

Sears Logistics Group



Gus Pagonis, Exec. V.P.
and President SLS, Inc.

MANAGER

 ADMINISTERS

 IS A COPY

 MAINTAINS

 RELIES on CONTROL

 SHORT-RANGE VIEW

 EYE on BOTTOM LINE

 ACCEPTS STATUS QUO

 DOES THINGS
RIGHT

LEADER

 INNOVATES

 IS AN ORIGINAL

 DEVELOPS

 RELIES on TRUST

 LONG RANGE VIEW

 EYE on HORIZON

 CHALLENGES

 DOES the RIGHT
THING

Leadership



SINGLE POINT OF CONTACT

Gulf War

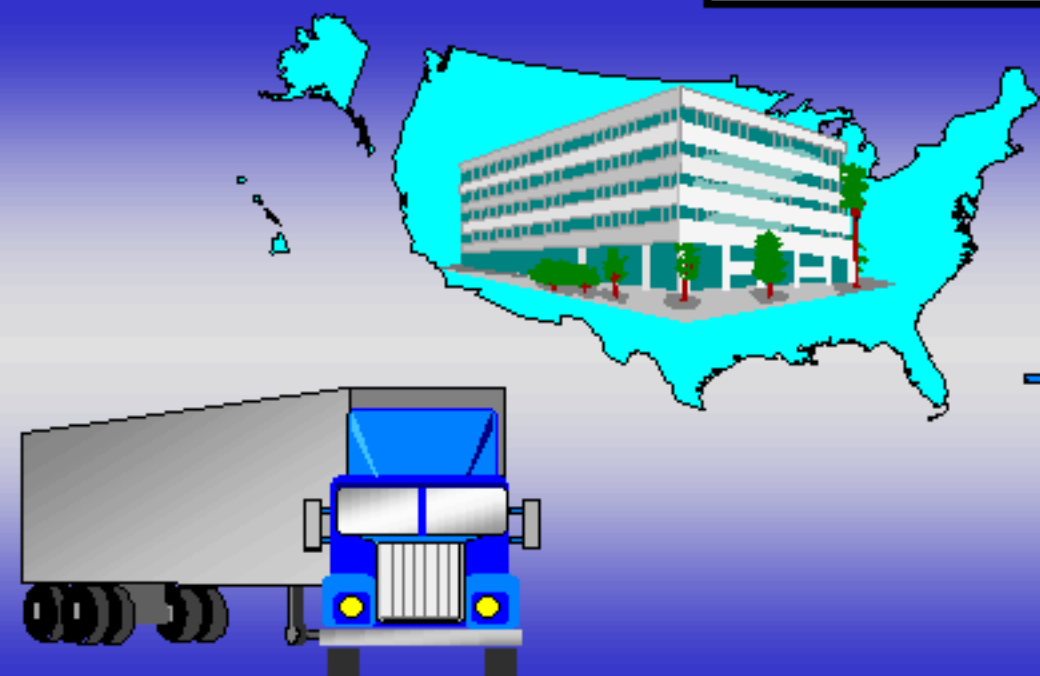
- ▼ Reports to CINC
 - Logistics & Funds
 - Phases & Stages

★ ★ ★
**Lt. General
Commander**

**Exec. V.P. for
Logistics**

SEARS

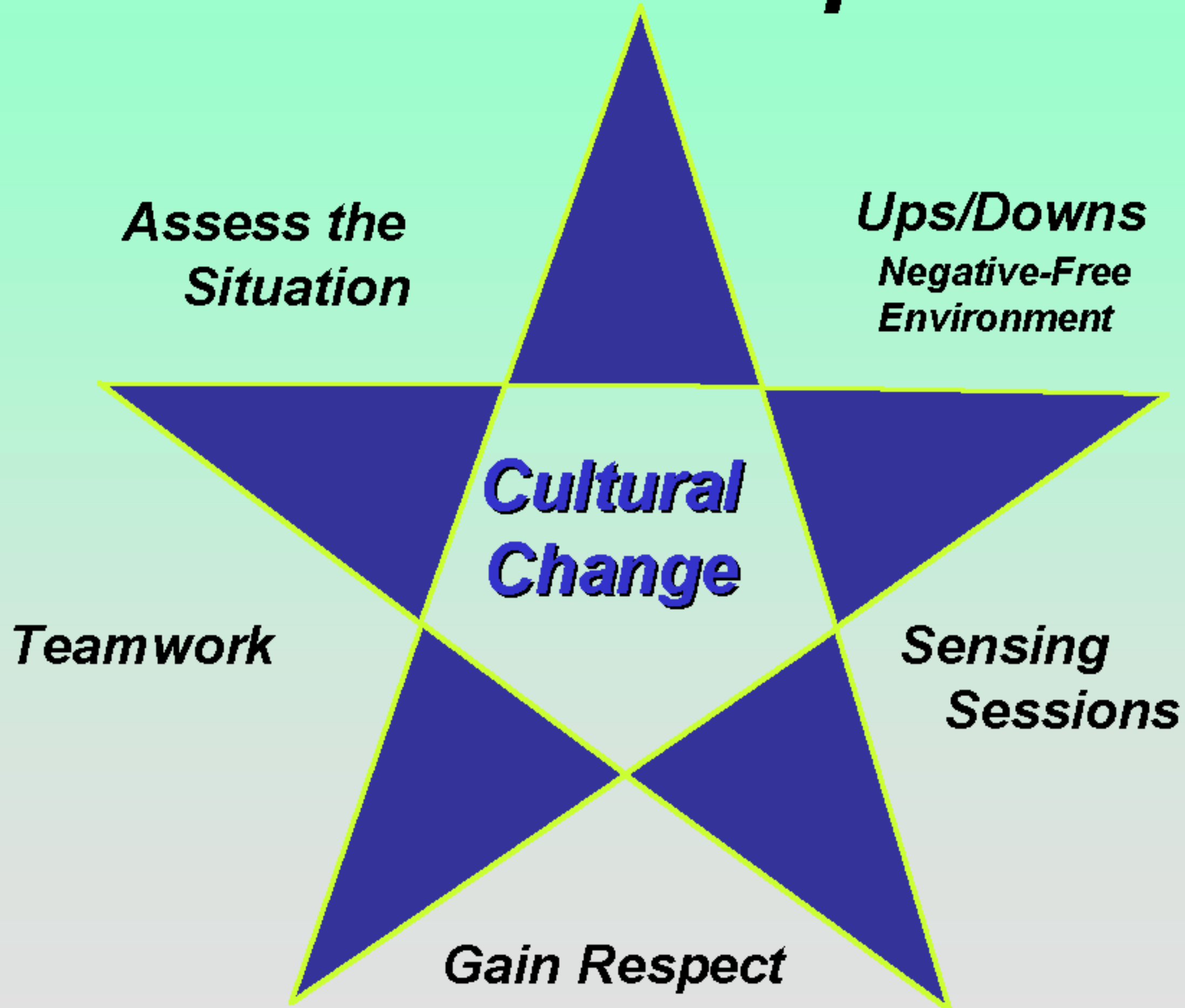
- ▼ Reports to CEO
 - Logistics & Funds
 - Goals & Objectives



HIGHEST LEVEL

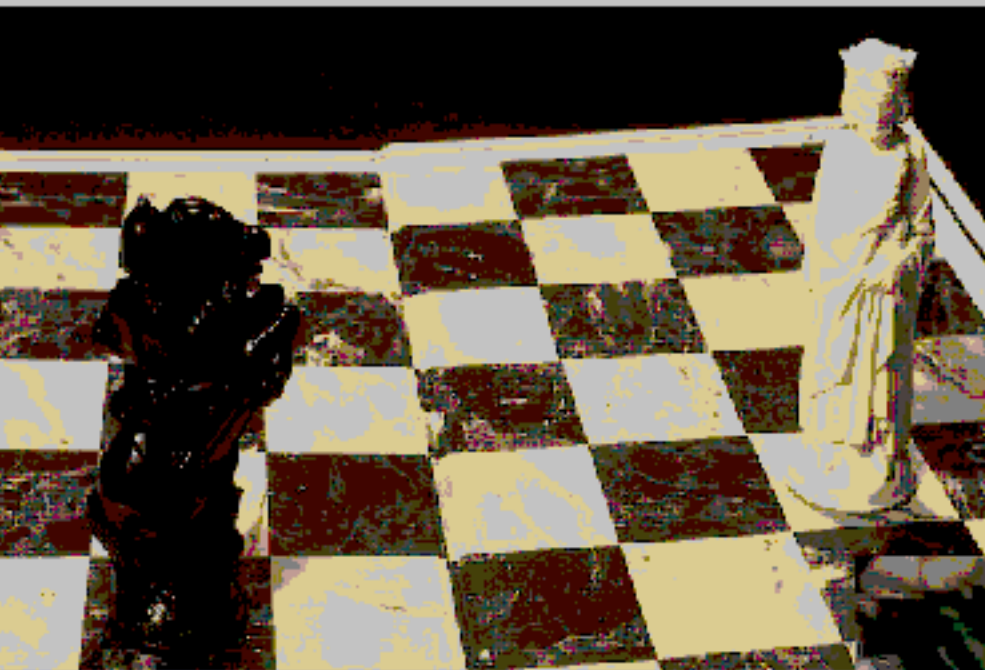
(SPOC / Liaison Lowest Level)

Leadership



LEADERSHIP TECHNIQUES

Assess The Situation



**Learn About the
Organization**

**Make a Long Term
Commitment**



Identify Your Customer



Opinions



Desire to Succeed

LEADERSHIP TECHNIQUES

UPS

- **Positive Aspects**
- **Limit to Three Major Points**



DOWNS

- **Drawbacks to Issue or Project**
- **Cover Possible Solution to Issue in () After Topic**
- Cover All Issues**



POINT: Positive and Negative Information Discussed Without Retribution



LEADERSHIP TECHNIQUES

Sensing Sessions

- **Open Communications;**
with associates from
all job levels.
- **Response to issues in 48 hrs.**

Held at...

**Sears Mall Stores
and Outlet Stores,
Distribution Ctrs:**

- **RRC**
- **Fashions**
- **Home Delivery**
- **Tire**



LEADERSHIP TECHNIQUES

Gaining Respect



Versus

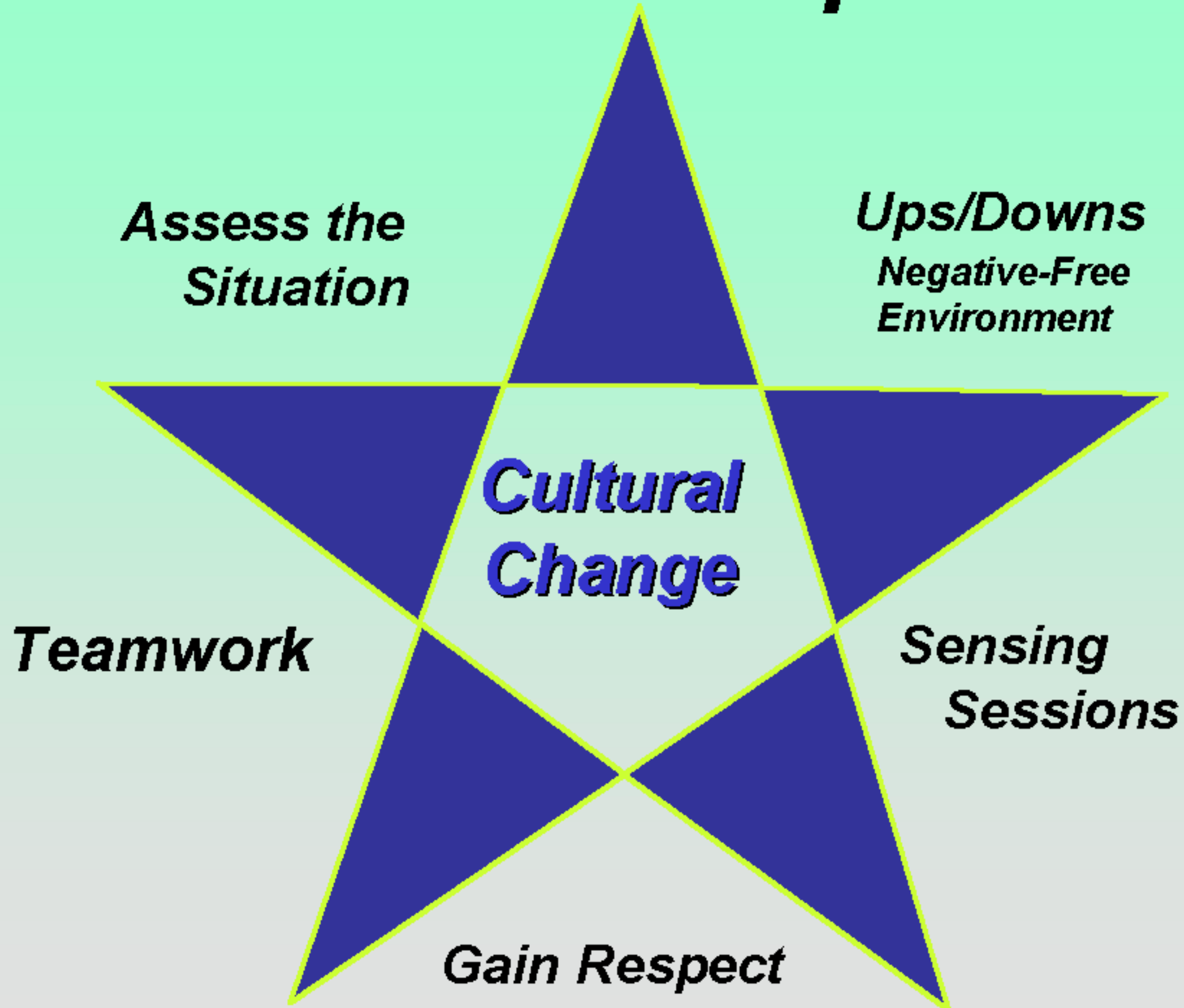


Presence

Charisma

POINT: Trust & Respect Earned By Presence!

Leadership



Leadership

Focus:
**Strategy,
Goals,
Objectives &
Evaluation
Report**

Centralized
Control;
Decentralized
Execution

**Command
Climate**

Training &
Education

Have
Fun

Motivation

What is “Strategy”:

“Strategy is the integration of various initiatives designed to create and sustain competitive advantage in the accomplishment of your mission.”

“A good strategy well executed is more productive than a brilliant strategy haphazardly executed.”

Bottom Line:

A simple plan well executed will get solid results because your people will understand it and be able to implement it or modify it to get the job done.



Leadership Strategy

Short Term

- Quick Wins
- Team Work
- Tied to Long Term

Total Buy-In
by Organization

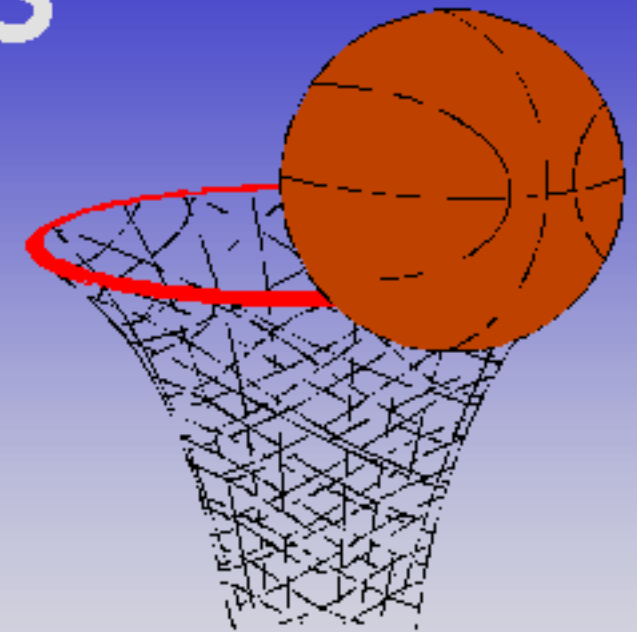
Sustainment

- Economic Impact
- Customer Focused
- High Level, 5 yr +
- Tied to Vision

LONG TERM

LEADERSHIP GOALS

- **Achieve Supply Chain
Integration and Visibility**
- **Manage Cycle Time**
- **Develop Associates**
- **Manage Service & Unbundle Costs**
- **Improve Asset Productivity**
- **Reduce Costs**
- **Leverage Information Technology**



2001

Logistics Plan

2001

Sears Vision

SHOP

WORK

INVEST

DRIVE
PROFITABLE
GROWTH

TRULY
CUSTOMER
CENTRIC

DIVERSE
HIGH-PERFORMANCE
CULTURE

IMPROVE
PRODUCTIVITY
& RETURNS

Achieve Supply
Chain Integration
& Visibility

Manage Cycle
Time

Develop
Associates

Improve Asset
Productivity, SVA,
Inventory

Manage Service &
Unbundle Cost

Reduce
Cost

Quantifiable
Objective's

Quantifiable
Objective's

Quantifiable
Objective's

Quantifiable
Objective's

Linked to Evaluation Reports

ACTIONS
ACTIVITIES

IT IS THE GLUE
Leverage Information
Technology

... BOTTOMLINE

LEADERSHIP TECHNIQUES

Evaluation Report Objectives

Quantifiable Measures (completed by associate)	Comments/Development Needs/Ratings
<u>Priority 1:</u>	Rating _____
<u>Priority 2:</u>	Rating _____
<u>Priority 3:</u>	Rating _____
<u>Priority 4:</u>	Rating _____

Rating: 1 to 5

LEADERSHIP TECHNIQUES

Evaluation

Report

Leadership Skills

Comments /
Ratings

1. Innovation

2. Integrity (Moral Courage)

3. Customer Satisfaction

4. Teamwork

5. Diversity

6. Development

7. Building Relationships

8. Ownership

9. Business Competency

Rating: 1 to 5

LEADERSHIP TECHNIQUES

Evaluation

Report

Ups and Downs

Describe two key areas of strength for this person.

"Ups"

Describe two development opportunities.

Include suggestions for actions he/she may take.

"Downs"

LEADERSHIP TECHNIQUES

Centralized Control



EVALUATION REPORT TIES EVERYTHING TOGETHER

Leadership

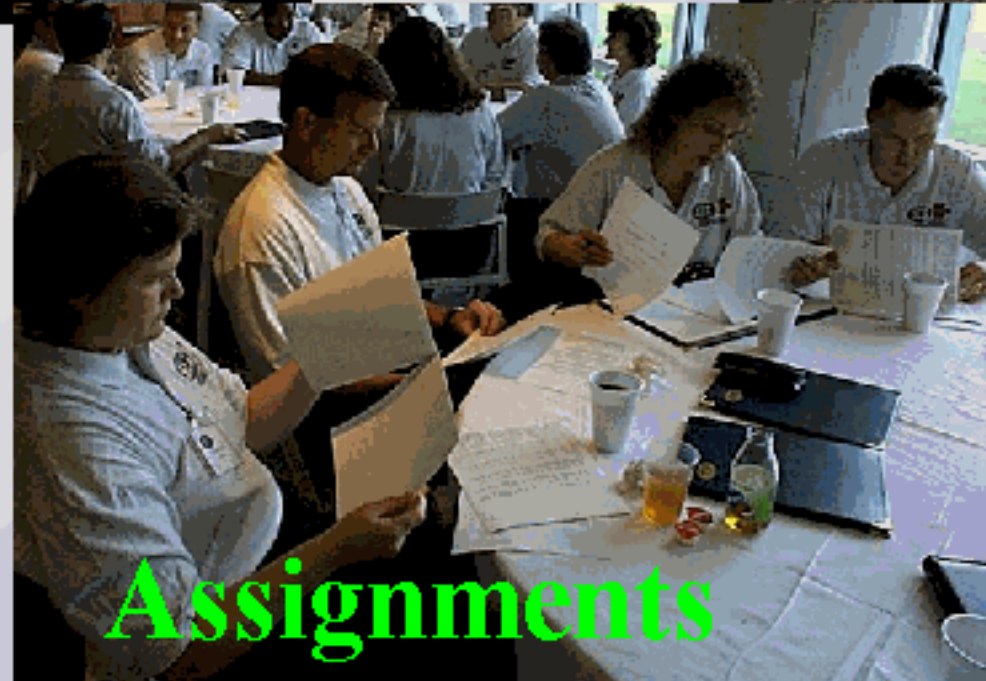
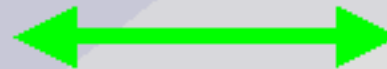
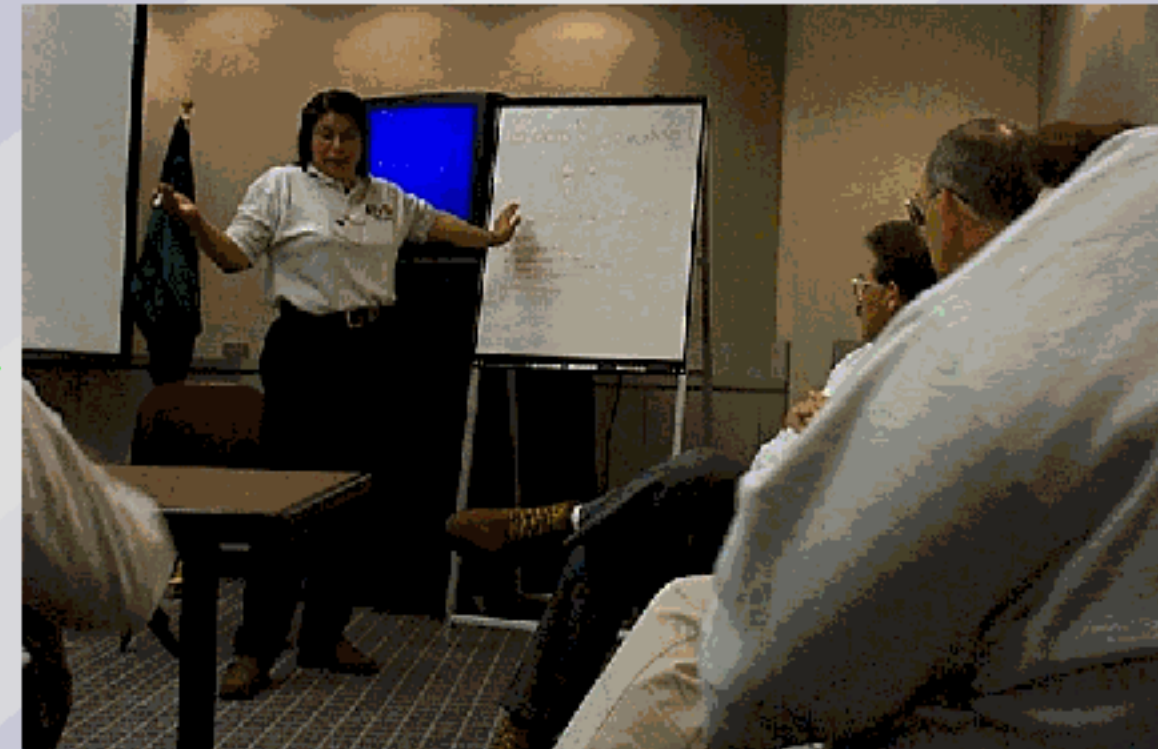


LEADERSHIP TECHNIQUES EDUCATION

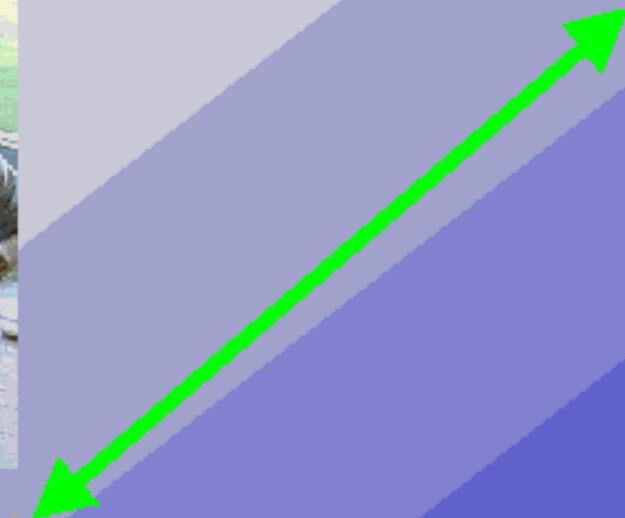
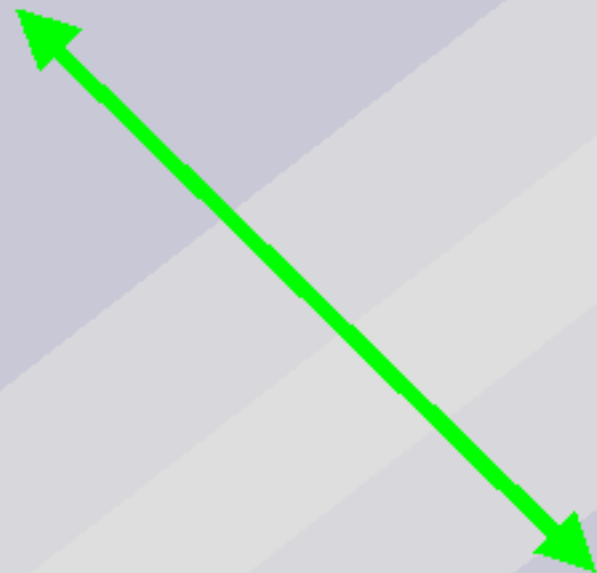
Formal



Informal



Assignments



POINT: Management Grooms Leaders More Than Organizations

LEADERSHIP TECHNIQUES

Training Program for All

“Cross” Training



- Take With
- Fashions
- Direct Delivery
- Credit
- Human Resources
- Strategy

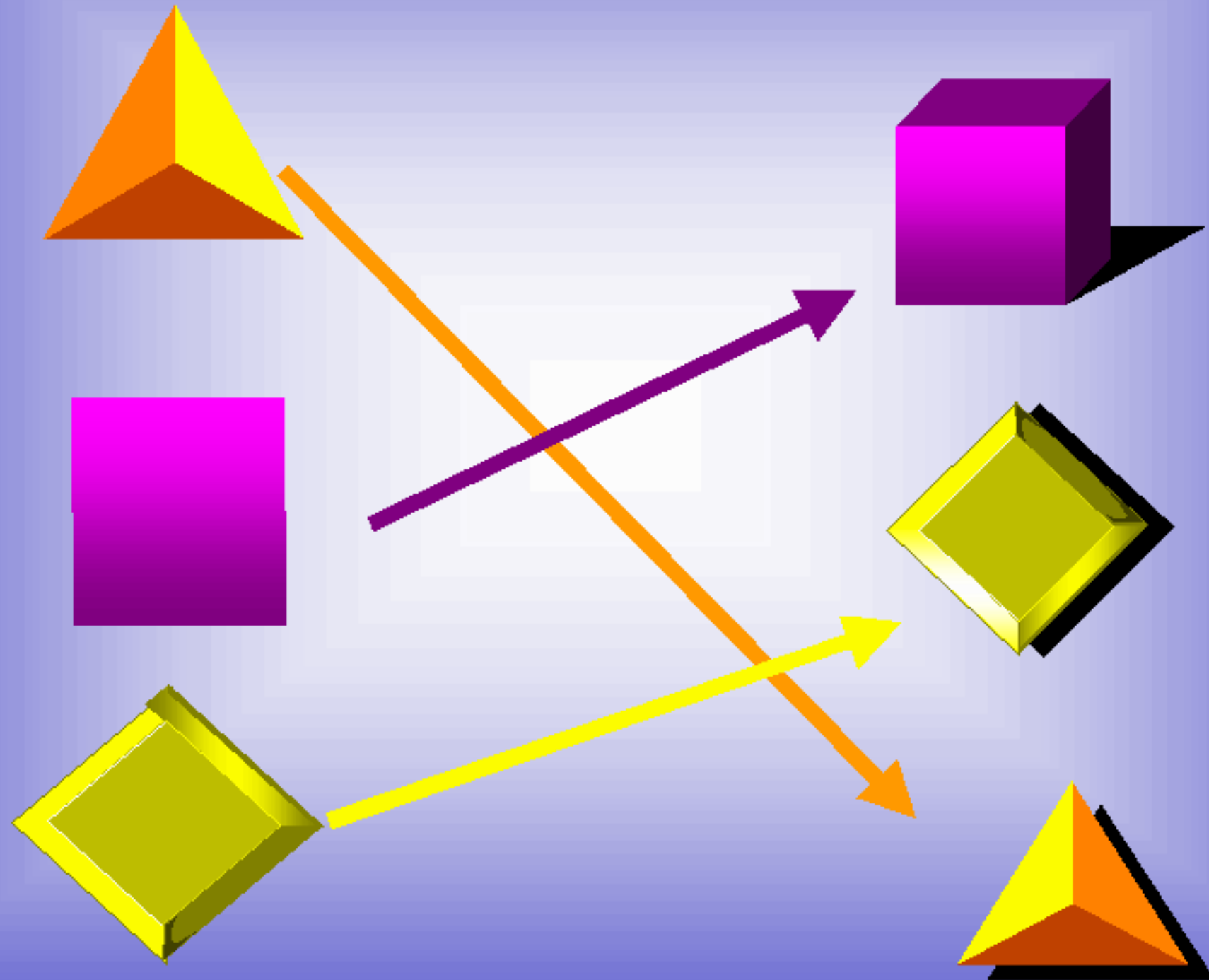
Functional Training



Retail Stores & Logistics Facilities

LEADERSHIP TECHNIQUES

Right Individual / Right Job

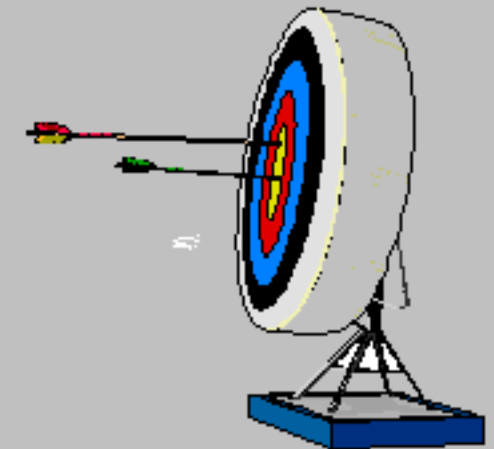


MOTIVATION

**Everyone Focused
Toward
Goals & Objectives**



**Set High
Standards**



**Negative Free
Environment In
Which to Work**



**Certificate
SUCCESS**



Leadership

*Dept. Visits
& PSM time*

*Leadership
Style*

***Communi-
cations***

*Stand-Ups
Sit-Downs*

*3 X 5 Cards
E-mail*

*Matrix
Papers*

LEADERSHIP TECHNIQUES

Traits of Successful Leaders



Expertise



Empathy



**Organizational
Creativity**

UNIT

POINT: Leaders Are Made Through HARD WORK!!!

LEADERSHIP TECHNIQUES

YOUR LEADERSHIP STYLE

1 Know Yourself

Strengths

Weaknesses

- | | |
|----------------|-------------------|
| - On Time | - Messy Office |
| - Team Player | - Assume Answer |
| - Return Calls | - Bad Math Skills |
| - Etc. | - Etc. |

3

Know What You Are Communicating & Body Language



2 Be Yourself



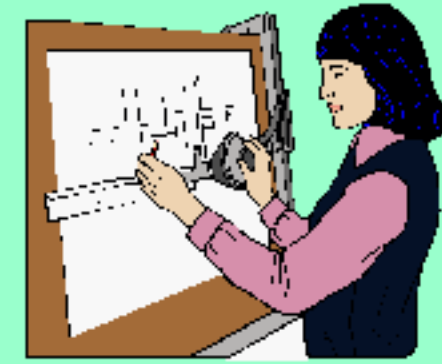
Know The

Mission/Objective

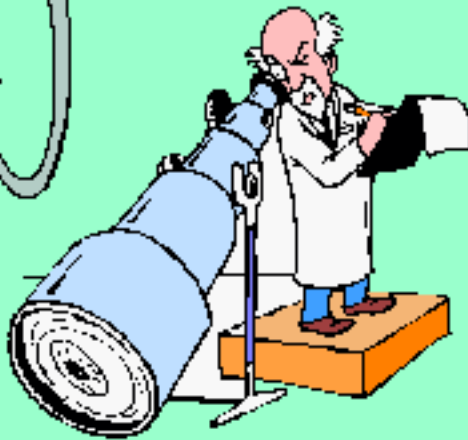
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POINT: Successful Communication Is Key Ingredient



**Surround yourself with
people who are different
than you... their strengths
supplement your Leadership Style.**



LEADERSHIP TECHNIQUES

3 x 5 CARD . . .

(from) Your Dept.

Your Name

TO: Gus

Subject: Snow in the South

Date, Time

phone #.....

10:00 AM

> Roads closed in Atlanta

**> Can't make deliveries to 60
customers**

**> Calling customers to re-schedule
deliveries.**



. . . AND E-MAIL

LEADERSHIP TECHNIQUES

Matrix Paper

Limit To One Page

DECISION / INFORMATION

Topic:

Date

Clear & Concise

BACKGROUND:

Limit Verbage

UPS

1.

2.

3.

Easy Read

Downs:

1.

2.

3.

*Working Action;
(Fix: In brackets)*

Points Must Be Made

KEY POINTS:

Concur or Not

BOTTOM LINE:

*Chop
on Back*

LEADERSHIP TECHNIQUES

Matrix Paper

CHOP BLOCK	CONCUR	NON-CONCUR	COMMENTS
* Log Cell Strategy			
* Finance			
* IS			
* VR			
* DD			
* Off-Mall			
* HR			
* Outlet Stores			
* Specialized Channel			

LEADERSHIP TECHNIQUES

Stand Ups

- Last less than 30 Min.
- Anyone Can Attend
- Everyone Knows
ALL Issues



- Never Canceled
- Essential Information
- All Sections Represented

LEADERSHIP TECHNIQUES



- A Weekly Meeting
- Same Time Every Week
- Dept. Heads Brief
- 3 Ups and 3 Downs Format
- Guidance Given
- Information Sharing
- Individuals Timed

LEADERSHIP TECHNIQUES

Staff Call

Items of Special Interest:



<i>UPS</i>	<i>DOWNS</i>
<hr/>	<hr/>
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Requirements:

LEADERSHIP TECHNIQUES

Departmental Visits



- 
- ✓ **Scheduled Weekly**
 - ✓ **At Dept. Location**
 - ✓ **Set Agenda**
 - ✓ **Focused**
Discussion
 - ✓ **Chance to Meet**
All Associates

LEADERSHIP TECHNIQUES

Please See Me (PSM) Time

- ✓ Scheduled Time With the Boss
- ✓ No Waiting
- ✓ Notified Through Note From the Boss
- ✓ For Clarification or More Details

