halfords

Service Revolution



To deliver the step change we want to achieve in customer experience, we have embarked upon a series of changes to how we get the best from our people.

The service revolution is made up of the following key activities

- improving our approach to recruiting the very best people
- providing a structured development programme for all our 3-Gears programme
- paying colleagues based on level of skill and expertise
- incentivising all colleagues in-store to drive sales and a great customer experience through net promoter scores ("NPS")
- reducing time spent on non-value adding tasks and increasing customer contact

Recruiting the very best people – we have streamlined our recruitment process, trained all store managers to recruit, introduced the latest screening techniques to ensure we hire colleagues with the right attitude – people who love customers.

The 3-Gears programme – all colleagues now undertake a structured three month induction (Gear 1), followed by a nine month programme (Gear 2) which includes workshops, e-learning and demonstrated expertise on the shop floor. By the end of the financial year we will also have launched Gear 3 for a limited group of colleagues which will establish them as real technical experts in automotive & leisure or cycling.

These changes will allow colleagues to deliver friendly expert service to customers and are key to driving our top line growth. ""

Learn to Earn – once Gear 2 is reached, colleagues will receive a meaningful increase in pay, so long as they maintain the higher level of expertise. Similarly with Gear 3. The benefit of this approach is that colleagues will be motivated to learn more and maintain their skills, the increased pay will also help with attraction of high calibre people and improve retention levels, all of which benefit customer experience.

One bonus scheme for all – all store colleagues are now incentivised to drive the top line and to improve the customer experience (measured through NPS and mystery shopping). The scheme targets are based quarterly and accumulated through the year, but paid out annually, which again helps with improving colleague retention.

Task reduction – as well as increasing contract time for customer service advisers, we are reducing tasks that have no direct benefit to customers (smarter deliveries, less administration, etc.) so that we can use our time better to serve customers.

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FY14 Operational Milestones

- All qualifying colleagues through Gear 1.
- Group Net Promoter Score greater than 60%.

The 3-Gears Programme



Gear 1	Gear 2	Gear 3
All Colleagues	■ 9 month Training	■ Guru
Completed in 3 months	Expert level of product knowledge	Qualified to train others
Structured e-learning	■ Specialise in auto & leisure or cycle	■ Training through
Retail Skills	■ E-learning	— Workshops
- Product knowledge	■ Training and Tuition	- Product shows
- Customer Service	■ Regular refresh	— Supplier visit
Qualifications to serve our customers	■ Pay award	Leadership development
		Pay award



