

HUMAN RESOURCES MANAGEMENT

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DEVELOPING
AN EFFECTIVE ENGAGEMENT STRATEGY
LIDL

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I. INTRODUCTION

LIDL INTRODUCTION – 4 FACTS ABOUT THE COMPANY

1. INTERNATIONAL ENTERPRISE (leading in Europe; expanded across the USA) in the food industry with headquarters in Germany (Hartnagel, 2017)
2. from 1994 in the UK market - a FAST GROWING CHAIN with 960 stores (Sillars, 2023) filled WITH AN ASSORTMENT of which 2/3 comes FROM LOCAL SUPPLIERS
3. the most desirable brand of stores due to COMPETITIVE PRICES (Sillars, 2023)
4. a company FOCUSES ON THE MANPOWER (Sillars, 2023) puts British salary growth pressures on their rivals (Strauss and Onita, 2023)

EMPLOYEE ENGAGEMENT:

A combination of an emotional and a behavioral element (Aldrich & Pullman, 2019)- crucial to create an attractive work environment that will motivate candidates to join the team, stay in it as long as possible and involve productively in activities within the company (Aldrich & Pullman, 2019).

AIM OF THE PRESENTATION:

PAY IS NOT THE ONLY DETERMINANT OF EMPLOYEE ENGAGEMENT AT LIDL

VARIOUS TYPES OF QUALITY OF PRODUCTS/SERVICES IN INDIVIDUAL BRANCHES ACROSS UK VS GAPS IN HUMAN MANAGEMENT / DEVELOPING THE OUTSTANDING STRATEGIES OF EMPLOYEE ENGAGEMENT AT LIDL

2. IMPORTANCE OF EMPLOYEE ENGAGEMENT

In agreement with Maylett & Wride (2017), there is significant dependence on three aspects between the employer and the employee:

if the employer follows presented values, and workplace culture = employees' commitment

if the employer follows presented promises and assurances = employees' satisfaction

if the employer is perceived and pretends to be emotionally intelligent = employees' engagement

Employee Engagement affects the level of functionality of the enterprise in terms of efficiency and profitability, which can be observed and proved in the example of selected Lidl branches in London (e.g. standard of the brand is not equal in all Lidl's stores due to different levels of engagement).



3. COMPONENTS OF SUCCESSFUL ENGAGEMENT STRATEGY

EVP (EMPLOYEE VALUE PROPOSITION) AT AN ANGLE OF BRAND CONTRACT, TRANSACCIONAL CONTRACT AND PSYCHOLOGICAL CONTRACT

EVP (employee value proposition) :

an offer that the organization makes to potential and current employees in exchange for their dedication, skills, and loyalty to the workplace and the employer (Wagner, 2017)

Brand Contract + Transactional Contract + Psychological Contract (Maylett & Wride, 2017)

designed to be an employee-centric approach,
consequently improving the efficiency of the organization (Wagner, 2017)



EVP (EMPLOYEE VALUE PROPOSITION) AT AN ANGLE OF BRAND CONTRACT, TRANSACCIONAL CONTRACT AND PSYCHOLOGICAL CONTRACT

BRAND CONTRACT - the company cannot build the illusion of the brand's unreal expectations towards the employee - brand influences potential recruiters through organizational culture, reputation, leadership style, and behaviour of crew (Maylett & Wride, 2017)

Lidl promotes the company as well paying workforce; improvement is needed – promoting more emotionally intelligent leaders.

TRANSACTIONAL CONTRACT - fairness, equality, promises, and commitment; respect in terms of ethics and wages; following protocols, procedures, and legal standards (Maylett & Wride, 2017) Inc. Health and safety guidelines

Lidl's aggressive expansion led to deviating from standards, thus, created a depressive, overworked, stressed, and undervalued workforce (Rodionova, 2017) – empty transactional promises; improvement - getting rid of the belief that pay rewards hard work, sacrifice, additional obligations or accepting managers' rudeness.

PSYCHOLOGICAL CONTRACT - relationship exchange (Maylett & Wride, 2017)

'plays a major role in whether employees choose to give their hearts, spirits, minds, and hands to the work' (Maylett & Wride, 2017, p. 144)

'subjective, relies on perceptions, is illogical, changes often and is based on many different variables and perspectives' (Maylett & Wride, 2017, p. 148)

Critical judgement – the poor quality of Lidl's goods or services due to frustration and overwork of employees – engagement level depends on management, their approach to people as HUMANS, not as a workforce

EMPLOYEE VALUE PROPOSITION SMASHED– RANDOM REVIEW

Working at Lidl: Company Overview and Reviews in the United Kingdom



Lidl

2.9 ★★★★★

2288 reviews

Lidl, UK Ratings

2.9 ★★★★★

Average rating of 2288 reviews on Indeed

2.5 ★ Work-life balance

3.4 ★ Pay & benefits

3.0 ★ Job security & advancement

2.6 ★ Management

2.6 ★ Culture

Pic: SH Inc., (2023)

Student ID 1919631 – Wioleta T Knysz

1.0 ★★★★★

Customer Assistant | [Crawley](#) | 12 Sept 2022

Do not work here

I have mixed feelings about the past two years at this company. On the one hand, I had the pleasure of working with the best group of colleagues you could ever ask for in a job. On the other hand, my experience at Lidl was a pure nightmare. The only reason I stayed on was because of the lack of jobs during the peak covid time and also because I was currently saving up money for university.

I don't know where to begin with this but let's start with positives.

Pay* - Pay is actually pretty good considering other retail jobs but the asterisk is there for a reason and I will explain later

Colleagues - Always fun speaking and talking with other people and learning more about them. It can be quite a social job if you're on a till with someone else and it can make the hours fly by

There is no regard for employee health, as I suffered from back pain and asked to change the chairs on the tills to accommodate, a reasonable request my manager said he would fulfill, however weeks had gone by even with chasing it up, no changes were made. The company treats you like a machine and you will be expected to act like a machine, operating at 100% efficiency otherwise you will be reprimanded by the SM or AM.

There is no work/life balance, you will be called up last minute to cover shifts, which is okay occasionally but everyday is ridiculous. You're expected to cover each shift too and if you do not then expect some grief from the store manager or possibly even having holidays changed 'as punishment'. Likewise, if you are asked to start early or finish later, you're expected to do so, with no regard for any plans or commitments you may have outside of work. You have to beg your manager to let you leave on time as they will tease and get you to stay 15, 30 minutes or even an hour after you were meant to finish.

The Rota. The Rota will change every single day you go in, don't expect it to stay the same. Your Holidays that have been approved for months in advance can be cancelled up to the day before.

Management - This will make or break your experience. The Area Manager will enter your store, look all intimidating and create problems for the store that need solving. Problems that never existed, nor pose any importance in the grand scheme of things, but will require an urgent response. Very rude and if you don't jump up immediately as the commands leave his mouth, you get told off.

Pay - Although the pay can be good, you essentially do the work of 2-3 people. And as the job can be so physically and mentally demanding, it's not actually worth it.

Overall, I would avoid working at Lidl again. There are books and articles recounting past employee's experiences working for this company, and just how evil they are to their own staff. In my experience, I got off lightly compared to some of the stories I have heard, but that said, a job should not make you hate waking up every morning and you shouldn't be spoken to like dirt. Only work here if you have absolutely no alternative, if you can get a job somewhere else, then take it because you deserve it.

5C'S ENGAGEMENT STRATEGY

The 5 C's Engagement Strategy is a framework designed to foster meaningful interactions and connections with customers. By focusing on these five key elements, businesses can enhance customer satisfaction, build loyalty, and drive long-term success.

I. Content:

LIDL can develop an effective engagement strategy by focusing on providing valuable and relevant content to its customers. This could include creating a dedicated blog or resource center on their website, where they share cooking tips, healthy recipes, and budget-friendly meal ideas.

They can also produce engaging videos showcasing their products, behind-the-scenes footage of their stores, and stories of local farmers and suppliers.

By offering informative and entertaining content, LIDL can enhance its customers' shopping experience and position itself as a trusted source for all things food-related (Sorogy, 2020).

Flow chart

Content → Communication → Customization → Collaboration → Celebration

5C'S ENGAGEMENT STRATEGY

2. Communication:

Open and effective communication is vital for building a strong connection with customers. LIDL can ensure that its customer service channels are easily accessible and responsive, including phone support, email, and social media messaging.

Additionally, they can proactively reach out to customers through email newsletters, notifying them of upcoming promotions, new product launches, and store events.

Regularly seeking feedback through surveys and polls will also show customers that LIDL values their opinions and wants to improve its services (Pereira, 2017).

3. Customization:

To engage customers on a personal level, LIDL can offer a customized shopping experience. They can leverage data from loyalty programs and online purchases to provide personalized product recommendations and provide exclusive discounts tailored to individual preferences.

LIDL can also introduce personalized shopping lists and recipe suggestions based on customers' dietary preferences and past purchases. By catering to each customer's unique needs, LIDL can create a more meaningful and relevant shopping journey (Morais, 2016).

5C'S ENGAGEMENT STRATEGY

4. Collaboration:

LIDL can foster a sense of community and collaboration among its customers by organizing events and initiatives that involve them actively.

For example, they can run cooking competitions using LIDL products and encourage customers to share their recipes and creations on social media using specific hashtags. LIDL can also collaborate with local charities and organizations to run community-driven initiatives, such as food drives and fundraisers.

By involving customers in meaningful causes, LIDL can create a positive impact and deepen the sense of connection between the brand and its customers (Castro, 2021).

5. Celebration:

Recognizing and celebrating customers' loyalty and engagement is crucial for fostering long-term relationships. LIDL can implement a tiered loyalty program that offers exclusive rewards and benefits to frequent shoppers.

They can also feature customer success stories on their website and social media platforms, highlighting how LIDL products have positively impacted their lives.

Celebratory events and milestone rewards for loyal customers can further reinforce the bond between LIDL and its customer base.

By implementing the 5 C's Engagement Strategy, LIDL can create a holistic and effective engagement plan that resonates with its customers, drives brand loyalty, and strengthens its position in the competitive retail market (Tench, 2016).

AON – HEWITT MODEL

The **AON-Hewitt model** is an academic evidence-reliant framework that highlight “employee engagement because it can classify and identify facets of employee engagement consisting of say, stay, strive.”(Azzahra, and Putranto, 2023) pointing out positive outcomes for employees, colleagues, and customers and the six main drivers of employee engagement:

- **Brand** - instils employee engagement, loyalty, and organizational fulfillment at Lidl Stiftung & Co. ; a powerful brand identity generates pride, purpose, loyalty, and motivation, driving organizational success..
- **Leadership** - quality significantly impacts employee engagement, requiring compelling vision, effective communication, and team empowerment.
- **Performance** –In terms of achievement, Leadership quality significantly impacts employee engagement, requiring compelling vision, effective communication, and team empowerment.



AON – HEWITT MODEL

- **The work** – Alfes et al (2010, p.55) stated that among the main drivers of engagement there are: meaningfulness of work, voice, being able to feed your views upwards, supportive work environment.
- **The basics** - Lidl company prioritizes essential elements for employee engagement, including fair compensation, clear communication, supportive leadership, and growth opportunities
- **Company practices** - Lidl company's practices, including transparent communication, employee recognition, and career development, enhance employee engagement, productivity, and satisfaction.



6 drivers of employee engagement

AON – HEWITT MODEL

Performance Management and Recognition:

- Employee growth and productivity, regular check-ins, data-driven appraisals.
- Clear targets.
- Programmes reward excellence.
- For example : "Employee of the Month," encourage motivation and a healthy sense of competition (Schneier, 1989).

Various Pathways and development for careers:

- To value staff development.
- Employees can set growth goals.
- Training initiatives and mentorship programmes to improve skill sets Promoting long-term and career advancement (Schein, 1990).

Enhancing Organizational Culture:

- Concentrates on creating a solid corporate culture.
- Daily operations incorporate core values.
- Regular culture evaluations point out areas for development.



AON – HEWITT MODEL

Employee Wellness and Well-being:

- To give employee wellness first priority.
- Physical, mental, and emotional wellness .
- Flexible work schedules and stress-reduction programme. (Avey et al., 2010).

Communication and Transparency:

- Effective communication.
- Transparency is ensured throughout via open channels.
- Information sharing.
- For example:- By regular town hall meetings, newsletters, and intranet platforms.
- To build belonging, trust, and alignment (Yue et al., 2019).

Employee Feedback and Continuous Improvement:

- Surveys, focus groups, and one-on-one conversations.
- Lidl's dedication to innovation and employee-driven improvements.
- To promote continuous improvement across processes. (Assen, 2020).



DISCIPLINE

Lidl, a German supermarket chain, focuses on several key strategies to enhance employee engagement.

These include promoting a positive work culture, providing opportunities for career development, offering competitive compensation, recognizing and rewarding employee contributions, and maintaining effective communication channels. Additionally, Lidl emphasizes employee empowerment, work-life balance, and fostering a sense of belonging within the organization (Dr.Kennes,2019).

DISCIPLINE

1. Communication Channels

- Encourage regular feedback sessions between employees and management.
- Utilize digital platforms for transparent communication and updates (Albert, 2016).

2. Social Responsibility Initiatives

- Involve employees in community service projects or charitable activities.
- Demonstrate the company's commitment to social responsibility, which can boost employee morale (Arturas Cesko, 2019).

3. Team Building Activities

- Arrange team-building events to strengthen relationships and collaboration among employees.
- Encourage cross-functional projects to promote interaction between different departments (Arturus Cesko, 2019).

4. Performance Feedback

- Conduct frequent performance reviews to provide constructive feedback and set goals
- Focus on continuous improvement and provide opportunities for skill development (Thomas, 2020).

CONCLUSION



Lidl's employee engagement strategy revolves around a positive and inclusive work environment where employees feel valued, empowered, and motivated.

By emphasizing career development, competitive compensation, rewards and recognition, effective communication, and work-life balance and this is not only enhances job satisfaction and retention but also contributes to overall business success and sustained growth.

Lidl aims to create a sense of loyalty and dedication among its work force.

Q & A

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