

AN EVALUATION OF CAREER POTENTIALS
IN THE FOOD DISTRIBUTION INDUSTRY

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FOOD DISTRIBUTION INDUSTRY

by

Donald E. Harrington

AN ABSTRACT

Submitted to the College of Business and Public Service of
Michigan State University of Agriculture and Applied
Science in partial fulfillment of the requirements
for the degree of

MASTER OF ARTS

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Curriculum in Food Distribution

Approved

C. A. Brand

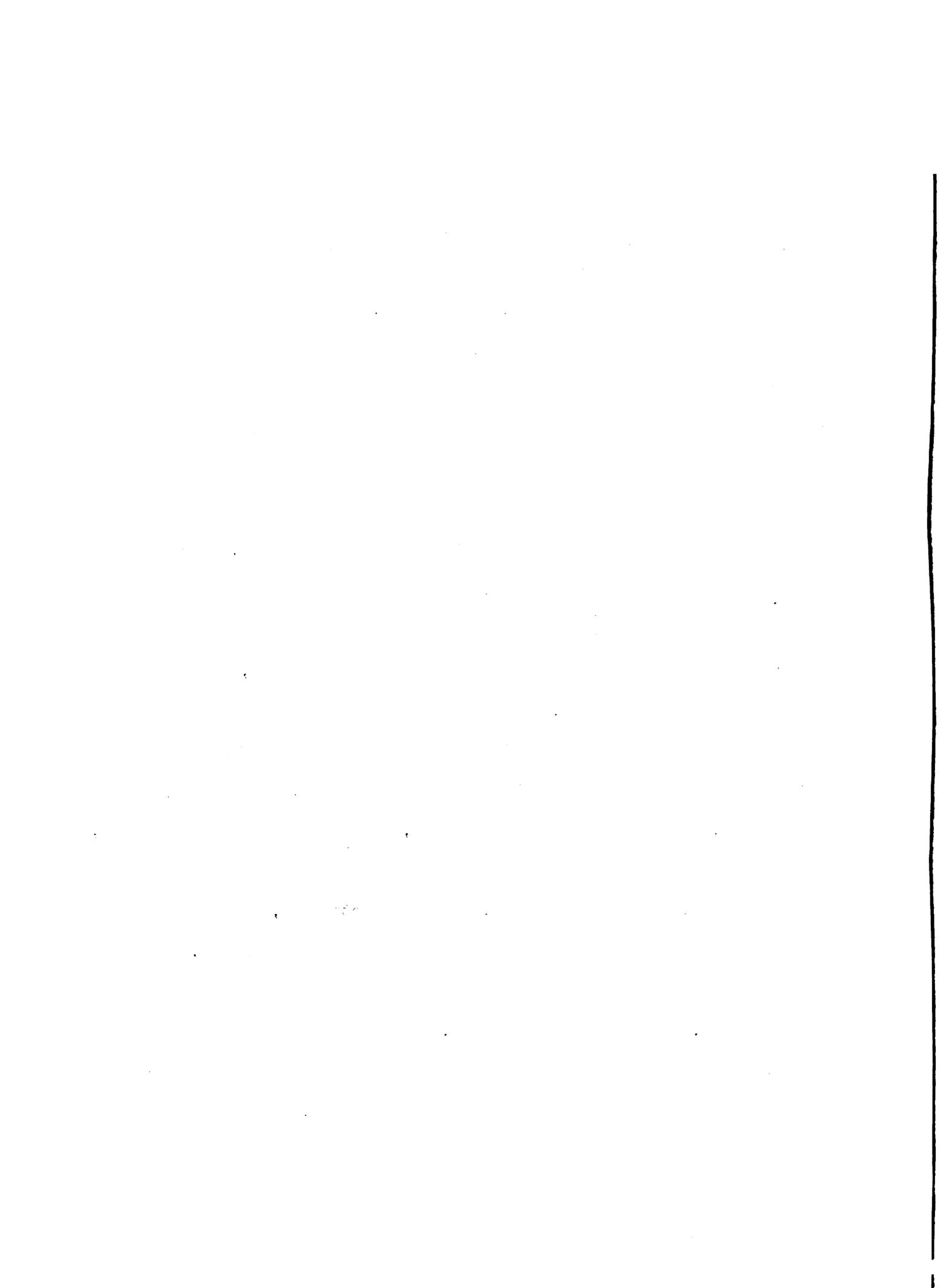
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Donald E. Harrington

The purpose of this study is to point out the career potential existing in the food distribution industry and to suggest ways to inform the general public of this fact. Food distribution is an expanding industry and there are many opportunities available to young men who are interested in this field. At present, most American businesses have a shortage of executive talent. Food distribution companies are also feeling the shortage of executive talent and the shortage is amplified in some cases because of the extension of executive positions to the store management level.

American business is turning to the colleges in order to recruit young men who can be developed into the leaders of tomorrow. The number of college graduates has increased, but not substantially enough to meet the demands of business. Food companies recruiting on college campuses are not only competing with companies in the same industry, but with companies in all industries. The demand for college graduates is at an all-time high. Students are taking an increasing number of interviews before accepting a position with a particular company. Opportunity for advancement, challenging training programs, competitive starting salaries, and long-range benefits are what the students consider most important in choosing a job. Food distribution, a part of retailing, is considered by many college students to be one of the less-glamorous fields. The recruiters of food distribution companies have a job not only to sell their company, but the entire industry.

The job characteristics desired by college students that were mentioned above can be found in the food distribution industry. Young men entering



this field are not limited to any particular job, but can choose from approximately 250 job classifications. Those students who are interested in food distribution can find a challenging and promising future in this field.

Although the food distribution industry offers a promising career to young men, the general public is not cognizant of this fact. Food chains have a job of convincing the general public, their employees, and students that this field has much to offer young men. "The Survey of Food Distribution Students", Chapter Five, was conducted to determine what made the young men attending the Food Distribution Curriculum at Michigan State University enter this field. The survey revealed the low percentage of students who had relations in the industry; the high percentage of students who started work as part-timers while still in high school; the little amount of advice about food distribution given to the students in super markets, high schools, and colleges. With the facts presented in this survey in mind, the author attempts to suggest ways that food chains could encourage more young men to seek careers in food distribution.

As a first step, the chains should gain a favorable attitude toward the industry from the general public. The use of more dignified terminology when referring to positions in the industry or the industry as a whole; open houses so the public can see the operations behind the sales areas of super markets; speakers bureaus and motion picture films informing the public about the vastness food distribution entails; and press releases to keep the public abreast of current happenings in the industry are good tools to use in communicating with the general public. Once the public

has the attitude that food distribution entails more than just stocking cans on a shelf, the job of attracting college graduates into the industry will be made easier.

Employees play an important role in formulating the opinion of the general public toward an industry or company. Employees, whether starting or terminating employment, should be treated in a friendly manner so they will speak favorably of the company in conversations with their acquaintances. Families of employees can play an important part in establishing the dignity and prestige of jobs and should be given the opportunity to see the operation involved in food distribution so the right impression will be created in their minds. Part-time workers are good potential executives and this group should not be overlooked by the chains. The more part-timers can see of food distribution above the store level, the greater the chance of convincing them of the possibilities of careers in this industry.

In order to acquaint the college students with the various facts about the food distribution industry, companies should supply the libraries of the college placement bureaus with literature about the industry as well as their own company. Food distribution companies could attract undergraduates into the industry by offering such things as summer training programs and cooperative educational programs. Sponsoring career days and contests for high school students will help to educate the young American men on the career possibilities found in food distribution. College undergraduates and high school students represent a good area of concentration for the food chains inasmuch as this group will be the potential business leaders of tomorrow. Educators and guidance counselors, both

at the high school and college level, can be influential in aiding the students selecting careers. In the future, chains would be wise to create a closer relationship with this group in order to acquaint them with the career potentials available in food distribution to the up and coming young Americans.

"The Food Distribution program at Michigan State University is under the sponsorship of the National Association of Food Chains."

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PREFACE

Food distribution is an expanding industry and there are many career opportunities available for young men who are interested in this field. Many persons do not realize the vastness of food distribution; and, hence, are not aware of the existing career opportunities. The purpose of this thesis is to explain the career possibilities existing for young men in food distribution and to suggest ways to familiarize the general public of this fact.

Chapter One and Two explain the growth of American business as a whole and the increased shortage of qualified executives. These chapters deal more specifically with the growth of the food distribution industry and its shortage of executive talent. The purpose of the first two chapters is to explain that food distribution is a large industry and qualified executives are needed to manage the operations of today's super market chains. A store manager, in many instances, has an executive position.

The management of many business firms believe colleges are good places to recruit young men who can be developed into future executives. What college students desire when selecting a career in an industry or a company along with the present college recruitment conditions are explained in Chapter Three. Keeping in mind the facts presented in Chapter Three, Chapter Four establishes the fact that there are positions available in food distribution for college graduates--the types of

positions graduates desire.

In Chapter Five, "The Survey of Food Distribution Students" is presented. The survey pertains to the background of the students attending the Food Distribution Curriculum and what made them decide on the food industry as a career. The findings of the survey are used in subsequent chapters to determine the areas where more publicity about food distribution should be directed. The subsequent chapters suggest ways that food chains can inform the general public, employees and students (high school and college) about the food distribution industry and the career possibilities existing in this field.

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CHAPTER I

THE GROWING FOOD INDUSTRY

The outlook for the entire American economy looks good. Inland Steel's President, Joseph Block, says, "If ever there was a time when predictions on the future growth of American business is safe, this is it."¹

There are few economists who think it is possible for the economy to keep raising with the same speed as it did in 1955. But though the United States may rest to digest what it has already produced-- and the breather may stir up cries of "recession"--the forecasts for 1956 are impressive by any standards.

For 1956, Administration economists predict a total gross national product of \$403 billion, 4 percent higher than 1955. Personal income is expected to jump to around \$310 billion, about half the 1955 advance, while savings hold steady at the 1955 rate.²

President Eisenhower predicts a national product of \$500 billion in the next decade. This is an increase of \$141 billion from the 1954 national product of \$359 billion. Since 1947, the population has grown on the average of 2.5 million persons each year compared with the one million annual growth in the nineteen thirties. In 1955, the increase

¹"Business in 1955", Time, Vol. LXVII No. 2 (January 9, 1956), p. 78.

²Ibid., p. 81.

was 2.75 million persons and the United States Bureau of Census estimates a population of 190 million people by 1965--a 25 million increase expected in the next ten years.³

Over the past few years consumer prices have remained somewhat stable while the wages of the masses have climbed upward. Coupling the increase in wages--meaning more purchasing power to the consumer--with the increase in production brought about by automation, the standard of living of millions of Americans has risen enabling them to purchase items that in the past were too expensive. Business as a whole is expected to increase 10 percent in 1956-57 to meet the increases in productivity and standard of living. Some businessmen consider the prosperous 1955 not as a year of excessive expansion but a year of trying to catch up.⁴

The number of families earning more than \$5,000 annually is increasing. It is predicted that by 1959, an increase of more than 50 percent from 13 million to 19.3 million families will fall into this income bracket. The group earning more than \$5,000 will account for 60 percent of all the expenditures in 1959 against 48 percent in 1953.⁵

Retailing Future

Not lagging behind the rest of the economy, the retailing trade has enjoyed phenomenal growth and there are no foreseeable signs of any

³James C. Worthy, "The Next Ten Years in Retailing", Changing Patterns in Retailing, ed. by J. W. Wingate and Arnold Corbin, (Homewood, Illinois, 1956), p. 8.

⁴Arno Johnson, "Keeping Up With Tomorrow's Market", Management Review, Vol. XLV No. 2 (March, 1956), p. 182.

⁵Editors of Fortune, ed., The Changing American Market, (Garden City, New York, 1955), p. 13.

serious decline in the near future. The preliminary estimates for 1956 forecast another vigorous business year for retailing. With unemployment at a low figure (2.5 million unemployed compared to the 65 million employed in 1955) and the high family income, retail sales are expected to be in the neighborhood of \$195 billion in 1956. This \$195 billion business is 5 percent higher than the \$186 billion record of 1955. At present retail sales have surpassed previous expectation.

The following shows the growth of retail sales increasing proportionately more than the United States population.⁶

| <u>Year</u> | <u>Population (millions)</u> | <u>Retail Sales (million)</u> |
|----------------|------------------------------|-------------------------------|
| 1939 | 130.9 | \$ 42,042 |
| 1946 | 141.3 | 102,488 |
| 1955 | 165.2 | 185,614 |
| 1956(estimate) | 167.7 | 195,000 |

Though the family income is increasing, the number of people depending on this income is also increasing. There is a proportionate increase in the number of non-workers, such as, children and old people making a larger family unit. To the retailer this means that more money will be spent on necessary items such as food, clothing, housing, and medicine.⁷

Consumers, because of the increase in population, family size and standard of living, will contribute to a 40 percent increase in physical volume of retail sales in the next ten years. To meet this increase, larger capital investments will be needed to adequately supply the

⁶"The Trend of Business", Dun's Review and Modern Industry, Vol. 27 No. 2, (February, 1956), p. 27.

⁷Editors of Fortune, ed. loc. cit., p. 229.

consumer needs. The number of employees in retailing will have to increase to 11 million by 1965 which is an approximate increase of 2 million from the 1955 figures.

Today's retailer, in order to remain competitive, will have to improve his methods of distribution in order to stay in a favorable competitive market situation. The inefficient retailer with out-moded methods and equipment will go out of business unless he improves his organization. The retail market is shifting to a buyer's market rather than a seller's market.⁸

The Food Industry

What does the increase in population, family size, standard of living, and production capacities mean to the food industry? The answer to this question could be summed up by saying that expansion is a must. The population as a whole will demand greater quantities of improved food products.

For a further analysis of what has happened and will happen to the food industry, let us consider:

Food Consumption. Retail food prices on the average are a little lower than they were last year and, judging from the standpoint of available supplies and agricultural crop prices, they should continue at about the present level for the foreseeable future. In 1944 the consumer spent roughly 21 percent of ~~disposable~~ income for food. Today the equivalent amount of food can be purchased for about 19 percent.

⁸James C. Worthy, "The Next Ten Years in Retailing", op. cit., p. 8.

Actually 25 percent of ~~disposable~~ income is now being spent. For this 25 percent, consumers are obtaining more food, better food, and food that contains many additional built-in "kitchen-ready and maid services" which save housewives hours of work.⁹

Product Changes. Not too many years ago, the typical grocery store was a cluttered and rather dingy place which offered less than 1,000 different items. Today's markets carry anywhere from 4,000 to 7,000 items depending on the size of the store. One-third of these items were non-existent ten years ago; and another third are now in a different form, new style, new package, new usage, etc.

The food industry now provides the consumers with a myriad of excellent, new and improved products. Cake mixes; soluble beverages (powdered soft drinks); instant coffee and desserts; dehydrated foods; frozen soups, pies, and complete dinners; dietetic foods, and baby foods, are now found on the grocery shelves.

"Convenience" foods have become the standard. To the 12 million married women working in full-time jobs, these new products mean that time can be saved. Instead of spending five and one-half hours in the kitchen preparing the three daily meals, the housewife can do it in one and one half hours which means she has four hours of free time to do other things.

There is almost as much difference between the 1944 housewife's market basket and the present-day one as there is between the 1955 automobile and the one driven in 1944, or as between the 1944 experi-

⁹Grocery Manufacturers of America, Inc., Bulletin #2021: News From The G.M.A., (October 3, 1955), p. 1.

mental model television set with its six inch screen and today's elaborate 24-inch screen model. At least one-third of today's grocery department sales are items that did not exist ten years ago or were available in token quantities. Adding these new items with the changed and improved products, we find that two-thirds of the grocery volume is attributed to items which were new and different from those of ten years ago.¹⁰

Sales Volume. Paul S. Willis, President of the Grocery Manufacturers of America, predicts that the nation's food industry can achieve sales increases of nearly 25 percent by 1960 and almost 50 percent by 1965. In 1939, the food industry's volume was \$16 billion; in 1944, \$31 billion, and in 1955 it has grown to \$68 billion. In total, food sales are up almost \$35 billion in the past 10 years. Estimates show that sales of food products will increase \$30 billion in the next 10 years if there is no change in price level. By 1960 sales are predicted to increase \$17 billion. The 1965 estimates foresee food sales of \$96 billion.¹¹

Chain Store Super Markets

Now that we have seen the great potential ahead in the entire food industry, let us look more specifically at what is happening to the chain super markets. No longer can a man rent an old garage, and with

¹⁰Paul S. Willis, "The Economy of Free Enterprise", Address before the Women's National Republican Club, Inc., New York, (March 27, 1956).

¹¹Grocery Manufacturers of America, Inc., Bulletin #2032: News from the G.M.A. Newsroom, (October 4, 1955), p. 1.

a few thousand dollars go into the business.

Today, chains have stores with gross annual sales of over 5 million. The cost of opening stores has jumped to a minimum of \$250,000 and ranging as high as \$1,000,000.

Results of a survey by the National Association of Food Chains showed that 100 food chain stores were opened in 1940. Today, only 23 are operating without major remodeling and 26 have been abandoned. Reasons for store abandonment or remodeling, in order of frequency mentioned by members answering the survey were: (1) lack of store space; (2) building or equipment obsolescence; (3) population changes; (4) new competition. Other less important reasons included hazardous auto traffic which made it difficult for customers to get in and out of the parking area, undesirable lease terms, and need for additional stocking area.¹²

From this survey, it can be seen that changes and expansion are occurring, making past facilities obsolete. A super market built in the nineteen forties will not compare with the mammoth markets being built today.

The chains are not only capitalizing on the growth in the food sales, but are branching out into other fields. Non-food merchandise such as health and beauty aids, china, soft goods, housewares, hardware, nursery stock, razors, and in even rare cases, heavy appliances can be found in the super market.

¹²"Record Turn Out at the 22nd. N.A.F.C. Convention", Chain Store Age, Vol. 31 No. 12 (December, 1955), p. 47.

A survey by Super Market Merchandising in 1954 brought out many observations. First, it showed that sales from non-foods in general averaged 11.9 percent of total sales. Non-food sales in 1950 totaled between \$700 million and \$1 billion and increased to \$1.9 billion by 1953. A 90 percent increase was shown within three years.¹³

Non-food sales are still growing in volume as new lines and items are being added. The Grand Union Company, East Paterson, New Jersey recently announced to the public that it is building a 20,000 square foot addition to one of its stores to sell only non-food items. This new addition will handle inexpensive women's and children's clothing, cameras, costume jewelry, fishing rods, toasters, out door lawn furniture, and many other items. Mr. Lansing P. Shield, President of the Grand Union Company, predicts that in five years, every super market will be a small department store.¹⁴

Two chains, namely, Food Fair Stores of Philadelphia, and The Grand Union Company, have established partly owned subsidiaries to build shopping centers. This is an example of further expansion into fields other than the food business.

Food chains from the beginning in the 1930's have been circumventing the grocery wholesaler by buying direct from the manufacturer, and doing their own warehousing and transporting. This circumventing process is being extended to the new lines of non-food merchandise. Most non-food items were introduced to the chain by rack jobbers, but as the line of

¹³M. M. Zimmerman, The Super Market, (New York, 1955), p. 246.

¹⁴"The Super Market", Time, Vol. LXVII No. 21 (May 21, 1956), p. 99.

merchandise is proving itself profitable, the chains are absorbing the wholesaling function.¹⁵

Sales Increase and Expansion. Taking a look at how sales have increased for food chains in March, 1956, with 80 chains representing 13,606 stores reporting to Chain Store Age, the national sales increase was 9.1 percent over March, 1955. This comparison of March's sales figure is typical for the year.¹⁶

Looking more specifically at what particular chains have accomplished in 1955 and what they intend to do in 1956:

For the first quarter ending March 31, 1956, ACF-Wrigley sales were up. The exact increase is not known because of the company's acquisition of other smaller chains with fiscal years ending on different dates. In 1956 ACF-Wrigley, Detroit, Michigan, plans to open 40 new markets averaging \$2.5 million per store. The average per store annual sales for the entire chain is \$1.8 million and its management anticipates a further increase in the future. (The national per store sales average is under one million dollars.)¹⁷

J. Weingarten's annual report shows that their net earnings were up 39 percent over 1954. The increase in sales was \$8,375,317 over 1954 which brought this figure to \$77,975,730--a new high.¹⁸

¹⁵M. M. Zimmerman, loc. cit., p. 241.

¹⁶"Regional Sales Report For March 1956" Chain Store Age, Vol 32 No. 5 (May, 1956), p. 100.

¹⁷News item in Supermarket News, May 21, 1956, p. 26.

¹⁸"Annual Reports", Chain Store Age, Vol 31 No. 12 (December, 1955), p. 9.

Safeway Stores sales hit a record high of 1.9 billion dollars in 1955. Their domestic store sales rose 6.2 percent to \$1,738,889,565, while Safeway's Canadian units sales rose 10 percent to \$174,037,798 during 1955. In the next three years they anticipate the building of 235 new units.¹⁹

Stop and Shop's annual sales for the fiscal year ending July 31, 1955, were the highest in the chain's history. Sales of the New England chain for the 52-week period were \$82,430,337--a 5.48 percent boost over the previous year's total of \$79,651,017. For the 1956 fiscal year, the company plans on opening twelve new units bringing their total number of stores to 99.²⁰

Food Fair Stores, Philadelphia, reports a 15.8 percent rise in sales with a 24.8 percent increase in net income for a 28-week period ending December 12, 1955. Fifty-five additional units are planned for the fiscal year 1956.²¹

The Grand Union Company, New Jersey for 1955 reached an all-time high of \$283,003,166 in sales representing an increase of 29 percent over the fiscal year 1954. Net earnings also hit a new high with a rise of 24.8 percent over 1954. They plan on opening 46 new units in 1956 which will substantially increase their sales volume.²²

¹⁹Ibid., p. 7.

²⁰"Annual Reports", Chain Store Age, Vol. 31 No.12 (December, 1955), p. 9.

²¹"Sales Reports", Chain Store Age, Vol 32 No. 1 (January, 1956, p. 7.

²²The Grand Union Company, Annual Report to Stockholders: 1955, (April, 1956).

Conclusions

The food industry as a whole is likely to enjoy prosperous years in the future. The population of the United States shows every indication of increasing. People today are buying more expensive food products with the "built-in" services, new products or product forms and uses are constantly coming into being, replacing older products. To meet the splurge of new products, super markets have grown large in size. In addition to selling food products, the super markets have branched out into the non-foods field. The addition of new product lines has made it easier for the housewife to complete her shopping chore under one roof--one stop shopping.

Individual chains are rapidly expanding with the industry. The weaker and poorly managed chains are being absorbed by the prosperous ones. Sales for 1955, as reported by most companies, were greater than ever before in their histories. Looking to the future, many chains are planning to build more units than ever. New super markets will add anywhere from \$1.5 million to \$5. million per year to annual sales.

CHAPTER II

FOOD DISTRIBUTION'S NEED FOR EXECUTIVES

During the past 100 years there has been a tendency toward separation of ownership and management. The large corporations of today with the multiplicity of stockholders and the complex operational problems require an increasing number of professional or career managers who in some cases own very little of the firms. These managers are "trustees" of other people's capital with a responsibility to serve the interest of the employees and public as well as the stockholders.

The complex organization of today demands that management be cognizant of technical innovations in order to operate successfully. Technology has in the past and will continue to make possible much greater production with fewer people in order to attain the standard of living desired by the American people

The output per worker is expected to climb 43 percent by 1960, compared with a 21 percent gain between 1940 and 1950. This assumes a 1960 population of 170 million with a working force of 66 million.

To keep up with the great expansion demands in the economy, business leaders will have to achieve the capacity and ability to formulate and apply a philosophy of management that visualizes and embraces:

- "A. A managerial or administrative point of view which properly integrates the processes of technological innovation, production, distribution, financing, and human utilization to achieve socially desirable profit and service objectives in a private enterprise economy.

- B. Essential proficiencies in the functions of creative planning, organizing, and controlling the activities of complex and decentralized forms of business organization.
- C. An intelligent understanding of the fundamentals of human motivation and education as a basis for human relations in production, human reactions in distribution or marketing, and community relations for human happiness.
- D. Competency in communication to effect understanding among employees, shareholders, and the public (domestic and foreign) about the objectives, policies, processes, and organizational relationships of a business organization.
- E. An understanding of the impact of the technology of production and distribution on increased productivity, standards of living, employment and human satisfactions.
- F. Realization of the relationships between specialization and generalization in education for business leadership and the performance of business functions. Both general specialists and specialized generalists to provide leadership for our 1970 economy may be needed.
- G. The ability to provide an increasing utilization of human effort for suitable human work by providing increasing relief from routine physical work by the proper use of indirect energy. There will be greater use of employees in work which requires intelligence and education."²³

Bigness Has Responsibilities

One of the most important post war trends in retailing is toward bigness through mergers and intensive expansion programs. Professional management in corporations increasingly accept the concept that the business corporation is developing into quasi-public institutions. Corporate managers today accept, as part of their jobs, community and national responsibilities.

²³John F. Mee, "The Impact of Economic Evolution on Education Requirements", Bulletin #23: The College Graduate in the American Economy, 1970, (University of Indiana, 1955), p. 42.

Many individuals believe that bigness in itself is not bad but the power enhanced by bigness can be abused, seriously hindering the small business or the whole economy. In decision making, business leaders have to consider not only their companies, but the small competitor, the community, and the various governmental agencies.²⁴

Corporate managers today have to be more public minded in their operations because of their relationships with the Security and Exchange Commission, the Federal Trade Commission, the Food and Drug Administration, the Department of Justice, Congressional investigations, and the Department of Internal Revenue as examples. Neither the public nor the government can be ignored. In modern management philosophy, the profit motive is no longer supreme among business managers. The service objective along with the social responsibilities occupies a place of comparable importance with the profit objective, at least in the short run, in the management philosophies of business managers.²⁵

Great Man Hunt

American industry is on the greatest man hunt in its history. It is hunting for executives to fill top jobs today and to fill those that will become vacant in future years. Seldom has there been a greater opportunity for able men, not only to get good jobs, but to move ahead fast. The chief reason is that industry, which has just about doubled in size during the great post war booms, needs far more bosses than they

²⁴Gordon Cross, "The Responsibility of Bigness", Journal of Retailing, Vol. XXXI No. 3 (Fall, 1955), p. 115.

²⁵John F. Mee, op. cit., p. 42.

have time to train. The corporations having solved to a large extent the mechanical problems of mass production, are finding it harder to learn the things they must know to mass-produce the executives they direly need.²⁶

In a survey of 3,000 middle management executives representing all business fields, it was found that only one-third were presently qualified for advancement. The same survey revealed that 42 percent of the top management group were of the age bracket between 55 and 65, and should be retiring within the next ten years.²⁷ In addition, considering the normal deaths, disabilities, turnover, and the five percent annual growth pattern existing at present in American business, the conclusion is that there is an extreme need for executive talents.

Contrary to past practices, when specialists were sought, companies today are generally seeking men with wide, overall interests, especially men who have demonstrated qualities of leadership and ability to get along with people. According to a survey of the American Management Association, 30 percent of the 500 leading corporations have an executive development program.²⁸ Companies are taking promising young men and putting them through a systematic program to develop the brightest of them into executives. These men are shifted from department to department to get the broadest possible view of the entire operation

²⁶Editors of Time, "The Great Man Hunt", New Directions in U. S. Business, (1955), p. 4.

²⁷C. Wilson Randle, "How to Identify Promotable Executives," Harvard Business Review, Vol. 34 No. 3 (May-June, 1956), p. 122.

²⁸Robert K. Stolz, "Is Executive Development Coming of Age?" Journal of Business, Vol. XXVIII No. 1 (January, 1956), p. 48.

and to keep from getting in a rut that is frequently the penalty of over-specialization. Such programs are being created in an attempt to establish a "second team" management group that can take over when something happens to the top echelons.

A company finds it quite frustrating to shelve a good idea or delay the launching of an ambitious and well-designed plan for expansion because no executive talent is available. One of the serious problems in expansion is finding executives with the diversified ability that is needed for the varied and extensive operation. Executive talent is not a commodity one can find in profusion on the open market. In most instances, it is necessary to hire young men who have the ability to be developed into future executives.²⁹

Today with the American market becoming increasingly competitive, more competency and skill is needed in corporation management. The increasing cost of equipment, brought about by automation which has resulted in mass distribution of products, has increased financial risk. The demands on management have become bigger and more complicated and the necessity for making the right decision has become extremely important.

Present-day management is concerned with 10 or 15 year planning. This future planning is lengthening the time span between economic decisions and their application; again, making the decision-making process more complicated. The necessity of developing executives today

²⁹Nathaniel Stewart, "Building Tomorrow's Management", Dun's Review and Modern Industry, Vol. 27 No. 1 (January, 1956), p. 40.

that will adjust and complete tomorrow's plans is a very important factor. Only if tomorrow's management has the ability to fulfill such plans can they be worthwhile and effective.³⁰

Quantitative Need

Besides the factors noted previously, the low birth rates during the depression years have seriously contributed to the shortage of potential executives. The "depression babies" are now of the age to be entering the lower levels of management as an initial step toward top executive positions of tomorrow. It will take more than ten years before the "war babies" will be of age to help alleviate the present shortage.

The unexpected and unprecedented growth of business after the war and continuing to the present, increased the number of executive positions available to young men. From 1940 to 1954, management jobs increased 67 percent while total working force increased 35 percent and the population increased 22 percent.³¹

During the war many retirements were postponed which resulted in a surge of retirements after the war. The post-war period saw many young men rise to top management positions leaving a serious gap in the middle management group. Today this gap still exists because of the shortage of executive man power in comparison to business expansion.

³⁰Peter F. Drucker, "The Management Horizon", Journal of Business, Vol. XXVIII No. 7 (July, 1955), p. 155.

³¹Robert K. Stolz, op. cit., p. 48.

Eighty percent of the American male youths are rendering two or three years of service to the military. This period of service has lengthened the time between school completion and the industrial employment. A further potential shortage could exist because of the number of men in the lower management group who are subject to recall to military service.

Food Distribution Industry's Need for Executives

The food distribution industry is no different than other large scale industry, in fact, it is the largest business in the nation. It serves 165 million Americans who annually spend more than 35 billion dollars in food.³² There are over one-half million food retailers throughout the country, and 53 percent of the business is done by approximately 21,500 super markets.

The large food chains have need for technical and non-technical employees such as accountants, engineers, lawyers, buyers, merchandisers, personnel administrators, and public relations people to name only a few. The food industry like all other industries, is suffering from lack of executive talent.

Store Managers as Executives

Recently the editors of Fortune asked leading businessmen what in their opinion constituted an executive. In the survey, the following

³²Michigan State Placement Service, Bulletin: Your Future in Food Distribution, Michigan State University, East Lansing, Michigan.

was found: An executive is a person who is paid for a full-time job which--

1. Directly helps to fulfill his company's objectives and overall policy.
2. Is required to make or approve decisions that significantly affect profits and future plans.
3. Coordinates several major divisions or departments of corporation functions.
4. Maintains and develops an organization of trained subordinates to achieve the company's objectives.
5. Delegates responsibility and authority to the organization, and controls performance and results through at least one level of supervision.³³

By the above definition, a store manager of a modern-day super market is an executive. He has direct authority over anywhere from 25 to 150 employees and in some cases is responsible for more than 5 million dollars in annual sales.

The duty of a store manager is to contribute to the fulfillment of the company's objectives by seeing that the policies set forth by the company are adhered to by all employees. Super markets operate on a very close margin of profit which means that the operation has to be closely controlled in order to be successful. At the store level the manager has to see that the inventories, supplies, labor and profit ratios, and cash are constantly controlled.

In most chain stores there are three main departments of merchandise--produce, meats and groceries. Each department is further subdivided; such as, the bakery, housewares, health and beauty aids, and

³³Perrin Stryker, "Who is an Executive", Management Review, Vol. XLV No. 2 (February, 1956), p. 74.

canned goods under the general category of groceries. The store manager's job is to coordinate the efforts of these various departments in proportion to their contribution to overall store sales and profit.

Like all executives, a store manager is concerned with the constant training of subordinates. His duty is to see that promising young employees obtain well-rounded experiences in all departments to equip them for future promotions to managerial positions. Companies today are expanding, but without trained men expansion can be limited.

The large number of persons employed in some super markets make direct supervision of every operation practically impossible for one man. To alleviate this problem, the store manager delegates authority to the various department heads who are held responsible for the operations of their particular part of the total store operations. Many companies consider the store manager as an overall supervisor of the entire store with the department heads aiding in controlling the operations.

The author, by comparing the definition of an executive with the position of a store manager, has attempted to establish the fact that a manager is an executive. Above the store management level there are many positions similar to those in most large corporations.

As the stores grow larger in size, the top managements of the chains realize the increasing importance of the position of the store manager. Safeway Stores, for instance, in a recent effort to streamline their organization in order to maximize profits have given more authority over pricing, merchandising, advertising stock arrangement

and brand handling to the store management.³⁴

With the realization in mind that the food industry is growing and that the position of the store manager is becoming increasingly important, the industry no longer needs managers to act as clerks, but managers who are capable of handling the large subordinate working force and are able to cope with the many merchandising and financial problems that face them. In short, executives are needed, not "head clerks".

Conclusion

United States business has expanded in excess of the supply of executive talent. The shortage of executives is due to the increase in the number of executive positions which demand more diversified knowledge by the persons filling them. The low birth rate during the depression years partly attributed to today's quantitative shortage of young men with executive talent. Food chains have grown in size and complexity, and like the rest of American business, are suffering from a shortage of executives. A manager of a modern-day super market has a responsible position and can be considered an executive. With executive positions in today's super market chains extending down to the store management level, the need for executives has been amplified in this industry.

³⁴Grocery Manufacturers of America, Inc., Special Bulletin from the President, No. 2068 (May 3, 1956), p. 2.

CHAPTER III

COLLEGE RECRUITMENT

The previous chapters established that the food distribution industry is growing at a fast pace and that there is a substantial need for executives; the next step is to consider the labor market for future executives. In recent years, top management in business have agreed that colleges and universities are good recruiting grounds for future executives.

As a whole, the educational level of the population has risen. There are 90 percent more persons with a high school education and 20 percent more with one to three years of high school than there were in 1940. The number of college graduates has increased 40 percent since 1947. With the increase in the educational level, the standard of living of the people has increased. Workers are demanding more salary than ever to pay for the finer things in life of which they have become aware.³⁵

With the higher educational level of the population as a whole, those persons who want to get ahead in the business world are spending more years in school. A high school education is negligible when considering the increased number of college graduates. The complexity of today's

³⁵This Week Magazine, Sixth Biannual Grocery Study, (United Newspapers Magazine, Corp., 1955), p. 10.

business organization is one of the reasons why young men are spending more time in school preparing for their careers.

The number of college graduates has greatly increased in the last ten years, but not at a pace rapid enough to meet the needs of industry. Both college students and business leaders are aware of this fact. As a consequence, the students are now in good bargaining positions. No longer do college graduates have to pound the pavements for weeks and months looking for a job as was done in the nineteen thirties. The companies are coming in droves to the campuses throughout the nation in a search for future executives.

Dr. Frank S. Endicott, Northwestern University's Placement Director, conducted a survey of 108 companies in all fields. The companies reported to have a 30 percent increase in their recruitment quotas this year over 1955.³⁶ Companies are demanding more college graduates, while the number of graduates have not increased enough to satisfy the demands of business.

In 1956 approximately 20,000 men will graduate from the various colleges and universities throughout the country.³⁷ This number is no higher than it has been in recent years and is less than the post-war peak graduations. Not all the men graduating this year will go immediately into business, many of them will first have to fulfill their military obligations by participating in active duty for two or three

³⁶Stephen Habbe, "College Recruitment in 1956", Management Record, Vol. XVII No. 1 (January, 1956), p. 6.

³⁷Herrymon Maures, "Twenty Minutes to a Career", Fortune, Vol. LIII (March, 1956), p. 112.

years. The annual crop of graduates is expected to remain low until the mid-nineteen sixties when the large number of post-war births will be of college age.

Today, college graduates are in great demand in industry. The high salaries being offered are significant that there is a premium on college graduates in business. Some companies are offering starting salaries to college graduates with no experience which are even greater than the present salaries of men who started working in the same position as the college graduate and have been working for the companies for a few years. Historically, college graduates' starting salaries edged up much slower than earnings of factory workers. In the last eight years, the starting salaries for college graduates leaped ahead 60 percent compared to the 50 percent rise in the factory wages.

Recruiting Picture Throughout the Country

The following information was compiled by the various college placement bureaus throughout the country:

University of Michigan, School of Business: In 1955, the number of interviewing companies rose from 81 to 129. The number of students interviewed rose from 1,482 to 2,070. There has been an increase of 50 percent in 1955 over the previous year in the number of students being interviewed on campus. The median salaries were \$350 per month for students with a B.B.A. degree and \$385 for students with a M.B.A. degree. Ninety percent of the students were offered jobs either in accounting

or as management trainees.³⁸

Northwestern University: The number of interviewing companies and students being interviewed has increased approximately 30 percent in the past years. The following table shows how the monthly salaries being offered have increased for graduates with no technical degrees.³⁹

| <u>Type of Position</u> | <u>1956</u> | <u>1955</u> | <u>1947</u> |
|-------------------------|-------------|-------------|-------------|
| Accountants | \$352* | \$339 | \$231 |
| Salesmen | 358 | 339 | 225 |
| General Business | 348 | 337 | 223 |

*monthly salaries

The above salaries were the averages offered in November of each respective year. The 1956 salaries are expected to increase \$10 to 10 percent by the time of graduation.

Georgia Tech: The number of graduates decreased from 1,501 in 1950 to 944 in 1955. At the same time, the number of interviews on and off campus have increased from 24,000 to 42,000. The 1950 graduate had an average of 16 interviews, while the 1955 graduate had an average of 44.⁴⁰

University of Illinois: Over 1,000 companies, 500 of which are engineering firms are expected to interview students on campus during the 1955-56 school year. Additional hundreds of companies have application blanks filed with the placement office. Starting salaries are up

³⁸Robert B. Vokac, "The 1955 College Graduate Employment Picture", Michigan Business Review, Vol. VII No. 6 (November, 1955), p. 29.

³⁹"Twenty Minutes to a Career", op. cit., p. 117.

⁴⁰Ibid., p. 117.

generally \$25 per month over last year. Liberal arts majors with no special business training can obtain positions with salaries between four and five thousand dollars per year. The demand for business majors is great, accountants being in greatest demand. Twenty to thirty companies are conducting interviews daily and over the course of the year some 20,000 interviews will be conducted.⁴¹

Michigan State University: A total of 4,287 students were interviewed by employers at the placement bureau during the winter term which was a 23.5 percent increase over the same term in 1955. Business and industry interviews numbered 3,969, compared with the 2,889 in the winter of 1956. General Business interviews doubled in the past year. The Placement Bureau arranged for 346 representatives from business, industry, and education. This is a 34 percent increase in the number of interviewing companies.⁴²

The above statistics furnished by the placement bureaus of the colleges are quite typical of what is happening in colleges throughout the nation. The prospects for the American college graduate in 1956 are unbelievably good. High pay is available now for nearly everyone who can, and wants to get started in industry.

This new trend toward higher salaries is evidently due to the fact that business, aware of its own increasing complexity--technological and

⁴¹"Jobs for the Graduates Plentiful, Pay Rising", U. S. News and World Reports, (March 9, 1956), p. 96.

⁴²News item in the Michigan State News, May 22, 1956, p. 1.

otherwise--looks more and more to the colleges and universities for the talents needed to perpetuate and expand. Already a large majority of the successful executives in business are college graduates.

Students' Attitudes

The students of today realize the great shortage of college graduates and the ever-increasing recruitment quotas of the various companies. College seniors are "job shopping". Students are being interviewed by as many companies as possible in the fields they think are of interest to them. After evaluating the offers of the various companies, they are making their decisions. With the starting salaries sky rocketing and the multitude of interviews being conducted on campus, it would seem that the student would be making his decision primarily based on what company offers the highest starting salary. Most surveys conducted on why college seniors choose a position, list starting salary as only a negligible factor.

Dr. Edward Brand, Director of the Food Distribution Curriculum at Michigan State University, conducted a survey of some 1,000 Business Administration students. The students were asked to list the reasons why they would select a particular career. The reasons, in the order of their importance, that were given by the students are shown as follows:⁴³

1. Interesting work
2. Ability and training qualify them for the work
3. Advancement opportunities coupled with an organized training program
4. Pay
5. Good working conditions

⁴³Dr. Edward Brand, "M.S.U. Career Survey", (unpublished, Michigan State University, Winter Term, 1956), p. 2.

A similar survey was conducted by the Opinion Research Corporation of Princeton, New Jersey. Students were asked to identify the most important factors in choosing a job. Chance for advancement was an important factor for 93 percent of the students. Eighty-two percent of the students listed interesting work as a factor. Near the bottom of the list were starting salaries (23 percent) and benefits (17 percent).⁴⁴

The author is of the opinion that the above surveys indicate the attitude of the college students all over the United States. Interesting work coupled with the possibilities for advancement are what the students are considering when choosing their future employers.

Although salary does not seem to be one of the major factors, it cannot be overlooked. The students are insisting on at least the "going rate" of salary, before they even consider taking a position. <Once salary is competitive, the student will then make his decision based on the other factors. This, however, does not mean that if the salary is slightly less than the "going rate" that the student will refuse the position. If the future prospects of the position seem extraordinarily good, the student will in some instances take a smaller salary, but this case is more the exception than the rule.⁴⁵

Confusion. The college graduate today is undecided as to what type of position he should take. He is not exactly certain how his college courses pertain to the business world. A student graduating with a general business or liberal arts degree does not know what type

⁴⁴"Twenty Minutes to a Career", op. cit., p. 117.

⁴⁵Ibid., p. 417.

of job he would like, no less what type of job he is qualified to take.

Many business firms have alleviated this problem somewhat by having extensive management training programs in which the new employees are able to analyze the various phases of the company's operation before deciding where their interest will best be met. Students without any technical education are generally extremely cautious in choosing positions with firms without any organized training program regardless of what starting salary is offered.

There are many misconceptions existing in the minds of college students about various industries. They see glamour in the petroleum, chemical and electrical industries, but have an apathy toward food and textile. Retailing, banking, insurance, and railroading are shied away from by college students.

The one thing that students, for the most part, do not realize is that there are many excellent career opportunities lying in the supposedly less exciting industries. For the student who is not primarily interested in the glamorous industries, many positions are available that both in the long and short run will prove to be more beneficial.⁴⁶

Once the decision as to what type of industry to enter is made, the next step for the student is to choose a particular company in that industry. This is an extremely difficult task. An estimated three-fourths of today's business-minded graduates consider job offers as life-time careers. When a student is considering employment with a

⁴⁶Ibid., p. 117.

company that he can work for until he retires, he will stop and weigh all the possibilities before deciding. The short-run benefits in salary are negligible when considering a life-time career. A student is interested in how high he will rise with the company during his working life and what will be the financial rewards.

The Mead Corporation of Chillicothe, Ohio, was quite interested in why college students refused to accept the offers they were given, so Mead conducted a survey of those students who refused the offers. Though only 16 students responded in the survey, the results illustrate the subject under discussion. The survey, asking the graduates what they are looking for in a company offer, revealed that starting salary, if reasonably competitive, job security, company policies, the method of training, the nature of the industry and personality of the interviewer were relatively unimportant factors.

One of the important factors was the nature of the initial job assignments. After 16 years of school, the student is anxious to get his teeth into a "real" job promptly--an active, practical assignment is desired. The anxiety of the student does not infer that he is not willing to go on a training program, but that a training program should be made interesting and challenging to him.

Perhaps the most outstanding findings of the Mead Corporation survey is that the students are interested in opportunity--the possibility of advancing to a higher position with more pay and responsibility. The students, once again, had their eyes on the future and

would forego present possibilities for long-range gains.⁴⁷

Companies' Attitudes

As previously stated, the companies, like the student, realize the critical situation existing in the shortage of college graduates. To meet this situation, the companies are offering extraordinary salaries to the graduate this year and there is no sign of a decrease in offered starting salary in the next few years.

The cost of recruiting has risen considerably. Frank Endicott of Northwestern University conducted a survey on recruiting costs of big companies in all fields. The results showed that recruiting cost per graduate hired ranged from \$50 to \$1,200 with an average of \$435.⁴⁸

One of the reasons the recruitment cost has risen so much is the number of interviews necessary in order to actually hire a man. Companies average that 100 campus interviews are necessary to obtain 15 possible candidates for employment. At further interviews, seven or eight of these candidates were expected to decline the company offer.⁴⁹

The high costs of recruiting college graduates are not too much concern to the companies. The feeling prevails that it is better to spend money recruiting the right man than to hire a poor man and after spending thousands of dollars for training, find out that he is not qualified, and have to discharge him.

⁴⁷"What is the College Graduate Looking For", Management Record, Vol XVII No. 1 (January, 1956), p. 2.

⁴⁸Dwight L. Gentry, "Better College Recruiting: Better Sales Training", Personnel Journal, 34:378-82, March, 1956.

⁴⁹"What is the College Graduate Looking For", op. cit., p. 7.

Most companies can offer the college graduate a future, but they cannot guarantee that all will become presidents and vice-presidents. One large company estimates that only 75 percent of the recruited college graduates will reach middle management positions which in terms of dollars means a \$15,000 annual salary. Of the group that reaches middle management, experience has indicated that 50 percent will advance to the level slowly, 40 percent moderately and only 10 percent quickly.⁵⁰

Top managements are not expecting the impossible from the college graduates. They realize that having a college education does not guarantee that a young man will be successful in future years. Training and experience is necessary to develop executives and the companies are providing this to the students as a continuation of their formal education.

Conclusion

The demand for college graduates is at an all-time high. More companies are turning to the campuses for their future executives. Higher salaries are being offered this year than ever before in history.

The students are taking an increasing number of interviews before they accept a position with a particular company. Opportunity for advancement and the long-range benefits are what students consider most important in choosing a job.

A company is not only competing with other companies in the same industry, but with companies in all other industries. Business management today find it necessary to give the college student what he wants.

⁵⁰"Twenty Minutes to a Career", op. cit., p. 117.

Challenging training programs with reasonably competitive starting salaries are necessary to attract graduates.

Company recruiters have a job, not only to sell the companies, but to sell the entire industry in which the company operates. This holds true especially for those industries that are considered less glamorous by the college students.

3

CHAPTER IV

COLLEGE GRADUATES AND FOOD DISTRIBUTION

Retail sales have been increasing since the end of World War II. Along with the increase in sales, a labor shortage has occurred. For years retailers have depended on wives and children for a good source of supplementary labor. Today, persons who previously turned to retailing to earn supplementary income are now seeking employment in other industries that pay higher salaries.⁵¹ Retailers, who find it possible, are using more automatic equipment to help alleviate the shortage of man power.

Higher skilled workers and executives are needed to manage the modern-day retail outlets. There is a particular shortage of young executive talent that can be developed into the retail leaders of tomorrow. Part of this shortage is due to the misconception college students have that retailing is one of the less glamorous fields.

In this chapter the reasons why college students are turning away from retailing will be analyzed. An attempt will be made to point out the fallacies in the misconceptions by college students about retailing in general and the food distribution phase of retailing in particular. Reasons why college graduates can find desirable positions in the various retailing fields will also be discussed.

⁵¹"The Coming Security: Labor", Business Week, No. 1392 (May 5, 1956), p. 23.

1

Public Too Close to Retailing

It is the opinion of the author and some of his associates that the general public is too close to retailing to have a full appreciation for the industry. Most men, women, and children shop in a retail store for some reason or another. The clothes, food, and the furniture found in our homes generally are bought in retail establishments. The average American family, for instance, is represented in the super market three to five times a week.

The typical shopper in a service store can see only the sales personnel waiting around the counters for customers to come in to purchase something. The same shopper when visiting a self-service store visualizes the clerks as nothing more than persons who stock merchandise on the shelf. In the minds of many shoppers, no skill or ingenuity is needed in either case. With only this restricted view of retail personnel, the general public easily can develop the opinion that retailing consists of a mass of clerks led by other clerks who are slightly more intelligent. People do not realize the vast organization that is behind the scenes supporting the store personnel. Nor do they realize the responsibility and authority that is connected with running a large retail outlet.

Without facts to substantiate it, the author would venture to guess that if a sample of the American people were questioned as to the salaries of men in various middle management retailing positions, the answers would be considerably less than actuality. On the other hand, if the same people were asked the salaries of the middle management group of other industries, such as automobile manufacturing, the answers



would be considerably over-estimated.

Perhaps the difference in answers can be attributed to the attitude of the public, who are in constant touch with retailing, that such a field seems hardly important enough to require high paid men. Manufacturing, on the other hand, is a mystery to the public, who do not know what operations are involved, although they believe manufacturing requires more intelligence to operate; hence, this field would require higher paid men.

The public's attitude, in the author's opinion, is not valid. As much intelligence and foresight are needed to run a retail operation as is required to run an operation any other level of the marketing channel. Because of competitive reasons, food chains, generally, operate on a very small margin of profit. A chain can easily fail if the operation is not carefully planned and closely controlled.

College Graduates and Retailing

In a survey of 55 colleges, 1,359 students were asked their preferences in selecting a career in six major industries. A large number of students choose retailing rather than the other five fields.

The reasons given for selecting retailing were (in order of importance):⁵²

1. Year-round employment
2. Wages commensurate with ability
3. Interesting work
4. Friendly relationships between employees and executives
5. A great many opportunities for newcomers

⁵²Jack Mason and Edward L. Slater, "Retailing, Its Your Move," Journal of Retailing, Vol. XXVIII No. 2 (Summer, 1952), p. 49.

Another survey conducted by New York University, School of Retailing asked college graduates who entered retailing and later left, why they selected retailing as-a career upon graduation from college.*

The reasons given are as follows (in order of importance):⁵³

1. Interesting and challenging work
2. Opportunity for advancement
3. Financial rewards
4. Prior education in college (retailing)
5. Family connections

In the same survey it was revealed that:

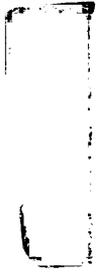
1. Three out of five respondents had Retailing or General Business backgrounds in school.
2. Two out of three earned less than \$300 per month as a starting salary.
3. Four out of five left their employer for other jobs (one out of four had job offers before leaving their first employer).
4. Two out of three sought positions in fields other than retailing.

The persons who left retailing were asked why they did. The two outstanding reasons were low salaries they were earning and the long hours they had to work. ←

It should, however, be emphasized that the survey was based on a small sample and that only those persons who discontinued working in the ten stores were interviewed. Both men and women were interviewed which could explain the low starting salary--women at present are not being paid as much as men in retailing. Also, the survey revealed that

*The respondents were chosen from the separation files of ten different retail stores--eight department stores, one mail order house, and one chain store.

⁵³T. D. Ellsworth and J. S. Halquist, "Why Do College Graduates Leave Retailing," Journal of Retailing, Vol. XXXI No. 4 (Winter, 1955-56), p. 4.



the average time spent with the employer before discontinuing service was two years. When allowing for the two years from the date that the survey was conducted (1954), the starting salaries are not so much below the average salary offered to college graduates at that time-- approximately \$25 per month below the average.

These figures do not reflect what is the present-day situation for college graduates in retailing. David L. Yunich, President of Bambergers Company, Newark, New Jersey, in an address before the eighth annual conference on "Careers in Retailing", at New York University this year, revealed the present situation.⁵⁴ Mr Yunich contended that the starting salaries in retailing for college graduates with non-technical degrees are competitive with most other industries. Continuing, he stated that the career-seeking student of today is more interested in what he will make over the next ten, fifteen, or twenty years than the starting salary. A clever young man can, in the long run, make considerably more money in retailing than in most other fields.

Mr. Yunich also stated that the hours of work necessary in retailing, long thought to be a supposed objection to retailing as a career, are commensurate with other fields. The basic working force works an eight-hour day totaling a forty-hour week. The executive group expends time in direct ratio to individual ambition.

In Mr. Yunich's opinion, the one main reason why college graduates do not enter or do not long-remain in retailing is the attitude of management. Management is putting too much emphasis on long-range

⁵⁴News item in the Retailing Daily, March 13, 1956, p. 11.

rewards with a corresponding small reward granted along the way to the top.

T. D. Ellsworth also shares this opinion. He says, "If management had indicated that though the road would be rocky, the rewards along the way--and not merely the end of the trail--would be worthwhile, many of those disillusioned college graduates would enter retailing and would continue to provide the needed nucleus of well-trained, enthusiastic, hard-working, profit-making retail employees."⁵⁵

What is the students' attitudes to Mr. Yunch's statements on starting salaries and hours of work? In a survey of over 1,000 students in the College of Business and Public Service at Michigan State University, the students were asked: "If a particular career offered excellent possibilities of achieving your goals, would you take it if:"⁵⁶

| | <u>Yes</u> | <u>No</u> | <u>Don't Know</u> |
|--|------------|-----------|-------------------|
| 1. Starting pay is \$25 per month below the average | 86% | 12% | 2% |
| 2. Starting pay is \$50 per month below the average | 32 | 64 | 4 |
| 3. Work on Saturday is required | 74 | 24 | 2 |
| 4. Some work required on Saturdays | 93 | 4 | 3 |
| 5. If overtime is necessary to do the job well. (probably without extra pay) | 84 | 13 | 3 |

⁵⁵Ibid., p. 11.

⁵⁶"M.S.U. Career Survey," loc. cit., p. 3.

| | <u>Yes</u> | <u>No</u> | <u>Don't Know</u> |
|--|------------|-----------|-------------------|
| 6. If the starting position carried no social prestige | 78% | 18% | 4% |
| 7. If the position offered little or no security for the first five to ten years | 21 | 76 | 3 |
| 8. If the employer has no organized training programs | 46 | 50 | 4 |
| 9. If the employer offers no specific advancement program | 25 | 72 | 3 |

This survey indicates that slightly lower salary, Saturday work, overtime, and lack of social prestige for starting positions are not enough to cause a student to refuse to consider a career in an industry in which these conditions exist. When no security for the first period of years, no formal training program, and no specific advancement program are offered, students would not consider taking such a position.

In an other survey conducted in eleven colleges, graduating seniors were asked a somewhat similar question about retailing. The majority of students indicated that they would enter retailing regardless of Saturday and one or two nights work each week, and low starting salaries.⁵⁷

Those students indicated that the existing starting conditions in retailing are not objections against entering this field. They feel that retailing is a challenging and interesting business with ample chances for advancement. Mr. Yunich's opinion that students do not like retailing because of the attitude of management might very well be true.

⁵⁷"How Will Evening Openings Affect Retail Workers", Journal of Retailing, Vol. XXVIII No. 2 (Spring, 1953), p. 1.

Little security for the first period of years, no formal training programs and no specific advancement program can all be attributed to management's attitude. Retail management has the job of showing college graduates that the companies are thinking of them and are greatly interested in aiding them on their way to the top.

College Graduates and Food Distribution

Now to look at what the Food Distribution industry has to offer college graduates. The facts that the food industry is growing and that there is a shortage of executives has already been established. Some large chains, like many other business firms, are turning to the colleges for their future executive talent.

A college graduate who goes to work in the food industry is not limited to any particular type of job. There are approximately 250 different jobs from which he can choose.⁵⁸ Some of the types of jobs can be found in the areas of buying, merchandising, sales promotion, advertising, warehousing, real estate, transportation, engineering, construction, personnel, accounting, law, public relations, insurance, research, industrial relations, finance, taxation, store operations, manufacturing, packaging, and food technology.

For a closer look at what the food industry has to offer, the following is quoted directly from a pamphlet distributed by the National Association of Food Chains. The pamphlet, Looking For A Career, is designed to be distributed to schools throughout the country in an

⁵⁸"Your Future in Food Distribution", op. cit., p. 3.

attempt to guide students toward a career in the food industry. The food chains offer the following:⁵⁹

"Regular Training Programs

Regular training programs are designed to prepare employees for better jobs. And you receive your regular pay while you are being trained. Most companies have a continuing need for qualified junior executives and have a policy of 'promoting from within' on the basis of merit. As proof of this policy, any food chain can point to top executives who started as clerks, general superintendents who began on the freight dock, and department heads who were once mail boys.

There's Plenty of Room 'Upstairs'

You'll find the food chains ready and willing to give a boost up the ladder to any employee who shows real ability.

It is not hard for an ambitious young person to earn advancement to head of a store department or even store manager. The manager of a modern super market often is one of the best paid men in the community. He is an executive responsible for staff of from 20 to 100 employees who produce annual sales in the millions of dollars.

With the growth and the changing methods in the industry, young people with special skills are being sought out for important managerial jobs in their field of specialization.

Good Regular Income

Chain food industry pays according to ability to produce. In addition to basic salaries many companies have liberal bonus and profit-sharing arrangements.

Because of the stability in the chain food industry, employees can count on the nearest thing known to an 'annual wage'. The comparison with other trades and industries is favorable. Unlike workers in other fields, most food chain people can determine their yearly income simply by multiplying a week's pay by 52.

⁵⁹National Association of Food Chains, Pamphlet: Looking For A Career, 1955, p. 3.

Paid holidays and paid vacations are on a par with those of any industry--ahead of most.

Pleasant Working Conditions

Great strides have been made in recent years to create pleasant places in which to work. No doubt you have noticed that modern super markets are clean and attractive places in which to shop and work. More and more, they are air-conditioned, well-ventilated and well-lighted. Hours of work have been reduced so that at present, the work week is comparable with most other businesses.

If you investigate, you will find that most chains have reason to be proud of their modern stores, warehouses and offices, equipped with the latest work-saving devices. You will find too, that most chains have liberal vacations and holiday policies and a long list of other 'job extras' as well

Work That is Interesting

Food retailing is a 'live' business. It affords a chance to meet people and has none of the monotony found in other jobs. It has a brisk, challenging atmosphere that keeps you on your toes, alert to every changing trend--every new development. You're constantly meeting new people--encountering new situations--solving new problems. It's the kind of activity that catches the imagination.

A Good Investment for the Future

In planning for a lifetime career, there are, of course, other things to consider besides opportunities for advancement, and income. Almost everyone wants long-term security. We want to be reasonably certain, first, that the industry as a whole offers a stable future and, second, that the firm we work for is sound, progressive, and can meet its competition. We don't want to be in the position of the carriage maker or blacksmith when the automobile came along.

Everyone Has to Eat

There are many uncertainties in this changing world. But one thing is as sure as tomorrow's sunrise. Eating is a must for all of us. And this basic human need is the foundation on which the food chain industry is built. For this reason food chains are as nearly 'depression-proof' as any business can possibly be."

Many of the above conditions are present in most other fields as well. The purpose of including this factor is to point out that the food distribution industry has as much, if not more, to offer as other industries.

Dr. Brand, Director of the Food Distribution Curriculum at Michigan State University was quoted in an article in Super Market News as follows:⁶⁰

"He believes the earning prospects for the average college graduate entering the food distribution field rank high in comparison to many other fields. Granted the engineering graduate may start at a slightly higher salary, but frequently advancement is slow, or may lead nowhere, he said. The food distribution field will pay from \$340 to \$400 a month to the college graduate, while average of all college men scheduled to graduate next June will be about \$380 a month

Dr. Brand estimated that college graduates entering the food industry generally will be ahead, salary wise, of engineers and others five years after graduation. Moreover, it is not uncommon for a food chain store manager to be in the \$7,000 a year bracket, he stated. Food chains are ahead of department stores, for example, in the rate of advancement for college men and others, he added."

Food Distribution Curriculum

The managements of the various food chains working with the National Association of Food Chains realized the need for college trained men when they established the Food Distribution Curriculum at Michigan State University. The curriculum, the only one of its type in the nation, is designed to train students for executive and managerial positions in the nation's food distribution industry.⁶¹ The

⁶⁰ News item in the Supermarket News, May 7, 1956, p. 51.

⁶¹ News Bureau, Public Relations Department, Michigan State University, Press Release, March 21, 1950.

program consists of undergraduate and graduate studies leading to a master's degree in food distribution, with emphasis on the administration of "super market" type food stores.

The curriculum started in the fall of 1950 with only 13 NAFC company-sponsored students and has grown considerably since that time. In the 1955-56 school year, a total of 120 students were enrolled in the curriculum. Of this group, 39 are sponsored by NAFC member chains; 10 are there on manufacturer's scholarships; four are sponsored by non-NAFC Member chains and the rest are taking the course on their own.⁶²

Manufacturer's Interest: The various food manufacturers through the nation realizing the importance of food chains in the distribution of their products have become quite interested in seeing the further development of future executives at Michigan State University. As previously stated, 10 students in the present class are being sponsored by manufacturers. For the 1956-1957 schoolyear, there are 28 scholarships being offered by suppliers each of which consists of \$1,000. The 28 firms include food processors, equipment suppliers, non-food firms, a trading stamp firm and an advertising agency.⁶³

Conclusion

College graduates who like the food industry can find a promising future in food distribution. The food companies are expanding at a rapid rate and the organizations are becoming more complicated. Young

⁶²"Food Course Blooms in Rich Michigan Soil", op. cit., p. 51.

⁶³Ibid., p. 53.

men are needed in the industry today to be developed into future executives. Competitive starting salaries, interesting and challenging types of work, and good potential futures are what students want and what the food distribution industry has to offer.

CHAPTER V

SURVEY OF FOOD DISTRIBUTION STUDENTS

The previous chapter pointed out what the Food Distribution Industry has to offer college graduates. In this chapter, the author will present the findings of a survey he conducted of the food distribution students at Michigan State University during the winter term, 1956. The purpose of the survey was to examine the background of the students and to determine why they decided on the food industry as a career. With the background of the students in mind, the subsequent chapters will pertain to suggestions that can be used in attracting college graduates into the industry.

The "Survey of the Food Distribution Students" is presented as follows:

Respondents

Questionnaires were distributed to 120 students which represent the entire student body in the food distribution curriculum. Eighty-two questionnaires, 68 percent of those distributed, were returned. There was a valid sample of all the students in the various student classifications. The breakdown as to how many students in each group responded and what percentage they represented of the total number in each individual group is illustrated on the following page.

| <u>Student Classification</u> | <u>Number of Re- sponding Students</u> | <u>Percentage of Total Group Responding</u> |
|-------------------------------|--|---|
| Graduates | 23 | 92% |
| Specials | 23 | 77 |
| Seniors | 10 | 72 |
| Juniors | 10 | 63 |
| Sophomores | 9 | 64 |
| Freshmen | <u>7</u> | <u>64</u> |
| TOTAL | 82 | 68% |

Areas of the Country
the Students Come From

Twenty-six states and Puerto Rico were actually represented in the Food Distribution Curriculum during the 1955-56 school year. Most of the students came from the eastern half of the United States. The East North Central Area of the United States had the strongest representation because of the high number of undergraduates coming from Michigan and/or the surrounding states. Michigan, alone, with 28 students had the best representation of any state. The poorest representation among the enrolees in the curriculum was from the western sections of the United States, probably because of the long distances involved in reaching Michigan State University. The data shown below give an indication of the areas from which the students came, tabulated according to their student classification at Michigan State University.

| <u>Areas*</u> | <u>Graduates</u> | <u>Specials</u> | <u>Under graduates</u> | <u>Totals</u> |
|--------------------|------------------|-----------------|----------------------------|---------------|
| New England | 1 | 1 | 2 | 4 |
| Middle Atlantic | 10** | 2 | 3 | 15 |
| East North Central | 3 | 9** | 24** | 36** |
| West North Central | 4 | 2 | 3 | 9 |
| South Atlantic | 1 | 6 | 0 | 7 |
| East South Central | 2 | 1 | 1 | 4 |
| West South Central | 0 | 2 | 0 | 2 |
| Mountain | 1 | 0 | 0 | 1 |
| Pacific | 0 | 0 | 3 | 3 |
| Puerto Rico | 1 | 0 | 0 | 1 |

*United States Census Bureau Area Breakdown

**Most represented Area

Previous Education of the Sponsored Students

Sixty-one percent of the sponsored students had previous college experience, before attending the food distribution curriculum, and 50 percent of the sponsored students who returned the questionnaire (the actual percentage of all the students is approximately eight percent less than this figure) graduated from college is significant that those companies who are employing college graduates are interested in seeing that they advance their formal education along the lines of food distribution. The realization that a college education in itself is not enough to run a modern-day food distribution corporation probably is the reason for this.

Fifty-two percent majored in business administration in undergraduate school; 18 percent in agricultural economics; 13 percent in English; and 17 percent in other fields. "Other fields" consist of degrees in history, sociology, agronomy, economics, and physical education. Aside from the two students who did their undergraduate work at Michigan State University, there are no two students who graduated from the same college. The students come from 22 different colleges--some large, some small. The colleges were located mostly in the eastern half of the United States.

No particular college or group (size) of colleges can be considered good recruiting grounds for food distribution companies. However, the majority of students did their undergraduate work in the area of business administration, which suggests that regardless of the college, students majoring in this area are good prospective employees.

Percentage of the Students Who Have Relations in the Retail Food Industry

The high percentage (58 percent) of undergraduates who have relations in the industry is attributed to the fact that a large number of owners of independent markets are sending their children to attend the curriculum. Such owners were classified under the category "Above store level", which also explains the high percentage (66 percent) in this category. There is a very poor representation from the families of store level personnel of the chain super markets. As far as the undergraduate program is concerned, the independent operators are utilizing the program more than the large chains. The

large chains, although they are sponsoring many students, are not encouraging their employees to suggest the food distribution curriculum at Michigan State University to their children. The following shows the percentage of students who have relations in the industry and what positions are held by these relations.

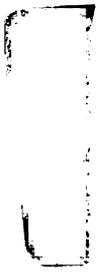
| <u>Student Classification</u> | <u>Percentage of Students with Relations</u> |
|-------------------------------|--|
| Graduates | 31% |
| Specials | 26 |
| Undergraduates | 58 |

The relations (fathers, brothers, uncles) of the students are found in the following positions:

| <u>Position</u> | <u>Percentage of Students</u> |
|-------------------|-------------------------------|
| At store level | 18% |
| Above store level | 66 |
| In related fields | 16 |

Starting Positions in the Industry Held by Students

The facts presented below show that many students started as part-time workers while they were still in high school. If an assumption is made that the students attending the food distribution curriculum represent those men who the industry feels are potential future executives, part-time high school workers are a good source for recruiting. Companies would be wise to explain to these part-timers that



there is a good potential future in the food industry. The number of students who started working part-time in the food industry while they were still in high school is shown below:

| <u>Student Classification</u> | <u>Total Number of Students</u> | <u>Students Starting as Part-timers</u> | <u>Students in High School When Starting</u> |
|-------------------------------|---------------------------------|---|--|
| Graduates | 23 | 11 | 9 |
| Specials | 23 | 21 | 19 |
| Undergraduates | 36 | 31 | 28 |

Reasons for First Taking Job in the Industry

The following listings are the reasons why the students took jobs in the food industry. The reasons are listed in order of frequency of response.

Graduates

1. Personal evaluation of industry
2. Need for money
3. Family influence
4. Company solicitation
5. Job close to home

Specials

1. Need for money
2. Job close to home
3. Provided convenient time to work
4. Family influence
5. Personal evaluation of industry

Undergraduates

1. Need for money
2. Family influence
3. Job close to home
4. Provided convenient time to work
5. Personal evaluation of industry

A majority of the students started as part-timers which explains why these reasons reflect what they do. "Need for money"; "Job close to home"; "Provided convenient time to work"; are reasons that might be expected when part-time work is being considered.

Persons Responsible for Students
First Applying for Positions

The following listings show who influenced the students to first apply for jobs in the industry. The listing is in the order of frequency of response.

Graduates

1. Family recommendation
2. Recommendation of friends
3. College employment service

Specials

1. Family recommendation
2. Recommendation of friends
3. Just applied

Undergraduates

1. Family recommendation
2. Just applied
3. Recommendation of friends

One of the problems in attracting young men into the industry has been to convince the families of college graduates that there is a career in the food industry. The facts presented above show that families and friends had a great influence on the students as far as taking a job as a part-timer in food distribution.

Four students started working in the industry after solicitation by a company--on or off the campus. The costs of recruiting these

college men as part-timers were practically nil , inasmuch as they come looking for employment without company solicitation.

Students' Decisions to Make Food Distribution a Career

The majority of graduates, special students, and undergraduates stated that they arrived at the decision to make a career in food distribution between two and four years after first starting in the industry. The second most frequent choice reported by the undergraduates was "while they were attending Michigan State University", suggesting the favorable effect of the food distribution curriculum on the student body. The students had been working for their employers for approximately two years before the decision was made to make food distribution their career.

Position Students Were in When Decision was Made

The most frequently responded answer was, "When still a student". "Part-timers" followed closely behind this answer. Once again, both of these answers suggest the great potential source of recruitment among students working part-time in the stores.

Today, many persons in management positions believe that to recruit men graduating from school is too late. Companies would find it advisable to pay particular attention to promising part-timers showing them that food distribution involves more than just stocking grocery shelves.

Direction Given at Store Level Toward
Food Distribution as a Career

Fourty-three percent of the graduates, 26 percent of the special students and 44 percent of the undergraduates had no direction toward a career in food distribution where they were working at store level. Of the direction given, 60 percent was by persons higher than store level personnel. Ninety-eight percent of the direction was given by persons in store management or above positions.

The high number of students who started as part-timers (see page 52) is surprising considering the lack of direction given to them at the store level. The fact that 98 percent of the guidance was given by persons in the capacity of store manager, or above, indicates the store personnel are not strongly convinced that there is a career in food distribution.

Direction Given for or Against
Food Distribution as a Career
In High Schools and Colleges

The percentage of students that did not receive counseling for or against food distribution as a career in the high schools and colleges they attended is shown as follows:

| <u>Student Classification</u> | <u>No Counsel- ing For</u> | <u>No Counsel- ing Against</u> |
|-----------------------------------|--------------------------------|------------------------------------|
| Graduates | 87% | 74% |
| Specials | 87 | 83 |
| Undergraduates | 64 | 94 |

The amount of guidance given by educators or guidance counselors in the high schools and colleges toward food distribution as a career is low. In the case of the undergraduates, the amount of guidance was

reported to be higher; again revealing the favorable effect of **the Food Distribution Curriculum** at Michigan State University.

The little guidance directed against food distribution as a career could be a good sign. But it is more likely that the educators do not know about the field to advise students for or against food distribution as a career.

Conclusion

The fact that the Pacific Coast area of the country is poorly represented at the Food Distribution Curriculum suggests the need for either more encouragement of the West Coast food companies to participate in the program or the establishment of a similar curriculum on the West Coast making it more convenient for the students to travel to the school.

Among the graduate and special students, a very small percentage have relatives in the industry. More undergraduates have relatives in the industry which is attributed to the fact that many independent store owners are sending their sons to take the Food Distribution Curriculum. Very few store managers of chains are encouraging their sons to attend the curriculum. Perhaps the chains could supply the managers with information on the curriculum in an effort to improve this situation.

The outstanding finding of the survey is that a high percentage of students started work in the industry as part-timers while attending high school. More attention should be paid to this group in the future for they represent a good source of potential executives.

The families and friends of the students were quite instrumental in persuading them to take part-time work in the super markets. Yet, parents and friends have greatly objected to a young man taking a career in food distribution. The chains should make an effort to show this group that the food industry is more than a place to earn good money as a part-timer.

The store employees are not convinced of the possibility of a career in food distribution. This was brought out by the fact that only 2 percent of the students received advice on a career in the industry from store employees under the store management level. If the employees were convinced, they would have advised the young part-timers along these lines. The store employees have to be shown the career potential in the industry.

The survey revealed that little guidance was given for or against food distribution as a career by the educators. Perhaps, if more information about the various aspects of the food industry is supplied the group, more students would be influenced to seek a career along these lines.

CHAPTER VI

FOOD CHAINS AND COMMUNITIES

Chapters two and four pointed out the need and place for college graduates in food distribution. Chapter five showed the background of the students now attending the Food Distribution Curriculum at Michigan State University. The remaining chapters will deal with what food chains can do to attract college graduates into the industry.

This chapter will pertain to what can be done to improve the attitude of the general public toward career opportunities in food distribution. Young men, when deciding upon a career, are influenced by their family and friends, and the family and friends are part of the general public. The public has some misconceptions about the food industry and the chains have the job of educating them regarding the facts. Unless the public understands the career possibilities, there is little chance that more college graduates can be attracted into the industry.

The meaning of general public to a food chain is the local community or communities in which their retail stores are located. There is actually a two-fold purpose in having good community relationships; one purpose is to attract good employees and the other is to increase consumer sales opportunities. Both of these purposes are contingent upon each other inasmuch as when sales increase a large labor force is needed.

The individual food chains have the job of publicizing not only their own company, but the industry as a whole. If all the chains, individually or collectively, publicize the industry, the public's attitude can be changed. The remaining part of this chapter will deal with specific things that can be done to change the public's attitude.

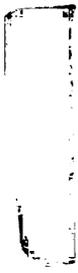
Terminology

Mr. John A. Logan, President of the National Association of Food Chains, contends that if the industry would use more dignified terms, more prestige would be given to particular jobs. To determine the validity of his contention, the students of Michigan State University were asked if they believed there are careers for college graduates in the retailing and warehousing levels of food distribution. Separate groups responded to the question worded in seven different ways. The students were asked:⁶⁴

"Do you believe there is a career for college graduates in:

| <u>Terms Used</u> | <u>Yes</u> | <u>No</u> | <u>Don't Know</u> |
|--------------------------|------------|-----------|-------------------|
| Grocery Retailing | 58% | 9% | 33% |
| Food Retailing | 65 | 4 | 31 |
| Food Distribution | 71 | 1 | 28 |
| Supermarket Industry | 67 | 5 | 28 |
| Food Warehousing | 57 | 2 | 41 |
| Food Wholesaling | 75 | 2 | 23 |
| Food Distribution Center | 70 | 2 | 28 |

⁶⁴"M.S.U. Career Survey", loc. cit., p. 1.



At the retail level the term Grocery Retailing ranked lowest with 58 percent yes answers, while 71 percent believe that Food Distribution offers a career to college graduates. This difference is significant and indicates that Food Distribution has greater prestige than any of the other terms. Supermarket Industry and Food Retailing are about equal with Grocery Retailing, ranking lowest. At the warehouse level, Food Wholesaling ranked highest with Food Distribution Center very close. Food Warehousing ranked the lowest of all terms used. Grocery Retailing and Food Warehousing should be discontinued and Food Distribution and Food Distribution Center substituted."

As a further comment on terminology, Mr. Alan Klompus, executive vice-president of Food Town Stores, Washington, D. C., said that the industry needs an entirely new glossary of descriptive matter to indicate various jobs throughout all offices in the food industry. The industry, he contends, has been lacking in efforts to pull itself up on a higher plane in the eyes of the public. In fact, there is a stigma attached to such terms as clerk, apprentice butcher, and the like. The super market field should become more aware of terminology as well as educational programming so the two can keep apace and lend more dignity to the food industry as a whole.⁶⁵

Open Houses

The belief that the public is too close to retailing to realize the full extent of its operations was expressed in Chapter Four. Open houses at which the public is given the opportunity to see the extensive operations can help to alleviate this misconception. The offices, warehouses, and retail outlets of a chain could be opened periodically for the public's inspection. If the modern methods and controls used

⁶⁵"Capital Move to Draw Top People to Field", Supermarket News, (February 20, 1956), p. 9.

in getting the product to the store shelves can be seen, the public will realize that food distribution, a part of retailing, involves more than can be seen when entering a super market. Open houses will give the public a better understanding of the operation involved in food distribution and perhaps point out the career opportunities that exist in this field.

New store openings are a good time to show the public the entire store operations including the storage and preparation areas. An open house at a store opening will also serve as a promotional gimmick to attract customers. The public will see the skill required to prepare meats, produce, and dairy goods before these items are purchased for home use. The many persons involved behind the scenes at the store will also be seen and the store manager will be presented as an executive coordinating the activities of all the employees. The various supervisors above the store level, if present at an open house, will add distinctiveness by showing the public that there are men in food distribution who dress in business suits rather than aprons or manager jackets.

Guest Speakers

Social clubs, colleges and high schools from time to time look for guest speakers to talk about various industries or companies. Chains should have such speakers available to take advantage of the opportunity to inform the groups of the vastness of food distribution operations and the career opportunities. Having the speakers on hand is only part of the job, the important part is to let the various groups know that

the speakers are available upon request. The first few speakers will be difficult to place. Good performance by the first speakers will make placement of subsequent speakers comparatively easier. Perhaps, the first few groups addressed could be ones with which some members of the firm are socially associated. The subjects discussed by the speaker should be presented to educate the group, not sell them on the industry or a particular firm.

The speakers should be selected by the branch or home office management depending on the speaker's qualifications and the group to be addressed. Before sending speakers out to act as representatives of a firm, they should be trained in the art of public speaking. The public is going to judge an organization by the persons who represent it. If the speakers are not properly trained, more harm than good can be done and the purpose set out to be accomplished will be defeated. Some companies have found it wise to employ an educator skilled in communication arts to work with the speakers in the preparation of speeches and the various techniques used in presentations.

The Weirton Steel Company of Weirton, West Virginia, for example, formed a speaker's bureau which trained speakers and sent them out at the public's request to tell about the company and the operations of a steel mill. The reasons why the Weirton Steel Company started the speaker's bureau was to answer the request of various groups for guest speakers and to clear up misconceptions about steel companies' operations. The public had many misconceptions about steel companies' profits, working conditions, wages, safety, labor situations, etc. The area of operation for the speaker's bureau was limited the first year to a

thirty-mile radius of the plant, but later extended the area to a fifty-mile radius. Each speaker was an executive of the company, and was assigned a topic based on his interests and past experiences. For any out-of-pocket costs, the speaker was reimbursed.

During the first year of operation of the speaker's bureau, 18 speakers addressed over 1,000 people. Many more people were reached before and after the speeches by local publicity. A follow-up news release containing a review of the speeches was sent to the newspapers and occasionally a local radio station would broadcast a speech. To illustrate the success, Weirton Steel Company had with the bureau, here is a quote from a person who had just listened to one of the speakers: "Listening to your talk has given me a new slant on the steel industry. Thank you for coming."⁶⁶

The type of speaker's bureau established by the Weirton Steel Company could easily be adapted to a food distribution company. The problem, to clear up the misconceptions of the public, is the same in both industries. Within the large chains today, there are men who are acting as guest speakers, but the author believes that more attention should be paid to this area because it is a beneficial way of reaching the general public.

Motion Picture Film

Some industries have found a motion picture film useful in illustrating to the public the details of their operations. Food is a

⁶⁶Richard N. Paull, "Thanks for Telling Me About You", American Business, (April, 1956), p. 18.

commodity that everybody uses, but yet few persons know exactly what happens to produce between the time it leaves the farm and the time it is displayed on the shelves of the super market. A film is a good visual aid that could be used to show the public how products are handled between farm and grocery store. Such a film would enlighten the public on the operations behind the modern-day super market.

The author, at this point, will present his version of what a film on food distribution should include. The opening scene is a guest speaker addressing a local social gathering. The speaker is thanking the group for the privilege of being there and is explaining that at their request a film will be shown about the operations involved in food distribution. With the speaker acting as a narrator for the entire film, the cameras begin to roll. In the opening scenes, the planting, growing, and harvesting of produce is shown followed by the operations at a food processing and cannery until the produce is packed in cartons ready for shipment.

At this point there is a switch to the buying offices of a large food distribution chain. The scene shows a salesman presenting the products to the buyer for his approval and is followed by a scene in the quality controlled kitchens of the chain where the product is being tested and compared before being purchased. Throughout these scenes the narrator is explaining how such operations help assure the customer of only quality merchandise. The test completed with the produce showing high quality, the buyer accepts the product for sale in the retail outlets.

The next series of scenes show the products being transported to the chains' distribution center and being unloaded with the most modern materials handling methods. The scene then switches to the home of the manager as he is leaving for work in the morning. The manager's home, business-like dress and automobile reflect the financial standing of the manager to be high. The next scene shows the manager entering the store and greeting his employees as they arrive. A meeting to plan the day's work is the following scene with the manager directing his subordinates on what is to be accomplished. The film goes on showing the dispersing of the meeting and one of the employees making out an order form for products to be delivered from the distribution center. Upon the completion of the order, it is approved by the manager and mailed to the office for processing through electronic equipment which records the order and prepares the delivery invoice.

The film follows the order from the store to the office for processing and to the distribution center where the cases are selected for shipment to the store. The narrator is continually explaining what is happening as the film is shown. Upon completion of the order selection in the distribution center, the cases are shown being loaded on the trucks and delivered to the stores where, once again, the most modern materials handling equipment is used to unload and store the cases. The final scenes at the store show the invoice being checked by the manager and the cases being marked and sent out on the sales area for stocking on the shelves. After the closing scenes of the store, the camera once again reverts back to the guest speaker who continues to describe the position of the store manager, who sees that the proper merchandise is available

to meet customers' demands. He also briefly explains to the audience that the film only showed a small part of the operations in food distribution and goes on to point out other phases such as personnel, food processing (dairy and bakery goods, etc.) real estate, construction, etc.

A film such as presented above, will help to give the public a better insight into the operations of a food chain. An individual food chain could sponsor such a film, but since it could be used by all firms in the industry, an organization like the National Association of Food Chains would most probably be a better sponsor. Any social, political, or education group would serve as an audience.

Press Releases

Publicity, one of the basic tools of public relations, is a means of communications to inform the public about corporation policies and acts in order to gain public understanding and goodwill. Press publicity is not synonymous with the terms propaganda, advertising or promotion, each of which involves different methods of disseminating information to enlist the support of the public.⁶⁷ When something "newsy" happens in a firm, the press release will serve as a means of informing the public.

The appointment of an employee to a political or social office is "newsy" and a press release will show the public that members of firms in the food distribution industry are giving their share to help the community prosper. The press release can be used to inform the public of open houses or guest speakers at local meetings. The more the

⁶⁷Bertrand R. Canfield, Public Relations, (Homewood, Illinois), 1954, p. 365.

public is reminded of the fact ~~that~~ employees in food distribution are "good citizens", the more prestige will be given to the various jobs. The citizenship program sponsored by the National Association of Food Chains, which awards citizenship certificates every year to chain employees for their outstanding community activities, has been given much publicity and is a good example of an effort to build prestige for the entire industry.

New store openings are of news value to the public. Many persons are interested in where the new stores are located and what lines of merchandise (non-foods, soft goods, frozen meats) are handled. A press release is a valuable tool to acquaint the public with a new manager of a store. Robert Hall Clothiers has a picture and history of a new manager placed in local newspapers in order to establish the manager's status in the community.⁶⁸

Honest, accurate publicity gives the reading and thinking public a true picture of a firm which is extremely valuable economically and socially. Confidence and loyalty in a company is built up in the minds of the public. Company advertising is supplemented by publicity which keeps the company name in the public eye.

Summary

Gaining the favorable attitude of the public toward the food distribution industry is important. The misconceptions about the food industry in the minds of the public should be corrected. The use

⁶⁸Harold Rosmer, "Training Policies of Robert Hall", Journal of Retailing, (Fall, 1955), p. 125.

of more dignified terminology when referring to positions in the industry or the industry as a whole; open houses so the public can see the operations behind the sales areas of super markets; speaker bureaus and a motion picture film informing the public about the vastness food distribution entails; and press releases to keep the public abreast of current happenings in the industry are good tools to use in communicating with the general public. The above tools are a few of the many that can be used, but the author believes them to be the most important.

Once the public has the attitude that food distribution entails more than stocking cans on a shelf, the job of attracting college graduates into the industry will be made easier. The fact that food distribution, a part of retailing, is one of the less glamorous fields is a conceptual idea in the public's mind and proper community relations will help to educate people on the fallacy of this idea.

3

CHAPTER VII

FOOD CHAINS AND EMPLOYEES

All the employees of a chain are public relations representatives. The activities of the employees on or off the job will affect the attitude of the general public. Proper attitude of employees toward their company and industry is extremely important. There are store employees who portray themselves as "dirty apron" clerks. The chains have the job of changing their attitude and making the employees realize the importance of their jobs. If employees in communicating with the members of the community portray the impression that their jobs are not worthwhile, the general public will adopt this impression.

In the previous chapter, the increasing of the prestige and dignity of positions in the eyes of the community was discussed. This chapter will deal with the things that can be done to show employees the great potential in the industry and the dignity and prestige connected with the various positions.

The "Survey of the Food Distribution Students" revealed the fact that only two percent of the students now attending the Food Distribution Curriculum received advice on the potential careers in the industry from store employees under the manager's position. (See page 55). This fact suggests that the store employees are not convinced of the career potential in the industry. Although there are communications throughout many chain organizations today, communications seem to be lacking when

it comes to showing the employees the career potential the industry has to offer.

Many companies are distributing indoctrination kits, house organs, annual reports, and other literature to the employees which are helpful in making the employees develop a clearer picture of the organization. Other companies have training programs and schools which are helpful in preparing the employees for future promotion. The author intends in this chapter to present suggestions, in addition to those just listed, that will help make the employees' attitude toward the company and the industry more favorable.

Indoctrination and Separation

New employees generally take a little time to get accustomed to their positions. The chains, by adopting a "big brother" policy can help the employees get established. On an employee's first day in a store, the manager should make a point of getting him acquainted with all the other employees. Some older reliable employee should be assigned to see the new person is not left alone until he has become accustomed to the operations. The company policies and benefits along with the potential opportunities available to the employees, when explained, will give a more concise picture of what the organization entails. If such a policy is adopted, the employees from the very beginning will feel a sense of belonging to the organization.

There are instances when persons cannot adjust to an organization, and when this occurs, either they resign or are dismissed. Properly conducted separation interviews will help to retain such persons as

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friends and customers after they are no longer employed with the company. Retaining past employees as friends is important for two reasons; one, as a friend they will continue to remain customers of the chain, and secondly, they will speak favorably of the company to the general public. Past or present employees can be quite influential in swaying public attitude toward a chain and the entire industry.

The J. L. Hudson Company of Detroit, Michigan, has a policy of conducting separation interviews. All persons upon terminating employment are interviewed and asked the reason why they are leaving. From the reasons given for termination, Hudsons can get the employees reaction to working conditions and company policies. The interview is concluded on a friendly basis in an effort to create a long-lasting friendship.

Some persons will not be available for separation interviews for one reason or another, but an effort should be made to conduct them whenever possible. The store manager, when he knows an employee is leaving, could easily conduct such an interview. Favorable expressions about the company in the mind of departing employees are helpful in gaining public recognition resulting in the attraction of more career seeking college men to the industry.

Open House for Families

Families of workers can be influential in establishing a proper attitude toward food distribution. An open house for employees and their families is not only a good means of communications, but a good morale builder. Employees take pride in showing their families their part in the company's operation. Managers and supervisors have an

opportunity to meet personally the families of the employees.⁶⁹ An open house is a medium of communications combining telling and showing whereby the employees' families get a full picture of the operations of super markets.

In the last chapter, open houses at new store openings was suggested for the general public. The same type of an open house could be held for employees' families so they would be given the opportunity to see the modern handling methods in today's super markets. Once the families can see the management and operations of super markets, they will have a better appreciation for food distribution. The realization that food distribution involves more than just a mass of clerks will be made clearer.

Employee Education

The Food Distribution Curriculum at Michigan State University is an example of good employee relations. Companies sponsoring students attending the curriculum are not only creating goodwill, but are improving the employees' chances for advancement. The manufacturers who are offering scholarships to the curriculum are also exercising good public relation practices.

The "Survey of Food Distribution Students" (see Chapter Five) showed poor representation of students from the West Coast and suggested that the reason for this was the distance involved between the school and the West Coast. The National Association of Food Chains realizes the need for the expansion of the curriculum to other universities throughout

⁶⁹Public Relations, loc. cit., p. 54.

the country. This year a committee was appointed to investigate universities in other parts of the country for the purpose of establishing a course similar to the one at Michigan State University. The expansion of the Food Distribution Curriculum to other universities will permit more employees to further their education along this line.⁷⁰ The students majoring in food distribution in college mingle with other students acquainting them with the various aspects of the industry.

The author suggests that in concentrated areas such as New York City, Cleveland, Detroit, St. Louis, etc., night courses in food distribution be established in local educational institutions. The courses could cover basic subjects designed to acquaint the students with the history, structure and operational procedures and practices of super markets. Such night courses would enable employees who are interested in furthering their education and not fortunate enough to be able to attend full-time school, to attend night school while working in the industry. Chains could encourage employees to attend such courses by paying all or part of their tuition. By promoting higher education, the chains help to raise the educational level of the employees which will reflect more dignity and prestige to the industry.

Part-Time Employees

The "Survey of Food Distribution Students" (See Chapter Five) showed the majority of students started working in the food industry as part-timers. The survey also revealed that parents and friends were

⁷⁰Winone McKennon, "Press Man Advised at NAFC Talks" Supermarket News, (March 19, 1956), p. 6.

influential in causing these men to take part-time positions. For the most part, part-time workers cost very little to recruit and train. Chains have a great opportunity at hand when they hire young men to work part-time because this group represents a good potential recruiting grounds for future executives. During the period young men are working part-time, the chains have the opportunity of appraising their work and introducing them to the various aspects of the business. The author, who also started as a part-timer, is of the opinion that this group is being neglected by the food chains.

The suggestions previously mentioned in this chapter can also pertain to the part-timers. Chains should give this group the opportunity of seeing more of the industry than just the limited operations at store level. Perhaps the store manager could show more interest in the part-timer by discussing schoolwork with him and encouraging the reading of company literature, operating manuals and house organs. Whenever possible, the part-timers should be switched from one department in the store to another in order to gain a well-rounded education in store operations. The company can help by extending the benefits available to full-time employees to part-timers in an effort to make them feel a sense of belonging to the organization. Arrangements could be made to have part-timers in small groups visit the main or regional office and warehouses of the company. What could be more beneficial to a company's labor problem than to have workers supplementing their regular full-time working force and at the same time being trained in the various methods and procedures of company operations? The cost of recruiting and training part-time workers is considerably less than similar costs for full-time employees.

Letters sent to the part-timers' parents informing them of the type of work their sons are doing and how the work will benefit the boys in future years would be helpful in establishing more interest in food distribution as a career. The letters could be sent by the store managers and companies' personnel directors. The store managers would explain what the boys are doing and the personnel directors could explain the benefits of part-time work in super markets and the career potential in food distribution.

A considerable number of part-timers are high school students. The author suggests that scholarships similar to those awarded to the students attending the Food Distribution Curriculum be offered to promising young part-timers who want to attend college. Such scholarships would show these workers that the company is interested in them and is willing to help out in financing their education. The part-time workers are part of the general public and are a good potential labor source not to be overlooked.

Summary

Proper employees' attitude is important inasmuch as every employee is a public relations representative of the firm. The chains have the job of creating the proper attitude by making the employees realize the importance of their position. Employees, whether they are just starting or terminating employment with a food company, should be treated in a friendly manner for they can influence public opinion toward a company. Families can play an important part in establishing the dignity and prestige of employees' positions and should be given the

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opportunity to see the operations involved in food distribution. The part-time working force in the super markets is a good potential source for recruiting future executives. The chains should not overlook this group. The more part-timers can see of food distribution above store level, the greater the chance of convincing them of the possibilities of careers in this industry.

CHAPTER VIII

FOOD CHAINS AND STUDENTS

The two previous chapters dealt with chains and their relationships with communities and employees in an effort to gain a favorable attitude of the general public toward food distribution. Once the general public has a favorable attitude, the next job is to supply students with information about the field.

Competitive starting salaries, interesting and challenging types of work, and good potential futures are what students want and what the food distribution industry has to offer (See Chapter Four). This chapter will pertain to what can be done to inform the students about potential careers in the industry.

Supplying Information

The first job is to supply information about the industry and its companies to the various campuses throughout the nation. "Looking For a Career" and "Your Future in Food Distribution" are pamphlets put out by the National Association of Food Chains and Michigan State University respectively which are designed to supply students with information about the career possibilities in food distribution. These two pamphlets are good material to distribute to the placement and guidance bureaus of high schools and colleges. The pamphlets cover food distribution from a broad industry-wide basis and suggest careers in the

industry without reference to any particular company.

The pamphlets on the industry can be supplemented with information on particular companies. Michigan State University, to the author's knowledge, is the only college in the country where students can major in Food Distribution. The Placement Bureau at the University has files with literature from approximately 1,000 companies and of this amount, only four food distribution companies are represented--two of the four companies do not operate anywhere near the school. Presumably in a school where food distribution courses are offered, more literature about companies in this line should be found. If the same situation exists in all other universities, how can college seniors be expected to find out about the industry?

The author suggests that food distribution companies make an effort to supply the college placement bureaus with information about their companies. If information is available, perhaps more students would read it, and become familiar with the career opportunities in food distribution.

Campus Interviews

The increasing number of companies that are conducting interviews on campus was brought out in Chapter Three. The "Survey of Food Distribution Students" revealed that only two graduate students attending the Food Distribution Curriculum graduated from the same college. The survey also reported that no one college or size of college seemed to be the best recruiting grounds for food distribution companies. College recruiting from companies in food distribution is a trial and error

situation. Recruiting should be done in as many colleges as possible in the geographic area where the company operates. The number of campus interviews conducted by food companies should increase proportionately with the interviews conducted by all companies in general.

The author was surprised to find that only two food distribution companies were scheduled for interviews at Michigan State University during the school year ending June, 1956. At this university approximately 250 companies interviewed students graduating with non-technical degrees (General Business, Liberal Arts, etc.). Two food companies out of 250 interviewing companies does not seem sufficient when considering that Michigan State University is the only college offering a curriculum in food distribution. There were more food companies interviewing at this college through the food distribution office, but not through the Placement Bureau. The interviews conducted through the Food Distribution Office were for students attending the curriculum, but not for the whole student body. By not conducting the interviews through the Placement Bureau, many students not majoring in food distribution know nothing about them. The food distribution students take courses in areas other than their major field and come in contact with other students enlightening them on the industry. The author believes that more food companies should be encouraged to conduct interviews at Michigan State University and capitalize on the publicity given to the industry by the food distribution students.

Student Employment While Attending College

The idea that recruiting college men upon graduation is too late was expressed in Chapter Five. Many companies realizing this fact are hiring sophomores and putting them on a training program for the summer months. The Grand Union Company, of East Paterson, New Jersey, is a company that does this. In fact, this company offers to pay part of the tuition for the remaining two school years of college students on the summer training program. By adopting summer training programs, companies can begin to orient students in the phase of the operations before graduating from college. The experience gained as part-timers will help the students later on if they decide on food distribution as a career. The earlier students can be attracted, the better the chance of getting more college graduates into the industry. Students on summer training programs, if they were satisfied with the work, upon return to school in the fall will relate their feelings to fellow students and perhaps interest more persons in the industry.

Many students work part-time while attending school. Companies located near campuses should make an effort to employ students on a part-time basis. The previous chapter established part-time workers as good potential executives. Once companies hire students, an effort should be made to show the many career possibilities existing in food distribution.

Cooperative Education. There are some companies today who are subscribing to cooperative education programs. Under this program, the schools supply the regular academic training and the companies undertake to hire a specific number of students as trainees. Presently, the

program is being used mostly by engineering firms, although the participating companies range from machine tool builders to department stores. Companies having such programs must have a well-rounded training program and must be located near the school.

The University of Cincinnati, for instance, has a cooperative educational program with local business firms. The program lasts for five years, at the end of which students receive a business administration degree. The students attend school for seven weeks and then work for a participating company for eight weeks--this system is repeated throughout the year. At the end of the five years, students, in addition to their degrees, have accumulated two years of working experience. Regular pay is given to the students while they are working, but not while at school.⁷¹

Cooperative educational programs might be found useful for food chains located near campuses. Such programs are useful inasmuch as they allow the students to accumulate practical and theoretical knowledge at the same time. College students under cooperative educational programs with food companies would be in a position to see the career possibility in food distribution.

High School Students

The first part of this chapter dealt with recruitment at the college level. The "Survey of Food Distribution Students" revealed the fact that the majority of men started work in the industry as part-timers while they were still in high school. High schools are good

⁷¹"College Shares Students With Industry", Business Week, (May 5, 1956), p. 84.

places to start educating young men about food distribution. With the many high school students working part-time in the super markets, the chains have the opportunity to begin to enlighten this group on the possibilities of a career in the industry. The potentials of part-time workers were discussed in Chapter Seven. This part of the chapter will pertain to what can be done at the high school level to begin to educate students for the food distribution industry.

Career Days. Many communities today sponsor career days at which high school students are given opportunities to see the operations of local business firms. Generally, the events are conducted by the school board in cooperation with local merchants. Wherever possible, chains should take an active part in career days, for such events present the opportunity to sell food distribution careers.

American Stores of Philadelphia, for example, participate in the local "Executive for a Day" event. The event allows high school students to act as executives of the firm for one day. The students visit the main office of American Stores, and see the operations of a food distribution company above the store level. Interviews with the top executives and tours of the office with explanations of the various functions are part of the events for the day. The event is highlighted by an essay contest where the students explain what they saw during the day. The students writing the best essays are awarded prizes.

There are other companies beside American Stores who participate in career days similar to the one in Philadelphia. Food chains would find such activities advantageous for two reasons; one, the younger the men when first introduced to food distribution, the better the chance of

attracting them into the industry, and secondly, participation in community events is good public relations.

Contest. Leading Washington, D. C., food chains in cooperation with a local radio and television personality are sponsoring an essay contest on food distribution. The contest called, "Opportunity Unlimited", is open to all young men above the age of 16. The rules of the contest include writing an essay titled, "The Importance of the Retail Food Industry in America". The purpose of the contest was to point out the career possibilities in the retail food industry. A grand prize of a 10-day trip to Europe and a \$1,000 scholarship to American University to study food marketing was offered for the best essay. There were 12 other scholarships to American University offered as alternate prizes.⁷²

If this contest proves to be successful, there are plans of establishing similar contests in other cities throughout the country; contests like these will make young men stop and think about food distribution and all it entails. The Kroger Company of Cincinnati, Ohio, awards scholarships to promising distributive educational high school graduates in some of the states in which they operate. The scholarship winners are selected on their scholastic achievements and leadership abilities. The author feels that the awarding of scholarships is valuable in encouraging high school students to further their education along the lines of food distribution.

⁷²"WTOP, Food Chains Cooperate in Food Scholarship Contest", Advertising Age, (April 9, 1956), p. 43.

Educators

Educators at both the high school and college level can influence young men on what careers they should follow. Whenever possible, chains should make an effort to inform educators about the industry. Working with the local board of education on career day can be helpful in showing the educators what food distribution entails. Chains can go further by extending invitations to educators to visit the offices and warehouses to see and discuss the operations.

The "Survey of Food Distribution Students" (See Chapter Five) revealed that men now attending the Food Distribution Curriculum received very little guidance toward or away from the food industry as a career while they were in high school and college. The author partially attributed this lack of guidance to the fact that the educators knew little about the industry. This situation could be corrected if the chains would attempt to establish friendly relationships with this group.

At the high school level, chains could encourage their regional personnel men to visit the schools and talk to the principals and guidance counselors. Perhaps the personnel men would find such a visit beneficial in recruiting good part-time help. Company and industry literature, if left at the school, would serve as a reference for the faculty, who had any questions about the business. As mentioned in Chapter Six, films and guest speakers could be provided at the educators request.

The author believes that more elaborate programs should be established at the college level. A program that would include a public relations man who did nothing more than call on the various colleges and universities

and talk with the placement officers and professors. The purpose of the talks would be to better-acquaint the staffs and faculties of the colleges with food distribution. Literature about the company and industry could also be distributed. Like at the high school level, this public relations man could make arrangements to have a guest speaker or a film presented to the classes. If the college is located close to the office or warehouse of the chain, a field trip could be arranged so the students could see part of the operations in food distribution. Perhaps subscriptions to food distribution trade journals could be given to one or two professors in the business schools enabling them to keep abreast of current happenings.

Summary

The things college students desire in a career can be found in food distribution. The big problem is to acquaint the students of this fact. Company literature filed in the libraries of college placement bureaus will help to inform the students about food distribution. In order to obtain college graduates, companies need active recruiting on the campuses throughout the country. Undergraduates can be attracted to the industry by offering summer training programs and cooperative educational programs. Sponsoring career days and contests for high school students will help educate the young American men on the career possibilities found in food distribution. Educators in high schools and colleges can influence students in selecting a career. Chains should establish a friendly relationship with this group in order to publicize the industry.

CHAPTER IX

SUMMARY

The American economy is growing every year. A gross national product of \$500 billion is expected in the next decade. The population of the United States is predicted to be in the neighborhood of 190 million persons by 1965. The number of families earning more than \$5,000 annually is increasing and by 1959, this group will account for approximately 60 percent of all consumer expenditures. The rising standards of living are permitting people to purchase more goods. The more disposable income in the hands of the American people is reflected in the increase in retail sales.

With a larger population and an increased standard of living, people are buying more expensive food products with "built-in" services. Supermarkets have grown in size to meet the demand of the public. The new lines of merchandise such as non-food products carried in supermarkets make one-stop shopping for the housewives possible. The food industry's sales in 1955 were reported to be greater than ever, and there are no visible signs of a decrease in sales in the future. Chains are planning to build more super markets in the future. Every new super market built will add anywhere from \$1.5 million to \$5 million per year to sales.

American businesses have expanded and become more complex. To manage the large corporations of today, highly trained executives are

needed. The expansion of business has exceeded the supply of qualified executive talent. Two reasons for the shortage of executives are the increase in the number of executive positions in the business world and the low birth rates during the depression years, which left a quantitative gap in today's middle management group. A shortage of executive talent could lead to a curtailment in expansion of American businesses.

Food chains, like all American businesses, are suffering from a shortage of executive talent. A manager of a modern-day super market has a responsible position and can be considered an executive. With executive positions in today's super market chains extending down to the store management level, the need for executive talent has been amplified in this industry.

The managers of large corporations are turning to the colleges for young men that can be developed into the business leaders of tomorrow. Although the number of college graduates are increasing, the number is not sufficient to meet the demands of business. The demands for college graduates is at an all-time high. Companies recruiting on college campuses are not only competing with companies in the same industry, but with companies in all industries. The starting salaries offered to college graduates this year are higher than ever before in history.

Students are taking an increasing number of interviews before they accept a position with a particular company. Opportunities for advancement, challenging training programs, competitive starting salaries, and long-range benefits are what the students consider most important in choosing a job. Company recruiters have a job, not only

to sell the company, but the entire industry in which the company operates. This is especially true for those companies in industries which are considered less glamorous by college students.

The job characteristics desired by college graduates that are mentioned above can be found in the food distribution industry. Young men entering food distribution are not limited to any particular job, but can choose from approximately 250 different job classifications. The food distribution industry offers young men an interesting and challenging career with ample opportunity for advancement. Food distribution is as nearly "depression proof" as any business can possibly be. People have to eat food in order to live. The managements of the various food chains realized the need for college-trained men when they established the Food Distribution Curriculum at Michigan State University to train students for executive and managerial positions in the nation's food distribution industry. College graduates are needed in food distribution and a promising future is offered to those young men who care to enter this field.

Although the food distribution industry offers a promising career to young men, the general public is not cognizant to this fact. The "Survey of Food Distribution Students" was conducted to determine what made the young men attending the Food Distribution Curriculum enter this field. Among other facts, the survey revealed that a very small percentage of the students have relations in the industry. The survey also indicated that a high percentage of the students started work in the industry as part-timers while they were still in high school. The students attending the Curriculum received very little advice about food distribution in the high schools and colleges they attended.

With the facts presented in Chapter Five, "The Survey of Food Distribution Students", and the previous chapters in mind, the author devoted the remaining chapters to what food chains can do to clear up the misconception of the general public about food distribution and to attract more college graduates into the industry.

Gaining the public's favorable attitude toward food distribution is important and any misconceptions had by the public should be corrected. The use of more dignified terminology when referring to positions in the industry or the industry as a whole; open houses so the public can see the operations behind the sales area of super markets; speakers bureaus and motion picture films informing the public about the vastness food distribution entails; and press releases to keep the public abreast of current happenings in the industry are good tools to use in communicating with the general public. Good communications are necessary to change the attitude of the general public that food distribution is one of the less glamorous fields. Once the public has the attitude that food distribution entails more than just stocking cans on a shelf, the job of attracting college graduates into the industry will be made easier.

Employees play an important role in formulating the opinion of the general public toward an industry or a company. Proper attitudes have to be created in the employees' minds which make them realize the importance of their positions. Employees, whether starting or terminating employment, should be treated in a friendly manner so they will speak favorably of the company in conversations with their acquaintances. Families of employees can play an important part in establishing the

dignity and prestige of jobs and should be given the opportunity to see the operation involved in food distribution so the right impression will be created in their minds.

Part-timer workers are good potential executives, and this group should not be overlooked by the chains. The more part-timers can see of food distribution above the store level, the greater the chance of convincing them of the possibilities of careers in this industry.

In order to acquaint the college students with the various facts about the food distribution industry, companies should supply the libraries of the college placement bureaus with literature about the industry, as well as their own company. College graduates will have to be actively recruited on the campuses throughout the country today. Food distribution companies could attract undergraduates into the industry by offering such things as summer training programs and cooperative educational programs. Sponsoring career days and contests for high school students will help to educate the young American men on the career possibilities found in food distribution. College undergraduates and high school students represent a good area of concentration for the food chains inasmuch as this group will be the potential business leaders of tomorrow. Educators and guidance counselors, both at the high school and college level, can be influential in aiding the students selecting careers. The food distribution survey revealed that educators and guidance counselors gave little guidance along the lines of food distribution to the students now attending the curriculum. In the future, chains would be wise to create a closer relationship with this group in order to acquaint them with the career potentials available in food distribution to the up and coming young Americans.

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