

Human Resource Management

Tuesday: 6 pm – 9:50 pm

Summer 2012 Quarter



Final Project: Create a new job position  
Designer Collection Manager Position at H&M

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## **Overview of Business:**

H&M, which opened its first store in Sweden in 1947, is now represented on more than 40 markets. H&M's designers create a broad and diverse range of fashion for men, women, youth and children. In addition to the clothes, cosmetics, accessories, and home textile products are all part of what H&M has to offer. Fashion and quality at the best price – that is H&M's basic offer. There also is always something new happening at H&M: new products arriving, to more stores opening and new campaigns being launched. That is what makes H&M inviting, exciting and constantly able to surprise the customer. H&M aims to build communication throughout the H&M brand and to communicate those guiding principles, both in the long and short term.

Every year, H&M launches a number of major campaigns, complemented by smaller additions. The campaigns act as exciting invitations to the H&M brand. Since 2004, H&M has also collaborated with international designers and fashion icons such as Karl Lagerfeld, Stella McCartney, Versace and Marni. The designer collaborations boost the H&M brand by creating buzz and making the basic business concept of fashion and quality at the best price more clearly to customers.

H&M has expanded substantially in recent years. Today almost 2,600 stores are spread across 44 markets. The H&M Group includes H&M and H&M Home as well as COS, Monki, Weekday and Cheap Monday. Germany is H&M's largest market, followed by the US, France and the UK. Looking forward, H&M sees great potential for continued expansion in existing as well as new markets. H&M, COS, Monki, Cheap Monday and Weekday will all continue growing through more stores but also on digital platforms such as H&M.com, mobile apps and

social media. In some markets H&M is collaborating with franchise partners, but franchising is not part of the general expansion strategy.



## **Job Analysis:**

### **Corporate Governance:**



About Corporate Governance: Effective corporate governance is about ensuring that companies are run as efficiently as possible in the interests of the shareholders. H&M applies the Swedish Code of Corporate Governance.



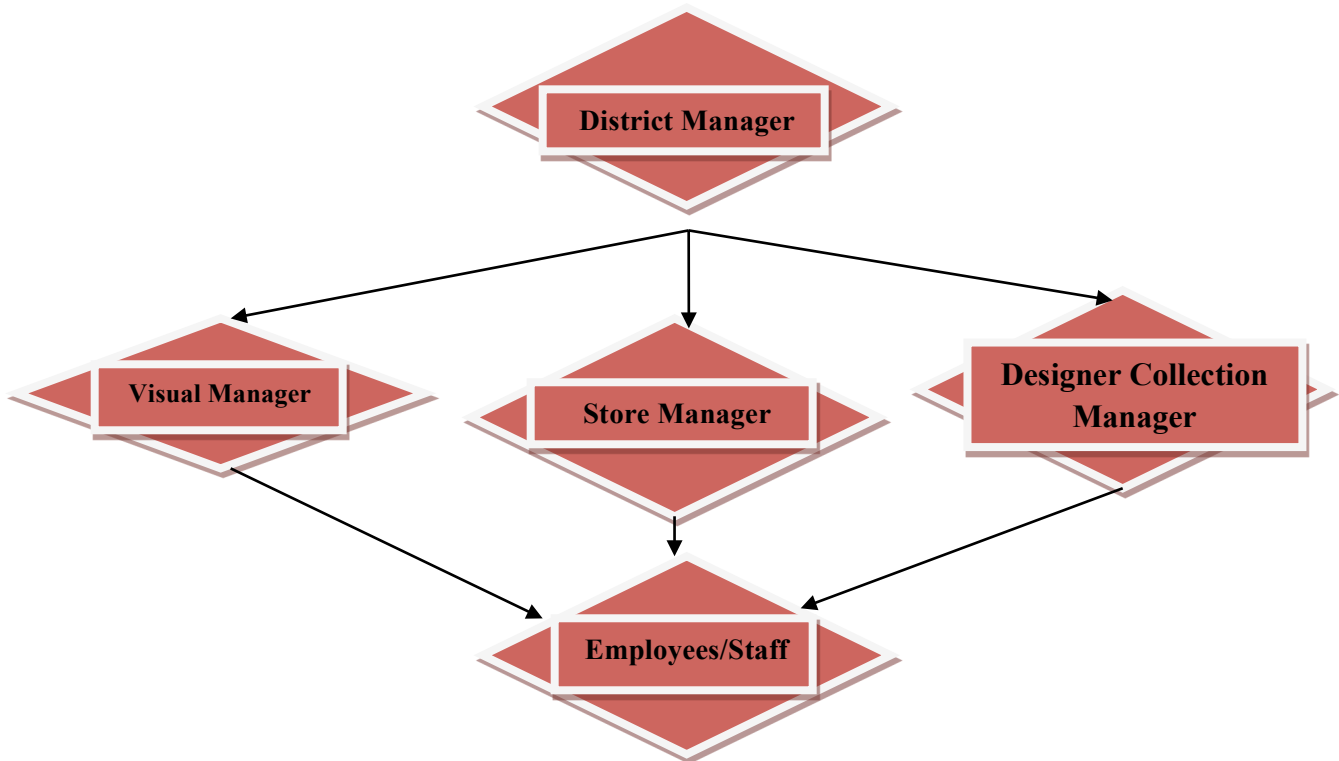
Board of Directors: The Board of Directors manages the company's affairs on behalf of the shareholders. It consists of eight ordinary members, two employee representatives with two deputies for these positions.



Managing Director: Karl-Johan Persson, born in 1975, has been the Managing Director and Chief Executive Officer of H & M Hennes & Mauritz AB since 1 July 2009.

**Figure 1.1: Positions Chart**

**Positions:**



Designer Collection Manager: outlooks and oversees information on collaborations with guest designers that are featured in the H&M retail stores and ensures the collaborations are organized to share H&M's values, standards, policies, and procedures while still evoking the designers values, standards, and style.



### **Job Description Overview:**

The new designer collection manager at H&M will be under the guidance of the district manager as well as the store manager. The employee will work closely with the visual merchandisers as well. The new position will be based out of New York City, New York. The designer collection manager will provide knowledge of featured guest designers and brands to staff and customers. They will also be responsible for designing, setting-up, and managing staff on how to arrange the guest designer's collection and oversee the upkeep of the merchandise and the collaboration department or section of the store.

In addition, the designer collection manager will be responsible for maximizing sales and drive profitability in guest designer collaborations merchandise, and guarantee that the products are properly priced and displayed in the manner it was intended to be revealed. The new employee must meet deadlines as well as follow, execute, and manage employees in safety and security procedures.

Some of the job specifications that H&M requires of the designer collection manager are a Bachelor's degree in fashion or a related field and three years of experience working in fashion industry. The employee must possess excellent communication, leadership, and organizational skills and be able to multi-task. They must be able to take initiative and meet deadlines as well as have an open availability including nights, weekends, holidays, and be able to work long hours. Some travel may be required for district meetings, workshops, research, etc. The designer collection manager must be able to work well with others and in teams and be able to work alone and create and meet short and long-term goals.

### **Job Description:**

A full job description is located in the Appendix section.



### **Recruitment:**

Recruitment sources will be through the H&M Web site in the “Work at H&M” section. (Web site: [http://about.hm.com/us/workingathm\\_\\_career.nhtml](http://about.hm.com/us/workingathm__career.nhtml)). Other sources will be in newspapers and websites such as: WGSN, Women’s Wear Daily (WWD), and StyleSight. H&M will be recruiting from the company’s website since most of the recruitment H&M does already is through their website or promoting within the organization. The company will be utilizing newspapers such as Women’s Wear Daily as well, due to many upper level positions are often advertised through this type of media. Another recruitment source will be social media websites such as Facebook to recruit for the new position for the reason that utilization of technology and social media websites are a popular way to gain attention and get information out quickly.

### **Recruitment Challenges:**

Some challenges that may arise in recruiting for the new designer collection manager position could be that some candidates do not meet the education requirements. Education and experience credentials may keep some people from being able to meet the requirements, but these specifications are vital to this position.

Other issues may be that this is a new position that has recently been created and, although job tasks and duties are specified, other duties may need to be added or taken away at a later date as the job evolves over a period time. Another possible challenge is that the candidate meets all of the requirements and specifications except that they cannot relate to people easily or communicate clearly and effectively. This would keep the potential employee from filling the position because communication is an imperative part of the position.

The candidates must already have knowledge of up and coming designers as well as already established designers and collaborations H&M as already achieved, if they do not keep up with trends and new designers then they will not be successful in this position. All requirements must be met in order to keep this position's responsibilities carried out in a way that meets H&M's standards, values, beliefs, and goals.

**Job Vacancy Notice:**

Please note that a Job Vacancy Notice is located in the Appendix section.





## **Compensation:**

### **Position: Designer collection manager**

#### **Salary:**

- \$4,000/month \$2,000/2-week pay period – Non-Exempt
- This salary is based off of the level of education, knowledge, skill, and experience necessary to perform the job.
- The salary demonstrates the interrelationships of the jobs utilized by the employer. The general salary range reflects the employer needs such as the overlap in salary ranges that will allow for future career development.
- In addition, this monthly compensation is also based off of the pre-existing salaries at H&M listed on Glassdoor.com.
- This job position would be classified under the Department Managers at H&M who receive monthly salaries.

#### **Work Schedule:**

- The designer collection manager will not be required to be available during the following hours of operation in store: Mon - Sat 10:00 AM - 9:00 PM Sun 12:00 PM - 6:00 PM
- The designer collection manager will not only be required to be available during collaborations, they must also have availability to stay late for: roll outs, designing displays and setting up the new designer collection merchandise, and attend the collection debuts and launches.

**Travel:**

- A small amount of traveling is involved with rotating with other Designer Collection Managers to their stores to view how the designer's collection is being portrayed and how knowledgeable the employees are about it.
- Travel may also include: company meetings and assisting other stores designer collection managers and/or visual merchandising team on design plans for new designer collaboration collections and sharing ideas, experience, and even training when needed.

**Holidays:**

- The employee must be available to work some holidays as needed.
- The company holidays include: Easter, Thanksgiving Day, Christmas, and New Year's Day. Early closing or half days are implemented on Christmas Eve and New Year's Eve.

**Pay Period:**

- The salary will be paid to the Designer Collection Manager every 2 weeks.
- This position will be a contract position with H&M.
- The manager will be accountable to abide by the contract for a full year. The manager is responsible to keep all information regarding the designer's collection confidential



## **Process for Screening & Interviewing Applicants:**

### **Screening Interview:**

A screening interview will be done by the store manager on all applicants who are being considered. The screening interview will consist of a brief telephone interview. This will confirm if the applicant is still looking for a job and if they still want the position at H&M. The applicant's information will be verified and if all goes well, the applicant will be invited to be interviewed by the store manager in person at a scheduled date and time.

### **Interview:**

The interviews will be conducted by the store manager and the visual merchandiser. The interview itself will be a combination of a structured interview. The manager and visual merchandiser will have situational and behavioral questions to ask the applicant, but they are not required to strictly stick to the interview questions. They must ask the questions provided, but they can ask additional questions that apply as well. No pre-screening testing will be conducted. The "Responses" section located under the interview questions are simply suggested responses the candidate may respond with; it is a guide. The interview questions are located in the Appendix section.

### **Final Screening:**

Once all the applicants that are being considered are interviewed, the visual merchandiser will do reference and background checks on the best possible candidates left. This final screening part of the interview process should aid in narrowing down the best applicants even more and get

more information on the applicants previous work experience. The manager will ultimately make the final hiring decision with support from the visual merchandiser.

### **Rating Scale:**

There will be a scoring system in place for how to rate the candidates responses and answers to the question's they are asked in the interview. The scoring is meant to help the manager and visual merchandiser make the best hiring decision and hire the most knowledgeable and experienced candidate out of all the applicants being interviewed. A rating scale for scoring candidates during the interview is located in the Appendix section; please refer to Figure 1.2.



### **Extrinsic/Intrinsic Rewards:**

H&M believes that our employees are crucial to the company's success and provides incentive programs including the long-term HIP H&M Incentive Program in order to demonstrate to employees our appreciation, as well as maintaining long-term employee commitment to the company. Through incentive programs, benefits, and training and development opportunities, H&M hopes to gain employees long-term commitment to the company and show our employees how valuable they truly are. All employees whether they are part-time or full-time, are able to be involved in the HIP incentive program. The company also offers lavish benefit packages to all employees, as well as training and development opportunities.

### **HIP Incentive Plan Overview:**

H&M offers all employees a profit sharing plan called "HIP," which is part of H&M incentive plan. H&M's end goal in doing this is to ensure that all employees benefit from the growth of the company just as the shareholders would, so everyone in the organization is working as a team towards improving and growing the company and brand. The amount of shares the employees are entitled to are to be solely based on their HIP working hours. Please note that the value of HIP units vary based on the H&M's stock exchange rates. The pay-out of funds for the HIP incentive program will began when employees reach 62 years of age. The H&M Web site provides more information on the program:

[http://about.hm.com/content/hm/AboutSection/en\\_us/About/Facts-About-HM/People-and-History/Our-Employees/HIP.html](http://about.hm.com/content/hm/AboutSection/en_us/About/Facts-About-HM/People-and-History/Our-Employees/HIP.html)

## **Benefits/Retention:**

H&M offers benefit packages to all employees to show our appreciation for all their hard work and dedication. Please note that the benefits provided by H&M to employees depends on the employees position in the company, the hours they work, as well as how long they have been with H&M. The designer collection manager's benefits include (Note: some benefits start after a specific length of time the employee has been with the company):

- Medical, dental & vision coverage
- Domestic Partner Health Coverage
- Wellness Days
- Vacation Package
- Paid holidays by H&M including the employees birthday
- Employee discounts
- Commuter Benefits including parking & transit
- Short & long-term disability
- Maternity & Parental Leaves
- 401K Retirement plan with a company match
- Jury Duty leave
- Worldwide Travel Assistance Program
- Life Insurance and Accidental Death (100% company paid)
- Supplemental Life Insurance
- Employee Assistance Program
- Flexible Spending Accounts (Comes with promotional opportunities in doing collaborations at other H&M store locations.)
- Bereavement Time
- Pet Insurance

- Working Advantage Discount Program
- Global Fit (Fitness Club Program)
- Hyatt Group Legal Plan
- Met Life Auto / Home Insurance

### **Training & Development Opportunities:**

New employee training begins with employee orientation so that new employees learn and understand H&M's values, beliefs, strategies, and priorities. As a result of this training, the employee understands how their job aids in reaching H&M's company goals. Other training for the designer collection manager position will include behavioral training where the new employee will work with the store manager as well as the visual merchandiser already on staff and participate in job shadowing. The store manager will demonstrate as well as talk to the new employee about leadership development, time management, customer service, project management, and diversity training. The store manager will have the new employee aid in managing employees, helping customers, practice doing visual merchandising projects, help in leading employee and team meetings, and learn more about how important diversity is to. The behavioral training will take place over the duration of a week while the new employee is being mentored by the store manager.

The goal is for the store manager to get the new designer collection manager familiar with the store, company, goals of the store and the H&M brand, their fellow co-workers, the H&M customers, safety procedures, daily activities and responsibilities that take place and how their new designer collection position fits in with H&M's goal. This process also demonstrates to the new employee how past collaborations have been done and discuss with them how they will go about creating the new product launch events and displays to come. The mentoring will also aid in keeping communication open between the new designer collection manager and the existing store manager. It will be the start in establishing the importance of employee, supervisor, and

customer relationships and how communication is vital to being kept open in the success of the H&M organization.

H&M provides many development opportunities to all employees through training and moving between or up in their position in the company. The organization believes that every employee should have a voice and be able to speak their mind in order to offer new ideas or suggestions without being criticized. The company prides themselves on employee diversity and trying to recruit within the company and they wish to hire locally whenever possible in order to support the community within as well as professional empowerment.

The designer collection manager will be provided with the opportunity to excel on a store level and travel to other H&M store locations to create visual merchandise displays utilizing the products from collaborations H&M does with other designers. Their creativity will not be “confined,” or made to be kept uniform and they will have the opportunity to utilize their knowledge of the designer, the collaboration, H&M, the products, and the customers from the stores locations target market into a transformed visual display that increases H&M’s sales and customer satisfaction while improving H&M’s image and demonstrating the excellent quality of merchandise and knowledge the company provides.

### **Other Rewards & Incentives:**

The designer collection manager will also be provided with other reward opportunities. Spot rewards will be given to the employee if they meet a specific sales goal in a designer collaboration collection with H&M product launch event within a specific time period during the event. This is to show appreciation for their dedication and hard work as well as an incentive or motivational tool to get the employee excited as well as driven to pull of the launch event successfully and uniquely.

Team incentive plans will be in place for the designer collection manger sales or visual merchandise display team. If they reach a specific goal under the leadership of the designer



collection manager then the entire team and manager will receive some type of reward or merit for accomplishing this. The team incentive plans will be focused on goals that deal with merchandise displays and collaboration launch party's as well as how knowledgeable the team is on collaborations, designers, and H&M merchandise. H&M believes in rewarding employees and motivating them to accomplish and meet goals. The company strives for employees to be excited about their job and working with fellow employees in teams to accomplish a shared goal.



## **Performance Management:**

### **Assessment:**

- A performance assessment will be issued twice per year, once mid-year and the second will be issued at the end of the fiscal year. The assessment will provide specific details pertaining to the expectations of the job and goals for future performance.
- The second performance assessment that is processed at the end of the fiscal year allows for merit increases to be awarded accordingly. Individual performance and economic determinants such as growth in the designer's collection at H&M will guide the employee to increase their potential.

### **Performance Management Methods:**

A combination of performance management methods will be utilized to assess the employee. These methods include: results-based approach, direct measures approach, and the 360 degree approach.

### **Results-Based Approach:**

- This approach represents the employee's performance dimension in an objective manner.
- This will measure the quality of the employee's performance by showing how well they act upon the production delivery process of the designer's collection.

### **Direct Measures Approach:**

- This approach evaluates the outcomes of the designer's collection at H&M.

- The outcome results include quantitative statistics on the collection sales productivity and inventory turnover.

### **360 Degree Approach:**

- This approach is utilized to gather information on the employee's performance.
- The data will comprise data that rates the employee on factors such as communication management and their leadership role in the company from as many sources as possible including: actual designer and his/her design team, regional H&M managers, store supervisor, co-workers, employees working in the collection department, and customers.
- There will be two different surveys one for the designer, the design team, and the H&M regional manager and a separate questionnaire for co-workers and customers.

### **Feedback Mechanisms:**

- Results will be discussed in a formal meeting with the regional supervisor. This meeting will consist of reviewing performance dimensions with the district manager to ensure they are aware of their expectations and where they have met those expectations and where they are lacking.
- A review of the standards of their performance will ensure they are fully aware of how to be successful in this position. Potential role overload and ambiguity will also be evaluated as appropriate.
- The assessment will be distributed twice a year, two weeks following the debut of each collection. Feedback will be provided four weeks after it has been received.
- New target goals and objectives with new deadlines will be established during the formal meeting between the supervisor and employee. It is important for the designer collection

manager and the supervisor to reach a mutual agreement together so that a solid foundational layer of support is present.

- At the annual performance assessment the manager will receive feedback from employee peers and business partners they encounter through “Business Partner Feedback” program.

### **Growth/Developmental Plans:**

The specific action plans the district manager will take to improve the development and performance of the collaboration manager are among the following:

- Supervisor will evaluate the cause of any poor performance and implement workshops and training development activities relative to where the poor performance was present.
- Evaluate work ethic and job design to see if it aligns with the specified job description.
- Possible technology solutions will be taken into account, in regards to communication, utilizing web cameras for meetings across state lines, changing the frequency of meetings, re-organizing store design relative to where the designer’s collection is located and how the apparel is arranged.
- Establish new target goals and objectives with new deadlines.
- Addressing the measured quality of employee’s performance compared to the past performance of the designer’s collection and creating graphical charts with future goals.

### **Performance Evaluation Form:**

Please note that a Performance Evaluation Form is located in the Appendix section.