

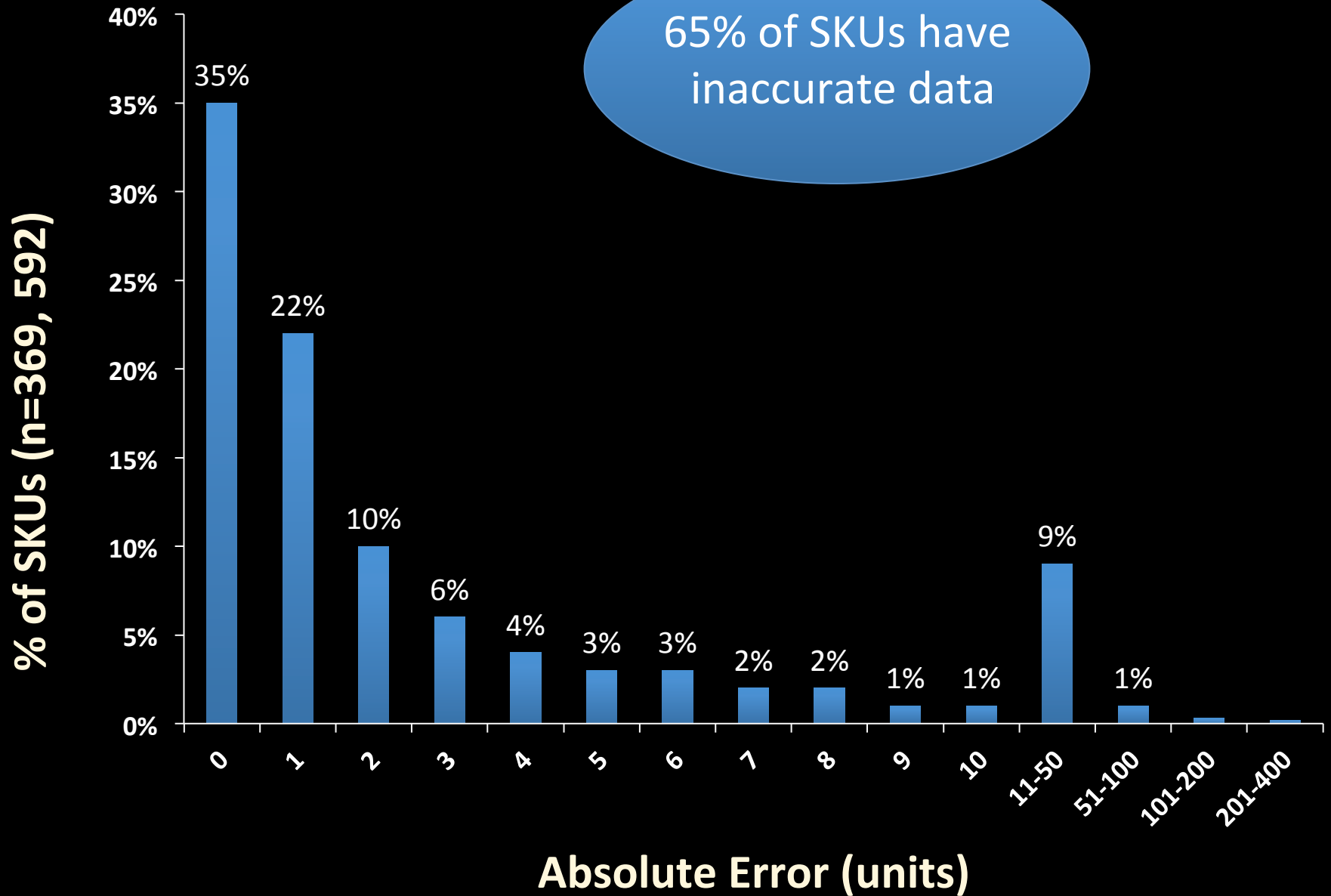
The Good Jobs Strategy

Zeynep Ton

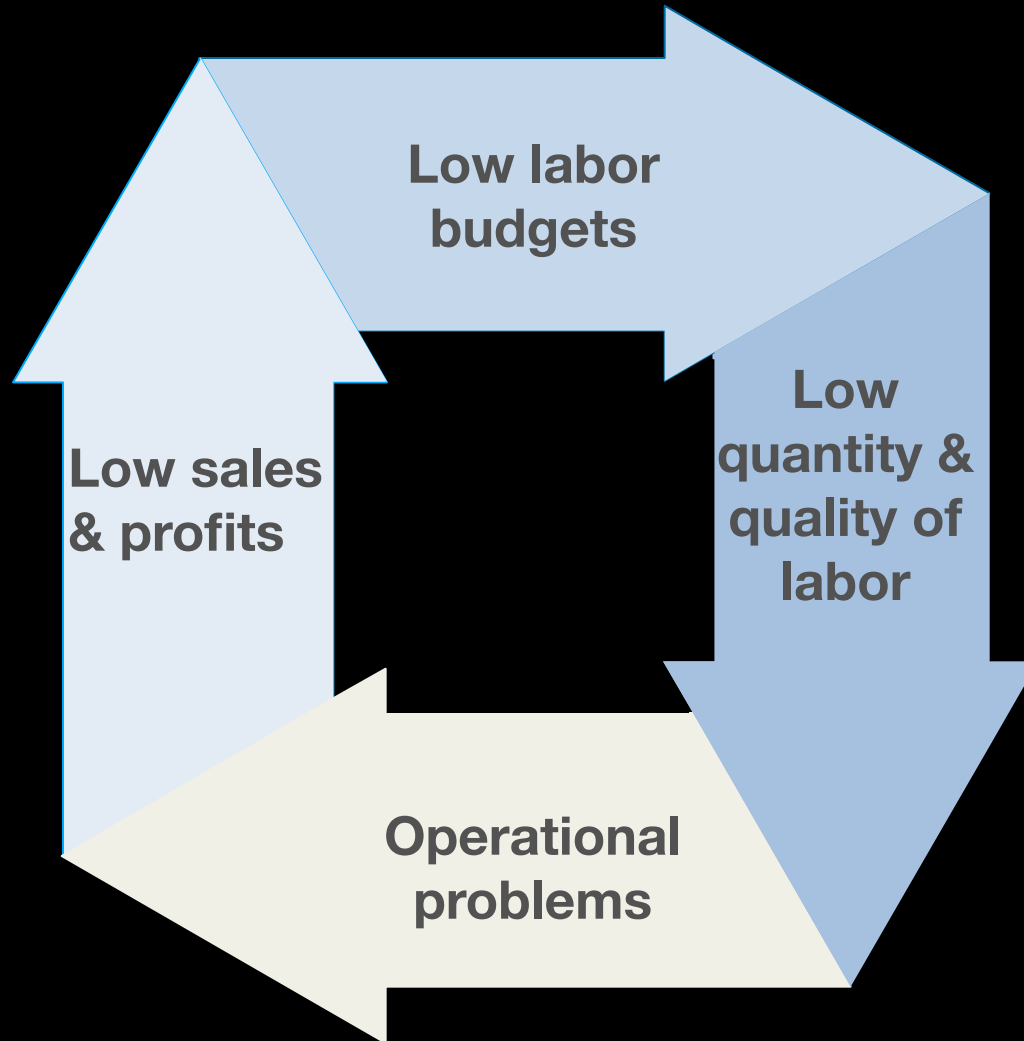
Phantom stockouts

- 25-30% in CPG
- 60% at a specialty retailer

Promotion compliance: 50%



Assumption: People=Cost



Vicious cycle hurts everyone

Investors

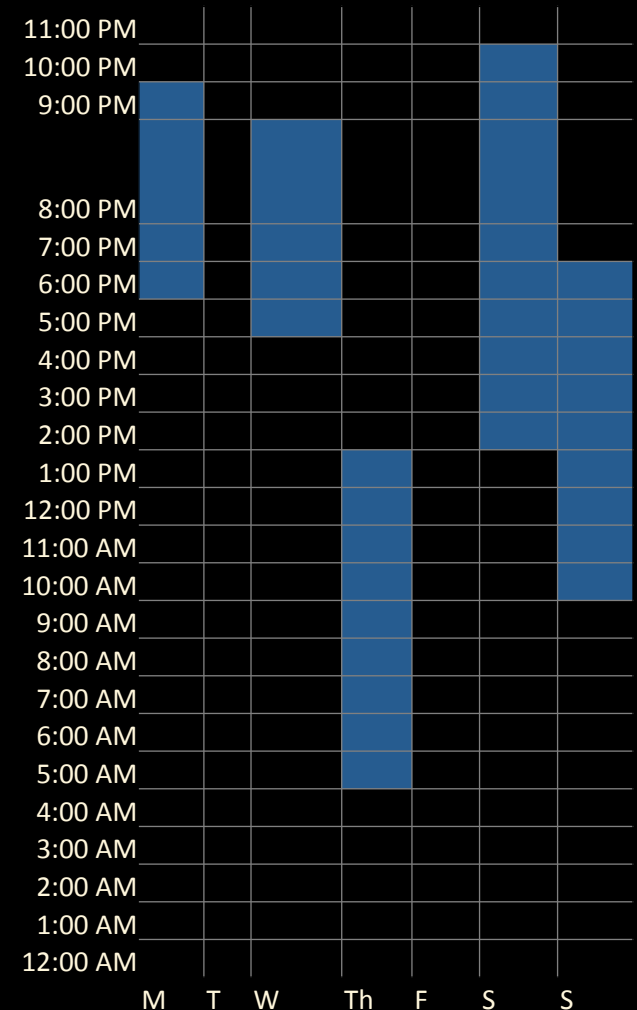
Customers

Employees

\$10.30, \$9.20 35, 27

Unpredictable schedules

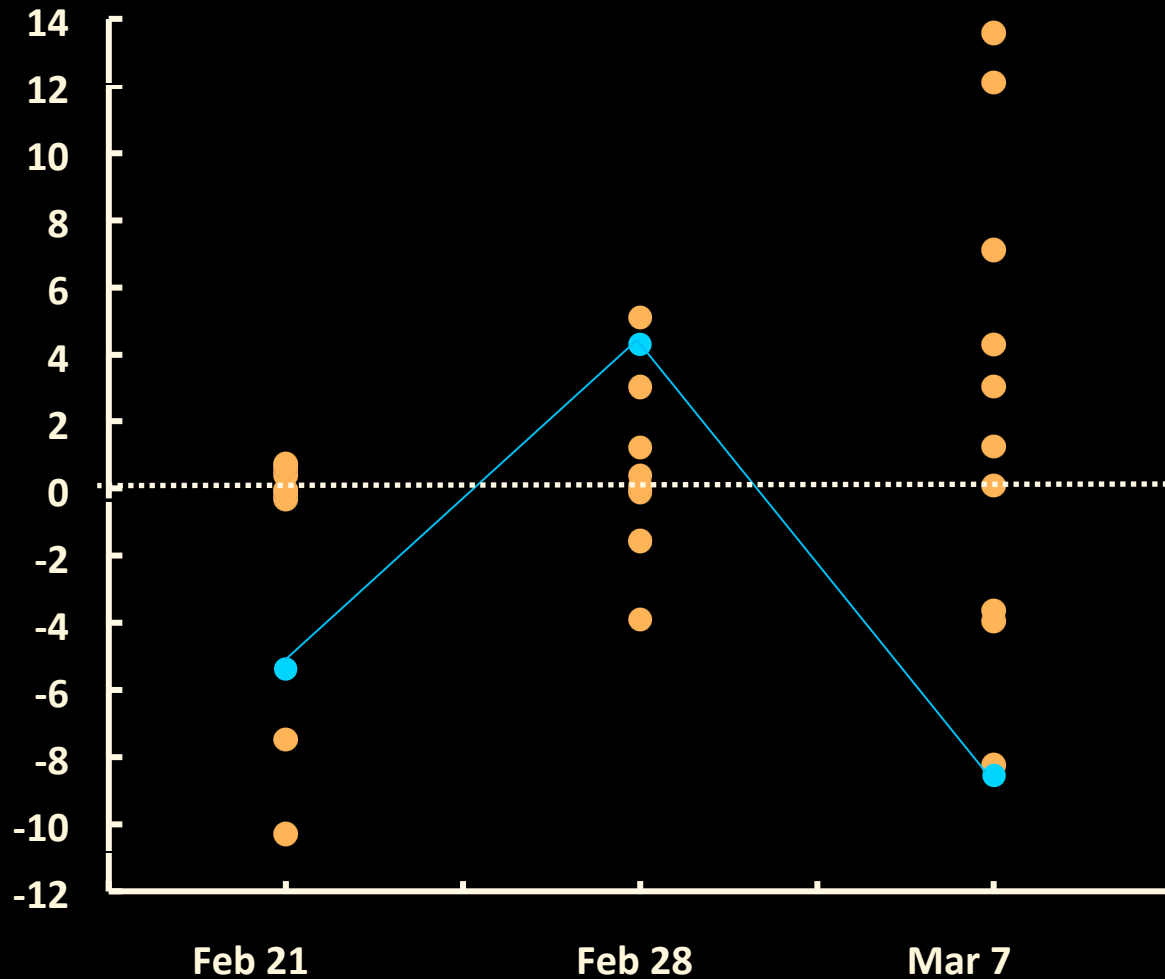
Schedule of a full-time hourly manager during a week 7 years, several promotions later)

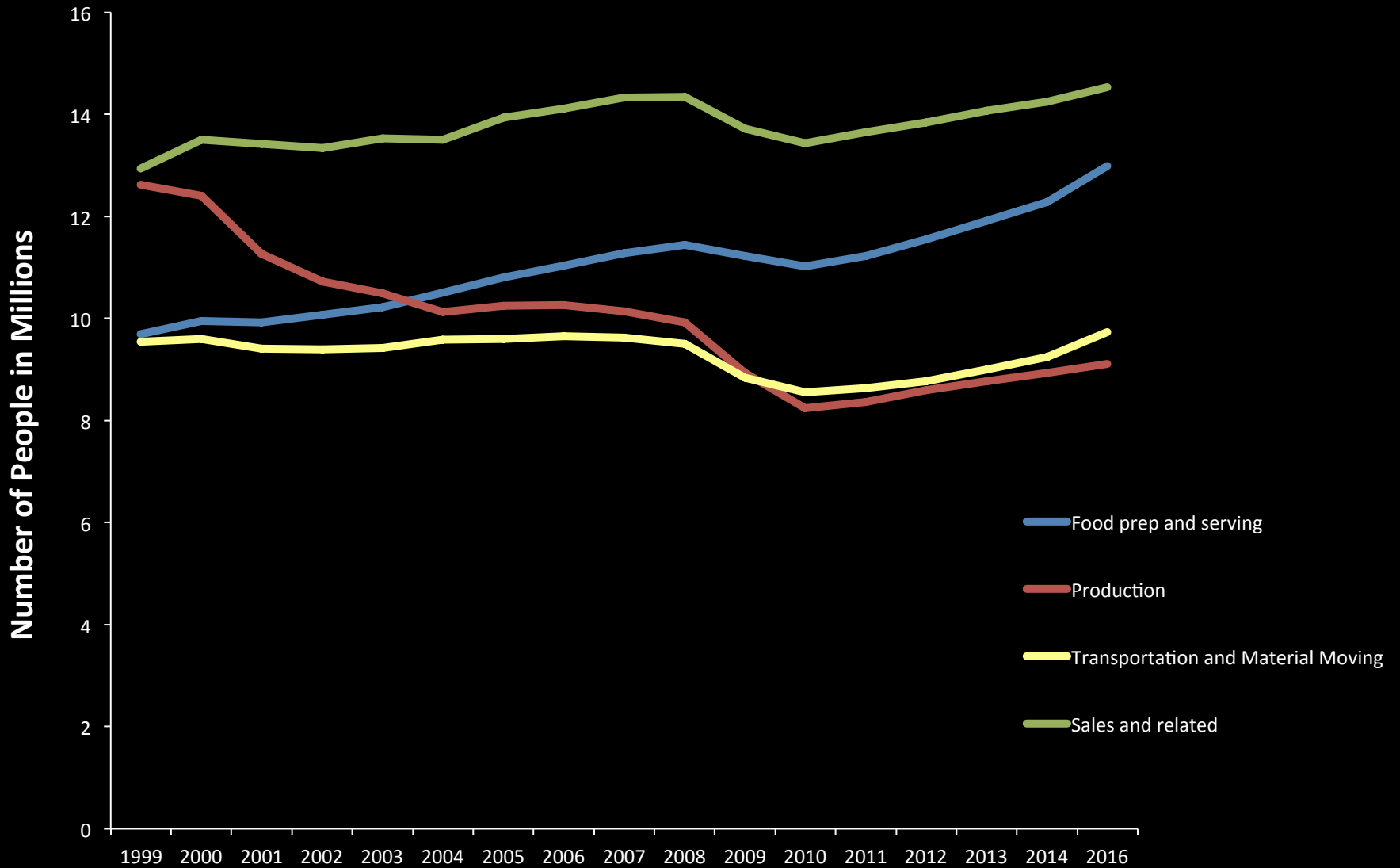


“We are throwaways who are a dime a dozen... Just human robots, really”

Little stability → no time for managing

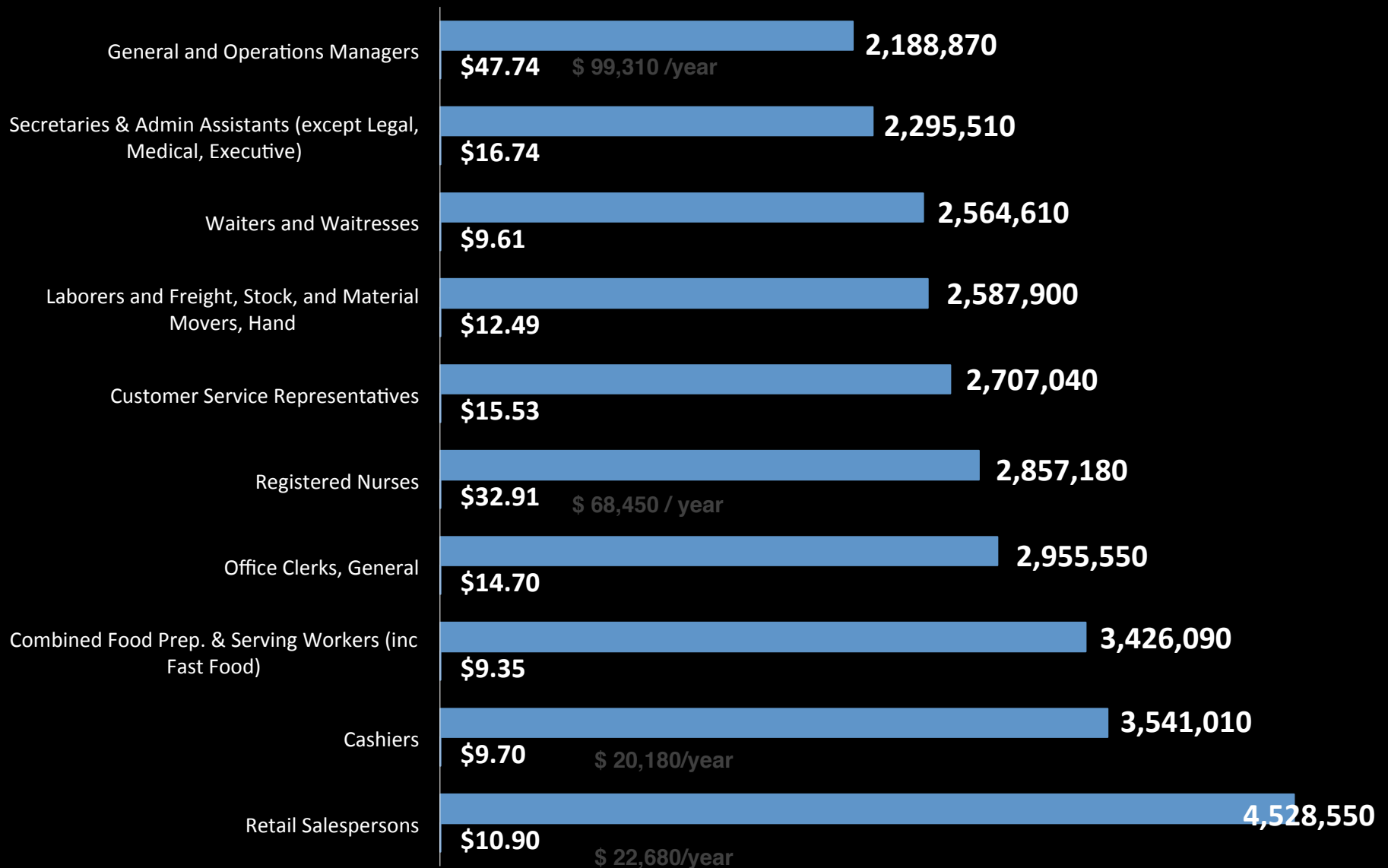
Turnover: 120%





Source: BLS Occupational Employment Statistics Survey (Major OCC Group)

Largest Occupations, May 2016



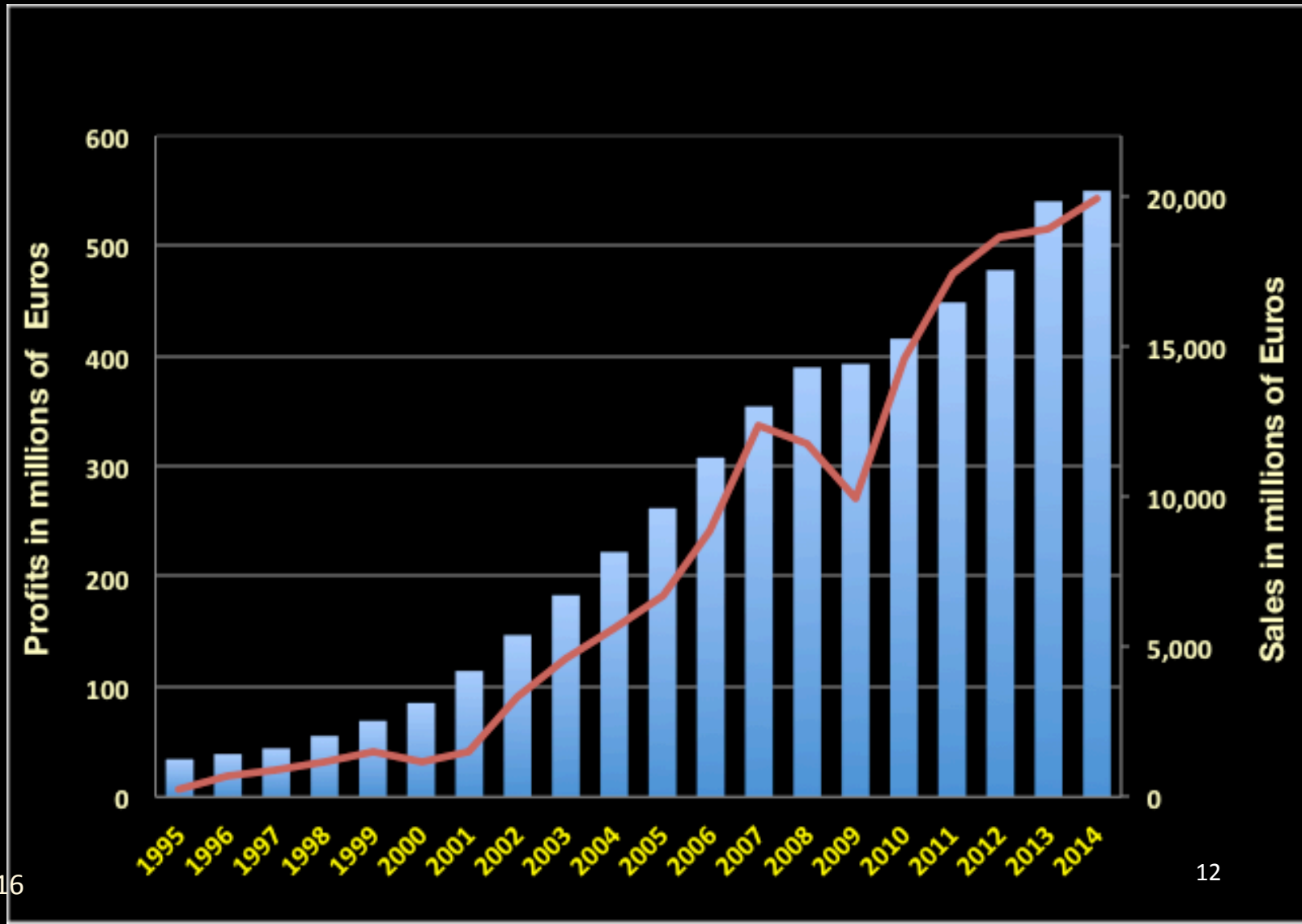
Conventional wisdom

**bad jobs & bad service
necessary for low prices**



MERCADONA
SUPERMERCADOS DE CONFIANZA

Spain's low-cost leader

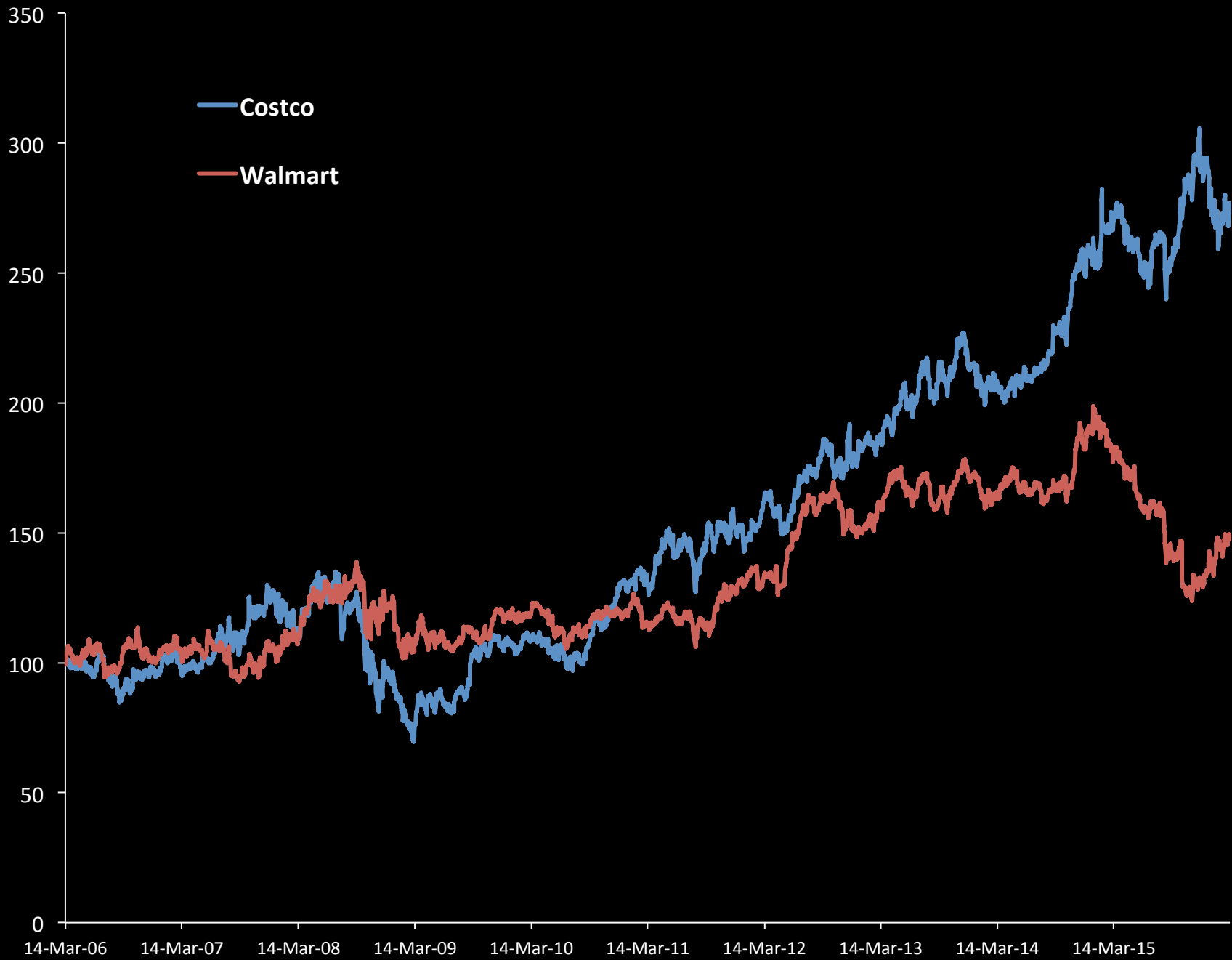




QUIKTRIP



Profit/store: 89% > TQ
Sales /hr: \$142 vs. \$94.7 (TQ)
Shrink=0.7% vs. 1.52%



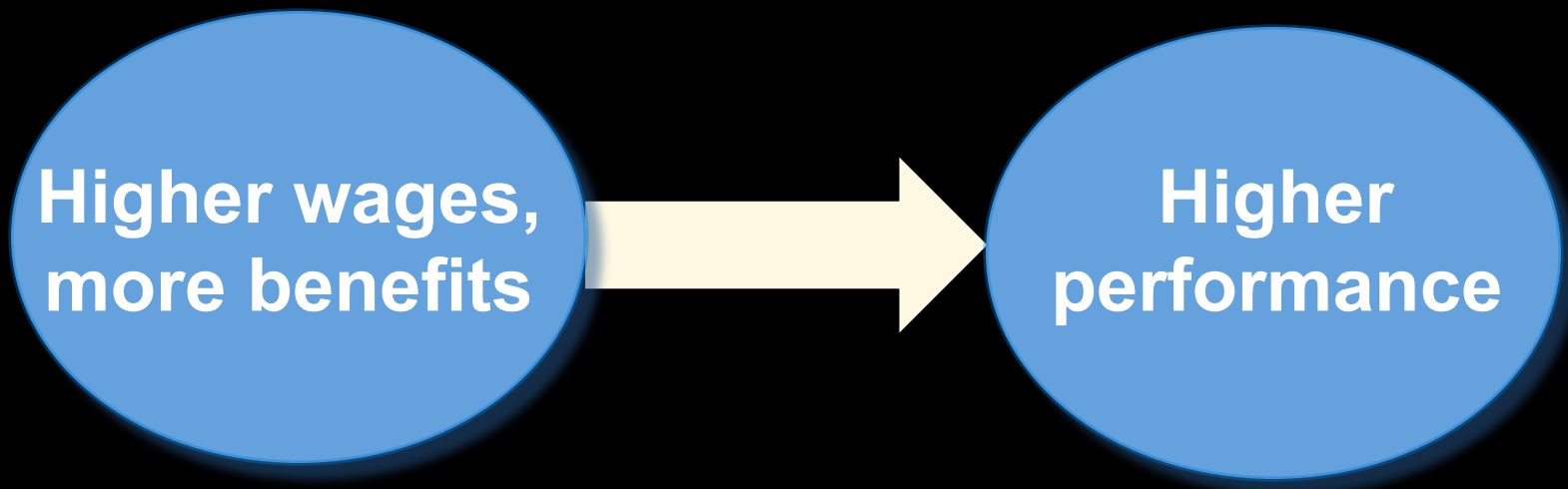


MERCADONA
SUPERMERCADOS DE CONFIANZA



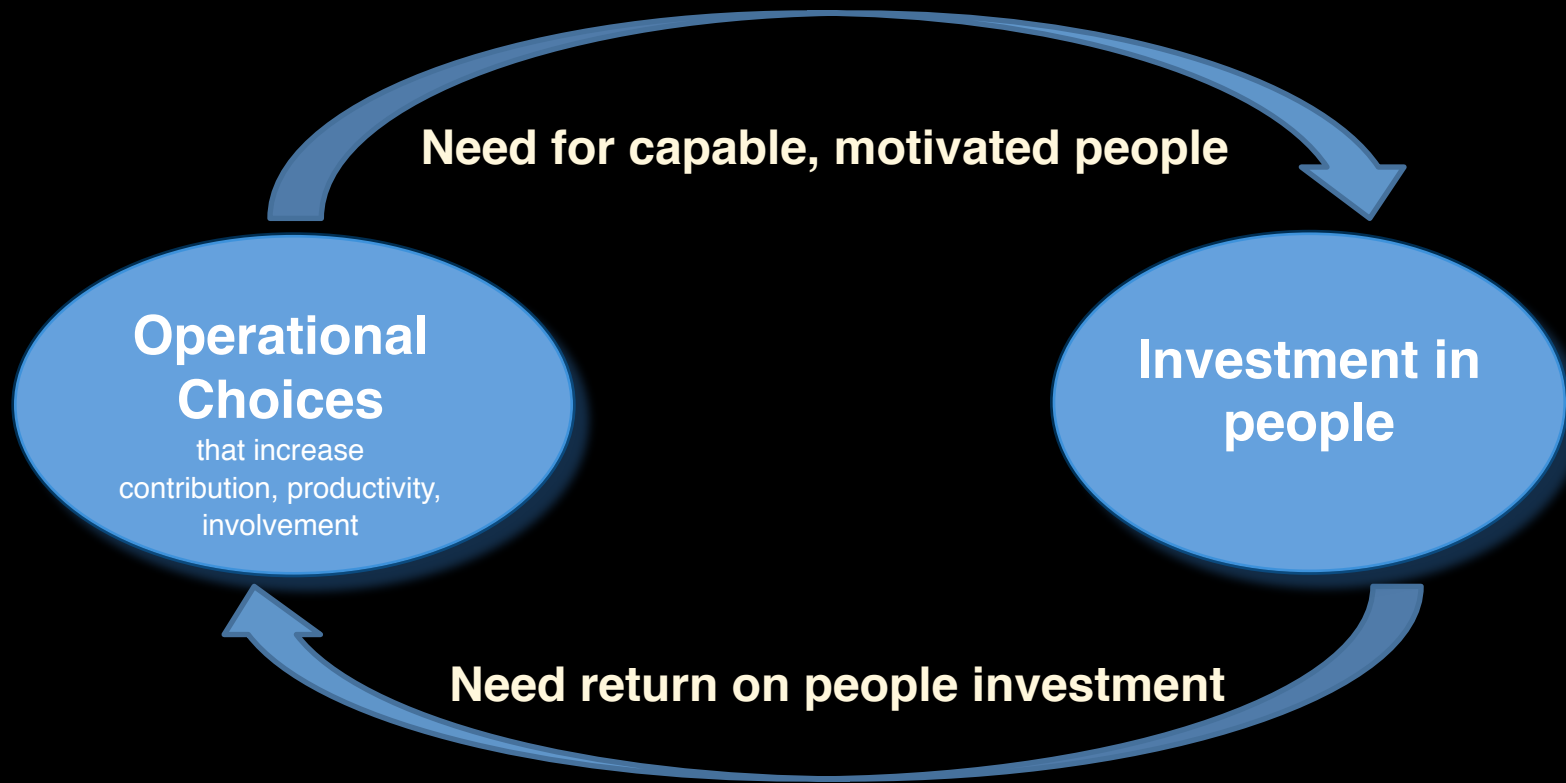
What's their secret?





... not that simple!

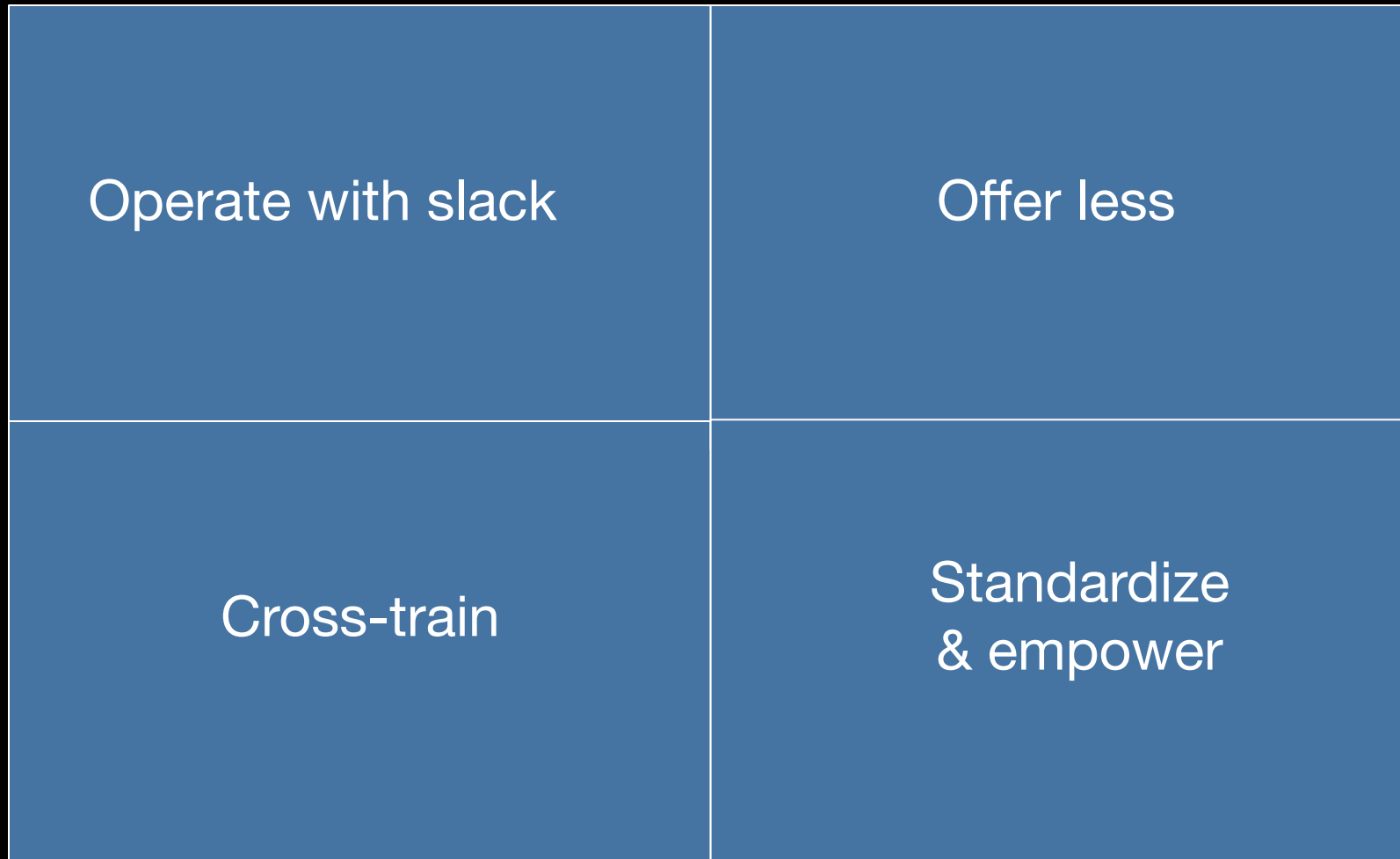
Human-centered operating system



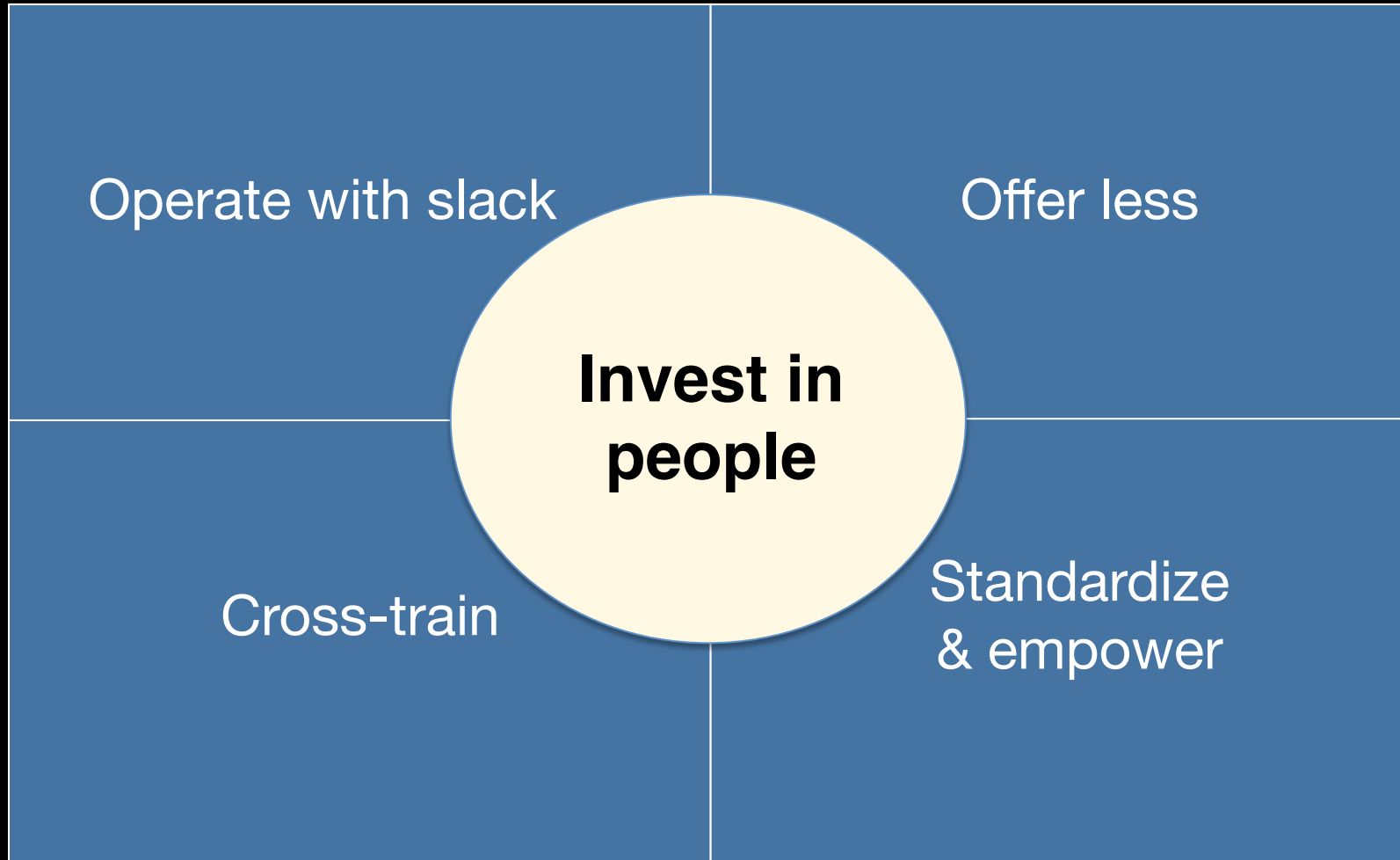
Operational choices that are different than the norm

| | |
|--------------------|-----------------------|
| Operate with slack | Offer less |
| Cross-train | Standardize & empower |

Choices support continuous improvement



The Good Jobs Strategy



Values/mindsets: Customers, Employees, Improvement

Research agenda: spread the GJS

Too many companies



Too few companies



Jobs with meaning and dignity



Thank you!