PEOPLE

Developing a career path in retail






Introduction

'Harrods of London' is a British institution. It is probably the most well-known and respected retail store in the world. For 162 years, Harrods has built its unique reputation supported by its key brand values – British; Luxury; Innovation; Sensation; Service. Harrods employs approximately 5,000 people from 86 different nationalities who deal with up to 100,000 customers a day at peak times.

Harrods needs employees who can face the challenges that its reputation and standards bring. It needs people who are looking for an exciting and rewarding long-term career with responsibility and prospects. Its challenge is to find (and retain) employees with the right mix of skills and abilities, who can be developed to become the managers of the future.

To achieve this, Harrods has to counter some of the negative perceptions about working in retail. Working in a shop has traditionally been seen as low-skilled – with long hours, poor pay and little chance of promotion. However, because quality is key at Harrods, employees are well-paid, respected and have clear career paths open to them. Senior managers at Harrods have come from all walks of life and started out with various levels of qualifications. All have benefited from development opportunities provided by the company.

The importance of training and development

Training and development is vital to any business. Its purpose at Harrods is to better the performance of employees to enable Harrods to meet its business goals. For example, at Harrods the Sales Academy develops employees' sales skills, leading to increased sales when they return to the shop floor. Allowing employees to acquire new skills, expertise and qualifications supports employee progression which leads to increased motivation. This supports Harrods' retention strategies.

Training is about gaining the skills needed for a job. These may be learned at the place of work (on-the-job) or away from work (off-the-job). On-the-job training tends to be more cost-effective and relevant. However, off-the-job training is usually carried out by professional trainers. It also occurs away from the distractions of work. Training tends to have very specific and measurable goals, such as operating an IT system or till, understanding a process, or performing certain procedures (for example, cashing up).

Development is more about the individual – making him or her more efficient at a job or capable of facing different responsibilities and challenges. Development concentrates on the broader skills that are applicable to a wider variety of situations, such as thinking creatively, decision-making and managing people. In short, training is typically linked to a particular subject matter and is applicable to that subject only, while development is based on growing broader skills which can be used in many situations.

Harrods employees come from diverse backgrounds and different nationalities. They have differing levels of competency, education and experience. Harrods offers comprehensive Learning and Development opportunities. These opportunities are offered at a variety of levels to suit the needs of all Harrods employees. These range from workshops for Sales Associates and Warehouse Operatives to developmental programmes for senior managers.

Amber is a Harrods Retail Manager who started as a Sales Associate at Harrods through an online application. Harrods has created a web site www.harrodscareers.com to enable candidates to apply for roles easily.

'I wasn't sure I would get the job but it seemed a really challenging role and I was keen to try. I had only a little background in retail and none at all in the luxury retail market. Mostly I had been working in the hospitality sector.' **Amber**

Curriculum topics covered: • Training • Development • Retention • Roles and responsibilities

However, Harrods Learning and Development ensured Amber acquired the skills she needed to carry out her role. Development at Harrods is linked to the company's Business Competencies which fall under four headings: Working at Harrods, Your Impact on Others, Making Things Happen, Focus on Improvements.

Each Business Competency is supported by workshops so that every skill can be improved. Learning is offered off-the-job in 'bite-size' sessions. These sessions give employees the chance to learn more effectively over a much shorter period, reducing time away from work and bringing a tightly focused approach to skills development. They have been described as concise and punchy and a workshop typically lasts 90 minutes. All the Business Competencies are supported by self-help guides which are run either on-or off-the-job and include activities such as observation and review, reading, and 'one minute guides' offering top tips and tactics.



Identifying key competencies also helps Harrods to design its recruitment process to ensure that it attracts the best candidates. They must have the right approach to sales, customer service and decision-making and support the 'theatre of retail' that underpins Harrods' reputation. This is about flair, showmanship and expertise. Harrods Learning and Development department must be proactive in responding to changing customer needs. For example, Harrods has introduced cultural awareness training for employees better to serve the increasing number of customers from the Middle East, China, Brazil and Russia.

Developing a career path

Harrods stands out from its competitors by providing a wide variety of development opportunities for all employees. This means the business can recruit and retain good managers and maintain improvements in sales and business performance. Individuals' self-esteem and motivation is raised. Once a year, managers talk to employees about their progress and ambitions during appraisals. Employees then identify their personal development targets.



The sales and service programmes include the 'Harrods Welcome'. This induction provides essential training for new employees, such as Harrods' brand values and The Theatre of Selling. Other courses ensure the effectiveness of Harrods sales associates:

- 'Your Theatre' is a two-day programme to improve sales skills and provide the highest level of customer service. It introduces the idea of selling as a 'theatre' requiring specific skills and expertise. 'The Theatre of Selling' element covers personal presentation, effective questioning, product selection and closing the sale. 'The Science of Selling' develops employee awareness of customer types and needs.
- The Harrods Fashion Programme is run in partnership with the London College of Fashion. It enables sales associates to understand the entire 'product journey' from design to sale.
- The School of Communication offers voice, body language and presentation skills workshops.

For suitable candidates, the Harrods Sales Degree provides the high level sales skills the company needs. This is the first and only degree of its kind in Sales. It is recognised globally and can be completed in two years.

High Potential programmes are concerned with succession planning. They are aimed at ensuring there is a strong pipeline of potential senior managers. The Harrods Management Programme develops ambitious and career-focused employees into a management role. Jessica joined the company after graduating with a degree in Art History. After just 3 years she is now a Harrods Retail Manager. She runs the Designer Collection sales floor, managing 26 employees and controlling a substantial budget.

'My quick progression to Retail Manager was helped by the fact that Harrods allows people to take control of their own development to a large extent. Harrods supports you if you are keen to get on. The Harrods Management Programme gave me eight months of training, both in-house and external. This, together with the support of my mentor, has equipped me with the specific skills I need to carry out my job effectively.' **Jessica**

Harrods offers other programmes:

- The Business Academy which supports managers as they progress into more senior positions.
- The Oxford Summer School which is a challenging academic learning opportunity held at Keble College, Oxford. This is designed to highlight some of the problems, decisions and challenges of running a retail business. 10 prized places are awarded to high potential managers.
- The Buying Academy which develops Assistant Buyers into Buyers of the future.



Retaining talent

Employee retention is important for businesses. A low employee turnover can keep recruitment costs down. It also ensures a skilled and experienced workforce. Employee development is beneficial for both the employee and the business. However, sometimes employees think that their new-found skills will enable them to gain a better job elsewhere. Harrods, therefore, has put in place strategies to keep its talented Retail Managers. It has found that employees who develop within the company tend to stay. Those brought in from outside are more likely to leave. Another vital part of retention for Harrods involves identifying the 'DNA' (key factors) of great sales people. It then matches applicants to these factors.

To reduce employee turnover Harrods has developed a better management structure, improved benefits and created initiatives which make Harrods a 'great place to work'. Harrods has put in place a system of rewards and incentives:

- An excellent package of employee benefits including good pay, employee discounts and a good working environment.
- Commission and sales bonuses for individuals and teams.
- Improved work schedules which help to give a better work-life balance.

Harrods also has systems to improve employee communications so that it can listen to feedback and address any issues. There is an Internal Communications department, regular performance assessment meetings and SMART targets for employees to reach. These initiatives have seen employee turnover fall from 51.4% in 2006 to 25% in November 2011.

Careers at Harrods

Harrods ensures there is a clear career path for any employee, from any background. Three key levels in Harrods are the sales employee, department managers and senior managers. At each level, employees can benefit from Harrods development programmes in order to build a career.

James is a Sales Associate and one of Harrods first Sales Degree students. When an injury prevented him from following his previously chosen career in contemporary dance, he applied to Harrods. He has never looked back. Harrods training has given him transferable skills. He has been able to work within more than one department, providing the same high levels of customer experience.

'The course is absolutely fantastic. I feel very privileged to be on it. It is very much focused on work-based learning. It provides real insight into consumer psychology and behaviour - why people do what they do and how they shop - and how to deal with challenging situations. My managers are very supportive. If I need to take some time out during the day to make notes on an interesting situation, then I can. It has offered some amazing opportunities, such as giving me behind-the-scenes information on how Harrods works and increasing my awareness of its global influence. I have realised that Harrods offers great benefits, good conditions and an opportunity to work amongst fantastic people.' **James**

James will complete his BA Honours in 2012. He believes that the qualification will provide the additional skills he needs before he steps up to the next level at Harrods. James now expects his future to be with Harrods.

Amber's application was successful because of the customer skills she was able to bring from previous experiences. She is now the Retail Manager of Childrenswear. Her responsibilities range from overseeing budgets to managing both stock and people, as well as upholding the Harrods standards of service. By taking advantage of the Harrods Management Programme, Amber has risen to a better paid and more responsible job.



'Retail is a challenging environment but I find it exciting. Although the company aims to hire the right people for the job in the first place, there is a whole range of training available to ensure we are equipped with key skills, for example, brand training for all the different ranges we offer. Harrods promotes the view that all employees should manage themselves responsibly and take advantage of opportunities offered.' **Amber**

Sabrina joined Harrods 10 years ago as a part-time Sales Associate whilst studying for her degree. After graduating she worked in Human Resources (HR) and, with Harrods support, gained further qualifications. This led to a series of promotions and experience in other roles including Business Manager. Her current role is Head of Personal Shopping, managing a team of 50 people. Personal shopping is about creativity and exceptional service. Her role requires strong organisational skills, commercial understanding and practical and strategic thinking. Sabrina's experiences at Harrods shows how diverse a career in the retail environment can be.

'Knowing that my senior managers recognised my ability and supported me in my career development has made me eternally loyal to the company. Before coming to Harrods I hadn't really considered a career in retail, now I can't imagine working anywhere else. The thing I enjoy most about working at Harrods is that every day is unique and the work is interesting and innovative.' **Sabrina**

Conclusion

People may have negative ideas about retail work based on their own experiences of part-time or vacation work. Harrods is different as it is possible to start building a career from any level.

Harrods is about the 'theatre' of retail. As with a theatre production, however, excellence is built on hard work and basic skills. The flair must be underpinned with discipline and attending to day-to-day issues, such as unpacking and displaying stock and managing employees.

Providing development opportunities is a key factor in how Harrods maintains its high levels of employee retention. The business looks after its employees and helps them along their career path. As a result employees are loyal to the company and continue to offer exceptional levels of commitment and service.

