

Foreword



Throughout my career, I have been fortunate enough to have the opportunity to come into contact with various organisations. One point stands out in all of these organisations, which is that they have recognised the true value of their human capital. Today's leaders consider their human capital as a key factor to success and hence are paying more and more attention to its development.

There are numerous studies and analyses of sector-related trends as well as universally accepted parameters which evaluate return on investments on the basis of productive improvements of tangibles or financial investments. However, on the topic of managing people, these studies either do not exist or are rarely applied correctly, ignoring the cost-benefit analysis.

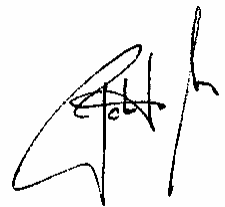
Therefore, do we wish to admit that costs related to personnel are considered necessary for all organisations without requiring any justification?

... And as we already know, "what is not measured, is not managed". Renouncing the use of the above mentioned analyses from the very beginning means resigning to monitoring the development and progress of human capital and the systems used in each organisation for managing it.

In order to improve the management of human capital and bring rigour and coherence to the substantial investment made in people, we at PricewaterhouseCoopers have published "Living a Brand Experience through Employees", a study consisting of primary investigations carried out within the Distribution sector, with the objective of analysing policies and practices in Europe within the area of Human Resource Management.

Today, more than ever, executives involved in the management of human capital require and demand this kind of analysis, knowing that their function is a key aspect for the management and sustainability of their company.

Finally, I would like to thank all participants in this study whose contributions have made it possible to analyse this important asset in retail companies. I hope that a close further collaboration will continue to exist going forward.

A handwritten signature in black ink, appearing to read 'Roberto Adami', with a stylized flourish at the end.

Roberto Adami
Retail & Consumer Leader
Eurofirms and Italy

Executive Summary

This report presents an overview of Human Resource practices within leading European companies in the Retail sector.

HR policies and practices within every company have been analysed and compared to those within the sector. This analysis provides an insight into the dynamics of the HR function, which are highlighted in this report.

The objective of the study

The objective of the study is to gain professionals' viewpoints on the following issues relating to Human Resource Management:

- Definition of a strategic HR Plan
- Impact of market trends on HR practices
- Current status of HR policies in each participating company and its potential evolution in the near future
- Usage of metrics in HR management and trends in reporting systems
- Roles of HR within the different companies

In addition to examining the current situation of HR Management within the sector, the study also aims at engaging readers by highlighting trends, best practices and examples on how personnel management can be used to create value and achieve business goals.

Background: About this survey

% participating retail companies in European countries

Turkey	22.8%
Switzerland	21.1%
Spain	14.0%
Italy	12.3%
Austria	10.5%
Greece	10.5%
Belgium	5.3%
Germany	1.8%
Netherlands	1.8%

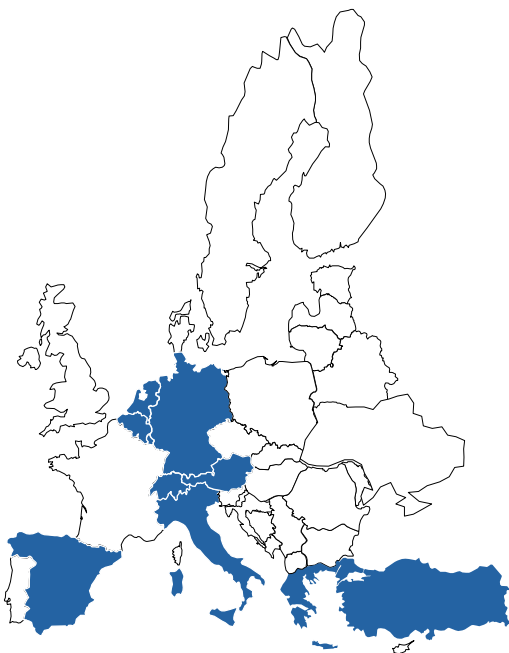
This survey is the result of information collected from 57 retail companies, that are either based in, or are multinationals with subsidiaries in 9 European countries: Austria, Belgium, Germany, Greece, Italy, Netherlands, Spain, Switzerland and Turkey.

The study was carried out by obtaining information through electronic questionnaires sent out to all participants. This information has enabled us to diagnose the status of current policies and practices, as well as the trends in HR in the retail and consumer sector in Europe.

Companies participating in the study have been classified on the basis of number of employees and by the volume of their revenues.

Referring to the above, this report represents a majority of large and mid sized enterprises. 30% of the companies represented have more than 5000 employees, 31% with between 1000 and 5000, and 39% with fewer than 1000. Similarly, 40.3% of them have revenues over 500M€, 28.1% with revenues between 100M€ and 500M€, and 31.6% with revenues below 100M€.

Geographic representation of participating retail companies



Employees and Revenues

