" notes.

The 20-second ceremony works so well and is unobtrusive: I've seen this work successfully in a tiny KFC that was processing 50,000 lunch

transactions a week. People really do respond to it. The notes can feel a bit silly at first but that soon goes and the process of recognition becomes part of the everyday team culture. You will never find a cheaper or more effective way in which to transform your team's performance.

Method two—The Heroes Board

Allocate a piece of wall space to recognition. Make up some "thank-you" notes similar to the ones mentioned above. Start giving them to people under the same criteria, and tell recipients to hang them up on the wall. This method introduces a little bit of peer pressure because everyone can see who is being praised, but you might find it more comfortable for you than recognition method one.

In both methods, you can use the best examples to determine what you do with your non-cash rewards (which we go through in Chapter 5). It's quite nice to build in a little focus at team meetings for recognition. It's even more effective to use one such meeting, each week, for a little bit of extra recognition. Take the best "thank you" or "hero" example from that week and give the person a decent bottle of wine, a case of beer, flowers, or good chocolates. Not too much, but it feels great to receive, and it really sets the scene for a rousing and effective team meeting.

Case study 6.4 Smart Retail: KFC and the 20-second recognition ceremony

KFC transformed their business in the UK in the late 1990s and have strengthened their position ever since. It is a fantastic retail business. One of the major transformation focuses was on the way in which they treated their people. As part of that process, they introduced a recognition program based on observable positive behaviors and on the 20-second recognition ceremony.

A beautiful example of how this tiny, simple, ceremony could affect the way people felt about themselves and their performance came to me at a post-launch regional meeting. A manager, Mike, told me what had happened when he went through the 20-second ceremony for the first time. In fact

he told me he'd made somebody cry doing it, so I thought we might be in trouble. Dawn had worked at her KFC outlet for nearly 10 years. She had seen managers come and go but had never been keen to take on that sort of extra responsibility for herself. She liked being one of the team and that was that. Mike had been her manager for nearly six months.

One morning Mike spotted Dawn showing a new member of staff how to "double-bag" a waste bin. Double-bagging means putting in two bin-liners at a time so that at lunch, when the bin is full, you only have to throw one bag of waste away and the bin already has its next liner in place. Now this is a tiny thing, saves maybe a minute at peak time. But Mike saw Dawn do this and it occurred to him that he had seen Dawn help new people learn the ropes on countless occasions. She didn't have to, it wasn't part of her job, she just liked to do it. So Mike decided to use one of his "thank you" notes. He wrote it out and ticked a box that said "For making new members of the team feel welcome" and, in his own words he "shyly handed it to Dawn."

Dawn burst into tears. Mike reassured her that it wasn't a P45 he'd just given her and asked what the matter was. So she told him "You've never said 'thank you' to me before." Mike became quite indignant and replied that he had, often, at shift meetings. Dawn put him right. "No, you've said 'thanks' to the team, and that's nice but you've never come to me, looked me in the eye, and made it so clear that something good I do has been noticed. And actually none of my managers over the years has either."

Dawn felt great about that moment of recognition—that's why there were tears. Most people feel the same way. What's so nice about this approach is that its effect snowballs. Slowly but surely, more people begin to repeat the good things they do more often, and that gently spreads throughout the business.

Why recognition works

Why does specific recognition like that work so powerfully? It's about clarity: You say to somebody "Well done, good job today" and it feels good

to that person for a bit, but when they later ask themselves "What did I do different that meant I got praise today?" it's difficult to actually know for sure. When instead you say "Well done, thanks—you've made that new person feel welcome and I appreciate it, helps to bring us closer as a team" that staff member walks away knowing exactly what behaviors to repeat in order to get nice praise again.

7

CHAPTER SEVEN

How to get people out of bed

Motivated staff are critical to the success of your store. Hopefully you will have already read the previous chapter on store cultures (the mission and values stuff). If you have, then you are already on the way to enjoying the benefits of having a motivated team around you. In this section, we're going to get a bit deeper into the nitty gritty of motivation. In particular, I'd like to suggest some practical moves you can make to improve the motivation of your team.

If you're going to build a great culture in your store, a motivated team is essential. Just to recap, the benefits of a great store culture include cost savings, customer service quality improvements, people pulling together to deliver the company values, better support for your decisions, and a more enjoyable time at work.

The components of motivation

Individuals are motivated by a combination of:

- **Financial reward**
- **Implied sanction**
- **Self-respect**
- **Non-financial reward**
- **Recognition of value contributed**

Of course, the importance of each motivating component will be different for different people. Factors such as age, personal circumstances, and social considerations all have an impact. Most of these, with one exception, make