



WWD VOICES: RETAIL'S RESPONSIBLE RESET PODCAST – EPISODE 3

AUDIO TRANSCRIPT

Arthur Zaczkiewicz [00:00:00] In this episode, WWD Voices explores how massive changes in the retail workforce are impacting businesses and pushing brands and merchants to not only rethink how to retain workers, but also how to prepare them for long term success. Welcome to WWD Voices, where we share the latest fashion, apparel and retail industry insights. Welcome to WWD voices, I'm Arthur Zaczkiewicz, executive editor of WWD and today, as part of Retail's responsible reset series with Accenture, will be featuring Joe Taiano Accenture's global consumer industries marketing lead, who's going to be in conversation with Sarah Dunn, global human resources officer at Tapestry. So there's been a lot of, you know, change in the labor market, and retail in particular has been hit hard. I think they call it what they call the show the great resignation. Yeah, and I think it's transforming how companies are thinking about their workforce. So within that context, I'm going to start with Sarah. So can you tell us how has the pandemic changed the retail workforce from your perspective? And what are some of the challenges ahead?

Sarah Dunn [00:01:26] Look, I mean, the pandemic has been completely unprecedented. Clearly, we have all learned and being agile and flexed in ways that, quite honestly, I don't think anybody ever thought we could. So from the very earliest days of making the decision with my executive colleagues that we closed our entire network of stores worldwide, that was a very heavy hearted day, I can tell you, but also being led by our hearts, led by people to continue to support our store staff through months of closure and ensuring that we're supporting them in the best way possible. I think that enabled us to really I hate to use the word rise from the ashes, but it created a feeling of agility and optimism that we could flex our store staff, becoming experts in curbside pick up that they've never done before. Our store staff, becoming online

influencers and building digital customer base says that they could continue those relationships with their local customers, yet never having done that before. They just been in our stores serving our customers. So we've seen great innovation and agility. We have supported our teams really strongly, and in some ways I think that has protected us a little bit from the great resignation. I'm actually really feeling while we have to compete for talent on a day to day basis that we actually have a really loyal, really committed team who are there to serve our customers if they're in stores or in corporate, they are learning how to focus our business on digital learning, how to create products even if they're not together. They are just being stretched in so many ways, and I just can't wait to see what life's going to be like as we actually really do emerge from this pandemic and can life won't be the same. It's going to be different, but it's going to be exciting.

Joe Taiano [00:03:37] I would I would add to Sarah's point the point on agility, right? I think even when the pandemic is over the last 18 months has just shown us how agile we can be. And just being prepared for what's next, right? I think we all wish we had a crystal ball to be able to determine kind of what's coming at us. And I think this pandemic forced us to kind of act in that mode going forward. So we're ready and prepared for whatever does come next.

Arthur Zaczkiewicz [00:04:05] So Joe and Sarah, do you think, do you expect us to emerge stronger? I mean, that's what you're suggesting. We're going to be stronger as a result, although this is a very traumatic experience on a global scale. It's been good for certain brands and companies, right?

Sarah Dunn [00:04:21] I think we are going to be stronger. We have been blessed in ways that we could not have predicted, and I actually feel very



optimistic that it brings to companies and it brings to individuals greater awareness of what it takes to have sustained performance, whether it is a balance, whether it is a focus on wellness, whether it is questioning the way we work and improving the way we work every day. And I think it's accelerating the need for companies, partly because employees expectations are so high to think about a fulfilling, sustainable, wellness focused, purpose led experience that will enable us to attract the talent we need to drive our business. I mean, certainly our businesses performed well throughout the really well throughout the pandemic, and we were so pleased to have been able to reward teams for all the hard work that they did have done continue to do during this.

Joe Taiano [00:05:31] Yeah, I think that there is an element. I agree, I think we're going to come out stronger. I also think that there is an element of resilience today in the work force, having gone through the last 18 months and survived it. I think it's given people a bit more confidence in knowing that they can be agile and sort of respond to the needs of the business in a way that they wouldn't have had before.

Arthur Zaczekiewicz [00:05:52] So we have a couple of key words here agility, strength, confidence. All right. Well, we're going to put us in a parking area and come back to that. Joe, from, I guess, a perspective of marketing and human resources, how do they align and how does that align in this environment? That's evolving pretty rapidly.

Joe Taiano [00:06:13] Well, the interesting thing about the functions of marketing and H.R., if you think about it at the core, both functions are about people and relationships. And so there are really several, several areas where I think marketing H.R. really need to be lockstep. So I would say there's there's three. The first goes to what Sarah was talking about in terms of people wanting to work for a company that has a strong purpose. And I think over the last 18 or 18 or so months that has really come to the forefront is that people want to go where they're celebrated, not tolerated, and the marketing department really owns that ran purpose. And it's our job working with H.R. to be able to convey that talent brand story to our people as well as to recruit. So I'd say that's the first one is really all around brand purpose. The second one is around

recruitment marketing because the way that we recruit and where we recruit from is also evolving, especially around the next generation of talent. Right. So looking at things like the diversity at the universities of where we recruit from even to the small things like the swag that we give to students graduating from university today is much different than that we graduated years ago. Students today are much more focused on what is your brand purpose? What is your inclusion and diversity program look like? What are the skills I'm going to acquire? I mean, I'm amazed at the number of resumes I see around sustainable business. So I think this is a generation that is much more socially conscious and aware. And then I think the third area that marketing in H.R. really needs to team on is a communication strategy. So how do you communicate with empathy to motivate, inspire and educate the workforce without overwhelming them? So I think those are kind of the three key areas that I think we need to focus on and partner on.

Arthur Zaczekiewicz [00:08:15] Okay, so so a logo pen is not going to work today.

Joe Taiano [00:08:20] No, I mean, it's so funny. So I'll give you a real quick story. I was at a recruitment event a couple of years ago and we were giving out pens and tote bags. And so I was just, I mean, the tote bags were not moving. I mean, the students did not want tote bags until one of the students came along and started to take like three or four. And I said, Wow, these haven't moved all day like you want three or four tote bags. And she said, No, I'm going to use them as grocery bags. So it just goes to that mindset of, you know, we're thinking, book bags and pens. They're thinking sustainable straws and grocery bags.

Sarah Dunn [00:08:56] I, I could not agree more. I think, you know, one of the things I in fact, I'm amazed that we were able to do it. It was so thrilling. We were able to do it. We actually launched on new purpose during the pandemic. We've been excavating, exploring, fortunately before the pandemic started, but we made the decision under our new CEO, Joanne Corboy Stewart, to go forward with launching our purpose to the whole company last November. So after a lot of research, we aligned on our purpose and values and we were scratching our heads as to how can we launch this purpose, stretch what's possible in a meaningful way when we



are old separated and the team that was working on this came up with the most perfect launch. We actually had a checklist. OK, OK, cello come and perform on Zoom to the whole company. He talked about the tensions in stretching what's possible. He talked about the right tensions, creating music and the wrong tensions, creating a horrible sound. And it brought it alive and emotionally connected us in ways that I would not have thought possible. So that was absolutely key, I think, to actually a lot of the resilience and the emotional connection that the teams have. I'm hoping we might get him back for an encore performance as part of our holiday celebrations this year. And you know, from there to your point, Joe, we went forward and looked at our employee proposition, our employment branding, how we really tell our story from both a equity and inclusion point of view, but also from a sustainability point of view and make bold commitments about what we are doing for society when we're stretching. What's possible, we're not just stretching ourselves and our company, we're stretching what we give back to society. And all of that, I think, is beginning to resonate. It is certainly what matters to people we are trying to attract into the company and it is energizing, energizing our teams. I'm totally in awe of the fact that last year, while we were all remote, tapestry teams gave back more volunteer hours. Than we've ever done before. I just would not have predicted that anybody would have had the energy or the spare capacity to volunteer during the pandemic, and yet we found really innovative ways to do it, and I think it's these connections and this whole life that is so important to the employer promise of tomorrow. And we just we know we're just beginning. We we've created our promise that difference sparks brilliance. So we welcome people from everywhere to stretch what's possible. And I think that speaks to our inclusion, to our ambition. And I hope to the agility and the flex that comes when you're stretching.

Arthur Zaczkiwicz [00:12:09] So I'm going to add that to the keyword list cello. I mean, it's a good point. You know, it's sort of a self-assessment that you're talking about as well, you know, during difficult times.

Sarah Dunn [00:12:23] Absolutely.

Arthur Zaczkiwicz [00:12:24] Josephs Are you seeing that kind of the the same way like from from

a broader perspective, is this, you know, tapestries doing and they have you have 6000, 16000 employees. So it's just the approach.

Joe Taiano [00:12:39] Yeah, I think that having a loop of listening now is really important. So it's sort of this closed loop where in the past, I mean, I talked a little bit about internal communications, for example, we've now shifted that to people engagement. So if you think about, you know, internal communications, it was a one way dialog that is now more of to what we're calling people engagement, which is more of a two way street, so to speak. So how do you motivate, inspire, engage with your workforce while at the same time listening to their needs? So I see a lot of companies Accenture included. I mean, we do lots of active listening sessions. We do lots of employee surveys to understand what's sort of in the hearts and the minds of our people. And so I guess a great example is, is this people engagement strategy that we have? So if you take myself, for example, I sit within the marketing function. We all know working virtually. We are bombarded by emails because we no longer are sort of in the office and just having those natural connections. And so I'm receiving emails from marketing leadership because I'm a part of that organization. I'm receiving emails from leadership of New York Metro because that's where I live. I receive communications from our employee resource group because I'm a part of that. I'm a part of our retail and consumer practice. I get communications around that. So that is for all of our employees, right? They're just getting bombarded with all of these different elements of email from different parts of the organization. And so what we've done is really look at how do we kind of personalize the communication strategy to our employee. So what we now do is we have sort of one communication that gives the employee sort of the bite sized nuggets of what they need to know from the different parts of the organization that they're aligned to. So you're not getting 10 emails any more. You're getting one email personalized to you in terms of what you need to know from different parts of the firm. So I think, you know, that's a good example of where we're actually actively listening to the employee and then taking steps to address the pain points.

Sarah Dunn [00:14:43] I love I love that we so similarly, I think everybody is completely overloaded, and I know Accenture is doing a lot of work on



changing the way you work your father ahead of us in implementing Microsoft Teams. But that's going to be, I think, revolutionized so much about where we work. We're also changing the focus that we have to be much more people centered. We're just in it, appointing our first vice president of employee experience. And I've got such high hopes for what that role will do for us in that listening communicating loop. I think, listen, we're listening on a much more frequent basis. We used to do an employee survey once the we're now doing it at least once the quarter. And, you know, gauging rapidly, what's the one thing we should be doing? How can we focus in on that? What difference can we make in the next quarter? And I think that has changed the just changed the rhythm of how we adapt and how we are learning from our team members. And we are learning, you know, we just one of those orgs and working parents, probably, you know, one of the most stressed groups of people in the world during the pandemic has really helped us shape our new emergency childcare benefits because of their experience during the pandemic.

Arthur Zaczkiewicz [00:16:12] Sarah, how is tapestry planning for work in the future? The workforce of the future, given what's happening now and how it's evolving?

Sarah Dunn [00:16:21] Look, I think just understanding what was what is being asked of us by employees, the kinds of roles, the kind of work they want to do. I think if nothing else, this last 18 months is going is bringing much more flexibility into how we work. We have demonstrated that we can be incredibly productive. Work remotely. Work on different time zones in ways that we had never done before. So we've been busy over the last few months really looking at the roles in our corporate environment in terms of which of them actually need to be in the office, mostly which can be hybrid, which hardly ever need to be in the office, creating work personas, if you like. And you know, sadly, we're not yet back in our New York headquarters. We're already back in Shanghai, in London. So experimenting. But we're expecting hoping fingers crossed to be back in the January timeframe frame and we'll be working in a much more agile, flexible way. The investments we're making in technology allow teams to be connected asynchronously. They don't all have to be in a meeting at the same time. And I think that will change the nature of the way in

which we work to a very great degree. And then I think the other aspect of it is the people centered piece. It is about recognizing the whole per person. How did they connect to our purpose? How do they connect to our values? How do we fit in to the rest of their lives? And is there a whole work and personal environment enabling them to do their best work? Can they devote enough time to themselves? Have they got the latitude to be creative? So many questions that I think will change the nature of work as we go forward. I think the other thing is we need to work on creating a consumer grade experience within employment. You know, we're all used to our iPhones and doing everything we need to do absolutely seamlessly and in our personal lives. And yet that's too much clunkiness in corporate roles in corporate systems. And I think for a long time, we might have put up with that, and I think we now really need to focus on that work experience and improve the integration that we see in workflow tools and in the act of being employed.

Arthur Zaczkiewicz [00:19:03] I think you had mentioned that when we were preparing for this podcast, we were talking about some of this. You described it as kind of smoothing out the employee experience. So how does that fit into the larger value proposition of employees?

Sarah Dunn [00:19:19] I think it fits into enabling employees wanting to have everybody doing their best work focused on the role that they are there to do, whether it's a creative or a merchant or product development sales, whatever it is. I want to reduce the noise level. And oh my goodness, I've got to step out of my day today in order to do this corporate finance procurement H.R. process, all of which probably takes a different app with a slightly different user interface and maybe comes from a different supplier that just creates friction in my workday. And we want to create a more frictionless working environment, breaking through barriers that will enable people to be even more productive and allow them time to do and be their personal life with their personal priorities, as well as producing great work for us. Now, look, we're a long way from that. If there are Typekit Street team members listening to this, that's going to take a while, but that's that's what we would like to do.

Joe Taiano [00:20:30] So I was to add on to that. I was reading this book. I don't know if either of you

are familiar with Daniel Pink in his book called Drive. But I just I love the three elements of productivity. So basically, you know, Tanya wrote this book on a study about what increases employee productivity because I think everyone always feels that it's going to be money, right? It's always going to be a financial incentive. And what they found in this study is that only works for sort of mundane tasks, right? So if you churn out X amount of widgets, we'll give you two weeks extra pay. Productivity will increase. But when you look at the more strategic types of roles, the more cognitive based roles. It's really not about money, but it's about three areas. The first one is around autonomy, which I think we've seen over the last two years. Do I have autonomy over my work? Do I control my workload and what I'm doing? Mastery. And I think we're seeing this a lot in retail right now. So am I being challenged with my skill set and my acquiring the right skills? We're seeing a lot of upskilling of the workforce in retail right now, and I think upskilling is different than training. Right training is giving you the right tools for my current job. Upskilling is giving me the right knowledge and capabilities for a future role that I may not be able to do today. And then that third area goes back to what we've been talking about all along is purpose. So why am I doing what I'm doing? How am I contributing to a broader purpose of the company, to the employee and to myself? And I think those three things will remain true.

Arthur Zaczkiwicz [00:22:02] The one thing both about both of you said this and use, I think several times uses the words active listening and empathy. Joe, stick with you for a second. What role does empathy and active listening a play in creating a successful and productive and energetic workforce?

Joe Taiano [00:22:20] Well, I think we've all over the last two years gone through so much empathy is it's huge. And so I'm a lover of quotes and I don't know where this book came from, but I heard it a couple of days ago and it basically said that pre industrial revolution, it was the leaders that had strength that set them apart post-industrial revolution. It was those leaders that had intellect that set them apart. And now post-pandemic, it's going to be the leaders with heart that sets them apart. And so I just thought that kind of sums up. Everyone has gone through both personal and professional strife in one shape or form over the last two years. And so it does go back to that active listening to really understand. I mean,

sometimes we were thinking of people as machines, but we all have personal lives and things were going through and so really actively listening to what people are going through. And I think sometimes we all default to waiting to speak versus active listening. You know, our people, people are burnt out. I mean, I was reading a study the other day, 40 percent of employees are burnt out. Forty four percent are looking at quitting. So I think if we don't, as leaders actively listen to the needs of our people, we're going to lose out on some great talent.

Sarah Dunn [00:23:36] Totally, totally agree. I think, you know, whether it's, you know, sensing or just real listening, we actually put all of our BP Plus leaders through a program this year called Better Conversations every day. And it was all about learning to listen. And it's a very personal level. I can tell you my emotional response during one of the exercises when we were being taught to listen for values, listen for meaning second and listened to respond. Third, normally it happens in the reverse order. But listen, the values really created such a deep emotional response in the little exercise we did, and that's resonating across our organization. So we're equipping leaders to be able to listen to ask great questions and to really take the conversation forward is, I think, a key part of the culture change that we're involved in. And I think it's going to be so important for engagement and growth in the future.

Joe Taiano [00:24:42] The one other point I'd add to that is listening, but also vulnerability. So we actually also do a vulnerability training, believe it or not. And so it's yes, it's asking the right questions. It's listening. But I think, you know, leaders of teams, if you have the courage to be vulnerable with your people, it just creates that safe environment where people feel the ability to open up and be themselves.

Arthur Zaczkiwicz [00:25:07] I love that I love the idea of creating a safe environment because it also gives room for being creative and taking chances and taking a risk and do doing things out of your own comfort zone because you feel safe and going to get criticized. Amazing. Good stuff. Before we wrap it up, it's got a couple more questions. Sarah, this is this is sort of our fun question that we like to ask participants and guests on the show. Now what life skills are rarely taught, but extremely useful?

Sarah Dunn [00:25:40] Oh. Well, look, I want I want



to say, listening for meaning and values. I honestly not sure that there is anything more important for leaders to learn earlier in their career. I wish I'd learned it much earlier in my career. I think I've spent way too long listening to respond. Oh, that person's still talking, but I'm going to respond anyway. I'm not quite sure what they've said. And I think listening and empathy are just so important. And clearly, we are all on a journey in terms of really building an inclusive culture. And so when you bring that listening together with psychological safety, real empathy, then I think you get a culture where everybody can thrive

Arthur Zaczekiewicz [00:26:34] that that was the other key word. I think I'm going to put that on a board. Is inclusivity, right? You know, you have to you have to put into practice. It's got to there has to be real, right?

Sarah Dunn [00:26:44] Absolutely, absolutely. And we're learning how to do that more deeply every day.

Arthur Zaczekiewicz [00:26:49] Joe, any thoughts on Sarah's point of view here?

Joe Taiano [00:26:53] Yeah, I mean, Maya, I mean, I love it. I'm a big champion of inclusivity. So. But my my answer is probably less profound than Sarah's, I was going to say cooking. So for me, you know, I just feel like I grew up with two Italian parents. Cooking was a big part of my growing up and during the pandemic, I just feel like food brings people together. So I think we all know everyone was making banana bread.

Sarah Dunn [00:27:21] But to me, and to my knowledge,

Joe Taiano [00:27:26] you know, the funny thing is I really do. The whole life skill thing came to me because I grew up learning to use what we had. So, you know, during the pandemic when things were off shelves, right? It's just kind of going into the pantry. It's like, OK, what can I make from a can of beans and some pasta? Well, and that is a life skill. I'm glad I have. Well, it's

Sarah Dunn [00:27:47] I'll be round to tasting Joe

Joe Taiano [00:27:50] Winston.

Arthur Zaczekiewicz [00:27:50] Looking forward to that. And then, Joe, you're both invited. We have, you know, but we're on this topic. You know, this podcast is about retail resetting. So how do you personally reset?

Joe Taiano [00:28:01] Oh, for me. Look, I love to work out. So I am at big fitness enthusiast and studies have shown that you are. And again, I'm a creative and studies have shown that you're the most creative, not in front of your computer, but it's actually when you're doing something completely unrelated. So I always had my best ideas on the treadmill and you know, I've always been an indoor treadmill runner. And so the pandemic forced me to run outside. So I kind of get these two different experiences one fitness by running outside and two being in nature and outdoors. And so that just completely resets and reinvigorates me every day.

Arthur Zaczekiewicz [00:28:38] I have a rail trail that's right behind my house. I can actually walk here from it and I go on the trail. I take a notebook or talking to my phone and make recordings, and it's like the head opens up in the 80s. You know,

Sarah Dunn [00:28:53] I think very, very similar to me. I certainly walk more outdoors than I was. I'm a big Peloton person, so I've handled an awful lot in the last year and a half. And I think resetting for me is about spending time with family cooking and the secret passion around knitting, if that doesn't sound too crazy.

Joe Taiano [00:29:13] Yeah, I expect I expect the scarf for the holidays, though, and so I'll

Arthur Zaczekiewicz [00:29:21] take what I will have. Dinner will have knitted things to wear. Amazing. Well, I think we're out of time, but I want to thank both of you for participating. Today was a great conversation. Again, this is part of the larger series on the retailers responsible reset with Accenture. And until next time, we'll see you again. Thank you. Thank you for attending.

Joe Taiano [00:29:44] Thank you. Thanks, Arthur.

Speaker 4 [00:29:47] Ready. Reset group Accenture helps retailers around the globe embrace change to seize the future. Learn about the five imperatives of retailers responsible reset and how leading retailers



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