



10 Competitive advantages of managing projects in a learnconducive, flexicure, efficient and customer oriented way

This publication is addressed to retail managers aiming at improving their performances by adjusting the focus on a work environment mainly based on life-long learning perspective, consumer orientation, flexicurity and sustainable innovation.

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Introduction

Over the last decades, the EU Retail Sector had undergone sweeping changes and has long been striving for the goals of increased competitiveness, sustainability, innovation, environmental protection and a skilled, mobile and flexicure labour market.

The survival and success at the retail market will depend on flexibility and effectiveness in all aspects of activities, including superiority over global competition at technology application to reduce expenses; and dramatic improvement of service quality.

After focusing on life-long learning perspective and skills development, as the two of the most relevant drivers of competitiveness, the documents will describe the advantages of a knowledge based growth and consumer-oriented attitude as well as the choice of innovation solutions, including sustainable innovation, and the promotion of a flexicure working environment.

1. Life-long Learning and Skills Development in the Retail sector

Investing in skills development can bring long-term advantages to an organisation.

Indeed, training is important for retail managers. The most activity in training and education targeted on the retail sector takes place among people already employed in the sector. The main exceptions to this are higher education and further education courses that provide education to relatively small numbers of full-time students. Much of the training in the sector takes place within enterprises, without any intervention or participation by external providers. However, there has been a significant increase in activity in the sector in recent years by higher education institutions and a number of Skillnets. In almost all cases, training is based on a combination of a tutorial component and a work practice component.

Retailers are recommended to step up their investments in lifelong learning and employability of their workforce by taking into account the diversity of enterprises and their size. Skills development programmes would offer personal training and career programmes to each employee, as part of the employment contract, constituting a mutual obligation to do everything possible to meet the agreed skills requirements. Upskilling is often necessary in order to meet the changing demands of the clientele, to develop the company, to adapt the organisation and processes.

2. The benefits of managing projects in a learnconducive, flexicure, efficient and customer oriented way

- **Using a Knowledge-based growth approach**

There is a general consensus that the knowledge required most often and for most occupations is occupational knowledge, generally knowledge of the products and/or services on offer.

Depending upon the occupation, other forms of knowledge are demanded: appropriate legislation for consumers and employees, regulations for environmental protection and waste management, developments in health and safety legislation, customer relationship management handling systems, the technological and technical systems to be used to manage the supply chain, the role and function of e-commerce, digital purchases processes and online consumer motivation.

Retailers would be expected to forcefully step up their investments in lifelong learning and employability of their workforce. This would be done in a way that takes into account the diversity of enterprises and their size.

- **Opting for employability and adaptability**

For employees in retail sector, the stakes of lifelong training are becoming increasingly important and the trend driven by European initiatives is to make them agents of their own career by developing their employability, that is their capacity to appear desirable or "employable" in the company and on the labour market. The professional paths are not innate, they must be built in both directions: from the individual, regardless of his/her status (student, unemployed, worker, retiree) to the company that may use these skills, and from the company that wants to acquire these skills to the individual who has them. Retail managers should try to employ an increasing number of employees in e-business occupations as they restructure their operations to reflect the changing demands of the digital economy: ranging from web developers to social media specialists and from digital marketing to new business development managers.

- **Being consumer-oriented**

“The companies that are smart are going to be really transparent and say ‘hey consumer, work with us’. The companies that are less smart are going to be the ones that put up a polished surface and pretend.” (Martin Lindstrom - branding expert and best-selling author)

Consumer choices and preferences are among the key factors driving the development of the retail sector. Currently, thanks to the globalization effects mainly caused by Internet and digital technologies, consumers are more empowered than ever before. Consequently, retailers should deal with this change and turn transparency into a competitive advantage for their firms.

Firstly, retailers have to work hard to be honest and talk to their consumers by making sure that their brands are talking to consumers. They engage themselves in taking their consumers’ feedback on board — both positive and negative — by not promising things that they can’t deliver.

Secondly, retailers should work out ways to target their consumers individually and tailor messages for specific segments. If a consumer buys a laptop, for instance, they might not appreciate being offered another one the very next week, but they might enjoy discount coupons for accessories or contact from your customer service team.

- **Providing more competitive retail services**

Considering that the retail sector determines consumers’ access to a wide choice of consumer goods, including basic household goods and groceries, the operation of the retail market has a direct impact on the quality of life of citizens. It is thanks to the services provided by retailers that many consumers can access locally to products from other Member States and third countries, thus taking advantage from the internal market. Retailers can become a driving force in the adoption of sustainable growth paths if they become more responsive to consumers behaviour and increase their interaction with consumers. Competition within the sector must not only be gauged on economic factors but also on social, ethical and environmental ones. Indeed the retail sector has a significant environmental impact, as a result of both its day to day operations and the consumer travel that it generates. Consequently, retailers have to fulfill their environmental responsibilities and promote the delivery of a more sustainable consumption and production model.

- **Accepting the challenges of Digital Economy**

The digital economy is driving a major transformation of the European retail and wholesale sectors. Retailers have to develop significant skills in using technology both to rapidly process market information as well as to optimise the value chain, especially if they work for smaller customer organisations and professional clients. Retailers' expertise in logistics, a central function of the sector, is a critical component in delivering the digital economy. Indeed, for traders, e-commerce offers new ways to interact with their customers and to serve them through different channels and platforms. Addressing the combined challenges successfully and comprehensively the digital economy will lead to the development of a new and exciting competitive equilibrium in European commerce.

- **Choosing Flexicurity as a “win-win for all”**

"Flexicurity", an integrated strategy for enhancing, at the same time, flexibility and security in the labour market aims at reconciling employers' need for a flexible workforce with workers' need for security against the unemployment.

Some components of work flexibility, like working time and pay flexibility, could be considered by retailers as important drivers of company competitiveness.

Providing greater security and flexibility in working arrangements is in the interest of both employers and workers. For managers in the retail sector, a sufficient degree of flexibility will be increasingly necessary in order to improve their adaptability, while employees in the firm will need to be able to enjoy greater job security. At the same time, security, in a dynamic perspective, is not just a matter of protecting the worker against losing his or her job. It is about building and preserving people's ability to enter, remain and progress in employment throughout the life-cycle. It is also a matter of security for firms to preserve and improve their market position, the loyalty of their workforce and their productivity and job creation potential within an increasingly competitive environment.

- **Going towards a sustainable innovation**

Sustainable innovation is about creating new or improved products, technologies, processes and management techniques that produce environmental or social benefits along with economic value. Retailers should be the spearhead in greening the European economy by reducing their carbon footprint, by offering more sustainable products and by helping consumers to reduce the amounts of food they waste. They also should continuously strive to reduce their waste in their operations with all the means at their disposal in the segments of the supply chain where they may have a direct control (logistics, product design, packaging, recycling etc.).

Retailers have the mission to persuade, encourage and accompany consumers in their efforts to reduce their food waste. Moreover, retailers are in an excellent position to provide consumers with information about the meaning of the different types of expiration dates, and practical tips to reduce food waste, such as using shopping lists.

- **Seeking more innovative solutions**

Societal changes and technological advancements are changing the retail sector unrecognisably and innovative business models are emerging. Retailers' activities are not reflected adequately in the traditional and conventional measures of innovation. Retailers have to engage in open, collaborative innovation and place as much emphasis on non-technological as technological innovation, and also combine both service and product innovation. Product innovation is one of the most important aspects of retail innovation.

This could be either product innovation introduced by brand manufacturers or the development of own brands as innovation drivers. The basis for own brand development is purely the needs and demands of the customer. Moreover, retailers should provide with product innovations and create new categories of products that brand manufacturers have not investigated before, in order to increase consumer loyalty as well as attract new customers.

- **Promoting a more efficient working environment**

Facing current social and economical changes, retailers are offering diverse and modern ways of purchasing and selling goods and services and contribute to wider consumer choice as well as flexible and decent employment opportunities, in particular for youth. However, in addition to the quantity of available jobs, it is also important to account for the quality aspects of retail jobs, such as working conditions, including health and safety at work, in order to assure a better productivity and competitiveness of retail business. In general, especially in times of recession, the retail services sector is perceived in public opinion as offering deteriorating working conditions and as neither providing quality jobs nor long-term career prospects. This is the reason why retailers have to strike the right balance between the social objective of ensuring quality working conditions and the economic necessity to have flexible staffing schedules given differing daily, weekly and seasonal foot flow levels.

Conclusion

This report highlights the benefits companies can expect to achieve when life-long learning, skills development, consumer-orientation, sustainable innovation and flexicurity are undertaken within their workplace. Investing in skills development can bring long-term advantages to an organisation and is essential to support increased performance within organisations.

Moreover, promoting a “flexicure” work environment by reconciling employers' need for a flexible workforce with workers' need for security against the unemployment is a real long term advantage for a company.

Another driver of competitiveness for a retail manager is engaging in open, collaborative innovation, placing as much emphasis on non-technological as technological innovation as well as combining both service and product innovation.