Trivium
SOFT
HUMAN CAPITAL TRANSFORMATION

Interview Analysis

Sample report

SEE-K

"Trees of Knowledge"

INTERVIEWS ANALYSIS

FOREWORD

This report presents the findings made out of interviews analyzed using Triviumsoft full text mapping technology (TIM).

Context:
- the company, which is in the retail business, is in a post merger integration process
- approx 20 interviews were conducted with executives and aimed at identifying management issues from their point of view.

The transcriptions of interviews were analyzed by Triviumsoft within 48 hours after receiving the transcript.

The relevant themes have been identified and are presented with selected verbatims extracted "as they are" from the transcription of the interviews.

Some topics are illustrated by Triviumsoft full text maps. Refer to Appendix A to get further explanations on how those maps should be read.

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1.0 Topics and Issues Related to <u>Management</u>

1.1 The Integration issue

    1.1.1 An integration process generally considered as promising, well prepared and properly organized

        1.1.1.1 *"Impressions of Integration: Very organized, very detailed. This appears to be the right way to do it. Minimize roadblocks as they occur."*

        1.1.1.2 *"I think the group …I have never seen a company preparing for integration as what we are doing right now. It's taking so long from the announcement…it should pay lots of dividends for us later on. I think the key to the management is how to react"*

        1.1.1.3 *"I have been trying to talk to the executives going through this integration, this is my 5th time to do it.. The management supports us ... so we can have a true one company."*

    1.1.2 A better listening of employees in the process should take place

        1.1.2.1 *"We've tied into the integration process. The company doesn't like people who ask hard questions. Get from COO the info we presented to the Board. Covey's 8th habit is "everyone has a voice." From risk management perspective, this is the best plan I've ever seen. It was hard to get the functional leads to that plan. The company needs to be more accepting of everyone having a voice. If we can't get to that point, we won't be successful. That in turn means I won't be successful. It's a structural issue."*

        1.1.2.2 *"The current Company team has been working under a lot of pressure over the last several years. People at corporate seemed relatively happy. I have picked up that some folks at Company corporate feel like they are a bit of a stepchild because they haven't been involved in the integration effort. I think there is more concern inside Company than there is at XXXX."*

1.2 HR actions should be taken, especially around talent, performance & people Management

    1.2.1 Manage and develop talents:

        1.2.1.1 *"We don't have processes around talent. Most processes are centralized around the EVP and SVP authority. That's not a process. It prevents a lot of perspectives and slows down decisions. "*

1.2.1.2 *"Internal talent management system. Performance management online - 3rd party-hosted system with talent management linked to it. The big benefit would be visibility on talent and ability to address talent gaps."*

1.2.1.3 *"Another reason that power/decision-making is so centralized is that there is a fear of failure from not knowing what to do. This hasn't been a talent-building organization. Instead, it has been a classic paper-pushing culture. I'm used to being a checkpoint in the hiring process, but the others here just haven't had that experience."*

1.2.2 Management by performance:

1.2.2.1 *"HR originally wouldn't agree to help get my guy a raise. It's the old retail structure. We need to think about performance management if they have the stomach for change. We have a dysfunctional management structure. You have CEO and COO making all the decisions. If they don't trust people in the roles underneath them, why have them in the role."*

1.2.2.2 *"More performance-driven culture with aggressive goals and higher-level talent that is performance driven"*

1.2.2.3 *"Cannot determine where the talent is in the org. Cannot evaluate people's successes with respect to store performance. The current system does not have the ability to track individual performances."*

1.2.2.4 *We either don't have right people, or we have people doing lip service. I put a Balanced Scorecard in this group. I track all of my people. Gotta tie compensation to results. Forget this matrix. We're in the dark ages by how we measure performance. We need to build a balanced scorecard for the whole company. One of my employees hadn't had a raise in 7 years! I made sure he got a raise."*

1.2.3 Have the right skilled people at the right place:

1.2.3.1 *"We need people who have the knowledge and the track record."*

1.2.3.2 *"At the top level, I think we have right people in the leader team, but I doubt about the middle management level. I am confident that marketing side has great leadership. Operations side need to do a better hiring job to ensure we have the right people"*

1.2.3.3 *"They need to develop their leadership skills, personal relationship skills, call people on it when they don't behave, a lot of people's experience."*

1.2.4 Recruitment issue:

1.2.4.1 *"Do you have technology to recruit the right people in place? Our talent management needs to focus on more…I believe that that is something we don't do enough…our HR how to find good candidates for business operation…category manager…"*

1.2.5 Empower employees: responsibility:

1.2.5.1 *"We need to give the field folks more autonomy. If they blow payroll one year but contain it the next - fine. If they blow payroll and make up for it by reducing shrinkage, then OK. Should be looking at bottom line. We give the Store Managers metrics, but we micromanage them all the way along. We whipsaw DMs, etc. during the year. If they have a problem in one area but are containing the others or beating the bottom-line number, then pat them on the back! Goal should be to make overall plan instead. If we could drive ownership for performance measures to the store level, that would be good. We need to look at the bottom line first."*

1.2.5.2 *"There are a lot of people in this company who live in fear of losing their livelihood. I don't think that they want to be an employer-of-choice, but I don't believe it. We're going to run a poor 3rd unless we change the way we treat people."*

1.2.6 Succession planning issues:

1.2.6.1 *"There is no succession plan. With the kinds of processes CEO and COO use, it's hard to have one."*

1.2.6.2 *"I have come up with my own succession plan as far as how I will develop people in my own department. But without a formal succession plan, there may need to be reshuffling if I move on."*

1.2.6.3 *"Specifically in my department, there is not a good second chain of command. I hope you are going to get into talking about succession planning.   If I were the people that I report to, I'd be very concerned about that there is not much depth below me. There is expertise below me, but not broad depth where someone could step in and take my role. "*

1.2.7 Other issues:

1.2.7.1 *""Our weak link is our operation's <u>communications chain</u>. We have a significant turnover level in leadership in the field. In older times when we were a small chain, would bring managers to corp. for training. Now, training is conducted in the field basically explain to people what they need to know."*

1.2.7.2 *"<u>Staffing</u>. If you asked my staff, they would tell you that we're charged with doing too many things. There are too many things*

on our plates. We're trying to do and develop too many initiatives. We probably go broad but not as deep as we should in a lot of those initiatives. The desire within my department would be to go deeper on fewer initiatives. I think the reality of the business is that will never happen. That's probably just a departmental wish list. As I mentioned before, adequate staffing against the two sides of the business."

1.3 The issue of the age of leaders is often quoted by respondents:

1.3.1.1 *"I think we have good leaders in place. I think they provide sound thinking and reasoning and I think there's a good structure in place. I think we can go to the next level with the people we have in place. I see them all as sound/effective leaders. I see Mary the same way. Only ourselves can keep us from going to the next level."*

1.3.1.2 *"The leaders in the Finance group have fought there way out. They seem to be good leaders."*

1.3.1.3 *"(…) CEO is a feel-good person. She has instituted HR programs, but COO is the dictator. CEO is very close to retirement age. He turns 65 this year. He's talked about retiring, but he won't leave on his b'day b/c we'll be in middle of integration. To me, we do not have a clear successor."*

1.3.1.4 *"Potential issue is CEO and COO's age. This effort has been phenomenal. They are very different people, but they are a dynamite team. I worry about who will take over. I hope they are not thinking about retiring next year. They have started something great, and we want them to continue it. "*

1.3.1.5 *"What is the succession of our CEO and COO?"*

1.3.1.6 *"Yes, but go beyond 2 years because you're in trouble. No succession planning for CEO and COO. They are such hardworking and dedicated individuals. They'd feel guilty about just leaving. I do worry about that that we don't have successors or a succession plan in place. I think it is time for them do that and they might be working on it."*

1.3.1.7 *"The big issue with me and others at my level is succession planning for senior management. There are a lot of questions around what that is and what that looks like."*

1.4 Decision making:

1.4.1 *"My best experience has been when I've been empowered to make decisions and move forward. I really hope that Company will be able to have that environment at Company."*

1.4.2 *"Is Decision-making process at Company too siloed or centralized? I believe a lot of things can work in different ways. Let's say you got*
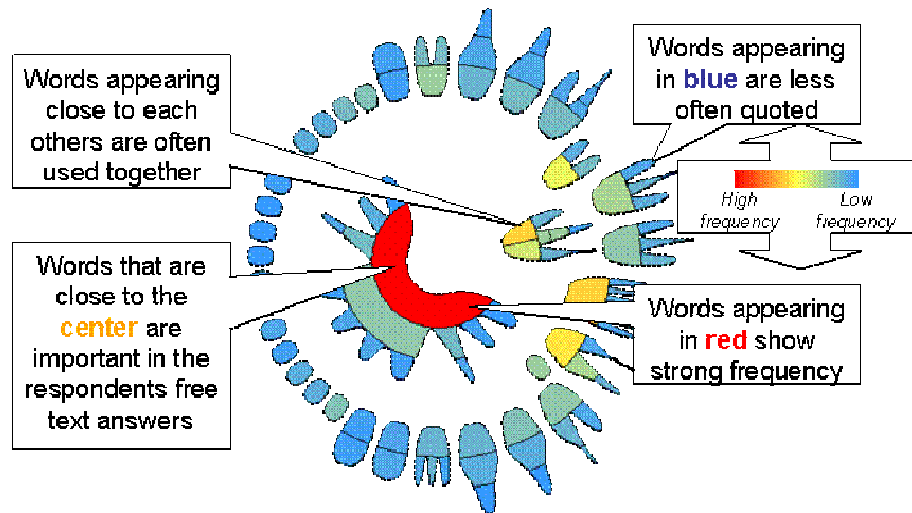
one business leader who tells me "Paul, I need your help, you need come up with the recommendations and we will review it together then you can make your decision on your own. But on the other hand, you can also have a leader telling me "Paul, let's have a business meeting once a month and only to me with problems. Otherwise you are empowered to do everything else. We are on the first scenario. we're more that way. What keeps me here is that first of all, this is the hardest working, and truthful and highest integrity group of decision makers and leaders which makes me very comfortable. Second of all, there are lots of growth opportunities and opportunities for learning. Opportunity to make money, so there are lots of positive things."

1.4.3 *"There is a C-level position open. It's dangerous that this position is still not filled during this acquisition process. CEO wants to involved in every decision making …he needs somebody to help him. It is his nature that he wants to get involved in everything."*

1.4.4 *"Centralized throughout: lack of autonomy in decision-making and accountability. I'm not talking about centralized in functions. I think that we need to have finance here because you can't have 1.000 business units."*

1.4.5 *"Decision-making in this organization is team-based; I just don't know that enough consideration is given at this level."*
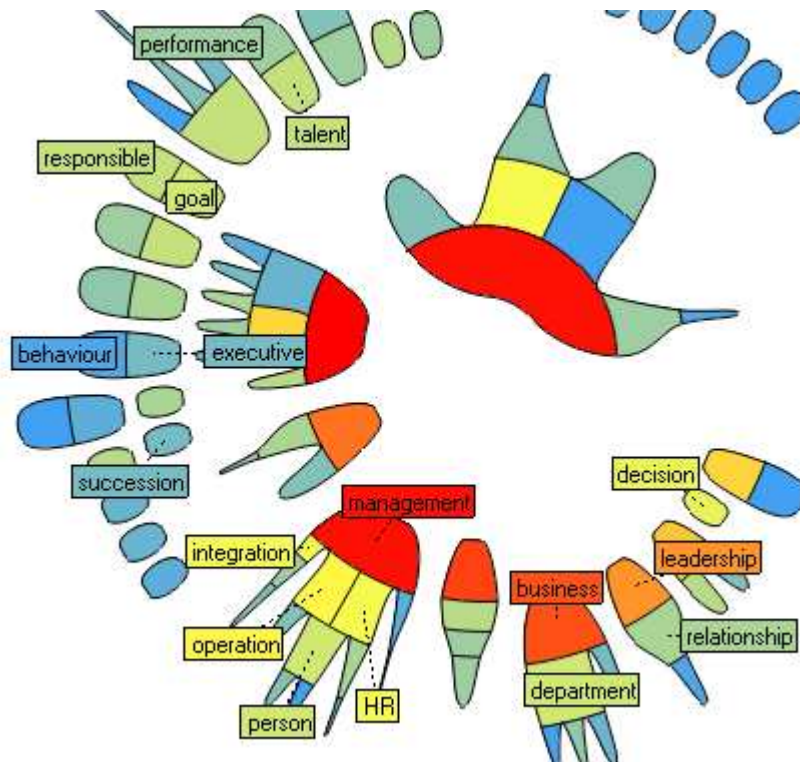
APPENDIX A: THE FULL TEXT MAPPING TOOL

✔ **For each text, words are mapped as follows: Each block represents a keyword, each cluster represents proximity between keywords.**

Words appearing close to each others are often used together

Words that are close to the **center** are important in the respondents free text answers

Words appearing in **blue** are less often quoted

High frequency — Low frequency

Words appearing in **red** show strong frequency

✔ **The tool enables the user to go quickly through all the sentences where any specific keyword appears to capture the meaning, or various meanings, behind the keyword.**