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**Short Answer (4 to 5 sentences)**

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.

Target market needs are crucial to be met for a retailer to be successful. First of all, it is important that enough staff is on duty, offering the products and helping customers with questions etc. Furthermore, this needs to be quality staff, meaning that the employees need to be knowledgeable of the products they are offering and selling. These aspects need to be given, since customers expect there to be good customer service, which in turn will also make them come back to the retailer.

Briefly describe the Mazur organizational plan for department stores.

Many department stores use an organizational structure that is based on the Mazur plan. This plan divides all retail activities into four areas: Store management (1), including operations, customer service, human resources, inventory, "backroom" activities, and store maintenance. Communications (2), which includes public relations, advertising, window and interior displays, promotions, and online efforts. Merchandising (3) includes Buying, selling, stock planning and forecasting. Financial accounting (4).

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.

There are several reasons listed in table 11-2 that explain why employee turnover is so costly for retail organizations. One important reason is that until permanent replacement is found, fill-in employees are used. Apart from that, hiring new employees is costly in general in time and money as the company needs to be advertised and meetings and interviews need to be set up. Furthermore, once a new employee is hired, he needs to be trained which also consumes time and money. There are more reasons as to why employee turnover is costly, however ultimately they all lead to employee loyalty being lower as a consequence.

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?

Hiring outside the company can bring many benefits such as new perspectives and ideas, however it can also be time consuming and expensive in comparison to hiring from within the company. Furthermore, people from outside the company need to be trained etc, and generally don't know much about the company yet. Hiring from within the company saves aspects like time and money for recruiting and training, and employees already know about the ins and outs of the company, which is beneficial. However, on the other hand this limits the diversity of the company and there might also not always be the right person for a specific position in the company.

Briefly define operations management as it relates to retail management.

Operations management in retail management refers to the planning, organizing, and coordinating of all activities necessary to ensure the smooth and efficient functioning of retail operations. It involves managing inventory, logistics, sales, and customer service to meet the demands of customers. Optimal operations management can lead to higher sales and higher customer satisfaction. It also involves implementing strategies to improve operational efficiency in the areas of new technologies or optimizing supply chain management for example.

Describe the strategic profit model. It provides a relationship between what variables?

The strategic profit model reflects the measure of return on net worth (RONW). It provides a relationship between net profit margin, asset turnover, and financial leverage and can be used to plan and control assets. Using this model can help retailers identify the cause of its poor return on net worth to be weak asset turnover or financial leverage that is too low. A firm can raise its return on net worth by lifting the net profit margin, asset turnover, or financial leverage.

Describe three benefits for a retailer of carefully preparing a budget.

Carefully preparing a budget brings several benefits for a retailer. It can for example help them to gain a better understanding of their financial situation by forecasting their revenue and expenses. In turn, this helps them to make informed and calculated decisions about how to use their resources and how much to spend on different things. It is also important to compare the budget and the actual performance regularly as this can help to ensure the long-term financial health and stability of the business.

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.

Store maintenance is important for a drugstore like Walgreens for a number of reasons. Keeping the store clean and free of hazards helps to ensure safety for customers and employees. Furthermore, it helps to create an overall positive shopping experience. Apart from that, store maintenance is also important in order to extend the lifespan of all different kinds of physical assets the store has.

### **Long Answer (8 to 10 sentences)**

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?

QuickBooks is a comprehensive accounting software that can provide several benefits to small retailers. It can simplify the retailer's financial management processes and save time in this area. Furthermore, an important aspect is that the software can reduce the risk of errors. QuickBooks can help retailers keep track of their sales and expenses in real-time, allowing them to monitor their cash flow more closely. This can help them make better-informed business decisions and identify opportunities for growth. Apart from that, the software can generate a range of financial reports, including profit and loss statements, balance sheets, and cash flow statements. These reports can provide valuable insights into the retailer's financial performance and help them identify areas for improvement. While there are many more features, something really valuable to mention is that QuickBooks offers customer support and training resources, which can help small retailers learn how to use the software effectively and get the most out of its features.

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?

In order to renovate the outdoors department, I need to first of all determine a budget for the renovation, before going ahead with planning etc. Once that is done, there are several decisions that must be made, including me needing to consider the layout and design of the new department. This will include decisions around how to display products, where to place signs, and how to optimize traffic flow. Apart from that, I will need to develop an inventory management plan for the new department. This would include determining how much inventory to carry, how to track inventory levels, and how

to reorder products as needed. Furthermore, I would need to plan marketing and promotional campaigns to drive traffic to the new department. This might include creating targeted advertisements or offering discounts. Moreover, I would need to make decisions concerning safety aspects as well as technology etc. Carefully considering all these decisions that must be made will help to ensure the success of the newly renovated department.