

# Knowledge work in successful supermarkets: shop assistants as innovators

Tjip de Jong

Kessels & Smit, *The Learning Company*, tdejong@kessels-smit.nl

Suzanne G.M. Verdonschot

Kessels & Smit, *The Learning Company*, The Netherlands, sverdonschot@kessels-smit.nl

Joseph W.M. Kessels

Kessels & Smit, *The Learning Company*; University of Twente, The Netherlands, j.w.m.kessels@tsm.utwente.nl

*Managers constantly seek for innovative ideas to improve their organisations. Their staff, sometimes supported by external consultants should then develop these ideas further and implement the results in the organisation. This does not always work out the way intended. In this paper we examined this process of change in the case of a supermarket chain in the Netherlands. The aim was to learn from successful supermarkets how the employees in these shops contribute to the change of their work environment. We also looked for interventions that stimulate the knowledge worker's contribution to this process. Our research in 17 supermarkets revealed that it is necessary to allow for diversity; that ownership and entrepreneurship contribute more to change than discipline and obedience; and that the specific role and capability of the manager seems to be crucial. Staff needs to develop competencies that match their own ability and interests in order to successfully innovate in the supermarket. In order to become innovative shop employees should be granted the authority to engage in knowledge work. In the supermarkets that we visited during the research, we found various interventions that could support the development of ownership and entrepreneurship of the supermarket staff.*

Keywords: Organisational change; Knowledge workers; Innovation

## 1. Introduction and research question

Managers constantly seek for innovative ideas to improve their organisations. They want to adopt ideas such as self-directed working, customer-orientation and performance improvement in order to stay ahead of the competition. Their staff, sometimes supported by external consultants should then develop these ideas further and implement the results in the organisation. However, this does not always work out in the way that was intended. According to Boonstra (2000) these change processes often do not have the results that were initially expected. This was also the case for a supermarket chain in the Netherlands. The head office wanted to implement a more customer-oriented way of working in the supermarket but experienced difficulties in implementing these ideas. This paper critically examines the assumptions underpinning the way of working that is commonly used in these kinds of change processes. Based upon the findings in the research in this supermarket chain we subsequently

introduce an alternative way of working that promotes commitment, ownership and entrepreneurial behaviour.

In traditional change processes in organisations, activities are commonly based on three assumptions. We critically examine these assumptions and propose an alternative approach that forms the basis for our research project that studies the change process in the supermarket chain.

*Assumption 1: The initiators of change and the actors are seen as different people*

Often, management develops new concepts that need to establish a new way of working. They prescribe a predefined path for the new change to be implemented. The subjects of the change project are regarded as the 'receivers' of this process. They are seen as passive entities who do not change themselves but who need to be managed for change (Homan, 2006). However, research on innovation in knowledge intensive firms has shown that in the end the knowledge workers are the ones who step by step innovate their work (Van Poucke, 2005). An important breakthrough in our research project is to consider the supermarket staff as knowledge workers who facilitate their own innovative work environment.

*Assumption 2: The end point of the change process is known and can be well defined*

In our knowledge economy success is realised through the continuous creation and implementation of new knowledge and applying this knowledge into day-to-day work practices (Kessels, 2001). The challenges that organisations nowadays face ask for innovative approaches. The solutions to these kinds of challenges cannot be defined and prescribed beforehand. Knowledge workers have an important role in developing these innovations during their work. There is no single expert or HR-department that can develop training for the kind of learning that is required in these innovation processes. Since the end-point cannot be predefined, managers cannot take the role of controlling this change process in terms of implementing a pre-described solution. The term management implies control of processes that may be inherently uncontrollable (Von Krogh *et al.*, 2000). An important change of perspective is considering the employees involved in the change process as knowledge workers who actively work on improvements and innovations in their day-to-day-work environment.

*Assumption 3: The intended change is supposed to be totally new for the organisation*

Organisations that start from the idea that the intended change is totally new undervalue what already happens at the shop floor. Many successful innovations were developed by employees who encountered problems in their work and found innovative solutions. The perspective of this paper is that employees, when given freedom, are constantly working on new solutions. Improvement and innovation are feasible when management connects to these developments rather than imposing an intended change as if it were completely new. Connecting starts when management looks for these 'seeds' or successful examples and uses these to help others in the organisation to learn from these examples. This approach to change and innovation relates to the concept of positive organisational scholarship (Cameron *et al.*, 2003) in which learning from successes and excellence plays an important role.

This research project assumes that the supermarket employees should be considered as knowledge workers that are constantly working on innovations in their work environment, and starts from the idea that successful supermarkets are worthwhile to learn from. Then the following research questions are central:

A. How can the talents and successes of the employees –seen as knowledge workers- contribute to the change of their work environment?

B. What interventions encourage knowledge workers to contribute to this process?

## 2. Methodology

In order to answer the research questions we investigated 17 supermarkets in the Netherlands. The methodology consisted of site visits to these supermarkets. The main focus of the research at each location was to discover the supermarkets' strengths and uniqueness. This research approach finds its basis in the method of appreciative inquiry (Cooperrider *et al.*, 2003) in which successes are used as a starting point to learn from.

During the research the researchers observed the working processes of the supermarket, interviewed all the employees who were present, and directly participated in a number of work processes (see picture 1 and 2). In addition, an in-depth interview was held with the general manager or owner of the store. The participants directly validated the findings. The findings were presented on a poster that also included photographs of the participants. This poster was sent to the supermarket as a present.



Picture 1. One of the researchers (left) with an employee (right) at work



Picture 2. Sandeep (left) and one of the researchers (right) in the bakery

### 2.1 Selection of participants

Important selection criteria for supermarkets to be included in the project were:

- The shop is successful so that we can learn from their approach
- The employees are enthusiastic to join the research in order to learn more about their own strengths

After every site visit the researchers asked the participants whether they knew other supermarkets that would be interested in participating as well. This snowball sampling led to a selection of 17 supermarkets that showed willingness and curiosity in our approach.

During the site visit all employees present that day were involved in the research: the shop assistants as well as the general manager or owner of the shop. The employees in a supermarket are almost constantly busy on the shop floor, and hardly have time for long one-to-one conversations. This caused us to combine interviewing with actively participating in the work on the shop floor. This not only worked well as it gave an authentic picture of the work and the work environment, it also offered an opportunity to get in touch with the younger employees. These youngsters found it not always easy to talk about their experiences

in their work disconnected from the context of work. In doing work together and watching them doing their work you get the opportunity to show your genuine interest in them and their experiences.

It was not feasible to involve all employees in this approach. For instance the cashiers do their job in direct and constant interaction with customers, which made it difficult to have side conversations with them during the work. We spoke them mainly during their breaks.

## **2.2 Instruments**

During the work or when observing someone who does the job, we talked with the employees in order to find out how they experience working in this shop, what makes this shop special, what makes their team special, and how they reflect upon their own contribution. Examples of the questions that were used to find out more about the success of the supermarket included:

- What makes you proud?
- What is your favourite place in the shop?
- What activities do you like in the work?
- When was the last time you got a compliment and what was it about?
- What is easy for you?
- When was the last time you went back home whistling? Why was that?
- What makes your team a good team?
- What do you think is special about your shop?
- What are you doing right now?
- What are you busy with?
- What do you like about this work?
- Do you usually do it like this?
- From whom did you learn how to do it?

## **2.3 Procedure**

A site visit cannot be fully planned in advance, and each visit is different. In one supermarket it was possible to attend a team meeting and have plenty of time interviewing the general manager, whereas in an other supermarket you spend most of the time on the shop floor, looking at employees working there, and doing the work yourself.

Every site visit contained at least the following elements:

- Interview with the general manager or owner
- Short interviews with the employees
- Doing work on the shop floor, together with the employees
- Sitting in the canteen, talking with employees who have a break

The findings were collected on large sheets of paper that were put down in the canteen. On these papers the researchers collected quotes of every employee and typical aspects they found out about this supermarket. By locating these paper sheets in the canteen the employees could immediately validate the research findings. In addition to these text reports pictures were made. Every employee was asked for his or her favourite place in the shop and then a picture was made of this employee standing there (see pictures 3 and 4).



Picture 3. Frank at his favourite place in the shop



Picture 4. Erin at his favourite place in the shop

## 2.4 Data analysis

An important product of the within-case data-analysis per shop is a large colourful poster of the shop. A typical poster contains quotations, typical aspects of the shop, the pictures made, stories about situations that took place that day, and reflections of the researchers involved. Each poster has a stunning title that resembles the essence of this shop's specific talent. The posters were sent to the supermarkets as a present. The reactions on these posters were good. Most supermarkets hung the posters in the canteen. There, the employees laughed about the pictures, read the quotes and texts and recognised their unique quality as a team. The poster was valued as a present for the supermarket.

The 17 posters were used as input for the cross-case analysis, combined with the conversations the researchers had with top-management, HR, and other employees belonging to the supermarket's head office. The aim of the cross-case analysis was to learn more about the aspects that contributed to the success of the supermarkets and in what way employees contributed to the development of their work environment.

## 3. Results

From the analysis of the data three types of successful supermarkets emerged. We found supermarkets organised as a family, supermarkets organised as a student house, and supermarkets organised as a firm. It seems to be important to allow for this kind of diversity in culture. In each of the three types of supermarket ownership and entrepreneurship could be observed. However, in each of the three types organises this takes a different form. It also appeared that the supermarket manager's personal preferences and capabilities are crucial for the success of a supermarket. The next sections elaborate upon these findings.

### 3.1 Allow for diversity

From the cross-case analysis of the data gathered three types of supermarkets appeared. There are shops that function as a family, others resemble a students house, whereas others are runned like a firm. Although combinations and in-between forms exist, these three main types are best describes as follows: family-shops focus on the neighbourhood; student houses focus on the individual employees, and the firm-shops focus on turnover. The local environment of

the supermarket defines for an important part how the culture of the shop evolves. In a city like The Hague the environment of the supermarket is very dynamic, the competition is fierce, the customers are diverse. The shops reflect this as well. The retention of employees is high in The Hague, and there are found more student-house shops. In a small village in the South of the Netherlands however, the relationships with the local inhabitants are dense, both among the customers who all live in the same neighbourhood, and among the employees. This allows the shop to be run for instance like a family.

*The family, focused on the neighbourhood*

The strength of a family-shop is the way the employees are involved with each other. The employees take care of each other, it is a pleasant environment where every employee wants to belong to the group. Employees find it important to make sure that the work goes smooth and that the supermarket, the canteen and the storage look tidy. For the employees the canteen is a place to sit together, to have lunch or sometimes even have dinner together (see picture 5). The oldest or most responsible employees act as fathers and mothers who ensure a disciplined way of working. On the work floor the supermarket manager takes care of the employees. In this supermarket guests and novices will immediately feel comfortable. The sales actions or extras of this shop are focused on the neighbourhood and are relevant for the whole family. For instance shops may organise a family bicycle tour, or do make up sessions for the children.

A potential pitfall of this family type supermarket is a lack of entrepreneurial spirit and a low sense of innovation. Employees in this kind of shops prefer not to do exceptional things, and wait until the parents have made a decision.



*Picture 5. A collaborate lunch in the canteen of a ‘family-supermarket’*

*The student-house, focused on the individual employee*

The strength of a supermarket run like a student-house is the attention for learning and education. It is found to be important to design learning trajectories for novices who want to prepare themselves for a new position. For someone who does an internship the manager thinks of new assignments that not only contribute to the learning of the specific employee, but also to the supermarket itself. This kind of supermarket is often characterised by a pleasant mess. The work relations are focused on the individuals, and so is the way people meet during breaks in the canteen (see picture 6). People stand in for each other when

someone asks for help. Because he or she knows that the other will do that for them as well when needed. They meet after work and often the staff association has many members who like to organise parties or other outings for the group. Usually there is an experienced senior or doyen who acts as an example for the other employees. This person tries to incorporate everyone's wishes in the work planning.

A potential pitfall for this type of shop is the lack of personal connections in which people take care of each other. The work environment looks chaotic and the shop manager constantly feels the need to steer away from disorder. Since people are focused on themselves and on the group as a whole a potential danger is that people loose focus and neglect customers and turnover.



*Picture 6.* Some people are playing darts whereas others have lunch in a student-house-canteen

#### *The firm, focused on turnover*

In the firm-like supermarket everyone is involved in taking care of the customers and in attaining good results. The weekly turnover is a point of discussion in the canteen (see picture 7). In these supermarkets there is a focus on the separate departments (the butchery, the bakery, the grocer department, the cash desks, the vegetable department, etc). Employees are encouraged to be entrepreneurial in running their department. The baker for instance determines what products he or she wants to stock and for what price it will be sold, and the woman who runs the cash desks thinks of ways to make sure that no merchandise gets stolen. The departments know the turnover for their own department and are actively engaged in raising it. Sometimes it looks like a game between the different departments. The supermarket manager is there to support the teams.

A potential pitfall is that the culture might become harsh because of a one sided focus on numbers and turnover. The personal connections and the attention for learning and training might suffer from this.



Picture 7. Supermarket manager next to the flip over with that week's turnover in a firm-like supermarket

### **3.2 Developing ownership and entrepreneurship**

All the supermarkets that participated showed forms of ownership and entrepreneurship. However, the dominant forms and the way employees realize these depend on the type of supermarket. The supermarkets that function as a family aim at making clients feel at home in their store and therefore initiatives on ownership and entrepreneurship focus on realising a strong and attractive position of the supermarket in the local community. The student house focuses on educational initiatives for the employees. Here, ownership and entrepreneurship are promoted through continuously developing new roles and skills of the employees in order to improve work processes. The firm-like supermarket focuses on the increase of turnover and maximizing profitability. Ownership and entrepreneurship in this type is organized by giving employees autonomy to run their own department. This autonomy creates room for initiative and creative thinking for new ways to increase turnover. In the next paragraphs we elaborate on these perspectives on ownership and entrepreneurship illustrated by some examples.

#### *The family, focused on the neighbourhood*

The family store is focused on the local environment and not only aims at providing good quality of products but also at becoming a focal point in the community with strong and diverse ties. It is a supermarket where people feel very familiar with, people are proud of and where they feel at home. We found three overarching initiatives that reflect the entrepreneurship of the 'family supermarkets':

- **Organizing events:**

This is done through organizing local events such as bicycle tours, lotteries, hikes in the woods and fairs. The supermarket is an active actor in the community in organizing events. For instance in the south of The Netherlands a supermarket organized a hike through three villages that is now organized for the 15<sup>th</sup> time and is very famous locally. The employees of the supermarket play an active part in inventing and organising these events.



- **Focus on local marketing**

These supermarkets do not attract customers through national marketing. Instead, they precisely choose local media for advertisements. Besides this, the supermarket buys specific products for customers that in general are not provided by central logistics. Examples are specific products for Polish fruit pickers who work as migrant workers in the west of The Netherlands or specific alcohol beverages only common in the southeast of The Netherlands.

*"What I like is to make sure the customers are fulfilled. We know our customers and they know us".*

Els (employee of a family-supermarket)

*The student-house, focused on the individual employee*

Ownership and entrepreneurship in the 'student-house supermarkets' is created through educational initiatives in the supermarket and secondly through the role employees have outside their work. We elaborate on these two perspectives and offer some examples.

- **Educational initiatives**

The educational initiatives organised in these supermarkets are always combined with something of benefit for the supermarket itself. Learning and working become two processes that mutually benefit from each other. A striking example is that of a woman who works at the cash register and noticed that a large number of diapers and beer crates slip through without being paid for. Customers place these products at the bottom of the cart and therefore they are easily overlooked by the employees working at the pay desk. This woman heard how another supermarket found out something to overcome this, with a specific technique. Although their own cash-desk system operates totally different she used the elements of the solution she found elsewhere and successfully incorporated this in the training she organises for new employees.

*"I am following an educational programme in collaboration with the supermarket. What I like the best is the alternation between school and work".*

Zaida (employee of a student-house supermarket)

- **Organizing events**

In student-house supermarkets we observe often very active staff associations. The employees, often young employees, organise themselves in such an association and frequently organize events such as a party or a night out to watch the world games in soccer together. This creates strong ties among the employees, with effects for the work environment as well. They form a team in which people are willing to fill in for each other, to change shifts or to help when necessary.

*The firm, focused on turnover*

In this type of supermarket employees all are very aware of turnover. They constantly seek for ways to influence profitability. During lunch, employees will typically ask each other how much they sold and what actions they could do to improve that. Every employee has a specific responsibility for a part of the store. This creates a room for ownership and new ideas within the various departments (butcher, bakery, cash desk, etc). For instance, in one supermarket the manager experienced that the quantity of products on the shelves and in stock did not match with the amounts indicated by the computers that automatically process new orders of products. Too many products were ordered, the storage became too full, and other

products declined. He wanted to overcome this problem and decided to give every member of the 'filling team' the specific responsibility for an aisle. They were held responsible for filling it, for counting the products and checking that with the amounts in the computer, and adjusting with the new supplies. Employees found this really fun to do, they all took the responsibility very well. The manager trusted them in doing so and offered them the complete responsibility, what made it interesting for them as well. A supermarket manager says about this: *"every aisle has specific filling teams and regularly I organize so-called 10-minutes conversations in which we discuss problems, difficulties and points of attention"*. Firm-like supermarkets seem also to have in common that they offer the various departments responsibility in initiating sale actions. This is done without the specific consent of the manager. The employees mostly discuss their ideas with the manager and define a suitable strategy. One of the butchers had pork cutlets for sale. The next day some were left over. He processed these into schnitzel and defined an adequate price. In this way employees are able to influence their turnover, which seems to be important in a firm-like shop.

*"There is one thing I like the most, and that is the aisle with all that week's special offers. Every week I plan a new special offer and take in these products accordingly. Every day I follow how it goes with these special offers. That aisle is mine and I love it!"*

Rob (employee of a firm-supermarket)

### **3.3. Supermarket manager's personal preferences and capabilities**

The third element of how talents and abilities of employees can contribute to the change of their work environment is related to the manager's personal preferences and capabilities. In a study done by Amabile & Kramer (2007) it is concluded that for knowledge work (the work that leads to improvements and innovations) management's engagement and behaviour is crucial. Not by just giving people pats on the back but by enabling people to move forward in their work. This can best be done by setting clear goals and make sure that people know why their work matters to the team, the organization and the organization's customers. From our research in the context of supermarkets the important role of the supermarket's managers also becomes clear. In the successful supermarkets we saw that the employees are actively involved in changing the work environment. This involvement of the employees is related to specific management capabilities. Managers in these supermarkets create room for employees to take initiative and responsibility, and they offer their employees means to influence the quality of their work environment. We found that managers who successfully do this, have three characteristics:

- The manager has specific questions for which he invites the employees to think of solutions.
- The manager values the knowledge of his employees and sees them as the most important starting points for finding new solutions for issues that are encountered during work.
- The manager is able to support individual initiatives by asking questions and helping employees to make plans as concrete as possible.

### **3.4. Shop assistants as knowledge workers and innovators**

In the introduction we described three common assumptions within organisational change:

1. The initiators of change and the actors are seen as different people;
2. The end point of the change process is known and can be well defined;
3. The intended change is supposed to be totally new for the organisation.

In this study of successful supermarkets we observed that shops, although diverse in culture, grant their staff authority to take responsibility, not only for the day-to-day activities but also for improvement and innovations. Shop assistants are not regarded as executors of routine activities but as knowledge workers in their own domains. They are encouraged to use their relative autonomy to build on to their strengths and capabilities. This recognition of personal talent and connected capabilities enhances the involvement and engagement of employees. The initiators of sustainable change are often the shop assistants that feel ownership for their work. Customer orientation and client centeredness take different forms that cannot be predefined and prescribed by the headquarters. Shop assistants find their own ways that fit with their capabilities, interests and the local community. Successful supermarkets very often know why they are successful, where their strengths reside and how they can implement change on the basis of those qualities. Management behaviour that reflects characteristics of an appreciative approach is likely to unleash the potential knowledge workers and innovators among their staff.

#### **4. Conclusions**

Two questions were leading our research. In this section these questions are answered on the basis of the collected and analysed data.

##### *A. How can the talents and successes of the employees –seen as knowledge workers- contribute to the change of their work environment?*

The findings indicate that in order to stimulate change the following factors play an important role:

- It is necessary to allow for diversity. Thinking in terms of standard and uniform rules and regulations does not help. In the research at hand we found three types of supermarkets: 1. The family shops that focus on the neighbourhood; 2. The student house shops that focus on the individual employees; 3. The firm shops that are focused on turnover. Each of these shops has different qualities and different pitfalls. One should connect to these various types rather than imposing a preferred way of working to the various shops.
- Developing ownership and entrepreneurship contributes more to change than discipline and obedience. Ownership and entrepreneurship takes different forms in the different types of supermarkets. The ‘family supermarket’ uses the neighbourhood as starting point for special actions, in the ‘student-house’ supermarkets learning and education take a prominent role, whereas in the firm-like supermarkets the various departments in the shops form the main starting point for entrepreneurship of the employees.
- In all supermarkets we found that the role of the manager is crucial. Supermarket managers are an important lever for the success of possible interventions. The interventions undertaken need to align the personal preferences and ambition of the manager. For instance a supermarket manager who has affinity with educating young employees should think of interventions connected to this affinity that the supermarket would benefit from. For the employees in the supermarket it works best when they can take ownership and be innovative using the framework that is thus shaped by the manager.

##### *B. What interventions encourage knowledge workers to contribute to this process?*

Interventions that facilitate the knowledge workers in supermarkets to change their work environment need to be aligned with the three types of supermarkets.

The following interventions can support ownership and entrepreneurship in ‘family supermarkets’:

- Connect to the local worlds of the employees like their families. Ask the employees what activities they would think of in order to involve the neighbourhood.
- Talk with the customers, what products do they miss, how do they experience the supermarket.

The following interventions can support ownership and entrepreneurship in ‘student-house supermarkets’:

- Look for new opportunities for employees to develop themselves: for example a new position or new responsibilities. Then, together with the employee, develop learning activities that will support the employee in learning to fulfil this new job.
- Do not disregard the frequent get together of the employees during and outside work. They can help to support the teambuilding among employees that provides for the feeling of ownership in their own work and their willingness to stand in for others.

The following interventions can support ownership and entrepreneurship in ‘firm-like supermarkets’:

- Give the employee ownership of a specific part of the store and think together with the employees of ways to increase turnover in that part of the store.
- Listen to employees who have new ideas for the shop and provide support in order to realise these ideas.
- Ownership is something to be learned, so offer clear guidelines and tasks for novices in the team.

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