

Matteo Guerrini

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Prof. Nicholas Bowersox

Class: BUS 348

Answer the following questions (single-space using a common style and font size - i.e. Times New Roman 12) on a Word doc and upload to the appropriate dropbox.

Short Answer (4 to 5 sentences)

1. Setting up a retail organization requires considering many needs - namely, target market needs, employee needs, and management needs. Briefly describe the considerations for one of these three.
2. Briefly describe the Mazur organizational plan for department stores.
3. Table 11-2 in the text lists the true costs of employee turnover. Discuss some of the factors in the table. Explain why turnover is ultimately so costly to retail organizations.
4. Table 11-3 discusses various aspects of hiring outside the company and inside the company. Compare and contrast each. What are the pros and cons of each?
5. Briefly define operations management as it relates to retail management.
6. Describe the strategic profit model. It provides a relationship between what variables?
7. Describe three benefits for a retailer of carefully preparing a budget.
8. Chapter 13 discusses various aspects of operating a retail business - store format and size, personnel utilization, store maintenance, store security, etc. Pick any one of these and describe why it would be important to a drugstore like Walgreens.

Long Answer (8 to 10 sentences)

1. Considering what you have learned about operations management in Chapter 12, what might be the benefits of a product like QuickBooks (<https://quickbooks.intuit.com/>) to a small retailer?
2. You own a sports goods store that sells products and services similar to Dick's Sporting Goods. In the upcoming summer, you plan to have a complete renovation of the outdoors (hunting and fishing) department. What operations decisions must you make?

Short Answer:

1. Management needs are essential when setting up a retail organization. One such consideration is financial management, which involves planning and managing the financial resources of the organization. This includes identifying and managing the cost of goods sold, labor costs, rent, utilities, and other expenses. Financial management also involves forecasting revenue and profits to ensure the business remains financially stable. Additionally, financial management involves the development and implementation of financial policies and procedures to ensure compliance with regulations and minimize financial risk.
2. Table 11-2 in the text lists several factors that contribute to the high cost of employee turnover, including separation costs (such as severance pay), vacancy costs (the cost

of the position being unfilled), replacement costs (advertising, screening, and training new hires), and productivity costs (reduced productivity while a position is vacant and while new employees are trained). Employee turnover is costly to retail organizations because it disrupts the work environment, reduces employee morale, and negatively impacts customer service. Additionally, high turnover rates can lead to difficulty in retaining talented employees, which can further exacerbate the problem.

3. One benefit of carefully preparing a budget for a retailer is that it allows for better financial planning and forecasting. With a budget, retailers can identify potential financial shortfalls and adjust their operations accordingly. Additionally, a budget provides a framework for decision-making, ensuring that resources are allocated appropriately and that the retailer stays on track to meet its financial goals. Another benefit is that a budget can improve communication and coordination among departments, helping to ensure that everyone is on the same page regarding financial goals and priorities. Finally, a budget can help retailers to identify opportunities for cost savings and efficiency improvements, which can ultimately improve profitability.
4. Table 11-3 discusses the differences between hiring outside the company and hiring inside the company. Hiring outside the company involves bringing in new talent, which can bring fresh perspectives and innovative ideas. However, it can also be more expensive and time-consuming, and the new hires may not fit into the company culture. Hiring inside the company involves promoting or transferring existing employees, which can increase motivation and retention rates. However, it can also lead to internal politics and missed opportunities to bring in new perspectives.
5. Operations management in retail management involves the planning, organizing, and controlling of the processes that produce and deliver goods and services to customers. This includes managing inventory, logistics, and supply chain management, as well as optimizing store layout and staffing to ensure efficient and effective operations.
6. The strategic profit model is a financial framework that shows the relationship between a company's net profit, assets, and return on investment (ROI). It provides a formula for calculating net profit by multiplying ROI by assets, and shows how changes in net profit can be achieved by adjusting either ROI or assets. This model helps businesses make strategic decisions about how to allocate resources to achieve maximum profitability.
7. Careful budget preparation offers three benefits to retailers. First, it helps retailers control expenses and ensure that they are spending money where it will have the greatest impact on their business. Second, it helps them plan for future growth and expansion by forecasting sales and expenses. Finally, it provides a benchmark for performance evaluation, allowing retailers to assess their progress towards their goals.
8. Store security is important to a drugstore like Walgreens because it is a high-risk business for theft due to the types of products they sell, such as prescription drugs and over-the-counter medication. Theft and fraud can cause significant financial losses for Walgreens and impact customer satisfaction. Implementing measures such as surveillance cameras, security tags, and hiring loss prevention personnel can help deter theft and improve store security.

Long Answer

1. QuickBooks can provide several benefits to small retailers. Firstly, it can help with financial management by providing a simple and efficient way to track and manage expenses, sales, and inventory. This can help retailers make better financial decisions and avoid running out of stock or over-ordering products. Secondly, QuickBooks can help streamline operations by automating tasks such as invoicing and payment processing, freeing up time for retailers to focus on other aspects of their business. Finally, QuickBooks can provide valuable insights into sales trends and customer behavior, helping retailers to identify opportunities for growth and improvement.
2. When planning a renovation of the outdoors department, several operations decisions need to be made. Firstly, the store owner needs to determine the scope and budget of the project, which will involve assessing the current state of the department, identifying necessary repairs or upgrades, and estimating the cost of materials and labor. Next, the owner needs to consider the layout and design of the department, ensuring that it is attractive and easy to navigate for customers. They may also need to consider factors such as shelving and storage, lighting, and signage. The owner also needs to ensure that they have the right products and services available to meet customer needs and preferences, which may involve reviewing sales data and market trends. Finally, the owner needs to plan for staffing and training, ensuring that employees are prepared to provide excellent customer service and are knowledgeable about the new products and services being offered.