REINF NG RETAIL XPERI-NCES

Three service design principles to improve the retail employee experience

Snizhana Bezhnar

soft**serve**

As retail jobs shift from the sales floor to purchase enablement, employees have never been more integral to a retailer's growth and profitability. In-store sales staff must engage the customer in higher quality interactions to increase brick-and-mortar sales. Service departments need to strive to reduce resolution time, while supply chain and business operations should search for ways to be more efficient.

Automation and technology are enablers of productivity but designing systems and processes without the human in mind only leads to employee frustration and increased operational overheads. However, given experiences with the right tools and workflows, employees can drive innovation speed, lower operating costs, and increase company value. To create these experiences, retailers must apply design thinking principles and produce services to enable the enterprise workforce. Design thinking is an empathetic, human-centered approach to problem solving. This methodology is used to address not only external customer experiences but is applied within a company to improve internal customer (or employee) processes. The methodology also increases collaboration across teams to engage stakeholders and energize employees, while increasing efficiency in business processes.

Service design uses design thinking principles and practices to improve technology, systems, and processes to directly enhance the retail employee's experience. In doing so, team members can more efficiently deliver quality customer experiences. Designing a human-centric service mandates the orchestration of people, tools, and processes to work harmoniously across the retail business. From inventory management to customer interactions, service design can remove obstacles and facilitate efficiencies across the enterprise.





Here are three service design best practice principles for retail companies to implement:

HUMAN-CENTERED

Humans are at the heart of the service design model—it is therefore essential to fully understand what drives and motivates retail employees before building a service design business strategy.

Retailers must adopt the employee's point of view to understand influencing factors such as needs, emotional state, physical environment, and more in the workplace. The first step in service design is to define the target employees and uncover his or her pain points and behavior. An enterprise retailer can start by exploring and capturing an employee's expectations and operational behaviors, as well as core decision-making influences, technology awareness, and values. This understanding, coupled with research, helps companies identify challenges and create solutions to directly meet the needs of the employee. By analyzing how team members interact with tools and processes from an empathetic perspective, stakeholders can create ideal-state flows and identify gaps and areas of improvement.

An enterprise retailer should select and analyze employees from various departments to ensure all areas of the organization are performing optimally and in congruence. An operational manager in the retail supply chain will have different pain points than a sales associate responsible for customer engagement, but both are integral to the success of a retailer's business. For example, the supply chain manager might struggle with insights into operational planning and business predictions. Real-time analytics and intelligence systems could allow the employee to more accurately identify areas for growth and efficiency. At the same time, a sales associate might benefit from an intuitively designed POS system, allowing for smoother customer interactions.

By investing in understanding employees, retailers are also able to save valuable time and costs by eliminating ineffective processes. For example, a grocery store might find it unnecessary for a manager to be physically present at a register in order to void a transaction. If approval is required, enabling technology could securely allow a manager's remote input, reducing checkout time and frustration among both the customer and the employee. Designing services from a human perspective creates productive and efficient employee-centric experiences, improving morale and providing a key differentiator for retailers.



CO-CREATIVE

Collaboration is an essential part of the retail service design process and employee experiences should be designed with the input of various stakeholders from across the company. Co-creation involves gathering input from all departments—from operations through marketing and customer service to front-end managers—to identify each department's pain points and identify ways to solve internal challenges.

Stakeholders are gathered initially to share knowledge about employee needs and interpret research and insights through an ideation workshop. Teams from all levels and departments then meet to refine systems and processes, ideate, identify capabilities, and map an internal business strategy that fosters company growth. Cultivating an environment of transparency and openness is essential, encouraging new thought patterns and perspectives, while enabling an environment for optimal employee performance. Employees feel empowered and energized to be included in the process of creating—and ultimately delivering—achievable and ambitious goals.

Through this collaborative process, a retailer might discover a siloed inventory management software (IMS) system's poor forecasting capabilities are adding undue stress on many departments from ecommerce through to the sales floor. The retail team could identify system integrations to provide a holistic view of data and more accurate predictive insights, as well as streamlined communication flows throughout the business. By gathering stakeholder input from each department to identify processes and technologies that are lacking, retailers can find solutions that enable employees to perform efficiently and effectively.



SEQUENTIAL AND ITERATIVE

Service design seeks out mistakes in order to learn from them—sequencing and iterating facilitates this process. Sequencing involves deconstructing a comprehensive service design into workable parts, so retail development teams can identify and resolve issues more quickly, without fear of affecting the whole process. For example, the process of moving inventory from acquisition to point of sale (POS) might be broken down into back and front-end interconnected parts. Working in iterations, each part can be trialed and optimized before testing the whole.

Sequencing also allows for more productive prototyping. Building an interactive model to test and validate new implementations with stakeholders and employees is time-efficient and cost-effective as feedback can be captured and implemented prior to mass production. For instance, a retailer with stores in a large metropolitan city may identify a need for a quicker checkout process in brick-and-mortar locations. A prototype of the new checkout process, including an updated POS solution, could be released to a select few stores for testing. Feedback from employees and customers would be gathered and the design would be updated until success criteria is met, prior to launching across all locations.

Service design prototypes are iterative each part is tested in quick releases, errors or areas of improvement are identified, and changes implemented. Testing, scaling, and releasing iterations throughout the service design process increases the possibility of error-free end results.



CONCLUSION

By applying the principles of service design to the employee experience, retail companies can equip all departmental teams with the ability to optimize day-to-day operations and deliver a more human-centric brand approach. SoftServe's unique service design process reflects an empathetic, human-centered approach to employee journeys. <u>Contact us</u> today to discover how optimizing the employee experience can ultimately drive company efficiency and innovation.

ABOUT US

SoftServe is a digital authority that advises and provides at the cutting-edge of technology. We reveal, transform, accelerate, and optimize the way enterprises and software companies do business. With expertise across healthcare, retail, media, financial services, software, and more, we implement end-to-end solutions to deliver the innovation, quality, and speed that our clients' users expect.

SoftServe delivers open innovation—from generating compelling new ideas, to developing and implementing transformational products and services.

Our work and client experience is built on a foundation of empathetic, human-focused experience design that ensures continuity from concept to release.

We empower enterprises and software companies to (re)identify differentiation, accelerate solution development, and vigorously compete in today's digital economy. No matter where you are in your journey.

Visit our **website**, **blog**, **Facebook**, **Twitter**, and **LinkedIn** pages.

NORTH AMERICAN HQ

201 W 5th Street, Suite 1550 Austin, TX 75703 +1 866 687 3588

1 University Avenue Suite 11-112 Toronto, ON M5J 2P1 +1 647 948 7638

EUROPEAN HQ

14 New St, London EC2M 4HE, UK +44 (0) 800 302 9436

info@softserveinc.com www.softserveinc.com

soft**serve**