



retail
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SPECIAL REPORT

CREATING A CULTURE OF EMPOWERMENT

*HOW TO USE TECHNOLOGY
TO THOUGHTFULLY EMPOWER
EMPLOYEES...FROM HQ TO THE STORE*

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INTRODUCTION

Company culture has been a core talking point at the center of retailers' earnings calls and press releases for decades, but it has undoubtedly reached a fever pitch in this new era of work, when employees increasingly want to truly belong to a culture that aligns with their distinct goals and values.

In a survey of more than **25,000 U.S.** professionals, LinkedIn found that **82%** agree it's important to work for a company "in which the culture and values align with their own."

But how should a company define and actualize its culture when its sole goal is to sell stuff? It's certainly not Town Halls, pizza parties or foosball in the company headquarters – although to some, that's *part of it*.

"A culture is built by what people do when you're not there," explained **April Sabral**, founder of RetailU and author of ***The Positive Effect: A Retail Leader's Guide to Changing the World***. "When the leader is not in the building, when the VP is at home over the weekend and the stores are still running — it's about all those decisions teams make, the actions they take and the way they think about the business."



EDUCATION AND COLLABORATION DRIVE CULTURE

Culture, at its core, is the underpinning of an organization. Most CEOs (**71%**) even agree that culture is a top factor that positively impacts financial results, up from **26%** in 2021, according to [Heidrick & Struggles](#).

Culture creates alignment, ensuring that everyone is rallied around the same mission and vision. It helps keep team members at all levels focused on building products and experiences that customers love. This is especially critical (and incredibly difficult) for retail executives building and managing an **ecosystem of teams, functions and stores**.

Collaboration, learning and professional development all play a role in feeding this culture machine. Deloitte found that when learning and development are part of that culture, organizations can see between **30%** and **50%** higher engagement and retention rates.

While many executive leaders now acknowledge the importance of building a culture rooted in learning and collaboration, few are investing in tools and experiences that drive employee engagement: **only 33%** of U.S. employees are engaged, and an additional **17%** are actively disengaged, according to Gallup.

“As a country of leaders, we are failing [our people],” said Brian Librach, a seasoned retail executive and author of [The Retail Leader’s Roadmap](#). He added that among all retail employees, both at HQ and in stores, there is “high rational commitment and low emotional commitment.”

Retail leaders are feeling the repercussions of this gap most strongly at the store level: **70%** say their top store operations challenge is hiring and retaining associates, while slightly fewer say they're struggling with high employee turnover rates (**67%**) and employee training and engagement (**56%**), according to [Retail TouchPoints research](#). Yet organizations are still focused on cutting expenses, especially at the store level, which often shortchanges learning and development initiatives.

"Most [store associates] are operating at **60%** to **70%** of what they're capable of — and it's not for lack of effort or because they're not working hard," Librach said. "They're spinning on a hamster wheel more than anything else. Technology can slow them down, helping them create clarity and focus on goals, tasks and priorities. This can help retailers ensure that teams, functions and the entire organization are rallying around the same mission and vision."

SAKS TAKES THE LABOR OUT OF COLLABORATION

After launching as a standalone ecommerce company in 2021, **Saks** had to completely rethink employee productivity and performance. The luxury fashion company wanted a platform that would accelerate work through automation, improve knowledge sharing and drive employee engagement across the company. With Slack, Saks has been able to:

- 1 Easily collaborate with approved external partners and vendors that influence the customer experience;
- 2 Keep all teams up to date on the latest company news and announcements;
- 3 Create centralized spaces where functions, such as customer service, can share information and best practices; and
- 4 Educate employees about new employee resource group (ERG) programming, diversity, equity and inclusion (DEI) initiatives and more.

Saks also has been able to integrate **37** different apps into the Slack experience, which has stopped the "endless toggle" between different platforms, making it easier for employees to do their jobs.

[Learn more](#) about how Saks is dressing its business for success.



EMBRACING TECH THAT EMPLOYEES REALLY NEED

To find and implement the right technology for their teams, retail leaders need to first establish what the overall business is trying to achieve. This requires understanding strategic priorities at the C-level and connecting these insights to what's happening (and not happening) at the team and store level.

"The **three** questions I ask everybody is: What's working? What's *not* working? And how do we get to make it better?" Sabral said. "You'll be surprised how many people don't ask themselves or their teams these questions because they're just so busy running through their day."

There are various tools and systems in the marketplace designed to support modern retail organizations, especially if their goal is to drive cross-functional collaboration and bridge the gap between HQ and local stores. However, not all solutions are created equally in the eyes of today's retail workers, which is why Librach recommends that executives prioritize **gathering employee feedback** to ensure they select the right solutions.

"In work, your employee is your customer," he said. "Directors and other executives need to be authentically curious about what their frontline is thinking. They need to find out what the field really thinks about technology before they roll it out. They need to go out to the masses and understand what they really need and what they will actually use before they invest."

Listening and adapting to employee expectations, and creating a culture of transparency and connectivity, is especially critical as Gen Z and Gen Alpha make up more of the modern workforce, Librach added. "They're going to demand that their voice has something to do with the end result of how companies operate, even more than the current generation that's in the workforce today."



SPONSORED CONTENT

HOW EMPLOYEE CULTURE AND HAPPINESS DRIVE PRODUCTIVITY

Below is a summary of the relevant key findings from the Slack **State of Work** report, based on a global survey of **18,000** workers that explores how companies are navigating productivity, automation and flexibility today.

TECHNOLOGY HAS ADVANCED BEYOND THE WAY WE WORK TODAY

AI and automation have long promised to help organizations operate more efficiently, and they have seized the spotlight thanks to major leaps in recent months. But few workers are actually using these innovations to drive productivity.



3.6

hours are saved each week by those using automations at work

77% say that being able to automate routine tasks would greatly improve their productivity



27% of desk workers say they use AI today, and they are **90%** more likely to report higher levels of productivity than those who have not adopted AI



Organizational adoption lags behind employee interest in using innovations such as AI and automation and could cost companies that don't move fast enough to align.

EMPLOYEE HAPPINESS PAYS OFF

Think employee happiness and productivity aren't related? The survey found that those who reported feeling more productive today than before the pandemic have a few things in common: they're happy and engaged, and they understand how their roles fit into the company's mission at large.

82% say that feeling happy and engaged at work is a key driver of their productivity

22% say that too much chaos at work is negatively impacting their ability to be productive

67% say having predictable blocks of time when everyone is disconnected (such as after 6 p.m. and on weekends) would improve their productivity

On the surface, these may seem like intangibles, but employee experience matters in myriad ways: talent retention, company culture and business unit performance among them. When rethinking this experience, make sure you have the right tools and thought-out perks that empower employees to reach their productivity potential.

WE NEED TO REDEFINE PRODUCTIVITY

The word “productivity” sends mixed messages. For some executives, productivity implies a desire to maximize worker output to increase profit. But for most desk workers, pressures around productivity bring to mind images of long nights and work-filled weekends. As a result, many are focused on showing the “effort” going into their work instead of the results coming out of it.

Desk workers are validated in their concerns. Our survey found that, in practice, productivity is more about generating high inputs (such as resources used, time spent at work and code written) to appear productive, versus outputs (including goals met and revenue generated).

27% of executives rely on visibility and activity metrics to measure productivity



27%

53% of desk workers feel pressure to respond to messages quickly, even if sent after working hours



53%

63% make an effort to keep their status active online, even if they're not working at the moment



63%

According to Prashanth Chandrasekar, the CEO of software developer platform Stack Overflow, smart leaders will develop productivity metrics that assess both inputs and outputs. “Anyone can game a single metric,” he says, “so you must consider a blend of leading and lagging indicators. The lagging indicator is what happened. It’s ‘reading the news,’ and if you look at it in isolation, it’s not very helpful — whereas leading indicators give you a proactive look at the speed and progress the company is making.”

WHERE DO WE GO FROM HERE?

Modern work has reached a new inflection point. While many of us face economic uncertainties and tighter operating constraints, we’re also seeing the acceleration of new technologies like generative AI; access to low-code and no-code automation; and the rise of productivity platforms.

To seize the potential of all these new technologies, leaders need to apply lessons from the grand work experiment of the past four years and adopt policies that embrace a new, more nuanced definition of productivity. Ready to unlock more engagement within your organization?

Visit Slack.com/retail to learn how some of the world’s leading brands are leveraging Slack, the AI-powered platform for work, to boost employee engagement by **26%**.



DEVELOPING A SYSTEM FOR SUCCESS

Successful technology implementations always start with a vision and strategy, according to Sabral. She offered the following tips to help retailers ensure they're using workforce technology successfully:



Set clear expectations: Determine what exactly you're trying to accomplish with the technology and how you expect it to drive business outcomes.



Provide initial training: Consider different tools and formats to get users up to speed on the technology, its features and capabilities, as well as recommended use cases.



Conduct follow-up: Continually touch base with teams through open forums and even deep-dive power user discussions to collect feedback and identify whether additional training or guidance needs to be provided.



Leverage internal tech champions: Identify internal teams and individuals that are using technology effectively to meet their needs and goals. Ask them to share their tips and best practices through videos, live interviews during broader team calls, written checklists and other resources.



Continually expand your learning arsenal: Always add new content, videos and other resources as you get more employee feedback and as new strategies and priorities emerge.

HOW COLE HAAN BRINGS FOOTWEAR TO MARKET FASTER

If brands want to keep pace with consumers' evolving behaviors and adapt to accelerating trend cycles, they need to streamline internal operations and speed time to market. **Cole Haan** has been able to achieve these goals on a global scale since implementing Slack.

"It's about our speed and accuracy," said Caroline Yi, the Brand Design team's Director of Creative Operations. "Nothing is impossible, but to do the amount of work we're doing in the time we're given, it's near impossible to not have Slack."

Cole Haan has a **15-month** go-to-market process for new products, with multiple product cycles running concurrently. Hundreds of people located around the world are involved in this process, and Slack ensures that nothing gets lost — or lost in translation.

The brand has been able to free people to focus less on project management and providing updates, and focus more on creative, high-value work. For example, the product team can easily share design files and iterations in one unified space, where everyone can keep tabs on a project's progress.

Learn how Cole Haan has been able to streamline communication as it has expanded internationally.



INVESTING IN IMPACT

To truly gauge the value and impact of technology, organizations need to embrace an ongoing cycle of testing, learning and iterating. They need to track how individuals and teams across the organization are using the technology, distilling what's working and key areas to improve.

Sabral shared that regularly revisiting your goals, and assessing associated KPIs, can help in this process. For solutions designed to support the call center, executives may want to look closely at Net Promoter Score, number of calls resolved and overall speed to resolution. Conversely, store and district managers will want to analyze store and regional sales, productivity rates, customer satisfaction scores and more.

While these results undoubtedly drive value for the organization, Sabral encouraged executives not to lose sight of the biggest value of all: the value for the people driving the business. After all, with the right technology, "people are more creative," she said. "They're more productive. And their brain power is being spent on the right things."

LEARN MORE...



Slack is on a mission to make people's working lives simpler, more pleasant and more productive. It is the productivity platform for customer companies that improves performance by empowering everyone with nocode automation, making search and knowledge sharing seamless, and keeping teams connected and engaged as they move work forward together. As part of Salesforce, Slack is deeply integrated into the Salesforce Customer 360, supercharging productivity across sales, service and marketing teams. To learn more and get started with Slack for free, visit [slack.com](https://slack.com/contact-sales) or connect with us @SlackHQ.

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