

# case study



INVESTORS IN PEOPLE

## Sainsbury's



### Background

Size:	over 149,000 people
Sector:	Retail
Location:	National
Status:	Most recently recognised in 2007

### The organisation

Sainsbury's Supermarkets was established in 1869 by John James and Mary Ann Sainsbury and is Britain's longest-standing major food retailing chain. Sainsbury's employs over 149,000 people, of these, 60% are part-time and 40% full-time and 62% of employees are women. Their aim is to ensure that all employees are given opportunities to develop their abilities and are rewarded for their contribution to the success of the business.

Their goal is as follows;

"At Sainsbury's we will deliver an ever improving quality shopping experience for our customers at fair prices. We will exceed customer expectations for healthy, safe, fresh and tasty food, making their lives easier every day"

Originally, Sainsbury's had Investors in People recognition for each of their stores, with J. Sainsbury's Chaddesden being the first store to be recognised in May 1998. Other sites followed over the next year or so and in February 2001, Sainsbury's achieved corporate recognition encompassing the whole organisation.

- **Over the last 3 years they have achieved a 10% upturn in employee engagement**
- **Employees feel cared about on an individual level**
- **Effective use of corporate communication to ensure shop floor cooperation, underlying the one team approach.**

*"One of the keys to Sainsbury's success is the sense of team accountability we have built. Here everyone has an impact on constantly improving our offer to customers. The feedback from Investors in People has helped us to identify solutions that enable us to motivate our people to perform."*

**Justin King, CEO at Sainsburys**



### **The challenge**

Sainsbury's sought to compare management and delivery structures to identify what worked and where, across the differentiating branches ranging from large supermarkets to relatively small convenience stores. More importantly, they wanted to establish areas of variability and one of the key points was to investigate whether diversity management was operating effectively. Furthermore their work ethic: that everyone is part of a team and are 'colleagues' regardless of seniority, needed to be demonstrated throughout the company.

A tangible management style needed to be applied across all operating models in all areas, from logistics to in store. This in turn would create a consistent style of management across all the teams which could be easily understood. If this was already working to an extent, they wanted to identify how to improve on it and accomplish more.

### **Sue Round, Head of Leadership Development**

comments, "At Sainsbury's we believe in raising the bar continuously and improving what we do as a business and for our team of employees. We chose Investors in People because they have huge credibility and the revised standard really reflects the needs of a modern business."

### **The strategy**

The review covered 149,000 people and a good representative sample, using surveys and face to face interviews. In addition, all senior managers were interviewed, plus employees across a range of branches throughout the UK. Interviews with top management can prove integral to what's discovered so it was important this was accomplished within the review. Findings needed to reveal effective methods that would enforce a strong dynamic team approach and identify key HR metrics.

For any large business, ensuring consistency across all branches is a constant challenge. Sainsbury's wanted to stream line their values and extract good working practices to maintain a productive and congruous workforce.

Once key factors were revealed in the survey, there was a need to demonstrate not only what was required to rectify the issues, but help identify the objectives needed to get there. The survey was developed to extract and pinpoint those factors whilst Sainsbury's gathered information that supported their achievements and successes. As an organisation they had a wealth of Management Information statistics which helped the evaluation aspect and was useful within the process.

It was important to address the balance and compare all parts of the business including all branches and sites against these points. As a business, it had already been noted that there was no complacency and the focus was on development, so it was vital to get the right information to act upon.

### **The results**

As a broad overview, Sainsbury's is extremely workforce orientated on every level with the use of several barometers to monitor this. What is very apparent is that Justin King embraces the 'team' approach and is an excellent leader. This team approach, cascaded down from Justin, makes employees feel cared about on an individual level. It will inevitably always be a challenge to engage with everyone on that level, especially as Sainsbury's is such a large business, so this will continue to be worked on. At Sainsbury's, it is evident that staff feel valued, and this is apparent because of the excellent succession planning and career development offered. There is effective use of corporate communication to ensure shop floor cooperation, underlying the one team approach. In terms of figures, over the last 3 years they have achieved a 10% upturn in employee engagement. There has been an improvement in the management of absenteeism and their index training is also working to a higher level. Talent management is also paramount and of a very high standard, continually developing the potential of their staff.

Sainsbury's strength lies in its ability to develop employees through questions and continuous improvement, and they don't shy away from difficult decisions or problems. Investors in People has helped focus activity to areas that need it, for example their induction programme needed to be slightly amended. The engagement survey was looked at from a different perspective and expanded to make it work harder and excel as an HR tool. In addition, as a result of the review, performance management across the business needed to be looked at and modified and their training manual simplified. Their intranet system worked effectively and was also a great way to communicate company wide.

There were many improvements across the company but there is still a focus on developing an even higher level of excellence in the workplace. This clearly demonstrates what a thriving working ethos they have and a driven determination to become the best. Sainsbury's has it got it right from the top down, with the CEO, Justin King, demonstrating outstanding leadership and credibility with all partners at the front line. What makes it a great company is its openness and willingness to learn and improve, which is the hall mark of a successful business.

**Sainsbury's were assessed by Capital Quality Limited, the Investors in People Centre for London.**



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