Sherwin-Williams: Recruitment and Retention
Honors Project in Business Administration
Team Something Creative

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Agenda

Recap of Project
Secondary Research
Primary Research
Conclusion & Recommendations
Implementation & Next Steps
Recap of Project
Research Question

How do we improve Sherwin-Williams recruitment and retention strategies?
Secondary Research
Retail Industry

• The retail industry is not the first choice for most people
  • Viewed as a stepping stone for many high school/college students
  • Many part-time employees looking to bring in extra income

• Brick and mortar stores slowly dying in general retail industry
  • Increasing popularity of online shopping
  • Cheaper prices online and easier to compare prices

• Paint industry is one division of retail industry that will benefit from having brick and mortar locations
  • Consumer need for seeing paint on the wall and color of paint after drying
Turnover

• Increased by nearly 35%
• Individuals spend average of four years at a given company
• Estimated annual loss of $11 billion due to turnover in the U.S. alone
• Est. 51% of millennials planning to leave current company within the next two years
  • 14% higher than Gen Xers (37%)
  • Double Baby Boomers (25%)
• Millennials are expected to make up 75% of the labor force by 2030
• Increasingly short-term, fast-paced labor market
Emotional Exhaustion

• When turnover rates deviate from the static norm and increase:
  • Workload, workflow, and psychological disruptions can occur
    • These disruptions can have adverse effects on the emotions of the employees
• Emotional exhaustion, deep acting emotions, and surface acting emotions all have a significant effect on an employee’s turnover intentions.
  • Emotional exhaustion is the variable with the highest correlation to turnover intentions
Company Culture

• Well-established company cultures generally enable the organization to survive staff turnover
  • A company’s culture must be well identified and understood by employees
• Company culture can change with societal movements
  • Take employee desires into consideration
• Hire employees who would fit the culture already in place
Competing Values Framework

- **Clan**
  - Concern, Commitment, Morale, Participation/Discussion, Openness, Teamwork, Empowerment

- **Adhocracy**
  - Insight, Innovation, Adaptation, External Support, Resource Acquisition, Growth, Flexibility, Creativity

- **Hierarchy**
  - Measurement, Documentation, Information Management, Stability, Control, Continuity, Predictable Outcomes

- **Market**
  - Accomplishment, Productivity, Profit/Impact, Goal Clarification, Direction Decisiveness

- **Human Resources Model**
- **Open Systems Model**
- **Internal Process Model**
- **Rational Goal Model**
Primary Research Plan

• How do people in the retail sector feel about their jobs and the work environment they are in?

• Methodology
  • Survey
  • Focus Group

• Goals
  • Find trends for emotional exhaustion and company culture; show how this may lead to turnover/retention issues
  • Drive recommendations from data gathered from survey and focus group
Survey Methodology

• Distributed to those who work for Sherwin-Williams and other companies (Competitors of Sherwin-Williams), as well as students or other contacts known by group members

• Data collected via Qualtrics

• Survey was active from March 20 to April 10

• Survey sections: Demographics, Emotional Exhaustion, Company Culture
  • Questions about company culture gathered from OCAI online
    (https://www.ocai-online.com/blog/2017/Competing-Values-Framework-Culture-Model)
Survey Results: Demographics

**Gender**
- Female: 72.8%
- Male: 26.1%
- Prefer not to say: 1.1%

**Age**
- 18-24: 62%
- 25-30: 18%
- 31-45: 10%
- 46-55: 4%
- 5+: 11%
Survey Results: Demographics

Positions of Survey Respondents

• Intern – 12
• Sales Associate – 9
• Assistant – 9
• Management – 8
• Assistant Manager – 8
Survey Results: Demographics

- Full-Time/Part-Time split is very similar between retail and the overall results
Survey Results:
Demographics

• 30% differential between retail and overall responses
Survey Results: Demographics

- Nearly 5% differential between retail and overall responses for long-term planned stay
Survey Results: Psychographic Questions

- Retail
  - Median score 2.5
- Overall
  - Median score 2.167
Survey Analysis: Psychographic Questions

- Retail
  - Median score 1.2
- Overall
  - Median score 1.4
Survey Analysis: Highest Correlators to Turnover Intentions

• Emotional exhaustion was the best predictor of an individual's planned length of stay

• Agreement with the work environment was the best predictor of an individual's emotional exhaustion

• Emotional exhaustion did not have a strong presence in results; even for retail workers
Survey Results: Company Culture

• Respondents felt their company was **very personal and like an extended family** (43%)
  • 66% preferred this
  • Aligns with Clan culture

• Respondents believed the leadership exemplified **mentoring, facilitating, and nurturing** (40%)
  • 54% prefer this
  • Aligns with Clan culture

• Most would characterize management style by **teamwork, consensus, and participation** (61%)
  • 65% desired this
  • Aligns with Clan culture
Survey Results: Company Culture

• Believed an emphasis on achievement and goal accomplishment (34%) & loyalty and mutual trust, high commitment to the organization (34%) held the organization together
  • Align with market and clan cultures, respectively

• Believed the company emphasized performance, stability, efficiency, control, and smooth operations (45%)
  • Aligns with hierarchy culture
  • Prefer the company to emphasize human development with high trust, openness, and participation (53%), which aligns with Clan culture

• Believed the organization defined success as development of human resources, teamwork, employee commitment, and concern for people (40%)
  • 54% preferred this
  • Aligns with Clan culture
Survey Results: Company Culture

• According to survey results for company culture questions, most employees preferred a Clan culture.

• The few employees that were working in the retail industry, they said their actual cultures were in the Hierarchy category.
  • They preferred their cultures to be in the Clan category.
Focus Group Methodology

• Total of 6 participants
• Approximately one-hour session in Bierce Library
• The following questions were asked:
  • How do you feel about sales positions?
  • How do you feel about a competitive work environment?
  • How would you feel about relocating during your first 2 years of employment?
  • How would you feel if your first assignment was in a retail store?
  • When you search for a career, how does the possibility of an employer paying for continuing education factor into your decision?
Focus Group Findings

• Sales Positions
  • Intimidated people a little
  • Not a fan of commission-based work

• Work Environment
  • Prefer team oriented and inclusive environments
  • Flat organizations
  • Good communication

• Retail Positions
  • Seen as taking a step back
  • Might be alright if there are opportunities to go into management soon after starting
  • Most were not really interested in working in retail
Focus Group Findings

• Company Benefits – Education
  • Very important when looking at a company
  • Makes employees feel valued and like company wants to keep investing in them
  • It feels like extra money

• Company Training
  • Extremely important to provide this to people who are looking to get promotions
  • Extra training helps people find new passions and skills that can be used within the organization
Focus Group Findings

- Company Benefits - Schedule
  - Flexible schedule is appealing
  - Not expected or necessary right away

- Feeling Valued
  - Extremely important
  - Not feeling valued could cause a career change
Conclusion & Recommendations
Conclusion

• Employees prefer a Clan Culture Type

• Emotional Exhaustion may not be as much of an issue in retail as stigma would suggest

• Typical retail positions are seen differently than retail management
Recommendation 1

• Survey within Sherwin-Williams see if results come close to ours
  • Give employees the survey about emotional exhaustion and company culture to narrow the focus solely on Sherwin-Williams
  • Change the demographic questions to better apply
    • Ex. "Which Sherwin-Williams location do you work at?"

• Need to see if Sherwin-Williams has a Clan Culture
  • If they don't, they will need to make company changes to promote/create this type of culture
Recommendation 2

• Not describing job as a retail job as it is not the typical retail position
  • Emphasize the management aspect of the job and the ability to move up
  • Small crew
  • Work more with contractors and individuals doing self-repairs

• Instead of calling it a retail position try calling it "management development"
  • Retail management resonated better with our focus group than a typical retail position
Implementation & Next Steps
Next Steps

• Recommendation 1:
  • Distribute Survey and analyze results to see what steps need to be taken next
  • Could use a third party/consulting agency to put together the survey, collect and analyze the results, and report findings to Sherwin-Williams

• Recommendation 2:
  • Highlight the management aspect of current positions and emphasize the fact that this is not your typical retail position
    • Do this for online job postings and at recruiting events
  • Do this when marketing and recruiting for MTPs
Questions