

# WEGMANS LEADERSHIP UNIVERSITY: LEADING TO NO. 1

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## Top management participates in Wegmans Leadership University. By Tom Brady

... In 2001, Danny Wegman, President and CEO of Wegmans Food Markets Inc., issued a challenge to become #1 in Fortune Magazine's "100 Best Companies to Work For" list. At the time, Wegmans was #66 and had been on the list since its inception in 1998, when they were at their highest ranking of #16. While many initiatives were started given that challenge, leadership development was seen as a key element to achieving #1 status. Wegmans is a family-owned, privately-held

company located in Rochester, N.Y. In 1921, John and Walter Wegman purchased the Seel Grocery Co. and expanded operations to include general groceries and bakery operations. Under the leadership of Robert Wegman, beginning in 1937, Wegmans has grown to a 71 store chain in the mid-Atlantic region of the United States with \$3.8 billion in sales 2005, up 69 percent since 1996 with 3 to 5 times the overall margins found across the industry. While Wegmans is known for its wide selection, its focus on fresh and prepared food, and

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unparalleled customer service, more importantly, they have a deep-rooted philosophy that employees are its greatest asset and they are treated as such. In return, the full-time employees reward the company by having a turnover

quite a buzz, we orchestrated a dialogue with senior management describing “Level 5 Leadership” in Wegmans terms using The XLR8 Team’s self and 360° assessments which created the foundation for the leadership de-



rate which ranges from 6 – 8 percent, less than half the industry average. As stated by Jo Natale, a Wegmans spokesperson:

**“THE WEGMANS FAMILY ALWAYS BELIEVED THAT IN ORDER TO GET THE FINEST CUSTOMER SERVICE, WE NEEDED TO PUT OUR EMPLOYEES FIRST.”**

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While employees enjoy a number of benefits not common among their competitors, Wegmans also believes that a vast majority of employee turnover, 80% as demonstrated in some studies, is related to an unsatisfactory relationship with a manager or supervisor.

This prompted Danny Wegman to publish the “Who We Are Values” of respect, high standards, empowerment, caring and making a difference in 2001 that now serves as the foundation for leadership selection and development. Over the years, Wegmans has utilized numerous external leadership development programs. In the late 1990’s, in conjunction with an outside consultant, they began with a stand alone, customized 360° process for middle management.

Then in early 2001, Jack DePeters, Senior VP for Store Operations, hired The XLR8 Team, Inc. to coach a store manager. The store manager was engaged in the “XLR8 YOU!!! Becoming a Leader” process on a one-to-one basis and showed excellent progress. Since Wegmans was expanding quickly with relatively young and inexperienced Store Managers in their new markets, they became the initial target group. However, since the XLR8 Team was new to the company, time needed to be spent gaining commitment from senior management.

With “Good to Great” by Jim Collins creating

development efforts through a strong foundation of internal and external coaching.

The first two leadership kick-off weeks in late 2002 began using the “XLR8 YOU!!! Becoming a Leader” process (see figure on the following page). It has since been incorporated into Wegmans Leadership University and renamed “Excellence in Leadership” and is offered to the Store Manager/VP level and above. While still facilitated by XLR8 Team coaches, the leadership week experience consists of a mixture of Wegmans leaders and leaders from other XLR8 Team clients providing a unique leadership learning community.

In the words of Gary Woloszyn, 25 year veteran Store Manager at Wegmans:

**“I REALLY DIDN’T KNOW WHAT TO EXPECT, BUT IT WAS THE MOST EXCITING PROGRAM I EVER WENT TO. IT WAS SO REFRESHING I KNOW I WILL LOCK A PIECE OF IT AWAY FOREVER. I LOOK FORWARD TO SEEING TOM IN MY STORE SOON.”**

The key elements of the “XLR8 YOU!!! Becoming a Leader” process are:

- Top management describing leadership excellence.
- Top management enrollment, “graduation”, and co-coaching with The XLR8 Team, Inc.
- Extensive pre-leadership week coaching with an XLR8 Team coach building trust and rapport.
- A week-long kick-off workshop for self reflection and communal learning.
- 12 to 15 months of ongoing coaching with periodic co-coaching updates with their supervisor.
- A second 360° assessment to measure progress, leading to “graduation” and a coaching

**Bethlehem, PA is one of the 71 locations of Wegmans Food Markets, Inc.**

**The late Robert Wegman with his grand-daughters Colleen and Nicole, and his son Danny Wegman (left to right).**

hand-over to their supervisor. In 2005, Wegmans became the “#1 Company to Work For” in Fortune Magazine’s list of the “100 Best Places to Work For”. It was also named to the Fortune Magazine’s Hall of Fame

This will not only ensure that the great Wegmans culture will endure and continuously improve, but also assist in expediting the creation of the culture that is the foundation of their reputation while expanding into new markets.



for being in the Top 100 for all 8 years of the list’s existence. Danny Wegman stated:

**“ONE OF THE REASONS WE MADE IT TO #1 IS THE LEADERSHIP DEVELOPMENT EFFORTS OF TOM BRADY AND THE XLR8 TEAM!”**





To date, over 90 Wegmans senior leaders have participated in Wegmans Leadership University’s “Excellence in Leadership” process. While primarily in store operations, senior leaders in corporate and distribution are now enrolling. The XLR8 Team, Inc. has also worked with internal Wegmans leadership to cascade Wegmans Leadership University down to middle (“Leadership in Action”) and entry level (“Learning to Lead”) management. Key elements of the structure are:

- Describing leadership success at each level of the company in the Wegmans language
- Co-coaching and ongoing coaching by “graduates” of higher levels of WLU
- Use of common tools and assessments top to bottom

The future of Leadership Development will now focus on cultural capital development using Richard Barrett’s “Building a Values-Driven Organization, A Whole System Approach to Cultural Transformation”, to which I was a contributing editor.

This effort has already been piloted by the Buffalo Division through a cultural values assessment of their divisional leadership in 2003. The success of their subsequent efforts has lead to a second pilot in the Buffalo division late in 2006 that will include cultural values measurement for each of their 14 stores. Expectations are that this will be used throughout the organization as the primary “people” measure and leadership will be held accountable for the results.

### XLR8 YOU!!! Becoming a Leader ➔

 <b>Orientation</b> (2-3 months prior)	 <b>Leadership Week</b> (4 1/2 days)	 <b>Follow-up Coaching</b>	 <b>Graduation &amp; Continuous Learning</b>
<p style="text-align: center;"><b>Pre-Kickoff Preparation for Leadership Week</b> (6 hours)</p> <ul style="list-style-type: none"> <li>• Complete Self &amp; 360° assessments</li> <li>• Review Self Assessments Success Discovery Process with XLR8 Coach</li> <li>• Listen/read/debrief pre-work materials</li> <li>• Gather Unique Ability data</li> <li>• Partner with participant’s supervisor</li> </ul>	<p style="text-align: center;"><b>Attend Leadership Week</b> (4 1/2 days)</p> <ul style="list-style-type: none"> <li>• Enhanced Self Awareness</li> <li>• Clarity re: Inner Guidance system</li> <li>• Realistic assessment of leadership practices and leadership values</li> <li>• Improved coaching capabilities</li> <li>• Create “In Search for Adventure” notebook - Preliminary Leadership Development Plan</li> <li>• Creating a unique learning community</li> </ul>	<p style="text-align: center;"><b>Coaching Sessions</b> (12- 15 months)</p> <ul style="list-style-type: none"> <li>• Share “In Search for Adventure” notebook with raters and supervisor</li> <li>• Finalize Leadership Development Learning Plan - 360° raters’ feedback - Supervisor’s input.</li> <li>• Extend learnings to direct reports - Self Assessments &amp; Success Discovery process</li> <li>• Teambuilding</li> <li>• Cultural Values Assessment</li> <li>• Ongoing plan monitoring &amp; revisions</li> <li>• Periodic co-coaching sessions with Supervisor</li> </ul>	<p style="text-align: center;"><b>Continue Leadership Journey</b> (2 – 3 months)</p> <ul style="list-style-type: none"> <li>• Complete 2nd 360° assessments: measure improvements</li> <li>• Feedback from raters &amp; supervisor</li> <li>• Update/revise Leadership Development Learning Plan</li> <li>• “Graduation” session with Supervisor – “hand-off” ongoing coaching</li> <li>• Recommended - Cultural Values Assessment and Development with ongoing coaching</li> </ul>

The XLR8 Team, Inc.

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A reputation that won the acclaim of Southwest Airlines in the July, 2006 issue of their “Spirit” magazine:

“Wegmans has earned a reputation, an almost-cultish devotion with shoppers and chances are, if you have ever visited one, you’re already a fan. How else could you explain a regional super-market chain that received 8,400 love letters from 46 states last year; nearly 5,000 from customers requesting, pleading, Wegmans to open a store in their town? Wegmans is showing the industry how to thrive, not just survive.”



**Tom Brady**  
The XLR8 Team, Inc.