

Food Industry Education and Training:

Models for the Future

People, Productivity and the Food Industry Manager

by

Patricia L. Pines
Director of Program Development
National Grocers Association
1825 Samuel Morse Drive
Reston, VA 22090

Some months ago, George Melnykovich, the National Grocers Association (N.G.A.) Vice President for Research, Education and Meeting Services, came to me with a request. George asked me to take his place on your program today because we are in the midst of our annual scanning conference. For a time I thought he was taking brief leave of his rational senses to ask me to come and speak to such a prestigious group while he attended a meeting in which I had played an instrumental role in program development. It just didn't seem to make any sense to me.

Now, after several weeks of thinking and working on this project, I believe I understand George's rationale for getting me involved. I have found it not only enlightening but extremely educational to spend the time examining what I think is a critical topic--Food Industry Education and Training: Models for the Future. Essentially my discussion will evolve in four sections:

Section I: Caveats, Backgrounds
and Asides

Section II: The Issue: Productivity

Section III: Food Industry Education
and Training

Section IV: Final Comments and
Recommendations for Success

**Section I: Caveats, Background
and Asides**

My background in the food industry is limited to my experiences as a consumer and almost one year with the National Grocers Association as the director of program development. Thus I have specifically avoided addressing academic preparation for the food industry in this talk. I am addressing you on what I consider to be the basic issue related to training and education in the retail and wholesale distribution system--post-undergraduate programs and systems designed to increase efficiency and productivity.

I guess what I am saying is that I am dealing with what happens after the individual is employed. Obviously, my thoughts have some relationship to undergraduate food industry programs, but I will not specifically address that level of educating our workers.

My only other aside is to identify a few publications that I have used in the preparation of my thoughts for this discussion today.

- Managing the Large Food Store of the Future: The Role of the Store Manager of 1985 and Beyond published by the Coca-Cola retailing research council. This document is an Arthur D. Little, Inc. study.
- Three Alternate Scenarios for Human Resources Development in America 1980 to 2000 developed for the American Society for Training Development by Greg Edward and David Schneider.
- Future Focus: Tomorrow's Careers for Competence developed by Robert W. Stump of Marymount College of Virginia and Peggy G. Hutcheson, Atlanta Resource Associates; published May, 1984.

And, most importantly, these two items:

- Can We Educate for Productivity? A presentation to the 1984 N.G.A. Human Resources Conference by Dr. Richard Dressner from the State University of New York at Albany.
- Putting the Work Ethic to Work: A Public Agenda Report on Restoring America's Competitive Vitality by Daniel Yankelovich and John Immerwahr.

Dr. Dressner's work is the foundation of this discussion.

Having acknowledged my resources, let's proceed to talk about the issue of productivity.

Section II: Productivity

Why aren't Americans feeling good about their work and why aren't we working as hard as we used to?

There is a widespread popular perception that America and the American worker are no longer productive. Something has happened to us. In what is perhaps the most uncharacteristically American attitude--there is a growing lack of confidence in the ability of America to

compete in the world. Americans don't work very hard. The quality of our products and of our labor is atrociously low, whether in technological innovation or in management. In a nutshell, it seems that we have come to believe that--the American work ethic isn't working!

Whatever causes we want to assign to our problems, it is difficult to overlook our work force. The popular wisdom of today is that the old American work ethic is in serious trouble. Let's examine the facts.

- Almost all public opinion polls indicate that the American public believe that most people "do not work" as hard today as they did five or ten years ago.
- An even larger percentage of Americans indicate in polls that they believe that the quality of workmanship is worse than it was ten years ago.

There is more to this popular view, however, than a lament about a slackening effort on the job. Many people also believe that they know why work behavior has declined. In a Louis Harris study:

- 79% believe that most people have less pride in their work today than they did ten years ago.
- 73% believe that people's motivation to work today is not as strong as it was ten years ago.

A Yankelovich, Skelly, and White study in 1981 concluded that 87 percent of the nation's government and business leaders similarly named a failure in people's work motivation as a key reason for the diminished competitiveness of the United States.

People just do not work as hard as they once did because they are not as committed to their jobs as they once were. The usual shorthand is to say

that people are giving less to their jobs because of a failure in the work ethic. This is the popular conception and what I would like to spend a few minutes addressing: Are Americans less committed now to their work than they were in the past? If the answer is yes, what are the causes, and what can be done about it? Are education and training part of the solution?

In the public agenda foundation research I mentioned, the authors introduced a concept called discretionary effort. I am sure you know that economists have used the concept of discretionary income as a way of describing the income that remains after people have paid their fixed and necessary expenses and their taxes. Discretionary income is the portion of income over which the individual exercises greatest control. Accordingly, discretionary effort is the difference between the maximum amount of effort and care an individual could bring to his or her job and the minimum amount of effort required to avoid being fired or penalized; in short, it is the portion of one's effort over which a jobholder has the greatest control. Like discretionary income, discretionary effort varies widely from job to job and from person to person. For example, tenured college professors, who have loosely defined tasks and little supervision, enjoy much more discretion than workers in fast food restaurants who have comparatively little discretion over how much or how little effort they devote to their work. Two observations about discretionary effort will throw light on how hard Americans are working.

First, in recent years the amount of discretionary effort in the workplace has greatly increased. The economy has been transformed where we can no longer think of a working American as a person with a routinized industrial or assembly-line type job. These blue-collar factory jobs--obviously characterized by low jobholder discretion--have given way to more white collar and service sector jobs where there is much more freedom

about how to perform one's job. This is especially true at the distribution level of our industry.

Second, because of a widespread "commitment gap," many high-discretion jobholders are, by their own admission, holding back effort from their jobs, giving less than they are capable of giving, and less than they are, in principle, willing to give.

The public agenda found that fewer than one out of four jobholders (23%) say that they are currently working at their full potential. Nearly half of all jobholders (44%) say that they do not put much effort into their jobs over and above what is required to hold on to a job. The bottom line is this--the overwhelming majority (75%) say that they could be significantly more effective on their jobs than they are now.

Now we have to be careful in our analysis. The commitment gap is surfacing at the time when America is working very hard to maintain its economic vitality in an intensely competitive world economic marketplace. We can't confuse cause and effect and quickly conclude that people not working hard is the main or sole cause of our economic problem. For over twenty-five years we have taken for granted that sustained affluence and our competitive superiority were somehow our American birthright. The point is, the problem may really be the outstanding job of the other nations--especially Japan--in capturing the larger share of the industrial marketplace. As obvious as it is that it must be a combination of reasons that have brought about our problems, it is also true that we are not addressing the significance of this commitment gap in our typical education and training activities. We must if we want to maintain our competitive vitality in the food distribution industry.

There is, of course, a direct relationship between commitment and quality of output productivity: the growth of

discretion in the workplace has reduced the control that managers exercise over the quality of output and has put much more responsibility in the hands of the jobholder. Since quality demands commitment, the result of jobholders' holding back from their jobs has been a decline in quality.

We have used all kinds of explanations to come to terms with the commitment gap--with the problem that we are not working as hard as we can. Just in the last few weeks I have heard commentators mention labor unions, American social policies--the cushion of welfare, our educational system, the size of large corporations, as reasons why we are not working hard. Generally, though, the explanation is that the American work ethic has been eroded. Somehow the good old days when workers believed that work was important in its own right--that it had intrinsic value--maybe even moral value--have given way to the emergence of a new set of cultural values that stress hedonism, leisure, narcissism, and self-satisfaction. But research done by the public agenda and by others shows that this perception of a deteriorating work ethic is both inaccurate and misleading. Work behaviors are indeed deteriorating--but there is still a broadly shared endorsement of the work ethic in all sectors of the American work force.

Most of us continue to believe that work is intrinsically good and we attach a positive moral value to doing good work for its own sake. Despite people's behavior, the work ethic has wide currency in contemporary America. A 1980 Gallup study, conducted for the U.S. Chamber of Commerce, shows that an overwhelming 88% of all working Americans feel that it is personally important to them to "work hard and to do their best on the job."

Respondents in this particular study were asked about the assumption that they make about what they give to a job and expect to get in return. They were presented with four alternative work assumptions ranging from "work is a neces-

sary evil" (work is nothing more than a business transaction and the more I'll get paid the more I do, the less I get paid the less I'll do) up to "work has intrinsic moral value for its own sake." Well, it turned out that the majority of respondents believed in the strong version of the work ethic--they opted for "I have an inner need to do the very best job possible, regardless of pay."

There are some shifts in the motives people have for working, but these shifts do not diminish the work ethic. Fewer people today, as contrasted to past generations, believe that they work to survive; more people believe they work to improve their standard of living. And the most interesting change--especially for college graduates--is that the primary motive for work must be self-development.

So where does this leave us? There is a surprising discontinuity between people's work and their actual behavior. The problem is not that the work ethic has eroded. If many Americans have an inner need to give their best to their jobs, and if increasingly they have a great deal of control over their level of effort on the job, what is preventing them from giving more to their work? Why do they hold back? The real cause of the commitment gap lies not with the new cultural values or with an erosion of the work ethic, but with a striking failure of managers to support the work ethic.

Managerial skill education and training have not kept pace with the changes that have affected the workplace. The trend toward greater discretion on the job is outrunning present management practices. The increase in discretion in the workplace places greater demands on management. Without the built-in external control implicit in managing low-discretion jobs, people have much more opportunity to fritter away their time, or otherwise do less than the best possible job. Some observers have ironically concluded that man-

agement is so inept--so unaware of what is happening--the fact we are not worse off economically and competitively, is perhaps the strongest testimony to the vitality of the work ethic which may have saved us from an even worse fate. The American worker is working in spite of poor management.

A number of findings suggest that the American workplace is currently structured in ways that undermine the strong work ethic values that people bring to their jobs. Let's look at some examples.

A central theme of our cultural heritage supports the idea that individuals will fail or succeed through their own effort and hard work. But too often people receive equal rewards regardless of effort or achievement. Rewards certainly include pay. Most jobholders now say that there is little or no connection between how good a job they do and how much they are paid. Most workers do not think they will be the primary beneficiaries if they work harder and more effectively. In the Gallup/Chamber of Commerce study that I referred to before, only 9 percent of the jobholders thought they would be the primary beneficiaries of improvements in productivity. Most assumed others would benefit--consumers, stockholders, management, society in general--but not them. By contrast, a 1982 study of Japanese workers found that 93 percent of Japanese workers believe that they will benefit from improvements in their employers' profitability.

And, of course, the concern about a lack of connection between performance and reward is not restricted purely to monetary rewards. Recognition in other forms certainly motivates behavior and supports rather than undermines the work ethic. To be sure people want to be paid for their labor. But all of us who are working and have a boss know only too well that the salary alone is never sufficient. We may work because we get paid--we don't work at a particular job just for the money.

All of us are self-centered suckers for a bit of praise. We all like to think of ourselves as winners but rubbing our noses daily in the reality that we aren't doesn't seem to do us a bit of good.

Another obstacle is precisely this area of motivation. Most jobholders hold a generally positive attitude toward their managers. They like them personally and respect them for their dedication. Most jobholders believe that their own managers care more about getting their job done than bossing people around, and the overwhelming majority in studies indicate that they believe they are well treated. But when it comes to whether managers know how to motivate people to perform effectively, jobholders' attitudes shift dramatically. American workers blame managers for their inability to motivate them as well as their fellow workers.

There are other obstacles, but I think the point is made well enough. Managers are shortsighted in understanding what motivates workers, in creating a system and structure that is conducive to enhance productivity, and in general they are undercutting the work ethic.

You may be interested in reviewing a comparison of factors that enhance productiveness with those factors that enhance job satisfaction. Our emphasis in the recent past upon quality of work-life has focused much too much attention on the latter set of factors. Some factors that make jobs more satisfying may be unattractive precisely because they do not require greater effort or commitment.

Factors That Enhance Job Satisfaction

- Job without too much rush and stress
- Convenient location

- Work place free from dirt, noise and pollution
- Working with people I like
- Get along well with supervisor
- Being informed about what is going on
- Flexible work pace
- Flexible work hours
- Good fringe benefits
- Fair treatment in workload
- Job security

Factors for Enhanced Productivity

- Good chance for advancement
- Good pay
- Pay tied to performance
- Recognition for good work
- Job enables me to develop abilities--challenge
- Job allows me to think for myself
- Job requires creativity

If workers are lukewarm about their jobs, it's because management is not fulfilling its responsibilities. Thomas Peters and Robert Waterman in their book, In Search of Excellence, examine America's best-run companies--IBM, Hewlett-Packard, Procter and Gamble, Disney Productions, McDonalds, among others, and conclude that their success is due precisely the soft factors of productivity--the intangible and difficult to measure components of good management. These companies are successful because managers recognize and create incentives for dedication, creativity and responsi-

bility for quality on the part of the workers.

Job Satisfaction and Productiveness--
The Appropriate Blending?

- Good pay
- Recognition for good work
- Good fringe benefits
- Chance for advancement
- Interesting work
- Pay tied to performance
- Job allows me to learn new things

Section III: Food Industry Education And Training

Where do our managers and supervisors in the food industry stand? And, how can we use training and education to develop these managers for the future?

The Arthur D. Little study for the Coke Retailing Research Council offers some insight--not just for retail, but for all managerial and supervisory personnel.

The "good" managers of the sixties and early seventies exhibited the following:

- They had good personalities, self-confidence, and were friendly and stable.
- They got along well with others; they were extroverted and good mixers.
- They had high energy levels, physical drive, and a desire to excel, and they took the initiative.
- They were good disciplinarians: fair and firm. They were able to criticize others constructively.

- They were leaders sufficiently able to give store employees a sense of direction.
- They looked neat and clean.
- They had high moral fiber, with a good home and family life.

But, according to the study, the future manager will need additional skills:

Intellectual Characteristics

Practical intelligence: "Store smarts" and an ability to learn from experience and past mistakes will remain critical. Store managers will also have to demonstrate an ability to understand and perform well within their company's culture. Candidates must apply their enthusiasm and intelligence to the particular way that things are done in their company.

Abstract thinking: While it is important they do not lose the sense of concreteness and practicality that the business is built on, they will need an ability to use theories, synthesize facts, and notice patterns in events happening in the store and their marketplace.

Toleration of ambiguity: They will need a greater ability to cope with confusing situations and not get anxious when projects take several months, or years, to complete.

Judgments: The future store managers should be able to understand enough of the big picture so they know when to act, and when to let others deal with a situation.

Ability to Manage Relationships

Authority: They will not feel a need to apologize for being the store's boss. They will feel confident they are in the right position, and this confi-

dence will be apparent to others in the store.

Sensitivity to others: They will be skilled at reading an individual's feelings as well as having a continual sense of the "mood" of the store (i.e., a reflection of its culture). Future store managers will be able to cope with these feelings and know how to use their managerial behavior to help change them when appropriate.

Articulate: They will have more "presence" than traditional store managers and be effective communicators with people both individually and in groups.

Behavioral Characteristics

Energetic: These managers will not be office-bound. They will actively attack problems, set well-defined targets for the store's operations, and continually monitor progress toward achieving them.

Maturity: They will work well both with their managers and with merchandising and distribution experts outside the store.

Independence: They will be able to stand on their own, but not at the expense of being open to information offerings and constructive criticism from those they work for and those who work for them.

Stamina: They will have a high energy level that can be maintained over the long term. Through delegation they will be able to pace themselves to keep from being overtaken by the detail-oriented aspects of the job.

Good sense of humor: They will not take themselves too seriously. They will use humor effectively to ease tensions.

Perseverance: They will follow through and sustain interest in their

tasks. They will seem like perpetual optimists.

Well-organized: They will use time well to avoid burnout. They will be able to get necessary information and meet deadlines.

Overall Orientation

Achievement-oriented: They will need to identify strongly with the store and the company and will feel personally proud of their accomplishments. They will have a stronger desire to advance their own careers than many of their predecessors.

Adaptable: They can take sustained pressure like the immediacy of the store environment, and are able to "roll with the punches." They have a good vision of both where the store and their career are going.

Integrity and sincerity: There is no question about their honesty and their concern for others and the store. They really care about the store's customers and the employees' welfare and it shows.

Social responsibility: They have a good sense of the store's expanded responsibilities in its community and are active implementers of programs to meet these responsibilities. They are able to determine the practical balance between the needs of the community and the company.

Not only do I wish that my subordinates exhibit these characteristics, I also wish that my managers and myself demonstrate a reasonable number of these characteristics on a routine basis.

Once hired, these "new managers" will need care and feeding, i.e., training. The Coke study summarizes training needs as follows:

1. More training

2. Covering leadership as well as management techniques

Let's look at the management training topics they suggest.

- Assignment design: How to organize a department manager's job so the greatest amount of responsibility for that department can be delegated to the manager.
- Performance evaluation and coaching: How to provide department heads and other key employees with the periodic feedback they will need to do the right things in the right way.
- Worker motivation: What the manager can do to enhance and maintain it.
- Training the trainer: How to train others in the store, formally and informally.
- Managing change in the store: What needs to be done to "bring the store along" successfully as innovations such as store computers and automated reordering are introduced. Recent experience with the introduction of scanning indicated that unless close attention is paid to the human side of these technological changes, stores will not receive all of the benefits possible from them.
- How to lead and organize employee involvement groups: These include quality circles, productivity improvement task forces, scan-error reduction groups, etc.
- Effective meetings: How to make meetings productive. Building a store management team implies that more time will be spent in meetings.

- Personal time management: How to prevent burnout by limiting store managers' total time on the job. Time management training can help them do this and still handle their expanded jobs effectively.

Plus economics, merchandising, departmental operations, and "techniques of competitive analysis." And beyond to leadership-oriented development such as role modeling and mentoring. The study also details recognizing and rewarding the manager's contribution and motivating him or her over the long haul. Very interesting . . . it is clear that our current programs and approaches to training need re-vamping if we are to develop these areas in our store and distribution center leadership.

Section IV: Final Comments and Recommendations for Success

In summary, I believe that our industry is failing to utilize one of its most powerful resources--widespread commitment to the work ethic. Although most people want to work hard and do good work for its own sake, for the most part our stores and warehouses seem to discourage rather than support this. The majority of our workers have a strong work ethic, and a willingness to invest a significant amount of their energy to their jobs.

The challenge before us is to mobilize this work force into working harder and this demands the training and education of our managers. This task belongs to all of us in the industry, the universities and the national state and local trade associations--we can't say it is impossible because the work ethic has been eroded.

The failure to educate for increased productivity is not in our having ignored science and technological innovation. Our industry is not lacking in technical knowledge. We are, however, lacking a fully developed education and training system that addresses the needs of our managers.

So what does all of this mean for our education and training in the food industry?

How should we structure our training to address increases in productivity?

Number 1

Superstores, price wars, competition, labor cost, new technology are causing the food industry to look at training and attempt to measure how these efforts will affect the bottom line of an organization and increase productivity. Any training or education program must include or address how we expect to see these efforts improve productivity and the resultant impact on the bottom line.

Number 2

Education and training must be cost-effective. Our systems have to be designed to be easily modified and repeated if we are ever going to increase our ability to make education and training more cost-effective. For example, we are going to see an increasing use of video, I believe, because of the availability of the equipment and the improved technology and also because it allows you to train people in a consistent, repeatable basis in the same manner at a cost-effective level.

Number 3

We have got to personalize for the individuals being trained. This is where these managerial skills come in. A more personal look at career development and orientation as well as individualizing the overall training program for the organization. That requires the following:

- Needs assessment of the organization prior to the training program implementation.

- Individualized assessment of the workers and managers.
- Training plans that address both of the above.

Number 4

In addition to being bottom line oriented, cost-effective, personalized, we must demonstrate that our training programs are results oriented. They must have the expected effect and impact that we project on the organization and the individuals we've trained--the effect of putting it all together.

So what are the models for the future in the food industry? Well, I think

they are indeed a combined and various lot that begins with the total management audit and long-range strategic planning by managers and workers both top down and bottom up. I am concerned, but optimistic, about our ability and commitment to educate managers to the human side of management; the development of true industry leadership.

Through our education and training processes I know we can produce better work skills. I think we can produce managers. I hope we can produce leaders in the food distribution industry.

Thank you.