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Veterans Online Shopping Benefit, E-Commerce Capabilities Drive Transformation in Logistics

From Director/CEO Tom Shull

The Exchange is only weeks away from welcoming home all who served honorably with a lifetime online military exchange shopping benefit. Your tireless efforts will soon pay off for approximately 21 million Veterans through the Veterans online shopping benefit, the first expansion of exchange benefits in nearly 30 years.

The Exchange has prepared for months—well before the Department of Defense approved the policy change earlier this year—to ensure ShopMyExchange. com is fully prepared to provide an outstanding experience to all customers as our online shopping base of 11 million grows by potentially 21 million. This month, Columbus Day weekend sales will be a final test and dress rehearsal

"This month, Columbus Day weekend sales will be a final test and dress rehearsal before we open our online doors to our Nation's Veterans this Veterans Day."

before we open our online doors to our nation's Veterans this Veterans Day, Nov. 11.

For the Exchange's Logistics Directorate, leaning forward has meant transforming the way our CONUS distribution centers in Virginia, Texas and California operate as they become online fulfillment centers.

With help from IT, Merchandising and Human Resources, LG leaders began laying the groundwork for significant changes several months ago. The strides made in the past year have been impressive. Updated technology, space reallocation inside the DCs, additional work shifts and other improvements have paved the way for handling expected e-commerce growth.

New JDA warehouse management software has been implemented at the West Coast and Waco DCs for e-commerce fulfillment. The robust software allows the DCs to better manage productivity and workload, and inventory on all items fulfilled by the DCs, tracking every item ordered on ShopMyExchange.com, its location in the warehouse and movement throughout receiving, shipping and packing.

All three DCs, including Dan Daniel, have been enhanced to handle increased volume, creating a better customer experience.

Veterans Online Shopping Benefit, E-Commerce Capabilities Drive Impressive Logistics Transformation

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Space inside the DCs has been reallocated for e-commerce. Each DC has specific locations where merchandise to fulfill e-commerce orders is stored.

5 big words: Pick, Pack, Ship Same Day

At Waco, the transformation in the past year has been tremendous, as it now receives, stores and ships most softlines items ordered online. At Dan Daniel, our flagship DC, conveyors bring items to an automated consolidation area on a mezzanine level to ensure all items in a customer's order are shipped at the same time, saving transportation costs and creating a better shopping experience.

Packing stations, with boxes, tape, bubble wrap and all supplies associates need to properly send items to shoppers are set up—with room to add more. Associates live by the mantra of "pick, pack, ship same day," making sure online orders are fulfilled as quickly as possible.

These DCs are now handling



Dan Daniel Distribution Center Manager Scott Montgomery shows visiting senior leaders how the pack and ship system works.

"This dedicated team has embraced that e-commerce is our new retail battlefield."

all e-commerce returns as well. Returned items in good condition are stored in the DCs or sent to select main stores. Customer returns are processed immediately—and shoppers get refunds in just days.

At the transformation's heart

LG associates remain at the heart of the transformation. Dan Daniel, Waco and West Coast each have dedicated teams responsible for e-commerce.

In some cases, associates have learned new jobs quickly and taken on additional duties. Permanent shifts have been added—and the DCs will be operating seven days a week so customers receive their orders faster.

These associates have a deep passion for their work. They fully recognize they are the "final touch" from the Exchange before an online order is sent to a Soldier, Airman or military family member.

Extremely strong logistics network

This dedicated team has embraced that e-commerce is our new retail battlefield, and they are up to the task of ensuring customers have the best experience possible, from the moment they unwrap their boxes from ShopMyExchange.com.

It takes an extremely strong logistics network to be able to compete with other online retailers. LG's transformation allows the Exchange to give shoppers a seamless experience, one they expect and deserve.

The military 'connection'

Installation Management Command Commanding General LTG Kenneth Dahl, a member of the Exchange Board of Directors, recently had firsthand look at our transformation at the West Coast DC. He told the team, "Veterans will want to shop with you online. They will like the connection to the military—Soldier for Life, Airman for Life. They will recognize that by shopping with the Exchange, they are putting money back into Morale, Welfare and Recreation programs in local communities. It's very important we sustain our connection with Veterans, and the Veterans online benefit is an exciting new way to do that."

The transformation LG has undergone is important to achieving our vision to honor the service of all who raised their right hands, took the oath and did their part to make a difference.

Thank you all for leaning forward as the Exchange drives toward what will be a historic day for our Nation's Veterans on Nov. 11. X

Go to the <u>online version</u> of this article for even more photos and videos of Waco and Dan Daniel distribution centers.

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'I Can't Thank You Enough For Holding Everything Together'

By Julie Mitchell

When civilian stores and restaurants in Hurricane Irma's path closed or ran out of essentials, Exchanges across Florida were typically the last to close and the first to reopen, highlighting the organization's unique capabilities and tireless dedication to serving those who serve.

"Our associates' level of passion and dedication is truly amazing," Exchange Director/CEO Tom Shull said. "The Exchange is grateful for the lengths these associates went to before, during and after Hurricane Irma to make sure service members and their families had the supplies they needed for recovery. Their commitment to serving is simply unmatched."

Shull visited Exchanges across Florida to show his appreciation for associates' devotion to Soldiers and Airmen as Irma battered the state. Shull toured the Express at U.S. Southern Command in Doral; the Homestead Air Reserve Base

Express near Miami; facilities at MacDill Air Force Base near Tampa: and the Patrick Air Force Base Exchange near Melbourne. He thanked the teams for standing strong during the storm and recognized associates who went above and beyond.

SOUTHCOM Express

As Irma barreled toward Miami, the six-person SOUTHCOM Express team kept the store open as long as they could. The team was without a lead manager during the storm—a new manager for SOUTHCOM and Homestead ARB Exchange facilities was PCS'ing as the storm roared in. Manager Arleth Caro, Shift Supervisor Curtis Hedrick and Laborer Allegra Hartsell stepped up, making sure troops had water, gas cans, batteries, flashlights and other emergency supplies. Shull coined the trio for their efforts.

Caro, who lives about 45 minutes away from the Express, came to

work once she received the green light that the store was reopening.

"I went home made sure my home was good, but I came right back," she said. "I had to be ready for my troops."

Homestead ARB Express

As Irma headed their way, Warehouse Foreman <u>leff Moss</u> (temporarily promoted to shift manager) and Shift Supervisor Mary Garcia (temporarily promoted to facilities manager) led the charge at the Homestead ARB Express, 25 miles south of Miami. The pair teamed up to keep Exchange management apprised of Command's requests and made sure the store and fuel pumps were secured as the fierce wind and rain pounded the installation. When the installation reopened, the Express was the first gas station in the area to begin dispensing fuel.

"I had a long line," Garcia said. "I was afraid we were going to run



Patrick Air Force Base Exchange Store Manager Tamala McCov presents Exchange leaders with special Patrick AFB coins to show appreciation for their visit after Hurricane Irma tore through the area. With McCoy, from left, are Director/CEO Tom Shull; Chief Operating Officer Dave Nelson; Aide to the CEO Sean Applegate; and Patrick Exchange General Manager James Clark.

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out, but we made it."

Shull thanked the duo for their courage. "I can't thank you enough for holding everything together," Shull told Moss and Garcia. "Thank you!"

For Moss, stepping up when the eight-person team was without a lead manager just came naturally. Moss, a specialist in the Army Reserves, said he is all in, always.

"This is my job—this is what I do," he said.

MacDill AFB

Rhenette Santos, manager of the MacDill AFB Burger King, made sure her team was prepared for Irma. She ordered plenty of food before the hurricane slammed the area. When restaurants outside the gate ran out food, she had plenty.

"I tried to stay positive for our customers and our associates," Santos said. "It's my job to keep morale up."

Shull praised Santos' can-do ahead of the storm.

"Thank you for your positive attitude," he said, as he presented her with a challenge coin. "Thank you for all you're doing."

MacDill Store Manager Lajima Marshall-Pierce, Operations Manager Michickia "Sha" Carter and Sales & Merchandise Manager Robert Jordan were among several MacDill associates Shull recognized during his visit.

MacDill facilities closed for three days, and Jordan was instrumental in making sure the store remained protected, using sandbags to secure areas while Marshall-Pierce handled command's requests and concerns.

Marshall-Pierce and several associates were without power in

their homes for several days. Yet, they still came to work to support service members.

"We were the first to get here and the last to leave," Jordan said. "That's our standard."

Patrick AFB

Shull honored several <u>Patrick</u> Exchange associates who worked to get the store up and running after Irma.

Customer Service Supervisor Brigida Puppa, who cut her leave short to help the store prepare to reopen, and Operations Manager David Gentry, who drove a truck loaded with water and other supplies to Homestead ARB, received coins from Shull.

"Thank you for being all in for service members and your fellow Exchange teammates," Shull said. "You are stellar examples of leadership."

Col. Kevin Williams, 45th Mission Support Group commander at Patrick AFB, thanked Shull and the Exchange team for the terrific support.

"Thank you all for the tremendous amount of work that you did," Williams said. "I know it was a lot—not only having to deal with damage at home but also having to tend to the men and women and their families here."

Back to normal

Shull praised the teams across the state for making sure operations returned to normal as soon as possible.

"The troops were excited to have their Exchanges back in action," Shull said. "When we are open, that signals a return to normalcy. You bring a sense of calm, a sense of restoration. Thank you for all you have done and continue to do to keep our Nation's service members safe and ready." **X**



Shull honored Homestead Air Reserve Base Express Manager Mary Garcia for going above and beyond before, during and after Hurricane Irma.



Shull coins MacDill AFB Exchange warehouse worker foreman TJ Moore for his outstanding leadership before, during and after Hurricane Irma.



Because of Hurricane Irma, food ran out at restaurants outside the gate, but not at MacDill AFB's Burger King. Manager Rhenette Santos planned before the storm, ensuring troops were fed hot meals. Shull honored Santos for her outstanding dedication.

<u>See</u> all the coin recipients from Director/CEO Tom Shull's recent visit.

Exchange Support • Hurricane Season 2017

While other retailers closed up shop, the Exchange sent support by air, land and sea to those who needed it most.







HARVEY

IRMA

MARIA



50M GALLONS OF GASOLINE DELIVERED



73,000

EMERGENCY ITEMS
DELIVERED



47,500 TOTAL BOTTLES OF WATER SUPPLIED



8,302
TOTAL BATTERIES
DISPENSED



246
GENERATORS



1,000
ASSOCIATES HAVE BEEN
AFFECTED ACROSS
FIVE INSTALLATIONS



47
TRUCKLOADS OF MERCHANDISE DISPENSED



MOBILE FIELD EXCHANGES
DEPLOYED SERVING 3,750
NATIONAL GAURDSMEN



TRAILER LOADS OF



\$320,000
MERCHANDISE
DELIVEPED

FAMILY Serving FAMILY

Exchange Ready to Send Support to Puerto Rico Following Hurricane Maria

By Chris Ward

DALLAS – At a time of uncertainty for those in the paths of Hurricanes Maria, Irma and Harvey, the Exchange's unique capabilities were on full display, from its distribution centers to its stores, to support service members, their families and first responders.

While other retailers closed up shops, the Exchange sent support by air, land and sea to those who needed it most.

Funneling emergency shipments

Even before Hurricane Maria made landfall, the Exchange team began funneling emergency shipments of supplies, such as generators, batteries and water, to areas in the storm's path.

Just ahead of Maria's arrival, Fort Buchanan's main store opened 30 minutes early and sold six pallets of water in 45 minutes. As Maria's intensity grew, an emergency list of health and personal care products, "The Exchange team was very flexible in terms of their services and trying to keep things open to the last minute and bringing things back up online very quickly. Thank you very much for all of the support. We really appreciate it!"

—Col. Kevin Williams, 45th Mission Support Group commander, Patrick AFB

as well as pallets of bottled water, were staged throughout the Southeast for immediate shipment, with a focus on the fastest transportation methods once the storm had passed.

Cleaning, expediting, inspecting

Just two days after the storm hit, while 90 percent of the island was still struggling with power issues, 30 associates reported to the Fort Buchanan Exchange to begin cleaning the facility to expedite opening. They were also scheduling local contractors to perform a safety inspections on the fuel pumps, which were damaged in the storm, to get them running as soon as possible.

Battle-tested teams

Battle-tested by Irma and Harvey in recent weeks, the Exchange's logistics and merchandising teams are up to the challenge Maria presents. As Irma threatened the southeast coast earlier this month, logistics managers and associates sent truckloads of bottled water to Florida and Georgia.

They also ensured sufficient emergency items, such as generators, batteries, flashlights, tarps, gas cans and first-aid kits, were in stock for support.

Col. Kevin Williams, 45th Mission Support Group commander at Patrick AFB, appreciated the Exchange's

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Customers line up for water one day before Hurricane Maria hit Puerto Rico.



Gas lines were long at the Express in Puerto Rico as they readied for the Category 4 storm.



Hurricane Maria damaged Fort Buchanan's Express.

For Shull, Visit to Fort Carson is a Special Homecoming

By Julie Mitchell

Home is where the heart is, and for Exchange Director/CEO Tom Shull, much of his heart is with Fort Carson, Colo.

"This is a homecoming for me," Shull said, of his Sept. 27 visit to Fort Carson, home of the 4th Infantry Division. "The 4th ID is a Division I loved and served in for nearly five years."

Shull, a third-generation Coloradoan, was assigned to Fort Carson at the end of 1973 during the Vietnam War, his first assignment leading troops after graduating from the U.S. Military Academy.

Tireless work

At Fort Carson, he commanded C Company, 1st Battalion, 22nd Infantry Regiment, 4th Infantry Division. His time there directly influenced his tireless work toward the Veterans online shopping benefit, which launches this Veterans Day.



FORT CARSON, Colo. - Marta Antonio helps a Soldier at the Military Clothing Store. Antonio has served 28 of her 35 years at the Exchange with Fort Carson. She and coworkers received coins from Director/ CEO Tom Shull. Check out their pictures.



FORT CARSON, Colo. — During his visit to Fort Carson, Exchange Director/CEO Tom Shull met with, from left, COL William Thigpen, deputy commander, 4th Infantry Division; COL Ronald Fitch, garrison commander; and CSM Davis Burton, garrison CMS.

"It's truly a privilege to serve those who serve and extend a lifetime online benefit to all those who have done so much for our Nation."

- Tom Shull

"So many of my Soldiers returned home broken from Vietnam," Shull said. "They were not properly welcomed home by America."

Welcoming home Veterans

Those Fort Carson Soldiers were top of mind for Shull when he joined the Exchange in 2012 and began working toward the Department of Defense policy change to expand online exchange shopping privileges to Veterans regardless of the number of years they served. By securing the Veterans online shopping benefit, Shull did his part to welcome home not only Vietnamera Soldiers, but also all who served our Nation with honor.

During his visit to Fort Carson, Shull toured the Fort Carson Exchange, greeting associates and thanking them for their dedication to Soldiers and families.

He also met with COL William Thigpen, deputy commander, 4th Infantry Division; COL Ronald Fitch, garrison commander; and CSM Davis Burton, garrison CSM, to discuss how the Exchange can serve those who call Fort Carson home.

Inspiring motto

The 4th ID's motto—"Steadfast and Loyal"—inspires Shull every day to passionately serve military members, their families, retirees and Veterans.

"I'm just an old Soldier trying to do my part," Shull said. "It's truly a privilege to serve those who serve and extend a lifetime online benefit to all those who have done so much for our Nation."

Read more about Fort Carson and its history.

Dan Daniel Materials Handler Honored as Exchange's Top Associate with a Disability

By Julie Mitchell

NEWPORT NEWS, Va. - For Eric Poulin, his strong work ethic, kind spirit and willingness to show others the ropes have made him invaluable to his teammates at Exchange's Dan Daniel Distribution Center, where he's worked since 2000.

His inspiring tenacity has earned him the Outstanding Department of Defense Employee with a Disability Award. Poulin will be honored at a ceremony at the Pentagon Washington, D.C., in October.

"Eric is truly a role model," said Dan Daniel Distribution Center Manager Scott Montgomery. "His outstanding work ethic and positive attitude have proven invaluable to the Exchange mission of family serving family."

Star treatment

During a ceremony at the distribution center last month. Poulin, 47, received star treatment from Executive Vice President/ Chief Logistics Officer Karen Stack, President/Chief Merchandising Officer Ana Middleton and other senior leaders. All his coworkers gathered near a podium, clapping and cheering for him during a standing ovation.

Poulin, who has mild cerebral palsy, works in warehouse receiving in cross dock and transshipping, one of the distribution center's most complex areas. He's known for his accurate work, and he's regularly asked to train other associatessomething he looks forward to.

"I know how to train people while I'm on the job," the Newport



DAN Daniel DC, Va. - Chief Logistics Officer Karen Stack presents Eric Poulin with the award of the Exchange's Worldwide Outstanding Associate with a Disability. Logistics Directorate leaders and President and Chief Merchandising Officer Ana Middleton applaud Poulin.

"Sometimes I load trucks, I do picking. I sort merchandise. I do all kinds of things, whatever they want me to do."

— Eric Poulin, warehouse worker

News native said, adding that helping others learn is his favorite part of working for the Exchange.

Stepping in

Because of his strong work ethic, Poulin steps in wherever he's needed, sometimes working seven davs a week.

"I will work in other areas to help them out," he said. "Sometimes I load trucks. I do picking. I sort merchandise. I do all kinds of things, whatever they want me to do."

His parents, Gary and Jane Poulin, laid the groundwork for his success, always believing in him.

"Eric has such perseverance to do a good job," his mother said. "He's just a good, kind person and a hard worker."

Stack called Poulin an inspiration

to the Exchange family.

"We are proud that Eric works in Logistics for the Exchange," Stack said. "It's not what you can't do, it's what you can do. The glass is always half full with Eric. He proves that hard work gets you far in life."

Connection to Family Serving Family

When Poulin isn't working, he stays active in the Hampton Roads community through Special Olympics and CLUBWAKA, a sports organization. He also enjoys coaching kids soccer, working with athletes from preschoolers to high schoolers.

Poulin's brother-in-law serves in the Marine Corps, giving Poulin a connection to the Exchange's core value of "Family Serving Family." That connection is evident through Poulin's dedication to the Exchange and his commitment to troops and their families.

"He is the ideal associate that everyone would want on their team," said his supervisor, Chris Taylor. "He is very dedicated and always willing to assist in any area,

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eager to tackle challenges without hesitation and displays outstanding quality of work. He understands the importance of how critical his position is to our company."

The Exchange is dedicated to a diverse, inclusive workforce. Exchange managers partner with Human Resources to recruit, retain and advance people with targeted disabilities.

Non-competitive hiring for entry-level positions, providing reasonable accommodations, active community outreach and retaining interns from the Workforce Recruitment Program are tools Exchange managers use to hire people with disabilities. X

Regional Outstanding Associates with a Disability Include:

- Anchee Thomas, Eastern Region, store associate, U.S. Military Academy, N.Y.
- Ryan Lee, Central Region, custodial worker, Tinker AFB, Okla.
- **Jonathan Beranek**, system analyst lead, IT Directorate, HQ
- Thomas Reed, Western Region, stocker, JB Lewis-McChord, Wash.
- **David Toms**, Europe Region, stocker, RAF Lakenheath, U.K.
- Edward Williams, Pacific Region, senior store associate, Misawa AB, Japan

Click on their names to read more about them.

SHARE YOUR STORY

Associates Share Their Stories of What Family Serving Family Means to Them

From Air Force to Exchange: 'It Just Fits'

To Marcia Rhodes, joining the Exchange family as the HR Directorate's communications manager was like coming home.

"Joining the Exchange family as a new associate, you get a sense of camaraderie from the moment you start the candidate interview process to the moment you step into the building for the first time," said Rhodes, "Simply put, it just fits."

In Rhodes' family, the military runs deep. Her stepfather, who was a Sailor, instilled military discipline in Rhodes and her siblings.

He and her uncles were the reasons Rhodes joined the Air Force.



HR's Marcia Rhodes assists Chief of Policy and Labor Andrew Keilholz on a project. Inset, Rhodes as an Airman.

"The associates at the Exchange believe in the organization's mission and that's why they stay. It's truly a family environment—Family Serving Family." X

Following in Her Father's Footsteps



Chief Master Sergeant Applegate and daughter Kylie.



Aide to Director/CEO Applegate and new recruit Kylie.

Aide to Director/CEO Sean Applegate is celebrating his daughter, Kylie Applegate, who just began her first year at the U. S. Air Force Academy in Colorado Springs, Colo. Applegate joined the Air Force in 1989 and came to the Exchange in 2014 as a chief master sergeant and senior enlisted advisor. He retired in September 2016 and came back to serve as aide to Director/CEO Tom Shull in October 2016. Now his daughter is following in his footsteps as she embarks on her Air Force career.

MILITARY STAR® — Benefits That Give Back To Shoppers

By Steve Smith

You know the MILITARY STAR card is the Exchange's private label credit card, but did you know that Congress established the card in 1979 to protect service members from predatory lending. The program continues putting service members' credit needs first with our industry recognized lowest APR among store credit cards in the business.

The Exchange pays about \$80 million a year in bank transaction fees when customers use Visa, MasterCard, American Express or Discover cards—all the more reason to ask, "Would you like to use your MILITARY STAR card on this purchase?"

Asking customers, "Would you like to use your MILITARY STAR card on this purchase?" not only delivers a value to our customers, but it also gives back to the community we serve.

Earnings for Quality-of-Life

How does using your MILITARY STAR card give back?

The Exchange pays approximately \$80 million a year in transaction fees when customers swipe bank-issued Visa, MasterCard, American Express or Discover cards.

That annual lost revenue reduces Exchange earnings, diverting money from military Quality-of-Life programs, such as Army child development centers, fitness centers, Air Force outdoor recreation, school lunches for Warfighters'



Camp Zama associates know how to create impressive MILITARY STAR displays.

children overseas, among others. For shoppers who don't have a MILITARY STAR card, offer them an application and help them sign up on the spot.

Tell customers about benefits

Tell all your customers about the benefits of using the MILITARY STAR card:

- 10 percent off all first-day purchases
- 10 percent off at Exchange restaurants – EVERY DAY
- 5-cents-per-gallon fuel discount at Exchange gas stations – EVERY DAY
- Free standard shipping on all ShopMyExchange.com orders
- Acceptance of MILITARY STAR in

- all commissaries for all branches of service, worldwide by Nov. 9
- Competitive, low APR (11.24%) no matter your credit score
- Promotional 0% interest offers
- 2 points for every \$1 spent at the military exchanges, and an automatic \$20 rewards card for every 2,000 points earned.
- No annual, late or over-limit fees
- A significant portion of MILITARY STAR earnings fund Qualityof Life programs for military families

Check out these best MILITARY STAR best practices for associates and put them to use at your stores. X

Help Boost Earnings With Add-On Sales

By Steve Smith

Tiffany Brown said that turning the PowerZone at Robins AFB's Exchange into a one-stop shop is very important to her, the customers and the store's bottom line.

"Customers are sometimes focused on one particular item so much that they forget about the other accessories that they will most likely need," said Brown, an associate in the PowerZone. "When I show the customers all the different options we have available, they always leave satisfied.

"Add-on sales are important to me because I feel like I'm giving my customer the complete package. I want our customers to know that we cover all their needs so that they became customers for life."

Brown said that associates should be aware of opportunities to ask the customer about accessory items. "Add-on sales are important to me because I feel like I'm giving my customer the complete package. I want our customers to know that we cover all their needs so that they became customers for life."

- PowerZone Associate Tiffany Brown

Increased attachment rates add up in good ways: higher overall sales and millions of dollars of earnings for the Exchange.

Additional earnings mean more money the Exchange provides to military Quality-of-Life programs at installations, such as child care centers, fitness centers, outdoor recreation and school lunch programs for children of troops stationed overseas.

Stationed overseas.

Associates should be aware of opportunities to ask the customer about accessory items.

For example, do customers have the right cables for their big-screen televisions? Do customers have batteries for cameras or other battery powered items, carrying cases and or anything else they need to make their shopping experiences at the Exchange truly satisfying?

Building a knowledge base of products in departments other than your own will help you boost attachment rates. If a customer is buying a shirt, find a pair of pants that would look great with that shirt. If a female customer is buying shoes, find a dress or two that matches the shoes or suggest that she check out the name-brand cosmetics.

Add-on sales are not limited to the main stores. Expresses and our restaurants offer the same opportunities. If customers are buying soft drinks in an Express, tell them about snacks that would go great with their selections. In the restaurants, ask "Would you like an order of fries with that?" or "Would you like a salad?"

Always be aware of products that qualify for the Exchange Protection Plan (EPP). Take every opportunity to ask customers to purchase an Exchange Protection Plan for their qualifying purchase—tell them EPP's benefits of protecting their purchases.

Never forget when you're talking to a customer that your store's attachment rate is one of the major ways we can boost our earnings for those Quality-of-Life programs that make the lives of our Nation's Warfighters so much better. X

Exchange Celebrates Customer Contact Center Associates

By Lisa Moak

Customer Service Week (Oct. 2-6) is recognized as a week to honor those associates behind the scenes who answer calls 24/7, ensuring Exchange customers receive the best possible experiences.

It's a familiar sight this time of year as Customer Contact Center associates enjoy special luncheons and events with senior leaders, all the while continuing to serve the best customers in the world.

These dedicated associates work in the Exchange Customer Contact Center.

Just like store associates, Contact Center associates have the important job of meeting customer needs. They are sometimes the only contact customers, especially Veterans for the online shopping benefit, have with the Exchange.

The center handles calls about the MILITARY STAR $_{\scriptsize \circledcirc}$ card, ESSO fuel program, collections, returned checks and e-commerce.

So far, Customer Contact Center associates have fielded more than 1.2 million calls as of Sept. 24. X



Exchange Credit Program SVP Jami Richardson, right, shared root beer floats with Customer Contact Center associates during Customer Service Week 2016.

Exchange Contact Center Top Performers







Jesse Andrews

Robert Holloway

Xavier Nevels

The Customer Contact Center recognized Robert Holloway, Xavier Nevels and Jesse Andrews for their exceptional customer service during recent contact center systems transitions and upgrades. They fostered great relationships with customers as they resolved their issues.

The trio addressed customer concerns calmly and positively. They gathered and tracked the customers/issues to ensure that they didn't miss a customer concern. These associates prove every day that they place a high priority on our customers' needs and concerns. X

Contact Center Numbers

The Exchange Customer Contact Center is continuing to grow and improve as the Exchange gears up to welcome home potentially 21 million Veteran customers Nov. 11. These are the number of calls the contact center currently receives:

The Customer Contact Center By the Numbers							
Average # of calls	Exchange Credit Program	E-commerce	TOTAL				
Per day	4,000	1,000	5,000				
Black Friday	6,700	8,000	14,700				
Cyber Monday	4,900	5,500	10,400				
Monthly (normal)	100,000	33,000	133,000				
December (holiday)	130,000	75,000	205,000				



Customer Relations Specialist Corrina Unal received a coin from Deputy Director Mike Immler for her 35 years of service. Read about the <u>Customer Relations team</u> and how they handle the 900 to 1,200 comments received monthly.

VetVerify.org ONLINE SHOPPING

VETERANS BENEFIT

VetVerify.org Contact Center Welcoming Home Veterans

The VetVerify Contact Center officially opened for business April 25 with the sole purpose of helping Veterans register on VetVerifv.org to verify eligibility for their new online shopping benefit.

The new benefit kicks off on Veterans Dav. Nov. 11.

As of mid-September, more than 373,000 Veterans have registered on VetVerify.org to get ready to shop online with the Exchanges. More than 8,400 Veterans are "beta shoppers" during the test phase, leading to online sales of nearly \$3 million as of Sept. 17.

The VetVerify Contact Center is managed by the Exchange Credit **Program Operations' Corliss**

Boettcher and Zoe Gilmore. Service delivery is outsourced to Buchanan Technologies, providing a Service Delivery Manager and 12 customerservice phone agents.

As of mid-September, contact center agents have serviced 20,917 phone calls and 5,764 chats. The chat option began June 12.

"The agents provide an exceptional customer experience through calls, chats and emails," Boettcher said.

The contact center's call volume fluctuates greatly depending upon the Exchange's marketing campaigns, external grassroot initiatives and the largest campaign, "word of mouth." X



Meet These VetVerify Star Performers



Brittany Thomas

Thomas helped lead VetVerify since its inception. She assisted Exchange associates who worked in the VetVerify **Contact Center**

while Buchanan Technologies, which is handling service delivery, was still interviewing potential phone agents.

She simultaneously worked her regular job with Exchange Credit Program operations.



Carolyn Johnson, Kim Payton and **Angela Malone**

Johnson, Malone and Payton serve on the discharge documents review team, helping Veterans who require additional verification steps.

As of Sept. 20, they had reviewed more than 26,000 documents while also taking phone calls during peak periods. X

Customer Service: These Associates Rock!

Eileen Copeland Europe Region/ Hainerberg Optometry



Sharon Kaburaki, Pacific Region/ Yokota AB, Japan



Alan Poe Central Region/ Offutt AFB, Neb.



"Eileen has always greeted me with a smile and has been pleasant and polite."

Kevin Strait
Eastern Region/
Hurlburt Field,
Fla.



"Her attitude was very pleasant although I asked her many questions. She never got frustrated."

Anthony Holmes Western Region/ JB Elmendorf, Alaska



Tammy Payton HQ Customer Contact Center



"On two different occasions, Kevin has gone above and beyond for me. What an excellent associate he is." "He truly went above and beyond. Anthony defined excellent customer service—and I was not even a customer." "The customer wanted everyone to know that Tammy did a fine job in assisting him with his order. He was very pleased with her service."

"I have served 20 years in the Navy

and have never seen a man with as

much kindness and can-do attitude."

Read their entire customer comments!

Check out who won Thanks Awards and celebrated anniversaries!



CHIEF OPERATING OFFICER



Recognizing the Front Lines: Calling Out Top Associates

"Taking that extra step to make our customers' experience at the Exchange is positive and one that will keep them coming back" – Dave Nelson, chief operating officer

Robins AFB, PowerZone		
Valerie Myers Fort Gordon Boston Market		
Jacqueline Black Fort Lee		

Vending Operations

EASTERN REGION

m. cc

CENTRAL REGION Florina Kappel

Randolph AFB Main store

Ashley Lafortune Minot AFB Burger King

Mike Horn and James Noble Little Rock AFB Firestone/Express

WESTERN REGION

Mary Funk Kirkland AFB East Side Express

America Marquez Luke AFB Burger King

Gary Gallemore Fort Wainwright/ Eielson AFB GNC

EUROPE REGION

Nexhat Tahiri, Emrush Hasani and Misret Rexhepi Camp Bondsteel, Kosovo

Elena Visintin Vicenza AB Del Din Subway

Manfred Gloechkner KMCC Mall Swarovski

PACIFIC REGION

Courtney Howard Misawa AB Main Express

Saeko Kawasugi Yokota AB Baskin-Robbins

Naoko Teruya Okinawa Services

Read about them!

Senior Leaders Focus on Exceptional Customer Service

The Retail and Service Industry competitive landscape has changed dramatically in the past couple of years, and while there are some that state 'brick and mortar' is dving — the reality is those businesses that are 'winning' in this era of online shopping are those that truly differentiate their customer service engagement online and instore. Corporately we receive and respond to 900 to 1,200 customer comments monthly via phone call, ICE comments, point-of-sales surveys, emails, social media posts and mailed cards.

An average of 26 percent of the comments are complaints about associates while only 6 percent are complimentary.

As military brats, Nelson and Middleton take it personally when the Exchange lets a customer down.

Our core values of Family Serving Family, Courage to Use Good Judgement, and Respect Everyone are the foundations of providing exceptional customer service.

While there are many examples of associates serving customers with respect and solving their shopping needs online, in-store and with the Exchange Credit Program, we also have examples of less than stellar customer engagement. This alarming increase in negative customer comments has the attention of President/CMO Ana Middleton and EVP/COO Dave Nelson. They have

requested that all customer comments be forwarded to them daily.

Ana and Dave send joint thank you letters to those managers whose associates deliver on our promise to provide exceptional customer service.

Dave also reaches out by phone and email to general managers with a sampling of negative comments to discuss resolutions.

Negative customer feedback gives us the opportunity to improve the customer experience and rebuild trust with those we failed. Below are a few examples of comments received recently that truly epitomize our commitment to providing the best service to our customers. X



Europe Regional VP Elizabeth Goodman-Bluhm presentes GM Robin Boylan with a Director/CEO coin.

"I would like to commend Mr. Robin J. Boylan, general manager of the Spangdahlem & Benelux Exchange for his great work in getting me a computer. Initially, the wrong computer was shipped to Belgium from Germany. When I asked for his assistance, in less than 24 hours, he found the correct PC and had it on a truck to Belgium. When that computer turned out to be defective, he found a suitable replacement, again in less than 24 hours. He was superb, customer service above and beyond. I remain amazed as to how quickly he got things done."

> —Richard M. Sheridan Colonel, US Army (Ret)



The Fort Meade Burger King team was commended for their professionalism.

"I felt compelled to send in a comment about the service at the Fort Meade Burger King. It was quite busy and their ice machines were down. The team never skipped a beat. They were moving fast and trying their best. Some of the customers were rude to them even though someone was there fixing the ice machine. I just want to commend the team on their professionalism. I have been coming here a long time and have never seen a manager working so hard with the team."

— Evelyn R.



Fort Benning Store Associates Martin Pruner and Adam Harper assist a family in need.

Read this heart-warming letter from a customer commending the efforts of Fort Benning main store associates Martin Pruner & Adam Harper who saw a family in need on the highway and took it upon themselves to stop and provide assistance. Even more impressive, they not only provided assistance, but never said a word about their good deed until the individual they helped wrote their manager to thank them for being her "angels in waiting".

First Exchange Female to Drive 1 Million Miles Accident Free

By Chris Ward

DALLAS – When Dianna Williams first began driving an 18-wheeler for the Exchange in 2001, reaching 1 million miles was far from her mind – she was focused on persevering in a male-dominated profession. Today, Dianna is being honored as the Exchange's first woman driver to reach 1 million accident-free miles.

"It takes a very special person to do this job, regardless if you are a man or a woman."

— Diana Willimas, Exchange driver

As a testament to her driving record and professionalism, Williams, who works at the Dayton Consolidation Center, represented the Exchange as its National Driver All-Star at the National Private Truck Council Safety Conference, held Sept. 13-15 in Dulles, Va.

Williams' road to all-star status began 21 years ago when she wanted a job to better provide for her three children. What she found was a challenging career that she loves.



Dianna Williams stands beside the Great American Truck Show People's Choice Award-winning international tractor

"This is not your typical 9-to-5 job, especially if you have kids," Williams said. "Yes, I am a woman driver, and to this day some say it is still a man's job. Well I am here to tell you, it takes a very special person to do this job, regardless if you are a man or a woman," she said.

Began with Marine brother

Williams began riding along with her older brother, Rex Nickell, a Marine Veteran who introduced her to the trucking industry. Ironically, she was afraid of large tractor trailer rigs back then. Williams' youngest daughter helped prepare her for certifications through constant drills and sometimes sleepless nights.

Her perseverance and family's support paid off.

"Dianna's family has a rich military background," said Morgan Meeks, director of transportation at the Exchange. "She acknowledges her sacrifices of being a parent and being on the road all the time are far less than that of the customers we serve.

"She exemplifies our core value of 'Family Serving Family' each day – and we are proud to have her as part of our Logistics family."

Most of her trips take Williams from Dayton to the Dan Daniel DC in Newport News, Va., and then to Fort Campbell, Ky.

She hauls merchandise sold in Exchange stores on Army installations and Air Force bases to military personnel, their families and military retirees. **X**

Loss Prevention's Caught Doing the Right Thing

Core Value: The Courage to Use Good Judgment





NELLIS AFB, Nev. - Associates Aurea Crespo and Kenneth Schamberger were caught doing the right thing when they reported unobserved shoplifting of electronic accessories on separate occasions. An investigation led to the detention of a juvenile, whose shoplifted items totaled \$747.95.



JB ELMENDORF, Alaska — Gun Counter associate Jesse Binn got a blast out of being "Caught Doing the Right Thing" when he reported a label switch on a Pelican 1450 case to managers and loss prevention. Binn saved the Exchange an \$83 loss.

Open Enrollment for Benefits is Almost Here!

For all regular full- and part time associates and other eligible employees, the 2018 Open Enrollment Period to sign up for Exchange benefits is almost here.

During the November open enrollment, you should evaluate your insurance needs and make changes as you see fit.

Information on insurance programs offered by the Exchange will be mailed to your home address. You can also go to nafhealthplans.com to review all the insurance information.

This year, an "ALEX" benefits counselor will walk you through all the benefits available to you. Look



ALEX, pictured above, is your personal benefits counselor.

for more information in November's Exchange Post about this easy-to-use interactive tool. **X**

Life Insurance: Cheaper Than You Think

Throughout the year, regular parttime associates are eligible to enroll in a minimum of \$10,000 life insurance at only 33 cents a pay period.

Go to Employee Self Service, click on eBenefits and learn about the very valuable benefit.

Maybe you've been meaning to buy life insurance, but just haven't gotten around to it or thought it was too expensive.

Protect your family

Getting coverage through work can be the easiest way to protect your family. Enrollment takes place on your work computer and premiums are automatically deducted from your paycheck.

Experts say that life insurance also can be a good deal. Since you're part of a large group of associates buying life insurance, premium

rates are less than what you would get by shopping around and buying on your own.

But I have a serious medical condition

Eligible employees may qualify for a much better rate through the group policy than what they could get on their own. A medical exam is not required, although you will have to complete a questionnaire to prove good health if you enroll after your first 31 days of being eligible for coverage.

Increasing coverage

If you don't have the maximum coverage amount available to you or your spouse, you can increase your coverage by one level during November's open enrollment without having to fill out the questionnaire. X

Want Lower Doctor Bills? Stay in network

When you choose doctors, dentists and other healthcare providers who are in Aetna's network, you get the advantage of quality and cost savings.

With your Exchange health plan, you can seek care in or out

of Aetna's network, but staying in network means your out-of-pocket costs will almost always be lower.



This is because benefits for in-network care are based on rates the providers have already negotiated with Aetna.

What about out-of-network costs?

For out-of-network care, benefits are based on Aetna's allowed amount for a given service, which is often less than what the providers charge. You pay the difference.

Plus, in-network providers will file claims for you; out-of-network providers won't.

Check to make sure

To make sure the doctors and facilities you use are in-network, log in to aetna.com, then click on "Find Care."

Associates enrolled in the Traditional Choice plan can use any licensed provider since this plan does not use a network. X

Recognizing the Service of Veterans Who Served the Nation Honorably

Three Soldiers for Life recently visited Washington, D.C., to record a special message to ensure all of America's Veterans know about a new benefit for all who raised their right hand, took the oath and served honorably.

Their meeting at the Vietnam Veterans Memorial was nearly 50 years in the making.

Jan Scruggs, Founder of the Vietnam **Veterans Memorial**



It was May 28, 1969, when **Jan Scruggs** was hit by a rocket grenade 60 miles northeast of Saigon. Exactly

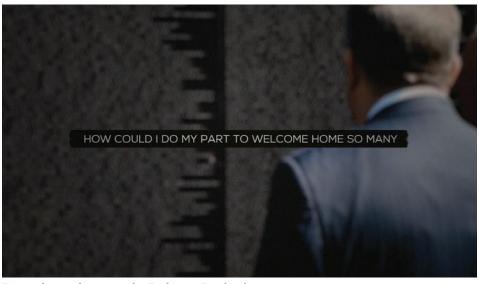
10 years later, on May 28, 1979, Scruggs announced plans for a memorial with the names of service members who died in Vietnam. The proposed memorial, a radical idea for the time, became the subject of controversy and intense emotion.

Tom Shull, Director/CEO Exchange



Two years later, then-Army Captain Tom Shull was assigned to the White House as a White House Fellow.

Ronald Reagan's White House Chief of Staff James Baker tasked Shull with the incredible responsibility of serving as an intermediary to ensure compromises were reached



To see their video, go to the Exchange Facebook page.

to facilitate the construction and dedication of the memorial.

After the Vietnam Veterans Memorial opened in March 1982, John P. "Jack" Wheeler III, a driving force in getting the memorial built, said, "There would have been no memorial without Tom Shull. Period."

"There would have been no memorial without Tom Shull. Period."

- John P. "Jack" Wheeler III

Thirty years later, Shull became the first civilian Director/CEO of the Army & Air Force Exchange Service. He immediately began working to honor the service of all Veterans through a lifelong online military exchange shopping benefit. Much like Scruggs' proposal decades ago, Shull's idea for a Veterans online shopping benefit was not without controversy.

SMA (Ret.) Ken Preston, Longest Serving Sergeant Major of the Army



SMA (Ret.) Ken Preston, America's longest serving Sergeant Major of the Army, stepped in as a mediator

in June 2014 and publicly stated his support for an expansion of military exchange benefits to include all honorably discharged Veterans. In January 2017, the Department of Defense concurred with Shull's proposal.

Ahead of the program's launch this Veterans Day, Scruggs, Shull and Preston gathered to celebrate the 35th anniversary of the Vietnam Veterans Memorial and inform all Veterans of their new shopping benefit. X

OCTOBER 2017

Veterans Online Shopping Benefit

How do I become an advocate for the Exchange?



"The Exchange is only weeks away from welcoming home all who served honorably with a lifetime online military exchange shopping benefit. Your tireless efforts will soon pay off for approximately 21 million Veterans through the Veterans online shopping benefit, the first expansion of exchange benefits in nearly 30 years."

-Tom Shull, Exchange director/CEO



Fort Irwin associates visited a Veterans home to inform local residents about the Veterans online shopping benefit and help them verify eligibility on <u>VetVerify.org</u>.

Become an advocate for the Exchange:

- Mention the benefit will be available on Veterans Day, but customers can verify eligibility now on VetVerify.org
- Recommend that Veterans register early on <u>VetVerify.org</u> for a chance to become beta testers and shop before Nov. 11
- Advise customers that <u>ShopMyExchange.com</u> has a wide variety of merchandise—many of the items are the same as in-store

Keep in mind:

- Today's customers are tomorrow's Veterans.
- In-store shoppers have connections with Veterans or know other eligible customers who may not be taking advantage of their Exchange benefit.
- Be an advocate for all Exchange initiatives and programs.

Resources:

- <u>VetVerify.org</u> Veteran eligibility verification site.
- <u>ShopMyExchange.com</u> The Exchange online store.
- <u>Facebook</u> Refer to the Exchange's official Facebook page for updates and announcements, including support from celebrities such as Mark Walberg, Marcus Luttrell and The Rock. X

Veterans online shopping benefit updates will be included in the Exchange Post and posted on associate billboards each month. Look for more information at **Exchange Virtual Toolbox** and **shopmyexchange.com/veterans**.

Exchange Among Tops for Latinas

By Sgt. 1st Class Tim Meyer

The Exchange is one of the country's 50 best companies for Latinas to work, LATINA Style magazine says.

The Exchange's selection, one of several through the years from the influential magazine, highlights the organization's commitment to workplace diversity.

"I'm proud that the Exchange is committed to diversity in its workforce, just like the people we serve—America's Soldiers, Airmen, retirees and their families,"

> -President and Chief Merchandising Officer Ana Middleton

Middleton, the Exchange's highest-ranking Hispanic woman, will represent the Exchange at the magazine's 20th anniversary awards ceremony and diversity conference Feb. 8, 2018, in Washington, D.C.

Recognized since 2008

Since 2008, LATINA Style 50 has highlighted the Exchange each year. The rankings acknowledge companies whose missions of diversity and inclusion are reflected in how they recruit, promote, provide benefits and create programs for their employee's betterment.

The rankings, published in the magazine's special September issue, are a respected information source for Hispanic women.

The report highlights companies that have programs to recruit Veterans and military personnel. X

Social Media Installation Monthly Update

Find all Exchange social media channels and links here.

How does	Reach	Likes	Check-ins	Weekly Growth	Engagement	Reactions
your Exchange social media stack up?	3		(X)	iji		(II)
Week of	17,241	2,258	5,397	47%	7.7%	620
September 4	Fort Bliss	Ramstein/	Randolph AFB	Fort Drum	Fort Bliss	620
		кмсс				Fort Bliss
Week of	51,501	2,269	5,411	175%	17%	622
September 11	Fort Buchanan	Ramstein-	Randolph AFB	Fort Benning	Fort Buchanan	632
September 11		кмсс				Fort Buchanan
Week of	8,408	2,307	5,427	8%	14%	
September 18	Fort Irwin	Ramstein-	Randolph AFB	Fort Irwin	JB	231
September 10		кмсс			Langley-Eustis	Anderson AFB
Week of	11,781	2,356	5,445	9%	4%	
	Fort Bliss	Ramstein	Randolph AFB	Carlisle	Baumholder	124
September 25		- KMCC		Barracks		Fort Bliss

Logistics Director Takes Message of Veterans Online Shopping Benefit to Local Group



COL. Karen Bond, the Logistics Directorate's deputy director, took the message of the Veterans online shopping benefit to members of the Waxahachie Rotary Club near Dallas. She also told them about how she is responsible for getting merchandise delivered quickly and efficiently by using the latest technology.

Seasoned Military Veterans Now Exchange New Recruits

By Marcia Rhodes

Transitioning from military green to Exchange blue, six trainees in the Veteran Retail Management Training (RMT) program have embarked on new chapters in their lives.

"The Exchange was at the top of my list when time came to look for my next rewarding career," said Thomas Marason, a program trainee and 20-year Army Vet. "I know what it's like to be in the customers' boots. I am honored and grateful for the opportunity to serve those who serve or served, as well as their families."

The program recruits Veterans because service, commitment and dedication come easy to this group because of their many years of serving the Nation.

Opportunities for Veterans

"Providing employment opportunities to these Veterans is not only the right thing to do, but makes good business sense," said Chief HR Officer Leigh Roop. "Our Veterans have experienced first-

"I am honored and grateful for the opportunity to serve those who serve or served, as well as their families."

—Thomas Marason, program trainee and Army Vet.

hand the sacrifices of military service and how important it is to provide excellent customer service."

In addition to Marason, Veterans in the class include Patrick Fatuesi, 32 years; Kway Maule, 13 years; Niraj Dawadi, four years; Mike Saraka, 12 years; and Xavier Morales, eight-and-a-half years.

89 Years Combined Service

After serving a combined 89 years in the armed forces, they now are learning how to care for their fellow troops, their families and military retirees by ensuring they have the same experience with the Exchange as they had while serving on active duty.

In the past five years, 36 percent of management trainees for the RMT have been Veterans. The 12-week course mixes instructor-led and virtual learning with on-the-job training with seasoned managers.

In 2017, two RMT classes were held, one for internal associates, the other for external hires, especially Veterans interested in management; and one geared toward external hires, specifically Veterans.

During Maule's job search, he interviewed with several companies that didn't understand how to utilize Veteran work experience, but, in his own words, "the Exchange does."

Now, six men who depended upon the Exchange for goods and services while serving on active duty, have an opportunity to serve other Vets and their families with a sense of purpose.

"Once you put on those boots, you never forget that feeling," Saraka said. **X**



Veterans who were recruited are, from left to right: Patrick Fatuesi, Niraj Dawadi, Xavier Morales, Mike Saraka, Kway Maule and Thomas Marason

Understanding Exchange Strategic Priorities

Increase Sales And Profitability Per Square Foot In Concessions with PAM



Above, KMCC mall area. Insert, Eglin AFB shopping center mall layout.

By Lisa Moak

How do service business managers and general managers determine which concessions will reside in Exchange malls and how much space they occupy?

The strategic priority, "Increase sales and profitability per square foot in concessions" provides managers with the tools to make these decisions.

Imagine you are a commercial landlord, and you want to figure out how to use the space, who to rent it out to, and how much income is right. Now we have a way to get real benchmarks to think about these decisions. Our square feet is our core asset. It makes sense to know how much sales and earnings we are receiving from this asset. The new Property Asset Management (PAM) tool gives us that visibility.

Developing PAM took industry mall managers years to complete for equivalent large data portfolios. With the combined efforts of Information

"In essence, we are developing the future of Exchange malls for generations to come."

> -Denise Gumbert, director of Services & Vending

Technology, Finance & Accounting, Real Estate, and Services, Food and Fuel directorates, this initiative became a reality for the Exchange in September.

The initial launch included 32 malls. The PAM system will roll out to all CONUS locations by the end of this year and OCONUS locations in early 2018.

Instant visibility to sales, earnings

PAM offers Exchange managers instant visibility of sales and earnings from each concession, its size and the dollars earned per square foot.

"This multi-directorate initiative automates and improves processes

for the Exchange while providing all levels of management the ability to make fast, informed, effective business decisions to optimize our shopping centers," said Denise Gumbert, director of Services & Vending. "This in turn provides the categories of businesses our customers want to shop.

"In essence, we are developing the future of Exchange malls for generations to come."

Attracting tenants

With centralized data, managers can better plan and discuss new contracts when existing contracts expire. They can package space to attract concessionaires interested in multiple spaces. PAM provides brochures with helpful information, such as demographics, physical layout, mall tenants, floor plans and addresses to help managers attract potential tenants.

The benefits of PAM are:

- Capability to consolidate data and images for 4,200 properties
- Visibility of data for Campus (installations), Properties (buildings) and Suites (stores)
- Data refreshed daily
- Interactive shopping center floorplans and property maps
- Information on manager's phones with a mobile application

Developing tools to leverage properties as the Exchange grows offers the organization a competitive edge in a tough retail environment. PAM not only provides the Exchange these tools now, but also offers a foundation to meet longer-term goals. X

Exchange Ready to Send Support to Puerto Rico Following Hurricane Maria

Continued from page 6

support during the crisis.

"The Exchange team was very flexible in terms of their services and trying to keep things open to the last minute and bringing things back up online very quickly," Williams said. "Thank you very much for all of the support. We really appreciate it."

'I marveled each day'

Exchange Director/CEO Tom Shull spent last week in Florida, visiting SOUTHCOM, Homestead ARB, and Patrick and MacDill AFBs.

"As I traveled throughout
Florida, I marveled each day at
the Exchange's steadfast focus on
recovery from Hurricane Irma
while simultaneously responding to
the new challenges they were facing
in the wake of Hurricane Maria,"
Shull said. "Concern for the safety
and well-being of our customers and
fellow associates was paramount to
all other considerations."

The day after Hurricane Irma skirted Puerto Rico, customers

"As I traveled throughout Florida, I marveled each day at the Exchange's steadfast focus on recovery from Hurricane Irma while simultaneously responding to the new challenges they were facing in the wake of Hurricane Maria. Concern for the safety and well-being of our customers and fellow associates was paramount to all other considerations."

-Director/CEO Tom Shull

a mobile field exchange (MFE) opened in Bastrop, Texas, where National Guard members stocked up on water, batteries, beef jerky, shampoo, sports drinks and more. A second MFE opened days later in Corpus Christi, Texas.

"To have you guys here with some of the comforts of home, it's so welcomed," said Texas National Guard Captain Army Chaplain David Fish. "These guys go out on their missions and don't know what to expect but knowing that you're here is a true blessing." X

at Fort Buchanan were happily surprised to find Starbucks open and ready to serve them comforting cups of coffee or snacks.

After Hurricane Harvey, the Texas State Guard requested that the Exchange bring support to the Texas Gulf Coast. The next day, an Exchange store-on-wheels, Information on how you can help associates affected by Hurricanes Harvey, Irma and Maria was released by associate email and and Red e App.

Read more here.



The Express at Fort Buchanan was damaged by Hurricane Maria.



The Fort Buchanan team rally together to serve those who serve, even after a second hurricane slammed their island.

Climate Assessment Surveys Give New Insights on Morale

By LTC Vernon Jakoby

The Exchange Inspector General's office recently took initiative to enhance the capability to complete the IG mission pertaining to assessing employee morale and effectiveness.

Several IG staff members underwent training on survey methodology and design. Using the knowledge gained, the IG staff developed a survey tool that can rapidly assess the health and functions of components of the organization; this is a web-based Climate Assessment Survey.

Providing a picture

Used for organizational training and development, Climate Assessment Surveys provides a picture of the organization's needs. The survey is used to solicit associates' opinions on various issues, such as the Exchange's success in communicating its mission or the quality of the working environment.

The results of the feedback provide an understanding of how associates perceive the organization along different dimensions. This process helps the Exchange executive leaders better understand the climate in the assessed area.

Survey feedback:

- is essential to facilitating development and organization change.
- allows the Exchange to focus on needs and leverage its strengths.
- informs on actions that create problems for associates
- provides executive leaders with

Used for organizational training and development, Climate Assessment Surveys provide a picture of the organization's needs.

direct associate feedback—both positive and negative—on the organization's internal health

- measures the impact of current programs, policies and procedures
- can be used to motivate
 associates and improve job
 satisfaction—by seeing actual
 change from the feedback.

Ensuring confidentiality

During an assessment, steps are taken to ensure the confidentiality of feedback results. All responses are voluntary and anonymous. No demographic data is collected, and matching results to an individual is impossible.

The answers to multiple- choice questions are averaged in the final report. Comments or written answers are summarized in the results to conceal the author's identity.

Confidentiality helps ensure that the results are genuine.

Formal request

The Climate Assessment Survey is used at the formal request of a general manager; distribution center manager; directors, senior vice presidents and executive vice presidents; chief operations officers, president, deputy director

or director/chief executive officer. The survey is tailorable to best meet the needs of the portion of the organization surveyed, and, while it is useful any time, the survey is especially effective immediately after a change in leadership.

A positive work climate

Six to nine months following an assessment, the inspector general will conduct a follow-up assessment to measure the effectiveness of changes made from the initial assessment. Be assured, the Exchange leadership is committed to assessing, establishing and maintaining a positive work climate.

Associates who are part of an assessed section can expect to spend around 30-40 minutes completing the survey. This small investment of time is helpful with identifying the positive aspects of where you work and opportunities for improvement.

As you can imagine, your honest feedback on the survey is critical. Please note that participation in the survey is not a substitute for any formal complaint process. X

Contact the Exchange Office of the Inspector General through our <u>website</u>, call 1-800-527-6789 or send an email to Hotline@aafes.com.

Important Hourly Pay Structure Changes

To support the organization and better align with the strategic priorities, these initiatives will be rolled out Oct. 21.

By Orfe Dussetschleger

The face of retail is rapidly evolving due to changes in consumer shopping behavior. Providing an exceptional customer experience is essential to retain our current customers and to attract new shoppers.

These changes require the Exchange to execute innovative compensation programs to recruit and retain high performing customer-focused talent. The Exchange's hourly associates are on the front lines, providing an exceptional customer experience.

Strengthening the link

The objective of the Exchange's hourly compensation program is to design and carry out hourly pay, job design and performance management strategy that improves pay perception, market competitiveness, strengthens the link between pay and performance.

The new grading structure can provide consistent and adequate pay differentiation between the grades and better support constant changes in operations while aligning with industry-best practices.

The new grading structure can provide consistent and adequate pay differentiation between the grades and better support constant changes in operations while aligning with industry-best practices.

The change within NF 1 levels is considered a consolidation action, not a demotion or a promotion.

Associates will see no adverse impact on their pay. NF 1 level will be the entry level to retail operation, and the new NF 2-2 will be reserved for NF 2-1 level associates.

Sunday and second-shift pay

Premium pay for second shift or Sunday work is less commonly offered in the retail environment.

Sixty-seven percent of retailers in the AON Hewitt Pay Practice survey said they do not offer second shift or Sunday premium, suggesting that a higher base pay is valued more by associates because all associates don't receive premium pay when

schedules change.

In line with industry-best practices, the Exchange will implement an across-the-board base pay \$0.25 per hour increase to all non-bargaining associates and those who are part of UFCW, LIUNA, RWDSU, Teamster, IBEW, CWA bargaining unit NF associates.

Average 2.2 percent hike

On Oct. 21, the Exchange will discontinue second shift and Sunday premium, and implement the pay increase, which will provide an average 2.2 percent increase to these NF associates regardless of scheduled shift or day. The increase is in addition to the average 3.5 percent annual performance increase given to NF associates.

Permanent increases to base pay have various benefits to associates throughout their employment, such as vacation leave payouts or retirement "high three salary" calculations where second shift and Sunday premiums would have no impact. X

Grade	Tier	Purpose	
NF 1		Entry level retail associate	
NF 2	1	Specialized knowledge requirements	
	2	Reserved for supervisors of 2-1 associates	

TRANSFERS

Timothy Adams – sales & merchandise manager, JB Elmendorf, to operations manager, JB Lewis-McChord

Ramon Aguilar- warehouse foreman, West Coast DC, to warehouse operations supervisor, Waco DC

Mysea Bell – restaurant manager, Fort Carson, to food court manager, Scott AFR

Richard Evans – business manager, Fort Hood, to store manager (MS), Keesler AFB

Tiffany German – operations manager, JB Lewis-McChord, to sales & merchandise manager, Fort Hood

Charlotte Gipson – business system analyst III, HQ, to general accounting manager I, Okinawa

Paz Johnson – restaurant manager, MacDill AFB, to food court manager, JB Langley-Eustis **Angela McCracken** – store manager (BR), Sheppard AFB, to assistant store manager, Little Rock AFB

Debra Melton – store manager (MS), Korea Capital, to store manager (MS), Camp Humphreys

Garry Renteria – IT division resource specialist, HQ, to IT field support manager, HQ

Valerie Smith – food court manager, Fort Benning, to food court manager, MacDill AFB

Gloria Sylvia – sales & merchandise manager, Okinawa, to general manager, Camp Zama

Christopher Wilson – computer operator I, Hanscom AFB, to shift manager, Thule AB

Gabriel Medina, 75, died June 13 in Headland, Ala. The Fairchild AFB general manager retired in 1993.

Bettyann Miranda, 72, died July 9 in San Antonio, Texas. The Fort Sam Houston supervisor retired in 2009.

Sandra Morales, 71, died Aug. 15 in Spanaway, Wash. She was a supervisory store assistant at JB Lewis-McChord.

Doreta Pierot, 81, died June 25 in Waxahachie, Texas. The HQ assistant buyer retired in 1993.

Cynthia Reiber, 74, died July 20 in Maybank, Texas. The HQ newspaper editor/historian retired in 2003.

Juaquin Rodriguez, 83, died July 13 in San Antonio, Texas. The HQ engineering draftsman retired in 1994.

Mary Rogers, 68, died June 24 in Jacksonville, Ark. The Little Rock AFB warehouse worker retired in 2009.

Ruth Slack, 65, died June 18 in Newport News, Va. The Dan Daniel DC materials handler II retired in 2016.

Eleutheria Souza, 85, died June 26 in Pearl City, Hawaii. The Schofield Barracks associate retired in 1989.

Emmett Stoker, 76, died July 7 in Corinth, Texas. The HQ assistant chief of design retired in 1993.

James Storment, 93, died July 1 in Versailles, Mo. The JB Lewis-McChord associate retired in 1985.

Millicent Turner, 92, died Aug. 16 in Grand Haven, Mich. The Eglin AFB operations assistant retired in 1991.

Kyoko Ung, 79, died Aug. 13 in Highland, Calif. The March ARB cook retired in 1993.

Pacita Urmanita, 91, died June 30 in Burlingame, Calif. The Presidio of Monterey associate retired in 1994.

Elsie Warren, 98, died June 24 in Longview, Texas. The HQ associate retired in 1979.

Mattie Williams, 89, died Aug. 3 in Bridgeport, Conn. The Fort Benning sales associate retired in 1987.

William Wilmoth, 87, died July 23 in Tokyo, Japan. The HQ loss prevention manager retired in 1994.

IN MEMORY

Kenneth Anderson, 69, died July 28 in Mountain Home, Idaho. The Mountain Home AFB restaurant manager retired in 2008.

Kay Aston, 67, died May 17 in Bradenton, Fla. The MacDill HR assistant retired in 2001.

FE Villaflores Banaag, 75, died July 11 in Dallas, Texas. The HQ business analyst I retired in 2009.

Caroline Bowlin, 70, died May 2 in Dixon, Mo. The Chievres AB food manager retired in 1997.

Cleora Bowman, 79, died May 5 in Colorado Springs, Colo. The Peterson AFB lead sales associate retired in 1991.

Margaret Brantley, 68, died July 3 in Houston, Texas. The Atlanta Distribution Center warehouse worker retired in 2010.

Robert Cohen, 90, died June 16 in Plano, Texas. The HQ associate retired in 1973.

Carmen Concepcion, 73, died July 7 in Irving, Texas. The HQ corporate planning specialist retired in 1998.

Jacqueline Davis, 59, died July 22 in Waipahu, Hawaii. The Schofield Barracks store manager retired in 2013.

Anuedy de Jesus Rosario, 23, died July 26 in Fort Drum, N.Y. He was a laborer at Fort Drum.

Wilma Evans, 75, died May 1 in Salem, Ala. The HQ HR assistant retired in 1998.

Clara Gomes, 94, died May 31 in Mililani, Hawaii. The Hawaii Area department supervisor retired in 1985.

Mae Gordon, 60, died May 25 in Miami, Fla. The JB Lewis-McChord assistant store manager retired in 2012.

Keiko Guy, 88, died June 4 in Puyallup, Wash. The Exchange merchandise support associate retired in 1989.

Marcia Harville, 79, died July 21 in Shalimar, Fla. The Eglin AFB senior accounting associate retired in 2008.

Marsha Jones, 77, died June 26 in Tacoma, Wash. The Fort Leonard Wood HR assistant retired in 1994.

Mary McCormack, 93, died May 31 in San Antonio, Texas. The HQ accounting technician retired in 1989.

RETIREMENTS

Pamela Baldridge, Nellis AFB, 6 years

Robin Brown, Fort Hood, 31 years

Beverly Curry, Fort Benning, 20 years

Rose Delapax, West Coast DC, 10 years

Lena Earl, Dan Daniel DC, 27 years

Carolyn Edwards, HQ, 8 years

Jesus Encabo, Dan Daniel DC, 23 years

Joyce Hartmann, HQ, 7 years

Victoria Hime, JB Langley-Eustis, 10 years

Rita Inchaurregui-Powell, Fort Lee, 20 years

Robin Jackson, Maxwell AFB, 18 years

Karen Johnson, JB Andrews, 32 years

Christine Leathers, Malmstrom AFB, 8 years

Richard Mahaffey, HQ, 23 years

Richard Masters, Katterbach-Illsheim, 14 years

Frances Mills, JB Charleston, 42 years

Patricia Neiper, Keesler AFB, 30 years

Sherri Oster, Offutt AFB, 20 years

Judy Rudzinski, Ramstein AB/ Baumholder, 41 years

Maria Smith, HQ, 33 years

Anne Stinson, JB Andrews, 21 years **Janet Suchevich,** Nellis AFB, 20 years

John Watson, HQ, 25 years

Photos From the Field on Flickr







Pacific's Top Enlisted Officer Moving to Hood

By Sgt. 1st Class Luke Graziani

OKINAWA, Japan – Sgt. Maj. Arnaldo Muniz, the Exchange's Pacific Region senior enlisted advisor, said he sat in the front row watching associates support troops, even in the more remote and austere environments of Australia, Guam, Japan, Saipan and South Korea.

"I truly enjoyed experiencing just how much pride and ownership the Exchange associates have in their work," said Muniz, who will leave later this month for Fort Hood's 553rd Combat Service Sustainment Battalion's Command in Texas.

Since beginning as the Pacific's senior enlisted advisor in January 2016, Muniz experienced unique opportunities to know the Exchange's inner workings and better understanding what "We Go Where You Go," really means.

"I truly enjoyed experiencing just how much pride and ownership the Exchange associates have in their work."



-Sgt. Maj. Arnaldo Muniz

"I can truly say that the Exchange has opened my mind and given me a better understanding of how the organization tackled all kind of challenges and how they plan, organize and mobilize resources to overcome any obstacle they encountered," Muniz said. "It's been an honor and privilege to be part of the Exchange and watch 'Family Serving Family' in action." X

Read SGM Muniz's complete story.

Find Out How You Rank for Promotions

The HPP ranking score is the process to rank qualified hourly associates for promotions and job vacancies.

To find how you rank:

- Login to **Employee Self Service**.
- Enter your Y number and network password.
- Select the link, "Am I Competitive?"
- View your HPP ranking score under the section "How Do I Rate?"

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