National Retail Research and Refresh

Differences of Leading in a Support Center

Summary Findings Report with updated trends/insights

Conducted and prepared by

MOHR RETAIL
EVERY DAY IS A CHANCE TO LEARN MOHR

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Overview

Hybrid, virtual, and other workplace changes have created new complexities for leaders in store support centers. This report updates and brings into context our research on the nuances of store support leadership.

Over the past 45 years, MOHR Retail has made a name for itself as the premier provider of interpersonal skills and leadership development for the retail industry, working with clients across North America and beyond. Throughout our history, we have continued to conduct extensive research with major retailers on a wide range of topics, including the competencies and skills critical for effective leadership and negotiation. This research has influenced our thinking about leadership skill-building approaches, individual clients and their results, and even the training industry as a whole.

As clients have come to rely on MOHR Retail's field leadership programs, including Retail Multiunit Leadership (RML) and Retail Store Leadership (RSL), we identified an unmet need for additional leadership training. Retailers were looking for a way to provide a common language, strategies, and skillsets across their leadership ranks, including in the corporate offices and distribution centers, also known as the store support center. While these leaders may have been receiving generic leadership development, it became apparent that this training didn't reflect the realities of working in the retail ecosystem.

In response to this market demand, in 2012 we conducted a research study into the responsibilities, competencies, and specific challenges faced by leaders who work in a retailer's corporate offices or distribution centers. We then developed and launched a new training program, Store Support Leadership (SSL), based on this research.

Our initial research was focused on determining the extent to which the foundational principles, skills, and strategies that drive MOHR Retail's other successful retail specific leadership programs might be used for leadership development specifically in support areas. We conducted field research and interviews with leaders in marketing, finance, store operations, merchandising, logistics, and supply chain. They held positions from department or area supervisors to directors and vice presidents.

We decided to reexamine the research in 2024 to validate our initial findings and bring into context any new factors affecting store support center leaders 12 years later. In our time in the retail talent development space, we have been given access to and trained some of the top retail companies based in the U.S. and Canada. For purposes of confidentiality, we are unable to reveal specific names of clients surveyed in the initial research and follow-up. However, the range of retail formats included specialty, luxury, big box, off-price, discount, and outlet from diverse sectors including apparel, home, crafts, automotive, boating, fitness, cosmetics, and grocery. Many retail support leaders were interviewed about their leadership challenges and how they handle the range of interpersonal situations they face on a daily basis.

Overview cont.

One of the biggest differences we've observed since the original research was conducted was the pandemic-driven trend toward hybrid and virtual work teams and the new complexities this has created in terms of leading and managing teams and maintaining a unified culture. However, the pendulum has begun to swing back in the other direction as a number of the retail organizations we work with and have surveyed are implementing return-to-office mandates. The policies vary, with some requiring employees to be in the office five days a week, some requiring three days in the office, and others requiring store support center associates to live in the area of the store support center so they can attend on-site meetings as needed.

While we've found that distribution center leaders have largely been required to work on-site five days a week throughout this period, some retailers have allowed select DC leadership positions to have the flexibility to work from home two to three days a week.

This document summarizes and updates our findings, major themes, and their implications for leadership development of support leaders. We share this information and insights freely so that retailers can understand and strengthen their approach to developing leaders within their support area ranks.

Executive Summary

There is a myth about leadership training approaches and developing leaders: All leadership is about getting things done through people so all leadership training programs can teach all leaders how to do that. We have to acknowledge a bias right from the start for MOHR Retail. We have seen how the pace, dynamics, customer influence, and competitive market forces all shape retail leadership in different ways than general leadership development training is able to address. Of course, there are core ideas and concepts shared by all retail leaders—even globally. What we found out about support versus store leadership is another subset entirely.

As part of our field research protocol, we began by creating a list of questions, including but not limited to:

- What are your responsibilities in the area?
- How are you evaluated during the year?
- Describe some of the more common leadership challenges you face and how you typically handle them?
- What training have you received as a manager or leader?
- What has been missing from your development that would be helpful?

We primarily gathered information from support leaders either via phone, zoom or in-person interviews. We were also able to observe through leadership training and gauge the reaction of the support leaders' participation and issues.

The next phase of the original project was to evaluate what the key differences were between store and support leadership issues and the requisite skills each needed to be successful. Six major themes re-emerged from this review. All of them pointed to significant differences that mattered. These differences would eventually reshape our thinking on what content and learning approach are essential for support leadership training.

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major themes emerged from the data.

Here is what differentiates Retail Store Support & DC Leadership from Retail Field Leadership:

- Perform triple roles of "Do", "Lead," and "Influence"
- Develop technical skills more likely than interpersonal skills
- Have specialized roles and responsibilities which create silos
- Lead associates who often work independently
- Have broader exposure to wider range of people and teams
- Are successful as much for their leadership presence as their competence

THEME ONE:

Triple Roles of Do, Lead and Influence

Support Leaders are busy. And for good reasons. Not only are many of them working leaders (which means they have their own work to do in the department), they also oversee and are evaluated on their team's productivity while concurrently serving as a business partner and advisor to other support departments and the stores. For example, while buyers' or category leaders' main focus may be the procurement and promotion of profitable merchandise buys, they also have supervisory responsibilities to develop and promote their teams of analysts, assistants, and/or associate buyers. In addition, they serve as business partners to others within the organization during discussions of IT implementations, new branding initiatives, store design, loyalty programs, marketing, or training efforts.

This paradigm of working leaders (do), supervisor (lead), and business partner (influence) exists throughout the distribution center and home office environments. By comparison, the store environment relies on a leader's dual ability to focus on a range of operational responsibilities while supervising their team's ability to meet customer needs. The implications of having triple roles to play and play them well begin to manifest in a support leader's challenge of juggling all three competently. Also, each of the roles has requisite skills and talents not completely aligned across all three roles. A working leader means they have to be very organized as well as job-centric competent.

The role of the boss means being able to lead multiple types of learning and motivational needs, run meetings, and set goals and provide constructive feedback to individuals.

Lastly, the business partner role requires that support leaders have the necessary influencing skills to add value to discussions and be seen not just as an obstructionist but a specialist who understands the implications of company decisions. They also need to be able to present their ideas in a compelling way to others who may not agree with or understand their department's processes or goals.

THEME TWO:

Development of technical skills more likely than interpersonal skills

Retailers commonly focus on and provide function-specific training that builds competencies well beyond the basics of new-hire training. Increasingly, competency-based training is an essential requirement rather than a "nice to have" option. Processing shipments efficiently, executing payroll, negotiating with vendors, or handling IT upgrades are examples of responsibilities that if not done well could bring the retailer's business to a halt. As a result, retailers are much more likely to have developed or purchased training on these job-specific tasks and closely monitor associate completion. Unlike the stores, where sales and service training is frequently a priority, soft skills training in support areas is rarely given the same priority as the technical training that immediately impacts safety or the processing of entire shipments of merchandise.

There is a natural and important focus on the technical information needed to get a job done from the beginning. However, leading conflict, setting expectations, learning how to delegate effectively, providing constructive feedback, or running cross-functional meetings is not the first training support leaders receive. Our research indicated that in fact, sometimes interpersonal skills training isn't done at all in support areas. Retailers often rely on the previous experience of the leader to have learned those skills. And when critical skills training does occur, it often lacks the departmental tailoring to make the learning relevant, applicable, and as a result impactful to highly differentiated support professionals.

The implications are numerous, beginning with the impact on the Human Resources department, which may find many support leaders escalating performance issues rather than handling them on their own. Additionally, without specific interpersonal training support leaders stay focused on the job at hand and may let issues relating to motivation slide by ignoring them. Given that support areas often have clear metrics; this may also lead to a 'one and done' conversation about performance versus taking a 'strengthening through coaching' approach by the leader.

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THEME THREE:

Specialized roles and hybrid work create silos

Those who support the stores and a retailer's ultimate customer play very specific roles. As such, each department has unique operational and procedural policies and processes that they execute as they provide stores support. The support areas in the distribution center and the home office have well-defined positions and often have detailed expectations, some even legislated through laws at the state and federal level, about what their work is and how it is to be performed.

Organizationally retailers arrange offices and functional responsibilities into separate teams. It makes sense due to the narrow and deep approach that allows that department to become the specialist in a particular topic area. They know a lot about one major part of the business. As a result, retailers have to work harder and the individual within those functional silos too, to continue to be connected to other parts of the business. In order to maximize efficiency, retailers often intentionally narrow responsibilities in support areas. While this does create well-defined responsibilities with a much greater depth of skills, it also has a tendency to shape thinking into a "black or white," "in policy or out of policy'" approach. If you're trained on technical specifics and measured on technical specific outcomes your world naturally begins to look and feel siloed, separated from other departments with their own procedures.

Support areas and their leaders are in a supply chain that can sometimes feel as though we receive something from elsewhere, do our part, and hand it off to the next cog in the wheel.

Retailers that recognize the importance of consciously working to connect support departments' roles to each other and the stores are more likely to build a culture of awareness of the whole. The implications of having these tightly defined support departments for efficiency's sake also means there is work to be done in helping them connect to others. This becomes particularly important when support leaders work on cross-functional teams where individual perspectives of a situation can be quite different. The rise of hybrid and virtual teams has exacerbated this silo-ed mentality while creating new challenges for getting the most from the power of collaboration and from individuals who may feel "forgotten" or disconnected from the culture. Gone are the watercooler brainstorming sessions or the opportunities to walk to and have lunch outside of the office together. These have traditionally been important ways to stoke creativity, solve problems, and think outside of the box vs. inside the office.

An additional implication is that it's the leadership skills and strategies that often help support leaders understand how to improve their department's productivity by working more effectively with other departments within the supply chain. The leader's ability to articulate to their team why something comes in the way it does and what their department's options are for influencing or improving that situation are far more reliant on a support manager's interpersonal skills than job-specific knowledge.

THEME FOUR:

Lead associates who often work independently

A particularly fascinating difference between store and support leadership was how work actually was performed by individuals in support areas compared to a store. In a store, an associate's work is fairly visible to the leader. In fact, often stores conduct 'observations' in order to give feedback on a particular interaction with a customer. In distribution centers or support offices, where now a hybrid work team who commute into the office a few days a week or not at all or work from home exists. Leaders may meet with their team directly or over Teams or Zoom one on one or in teams to review priorities or new tasks, make new assignments, and answer questions; and then everyone goes back to their home offices, cubicles, or other space and does their work independently. In today's hybrid work environment, support leaders don't spend time watching their associate's work. The leader is also going back to work and doesn't always play the role of observer or follow up in a timely basis.

> **There is an assumption in support areas that you know what to do and you just need to do it. This impacts how often a leader gives feedback.**

When it is given, it may not be close to the actual behavior. In support areas our research also showed a high degree of measurement on specific metrics. The process was often well defined with very specific steps that need to be followed. For example, how to double check an order for accuracy, using a workstation, handheld or tablet that checks where you are in the process and get prompted for what's next.

This focus on outcomes versus process is different from store leadership where processes for building a relationship are much less defined, and where your personal style is allowed to be interjected. Feedback in store leadership is more frequent also because you can see and often watch what your associates do when working with customers or even putting out stock or creating visuals. People in stores learn by doing versus some of the technical/operational training discussed earlier for support areas.

The leadership implication for support leaders includes the need to be more conscious of regularly giving feedback on performance. There has to be extra effort to check in with associates and the team at the office or virtually and use skills to get information and input from associates in the support area so that they can be more connected, and processes can be improved. Working leaders in support areas need to get out of their offices so they can observe work and listen to phone conversations from time to time and provide valuable reinforcement to encourage effective behaviors and redirect less effective ones.

Since much of the measurements in support areas are focused on the outcome, i.e., what we did, such as got the trucks out on time or designed a store interior more welcoming to customers, it's also assumed that the process that 'got them there' works. This will limit innovation and improvement if the support leader doesn't review the process as well as results on a regular basis.

THEME FIVE:

Broader exposure to a wider range of people and teams

DC and support center leaders are more likely to either participate in or lead meetings with other peers and/or senior leaders to work through problems, develop strategies and/or challenge processes to improve innovation. The proverbial "fishbowl" effect of working in or near the home office brings with it both good news and bad news. The good news is that you may get exposure on a regular basis to the company's top executives as your functional expertise sheds light on tough challenges or as cross-functional teams generate innovative ideas. The bad news is that you may get exposure on a regular basis to the company's top executives through impromptu hallway conversations, multiple virtual or live meetings with peers and senior leaders and talent review or calibration sessions.

Our research strongly indicates that DC and home office leaders need to develop the skills that give them the ability to give and get feedback constructively, influence others, and come to the table with a point of view. The communication skills required to effectively influence, sell an idea, or communicate upwards are much more sophisticated and require unique strategies specific to those types of interactions. And unlike technical skills that can be learned, applied, and refined rather quickly, the interpersonal skills that enable work to be done through others needs time and practice to develop.

Leading interactions between all levels of the organization presents unique challenges. Here too, our research showed that a focus on technical skill development does not provide for the influencing skills required to get work done when one lacks direct authority—the ability to influence laterally with peers or 'up' with the boss and other senior leaders including the CEO.

The overriding implication is that, unlike their store leadership peers who work every day in the public eye and are required to 'sell' or teach others how to develop strong relationships, support leaders don't always have the interpersonal skills to present ideas and resolve conflict. As a result, they are at a clear disadvantage. Their job puts them in a position where they interact with multiple levels of authority, and they need to have more formal training that enables them to take advantage of the unique opportunities being in the 'fish bowl' provides.

THEME SIX:

Success is linked as much to a leader's presence as their competence

The "fishbowl" effect discussed in Theme 5 also means that distribution and home office leaders are constantly being observed.

> **Every phone call, Zoom or Teams interaction, or cross-functional meeting is an opportunity to make a favorable impression, or, if handled ineffectively, to diminish a stellar reputation.**

This level of observation means that merchants and support leaders were more likely to get feedback (but not always) from their supervisor. And the feedback was as often the result of something they didn't do or say as much as what they did contribute.

Support leaders sometimes own the agenda of a meeting to which they are inviting either peers and/or more senior levels of authority. Being able to lead and influence individuals or whole departments who do not directly report to the meeting leader makes it particularly important that they have strong interpersonal skills and are leading to at least maintain, if not strengthen, their reputation through these meetings and communications.

There are also many times when merchants and support leaders are invited to meetings where they don't own the agenda but are expected to participate. Our research showed that leading these types of interactions well, often emboldened a person's leadership presence. Their attendance was bigger than the meeting. Their ability to seize the moment or understand the timing of a question or comment could turn them from a mere participant to an insightful leader with a profound impact.

Competence in support areas appeared to be something that was a minimum requirement, not a ticket to the next level. Being able to participate in meetings, leverage quick hallway conversations, and ask just the right question that shows an understanding of a broader, more strategic level for the company enhances the leader's presence.

Together with competence this helped to move the individual into a more visible candidate for promotion within the organization. The implication is that while you need to know how to do your job and must have consistent results from your work, those who were not able to differentiate themselves from their peers through their leadership presence could fall short in the eyes of those executives sometimes, within earshot. Many participants in the research interviews could quickly relay stories from years ago of a decision they made in a meeting that continued to 'haunt' them. Only through increasing their competency while shoring up their reputation over time could they get back to a position of respect and be seen as someone with potential. Lessons around leadership presence were some of the most enduring and important lessons our research group had experienced.

Summary

We started out with an assumption that much of the leadership training we had created for store leaders and field multiunit leaders would be very appropriate for their support center counterparts. We were wrong. As it turns out, the situations, focus of work, levels of interaction, and impact of work environment all reshaped our understanding of how complex and different a support leader's role is. It also clarified how much different the actual training would need to be to meet these unique and demanding situations.

We developed SSL–Store Support Leadership based on this research and designed it in such a way that it powerfully addresses each of these themes. The research project allowed us to move in another more productive direction for both content and design.

We successfully uncovered our own myth about all leadership training being appropriate for all leaders.

Appendix

Differences In **Support** and **Store** Leadership

SUPPORT LEADERSHIP	STORE LEADERSHI
Get the job done through **Functional Expertise** or Specialized Responsibilities	Get the job done through **Shared Responsibilities** or "Jack-of-all-Trades"– "Specialty of None "
Recipient of Function-specific/**Technical Training**	Recipient of extensive **Leadership Training**
Principally executes **three roles** (working leader, supervisor, and business partner)	Principally executes **two roles** (merchandizer and supervisor)
Work is done through **cross-functional teams; heterogeneous workgroups**	Work is done within **homogeneous teams** (sales, receiving, merchandising, MOD's cashiers, etc.)
Exposure to a **broad range** of people and positions and levels of authority	More **narrow range** of exposure to people and positions
Focus on **cost containment**; being at or below budget; **more control on expenses**	Focus on **exceeding sales budget**; less formal control on decision-making around other expenses beyond payroll