

PERFORMANCE COACHING

Performance coaching to retain staff and boost sales

Can a compliment a day keep the profit warnings at bay? **Robin Hague** explores how a training consultancy is proving that positive recognition of staff, along with good management feedback skills can increase sales per sq ft by up to 5 per cent

"If you don't get it right next time, you're out of here."

It's this kind of management style that's turning off retail staff across the UK. You might have beautiful products and well-designed stores, but if you don't love your staff, they won't love your customers.

This is the view of business psychologists Kaisen Consulting. The training consultancy believes there is a direct link between good people management and sales in-store. Kaisen can point to increases in retail sales of up to 5 per cent as a direct result of improvements in performance management.

Kaisen calls it performance coaching. Based on sound psychological principles, it is focused on providing feedback, planning improvements and setting expectations.

It is designed to be used by managers on a day-to-day basis, not just every six months in formal appraisal meetings.

"What we have done for UK retail-

ers, such as Marks & Spencer and Sainsbury's, is not US-style 'have a nice day' flannel. It is sound science, psychology in action in the workplace. And on top of increased sales, it builds in excitement, staff engagement and loyalty," says Kaisen business psychologist Francesca Buck.

The feedback cycle

"Recognition and feedback are notoriously undervalued in businesses throughout retail. It is a common management failure to demand perfection and knock people back over the 1 per cent of a job done badly – they never celebrate the 99 per cent done well."

Kaisen's performance coaching system is not an expensive way of slapping people on the back. "Saying 'thank-you' is unlikely to reap the bottom-line benefits," says Buck. "Performance coaching starts with feedback. You've got to give specific, genuine and detailed praise."

The next step is planning improve-

ments – agreeing outcomes seals the process.

To measure how staff respond to coaching, Kaisen uses its distinctive 'People Index' survey. Staff can report how much feedback they're getting and if they are receiving praise and credit. They can also show if they feel clear about what is expected of them and their own contribution to meeting customer needs.

"We can show direct links between performance coaching and sales," says Buck. "An improvement of just 1 per cent in praise for performance turns into a 2.9 per cent increase in sales per sq ft. A 1 per cent improvement in clarity about expected results yields a 2.6 per cent sales increase, and the same improvement in clarity about meeting customer needs equals a 5.1 per cent increase in sales. We can also explain the difference between high- and low-performing stores."

Buck believes that failing to meet the emotional needs of people, retailers will end up with demotivated,



Performance coaching: influences staff interactions with customers

underperforming staff, static or falling standards and bottom-line crises.

"Effective people are not about just pitching up for 40 hours a week and then leaving," she says.

"All things being equal, it's the people that make the difference. For example, working on the till is often looked down upon, whereas it's one of the biggest opportunities to influence the customer. Often, it's the only chance to communicate and interact

with the customer – they are usually the last person a customer will talk to and often they're the only one. People behind the till should be the stars and should be recognised for it."

"With better motivated people, staff turnover is reduced – they're more committed and they're much more likely to go the extra mile. Money is not the key motivator. It normally rates only 7 out of 10. The number one button is recognition."