



Transparency, measurements and benchmarks used as lean leadership instruments

...it's all about people and
...to experiment you need to observe



Agenda

Background

- Aspect 1: motivation of people
- Aspect 2: measurement and analytics
- Synthesis: Performance Management

Implementation @ Digitec Galaxus AG

- Element 1: establishing cultural values
- Element 2: BSC and business intelligence approaches
- Element 3: employee development and performance appraisal



Background

Group dynamics
Energizing people
Balanced score card
Business intelligence and analytics



GROUP DYNAMICS



A communicated company vision

A Vision is the ultimate, possibly unattainable, state the enterprise would like to achieve

Enterprise	Vision
EU-Rent	Be the car rental brand of choice for business users in the countries in which we operate.
Pizza Company	Be the city's favorite pizza place.
Retail Pharmacy	Be the low-cost health care provider with the best customer service.

*) Source: OMG Business Motivation Model, Version 1.3, <http://www.omg.org/spec/BMM/1.3/>



Two-factor theory of job satisfaction

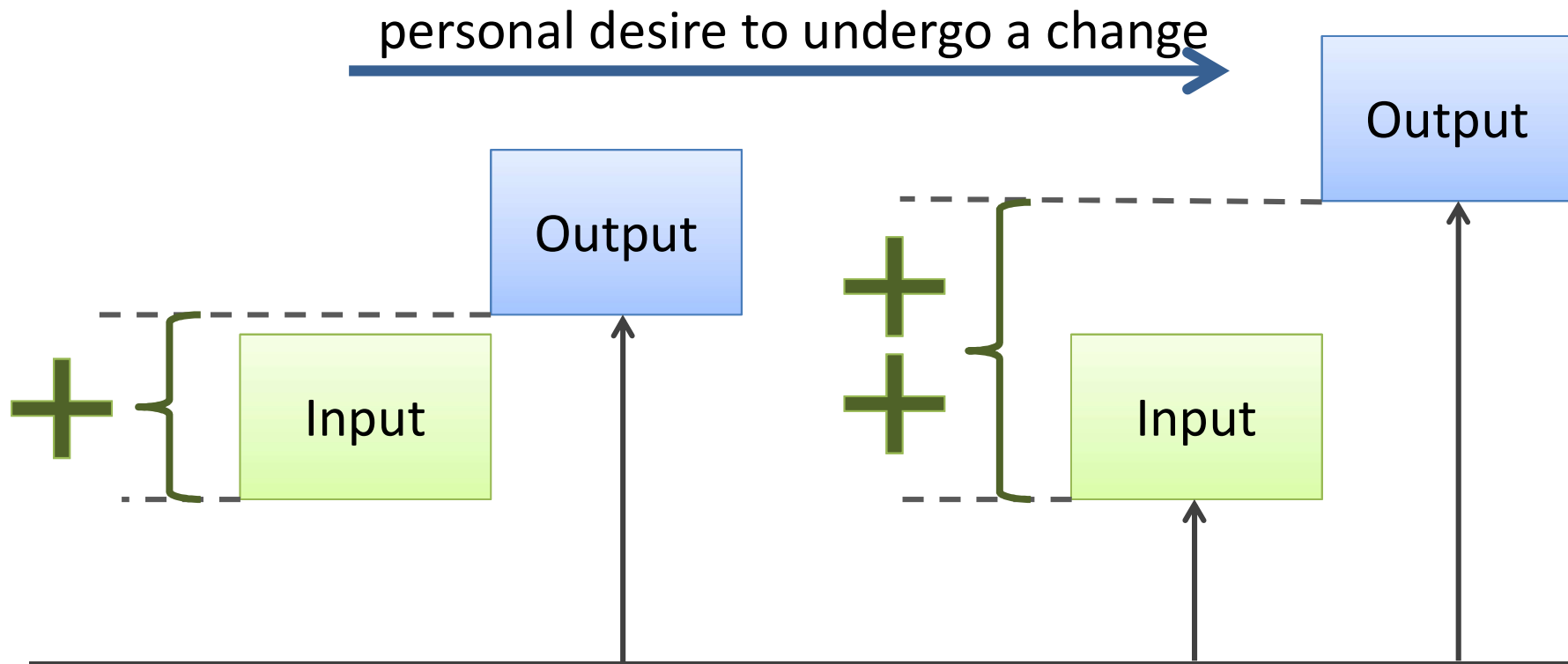
Satisfaction factors	Dissatisfaction factors
Achievement	Company policies
Recognition	Supervision
The work itself	Relationship with supervisor and peers
Responsibility	Work conditions
Advancement	Salary
Growth	Status
	Security

*) Source: Frederick Herzberg, the two-factor motivation theory (1968!)

Why to be part of a team

Team 1

Team 2



*) Source: Gerhard Comelli und Lutz von Rosenstiel: Führung durch Motivation, ISBN: 978-3800635429



Corporate Culture

Definition

- the unspoken code of communication among members of an organization
- a set of norms and values that are widely shared and strongly held throughout the organization (social control)

Why is corporate culture relevant

- culture is considered relevant because employees will face choices that cannot be properly regulated ex ante

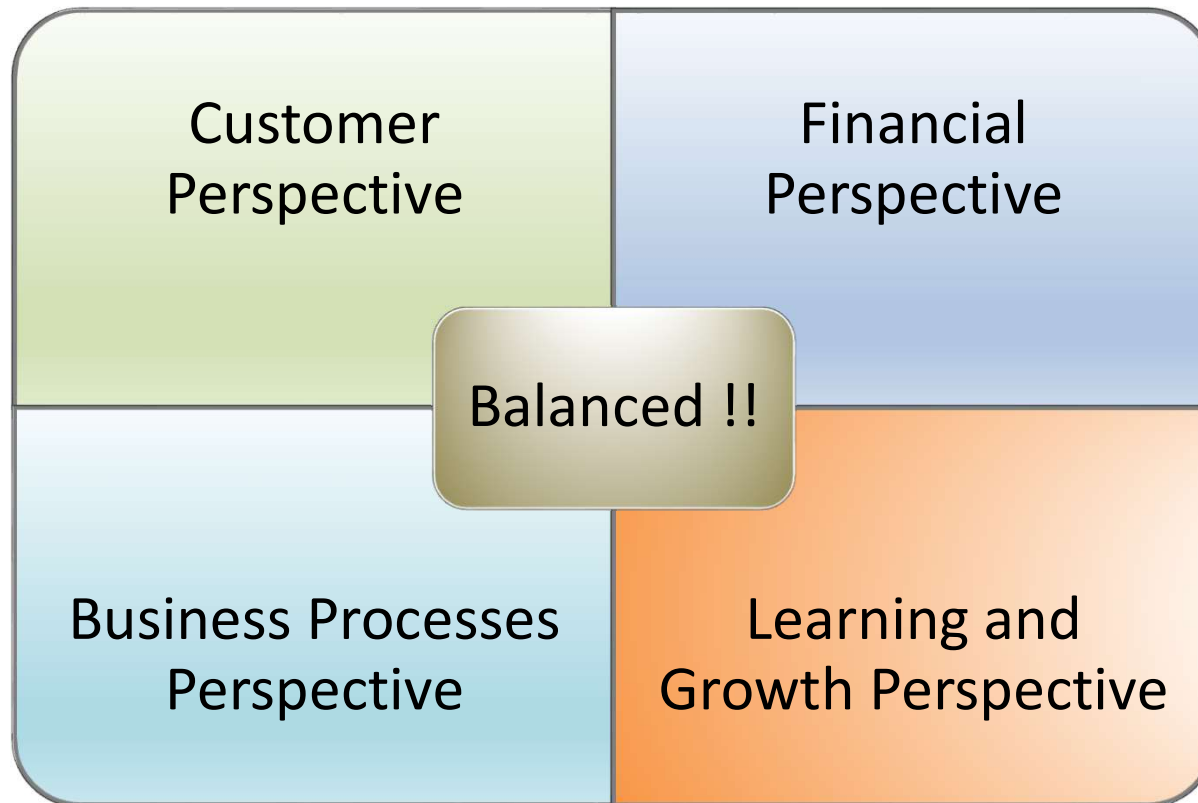
*) Source: Guiso, Sapienza, Zingales, The Value of Corporate Culture, 2013, NBER Working Paper No. 19557



MEASUREMENTS

(agile) Balanced Score Card

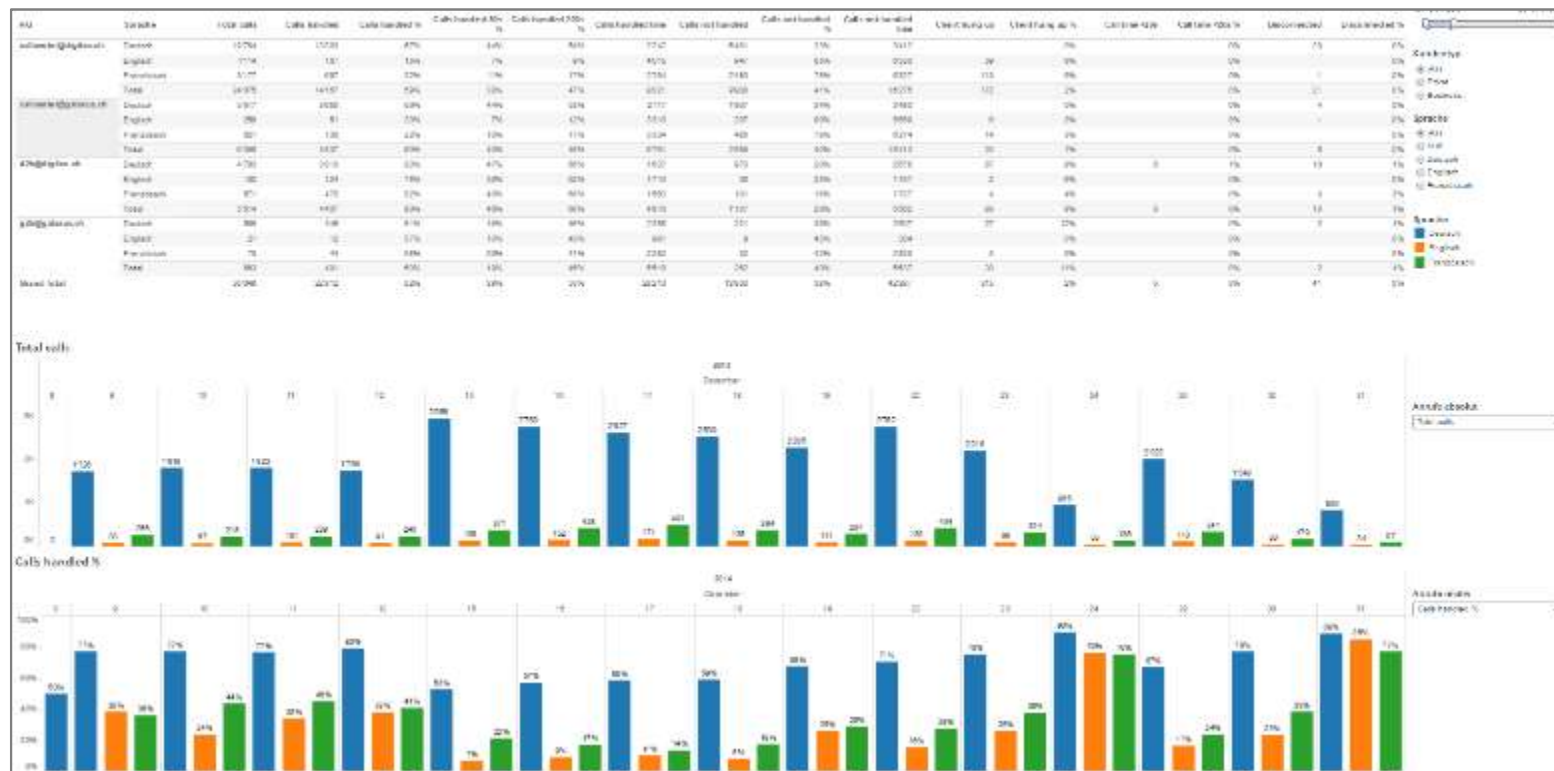
- High level KPI based company wide observation system
- Transparency of attainment towards the communicated vision



*) Source: Jeremy Hope, Robin Fraser, Charles T. Horngren; Beyond Budgeting; ISBN-13: 978-1578518661

Characteristic Values

- As derivation from balanced scorecard (as well balanced!)
- Observation system on personal, department and team level
- Direct feedback and analysis of executed measures and activities





SYNTHESIS PERFORMANCE MANAGEMENT



Stretch goals, relative improvement

Set stretch goals aimed at relative improvement

- Set stretch goals disconnected from performance evaluation and rewards
- Set goals relative to external benchmarks

Make action planning a continuous and inclusive process

- Devolve strategy to business unit teams
- Use Performance rankings

*) Source: Jeremy Hope, Robin Fraser, Charles T. Horngren; Beyond Budgeting; ISBN-13: 978-1578518661



Give people a shared goal

- A team requires a vision from their leaders
- A team requires a purpose
- A positive goal is a step towards a shared and realizable dream
- A positive goal give a team awareness of their context
- Work with organizational and team autonomous goals
- Define clear boundaries of authority

*) Source: Jurgen Appelo, Management 3.0, ISBN-13: 978-0321712479



Implementation @ Digitec Galaxus AG

Team spirit

KPI's and characteristic values

Values and goals

A genuine Digitec Galaxus character



GROUP DYNAMICS



Klare und kommunizierte Vision

Galaxus und digitec bieten Zugang zu ausserordentlich breiten, detailliert geführten und kontinuierlich gepflegten Sortimenten. Die durchwegs tiefen, ständig aktuell gehaltenen Preise sowie die schnellen und zuverlässigen Onlineshops ermöglichen ein einzigartiges und komfortables Einkaufserlebnis – ganz unabhängig von Zeit und Ort.

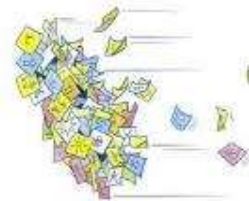
Im Zentrum steht dabei die konsequente Kundenorientierung: Kurze Lieferfristen, persönliche und kompetente Beratung per Telefon, Mail, Fax oder in einer der neun Filialen sowie transparente und verständliche Kommunikation.

*) Source: <https://www.galaxus.ch/de/Wiki/528>

(ein junges) Wertesystem



Kooperativ



Innovativ



Piratisch



Eigenverantwortlich



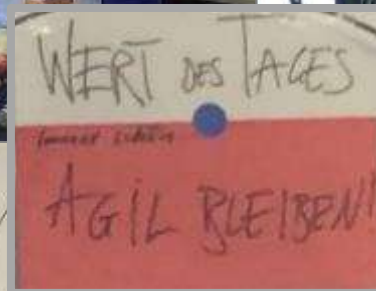
Ambitioniert

*) Source: Digitec Galaxus AG – Confluence Space Allgemein

Eine transparente strategische Roadmap



Firmenkultur & Team Spirit sind «jung»



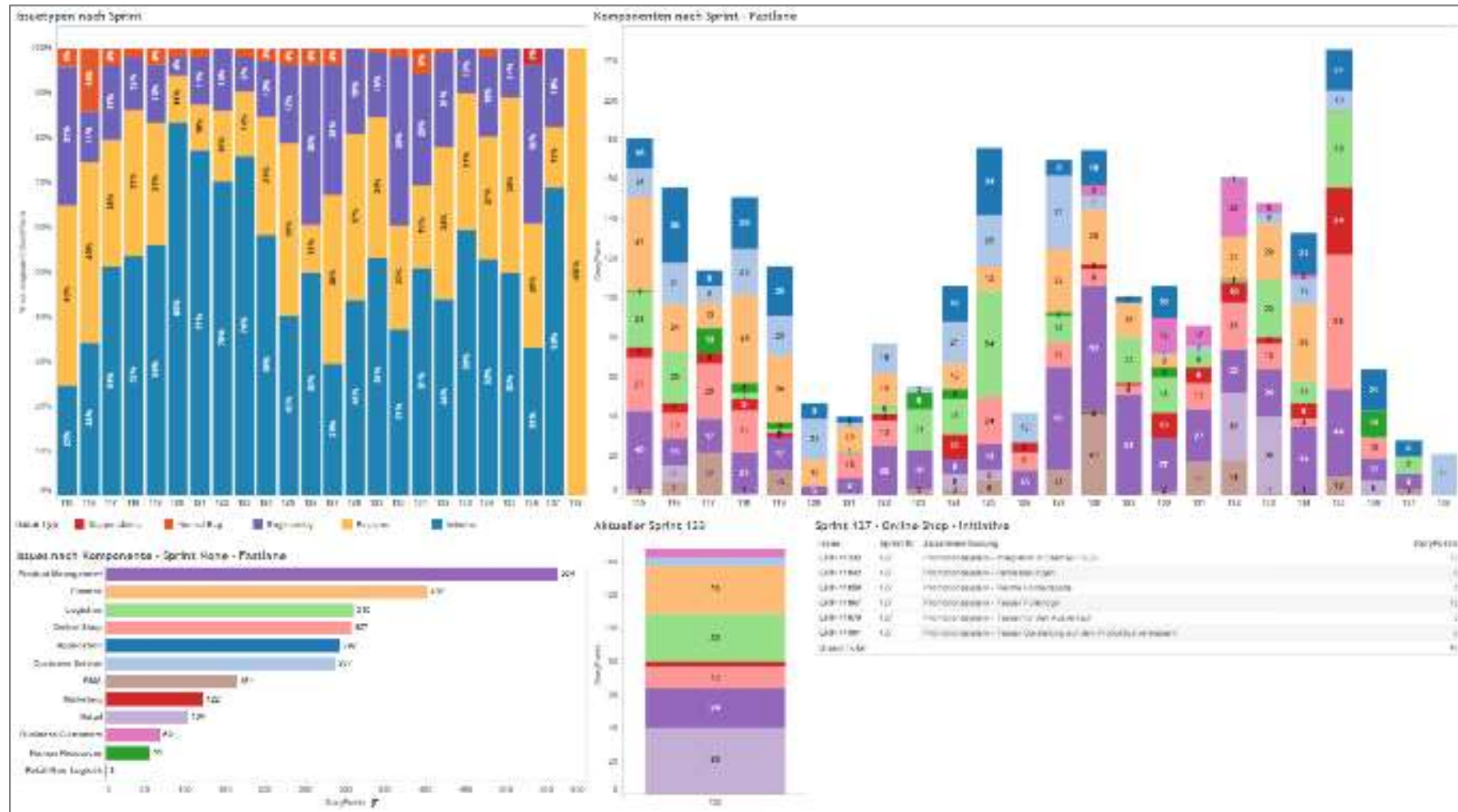


MEASUREMENTS

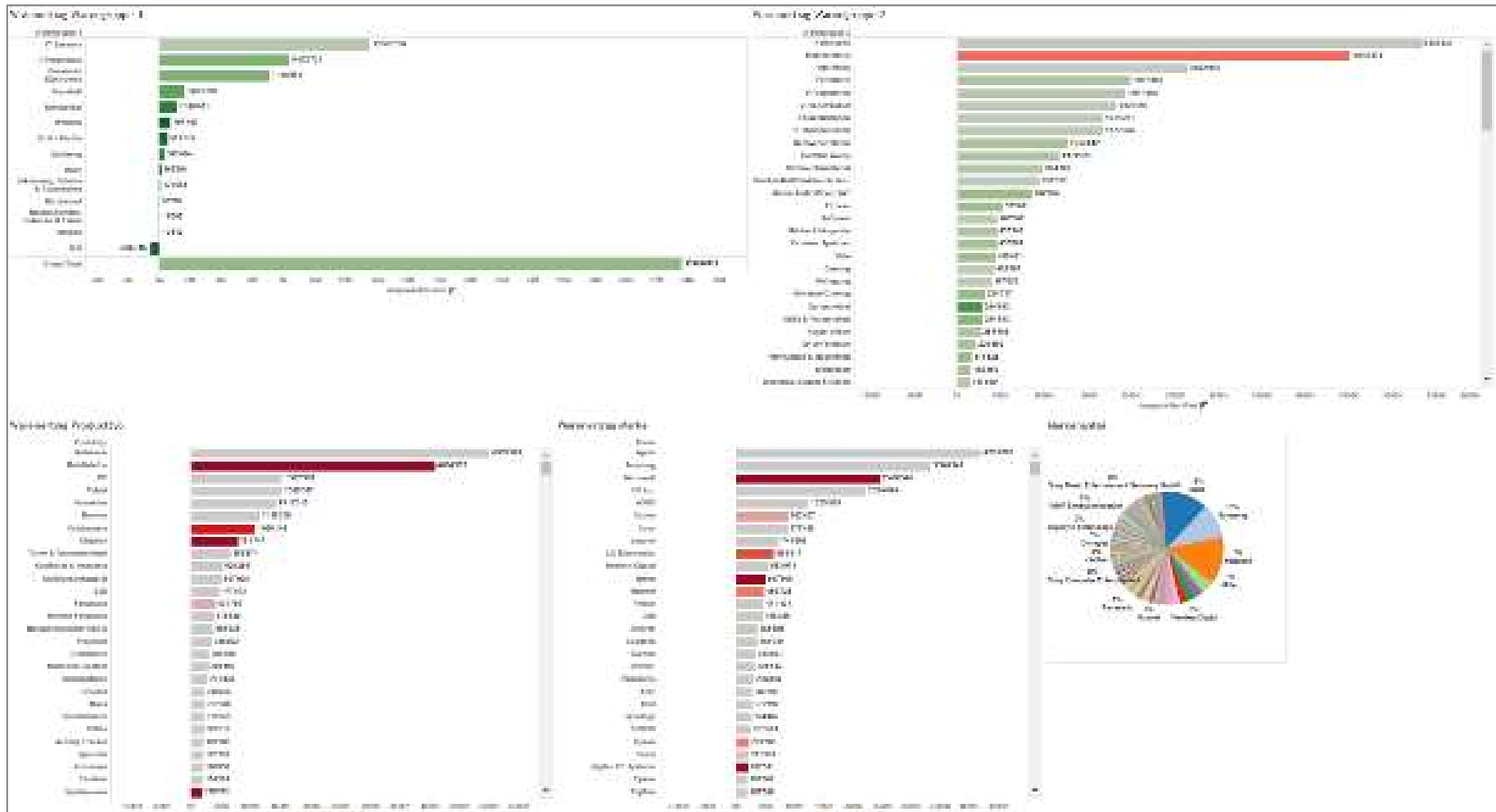
DG Balanced Score Card



Engineering Kennwerte (Ausschnitt)



Beispielreport aus den PM Dashboards





SYNTHESIS PERFORMANCE MANAGEMENT

Konzept Mitarbeiter Bewertungssystem





Beispiele für Team Goals

- Die strategischen Ziele Kundenzufriedenheit, innovativer Online Shop und Umsatzwachstum entwickeln sich gemäss unserer strategischen Roadmap.
Diese strategischen Ziele sind unser Leitfaden für Priorisierung und Entscheidungen.
- Verbesserungen an unserem Entwicklungssystem werden proaktiv gesucht, identifiziert, vorgeschlagen und umgesetzt
- Arbeit fliesst gemäss der Prozessidee geeignet und ausschliesslich über Fastlane oder Initiativen in das Engineering, d.h. im Mittel mit einer Verteilung von: 20% Slack time Engineering; 20% Fastlane; 60% Initiativen. Siehe dazu Tableau Bericht:
<http://tableau.devinite.com/#/views/EngineeringSprints/JIRAIssues?iid=1>

*) Source: Jeremy Hope, Robin Fraser, Charles T. Horngren; Beyond Budgeting; ISBN-13: 978-1578518661

Wir alle haben ein gemeinsames Ziel

The screenshot displays the Galaxus website interface. At the top, the Galaxus logo is on the left, and a search bar with the text "Gesamtsortiment" and "Produkte, Marken oder Themen suchen" is in the center. On the right, there are icons for user profile, notifications, and a shopping cart.

The left sidebar contains a vertical menu with categories: HAUSHALT, WOHNEN, DO IT + GARTEN, SPORT + FREIZEIT, SPIELWAREN, BABY + KIND, DIGITAL, BÜRO, and BÜCHER + FILME. Below this is a "Top 10 Kategorien" section listing items like LEGO, Leuchtmittel, and Zahnbürste. Further down are links for "Direkt zu Ausverkauf", "Gutscheine", "Promotionen und Blog", and "Aktuelle Werbungen".

The main content area features several promotional banners:

- A large banner for "Die Zukunft des Gartens hat begonnen – mit dem neuen GARDENA smart system!" showing a smart irrigation device in a garden.
- A banner for "April, April, der macht, was er will! Spielsachen für jedes Wetter." featuring a child with a colorful umbrella.
- A banner for "Gemütlicher Lifestyle trifft nordisches Design" showing people in a relaxed setting.
- A banner for "Eagle Creek" is also visible.

On the right side, there are two "Angebot des Tages" (Offer of the Day) sections:

- The top one is for "Galaxus Angebot des Tages" featuring a "Dandler Swing Liege Rocker Chair" with a price of 89.- UVP 140.- and a 50% discount. A circular progress indicator shows 16 items sold out of 50.
- The bottom one is for "digitec Angebot des Tages" featuring an "ASUS X550VX-DM113T" laptop with a price of 879.- (down from 1099.-) and a 40% discount. A circular progress indicator shows 40 items sold out of 40.

Below these offers is a "News" section dated 15.04.2016, titled "Vereinfachter Garantie- und Retourenprozess", which explains a new return process for customers.