

Digital transformation is yet to turn out results for the retail industry

Interview with **Ionuț Ardeleanu**, General Director of Auchan Retail Romania



Q: In your opinion, as a Romanian CEO and as a member of Auchan Retail management committee, what is the CEO role in leading transformation and what are the drivers of change in the retail industry?

Ionuț Ardeleanu: The retail industry continues its transformation for the benefit of the consumers. The main role of a CEO is to build a company which is capable to go on in a continuous transformation process.

Q: How do you manage the present, selectively forget the past and create the future? We pose this question starting from the “mission” of “România neîmblânzită” movie - “some things have to be conserved as they are”. How did you decide to produce this movie as a present for Romania’s 100 years celebration (Romania’s centenary)? As an executive producer of the movie, what part did you like most?

Ionuț Ardeleanu: Auchan was founded with the guiding principles of responsibility, has grown with the same principles and continues to be a responsible company in every aspect of its activity. So, we were ‘build on solid ground’, even though some things must go through a transformation process to adapt to current and future needs.

We took the decision of making the film “România neîmblânzită”, based on a proposal, in the same idea of responsibility towards our country and towards our teams, which were very excited that they could bring a present to romanians for the Centenary occasion. Being involved from the start, it was amazing to see how the film grew from a simple idea to a very complex project.

Q: How would you define the “big role” of the retail industry in being an enabler for a positive change in the context of Industrial Revolution 4.0?

Ionuț Ardeleanu: The retail industry is at a crossroad moment and it should change drastically, along with the consumer changing behavior. We aim to improve the buying act and for this purpose big data, business automation and the artificial intelligence serve, directly and indirectly, to simplify the customer’s shopping experience in physical and online shops. The same artificial intelligence allows employees to focus on value-added actions, on a customer’s actual and future needs.

Q: What is the impact of the Digital Transformation and of the 4th Industrial Revolution on your customers?

Ionuț Ardeleanu: We are still in the very beginning of this huge digital transformation which is supposed to bring a lot of benefits to our customers and an improvement of their everyday life, but most of the results are still to come. I am very confident that the romanians are going to adopt the digital opportunity as we have proved, in the past, we are very open to innovation.

Q: What is the CEO role in developing and discovering what arguably is “the fifth productivity factor” – the talent in employees and how do you see the Romanian labor force market now?

Ionuț Ardeleanu: The Romanian workforce market is now confronting with talent scarcity in all

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professional areas and for all levels. This social phenomenon is generating difficulties in sourcing talent for all the companies and business fields. The role of a CEO is to be the main sponsor for placing Talent Acquisition & Development and Employer Branding on the list of top strategic priorities for all departments, to remain a competitive and successful organization. For sure, the companies that will be able to value the talent of their own employees will gain competitive advantage on medium and long-term.

Q: How many open positions does Auchan Retail have monthly and how do you fill these open positions?

Ionuț Ardeleanu: Auchan has an average of 400 vacant positions monthly, a number that represents our development needs and our turn-over. We manage to fill these vacancies by a very direct approach towards passive candidates in the market and with a very active participation of the hiring managers, who work side by side with HR to optimize sourcing and speed up the recruitment process. On the other hand, for a long-term approach and to sustain internal promotions, we developed trainee programs for key roles in our organization, for both stores and headquarters, and we are also enhancing our talent management methodology to quickly identify potential and fast-track the development for managerial roles.

Q: Please share with us your vision for the budget evolution in the retail industry: from 100 monetary units how much should go toward new stores and modernization of new stores, how much for the improvement of employee working conditions and how much should go for updating the digital channels? How does the “click & collect” service go so far and how do you see its evolution in the next 5 years?

Ionuț Ardeleanu: Regarding the budget, I believe there isn't a standard recipe, at least not for me. The

budget must be correlated with the directions from the strategy which is particular for each company at a certain moment; it is also related with the level of customer experience you want to offer and the investment in the people according to your HR project. Of course, an important part of the budget goes nowadays to proximity and digitalization.

Q: Auchan Retail Romania has a new vision. How do you propose to change the lives of your employees, clients and partners?

Ionuț Ardeleanu: Auchan has launched, since last year, a new vision “Auchan changes lives”, starting from the three values that guide us: #Trust #Openness and #Excellence.

Our actions, according to the new vision, are part of the vast movement entitled: “Campaigners for good, healthy and local products”, which in fact represents our long-term commitment to our employees, our customers and to the whole community.

For our employees, we have the ambition to become the best employer in retail. Thus, we started remodeling the common working places for our employees and we started the first sports ground in a pilot project. The medical insurance has been updated with new medical services including dentistry. Daily our employees receive a ‘portion of health’ which consists of fruits and they are permanently connected to an online platform that provides them with recommendations and practical information for a healthy life.

For our clients, we aim to develop sustainable partnerships at the local and national level and to revise our product range. Under the control of independent experts, our products will be analyzed to determine their nutritional performance. The most suitable for a healthy lifestyle products will be signaled on the shelf with a blue label.

Auchan supports the communities in which we are present. Each year we have over 500 social responsibility actions carried out by our teams across the country.

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