



Leadership Quest

Retail Leadership Institute Focuses on the Next Generation

One of the key roles of the North American Retail Hardware Association (NRHA) is to bring together independent home improvement retailers, regardless of wholesale affiliation or business size, to share ideas and best practices and foster meaningful connections. NRHA's unique ability to bring together the resources of channel partners, including retailers, wholesalers and manufacturers, preserves the continued viability and success of the industry's 35,000 independent hardware stores, home centers and lumberyards.

In 2013, NRHA launched the Retail Leadership Institute to fulfill these initiatives by providing a lineup of high-touch, high-impact, retail-focused programs designed to develop key managers and future retail owners. The reason for developing the institute was simple. Individually, independent retailers (even those with large, multi-unit operations) do not, by themselves, have the resources to build world-class educational and networking programs to develop their key employees. So, NRHA founded the Retail Leadership Institute

to serve independent retailers, for the benefit of their operations and the industry.

Today, NRHA continues to add new and innovative programs to the Retail Leadership Institute that will be instrumental in developing future industry leaders. The programs included in the Retail Leadership Institute are:

- The NRHA Retail Management Certification Program, which launched in 2013;
- The Retailer Roundtable series, which launched in 2012;
- And the Foundations of Leadership Program, which will launch in April 2017, and its associated conference.

All of these programs provide advanced educational and networking opportunities for key managers and owners. NRHA developed the concepts for these programs in response to retailers expressing their need for NRHA to provide the programs to the industry and their commitment to helping develop and support the programs.



NRHA Retail Management Certification Program

The NRHA Retail Management Certification Program is designed to provide retail business owners with an avenue for developing their key employees' leadership and management skills. The six-month program uses college-level curriculum that was developed in conjunction with Ball State University's John H. Schnatter Institute for Entrepreneurship and Free Enterprise.

The management training course includes three visits to NRHA's Indianapolis headquarters over the course of six months for an intensive, interactive learning experience with 15 to 20 students from across North America. Program topics focus on leadership, problem-solving, business strategy, advanced retail operations, project management, financial management and human resources management.

Each student in the program is required to develop a major business improvement project that provides a return on the owner's or sponsor's investment in sending the student through the course. To date, the 110 students who have graduated from the program have conservatively returned over \$6.5 million to their companies through these projects, either through sales gains or expense reductions.

The ideal candidate for the training program is a retail manager or owner who has a minimum of three years of experience managing a home improvement retail operation.

Management experience is a course prerequisite so students can share their career experiences and successes with classmates in a roundtable-style learning environment.

Students are currently completing the program's seventh class. NRHA is recruiting for the spring 2017 course, which has the following schedule:

- Application deadline: Feb. 28
- Visit 1: April 11-14
- Visit 2: June 13-16
- Visit 3: Aug. 8-11
- Course completion: mid-October 2017

"We have come a long way since the launch of the first class four years ago," says Scott Wright, executive director of the Retail Leadership Institute. "We have continued to make tweaks to the program since we started. We recently switched university instructional partners to Ball State because we felt they were a perfect fit for the program and for our industry."

The lead instructor for the program, Rob Mathews, is director of the Schnatter Institute for Entrepreneurship at Ball State and grew up in the hardware business. "Rob's parents owned and operated hardware stores in central Indiana and southwest Florida. Until last year, Rob owned and operated a home center in Pendleton, Indiana," Wright says. "He has the university instructional experience focused on helping develop entrepreneurs, as well as practical industry knowledge. We're very fortunate to have someone with his unique skillset leading the course's instructional and curriculum design efforts."

In addition to Ball State, which oversees more than half of the course instruction, NRHA provides and sources training using industry experts in key instructional areas, making the program uniquely focused on needs specific to independent retailers.

Supporting the Cause

In 2014, NRHA developed a scholarship program for students attending the NRHA Retail Management Certification Program. To date, 46 students have received half-tuition scholarships totaling \$292,000 to attend the program thanks to scholarships from NRHA and the following manufacturers, wholesalers and co-ops: Benjamin Moore & Co., Bernzomatic, Blish-Mize Co., The Bostwick-Braun Company, Do it Best Corp., Fulton, Home Hardware Stores Limited, Hyde Tools Inc., Intertape Polymer Group, MiTek Builder Products, National Hardware Show®, PACOA, PRO Group Inc., Simple Green, Stanley Black & Decker Inc., Trimaco LLC, Wallace Hardware Co. and The Wooster Brush Co.



NRHA Retailer Roundtables

Launched in 2012, NRHA's Retailer Roundtable series continues to grow in scope and in the number of networking events held each year. The roundtables are structured discussion group meetings where retailers come together to network with other noncompeting retailers. Roundtable groups are organized based on the functional areas and retail core competencies participants share. Roundtable members commit to meeting annually to discuss their functional areas and learn from others within their group.

"The key to these meetings is that participants agree to confidentiality and complete openness in sharing their successes and best practices," says Wright, who moderates several of the meetings. "NRHA assists in forming, moderating and administering the meetings, and meeting agendas are developed by an agenda-planning committee within the group of attendees to ensure that the conversations are relevant and meaningful to attendees."

Kim Tarrant, human resources manager at Family Farm and Home in Michigan, says meeting to discuss shared issues and best practices is a huge help. "At NRHA's Human Resources Roundtable, I got different perspectives from a variety of retailers, which provided me with insights for my day-to-day business," she says.

The current roundtable lineup is listed below:

Marketing & Merchandising Roundtable

Participants include retail marketing and merchandising professionals. Discussion topics include advertising, marketing, pricing, merchandising, sourcing, technology and online initiatives, new products, loyalty programs, co-ops and competitor monitoring.

CFO Roundtable

Participants include chief financial officers and other finance professionals. Discussion topics include finances, operating expense management, employee benefits, compensation, technology, key performance indicators, legal issues, acquisitions and working capital management.

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—Kim Tarrant, Family Farm and Home

Human Resources/Training Roundtable

Participants include human resources and training professionals. Discussion topics include employee incentives, benefits, compensation, technology, training and government regulations.

Young Retailer Roundtable

Participants include former NRHA Young Retailer of the Year honorees and nominees. Discussion topics vary.

CEO Roundtable

Participants include presidents or CEOs of large multi-unit home improvement retail chains. Discussion topics vary.

IT Roundtable

Participants include information technology professionals. Discussion topics are various IT-related issues.

Retail Management Certification Program Reunion Roundtable

Participants include graduates from NRHA's Retail Management Certification Program. Discussion topics focus on updates on students' business improvement projects.

Women's Leadership Roundtable

Participants include women who are retailers and distribution and manufacturing professionals. Discussion topics vary.



NRHA Foundations of Leadership Program

The latest addition to the Retail Leadership Institute is the Foundations of Leadership Program. The program is being developed by NRHA, Ball State University, STIHL Inc. and a consortium of independent retailers, including Aubuchon Hardware, Buchheit, Friedman's Home Improvement, Foxworth-Galbraith, Jerry's Home Improvement, Sunshine Ace Hardware and Wilco Farm Stores.

The program, which will be delivered online, is designed to train next-generation leaders by providing a high-quality, flexible introductory course on key concepts of leadership and personal development.

Topics will include personal assessments, leadership vision and values, problem-solving, communication skills, talent development and team building.

The pilot course is scheduled to launch in early April. Each of the eight modules will be covered in two-week periods and will be administered online using Ball State's Learning Management System. The culmination of the program will be the NRHA/STIHL Foundations of Leadership Annual Conference, which is scheduled for Aug. 1-3 in Indianapolis. The conference will feature presentations from leadership experts at Ball State University and industry-focused panel discussions. Graduates of the Foundations of Leadership Program, the NRHA Retail Management Certification Program and all former Young Retailer of the Year honorees are welcome to attend for free.

"We are very excited about how this new course and event will serve the mission of NRHA and prepare the next generation of retail leaders in our industry," Wright says.

STIHL Named Exclusive Sponsor of NRHA Foundations of Leadership Program

In December, the North American Retail Hardware Association (NRHA) and STIHL Inc. announced a partnership and sponsorship at the NRHA 2016 State of Independents Conference in Chicago. STIHL presented NRHA with \$100,000 to help fund the NRHA Foundations of Leadership Program. STIHL was also named the exclusive sponsor of the program.

STIHL will also be the exclusive sponsor of the Foundations of Leadership Annual Conference in 2017 and 2018. The 2017 event will take place Aug. 1-3 at NRHA's headquarters and conference center in Indianapolis.

"We retail our products exclusively through servicing dealers, and hardware retailers are an ever-increasing part of our dealer network," says Roger Phelps, corporate communications manager for STIHL. "These businesses have always been at the heart of our success, so investing in their future is a perfect fit for our brand."

"We are proud to be working with STIHL to develop this exciting industry leadership initiative," says NRHA president



From left to right: **Scott Wright**, executive director, Retail Leadership Institute, NRHA; **Roger Phelps**, corporate communications manager, STIHL; and **Bill Lee**, NRHA president and CEO.

and CEO Bill Lee. "Time and again STIHL has demonstrated its unwavering support for independent retailers, and this is just one more example of how they are taking a stake in the future success of the independent channel. We can't thank them enough, and we look forward to a long partnership." —