

[00:00:02.180] - Aileen Day

Welcome to the Value Driven Brand Podcast, where you'll learn insights on how to communicate with authenticity, deliver genuine value, and create a memorable experience across your entire customer journey, helping your business become a sought after leader in your industry. I'm your host, Aileen Day. Now onto the show.

[00:00:31.010] - Aileen Day

G'day, everyone, and welcome back to another episode of the Value Driven Brand Podcast, I am your host Aileen Day. And today I have one of the most special guests that I have had on the podcast so far. It is my absolute pleasure, privilege, honour to have this man on the show today. And I'm so looking forward to you all having the capacity to listen in to the pearls of wisdom that are going to come from him. And without further ado, I want to introduce you to the one, the only Michael Schneider, the Managing Director of Bunnings Warehouse Australia, New Zealand.

[00:01:16.070] - Aileen Day

Thank you so much for joining me today, Michael. How are you?

[00:01:21.370] - Michael Schneider

I am very well Aileen, lovely to catch up with you and really excited by the opportunity to have a chat with you today and catch up and share a few ideas.

[00:01:30.080] - Aileen Day

I love it. It has been a while. And for those of you who might not know, I used to work with Michael back in the day in Bunnings. And this man is probably the key person of influence for me when it comes to understanding and executing a customer experience in business and life. I have many things to go to this man and many of my clients have him to thank for me doing what I do these days as well. I want to let you know that it is an absolute pleasure.

[00:02:11.450] - Aileen Day

Thank you so much for joining me. I'm so excited. But for those of you who might not know who Michael is, Michael is the Managing Director of Bunnings Group. And I can't believe it's nearly been, it's been three years already that you've been in the role as Managing Director.

[00:02:30.080] - Michael Schneider

It's gone pretty fast and in, in COVID years it's probably feeling like 20 at the moment.

[00:02:35.910] - Aileen Day

Touche. So, so, Michael, give us a little bit of the inside scoop. What was going on before becoming the Md. of Bunnings Group?

[00:02:49.590] - Michael Schneider

Yeah, it's been it's been a really interesting career, I'd categorise it as a bit of a patchwork quilt. To be honest, I think starting I started my retail career as a 18 year old leaving school like a lot of us did, weekend, casual pushing, trolleys punching checkout's moving stuff around. But I worked out that I really like the environment all the time and I certainly love working with customers.

[00:03:13.590] - Michael Schneider

I went off to university because I thought professionally I wanted to become a teacher, but I realised that that wasn't it wasn't for me, wasn't when I did some teaching and realised that with the environment that I was in, retail made a lot of sense. I did that for quite a few years, working for Target up in New South Wales and then left, left, retail.

[00:03:34.390] - Michael Schneider

Got a bit frustrated. I think sometimes when we're early in our careers, ambition and ability can collide and you can think you're ready for things that maybe your employer doesn't.

[00:03:43.480] - Michael Schneider

So I backed myself to do something different, went off to work for Westpac, which I did for for a few years and had the opportunity to work in retail banking, business banking, strategy, finance and HR so a really interesting time. And as a part of that moved from Sydney to Perth and in Perth to Melbourne. And when I was in Melbourne, I realised that banking was really good and I had fantastic opportunities. But it wasn't where my heart was.

[00:04:08.190] - Michael Schneider

My heart was very much in retail. So I joined a business called the Warehouse Group, which is a New Zealand retail business, and worked with the Australian arm while they had that from around about two thousand and two thousand and five. And as a part of that, moved back to Sydney, I did a bit of work in New Zealand and then it was a business that was struggling in Australia. So they made the decision to sell to private equity, which was great for Warehouse Group shareholders.

[00:04:36.930] - Michael Schneider

But when you think about your career and your values, private equity for me just wasn't wasn't a thing back in that time.

[00:04:45.540] - Michael Schneider

And a recruiter that I dealt with and said, hey, look, there's a job going at Bunnings, if you're interested in that. So just over 15 years ago now, I came on board and ran the New South Wales Operations team for a couple of years and moved down to Melbourne, where we worked together. Where I was looking after Operations from a national point of view and then at the start of 2016 took over as MD of Bunnings for Australia, New Zealand, and for some of your listeners, you know that we had a business for a little while in the UK, so we had that operation, which I was responsible for from about mid 2017 until we we sold it, ironically, to private equity in the middle of 2018.

[00:05:26.740] - Michael Schneider

And ever since then I've been working on ways to grow Bunnings into the business. It's known known for today, that sort of history, if you like.

[00:05:37.480] - Aileen Day

Wow, what a career. I can absolutely comprehend the patchwork quilt analogy now. Banking, retail.

[00:05:48.310] - Michael Schneider

Yeah, it's good in a way, though, because you learn different skills and you solve problems from different directions. And I think sometimes when you're starting out in business, it will tell you that you need lots of people, lots of skills. But sometimes if you look within yourself, you'll find you've solve those problems in a different setting. And that's that's what business leadership is about. It's taking risk and solving problems.

[00:06:09.040] - Aileen Day

So, yeah, absolutely. I couldn't agree more. So, that is a pretty amazing career.

[00:06:18.040] - Aileen Day

And I'm curious, you know, it's been a while since we've had the opportunity to catch up. What has been the highlight for you going from the GM of Operations to the MD of the whole company?

[00:06:33.400] - Michael Schneider

Yeah, look, I think I've probably got one of the luckiest jobs in corporate Australia, we're owned by Wesfarmers, so we don't we don't have all the burdens of a listed enterprise in our own right. And all we can do with the with the market, with the Wesfarmers investor relations team. But really, we get we get to focus on the two most important things in a retail business, your team and your customer, and we're pretty focused on both of those very tightly looking after the people who are fortunate to work with us.

[00:07:00.010] - Michael Schneider

Over forty eight thousand people these days working across Bunnings, across, you know, probably

about four hundred locations when you're adding offices and DC's and our store and trade centre network. And I think it's a real privilege and I think responsible for growing the business means your helping people who are shareholders in your company earn an income. And Wesfarmers has a very high retail shareholder base. So we know that for a lot of older Australians, it's part of their retirement portfolio and creating jobs for people, I think at the moment well into 2020

[00:07:37.360] - Michael Schneider

there's lots to talk about and businesses under pressure and closing. And that puts pressure on families and jobs. So the more we can continue to drive that outcome, then we're supporting thousands of Australians, their families, their kids, mums and dads to have a job and earn an income, which is so important.

[00:07:55.450] - Aileen Day

Yeah, absolutely. And, you know, I have still lifelong friends that are still part of the Bunnings Group.

[00:08:04.900] - Aileen Day

And, you know, the the consistent feedback at the moment is you wouldn't want to work anywhere else with everything going on at the moment and the way in which the business has reacted or not not necessarily reacted, but taken that and and worked with the team to come out with the best outcomes is you know, my hat goes off to you. It cannot be an easy role to try and satisfy forty four thousand people. But by all means, it sounds like you're doing a bang up job.

[00:08:46.790] - Michael Schneider

And look, I think I think it's pretty fair to say that it's hard to be happy and it's hard for all of us to be happy all the time. And there's been a lot of pressure. But you're right, there's lots of people put down roots and grow their whole career Bunnings and stay really long periods of time. Execs and team members across our business with 30, 40, 50, even 60 years of service in the group. And I think that's that's remarkable.

[00:09:09.900] - Michael Schneider

It brings a really strong, strong degree of teamwork and friendship. And you're right, you know, I think and we've all got anyone that's been a part of the Bunnings team ends up with a whole Bunnings family group of friends that tend to sort of stick with you for life. And I think that's a really a really nice thing. And it's also a good litmus test for leaders in the business, because I think that network is quite broad and you bump into people all the time who know, someone who works at Bunnings.

[00:09:36.790] - Michael Schneider

And it's a great way to hear, you know, whether the team are happy or not happy or worried. And it's been a pretty uncertain times. It's been plenty of worry. And we've we've worked hard to to engage the team, to make them feel safe and to understand what's going on and what's going on from a government level and what it means for us as a business, which across Australia, and New Zealand at the moment, about eight different ways of operating from the lockdown that you and I are living in here in Melbourne to almost life as usual.

[00:10:02.350] - Michael Schneider

If you're living on the west coast of Australia,

[00:10:05.380] - Aileen Day

If you've ever seen adaptability or if you've never seen adaptability, folks, you're looking at it right now. It's pretty amazing. Pretty wild, pretty wild.

[00:10:16.840] - Aileen Day

Yeah, well, this is the Value Driven Brand Podcast and as we know that every guest that attends and gives us the privilege of their time on the podcast is here to share with us their insights and their experiences as to how they have gone out and created their own value driven brand. And I know I might be a little bit biased, but to me there is no other. There is, this brand, Bunnings is the epitome of what value means to customers and consumers.

[00:10:57.010] - Aileen Day

So, Mike, we talked a little bit earlier about some of the points that you believe create a value driven brand. And one of the first things that you talked about was getting a team with the right skills to pivot where needed. Talk to me about what that means and what is it, not just me, but what does it look like?

[00:11:18.040] - Michael Schneider

Yeah, look, I think when we started this year, I think we all we all heard about a flu bug somewhere else in the world and then life went on as normal.

[00:11:28.270] - Michael Schneider

The Australian Open tennis was on. The plans are underway in Melbourne for the Grand Prix. And then suddenly borders around the country were shut and people needed to start quarantining when they came home. And government, for all the right reasons, started to put restrictions in that probably for all of us or for most people who live in Australia wouldn't wouldn't have ever seen before.

[00:11:50.620] - Michael Schneider

Maybe a very small number of Australians who lived through the Second World War or the Great Depression and have seen some of the things that we've got to encounter as a community and businesses have to respond quickly. We're allowed to open under most circumstances. But if the government says, hey, we need you to close for these reasons then obviously we need to listen and do what's asked, but we embarked, probably early 2018 on our online offer, something that as a business we were we were, you know it wasn't on our growth agenda.

[00:12:24.130] - Michael Schneider

I probably heading into into sort of 2017. But as we started to wind up our operations in the UK, we were looking for opportunities to grow, but also opportunities to make shopping more convenient for our customers.

[00:12:36.550] - Michael Schneider

And online is clearly an area where we needed to invest. So we started that journey. And fortunately, we're at a point of sophistication where start of 2020 we were actually able to pivot and some of those ways of operating our online offer to create things like a drive and collect model to implement pick up kiosks, pick up lockers, all sorts of different things to really focus on the convenience piece for customers, but also understanding that when you're spending really long periods of time at home and I know in Victoria that that's being mandated by the government.

[00:13:12.340] - Michael Schneider

But it's clear right across Australia and New Zealand that when you can't travel interstate or internationally and it's a bit risky to be going out too much and going to be with large crowds, then spending more time at home.

[00:13:26.600] - Michael Schneider

So making sure advertising creative, our in-store processes, all of these things were repositioned to really lean in to the fact that as Australians and New Zealanders, we we see home as the safest place we can be. And we know that if we're doing things at home active physically, that's got positive mental health benefits and a lot of fun, just getting stuff done, making a home feel really nice, setting up a home office, home classrooms with the goal of learning from home, which I know you've had to endure.

[00:13:56.080] - Michael Schneider

Fortunately for me, my kids have grown up and it's not been a battle, but it's been a battle for plenty of the mums and dads across the Bunnings team. But now all of those things meant office time needed to to to think differently. In fact, know functions in Bunnings that we never thought could be work from home, like our payroll accounts payable design teams suddenly found themselves working from home. And we've learnt many ways of working flexibly and connecting and engaging with one

another, really require effort on communication, really ramped up our effort on team engagement so that we had things to laugh about and laugh at, over what's been a pretty, pretty challenging time.

[00:14:35.410] - Michael Schneider

So I think it's it's it's tested our, our agility muscles and I think they've been found to be in good shape. And as the year goes on, I think we're seeing our resilience muscles getting getting challenged a bit as as some of these restrictions continue on. But it means that as a business, we can test and learn a lot of new things. You know, we're operating a business in Melbourne in a two speed way, if you're a Tradie you come coming just like always.

[00:15:01.840] - Michael Schneider

But if you're a retail customer like you are, you can shop online, you can pick it up in the car park or have dropped in your boot. You can have it dropped home and that, that arrangement of choice for our customers wasn't there two years ago and we were very lucky today.

[00:15:17.410] - Aileen Day

Yeah, absolutely. I think pivoting has been used as such a loose term to just a slight variation in how people do business. But ultimately you guys in the group have had to pivot like you've had to make monster changes to the way you do business. And I think one of my fondest memories, you probably wouldn't know this, but one of your one of my fondest memories was I remember working on a project with you and and I was five seconds away from presenting it and saying, ta da.

[00:16:02.860] - Aileen Day

And, you know, I was I was I was looking for the praise and I was looking for the excitement in your face to say, Aileen, this is f***ng amazing. We can beep that out later. But, you know, and then I remember you walking up to me and you said. That project, and I'm like, yes, and you went scrap it, we're moving like. No! No! Do you know how hard I worked on that? No! But that's the reality of business.

[00:16:32.040] - Aileen Day

I went, Ha! This is pivoting.

[00:16:37.050] - Michael Schneider

Yep, and that's you for anyone particularly starting a business. I think you start with a vision in your mind of how business is going to work and it might be the same as planning a holiday. So visions of palm trees and beaches or Roman ruins or whatever it's going to be, but it's often different in reality and business is very much the same. I think, you know, if you if, you know, we started a small business as an example, it's called Kitchen Collective.

[00:17:05.760] - Michael Schneider

It's a kitchen design studio. And it's taken us probably 12 or 18 months to do the thinking on how we want it to go to market with that. And that opened at the start of March. Not necessarily with hindsight, the best time to launch a kitchen showroom that leans into customers that are wanting to spend more than perhaps they'd have thought of buying a kitchen from Bunnings before. But we didn't see COVID coming, no one saw COVID coming.

[00:17:33.220] - Michael Schneider

And and no one understood the impacts. And I think one of the biggest challenges leaders sometimes face is hanging onto an idea past its use by date. And the use by date may even be, as you just said in that example, not even getting started because business does move the pace. And it is really important that we're open minded to the fact that customers and the market should be the only things that influence our thinking when it comes to our offer and if the offer isn't right.

[00:18:01.200] - Michael Schneider

Then then then people won't shop or if if an offer is better somewhere else, people will leave you. And you see that in your local neighborhood when the local takeaway shop is your favourite one. And if one turns up that is better or the coffee shop next door to yours start serving better coffee or

something like that, you're under pressure. So as business leaders, we've got to continue to adapt and evolve all the time.

[00:18:26.130] - Michael Schneider

Do the best you can to think what the future might look like, but accept that we'll always be out by a margin of error. Sometimes it'll be a big margin and sometimes it'll be pretty close. But the one thing I do know after close to 30 years in business is it's always changing. And then at an exponentially fast rate. Right right now in 2020.

[00:18:46.980] - Aileen Day

Yeah, I would definitely say that was one of the most poignant lessons in business I had had at that point. And when I went into business for myself, it has become and continues to be one of the biggest lessons that I pass on that, you know, don't get too attached because things change so fast that what you're winning with over here will be tomorrow's opportunity to improve. So it was an amazing lesson and something that obviously Bunnings as a team continues to live and breathe, which is fantastic.

[00:19:34.530] - Aileen Day

And the second thing that you talked about was a willingness to embrace agile work practices. Now, I'm very curious to hear how this is going for you, because a) you have tens of thousands of or hundreds of that, tens of thousands. Forty four thousand employees, team members. This can not be an easy feat.

[00:19:59.900] - Michael Schneider

And it's not it's a really it's a really important point, you make Aileen because agile working at its core, its teamwork, its cross-functional teamwork and agile's the name.

[00:20:11.810] - Michael Schneider

And there's plenty of consultants out there that'll put put really trendy names around these these areas do, you know scrum teams, scrum masters Kanban walls, all sorts of things. But at the end of the day, what you're doing is bringing groups of people together from different parts of an organisation to in a very accelerated way, solve problems we touched on earlier before. Our business is all about problem solving and having the mix of background in my career, that that problem solving, you know, sometimes just dealing with it through a different lens.

[00:20:43.520] - Michael Schneider

It lends itself to to some areas of work. So if you're in a business where you're developing a concept or a model or a product, agile working is really important. We're going through a significant online re-platform at the moment. So moving onto a new website platform, perfect environment for digital team, operational team, merchandising team, HR teams to work and collaborate together to get the best outcome.

[00:21:10.610] - Michael Schneider

Yeah, but it doesn't work as effectively in, say, for example, the Bunnings that we will see, which is our local Bunnings store, Bunnings Warehouse, more traditional leadership and operational models work there. So when we started to think about implementing Agile, I was fortunate enough to get to go overseas and look at some companies that have implemented agile ways of working. And once you understand that it's for certain functions within an organisation, you play it there and bring that team on the journey.

[00:21:41.060] - Michael Schneider

But then on the other side, you sort of look at if you're running a sales business or a restaurant business or something, that sort of customer facing space, more traditional, more so at this point in time, continue to be certainly in my view the more effective way to to sort of run those operations. So it's a bit of a two speed. So if you're running a Bunnings Warehouse, you're probably running it, not dissimilar to how we have for the last twenty five.

[00:22:05.480] - Michael Schneider

Twenty six years, if you're working in some parts of our support functions. It might be very different with that cross-functional teamwork operating in a more significant way.

[00:22:14.720] - Aileen Day

Yeah. And how have the teams that have moved into a agile manner of working, how have they adapted to the changes? Because. I know from experience they're two very different ways from how they used to work to how they now work, how's that change management piece kind of played out for you guys?

[00:22:47.360] - Michael Schneider

Yeah, and I think it's a really good observation you make Aileen because it is a constant sort of change. It was not easy at the start because, you know, from your time working in the organisation, we very much were built around divisional structures within the business of buying division, operations division, marketing division. But what's what became clear was to achieve the sorts of outcomes we needed and to achieve them at the pace we needed to to take it on.

[00:23:15.860] - Michael Schneider

That different booking was needed. It isn't for everyone some members have come in and kinda gone Nup, not not comfortable. I can't see myself working in this way and others and perhaps even team members that I might not have thought would have embraced it on first on a first blush. And we really relied on an individual's technical skills. And that's why they were selected for a project that really embraced it and actually taken that sort of thought back into into roles that they've moved back into.

[00:23:43.970] - Michael Schneider

So I think it's now a much more normal way and fascinating as it is to sort of think about agile working something new and different. The way the years played out and the way that we're all now working from working from home or some people telling me it's like living at work at the moment because it's pretty busy.

[00:24:06.550] - Michael Schneider

Agile working is actually one of the best ways to go, because we can move things through a process far more quickly than we would have otherwise done in a more traditional way. Where one function would work on something, bring it to the table and then another function. So you haven't thought about A, B and C, and they go away and come back and go and come back. So I think it's really helped us pivot and move at pace in the way we've needed.

[00:24:28.270] - Michael Schneider

So not easy to get started once people become comfortable with it. Very, very different outcome.

[00:24:33.850] - Aileen Day

Yeah, absolutely.

[00:24:35.380] - Aileen Day

I've had a few experiences where clients want to work in an agile environment, but they they in my mind, they are probably doing it for the wrong reasons. They they want to take on that lean project management as opposed to the way I perceive to be the purpose behind it, which is that cross-functional team work that all hands in, you know, and being able to, as you said, move at pace and cut that red tape so that you can create an outcome much faster.

[00:25:10.540] - Aileen Day

Whereas I think some people hear, the the Lean Project Management, they're like, oh, I can save money. It's not I mean, in my mind, it's not about saving money by having less people saving money by spending less time on a problem.

[00:25:26.920] - Michael Schneider

It's the cost saving is usually in the production of, you know, like what if you on lean and agile working

in a more formal way. And you can see from the way I sort of described to try to sort of break some of that down to be very much how it will work best for our organisation.

[00:25:44.590] - Michael Schneider

But what you really want to do is what's called an MVP minimum viable product. Now, when I first started hearing that, I thought it was most valuable player.

[00:25:53.560] - Michael Schneider

And this was it's an outcome. Right. But it's getting to that point of saying we've made it by the pen. It's the pen. Is the pen going to do what it needs to do, which is write and if the answer to that is that then you can sort of move on. So that's where some of the cost saving will come from, is pace.

[00:26:10.570] - Michael Schneider

And we shouldn't be surprised because we're thinking about the problem in a 360 degree way rather than starting out with is the pen going to have ink? Is the pen going to be black or blue or red or whatever it's going to be? We start with what are we what's the problem we're trying to solve and then move to that first phase very quickly. So it's a really interesting way of working and works for some and doesn't work for others.

[00:26:38.230] - Aileen Day

Yeah.

[00:26:38.680] - Aileen Day

I mean, I personally love it. I know coming from our project management background where the way we ran projects back in the day was very formal, very strategic, very documented, very rigid, and to move into an agile way of working is much more.

[00:27:03.010] - Aileen Day

You feel like you're achieving a lot more because you're seeing a lot more come through the pipeline. So I think that's a fantastic piece of advice around creating a value driven brand. The third piece that we talked about was an openness to try new things. Talk to me about what that means.

[00:27:26.090] - Michael Schneider

Well, I think, you know, one of the one of the observations that I've made of of leadership over a long period of time is we, we're, humans are creatures of comfort, we like we like routine, we like a degree of certainty, whether it's fish and chips on a Friday night or the homemade pizza on a Sunday night or whatever, you know, we find traditions and rituals. We might be going to church on a weekend. It might be going for a run every morning.

[00:27:55.860] - Michael Schneider

Business is no different and business falls into a pattern of doing things over time. And and you sort of end up in our plan, act review cycles. So you might be setting a budget, you might be running the year, then you might be looking back at performance.

[00:28:09.630] - Michael Schneider

And that's a good thing because that that for particularly big organisations, but even growing organisations, that that cadence, that rhythm is important because there needs to be a sense of certainty and sort of going from selling cars to selling ice creams overnight, you want to have a sense of purpose and direction. But and I think value driven brand that consistency is is key, right? Because people know what they what they what they're buying in a brand or buying an experience.

[00:28:42.070] - Michael Schneider

But the flipside of that is if you if you don't continually iteratively change, you can get left behind. And I think in business today, particularly for startups, there's so many new things coming along, or for businesses in their infancy. If you don't build in an innovative, innovation mindset, you'll you'll come up with something that works. It will be popular for a period of time. And then then your customer will move on and you see that in, restaurants, you see it with cafes, you know, there sort of split into two is

the sort of old dependable of of what we know from when we grow up.

[00:29:23.940] - Michael Schneider

The local Chinese restaurant, the local pizza restaurant, maybe the local Thai restaurant, they've all got their go to dish that, you know, you can always eat, but you don't necessarily think about anything new. And over time, people will move away. You know a great example. And an Australian innovation was the McCafe McDonald's. So McCafe was first developed here in Australia first before anywhere else in the world. And they recognised that Australians were moving away from the sort of cafe products, the traditional McDonald's restaurant offered.

[00:29:55.490] - Michael Schneider

So they came up with a more nuanced, more sophisticated offer, and they attracted new customers who wouldn't necessarily come in and buy a burger and a thickshake. But they also retained customers who might otherwise have left to go into that into that cafe scene and have done it with the usual Maccas highly predictable, very formulated way of operating. But it is that innovation in your model and business needs to try it. Some things will work and then some things won't work and some things probably sit in the middle.

[00:30:28.560] - Michael Schneider

They're not they're not doing any harm to a business but they're not adding a lot of value. The single biggest challenge that any leader faces in that change process is falling in love with the idea and sticking with it, despite knowing that it's not that it's not working. And I think most CEOs in their in their careers will make the mistake of falling in love with something and sticking with it for too long or inherit a model, believe that the model is and the mindset behind the model is right.

[00:31:01.290] - Michael Schneider

And then fail to make the changes they need to make, perhaps until they're too late, which is quite often why you'll see particularly big companies, you know, the company go quite well, start to not perform so well, start to perform poorly, management, change, wholesale revolution of the organisation and the banks have done it. Big retailers have done it. And that's expensive for the customer at the end of days, paying the shareholders, paying people, lose their jobs.

[00:31:31.530] - Michael Schneider

So if you can if you can evolve your business as as you sort of going and keep it relevant, that's that's really important. And the last thing if I take Bunnings an example when I think about young people renting their first home, personalising their space in mum and dad's house or buying it first home, we'd be failing if they were looking at Bunnings and saying, well, that's where my mum and dad went to shop. We want them to be saying, well, that's where we want to go shop, because the products are relevant, the DIY advice is relevant, home improvement isn't scary.

[00:32:02.910] - Michael Schneider

It's not building a back deck and renovating your kitchen because that's what they've seen when they're growing up in the house, the big projects getting done. But it's those first projects. And what can you do for a rental property? How can you personalise your bedroom and a study at your parents home? All those sorts of things are all about staying relevant, and that's been very much how we've continued to drive value into our proposition. Is is that relevance piece.

[00:32:26.160] - Aileen Day

Yeah, absolutely.

[00:32:27.750] - Aileen Day

And I'm going to follow up that relevant space with a a statement that says. You can stay relevant because you ask for feedback. And too many times I come across businesses, small startup, big medium, it doesn't matter, and they are too scared to ask for feedback. And I would have to say, as the person that was responsible for the feedback at Bunnings for a period of time, at an average of fifteen hundred pieces of feedback every week on average, that although your business might not get fifteen hundred pieces of feedback, just one piece of feedback, just being brave and courageous

enough to ask the question, what can we do for you?

[00:33:25.040] - Aileen Day

What are you interested in? How did that experience work for you? So that you can learn from your customers and therefore continue to innovate and continue to create those, as Mike said, incremental changes to help your business actually stay in business. You know, as you said, people don't want to shop where it's not relevant to them.

[00:33:51.560] - Michael Schneider

No and I think it's a really critical point you make. And I think the danger, the danger with feedback is that somehow we think we have to act on all of it. And I think one of the things that whether it's feedback about how you're performing as a leader or feedback about a product you're developing or selling or the business that you're operating, feedback is literally a smorgasbord.

[00:34:13.790] - Michael Schneider

You take the bits that are relevant and you leave the bits that you don't feel are relevant. Now, if it's constructive feedback and it's consistent on one topic, you know, a product has a design fault or the price is wrong or your leadership style is too much one way or another. And you're getting a lot of feedback on the same topic, I'd be saying where there's smoke, there's fire, so to speak. But quite often you'll look at things and particularly around leadership style, you'll get feedback from people because they maybe want to see a change in how you work because it might benefit them or it might benefit others.

[00:34:54.860] - Michael Schneider

But sometimes you just have to look at why we have some things in place, because often we'll have a way of operating in place as a leader or a certain feature in a product for reasons that are maybe less obvious to the person who's giving you the feedback. And to take that away could actually deliver an outcome that you're not wanting to be able to do. So I think asking and getting consistent, measured feedback and, you know, as best you can, as unbiased as the feedback can be.

[00:35:23.510] - Michael Schneider

And I remember Aileen we opened up so many different ways of giving feedback through to your team at Bunnings that we sort of were able to get that picture. But it's a bit the same as you're doing for a lot of leaders somewhere in your career you're getting a 360 degree review done. If you ask your best friends and your mum and dad to do it, you're probably not going to get the feedback you need to to grow as a leader. You need to get that blended feedback to sort of get it straight and you'll hear stuff that you are.

[00:35:50.870] - Michael Schneider

Yeah, yeah. That's me, whether you like it or not, that's that's what you've gotta look at. And whether it's a product or a business or an individual, if you look at the feedback and go, yeah, that's in my gut feel is pretty much the same thing, then you know that there's an opportunity to do something differently.

[00:36:05.540] - Aileen Day

Yeah, absolutely. I, I have been doing some research recently and I don't know if you remember, but a while ago you would remember Professor Ron Hess, obviously, who is also going to be joining us on the podcast in the future, which is very exciting.

[00:36:26.580] - Aileen Day

So, Professor Ron Hess of William and Mary University in the United States was a fond teacher of customer experience of the Bunnings Group back in the day. And I remember one of the statistics that he pointed out to us at the time was that for every one customer that left you a piece of feedback that implored you to do something different or better, basically stating that they weren't happy with some form of the business, that there were 10 who felt the same but didn't say a word and just left.

[00:37:10.250] - Aileen Day

And I was shocked. The other week I was doing some research. And that number has gone from for every one that sends in a complaint or tells you how they feel that they're not happy. And ten feeling the same and not saying a word. It's now 26.

[00:37:35.880] - Michael Schneider

Yeah, I'm not I'm not surprised. I think I think social media has played a big role in that as well. You know, we've now got so many and I'm always cautious with social media because people don't you know, you put all your happy images up on Instagram.

[00:37:52.080] - Michael Schneider

If you put something up about feeling down or depressed people go oh I don't want to listen, I don't want to know and a lot of people are very courageous at 10:00 at night behind the keyboard and write and say things about people and businesses that they'd never have the courage to say to someone's to someone's face. But, you know, I think we know it ourselves right. Like, we know you go to a restaurant and you have a poor experience and food's the food's not what it needs to be or the service was poor or the cleanliness standard wasn't right.

[00:38:26.820] - Michael Schneider

I won't go back, you know, for most of us, we're not naturally confrontational. We're not naturally givers of feedback. Quite often it's when you've had a really bad experience where you really know someone and you know they want to receive the feedback you'll give it. But it's just I just can't go back there. I won't go back to that restaurant. I won't go back to that service station. I won't go back to that supermarket because we're spoilt for choice.

[00:38:52.650] - Michael Schneider

And online shopping for the retail sectors a huge alternative. And, you know, for people living in Victoria at the moment, you know, you're shopping from your desktop all day long. You get you get bored of a meeting, you get bored of the document you're reading. Something pops up on your social media feed. I'll go buy that. It's so easy to now move between brands that have a value driven brand is is an investment in loyalty.

[00:39:18.510] - Michael Schneider

And it's an insurance policy for your business because people trust it. They rely on it, they understand it. They have an emotional connection with it. And that's critical.

[00:39:29.250] - Aileen Day

What he said, yeah, I agree. Mike. You're amazing. I'm so grateful and so thankful that we got the time that you could put the time aside to catch up with me. It has been an absolute pleasure to learn from you to reinforce some of the learnings I've already had from you and to share your experience with our listeners.

[00:39:58.770] - Aileen Day

But before I let you go now, our listeners would know that every guest that comes onto the show, I ask them quite simply, what is the one song that gets you pumped up for anything? And Mike, I don't know if you've had a chance to watch any of the podcasts that have been released already, but I'm kind of hoping haven't so this is a surprise, because what I want is well, firstly, I will get you to tell us what is that one song that pumps you up for everything?

[00:40:38.910] - Michael Schneider

Well, if anyone's watched the movie Love Actually, you will remember a very clear scene where Hugh Grant gets up to the Pointer Sisters and that timeless classic and and starts to sort of get up and move around. To me, it's it's it's one of those moments which the emotional connection for me came from the scene earlier in the movie where he stands up to Billy Bob Thornton, who plays the US President and says we won't be bullied. And that's a whole other area of interest that I have as a leader.

[00:41:11.820] - Michael Schneider

And I think for me, you hear the radio announcer sort of play the song for the PM in recognition of the fact that he has stood up for what he believed in. And to me, it's that emotional trigger in that song that means means the most rather than maybe be the dance moves or so there you go.

[00:41:33.000] - Aileen Day

I am so glad you said that, because Love Actually is one of my favourite movies after GREASE, that just goes to show how old I am. And so what we do on this podcast is every guest submits that one song that gets them pumped up for anything. And I love the story behind that. That's so cool. And what I do is I have created our very own Aileen Day Official Value Driven Brand Spotify playlist. So when this podcast is released, you will be able to access the Spotify playlist with Mike's inclusion of Jump from the Pointer Sisters.

[00:42:23.220] - Aileen Day

It is Banga. I agree. It's a great tune. I'm very happy to add it to our what is becoming a very eclectic collection of music from our guests. It's got we've gone from rap to pop to 70's techno. Didn't know that was a thing till now. So, it is becoming a playlist for the ages and at no point will you ever have an excuse to be down in the dumps after listening to all of these amazing songs. So, Mike, thank you for your contribution to the playlist.

[00:43:03.570] - Aileen Day

And on behalf of everyone, I want to say thank you again. I cannot tell you how grateful I am for your time this afternoon. I know that in this COVID life, you are one of the busiest leaders in the country. And I am so proud of all the work that you've been doing and your team and the whole group for their resilience and how they're coping and how they are still continuing to get out there and serve Australia and New Zealand to the best of their abilities and on behalf of everyone.

[00:43:41.220] - Aileen Day

I want to say thank you.

[00:43:43.050] - Michael Schneider

Very welcome. And thanks so much for the opportunity. It is lovely to catch up and I'm so excited to see you writing the next chapter of your career in such an amazing way. So congratulations to you too, Aileen.

[00:43:55.110] - Aileen Day

Thank you. I appreciate that. Now, if everyone else listening in, if you want more information on Mike, you can head over to the Wesfarmers website or you can go onto valuedrivenbrand.com. That's valuedrivenbrand.com and all of Mike's contact details and information.

[00:44:19.710] - Aileen Day

And this podcast will be available there for you to check out as well. And that is pretty much it for us today. I want to say thanks for tuning in. Thank you again, Mike. And go out provide some value to somebody in your life, because you know what? What goes around comes around. I'm Aileen Day have a fantastic week.

[00:45:26.380]