



## Spencer Gifts

SUMTOTAL® CUSTOMER SUCCESS

### ▶ THE COMPANY

Spencer's is a unique retail brand aimed primarily at the 18 to 25 year-old market. With over 600 mall locations throughout the United States, Puerto Rico and Canada, Spencer's offers innovative, humorous and fun merchandise in an atmosphere that makes infectious laughter impossible to resist.

SumTotal<sup>®</sup>

STRONG TEAM, STRONG BUSINESS.

## CASE STUDY

Spencer Gifts

## ▶ THE CHALLENGE

**Paperwork, uncertainty, confusion**

Prior to being acquired by Gordon Brothers Group in 2003, Spencer's didn't have a centralized, web-based performance appraisal process in place. Employees were reviewed annually, but the process had several manual steps and it was difficult to monitor the status at each step.

Following the acquisition, Spencer's CEO and President, Steven Silverstein, and Executive Vice President and CFO, Ike Silvera, issued five corporate initiatives and asked each department to develop three to five departmental goals to

support each initiative. Individual goals were then set to align with departmental goals.

“*The process we were using was very cumbersome and required constant follow-up and attention from HR. Not only was it difficult to track with various documents being passed around through email, the concept was not an easy one for our employees to understand. We were failing to capture the potential of performance appraisals to motivate our employees to achieve strategic goals.*”

- **Gail Margolin**  
Vice President of Human Resources

HR created a goal tracking system using Microsoft Word and Excel, but tracking the status of each employee's goals was a huge struggle. The process was time consuming and there was no way to easily monitor employee accountability and compliance within the processes. HR had a difficult time getting final evaluations with proper signatures back. With numerous Word and Excel documents being sent throughout the organization, it was difficult to track when managers had completed steps in the review process.

## ▶ THE TOTALPERFORMANCE SOLUTION

Initially rolled out to more than 300 employees at corporate headquarters, Spencer's implemented a solution using TotalPerformance's performance appraisal, goal alignment, 360 feedback and compensation planning modules. Spencer's had several unique requirements for implementation, including the need to assign individual weights and metrics to each goal and to incorporate their bonus program into the compensation planning module. SumTotal was able to meet all of these needs through software configuration without having to resort to writing custom code.

Kristin St. John, Spencer's Manager of Compensation and HRIS, noted that, “Implementation was great...we talked to the project manager two, three, four times a day and he was very receptive to everything we wanted to do.” She

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added, “TotalPerformance allowed us to have a system in place that's easy to use, that monitors goal progress and offers self-appraisals. The software does it all and with easy access.”

## ▶ THE RESULTS

Improvements over the prior system include:

- Clean and clear records—HR now has a signed evaluation for every single employee included in the performance review process
- Ability to monitor the evaluation process within departments—managers and HR can see exactly what stage of the process each employee is in at any given time
- HR spends significantly less time handling questions from employees and guiding the evaluation process
- Management has concrete and accurate performance evaluation data

TotalPerformance’s Visual Profiler method of rating performance has been a hit with managers and helped ensure employee buy-in. One lesson Spencer's

“*What was so great was that it was easy to sit down with our department heads, go over what they had to do and then they just did it. There were no complicated spreadsheets or confusion. TotalPerformance made life much easier.*”

- **Kristin St. John**  
Spencer's Manager of  
Compensation and HRIS

learned from the first year of using TotalPerformance is that even though Visual Profiler makes the rating process fast and easy, it's best not to include too large a number of competencies to be rated. According to Margolin, “We were so excited about drag-and-drop that we included a very large number of competencies to be rated more than 20. SumTotal had recommended that we use fewer competencies. In retrospect we realized there were just too many, and that is a change we have made.”

## ▶ WHAT'S NEXT

Spencer's completed its mid-year goal updates in August—a process that never would have been undertaken before having this solution. Spencer's has discovered that TotalPerformance makes updates possible on a large scale and in a manageable period of time. TotalPerformance features customizable e-mails that enable the performance evaluation process to run smoothly. TotalPerformance pushes emails out from the system to end-users, reminding managers when an employee is behind and hasn't been using the performance

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log. This means fewer delays and missed deadlines and no more headaches for HR.

Spencer's next major employee performance undertaking will be a rollout to include its more than 600 store managers. Kristin St. John notes, "We want our district managers to be able to rate their store managers using the same, easy on-line capability as the corporate headquarters."

### ▶ THE SUMTOTAL SALES DIFFERENCE

In the end, Spencer's narrowed their purchase decision to two vendors offering similar software solutions. Spencer's managers liked the technical aspects of

*“ Our managers love using TotalPerformance for evaluations. They look forward to review time and really enjoy using drag-and-drop [Visual Profiler interface®] to do the ratings. Everyone has been extremely satisfied with the smoothness of this process. ”*

- **Gail Margolin**  
VP, Human Resources

both suites, but in the end it was SumTotal's commitment to service and the ease and agreeableness of SumTotal's sales approach that made the difference. One Spencer's executive commented, "This was my most pleasant experience with a vendor ever. Dave Bell [HRIS Analyst] has extremely high expectations and SumTotal met all of them." Kristin St. John adds, "Our SumTotal account executive made the sale through her willingness to work with us—she was the only vendor who came to meet us personally."

For more information, please contact us at +1 650 934 9500, or toll-free at +1 866 768 6825, or via email at [sales@sumtotalsystems.com](mailto:sales@sumtotalsystems.com).

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