

RETAIL MANAGEMENT EDUCATION IN CANADA  
CURRENT STATUS: FUTURE PROSPECTS  
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This paper examines current retail management education programs from both academic and retailer viewpoints in an effort to provide direction for future program development at academic institutions.

Introduction

An examination of the history of the training of retail managers reveals what appears to be an inconsistent relationship between retail organizations and academic training institutions. Some retail organizations seem to have a close working relationship with academic institutions while others barely know academic programs exist. Originally, retail training activities were carried out solely by the retail organizations themselves. As many of these organizations became larger and more sophisticated, the need for more academic training of their managers became evident.

Academic courses, programs and schools of retailing emerged in the U.S. in the 1930s<sup>1</sup> and later in Canada. Often these activities were initiated jointly by retailers and academic institutions and many worked well in providing needed instruction for prospective retail managers. Since that time, numerous retail related courses and programs have been added to the curricula of universities and colleges so that it now appears that a majority of institutions offer some sort of retail management course. Questions which such institutions need to examine as they expand or alter existing management programs to accommodate the needs of the retailing industry and their own objectives are as follows:

(1) What skills should be taught to prepare students for the world of retailing? (2) Are retail courses perceived by retailers to be valuable training grounds for potential managers? (3) Is it possible for a retail management course/program which meets retailer needs to fit into the academic program of our universities?

While several retailers regularly recruit employees who have graduated from academic institutions, many prefer to offer their own training programs or to utilize training seminars developed by their industry association. This suggests that many academic programs at universities or colleges may not be providing the kind of training that retailers desire or expect. Failure to meet such expectations and perhaps more importantly failure of both retailer and educator to understand the expectations of each other has most probably led to the situation which appears to exist today.<sup>2</sup>

Regardless of this, there is ample evidence that in the future retailers will need to rely more heavily on academic institutions for retail management education.<sup>3</sup> This is expected to occur for at least three reasons. First, the retail environment is becoming more technical and systemized.

Sophisticated financial and computer competencies will be required in retailing, the preparation for which is best provided in the academic environment.<sup>4</sup> Second, the increasing level of competition in retailing and the volatile nature of markets will make it imperative that retailers become more responsive to consumer swings and niches. Preparation for this is provided extensively in academic marketing programs. Thirdly, the increasing importance of the environment in which the retail institution operates will require the retail manager to have exposure to several disciplines, a broadened training which often is not acquired working up through the ranks of the organization.

Therefore despite what appears to be a general lack of coordinated effort between retailers and academics there is a growing need for effective and relevant training programs for retail managers. As a result of this need, the future of retail management education for universities and colleges appears positive. Could this mean that the future for all academic retail programs looks bright? This may be not necessarily so. There is some evidence that retailers are becoming more careful in their recruiting efforts.<sup>5</sup> They are beginning to evaluate the success rate for employees hired from among various schools. In view of this it may well be a good time for many academic institutions to evaluate their program offerings in retailing, their relationship to the retail community and the trends occurring elsewhere in retail management education. Some interest has been shown in this regard in the United States and recently in Canada.<sup>6</sup> An important part of such an evaluation would involve the age old

<sup>1</sup>Retail Education - Stanley C. Hollander, Journal of Retailing, Fall 1978, pp. 3 & 4

<sup>2</sup>Different Perspectives on Retail Education - Quinn G. McKay, Journal of Retailing, Fall 1978, p.81

<sup>3</sup>a) Recruiting - Marjorie A. Lake, Stores Magazine, April 1982, p.64.

b) Retail Education - Stanley C. Hollander, Journal of Retailing, Fall 1978, p.5.

c) Retail Education in Four-Year Institutions: What Does the Future Hold? - Robert A. Swerdlow, Journal of Retailing, Fall 1978, p.37.

<sup>4</sup>Retail Education - Stanley C. Hollander, Journal of Retailing, Fall 1978, p.5.

<sup>5</sup>Recruiting - Marjorie A. Lake, Stores Magazine, April 1982, p.64.

<sup>6</sup>Base Laid for Top Level Retail course - Volume Retail Merchandising, March 1982, p.34.

question of whether retail management education and especially the kind of training that retailers want and need, has a legitimate place in the curriculum of particularly the universities.

The purpose of this study is to assist in beginning such an evaluation in Canada. To the author's knowledge no other study has attempted to describe the current state of retail management education in this country and its perceived adequacy by the retailing industry.

The specific objectives of the study were as follows:

- 1) To describe the current state of programs and courses in retailing offered by academic institutions in Canada. This included obtaining information about the number of courses, format, background of instructor, style of instruction, number of students enrolling in retailing courses, and the textbook and resource materials used.
- 2) To investigate retailer attitudes and opinions towards these programs. Specifically, retailers' comments about the following items were sampled: level of interaction they have with academic institutions; the perceived adequacy of the courses; skill requirements; recruiting activities; and suggestions for improvement of existing courses.

#### Methodology

Two hundred (200) mail surveys were sent to academic institutions, retailers and retail industry associations in order to obtain information to meet the above stated objectives. The surveys and covering letters were sent in June and follow up calls were placed during August of 1987.

One hundred thirty (130) of the questionnaires were sent to Canadian colleges and universities. This sample was arrived at by subtracting those institutions which definitely do not offer retail related courses<sup>7</sup> from the total of academic institutions in Canada.<sup>8</sup> The remainder (130) were schools which either listed retail programs or courses, or for which it was unclear if they had such offerings from the information reviewed. Fifty-four (41.5%) academic institutions responded to the questionnaire.

Eight retail industry associations were identified and were sent the retailer questionnaire although with a different covering letter. Four (50%) of these associations responded to the questionnaire while the other four were not interested in participating in the survey as indicated by the follow-up phone calls.

Sixty-two (62) questionnaires were mailed to retail chains operating in Canada. All retail chains which contained over fifteen stores formed the sample.<sup>9</sup>

Response to the retailer questionnaire was 39 (60.9%) with approximately half of the respondents participating only in the follow-up phone calls.

#### Results

Responses to the questionnaires were tabulated and analyzed using the ABTAB software program. The most significant results for each constituency are as follows.

##### Academic Institution Response

Forty-two (82%) of the fifty-four schools responding to the questionnaire offer retail courses. Combining survey results with the literature review as previously cited as well as a listing from the Retail Council of Canada we conclude that there are between 90 and 105 academic institutions offering retail management education courses in Canada. This represents approximately 55-64% of all such institutions.

The survey also queried the instructor background and delivery style for retail courses at academic institutions.

As might be expected the universities utilize instructors with an academic background to teach these courses to a greater degree than the colleges do. Overall, however, instructors with academic and practical experience were popular with both types of institutions. Straight lecture dominates the delivery style of the majority of course offerings but over one third of the colleges use a lecture combined with workshop approach. Only two respondents reported use of an intern work-study approach to course delivery.

With respect to involvement of the retail industry in academic programs, 44% of responding schools indicate a moderate influence (some interaction but no significant course development input) while 32% report heavy involvement and 24% reported little or no involvement.

According to academic institutions, particularly the universities, retailers do not recruit extensively from these sources. Interestingly close to 20% of all respondent institutions were not aware if retail recruiting activities were taking place at their institution.

##### Retail Industry Response

In response to the question of adequacy of retailing courses only 25% of retail chains indicated that these courses provided a good mix between the theory and practical. Fifty-five percent felt the courses were inadequate - primarily too theoretical or too general. Surprisingly 20% were unfamiliar with retail courses in their area.

The most important areas of expertise which retailers felt colleges and universities should be providing to retail managers were communication,

<sup>7</sup> College and University Programs in Canada (Employment and Immigration Canada, 1985)

<sup>8</sup> Canadian Almanac and Directory (Capp, Clark and Pittman Ltd. Toronto 1986)

<sup>9</sup> Canadian Business Directory (Dunn and Bradstreet) and Directory of Retail Chains in Canada (Maclean Hunter) - latest editions

buying and marketing skills.

Additional findings from retailer responses were that while 47% encourage employees to take retail courses at academic institutions, 84% have their own in-house training courses and 10% have an academic institution teach the retailer-designed course. Only 21% of those retailers responding to the questionnaire recruit extensively from academic institutions while almost 37% do very little recruiting, from this source. If these percentages are combined with phone respondents' comments it is conceivable that approximately only 10% of larger retail organizations in Canada seek employees from college and university programs. This percentage would undoubtedly be even much less if the small retailer sector had been surveyed.

Responding retail chains voiced overwhelming support of intern or work study program in retailing with 18 (86%) indicating such a program would be very valuable or somewhat valuable.

Responses of the four participating retail associations generally coincided with the retail chain responses. Two of the four respondent associations indicated, however, that academic programs are not specific enough to meet member needs. As well, similar to the retailers' responses, they appear to see strong value in some sort of work-study intern program.

#### Conclusions and Recommendations

Several conclusions may be drawn from the responses to the questionnaire.

1. The high incidence of retail management courses at Canadian academic institutions indicates a recognition by those institutions of the need and value of such courses to the education of their students -- particularly those in marketing related areas. This corroborates evidence previously cited from the United States that retailing has become a legitimate offering at the university level. This has always, and continues to be, the case at many of our community colleges. Some of the colleges have maintained close contact with the industry and provide excellent programs in retail management albeit directed more at job training than to the teaching of theoretical concepts.

Changes in the retail industry and environment including advancing technology, increased competition and more complex environmental influences provide increased opportunities for retail management courses at the university level. What was once seen as a watered down training course by many of our colleagues is increasingly being accepted as having academic merit. Evidence from the U.S. shows that a majority of retail chains recruit from four-year as opposed to two-year programs.<sup>10</sup> While some of the U.S. institutions offer specialized retail programs which are not found in Canada, these same retailers cite student maturity of development and the greater possibility of outside work experience as positive aspects of this focus of their recruiting efforts. Although our survey showed that only a small percentage of students enrolled in retail

courses at the university level plan on entering retailing as their occupation, the fact of the matter is a relatively high percentage actually do end up in a retail related field eventually. Therefore there appears to be a niche that universities can service for potential leaders in the retail industry.

2. All too evident from the results of the survey is the lack of contact and involvement that the retail industry has with academic institutions. The industry generally perceives university and college courses to be inadequate or they are unaware of such programs or courses. Academic institutions, particularly the universities, have seemed somewhat uninterested in increasing the dialogue with the industry. Having established that there can be a role for the university to play in retail training the onus is on institutions to increase efforts at liaison with the industry. This may involve such steps as education about the value of their programs, some adjustment to course delivery and content, and an attempt to involve retailers where possible in such programs.
3. The difficult part of implementing the previous recommendation would be to do so without significantly and adversely affecting existing programs and courses. This study, however, has provided some insights as to how this might be done. The retail industry respondents were almost unanimous in voicing support for a work-study intern program in retailing involving our academic institutions. Such programs, if carefully developed, would not only go a long ways towards bridging the gap between retailers and academia which appears to exist today, but may provide long-term industry contacts and relationships which could prove very helpful to schools and programs in business management. In the final analysis it is the student, however, that stands to gain the most from such programs.

For many institutions work-study programs will not be possible even in the long term. In such situations similar benefits to work-study programs might be obtained by encouraging such interactive activities as summer intern programs, student project work with retailers, consulting, use of retailers on advisory boards and as guest speakers to classes.

Any of these initiatives could go a long way towards bridging the gap between the retail industry and academic institutions. It is entirely possible that both groups' objectives, once thought to be too divergent, can be reached. The retailer might obtain students with contemporary technical competencies, a more broad liberal arts background and critical thinking mindset, the capacity to integrate the theory with practice and an opportunity to screen potential employees. The academic institution will find a large body of current examples, case and project material to enhance teaching experiences and relevancy not to mention the possible support both financial and nonfinancial from the retail community. The real winners and the most important player in the game, however, will be the student who will be exposed to the theory, will have the

opportunity to see the practical side and may  
make valuable contacts for their future.

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<sup>10</sup>Recruiting - Marjorie A. Lake, Stores  
Magazine, April 1982, p.64.