

## Linking" expectations and culture at links of London

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### Key Words

Luxury fashion, jewelry, supervisory management, organizational culture, window display, flagship store.

### Abstract

*This field-based case which focuses upon Krissy, a new Assistant Store Manager at Links of London. She applied to work for the firm because she had read on their website how supportive and developmental they were yet her work experiences there were to the contrary. This paradox comes to light when she was with told by a new corporate leader who sought to change the company image with a last minute product repositioning. This request occurred while both her manager and regional manager were unavailable. In spite of her new job with new job responsibilities and an "emotional" manager, she made a key unilateral decision to leave the store window displays empty overnight. This leads to a demonstrative confrontation with her manager the next day. This case was written to be employed in an introductory retail management or service marketing course although it could also be employed in an introductory management, human relations, or human resource management course.*

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### 1. Introduction

The challenges of running a profitable, sustainable retail store are many. They become insurmountable, however, without good planning, and without paying attention to every facet of your operations and customers' experiences. Successful retailers pay careful attention to staffing, sales, logistics, controls on cash and inventory, and are always juggling these concerns. (McClintock, n.d.)

*"Culture eats strategy for breakfast." (Peter Drucker, <http://www.reply-mc.com/people/peter-drucker/>, 1/26/16)*

Retail operations has been in the past decade, is and will continue to be under attack by on-line internet sales as technology plays a larger role in consumer spending patterns. The Census Bureau announced that online retail sales for the third quarter of 2015 was \$ 87.5 billion dollars (an increase of 4.2% over last quarter) while total retail sales were \$ 1,185 billion dollars (a 1.2% increase from the second quarter). The percent of e-commerce sales has therein risen a total of 1.4% from last year to equal 7.4% of total retail sales. (US Census Bureau, 11/15, 2015)

As a result of the changing marketing mix, many traditional retail jewelers for example have created websites to display their merchandise. Online sales are small but growing. Zale's e-commerce segment has grown in recent years and the company believes that e-commerce has long-term growth potential. Online and mobile jewelry sales at online retailers such as Blue Nile have also improved. Many retailers are starting to invest in technology to improve efficiency. Multi-location stores are redesigning store processes using point-of-sale software to improve communication with other stores, vendors, and customers. Data processing improvements such as purchase order management, merchandise planning, accounting systems, and bar coding are being implemented by even single location stores to help with inventory and financial controls.

Large discounters have also entered the jewelry market, adding competition primarily at the lower end of the market. Independent jewelers compete by having a wider selection and a highly trained staff. Although Wal-Mart is one of the largest jewelry retailers, jewelers still command over half of the market and dominate the middle to upper end of the marketplace. Specialty jewelry stores continue to lose market share to mass merchants. Specialty stores account for only about 40 percent of all jewelry sales in the US. The share sold by traditional department stores has also been declining. (Hoovers, n.d.)

## 2. Links of London: An Overview<sup>1</sup>

Links of London is subsidiary of the publicly traded Folli Follie Holdings S.A., selling 18K gold and 925 sterling silver jewelry in Europe, Asia, the Americas and the Caribbean and with its 650 employees worldwide is considered to be the English equivalent of New York's Tiffany's & Co. (Links of London, 2014).



**Figure 1** Links of London 535 Madison Ave., New York, NY 10022 Ph.212-588-1177

Links of London's iconic product is the "Sweetie" bracelet, a heavy sterling silver bracelet in the design of a children's candy bracelet. It was designed by Annoushka Ducas, the founder of Links of London, who believed that jewelry should be "whimsical and wondrous, commemorative and charismatic" (Links of London, 2014). The Sweetie bracelet is a staple accessory in London. Consequently Annoushka was awarded an MBE ("The Most Excellent Order of the British Empire", The Official Website of the British Monarchy, 1/20/15) "for her services to British jewelry." (Huffington Post, 2014)



**Figure 2** Links of London "Sweetie" Bracelet

Annoushka sold Links of London to the Greek Folli Follie Group in 2006 (FF Group, 1/20/2015) after 16 years of business (Huffington Post, 2014). Annoushka and several of the firm's key executives left Links after disagreeing with Folli Follie's leadership as to how to run

<sup>1</sup>Please note that the names of the employees in the NY store have been changed in order to protect their anonymity.

the firm. Since their departure the company has struggled to find the proper leadership to guide the business – especially in the U.S. where Links is less-established and lesser-known by the US public. In 2013 the then CEO David Riddiford was replaced by CFO Declan Delanty after just 15 months at the helm. (Professional Jeweller, 1/23/13)

### 3. Corporate Culture, Values and Strategy Implementation

Peter Drucker noted that management's main purpose is to maximize customer satisfaction by delivering quality and value to customers (Drucker, 1993) and that organizational culture is the main vehicle driving service delivery.

Organization culture is the system of values, rules, symbols, taboos and rituals that evolve over time. It is the common perception shared by members that identifies how things get done in the organization. Culture drives expected behaviors internal to the organization as well and those engaged when interacting with its surrounding environment. Understanding an organization's culture helps an employee learn the ropes and discover whether their personality is a good fit. The greater the acceptance of key values and norms, the stronger the culture. *Strong cultures* are associated with employee commitment and organizational performance. The strength of culture is determined by the size of the firm, how long it has been around, intensity and turnover rate.

Culture is transmitted through stories, heroes, villains, rituals, material symbols and language. *Stories* retell significant events in an organization's history. They provide keys to what types of behaviors are expected and respected. Stories anchor the present in the past, explain current practices and identify what the organization values. *Rituals and ceremonies* are repetitive activities that identify and reinforce an organization's key values and denote important actions and events. For most firms, retirement evokes separation rituals while new employees become assimilated through welcoming ceremonies (usually called orientation programs). Both use *material symbols*; artifacts that convey who and what is important, how people are expected to work together, and the degree of egalitarianism. Office layout, for example, whether people work in offices or cubicles, the style of furnishings (metal or wood), executive dining rooms, are all indicators of the organization's character. Over time, organizations develop unique terms to describe their business and operations. These slang expressions can indicate entire sentences of thought with a single word. This specific *language* acts as a common denominator that unites members of a given culture. Each organization, industry and generation of employees creates their communication linguistic.

In addition to the transmission methods mentioned above, organizations communicate culture through their structure and reward systems. Organizations that value teamwork are likely to have: flatter structures, physical space and computer software that is conducive to team work, reward systems based on team goal achievement and managers who operate as facilitators and coaches. Organizations that value individual achievement have competitive environments with individual bonus systems and clear indicators of individual achievement such as gold cufflinks for reaching one million dollars in net sales. Organizations that value authority will be bureaucratically structured, with formal rules and regulations ranging from communicating with superiors to filing equipment requests through central processing.

*Types of Cultures.* Organizational cultures are either integrated, differentiated, or fragmented. An integrated or homogenous culture is characterized by consistency, organization-wide consensus, and clarity and this culture reacts to change as a whole as one unit. Differentiated cultures, on the other hand, have conflict and usually have subcultures broken down into those groups in power (the haves, the dominant coalition) and those outside the power structure (the haves not, the minority coalitions). These cultures are inconsistent,

have ambiguity in the minority subcultures yet the subcultures have internal consensus. The firm reacts inconsistently to change, with some subcultures embracing it while other parts will resist it, based upon the source of the change. Fragmented cultures are prominent for their heterogeneity, ambiguity and plurality of disconnected subcultures. It is not clear in this structure, which subculture runs the firm (power is diffused) and there is certainly not a stable organizational consensus. In this type of culture differences of subcultures are not only tolerated but considered the norm and subcultures will emerge to address organizational crisis when needed.

*Creating a Fit between People and Organizational Culture.* When people join an organization, they are socialized, or taught the procedures and nuances of culture through formal training programs, interactions with mentors and coworkers, and by just being on the job. Within a few months, an employee can determine whether they fit in with the organization's culture.

The idea of fit suggests that people and organizations have personalities. When both achieve a fit, employees begin to feel comfortable with the organization's norms, value system and expectations of behavior; their job performance increases. When fit is not achieved, employees may experience conflicts with expectations, disregard codes of conduct, or will not thrive under the work and reward systems. When fit is achieved, people tend to be more satisfied with and committed to their organizations and when fit is not achieved, people become dissatisfied, have sub-optimum performance, may leave the organization, or in the extreme case, engage in sabotage. A lack of fit between culture and the values and mission of a firm can result in the failure to get the firm's goals and objectives effectively implemented. (Sherman, Rowley and Armandi, 2006)

#### 4. Core Values and Culture at Links of London

Links of London devoted a page of their website to their core values and culture as a cornerstone to their successful operation.

Links of London is proud to be an iconic British brand and recruits individuals who reflect the core values of our teams:

- **Accountable & Proactive:** People who do what they say they will do and who approach their day with energy and positivity.
- **Passionate & Innovative:** People who are passionate about the brand they work for, who are creative in coming up with innovative solutions to make life at work even better.
- **Ambitious & Driven:** People with the ambition and drive to work collaboratively as a team to succeed.
- **Knowledgeable & Engaging:** People who know their stuff, what the brand that they work for stands for and who are able to translate that into brilliant customer engagement at every level within the Company.
- **Respectful & Honest:** People who are respectful to others and who approach life at work with honesty and integrity. (<http://www.linksoflondon.com/us-en/careers/culture>, 1/26/16)

Links of London also denoted on their website their warm welcome that new employees would receive when joining the firm as well as the continual develop employees would obtain in order to maximize their skillset. They claim that their culture is aligned with their vision and that they understand the important part that employees play in delivering world class customer service. Their goal is to align the needs of the firm with the employees. They rely on training and development as well as teambuilding to deliver high performance to their clients in

order to achieve the firm's objectives. This is accomplished by maximizing the value of employees' inputs through job satisfaction and team comradery.

We're proud of the people who work for us and are passionate about the Company being an enjoyable, friendly and rewarding place to Work. (<http://www.linksoflondon.com/us-en/careers/culture>, 1/26/16)

##### 5. **Krissy: Applying to the New York Store**

It was the summer of 2014 and Krissy was perusing LinkedIn when she noticed an advertisement for the Assistant Store Manager position at Links of London for their Madison Avenue, New York Flagship location. She was very excited about the position and working for Links of London for several reasons:

- She had a "passion for fashion" and wanted to work in the "luxury fashion center" of Manhattan - near Saint Laurent, Chanel, and Louis Vuitton. (Luxury Flagships, n.d., <http://www.nycgo.com/articles/luxury-flagship-shopping>)
- She had recently been accepted to a MBA program in fashion merchandising and felt that with this additional education she could work her way up into corporate headquarters and apply her acquired knowledge to the firm's best advantage.
- She went to their website and read about their culture and values and wanted to work for a firm that respected dedication, hard work, leadership and team play.

Krissy was most impressed with their career development program. As noted on their website:

*The FF Group (US) is committed to enhancing individual and organizational effectiveness by creating a learning environment to offer people the best opportunities and support to develop their knowledge, skills and behaviors, and to manage their career with us.*

*Our objective is to match the needs of the Company with those who work for us. We believe in training and developing our people and teams to deliver high performance to achieve the Company objectives and demonstrate our People Values, which maximizes job satisfaction for our teams.*

*Our commitment to developing our employees includes a diverse range of methods; Learning and Development is not simply about providing standard training courses; we support and facilitate many different types of activities in a partnership between the employee and the Company. Each employee is responsible for driving their own learning and they do this by identifying and discussing their training needs with their Line Manager, giving full commitment to taking part in training events, applying the learning and demonstrating improved performance after receiving training. It is our aim, wherever possible, to promote from within the business and all decisions about promotions will be based upon the skills, experience and aptitude of either internal or external candidates.*

(<http://www.linksoflondon.com/us-en/careers/careerdevelopment>, 2/3/2016)

Krissy's interview in August of 2014 with the store manager went quite smoothly. The interview was everything she imagined it would be, informative while challenging, and she was elated to see that Mirela mirrored the firm's sentiment about personal development and team effort. She thought that in Mirela she had found the perfect mentor; someone with many years of industry experience who wanted to show her the ins and outs of the luxury retail market. Mirela was also very supportive of her efforts to obtain a graduate degree and indicated the financial support she would receive from the firm for her continued education. Her second interview with Christine, the District Manager at Links, was also quite positive with Christine emphasizing the importance of the NY store as the "showcase" for Links of London products and services; service had to be "of the highest quality" with the customer always coming first.

Needless to say that when the job offer came to Krissy three weeks after her second interview she jumped at the opportunity.

### 6. Krissy: As a New Hire at the New York Store

It was a Friday in late August when Krissy reported for duty to the Director of Human Resources at the NY Office. She went through a highly personalized one day training program which included an orientation to Links of London (included background information on the firm as well as employee benefits and their partial commission compensation system), a store walk through, a thorough description of their product lines and services, and an introduction to her fellow store employees. She also learned how to use the cash register and to process special requests that required ordering items from the warehouse.

She was also given her work schedule, six days a week including weekends, with every fourth week allowing for a two day break. The atmosphere was very relaxed and cordial and everyone seemed to get along quite well. She felt quite at home and immediately felt the comradery that Links had described on their website. She talked with her manager Mirela at length and started to develop a more personal relation, one she thought she would need to help her understand Mirela's needs and management style. That night she stayed in, studied the firm's website, and created several "mock on-line orders" to see what problems there might be in customer usage; none were apparent.

As the Assistant Manager, Krissy reported to Mirela, the Store Manager, and oversaw 2 full-time and 2 part-time employees (see Figure 3, Partial Organizational Chart). Her responsibilities included making sure that the store achieved sales goals, that store visuals were updated and properly maintained, and to write weekly, monthly and quarterly reports as they were assigned to her by her manager.

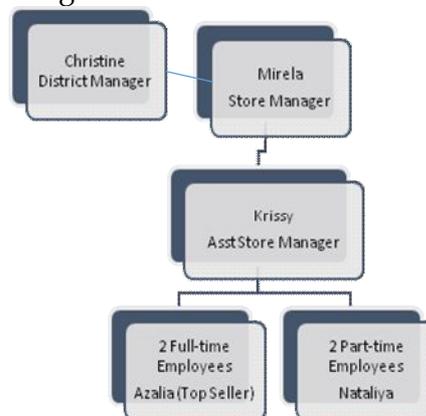


Figure 3 Partial Organizational Chart, Links of London, NY Madison Avenue Store

### 7. Day One: School of Hard Knocks - Sink or Swim

The real work started the following two days, the weekend. It was far more hectic to be in the store than Friday, as customers sailed in and out with Krissy helping them as best as she could with her minimal knowledge of their products.

Mirela was in the back office dealing with a new shipment of goods that had numerous errors both in terms of the product order and the bills of lading. The actual inventory did not match the inventory list nor did the inventory match her inventory request. Mirela had to go on-line as well as directly talk to the warehouse to determine what the problems were with inbound logistics; this should never had occurred with their bar code ordering and inventory system and evidently the system had developed a few "bugs." Mirela knew that she could not effectively run the NY store if her inventory was delivered accurately and properly accounted

for. Hence she was not available for more than just a few minutes of time to help Krissy out on the floor. Krissy observed that when she was on the floor she was masterful in terms of how she could quickly size up the needs of the customer and help close a sale. Many times would call Krissy over and introduce her customer her as “my number one” – that if she was not available Krissy would provide them with the same class of service.

The few customers that Krissy did deal with on her own had a “special request” which she clearly was not able to handle. She would then politely pass these clients off to one of the store employees, trying her best to make sure that each employee received her fair share of customers. She wanted to make sure that every employee received the opportunity to make a commission yet she also wanted to make sure that every customer who sought assistance would receive it as soon as possible. Waiting time in a luxury store had to be minimal – that meant less than a minute according to her orientation!

It became quickly evident that Azalia was the swiftest and best sales associate, generating nearly twice as many sales as the other employees. Regardless, Krissy did her best to strike a balance with the other sales associates understanding that customer waiting time had to be minimized. On occasion a customer would ask for a specific sales associate and Krissy would do her best to make that customer comfortable (serving them sparkling water and organic gluten free cookies) while informing the already engaged associate that she had a client waiting.

It became apparent that her best role would be as a store greeter and cashier. She continued direct customers to product displays and sales associates as needed and made sure to ask customers as they exited the store how the service was and if they required any additional assistance. Several clients wanted to open up special membership accounts and Krissy was smart enough to use the computerized cash register to muddle her way through the process.

When the store closed that night Krissy was exhausted as was the rest of the employees. After Krissy had helped the other employees close up the store, Mirela finally emerged from the back office complaining about “those geeks in IT.” She looked at the sales for the day, cracked a Cheshire cat smile, complimented everyone on a “job well done” and suggested they all go out for a quick drink on her to welcome Krissy to the team. They stopped at a local bar on 57<sup>th</sup> Street and while on the way admired the store displays for Louis Vuitton and Polo. Mirela pointed out these displays to Krissy telling her that displays could make or break a luxury store, even one as established as Burberry (Fashion Brands of the World, Top 10 List (n.d.). <http://www.wonderslist.com/top-10-fashion-brands-of-the-world/>, 2/3/2016).

Sunday was a repeat of Saturday except the store opened later and closed earlier. Sales were not as brusque as on Saturday and Mirela, who was on the floor helping Krissy become more acquainted with the nuances of their product lines, voiced her concern at store closing to all of her employees. “You know we do about 80% of our business over the weekend” she announced “so we really have to be able to qualify our walk-ins<sup>2</sup> and close deals.” She pulled Krissy aside and asked that she pay close attention to her sales associates and to see how Krissy could help them if Krissy felt they were losing a customer. Krissy was so busy that she had not had a chance to observe Mirela interacting with the sales associates in this manner. She decided she would talk with each sales associate once she got to know them better and to see how she could assist them given their particular sales style.

## 8. No Longer a Rookie

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<sup>2</sup> Qualifying walk-ins refers to the practice of deciding whether a customer is a serious buyer or not.

It was mid-November 2014 and Krissy had been with the company for merely three months. Krissy received no formal training during that time period but had worked very closely with Mirela (on the job training) on a day to day basis in order to learn most of the routines involved in running the NY store. After her first month on the job Mirela let her “fly solo” (run the store on her own) during the slowest business day for them (Wednesdays) therein allowing Mirela to go back to her six day a week schedule. Mirela had been working seven days a week for the past four months, coming in for half days during the week in order to have some time off and not experience job burnout. Krissy had Wednesdays off and spent much of her time on-line at home looking at competitor products and websites.

The store was heading into the Winter Holiday Sales period as large shipments of product and holiday window décor arrived daily. There was also a new collection of bracelets, rings and necklaces specially created for the holidays, called “Sparkle Stardust.” (See Figure 4, Interlocking Necklace) This new product line was to be soft-launching<sup>3</sup> at the end of the month with the option of being extended into the spring.



**Figure 4 Links of London, 20/20 Interlocking Necklace (Sparkle Stardust Collection)**

Mirela and Krissy received *Product Knowledge* packets regarding the new collection and were excited to have the new product line in the store. Links of London’s signature product for years has been the “Sweetie” bracelet which continued to sell well yet had reached a saturation point with returning customers who would in the past have purchased the Classic Sweetie, the Mini-Sweetie, and the Sweetie with Amethyst Hearts, the Gold Sweetie, and the Rhodium Sweetie. These loyal customers were now looking for something new and exciting.

Mirela and Krissy took a conference call regarding the new Sparkle Stardust product line’s arrival yet the first thing on the agenda was that there was a new President of Retail named Robert. They were told he had been hired as a result of Folli Follie CEO’s dislike of the prior president of Retail. Robert’s background was impressive in that he came from Michele Watches<sup>4</sup>, where under his leadership, Michele products pushed into the popular mass market (with a lowered bottom price point of \$ 350) with the company obtaining great returns on a brand that was previously waning in popularity. The CEO of Folli Follie hoped Robert could revitalize Links the same way he rejuvenated Michele.

Mirela was caught off-guard by the news and immediately texted another store manager to hear her colleague’s thoughts. Krissy, on the other hand, was excited by the buzz around a new hire but was herself too new to the company to process the ramifications of the firing-hiring news. The conference call then turned to the Sparkle Stardust directives and both Mirella and

<sup>3</sup> “A soft launch is the release of a website, hotel, or other product or service to a limited audience. Soft-launching is a method for gathering data on a product’s usage and acceptance in the marketplace, before making it generally available as a hard launch or grand opening.” <http://www.encyclo.co.uk/meaning-of-Soft%20launch>, 5/5/15.

<sup>4</sup> Michele Watches’ website is <http://www.michele.com/webapp/wcs/stores/servlet/HomepageView?langId=1&storeId=12051&catalogId=10051&N=0>.

Krissy took note of the Visual Director's suggestions and installation deadlines. When the call ended, Mirela said, "O-M-G, I can't believe they just hired someone new and we are in Holiday season!"

*The Sparkle Stardusk Collection.* The Sparkle Stardust merchandise arrived two days after the conference call. The pieces were a dramatic departure from the gold and silver materials Links had used in the past since the items were made of Steel and Cubic Zirconia. Next to the 18K gold and diamonds in animal and flower motifs, the sleek, modern Sparkle Stardust looked like a distant cousin to the more literal designs Links had been carrying over the years. Krissy and Mirela trained the full-time and part-time associates on Sparkle Stardust Product Knowledge. Azalia, the top-seller for the store, said "They're ugly" and stated that no one would buy them. Still, Krissy and Mirela urged all of the associates to go through their client books and begin calling clients about the new collection.

The Sparkle Stardust collection sold 10 units through the weekend, a rather low number, while that Monday morning Krissy was writing a report for Corporate as to customer's preliminary reaction to the new product line. Robert the new President of Retail Sales unexpectedly then walked through the front door to introduce himself to Mirela, Krissy and Azalia who were all present that day. He asked about the business and Mirela showed him the new Sparkle Stardust collection and the figures for the past week and month. Robert asked Mirela how she felt about Sparkle Stardust and she expressed the team's general feelings about the collection (which was negative), but she stated "we're just not used to them yet." Robert agreed that "they're a new direction for the business."

### **9. Heh Sweetie, We're Back!**

The following Tuesday, Krissy took the weekly conference call alone as Mirela had called in sick. Robert was on the call and announced that it was his utmost pleasure to join the company going into the Holiday period. He declared "Holiday is a fantastic time of year to be joining Links and just looking at last year's figures, I'm excited to see sales take-off!" He then surprised Krissy by introducing a Holiday Incentive for the old line, the Sweetie bracelet, a complete turnaround from the Sparkle Dust launch discussed earlier.

"We're bringing them back!" chimed Robert. "The associate that sells the most Sweetie bracelets in the month of December will win a \$1,000 store credit!" Also, because the Sweetie bracelet functioned as a charm bracelet and could hold multiple Links of London charms, "The associate that has the highest UPT (Units per Transaction) will also win a \$1,000 store credit!" He brought the Visual Director onto the call, who gave instructions to the managers to remove the Sparkle Stardust line from the window displays and to put Sweeties with charms in their place.

Krissy ended the call and asked Azalia and Nataliya (a part-time associate) to clear the windows and to assemble 4 Sweetie bracelets with charm "stories" – one with a love theme, one with a wish theme, one that's whimsical and one that's 'luxurious.' Krissy then called Mirela to tell her about the new initiative.

### **10. Managing the Store without Mirela**

Mirela had had a terrible fight with her husband the night before and was in emotional shock—which was her reason for her calling in sick. She told Krissy "I don't know why I married him. He does this all the time. I make more money than he does yet his job comes first ..." and confided in Krissy that "He made me cry for years before I married him. I can't do this anymore." Krissy comforted Mirela over the phone for 20 minutes and Mirela uttered "Thank you, Kris, I'm sorry that I am a wreck. I'll see you tomorrow even though it is my day off."

Krissy had not mentioned a word about the Sweetie initiative because she felt that Mirela was not in an emotional state to handle more stress.

Krissy went back onto the sales floor and Azalia and Nataliya had finished making one love-themed bracelet, which showcased several heart charms in mismatched colors. (See Figure 5 below.)



**Figure 5 Links of London, Sweetie Charm Bracelet with Mismatched Colors**

Krissy said “this could look better” and asked Nataliya to remake the bracelet with only red and gold hearts. “Well why didn’t you tell us in the first place,” Nataliya snapped. Nataliya was from the Ukraine and was generally sharp in her response (not an asset in general for customer service) yet her being fluent in Russian was a big draw for Russian financiers who came into the store. She had strong community connections with this client group, with the majority of her sales coming from this narrow market niche. “I didn’t know that this is what you thought was pretty” indicated Nataliya and Krissy responded by apologizing for not giving better, more concise directions.

At that moment, two customers who seemed to be friends came in to see the Sparkle Stardust collection. They saw Links’ e-mails announcing the new collection, and had come to see the products in-person. Azalia and Nataliya both assisted them. It was 45 minutes before closing and the store had only \$1,800 in sales for that day with a goal of \$7,500; nowhere near their assigned quota. Krissy was anxious to make these last minute sales so she worked sales alongside Azalia and Nataliya to close a sale of \$800 with one of the friends.

At closing, the store window displays were still missing Sweetie bracelets. Nataliya had a party to go to in 30 minutes so she asked if she could leave early although she knew that Krissy really needed her assistance. Krissy told her she could if she so chose to but hoped that Links’ fabled “teamwork” would have Nataliya stay and help out. Without blinking an eye, Nataliya went into the back office, picked up her coat, and exited the store. After Nataliya left, Azalia asked “What are we going to do about the windows?” Krissy responded, “I’m going to stay here and do them.” Azalia asked if she could stay and help, but Krissy counted Azalia’s hours for the week and knew the extra time would lead to unapproved overtime. Krissy also recognized that overtime coupled with not meeting their daily sales quota was not a good sign and would be sure to raise an eyebrow or two at the District level. “No, don’t worry about it. Thank you though,” Krissy replied.

Krissy spent the next half-hour assembling the themed Sweeties, but received a call at 7:50 PM on the store phone from Security asking why the lights were still on in the store. Krissy explained her situation, but was told that she needed an approval code to stay in the building

past 8 PM. Krissy had 10 minutes to call back with an approval code, held by Mirela or her boss Christine, the District Manager.

Neither Mirela nor Christine picked up their phones, and at 7:58 PM with 2 minutes to go, Krissy hastily set the alarm, locked the doors and exited the store. There were no products showing in the store windows, but she thought, "I'll get into work early and finish the displays tomorrow."

### **11. We Have Met the Enemy ...and the Enemy is us!**

The next day was a bright shining morning in midtown Manhattan and Krissy walked into the store as she planned an hour earlier than normal in order to complete the window displays. She had stayed up until midnight the night before designing the window layouts on paper so she could efficiently set them up in the morning.

She was astounded to find that Mirela was already on the premises and had already started to open the store. This was quite unusual since it was Krissy's job to open the store giving Mirela the free time to call the District Manager for last minute instructions. Krissy put on her biggest customer smile and said "Good Morning, how are you?" expecting her normal friendly reply from Mirela. Mirela unexpectedly replied quite sharply, "Why are there no products in the windows? Did we get robbed?" Krissy began to explain but Mirela cut her off. "The Corporate Visual Director walked by the store this morning on the way to the office and almost screamed when she didn't see anything in the windows. Do you know what would have happened if Robert the President of Retail Operations saw that? He would have fired the lot of us! How could you close the store without anything in the windows! We're the Flagship store for the entire firm and we are on the most significant shopping boulevard in Manhattan, Madison Avenue! Do you know how many people walk by our store? What type of impression does an empty display window make with the public? How thoroughly unprofessional of you! Now explain to me why I should not send you home for good this instance and be quick about it!"

Mirela's accusations and negative comments about the empty windows left Krissy speechless. She had not thought through the ramifications of her decisions and realized she her training and on the job instruction had left her sorely underprepared for last night's exceptional situation. How could she not have security clearance to keep the store open past 8 PM? Krissy replied "I'm so so sorry! This was not my fault. I got kicked out of the building at 8 PM because I didn't have a security code. I called you and Christine because I stayed late doing the windows but neither of you called me back!" Mirela responded, "Stayed late? For heaven's sake why? We only made \$2,500! Were you too busy making a last minute sale so that the windows could not have been done earlier?"

Krissy began to feel her eyes tear as Mirela continued her questioning. "Kris, I'm about to lose my husband, are you about to make me lose my job as well?" This was the straw that broke the camel's back - Krissy was extremely distraught and started crying. Mirela's reaction was quick and insensitive. "Don't cry; what are you crying about? I should be crying! I shouldn't even be here having this conversation with you. You very well know to never close a store without product being displayed in the window. Didn't they teach you that at your last job or at College?"

At that moment Nataliya walked into the store and noted a red-faced Mirela and a crying Krissy in the middle of the sales floor. Krissy was so embarrassed by her crying that she quickly escaped into the restroom to blow her nose, repair her face and mull over not only the series of events that lead to this morning's harrowing experience but her whole experience with

Links of London. Where was the respect, the teamwork, the comradery that she had read about on their website? Where was the developmental support from a caring and conscientious mentor?

### Possible Case Questions:

1. Describe the key events leading up to the empty displays and what precipitated this catastrophe. If you were Krissy what would have done differently and why?
2. Who is at fault for the displays being empty? Is this just Krissy's fault or are there other "culprits" involved? What could her manager and her district manager have done to make sure that this did not occur in the first place?
3. Describe 2-3 immediate difficulties you see at the end of the case as Krissy leaves the store's selling floor and how you as the store manager would resolve those issues.
4. Describe the culture of the NY Store and how well Krissy seems to fit within that culture.
5. There seems to be a gap between the portrayed culture of the firm on its website and the one experienced by Krissy - is this just false advertising or are there other possible explanations?

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