

# Driving Culture Change

An Interview with Mary F. Sammons,  
Chairman and Chief Executive Officer, Rite Aid

**EDITORS' NOTE** *Mary Sammons was appointed Chairman in June 2007, with the completion of Rite Aid's acquisition of the Brooks and Eckerd drugstore chains. She was named CEO in June of 2003, after joining Rite Aid as President and Chief Operating Officer in December 1999. Before joining Rite Aid, Sammons was President and Chief Executive Officer of Fred Meyer Stores. In 26 years at Fred Meyer, she held positions of increasing responsibility in all areas of operations and merchandising before becoming Chief Executive Officer. Sammons is a Director of StanCorp Financial, a member of the Executive Committee of the National Association of Chain Drug Stores, and President of the Rite Aid Foundation.*



Mary F. Sammons

**COMPANY BRIEF** *As one of the nation's leading drugstore chains, Rite Aid ([www.riteaid.com](http://www.riteaid.com)) has nearly 4,800 stores in 31 states and the District of Columbia with fiscal 2009 annual sales of more than \$26.3 billion.*

**You're a leader who has been very focused on Rite Aid's culture through initiatives like the Culture Change Champions. Why is that such a critical focus for you, and how were you able to transform the culture of Rite Aid to where it is today?**

When I first came to Rite Aid, it was apparent to me from day one that if we didn't get our people to believe in us and in what we could do – and if we didn't let them know how much we believed in them – we were not going to be able to get our company through the difficult time we were facing. So I spent the first months in the field, going from market to market, to stores and to distribution centers, talking with our people and listening carefully to them to figure out what we could do to improve the situation. Then we came through the Brooks Eckerd acquisition, and all of a sudden we had more than 100,000 associates – a lot of them new to the company – and it was again important to make sure all of our associates were on the same page with us. That's when the message of how we wanted associates and customers to feel about the company became even more important. We wanted them to believe and say, "It's My Rite Aid, I love it." To get there was going to take a campaign on our part and a structure to make it happen. So our culture change initiative

was born, which started with 14 hand-picked Culture Change Champions representing various areas of the company. It has since grown to 1,400 ambassadors and teams in the field who are helping us further transform our culture. They give us feedback on what we can do and, in many instances, what they think they can do to improve the work experience. If you want the customer to have a great experience, your associates have to feel good about being there. It's particularly important when so much of our business is pharmacy where the patient/

associate experience and relationship is critical to our success. As a company, we couldn't have survived if we hadn't understood how important our people were going to be in getting us back to stability and able to grow again.

**What was the goal of the roundtables you conducted with your pharmacists, and what results have they generated?**

I felt engaging with our pharmacy teams was the way to make the most difference with our culture change initiative because pharmacy represents almost 70 percent of our business. Pulling the pharmacists out of the pharmacy for a few hours and talking with them in a roundtable has yielded many suggestions for things we can do to improve their work experience, and we've been able to implement a lot of them. We've conducted 25 roundtables in a matter of months, and I will continue to crisscross the country throughout the rest of the year. Because of what we started in pharmacy, we've inspired the whole company to look at the overall work experience of all of our associates to determine how we can make their experience a better one so they, in turn, can take better care of their customers and patients.

**What role do you see the pharmacist playing in health care in the future?**

The pharmacist today is more of a health care provider than ever before, and the face-to-face interaction with the patient is critical in improving care, helping patients with disease state management, and even detecting problems through the numerous screenings from blood pressure to diabetes that our pharmacists do. With the role pharmacists played in immunizations with both regular flu and H1N1 this past year, there is a clearer understanding of how much they can improve care in the communities they serve. They can play an important role in prevention and help save costs as part of health care reform.

**For the industry broadly, and more specifically for Rite Aid, are there strong opportunities for women in the business, and are they excited about the industry?**

It's a great industry for women, especially since our customer is primarily female, and within the drugstore business, there are many different career opportunities. It can be a tough career path because retail itself is tough: stores are open seven days a week. If you're going to be successful, generally you have to work your way up, so you have to spend time during your career out in the stores and in the field. If you want a senior role in retail, you have to get into the operations of the company, which can also be difficult for a lot of people because of the time commitment. But if you think about the opportunities – whether you want to run a store, you want a position in supply chain logistics, you want to get into a corporate office where you've got everything from marketing to merchandising to PR/communications to legal – there are all sorts of opportunities within a drugstore business. As a pharmacist, you have a very professional career, and today, there is a larger percentage of women graduating from pharmacy school than ever before. As a pharmacist, you can work part-time if you want, during those time periods when you don't want the full-time commitment. So yes, there are great opportunities for women in our business.

**There are many over the years who have had the opportunity to work closely with you and who know you well. If I was talking to some of them without you in the room, and I asked what it was like to work for Mary Sammons, what do you think they'd say?**

That I'm pretty persistent about what I think needs to happen, am willing to go the extra distance to make things happen, and will remain focused until we get what we want accomplished; that I practice what I ask others to do – work hard and get results, have the courage to take risks, and be optimistic we can achieve what we set out to achieve. But I don't believe I can do it all myself, so I empower members of my team to do what they need to accomplish to reach the overall goal. They know I have confidence in what I'm asking them to do, and that I'll give them the support to get it done. I will remove barriers, be a resource to them, and encourage and support them. Together, we can help build a more successful company. ●