

IN THIS ARTICLE
*Management Development,
Leadership Skills*

LEADERSHIP COUNTS AT SEARS

BY ALAN PERRY AND
DOROTHY COTTRELL

*A major retail firm found a cost-effective way to cultivate
across the United States. To do the same, take a leaf from*

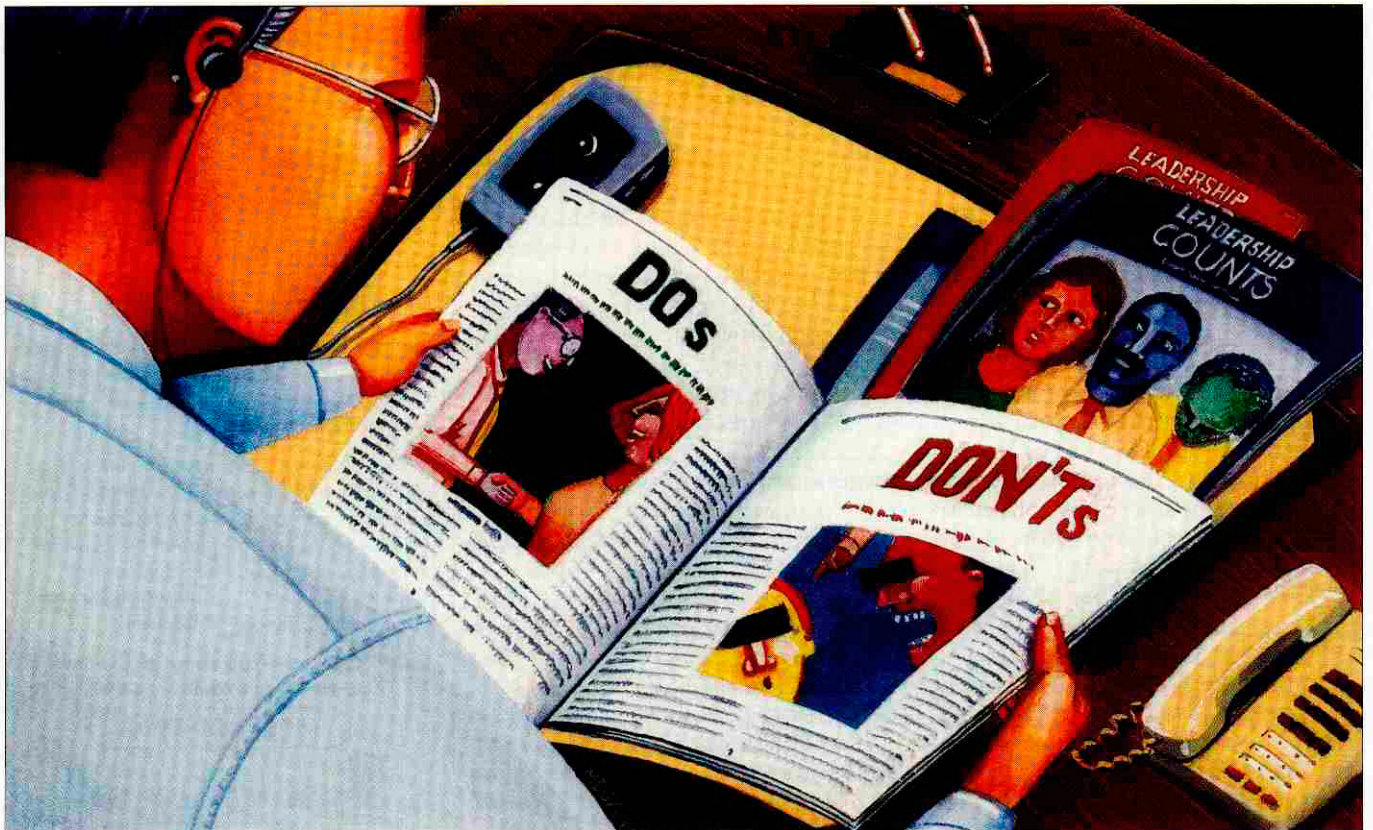


Illustration by Robert Meganck

If you need to deliver critical training to a large and geographically dispersed population, then high technology is the ticket—right?

Not always. Sears, Roebuck and Company, one of the largest retail firms in the United States, took a low-tech approach when the management and executive-development staff devised and delivered a comprehensive training program to thousands of its managers across the country. The company used a magazine and an audiotape series.

The training program evolved from a major reorganization. Sears launched the reorganization in the early 1990s to regain its competitive edge after a downturn during the 1980s.

Industry analysts had blamed Sears's plummeting profits on its

Managers needed to develop leadership skills so that they could help their employees work collaboratively, cope with change, and be more productive.

Gauging attitudes

Surveys confirmed that Sears managers needed and wanted to improve their leadership and management skills. But the management and executive-development staff faced two main challenges in developing an appropriate and effective training program.

First, the firm had to deliver the program in a cost-effective way to several thousand managers scattered across the United States.

Second, managers—particularly store managers—needed training that they could take at their convenience and immediately apply on the job to

Sears named the magazine *Leadership Counts* to reflect the overall goal of the training program and the importance of the managers' role.

Sears also set specific goals for the training, aligned with the firm's broad strategic objectives. Sears decided that the training delivered in *Leadership Counts* should

- ▶ build leadership skills as well as management skills
- ▶ enhance team spirit and build commitment at all organizational levels
- ▶ improve communication at all levels
- ▶ improve customer service, store performance, and employee productivity.

Sears organized the training curriculum into five broad topics: teamwork, leadership, performance management, customer service, and personal management. Together, the topics encompass 14 skills that managers need to develop. (See "Skills for Sears Managers," this page.) Each issue of *Leadership Counts* addresses one of the key skills in depth.

Sears hired Maritz Performance Improvement, a St. Louis-based training company, to produce *Leadership Counts*. Maritz researches, writes, edits, and illustrates each issue, subject to Sears's approval. Maritz also designs and produces the magazine on a desktop publishing system. Sears

Leadership skills in several thousand managers Sears's book—or in this case, magazine.

stodgy-looking stores, old-fashioned merchandise, and a tarnished image in the eyes of consumers.

To turn itself around, Sears introduced new product lines, store designs, and advertising campaigns. The firm quickly realized results—profits rebounded within a year. But Sears executives understood that refurbishing retail outlets and upgrading merchandise would drive the firm's recovery only so far. To restore its prominence and profitability, Sears needed to change fundamentally the ways it did business. And this meant that all Sears employees—especially its managers—had to assume new roles and responsibilities.

Traditionally, Sears management focused on short-term financial objectives and business operations. But improving customer service and increasing shareholder value required a long-range strategy, a different frame of reference, and a new set of skills. Managers needed to shift their focus from moving merchandising to managing people—an area in which they had received little formal training.

cope with continually changing challenges.

At the time, classroom-based training was impractical for several reasons. Sears did not have a structure or staff in place to deliver classroom-based training. Moreover, from a geographic standpoint, it would have been impossible to gather managers at a central site for training. The management development staff concluded that classroom-based training would cost too much money, take too much time, and grow dated too quickly.

The staff decided against computer-delivered training as well. Many stores did not have computers available, and many store managers would not or could not invest the necessary time at a computer terminal to take the training.

Choosing a vehicle

Eventually, Sears settled on a magazine format as the vehicle to deliver training to store managers. Managers could read a magazine at their convenience and easily refer to back issues.

Skills for Sears Managers

Sears identified the following as the key skills its store managers need in order to meet the firm's strategic objectives:

- ▶ managing change
- ▶ building effective teams
- ▶ leading teams
- ▶ negotiating
- ▶ managing diversity
- ▶ adhering to ethics
- ▶ developing talent
- ▶ reviewing performance
- ▶ satisfying customers
- ▶ tracking service
- ▶ measuring service
- ▶ managing stress
- ▶ managing time
- ▶ communicating effectively.

pls enclose

Exercises From Leadership Counts

Each issue of Sears's *Leadership Counts* includes exercises for self-development. Here are some examples drawn from issue 4, "Developing Your Negotiating Skills."

Exercise. Think about how your team delivers customer service. Ask your team members to develop their own "want lists" for how they like to be treated when they are making a purchase.

In staff meetings, discuss how well your unit delivers on those items on the list.

Exercise. Ask yourself:

- ▶ When was the last time I had a brainstorming meeting with my team members?
- ▶ What is a pressing issue that we could brainstorm about to see if we can come up with a new approach?
- ▶ Should this be one large meeting or a series of meetings?
- ▶ Who would be a good facilitator of the sessions?

coordinates the printing of each issue.

Each issue of *Leadership Counts* runs about 24 pages. The magazine is part primer, part workbook, and part resource guide. Each issue includes the following six sections:

"What the Experts Say." This feature excerpts material from the published works of experts on leadership.

For example, an issue of *Leadership Counts* that examined team building included an article on team leadership written by U.S. Army Lt. Gen. William G. Pagonis. Pagonis directed logistics for Operation Desert Shield, Desert Storm, and Desert Farewell in the Persian Gulf. (Sears later hired Pagonis as its executive vice-president of logistics, after he retired from the army.)

"Thinking About It." This section offers exercises aimed at the skill spotlighted in each month's issue. Some exercises enable managers to assess their current skill level. Others help managers review the leadership concepts described in the "What the Experts Say" section. This section also suggests ways that managers can



apply the concepts on the job.

External case studies. This section reinforces the strategic value of leadership skills by describing ways that other well-known companies foster such skills among their employees.

"Putting the Concepts to Work." This section provides more exercises and suggests activities that managers can do with employees.

Sears case studies. Each issue highlights Sears employees who have applied that month's leadership skill effectively. This section is intended to encourage and support managers as they try to change familiar behaviors and acquire new skills.

Information and resources. This section lists books, magazine articles, workshops, and cassette tapes that address the monthly training topic.

Meeting special needs

For managers who do not have time to read even a short magazine on a regular basis, Sears supplements *Leadership Counts* with an audiotape series.

Each issue of the magazine includes a taped interview with another expert on leadership in addition to the experts quoted in the issue. Sears intends for the cassettes to pique managers' interest and prompt them to read the corresponding issue of *Leadership Counts*.

(To encourage managers to save and refer to their issues, the first issue of *Leadership Counts* arrived with a holder for storing issues of the magazine as well as the cassettes.)

Sears also recognizes that the skill needs of store managers and those of corporate managers differ in some ways. Corporate managers receive a special insert in their issues of *Leader-*

ship Counts. The insert, titled "Wrap Up for the Home Office," offers information tailored to corporate managers, including excerpts and exercises.

Sears encourages managers to offer feedback on *Leadership Counts*. Each issue includes a self-mailing evaluation form to encourage reader responses, and each issue includes letters to the editor. The company also encourages

managers to approach their colleagues with questions or comments about the topics discussed in the magazine. Sears officials say that such exchanges help foster enthusiasm for and acceptance of the training curriculum.

Since Sears launched *Leadership Counts*, the firm has expanded its management and executive-development initiative into Sears University, with nine locations nationwide. The self-development strategy embodied in *Leadership Counts* now fits under the university umbrella.

Most Sears managers have praised the magazine for its design, content, and usefulness. *Leadership Counts* magazine and its spin-off audiotapes show that even without a lot of bells and whistles, a well-designed training program can support a firm's strategic business objectives. ■

Alan Perry is a management and executive development consultant for Sears, Roebuck and Company, Sears University, Department 707 SU, 117-A, Building E2, 333 Beverly Road, Hoffman Estates, IL 60179. Phone 708/286-4012; fax 708/286-3279.

Dorothy Cottrell is director of instructional systems design for Maritz Performance Improvement Company, 1355 North Highway Drive, Fenton, MO 63099. Phone 314/827-2639; fax 314/827-4182.

To purchase reprints of this article, please send your order to ASTD Customer Service, 1640 King Street, Box 1443, Alexandria, VA 22313-2043. Use priority code FIM. Single photocopies, at \$10 each, must be prepaid. Bulk orders (50 or more) of custom reprints may be billed. Phone 703/683-8100 for price information.