MAKE MAGIC “SIX” 2014

STORE MANAGER’S GUIDE



CELEBRATING YEAR-ROUND MAGIC!

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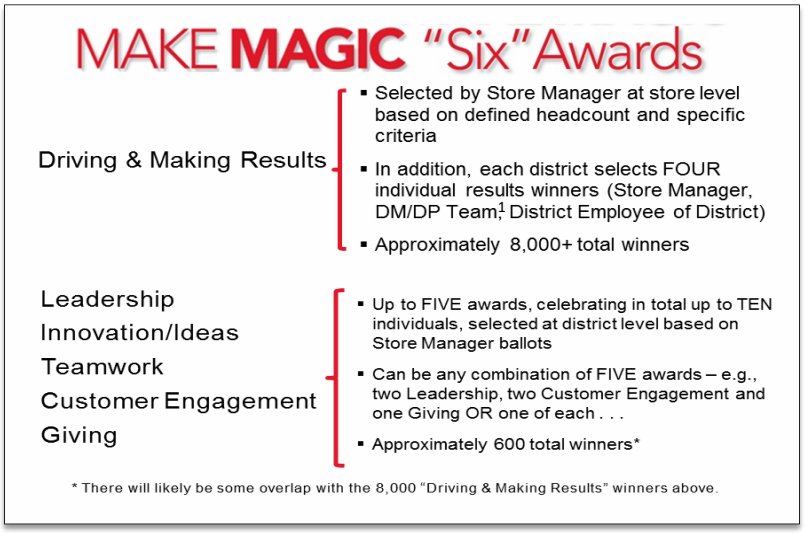
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WHAT YOU NEED TO KNOW …

The Make Magic "Six" Awards process will be identical to last year. All ballots will automatically be sent to districts on February 16th at midnight (Pacific Time) for Make Magic "Six" consideration.

- **Award Categories** – As in years past, there will be six award categories. The chart below outlines each of these categories.



[1]If the DP of the winning team is employed at Macy's at the time the award is presented, he or she will be celebrated in their new position. If he or she is no longer employed at Macy's, the DM of the district will be celebrated individually for his or her success.

- **Magic Maker Stories Count!** All Magic Maker stories should be considered for Make Magic "Six" Awards. Here are some things to keep in mind:

<u>Magic Makers</u>
- Usually focuses on one to one interactions
- Tends to be about an Individual
- Annual Winners selected on <u>calendar</u> year

<u>Make Magic "Six"</u>
- Usually focuses on bigger above and beyond accomplishments
- Individual or team
- Annual winners selected on <u>fiscal</u> year

- **Let the celebrations begin!** All Make Magic "Six" winners will be invited to a beautiful MAKE MAGIC event, taking place between March week 3 and April week 2, where they will receive an iconic crystal trophy, a sparkling pin, a signed certificate and an extra 10% discount from June 1st 2014 – May 31st 2015.

- **Leaders Guide –** This leader's guide with criteria, timeline and ballot instructions and FAQs is available on both the portal under recognition and the Every Day Magic site.

WHAT YOU NEED TO DO…

VPSM

- ✓ **Encourage storytelling.** All managers and associates should be encouraged to submit their stories by February 13th
- ✓ **Finalize Ballot.** Your nomination ballots will automatically be sent to Districts for consideration on midnight PT, Monday, February 16th
- ✓ **Select Driving & Making Results winners**. Enter all winners, based on the allotment you are provided, by Friday, March 13th

District Committees

- ✓ **Select up to 10 winners.** Reviewing the final ballots available to you on February 17th, select Make Magic story winners by March 6th
- ✓ **Select your three District Results Awards.** Using the criteria provided, choose a VPSM of the District, a DM/DP team* of the District and District Employee of the District by March 6th
- ✓ **Host Make Magic celebration.** On a date between March 23rd and April 18th, host a fun event to recognize all your winners!

To make all your selections, please visit the Everyday Magic website via My In-Site and the portal.

If you have any questions regarding your role, please contact us at: **makemagichotline@macys.com**.

* If the DP of the winning team is employed at Macy's at the time the award is presented, he or she will be celebrated in their new position. If he or she is no longer employed at Macy's, the DM of the district will be celebrated individually for his or her success.

Key Dates…

TIMING	ACTIVITY
JAN WK 3- FEB WK 2 **(1/19 – 2/13)**	▪ **Storytelling Push:** Encourage managers and associates to submit stories for MM6 consideration via Everyday Magic website ▪ Store Managers begin building ballots
FEB WK 2 **(2/8 – 2/16)**	▪ **Finalize Ballots:** Store Managers finalize MM6 nomination ballots for all but "Driving & Making Results" categories ▪ Ballots are automatically submitted to the District **February 16th** at midnight PT
FEB WK 3- MAR WK 1 **(2/17 – 3/6)**	**District Committees select MM6 winners by March 6th** including: ✓ Store Manager of the District ✓ DM/DP Team of the District* ✓ District Employee of the District
BY MARCH 13th	**Store Managers select all MM6 Driving & Making Results winners by March 13th** *For optimal efficiency, it's recommended that Store Managers select all Executive winners by **February 27th**, and Selling and Support Associate winners by **March 13th** after review scores are available*
MAR WK 3- APR WK 2 **(3/23 – 4/18)**	MAKE MAGIC District celebrations take place

* If the DP of the winning team is employed at Macy's at the time the award is presented, he or she will be celebrated in their new position. If he or she is no longer employed at Macy's, the DM of the district will be celebrated individually for his or her success.

Building Your Ballot…

To ensure your employees are considered for annual MAKE MAGIC "Six" awards,
YOU MUST ADD STORIES TO YOUR BALLOT

Reviewing your stories on Everyday Magic is easy:

1. Click on the **My Stories / Ballot (Dashboard)** tab
2. Select **My Store's Stories**
3. Click on the **"View Story"** arrow (**v**) to the far right of each story to review the story details.

While you're not required to complete your ballot until **February 16th**, there are a few optional steps you can take to help keep track of your stories along the way:

- Rate the strength of a story from 1-5, 5 being the best
  - You can sort on this rating later to help keep track of your favorite stories as you begin to build your ballot
- Change or select a behavior category that fits the story
- Edit story detail and team members
- Add private notes for yourself or public notes for the District Selection Committee
- Redirect a story that doesn't belong to your store by using the "flag" feature

Building your ballot is simple.
Your ballot will consist of stories for the following FIVE Make Magic "Six" award categories:

- Customer Engagement
- Leadership
- Giving
- Teamwork
- Innovation / Ideas

To add a story to your ballot:

1. Select a behavior category - if not already selected
2. Click on the **"Add to 4 Wall Ballot"** link in the story detail
   - You are able to add and remove stories at any time up until the ballot is automatically submitted to the District Selection Committee, by using the "Add" or "Remove" buttons

To view or print your ballot:

1. Select the **"View Ballot"** button located at the top of your screen next to the Tell a Story button
   - You'll see that your ballot will be updated automatically with each change you make.

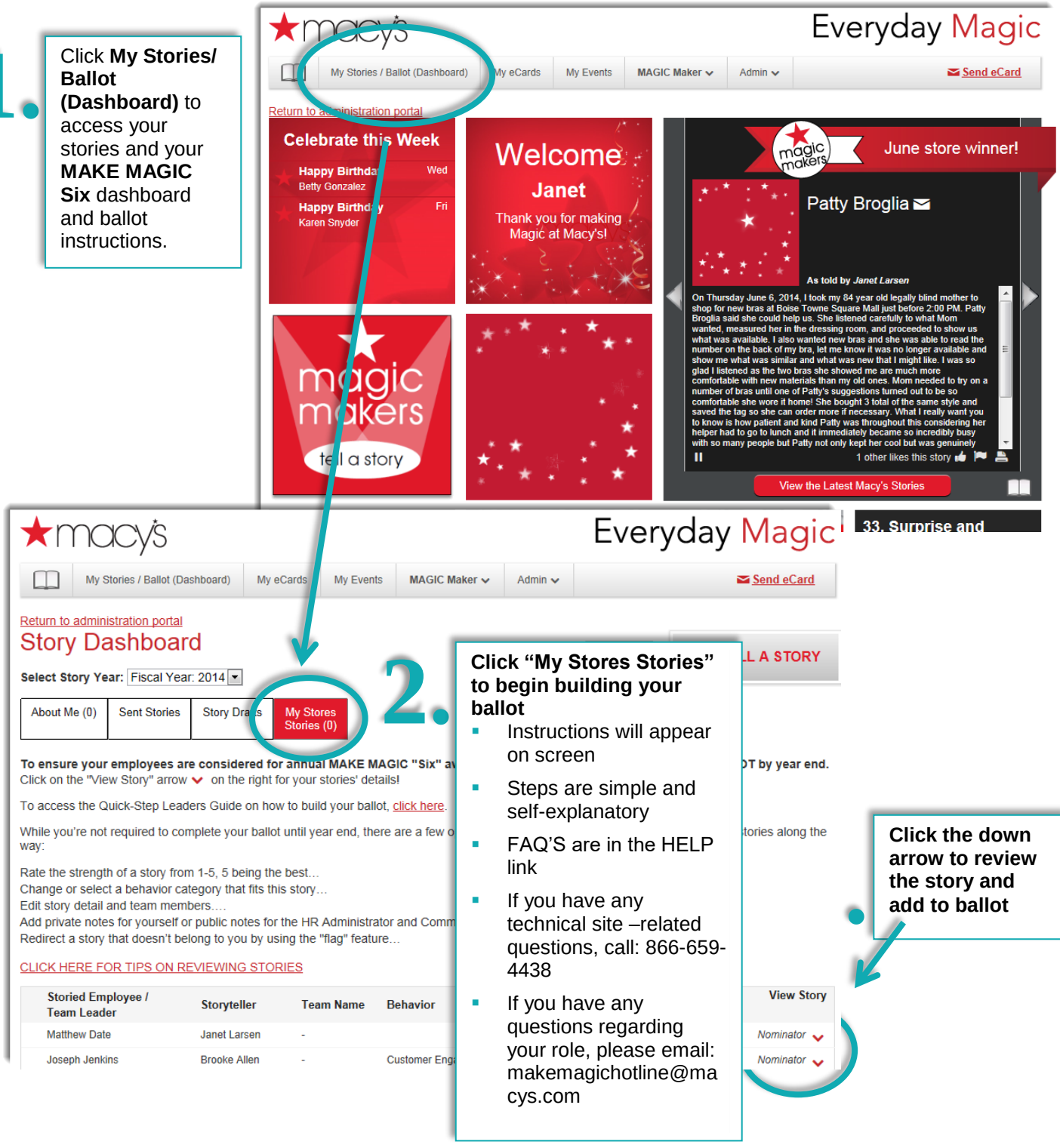
While your goal is to have candidates in each category, if you find you don't have a qualified nominee for a specific category, you can leave that one out or add an additional nominee in another category. You are not limited to one nominee per category and can mix and match stories as needed. A maximum of 15 stories can be included on your ballot. **Remember to include a balance between Support and Selling as well as Associates and Executives.**

Your nomination ballot will automatically be released to the District Selection Committee at midnight PT on February 16th! You'll have reminders leading up to that date so you can be sure to finalize your ballot in time.

Remember - you will separately pick the winners for the Driving and Making Results category at the store level based on scorecards and annual reviews. The headcount for the number of winners you may select in your store will be provided by your district via email.

Building Your Ballot via Everyday Magic …

1. Click **My Stories/ Ballot (Dashboard)** to access your stories and your **MAKE MAGIC Six** dashboard and ballot instructions.



Click "My Stores Stories" to begin building your ballot

- Instructions will appear on screen
- Steps are simple and self-explanatory
- FAQ'S are in the HELP link
- If you have any technical site –related questions, call: 866-659-4438
- If you have any questions regarding your role, please email: makemagichotline@macys.com

Click the down arrow to review the story and add to ballot

2014 Annual Make Magic "Six" Award Criteria …

To qualify for any of the Make Magic "Six" Awards, employees must:

- Be employed with Macy's for at least one year
- Be in Good Standing
- Have generally strong performance overall
- Have a positive attitude and commitment to store goals

<table>
<tr><td rowspan="3">Driving & Making Results</td><td>(ALL STORES EXCLUDING OMNICENTER PILOT STORES)

SELLING ASSOCIATES:
▪ Outstanding results based on a combination of My Sales metrics, demonstrated MAGIC Selling behaviors tied to results and most recent 2014 review performance</td><td>(OMNICENTER PILOT STORES)

SELLING ASSOCIATES:
▪ Outstanding results based on a combination of My Sales metrics (performance to SPH standard), demonstrated MAGIC Selling behaviors tied to results and most recent 2014 review performance; plus any additional 'Omni' metrics, such as: device usage, My Client, More@Macy's and Search & Send.</td></tr>
<tr><td colspan="2">SUPPORT ASSOICATES: (All Stores; including OmniCenter pilot)
▪ Top performance based on 2014 annual review with emphasis on job-specific skills and achievements</td></tr>
<tr><td colspan="2">EXECUTIVES: (All Stores; including OmniCenter pilot)
▪ Look at Annual Performance Review scores per job title
▪ Exhibits high levels of MAGIC Selling & PACT Coaching strengths
▪ Consider leadership in building strong partnerships & aggressively supporting the My Macy's program and 2014 store initiatives within responsibility of job to drive sales</td></tr>
<tr><td>Leadership</td><td colspan="2">▪ Leads team to achieve speed to market, flawless execution and/or a material advancement in quality, service, sales or profitability
▪ Helps develop peers towards achieving Department and Store goals
▪ Acts as a role model and is appreciated and valued by Store executives and peers</td></tr>
<tr><td>Innovation / Ideas</td><td colspan="2">▪ Demonstrates creative problem solving, an out-of-the-box innovation, or a visionary approach to move the business ahead
▪ May also award bold risk-taking that capitalizes on incremental growth opportunities.
▪ Creates a method to improve department metrics
▪ Demonstrates a creative approach to resolving Customer or Associate concerns and issues</td></tr>
<tr><td>Teamwork</td><td colspan="2">▪ Effectively collaborates within or across departments, geographies or similar barriers to build a program, project or plan
▪ Demonstrates positive and effective achievements through partnership with Store District teams
▪ Demonstrates flexibility and a willingness to perform tasks that may be out of scope of job responsibilities to support team and store</td></tr>
<tr><td>Customer Engagement</td><td colspan="2">▪ Delivers outstanding selling service and customer satisfaction that reflects the My Macy's localization strategy of personalized attention and alignment
▪ Consistently focuses on improved behaviors to drive sales metrics as observed by their supervisor
▪ Demonstrates flexibility and a willingness to extend his/herself in a positive way to provide outstanding Customer service and improve a Customer's overall experience in Store
▪ Consistently ensures customers leave the store feeling better for having come in</td></tr>
<tr><td>Giving</td><td colspan="2">▪ Generously shares personal time, talents or resources with the community in a way that significantly impacts the lives of others, inspiring kindness and cooperation, helping our world to be a better place, and reflecting the community-minded nature of Macy's
▪ Consider leadership, enthusiasm, community impact, use/development of job talents to benefit the community, impact of involvement on the nominee and their business location, sharing of time to make a difference and willingness to serve

NOTE: Recognizes those for whom the "give back" activities are not part of their job description.</td></tr>
</table>

2014 District Award Criteria …

Store Manager 1 per District	▪ Top performance in sales, service, MAGIC Selling, and Macy's credit ▪ Should demonstrate strong leadership and team building with a focus on talent development within a selling culture ▪ Scorecard is primary statistical tool used ▪ Length of time in store should be considered - at least one year is recommended
District Merchant & Planner Team 1 Team per District selected by the DVP working with the District Committee and the RPM	▪ Team who achieves the best performance in making sales plan through demonstrating superior collaborative and leadership skills in supporting the My Macy's strategy and 2014 store initiatives ▪ Employed with Macy's for at least one year and in Good Standing ▪ Annual Performance Review scores should be factored in if choosing among several strong team candidates NOTE: If the DP of the winning team is employed at Macy's at the time the award is presented, he or she will be celebrated in their new position. If he or she is no longer employed at Macy's, the DM of the district will be celebrated individually for his or her success.
All Other District Employees 1 per District	▪ Consider leadership in building strong partnerships and aggressively supporting the My Macy's program and 2014 store initiatives within responsibility of job to drive sales ▪ Employed with Macy's for at least one year and in Good Standing ▪ Look at Annual Performance Review scores per job title

Make Magic "Six" Talking Points for Managers

TALKING POINTS FOR MANAGERS
Audience: Management Team Delivery By: Store Manager Delivery Date: January Week 3 Materials Needed: Talking Points

A truly engaged store is a store where everyone every day feels appreciated and valued for all their great work and achievements. The MAKE MAGIC season is our opportunity to collect thousands of stories beyond the Magic Maker stories you write each month, recognizing the talent and passion behind all our magic. **Use the attached handout to encourage storytelling with your associates.**

- We ask everyone, managers and associates alike, to tell us about the amazing work around them via the **Everyday Magic** site. Please encourage associates and managers to continue to write stories this month for consideration both as a January Magic Maker winner and as an Annual Make Magic "Six" winner.
- While Magic Maker stories focus on "non epic" interactions, they will be considered for Make Magic "Six" Awards if they also rise to a significant accomplishment in one of the Make Magic "Six" categories: Driving and Making Results, Teamwork, Leadership, Innovations / Ideas, Customer Engagement and Giving. Simply click on a link off of My IN-SITE or from the portal, and you'll be delivered directly to your Everyday Magic homepage.
- We need to spread the word that all stories submitted instantly become part of the Everyday Magic storybook viewed by Macy's associates from coast to coast, and become eligible for MAKE MAGIC Six consideration.
- By **February 16th**, with your help, the best stories we received will be submitted via my Store Manager ballot to the District Selection Committee for MAKE MAGIC "Six" consideration. I encourage you to make sure that you personally submit stories about people you want to recognize, and urge your associates to do the same.
- I'll include as many as fifteen stories on my ballot spread across up to FIVE behavior categories (Leadership, Innovation/Ideas, Teamwork, Customer Engagement & Giving) and THREE employee groups (Individual Associate, Individual Executive & Teams). The District Selection Committee will then decide upon ten winners from our district.
- In March, I'll be selecting additional winners from our store based on scorecard results, reviews, and the great results demonstrated through the stories submitted for Driving and Making Results awards.
- There will be three additional Driving and Making Results awards chosen by our District Selection Committee and given out at the District level: Store Manager of the District, District Merchant / District Planner Team of the District, and District Employee of the District (associate or executive). We will be celebrating any DP's who have found other positions within the company.
- All MAKE MAGIC "Six" winners will be invited to a beautiful MAKE MAGIC "Six" event in late March / mid-April where they will receive an iconic crystal trophy, a sparkling pin, a signed certificate and an extra 10% discount that will go into effect June 1, 2015, through May 31, 2016.

Share this information with your associates, using the attached Handout as a reminder to everyone to enter stories. **Let the celebrations begin!**

JANUARY MAKES STORYTELLING EVEN MORE MAGICAL!

MAKE MAGIC "Six" Awards

- Driving & Making Results
- Leadership
- Teamwork
- Innovation / Ideas
- Customer Engagement
- Giving

In January, not only should you continue to share you heartfelt MAGIC MAKER stories about the little acts of magic that surround you every day so that we can select our January MAGIC MAKER winners, now is also the time to give shout outs to the "epic" stories that showcase the above and beyond achievements from throughout the year.

We will be selecting our annual MAKE MAGIC "Six" winners based on top performance in each of six categories: Driving & Making Results, Leadership, Teamwork, Innovation/Ideas, Customer Engagement & Giving.

We'll be looking at all the stories, big and little, that have been told throughout the year to find our winners. So, if you haven't done so already, be sure to let us know by **February 13th**, about an individual or a team's outstanding accomplishments that you think should be celebrated with a **MAKE MAGIC "Six"** annual award.



Keep those great stories coming!!

Be sure to tell us about all the star-studded accomplishments in your store by February 13th to be eligible for this year's MAKE MAGIC "Six" Awards!

Frequently Asked Questions …

Q. Who should I contact if I have technical questions or issues with the site?
A. Please contact our Help Center for assistance Monday – Friday (8:30 am – 5:30 pm EST) at 866-659-4438.

Q. Who can I contact if I have feedback or suggestions for the site?
A. Please email your ideas to: makemagichotline@macys.com or the feedback link on the Everyday Magic site.

Q. Where can I find specific instructions and helpful tips for creating my ballot?
A. You will find all the information you need on the Everyday Magic site itself simply by clicking on your "My Store's Stories" tab (in the My Stories section).

Q. Can associates submit a story from home?
A. Associates will be able to access the MAKE MAGIC "Six" site from home via My IN-SITE. Writing stories is always optional, and should never be mandatory for any associate. Associates should be allowed the opportunity to write stories from work via employment kiosks, training terminals or an office computer.

Q. Can I share my Login information with my management team to have them help me review incoming stories?
A. Getting partners is great! Since sharing your login will also share your personal celebration page in addition to your dashboards, for privacy reasons, you might want to use the detailed reporting provided on your dashboard instead. It will allow you to print or email all your stories so that you can solicit feedback from your team. You should also encourage all your managers to submit stories about their people, which will automatically appear on your dashboard for you to then put on your ballot if you choose.

Q. Can I start building my MAKE MAGIC "Six" ballot any time?
A. Yes, you can build your ballot all year round. You can add and remove stories on your ballot with a click of a button. The ballot is not final until midnight on **February 16th** PT when it will be automatically submitted to the district selection committee.

Q. Can I edit a Story before I place it on my ballot?
A. We recommend that you leave the story generally intact to preserve the author's intent. However, you can make small edits to correct typos, confidential information or inaccuracies. You will also be able to add either private comments for your own reference or public comments that will be sent on to the Selection Committee and can enhance the nominations.

Q. I have more than one great candidate for a specific award. Is that OK?
A. Yes, you can submit up to 15 nominations. We recommend that you try to evenly distribute the nominations across the five MM6 award categories (Leadership, Innovation/Ideas, Teamwork, Customer Engagement and Giving) and three employee

categories (Individual Associate, Individual Executive, & Team). We understand that you may need to double up on some categories due to your candidate pool.

Q. What if there are no qualified candidates for one or more of the specific awards?
A. The goal is to identify great candidates in each of the award categories. However, we do not expect you to create nominations where "above and beyond performance" does not exist. If for instance there are no individuals who you believe qualify for an Innovation/Ideas award, you should not feel compelled to submit one.

Q. How do I nominate a cross-functional team that includes more than one business unit?
A. Celebrating cross-functional teams is a core goal of our MAKE MAGIC "Six" program. The MAKE MAGIC "Six" process allows you to nominate such teams by simply identifying key team members by name on your ballot. HR Partners in each business unit will be notified that a cross- functional story exists. We recommend that you keep your team sizes to 2-3 individuals, if possible.

Q. When is the "Good Standing" status selected?
A. Good standing will be determined by the District Selection Committee upon selection. They will contact you to determine Good Standing status for any winners from your store.

Q. How large should my teams be?
A. Since the District is allotted a finite number of ten individual winners across the five awards, we recommend that you keep your teams to core members of 2-3 individuals, as much as possible.

Q. Is it possible to make changes to team members?
A. Yes, you can either add or delete team members from your dashboard using the edit feature within the story.

Q. Do I have to enter the same amount of MAKE MAGIC "Six" winners for Sales and Support within the Associate category?
A. No, we left the selection of winners up to you; you should disperse as proportionally as possible to reflect the mix in your store.

Q. What if I forget to submit my ballot to the Selection Committee?
A. You don't need to do anything to submit your ballot. All ballots will automatically be released to the Selection Committee at midnight PT on **February 16th**

Q. Who is responsible for coordinating the MAKE MAGIC District events?
A. As in years past, all District events are coordinated through your District office. Your DVP Admin will be in contact with you throughout the process informing you of MM6 timelines and event information.

Q. Is there an expense account to use for mileage?
A. There is no set expense account for mileage. All mileage should be taken out of the budget that is allocated for your event.

Q. Will my associates get paid for attending the event? If so, how do I process their pay?
A. Associates should be paid for their time during the event. All time should be processed as unproductive time in the store's regular account and should be entered by their manager after the event but prior to the end of the week that the event is held. Hourly employees will receive their hourly rate. Commission eligible associates will receive their Draw or Base rate consistent with their location's current practices.

Q. Do associates get paid for their travel time and reimbursed mileage?
A. Pay for travel time and mileage reimbursement should be determined utilizing the current established policies. Please see below for key points:

Associates working a shift in the store the same day of the event:
- All time for travel to and from the event should be paid.
- All miles traveled to and from the event should be reimbursed.

Associates not working a shift in the store the same day of the event:
- All time in excess of regular commute to their store should be paid.
- All miles in excess of regular commute to their store should be reimbursed.