Employee loyalty: an exploration of staff commitment levels towards retailing, the retailer and the store

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Abstract

Securing the commitment of employees can generate a number of organisational benefits, such as reducing recruitment costs and improving interactions between customers and employees. For retailers, a loyal workforce can therefore represent a source of differentiation and competitive advantage. Despite this, few retail studies have explored employee loyalty and have instead focused upon the loyalty of customers. This quantitative and qualitative exploratory study of store employees in three UK retailers aims to explore how employee loyalty manifests itself in a retail context. It proposes that employee loyalty in this industry is multi-faceted and can be understood in relation to commitment to the retailing industry, the retailer and the store. The findings also suggest that, due to their domestic circumstances, female general assistants are more likely to be loyal to their store than men.

Keywords: *Retailing, human resources, employees, loyalty.*

Introduction

Despite the UK retail industry employing over three million people (DTI 2006), the retail employment research that exists is patchy, considering such diverse topics as the motivation levels of retail staff (Huddleston and Good 1999; Parsons and Broadbridge 2006), the role of the human resources function in retailing (McLean 2006; Miller 2006), retail employee relations

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(Freathy and O'Connell 2003; Freathy and Sparks 1994), the diversity of the retail workforce (Foster 2005; Jones and Schmidt 2004), the types of stress experienced by retail managers (Broadbridge 1999, 2002b) and career progression in the industry, particularly in relation to female managers (Foster *et al.* 2007; Traves *et al*. 1997). Furthermore, the studies that do exist have a tendency to focus upon the attitudes and beliefs of retail managers (see, for example, Broadbridge and Parsons 2003; Maxwell and Ogden 2006) rather than the majority working in junior positions on the shop floor.

Given that retailers regularly experience recruitment problems and high staff turnover, particularly amongst front-line staff, the loyalty of staff is crucial to help drive down costs and overcome skills shortages (Hendrie 2004). Nevertheless, employee loyalty in the retail industry is something that has not been explored extensively in the literature. Instead the concept has been researched at length in different retail contexts from the perspective of *consumer* loyalty or disloyalty with one or more retailers (Dixon *et al*. 2005; McGoldrick and Andre 1997; Rafiq and Fulford 2005; Too *et al*. 2001). The aim of this paper, therefore, is to address this gap in knowledge by exploring 'loyalty' from an employees', rather than solely a managers', perspective and more generally, to develop knowledge of employment issues in the industry by highlighting findings from a large-scale qualitative and quantitative regional study of the opinions of retail store staff.

Drawing upon existing research, the paper begins by explaining why employee loyalty is important for retailers from not only an operational point

of view but also a marketing perspective. After the study's research design has been explained, the key findings are analysed. The paper ends by discussing the implications these findings have for the literature and retail practice.

Background

Although problematic to define and measure, customer loyalty can be described as '… making long-term profits by managing the lifetime value of a customer' (Kotler *et al*. 2002, 25). Loyalty programmes adopted by retailers, according to McGoldrick (2002), can range from basic sales promotions through to complex system driven relationship marketing initiatives, all of which aim to create competitive advantage by retaining customers. Unsurprisingly due to the considerable costs associated with attracting new customers (Sirohi *et al.* 1998) and the tendency of customers to regularly switch retailers (East *et al*. 2000), the number of studies which explore customer loyalty, particularly in the retail industry, are extensive. *Employee* loyalty in the retail industry, however, is an area that has received little attention.

Although Coughlan (2005) argues that the concept of loyalty differs from commitment because it makes reference to an individual's moral values and behaviour at work, a review of the literature reveals that 'loyalty' and 'commitment' in the workplace are used interchangeably. Both concepts share similarities as they have a variety of forms, have multiple foci and both are problematic to define (Meyer *et al*. 2004). Nevertheless a useful definition of commitment provided by Meyer and Herscovitch (2001) which is

adopted in this paper, proposes that the essence of commitment is a force that binds an individual to a course of action. In a workplace context, this bond could operate between the individual and the organisation in addition to other 'courses of action' such as trade unions, teams and occupations (Bishop *et al*. 2000; Kim and Rowley 2006; May *et al*. 2002) suggesting that individuals may have multiple loyalties at work (Becker 1992). Employee commitment can also be understood in relation to the extent to which an individual *wants* to stay with an organisation (affective commitment), *has* to stay with an organisation (continuance commitment) and *ought* to stay with an organisation (normative continuance) (Allen and Grisaffe 2001; Allen and Meyer 1990). Put another way this framework proposes that individuals can have an emotional attachment to a course of action, incur social and economic costs associated with changing the focus of their loyalty and/or feel morally obliged to stay committed to a course of action (Gallie *et al*. 2001). This proposes then that individuals have different mind-sets which characterise their commitment (Meyer *et al*. 2004).

Although studies exist in the HR literature which explore levels of individual commitment to the organisation, especially in terms of intrinsic (interesting work, for example) and extrinsic (pay, for instance) motivational factors (see for example Meyer and Allen 1997) and the various factors that influence commitment levels such as demographics and the nature of the organisation, few have considered these in the retail context and in roles that have limited responsibilities. This is surprising given that factors which typify working in the industry such as low pay, part-time working, temporary/seasonal contracts, unsociable working hours and a lack of work/life balance (Baret

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1999; Penn and Wirth 1993) are likely to make retail workforces prone to low levels of organisational loyalty.

Several advantages of securing organisational commitment from employees have been identified in the literature, many of which would be appealing to retailers. This has led Alatrista and Arrowsmith (2004, 536) to argue that obtaining organisational commitment from the workforce is the 'holy grail' of human resource management. Similarly, recent research commissioned by the CIPD (Truss *et al*. 2006, ix) argues that employee engagement and commitment are the new 'management mantra'. Research has suggested that loyal employees may help to drive down operational costs (Guest 1992). Typically retailing experiences high staff turnover and absenteeism levels (Booth and Hamer 2007), so much so that a store's performance is not only judged on sales but also often on the management's ability to keep staff absences and attrition rates low. Improving levels of employee commitment to the retailer through activities like team-working, training and development can, according to Allen and Grisaffe (2001), encourage staff to stay and thus reduce the costs associated with recruiting and inducting new employees which can be considerable given the large number of people working in the industry. Not having to continually look for new staff is an appealing argument given that retailers frequently report difficulties in recruiting suitably skilled individuals from a limited labour market (Personnel Today 2005).

The literature has also proposed that greater commitment can lead to harder working staff (Meyer and Allen 1997). An industry like retailing which is

highly target driven (Broadbridge 2002a) would therefore benefit from improved performance levels generated by loyal staff. The emphasis on performance management combined with other aspects like long working hours and meeting the increasing demands of customers means that working in retailing can be stressful for employees (Knight *et al.* 2007). Improving levels of employee loyalty to the retailer may help to address this since there is reported to be a link between employee well-being and high commitment levels (Meyer and Allen 1997).

Based on anecdotal evidence, it has been tentatively suggested that there are also links between strong employee commitment to an organisation and an enhanced customer experience. It has been proposed that if staff are loyal to the organisation and have a positive attitude to their work then this will '…translate into greater loyalty to, and satisfaction with, the organization on the part of the customers' (Allen and Grisaffe 2001, 210). For the employer, committed staff can therefore represent 'walking talking brand agents' who are motivated to promote the organisation's values and image to customers and potential job applicants (Edwards 2005, 271). In this sense, loyal employees who are eager to meet the needs of customers and as a result deliver high levels of customer service could act as a source of differentiation in a highly competitive industry like retailing, where product offerings and pricing strategies can be easily imitated by competitors (Uncles 1995). The interactions between committed front-line staff and customers would therefore appear to be an important part of the store offering.

This paper explores findings that have emerged from an eighteen months' study which was supported by the European Social Fund as part of a regional initiative to improve the position of women in the East Midlands' labour market. The aim of the exploratory research was to investigate the career patterns of women working in retail and to investigate the factors that hinder and help their progression. Whilst undertaking this research the authors found that employee loyalty to the retail industry, the retailer and the store affected both men's and women's careers and in different ways. It became apparent that the intensity and focus of store workers' loyalty therefore influenced their decision to progress. This was an unanticipated but important theme to emerge from the empirical work particularly as there appears to be a lack of research which explores employee loyalty in the retail industry. The findings explored in this paper, therefore, deal specifically with the theme of employee loyalty amongst store workers and how it manifests itself in a retail working environment.

Research Design

A total of thirty one stores belonging to three leading UK retailers operating in the supermarket, home improvement and health/beauty sectors were involved in the research. In 2006 the smallest of these retailers still employed over 35,000 people. All the outlets were selected on the basis that they were key stores based in the East Midlands area of the UK, a region which has a strong retail presence (British Retail Consortium 2006). Additionally, these stores were situated in a cross section of locations within the area such as 'out-of-town', 'market town', 'rural' and 'suburban'.

The study used a combination of qualitative and quantitative methods. According to Easterby *et al.* (2002, 41) it can be advantageous to adopt this approach as combining methods can provide 'more perspectives on the phenomena being investigated'. Stage one of the research involved issuing questionnaires to a range of employees working in the stores. These were delivered and collected by hand to each store by a member of the research team and left with senior managers to issue to staff in a variety of job roles such as sales assistants, junior managers, senior management and support/backroom staff, as well as employees who differed according to, for example, their age, gender, ethnicity and family circumstances. As an incentive, all completed questionnaires were entered into a prize draw. Although it has its limitations, particularly in terms of generalising the findings (Bryman and Bell 2003), this use of convenience sampling meant that one thousand completed questionnaires were collected in a relatively short period of time. Respondents were required to answer thirty four questions deriving from issues highlighted as being important in the career and retail employment literature. These included questions relating to their demographic profile, their reasons for deciding to work in retail, their career intentions, factors hindering or helping their progression with the retailer and details relating to their personal circumstances, such as whether they had children. The statistical package SPSS was used to analyse their responses.

Stage two also employed convenience sampling and involved interviewing sixty employees. Like the questionnaires, interviewees were selected with the help of the store managers and on the basis of their job role, personal characteristics and circumstances. These employees were selected from ten

of the thirty one stores. Together the ten stores covered the various sub-regions of the East Midlands outlined previously. Interviewees were asked similar questions to those posed in the questionnaire but the interviews enabled the issues to be explored in much more detail. So, for example, in relation to career intentions the interviewer was able to ask the interviewee their reasons for wanting to stay with the retailer. The interview materials were analysed manually according to themes that emerged from the materials, literature and interview questions.

Research participants

Of the one thousand questionnaire participants, 264 were male and 736 female and 71% were aged between 25 and 59 years. Nearly half of the surveyed staff worked part-time, most worked permanently and 79% had a fixed hours contract. Those declaring themselves as 'white British' were the largest group (93%). In terms of job roles, those paid on an hourly basis and working as general assistants (sales floor staff, back store staff, stock controllers and basic administrative staff) constituted the majority (74%) of the sample. Nearly 20% of the sample worked in junior management and supervisory positions and 6% were classified as being part of the senior store management team. These classifications were made on the basis of the respondent's job role and as a result of discussions made with the retailers' HR departments. Typically the employees involved in the interviews were female, general assistants, 'white British' and aged in their 30s.

Findings

The findings from this study suggest that commitment amongst retail store staff has a number of dimensions and is not just about an individual's commitment to an *organisation*, which is the focus of most of the employee commitment literature (Morrow and McElroy 1993). In this study commitment can be understood in terms of employee loyalty towards firstly the retail industry, secondly to the retailer or employer, and finally to the store or workplace. Furthermore, the analysis suggests that an individual's gender has a role to play in commitment levels, particularly in terms of the working relationship female general assistants have with their store.

Loyalty to the industry

The analysis of the questionnaire data indicates that when respondents were asked what their most recent job was before working for their current employer, 43% of all the respondents stated that they had worked in retailing before and 24% had worked in the service sector previously, suggesting that most staff were familiar with working in a customer-facing industry and had chosen to continue working in this type of working environment. As one store manager who had previously managed a pub commented:

'I came out of the licensed trade after quite a rough time… And I like working with the people, the customers. So, I wanted something similar to that but not quite so mad and retail seemed the obvious choice.'

Only a third had been previously employed in non customer-facing industries like manufacturing (14%) and mining (0.5%) which probably reflects the fact

that some of the areas involved in the study remain strongly influenced by the legacy of coal mining activity and/or manufacturing industries.

In order to ascertain whether employees were committed to working in the retail industry in the future, respondents were asked whether they would like to work in retailing until they retired. Overall 21% of staff said they would and unsurprisingly this was higher for those closer to retirement (52% of 51-60 year olds said they would like to stay in retailing until they retire compared to 11% of 22-30 year olds). Furthermore, across 5 age categories, there was a highly significant relationship between age and the desire to work in retailing until retirement (X^2= 125.4; df = 4; p < 0.0001). There was no significant difference between full- and part-time employees however (p = 0.68). Almost one fifth (19.6%) of general assistants said they wanted to stay in retailing until they retired compared to 21.5% of junior managers/ supervisors and 22.6% of senior store management, suggesting that there was little variation in future industry commitment levels on the basis of respondents' job seniority in store, which was confirmed by Chi-square (X^2= 0.55; df = 2; p = 0.76). Nor were there significant differences across the three retailers (p = 0.69). While there was some tendency for women to be more likely than men to aspire to work in retailing until retirement (21.7%:17.3%), this was not significant statistically (X^2= 2.25; df = 1; p = 0.13).

Age was therefore a key determinant in terms of the intention to remain in retail employment. Of course, as retirement age approaches it is perhaps understandable that people are less likely to seek major career changes.

While only 14% of under 50 year-olds wished to remain in retail employment until retirement, rather more than half (50.96%) of those over 50 years of age did. Clearly, then, it seems that a retailer seeking a stable and loyal workforce may be more likely to achieve this with more mature workers.

Another measure of potential (dis)loyalty is provided by responses to a statement that 'I would like to leave retailing'. Males were significantly more likely to wish to leave the sector (22.7%:13.8%; X^2= 11.14; df = 1; p < 0.0008). Again, however, there was no significant variation between full- and part-time employees (p = 0.42), or by job status (p = 0.86). There was some significance to the differences between retailers (p = 0.042), with fewest supermarket employees and more health and beauty employees seeking to leave the sector. By age category, there were more wishing to leave the sector among those aged under 30 at 27.3%, a figure which decreases with increasing age to 6.9% of those aged 51-60 years, and just 4.2% of those of 61 or more years of age.

It would be easy to explain these variations with age as simply evidence of a tendency to accept a need to remain in a job and not seek to leave the sector as retirement age approaches. However closer examination of the data reveals some added complexity. If age is cross-tabulated with time spent working for the present employer, while logically of under 21-year olds, over 70% have been in their current employment for less than a year, the comparable figure for those aged 51-60 years is still apparently high at 30.4%. Taking more than 5 years employment as an indicator of loyalty (be that by desire, necessity or whatever), there is no tendency for this to

increase past 30 years of age: 57.8% of those aged 31-50 had worked for their current employer for over 5 years compared to 57.3% of those aged 51-60 and 54.2% of those 61 years of age or more, and these are not significant differences (p = 0.94).

Loyalty to the retailer

Loyalty to the retailer was investigated by asking respondents 'if they hoped to work for this retailer for a long time'. Overall nearly 40% of all questionnaire respondents said that they would, indicating that loyalty to the particular retailer was higher than to the industry (21%). Slightly more men (41.5%) than women (37.8%) stated that they wanted to stay working with the retailer perhaps suggesting that these men were not averse to moving stores in order to further their employment opportunities in their employer, although this was not a statistically significant difference (p = 0.295). The results relating to store loyalty also appear to support this notion of males being less averse to moving stores.

There were significant differences in loyalty to the retailer across the three companies. Those hoping to work for a company for a long time were most common in the supermarket sector (45.3%), and less numerous among the health and beauty (33.5%) and DIY (31.7%) retail workforces (X^2= 17.2; df = 2; p = 0.0001).

Unlike loyalty to the industry, the job seniority of respondents did significantly affect their commitment levels to their employer. 32.3% of general assistants said they wanted to work for the retailer for a long time

compared to 51.4% of all junior managers/supervisors and 75.8% of senior store management (X^2= 59.5; df = 2; p < 0.0001). The qualitative materials provided insights as to why these commitment levels were higher for senior managers. Interviewees suggested that as a senior manager, they were locked into a number of benefits such as pensions and share schemes which had accumulated over time and would be undeveloped if they moved to another retailer. One supermarket manager stated that:

'I'm in the pension scheme and I've been in the pension scheme for the 18 years that I've been here. I'm in the 'save as you earn' too so you buy shares every year which you get money back for. So, to throw that all away to go and do the same job somewhere else is very difficult… It would be very difficult for me to leave unless I got a fantastic offer.'

Typically such benefits were either not available for general assistants or not as substantial. Some respondents, particularly those who had worked for the retailer for a long time, were reluctant to move to another retailer because they felt that the time and effort they had invested with the employer would be lost. Others were also unwilling to move because they felt that working for another retailer in a similar position would be just as pressurised and competitive and therefore there would be no advantage to moving. One female manager remarked how working for another retailer did not appeal to her because, *'Moving to another retailer would be the same as here, it would be no better in Tesco, for example, it would be even more demanding.'* Similarly an HR manager commented that, for her, there would be no benefits to changing her employer, *'I wouldn't move retailers because I don't*

know what the benefit would be. I think retail is retail; it might be tins of

beans, it might be a washer, but the overall concept is retail.'

Full-time employees were far more likely to hope to work for their current retail employer for a long time (47.4%:28.9%; X^2= 35.0; df = 1; p < 0.0001). The wording of this question perhaps makes it inevitable that older workers, anticipating retirement in the foreseeable future, did not aspire to a long future working history with their employer; only 24.5% of over-50 year olds expressed such a desire. Among younger age categories, the aspiration to remain with the current employer for a long time increases with age, from 29.4% among under 21 year olds to 40.2% of 22-30 year olds and 48.5% of 31-50 year olds. Overall there are significant differences in these responses across the age categories (X^2= 135.8; df = 4; p < 0.0001).

The relationship between hoping to work for a given retailer for a long time and duration of employment with that retailer is an interesting one. Those who have recently joined a retailer (i.e. within the last 6 months) were often hopeful of a long working career with the company (47.1%), but that aspiration is less strong among those who have worked longer periods. Of those with between 6 months and a year service, the comparable figure is 32.3%, and it is at its lowest among those who have worked between one and two years with a company (24.8%). The figure then rises to 37.8% for those with 2 to 5 years employment history, 41.8% for between 5 and 10 tears, and 45.3% for those with 10 years or more experience. Of course these latter categories include many of those already alluded to as being unlikely to answer in the affirmative due to an impending retirement, and

hence perhaps under represents those content with their working circumstances. These differences are statistically significant ($X^2 = 18.8$; df = 5; $p < 0.002$).

It would seem, then, that many individuals enter retailing with a positive attitude and the hope of a long period of employment. After a few months, however, significant numbers become discontent with that employment and presumably leave. Those surviving several years of employment with a retailer, though, become increasingly committed to that retailer over the long-term.

Loyalty to the store

In terms of the different levels of loyalty expressed by the store employees, loyalty to the store presented the most interesting findings. 19% of all respondents had worked at their store for 10 years or more and just over half (51.4%) of all the questionnaire respondents said that they 'hoped to work in this store for a long time'. This intention to stay at the store was much higher than the loyalty expressed by respondents to the retailer (39%) and the industry (21%).

Part-time workers were somewhat more inclined to hope to work in a store for a long time than full time employees, although this was not a statistically significant difference (54.4%:48.8%; $X^2 = 3.1$; df = 1; $p < 0.079$). This difference might be explained either by the need for part-time workers to find a convenient working location or their perceived insecurity in the job market.

In contrast to the commitment levels to the retailer, loyalty to the store *decreased* significantly according to job seniority in the store. While 26% of all senior store managers said they wanted to keep working in the store they currently worked in, this compared to 51% of junior managers/supervisors and 53% of general assistants (X^2= 16.3; df = 2; p < 0.0002). An examination of the interview materials indicates that one of the main reasons for the lower levels of store commitment amongst senior store staff related to geographical mobility. All three retailers had HR policies which stated that in order to progress, staff were expected to move stores. Those in senior positions were quite likely to have worked in several of their employer's stores before reaching their current position and were aware that in order to further their career they would be expected to move again, hence their low levels of store loyalty. This low level of store loyalty is highlighted in a comment made by a male team leader who was eager to be promoted, *'You asked me if I would move from here. If you offered me a manager's job in any other part of the country, as long as it wasn't a city, I would bite your hand off!'*

Interestingly, in contrast to the loyalty expressed to the retailer, significantly more women (55%) than men (41%) wanted to stay working in their store 'for a long time' (X^2= 14.9; df = 1; p = 0.0001). This figure was even higher for female part-time staff (57%) and those women with children under 16 years living at home (65.5%). Analysis of the qualitative materials provided a number of possible reasons for this high level of store loyalty expressed by female staff. Women, particularly those working as general assistants,

appeared to place greater emphasis on their relationships at work with their colleagues, local management, regular customers and the products they worked with than men. One female general assistant remarked on why she liked working in the store that she did, *'This is a nice store to work in. You get attached to the store. It becomes like a second home, you know every nook and cranny.'* These relationships also partly explained female sales assistants' reported reluctance to relocate to another store if required to do so, as highlighted by the following comment taken from a female general sales assistant, *'I would like to progress but at this store where I know everyone.'*

In this study it appeared that the women, rather than men, still had the main responsibility for childcare and both the quantitative data and qualitative materials support the finding that loyalty to a particular store was also a result of women trying to balance the demands of their domestic circumstances with work. So, for example, 63% of women whose partner was the main wage earner stated that they wanted to stay working in the same store, suggesting that their work might be made to 'fit around' their partner's. Similarly 62% of women who wanted to work at their store for a long time also said that having a job that fitted their family commitments was very important. Female interviewees also explained how working at a local store enabled them to manage their childcare, as highlighted by the following remark made by a female sales assistant, *'The location of the store really suits me. I drop my children off to school and then I can get on the bus to here which only takes 15 minutes.'* Similarly another female supervisor stated that, *'My husband works across the road from where I work so we can*

look after the childcare between us. When we're really desperate I use my mum or the childminder who live nearby too.'

Loyalty to the store did not vary significantly across the three retailers (p = 0.56), although it did appear higher among supermarket workers, with 47.8% saying they hoped to work in the store for a long time compared to both DIY (28.1%) and health and beauty retailers (24.1%).

A similar relationship emerges between loyalty to the store and length of employment at the store as had emerged in terms of employment with the retailer. Almost half of the newest recruits (i.e. less than 6 months service) start with the aspiration for a long period of working at a store (47.1%), and in this case this continues to increase between 6 months and one year of employment (52.4%), before falling back for those with one to two years experience of working in a store (36.7%). Again after 2 years working at a store it increases progressively to 49.8% (2-5 years store employment), and 59.9% (5-10 years) before falling back marginally for those with more than 10 years experience (58.6%), which may reflect the expectation of approaching retirement for some experienced workers. By age of worker, the hope to work at the current store increases progressively up to a level of 62.1% of respondents in the group aged between 31 and 50 years of age before falling back somewhat.

Despite the policies which require those seeking promotion often to move stores, 56.4% of respondents who said they did want to be promoted also said they hoped to work in their current store a long time. In part these may

refer to promotions at the lower tiers of the employment structure of the store, which may not require relocation, but it does suggest a tension may be present for some workers between store loyalty and employment mobility. Of those hoping for promotion, a similar proportion (55.6%) hoped to work for the retailer for a long time. Thus even among the more ambitious employees, notwithstanding HR policies requiring mobility or the wider opportunities which may come with a willingness to relocate, store loyalty remains at a comparable level to loyalty to the employer, and these two proportions are not significantly different statistically (p = 0.83).

Discussion and Conclusion

The literature has suggested that employee commitment and loyalty is most commonly explored in relation to the organisation (Morrow and McElroy 1993). Aside from the organisation, Meyer and Allen (1997, 96) have suggested though that employees may have 'multiple commitments at work' such as their relationships with trade unions, the profession and the work group. This notion of 'multiple commitments' appears to be true for the store employees in this study but in relation to their commitment and loyalty to the retail industry, the retailer and the store. The findings also imply that the degree of loyalty to these three elements varies not only at the individual level but also according to such factors as job role, gender, domestic circumstances and age. In particular, due to social, geographical and pragmatic reasons female general sales assistants in this research appear to be much more loyal to their store than men. Men, in contrast, are more loyal to the retailer than women. These findings would seem to reflect the literature which states that experiences in the organisation, personal

characteristics and work role are all antecedents of organisational commitment (Guest 1992).

The fact that women are more loyal to their store than retailer also supports the notion that the focus of commitment is affected by 'cognitive distance' (Redman and Snape 2005). If there is a perceived distance between the individual and the target of their commitment, in this case female sales staff and the retailer's head office operations, then commitment will be less since there are irregular interactions for these staff with this aspect of the business. Instead at store level, female sales assistants have daily interactions with customers, colleagues and store managers, hence the cognitive distance is less and commitment levels towards the store are higher. This notion may also partly explain why the senior female staff express less loyalty to their store than the retailer and reflects similar findings to emerge from the Workplace Employee Relations Survey (WERS) (Cully *et al*. 1998) which found that in 3,000 workplaces 81% of managers felt loyal to the organisation compared with only 53% of plant and machine operatives. It could be argued that as senior staff regularly interact with the 'retailer' through regional and head office personnel the cognitive distance between the store management and the corporation would be less than that experienced by shop floor employees.

As the literature has also proposed, the levels of commitment expressed by the store employees can be explored in relation to affective, continuance and normative commitment (Allen and Grisaffe 2001). So, for example, the senior store managers' high level of employer loyalty can be understood in

terms of continuance commitment or the perceived cost of leaving (Meyer and Herscovitch 2001). Many in this group felt that they *had* to stay with the retailer because they were locked into the extrinsic rewards, such as pensions and share schemes. Similarly, many of the female sales assistants remained loyal to their store because they too *had* to continue working at the store as it enabled them to balance their childcare responsibilities with their job. For other female sales staff, it was their choice to stay working in the store because of the intrinsic rewards they received in the form of the strong social bonds they had made with their colleagues, managers and customers, suggesting that affective commitment was more evident for these employees. It was less clear if employees expressed normative commitment, that is, whether they felt obliged to stay with the store, retailer or retail industry (Meyer and Herscovitch 2001).

This study has indicated that the three retailers did have committed staff, albeit in varying degrees. Furthermore, part-time staff although not necessarily ambitious and seeking promotion, were nevertheless loyal to their store. This appears to challenge the assumption that staff who have non-traditional working patterns are less committed and disengaged (Hakim 1995) and develops our understanding of attitudes towards work amongst female part-time workers who are not in high-level professional jobs (Walters 2005). Yet there was only limited evidence to suggest that the retailers were attempting to capitalise on this loyalty. Instead, in some cases, their formal HR policies, particularly the requirement to move stores in order to progress, appeared to be undermining the strong store loyalty amongst many female general assistants. The implications of this are that by not encouraging staff

loyalty to the store, the retailers are unlikely to experience the many operational and marketing advantages highlighted in the literature - many of which would greatly benefit those operating in the retail industry (Meyer and Allen 1997).

This research also presents a number of operational challenges for retailers. Despite evidence suggesting that loyalty does exist even amongst those who receive low pay, have limited skills and have non-standard working patterns, HR policies are being developed which take insufficient account of the value of employee commitment. In the retailers' defence though, this research illustrates that loyalty amongst store staff is multi-faceted and structural making the management of employee loyalty potentially problematic. Employment policies, therefore, need to be more flexible enabling line managers to exercise autonomy when making decisions at store level rather than being head office led and process driven. This devolvement would allow store managers to proactively manage and recognise the needs of staff which in turn would help to build reciprocity in the employment relationship and ultimately loyalty amongst the workforce (Kinnie *et al*. 2005). In particular, improving levels of affective commitment and intrinsic motivational factors (Meyer and Allen 1997) would help to overcome the limited opportunities for increasing pay and benefits for shop floor employees in this competitive industry. Furthermore, if store loyalty is capitalised on by showing how the store's objectives can benefit the retailer's objectives then according to Meyer and Herscovitch (2001), individuals are more likely to develop their commitment to the organisation.

It is acknowledged that the initial focus of this research was not to look at the levels of organisational commitment amongst store staff. Instead the issues highlighted in this work are ones that have emerged from a large-scale study exploring the career progression of store employees. Nevertheless, the fact that there appears to be several interesting issues emerging from this piece of work suggests that commitment amongst retail staff needs to be explored further. In particular, it would be of interest to investigate the commitment levels of staff working in the head and regional offices where working pressures are likely to be different from those working in stores. Furthermore, it would be of value to develop the work presented here by collecting data and materials from other regions within the UK and beyond as well as different types of retailers, such as those with a small number of outlets where the opportunities to move stores will be less.

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