

Walmart US CEO talks technology, workers

November 15 2018, by Anne D'innocenzio



In this Friday, Nov. 9, 2018, photo Walmart U.S. President and CEO Greg Foran talks about the technology the company is using to keep shelves stocked at a Walmart Supercenter in Houston. Foran took over as CEO of the discounter's U.S. division four years ago. (AP Photo/David J. Phillip)

When Walmart's Greg Foran took over as CEO of the discounter's U.S. division four years ago, he found messy stores with lots of items that were frequently out of stock. The 57-year-old New Zealand native dove in, making sure shelves were loaded with the most popular products and establishing controls to increase freshness in produce like strawberries.

Foran's obsession with the nitty-gritty details has helped lead to several years of straight quarterly sales gains for the U.S. division. But with Walmart facing competition from Amazon and other pressures, he's also reimagining the shopping experience at Walmart's 4,700 stores, transforming them into distribution hubs that can fill the fast-growing online orders to reduce shipping costs and speed up deliveries. To do that, Walmart has been training its 1.5 million workers at its new academies while using automation to relieve them of menial tasks.

Scanning robots at a [store](#) in Houston as well as a cluster of others keep tabs of what's on and not on the shelves and communicate that information to the automatic conveyor system that's backed up to the truck bay. Workers with new apps on their hand-held devices manage routine tasks like price changes on the spot, freeing them to serve shoppers and even check them out.

Foran, who used to head Walmart's China business, says he's always looking to new technology that improves efficiency. Still he takes delight in old-school retail basics like watching shoppers open a carton of produce.



In this Friday, Nov. 9, 2018, photo Walmart U.S. President and CEO Greg Foran, center, high-fives an associate during a tour of a Walmart Supercenter in Houston. Foran took over as CEO of the discounter's U.S. division four years ago. (AP Photo/David J. Phillip)

AP recently spoke with Foran during a tour of the Houston store about the [holiday season](#), his views on workers and other issues. The questions and answers have been edited for clarity and length.

Q. What makes this holiday season different?

A. I wake up on Monday morning at 4 a.m. and the first email I look at is Amazon has gone and introduced free shipping. You're getting competitors out there starting to up the ante. I think we'll see more business done online, not just at Amazon but at Walmart and in other

retailers. I think the fact that people like Toys R Us are out of the market has changed the environment around toys, both physical and digital offering.



In this Friday, Nov. 9, 2018, photo Walmart U.S. President and CEO Greg Foran, left, talks with associate Shanay Bishop during tour of a Walmart Supercenter in Houston. Foran took over as CEO of the discounter's U.S. division four years ago. (AP Photo/David J. Phillip)

Q. So do you think you'll drop the \$35 minimum order for free shipping for the holidays?

A. These things are always discussed and reviewed. Sometimes that means following and other times it doesn't.

Q. Does Amazon keep you up at night?



In this Friday, Nov. 9, 2018, photo Walmart U.S. President and CEO Greg Foran, right, high-fives associate Alicia Carter as she fulfills online grocery orders at a Walmart Supercenter in Houston. Foran took over as CEO of the discounter's U.S. division four years ago. (AP Photo/David J. Phillip)

A. To be frank, lots of things keep me up at night. Amazon is one of them. Target is another. I am in Aldi stores, Lidl stores. There's no doubt that Amazon is a significant competitor. You keep tabs. But your job is not to copy.

Q. How are you approaching wages given increasing competitive pressures?

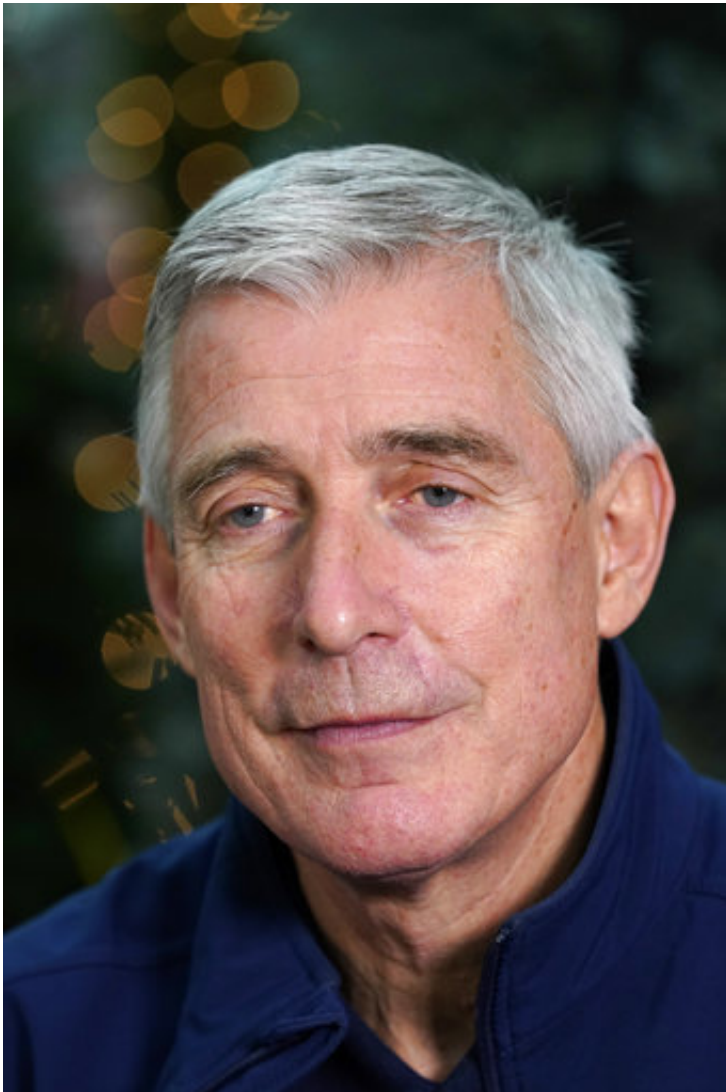
A. We look at it regularly. As you can imagine, it's a particularly large country. We've made a lot of progress getting ourselves from where we were to \$9, then \$10, and then \$11 earlier on this year. We've got a number of stores that pay well over that now, \$12, \$13, \$14. So we continuously review that. We then take into account what we're doing in things like benefits so parental leave, PTO (paid time off) etc.



In this Friday, Nov. 9, 2018, photo Walmart U.S. President and CEO Greg Foran talks about the electronics department during a tour of a Walmart Supercenter in Houston. Foran took over as CEO of the discounter's U.S. division four years ago. (AP Photo/David J. Phillip)

Q. Will there be fewer workers at Walmart stores given robotic technology?

A. That's going to play itself out. I am a big proponent of the good jobs strategy. For a lot of tasks that you used to do that were mundane, tedious, we're now working out how we can digitize those. And then we're creating new roles through turning stores into fulfillment centers because now we've got thousands of personal shoppers who are picking your order, so the jobs are changing.



In this Friday, Nov. 9, 2018, photo Walmart U.S. President and CEO Greg Foran answers a question during an interview inside a Walmart Supercenter in Houston. Foran took over as CEO of the discounter's U.S. division four years ago. (AP Photo/David J. Phillip)



In this Friday, Nov. 9, 2018, photo Walmart U.S. President and CEO Greg Foran wears his employee badge during a tour of a Walmart Supercenter in Houston. Foran, who used to head Walmart's China business, says he's always looking to new technology that improves efficiency. Still, Foran, who crisscrosses the country twice a week to visit stores, takes delight in old-school retail basics like watching shoppers open a carton of produce. Foran took over as CEO of the discounter's U.S. division four years ago. (AP Photo/David J. Phillip)

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