

PLACE IN RETURN BOX to remove this checkout from your record.
TO AVOID FINES return on or before date due.

DATE DUE	DATE DUE	DATE DUE
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MSU Is An Affirmative Action/Equal Opportunity Institution

c:\circ\datedue.pm3-p.1

THE ROLE AND STATUS OF THE SUPERMARKET
CHAIN STORE MANAGER

by

Adrian I. Vannice

A THESIS

Submitted to
Michigan State University
in partial fulfillment of the requirements
for the degree of

MASTER OF BUSINESS ADMINISTRATION

Department of Marketing and Transportation Administration

Curriculum in Mass Marketing Management

1962

"The extent to which management philosophies, policies, and practices take into account the inherent values, dignity, and aspirations of human beings has now become the greatest single factor in competitive survival."

--Ordway Tead, The Art of Administration

PREFACE

The status of the career of supermarket chain store manager has rated low in public esteem until it has nearly reached the point whereby those who engage in it often seem expected to apologize for their existence and activities, as if there were something slightly sub-social about them. Cartoonists have often portrayed the store manager in an apron as a glorified clerk, intimating that he was neither well paid nor well informed. This mischievous denigration of the job and the public misconception of it derive directly from the growth of the supermarket industry and the opinions, attitudes, and significance attributed to the job by upper management.

As the industry has grown and the business has become more and more complex, the job of supermarket chain store manager has shifted more and more from the amateur to the professional. However, to many the supermarket manager represents a figure ill-defined whose significance in society is misunderstood. The place and functions of the store manager are little appreciated by the public, and not always even by those who work with, or live off, the business.

In the broadest sense, the efficiency of food distribution determines the entire nation's standard of living--and efficiently managing the highly competitive supermarket

in the mass distribution of food products requires ambitious and capable men with authority, responsibility, and leadership ability. The formal giving and informal taking back of authority by upper management that too often passes for delegation tends to complicate the job for the most ambitious and capable managers. The absence of opportunities for genuine professional leadership at the store manager level casts the manager as a victim of double talk and thus dooms the firm to mediocrity and eventually dissolution.

Since the manager can not escape from this difficulty unaided, this paper is an attempt to demonstrate that the continuance of efficiency and thus the survival of the firm is closely linked to its ability to upgrade the status of the supermarket chain store manager. The ideas presented here may be right or wrong in terms of the experience of specific food chain retailers; thus, the final test of these concepts can only lie in the extent to which they provide some degree of insight into problems within the reader's experience.

ACKNOWLEDGMENTS

The author gratefully acknowledges his debt to many, both in and outside the field of food distribution, and particularly to Dr. Edward M. Barnet, Dr. Daniel M. Slate, and The Kroger Company.

April, 1962

Adrian L. Vannice

TABLE OF CONTENTS

Chapter	Page
I. INTRODUCTION	1
The Problem.	3
Objectives of the Study.	4
The Hypothesis.	5
The Approach	3
Definition of Terms	9
II. THE STRUCTURE AND THE GROWTH OF THE INDUSTRY.	13
Origin of the Supermarket	13
Growth of the Supermarket	15
The Industry is Overcapitalized	17
III. THE NATURE OF THE MANAGER'S JOB	20
Responsibilities of Store Management	21
The Supermarket Chain Store Manager Today.	23
The Independent Operator	24
The Need for Strong Leadership	27
IV. CHAIN STORE MANAGEMENT: THE TASK OF AN EXECUTIVE OR THE FUNCTION OF A FOREMAN.	30
The Foreman.	30
The Duties and Responsibilities of the Foreman	31
The Executive	32
The Responsibilities of the Executive	33
The Difference in the Managerial Functions of the Executive and the Foreman	34
V. THE STATUS OF THE SUPERMARKET MANAGER	37
Status	38
The Fallacy of the System	39
The Status Symbol of the Store Manager: A Lasting Psychological Imprint.	40
VI. THE NEED FOR IMPROVING THE STATUS OF THE JOB.	42
Advantages of a Properly Balanced Status System.	42

Chapter	Page
The Store Manager Holds One Key to Survival of the Firm.	44
Status and Function	45
VII. THE PROJECTED ROLE OF THE CHAIN STORE MANAGER	47
The Purpose of Examining the Projected Role	47
The Projected Description of the Manager .	48
The Authority of the Chain Store Manager .	50
Summary of the Projected Role.	51
VIII. THE ACTUAL ROLE OF THE CHAIN STORE MANAGER .	53
The True Meaning of the Job Title	53
Long Hours and Red-Tape.	54
The Salary Scale	55
The Dilemma of the Manager.	56
The Discrepancy Between the Projected Role of the Manager and His Actual Role	56
Suppression and Conformity.	57
The Manager's Real Problem.	58
The True Nature of the Job.	59
IX. THE ADMINISTRATIVE DECENTRALIZATION CONCEPT OF MANAGEMENT	60
Decentralization	60
Functional Decentralization	62
Federal Decentralization	63
The Decision to Decentralize	65
The Degree of Decentralization	66
X. IMPLICATIONS ENCOUNTERED IN UPGRADING THE JOB	70
The Nature of the Industry.	70
The Structure of the Organization	73
The Responsibilities of the Job	74
Incentives and Compensation	76
The Nature of Control Imposed by Head- quarters.	79
Communications.	81
XI. CONCLUSIONS.	85
Semantic Trickery.	85
The Gap Between Managerial Levels	86
The Psychological State of Transition . .	87
The Social Climate at Store Level	88
Solving the Problem	89

Chapter	Page
Take the Store Manager Off of the Treadmill.	91
In Petrospection	93
BIBLIOGRAPHY.	94

CHAPTER I

INTRODUCTION

Perhaps the supermarket chain store manager is not really regarded as a true executive member of management if top management is seeking the advantages of flexibility in the local marketplace by merely granting lip service to a preferred description of his role. Is this a part of a sales campaign whereby companies are striving to improve the store manager's morale or upgrade his status by describing him in one manner while expecting him to act differently?

Upgrading the status of the supermarket chain store manager may very well be an important key to the successful endurance of the firm in the sanguinary competitive struggle in the marketplace. The supermarket chains like most other business are faced with the three immediate tasks of: striving to obtain more sales volume; attempting to increase net profit; and securing enough capable people to man the organization. Within the supermarket industry the particular problem of staffing the organization with capable store managers and retaining them appears to be a difficult problem.

Looking to the future and merely hoping for the best is no longer good enough to insure survival in this dynamic industry. As each new battleground is approached, the

competitive process changes and the adjustments which are so vital for survival have a dramatic impact on the market structure of food distribution.

The competitive behavior of each firm in the industry is determined by the type of market structure in which it operates. Survival of the firm depends upon its ability to make necessary adjustments rapidly and thus more effectively compete in the market by performing a service to society through economies in mass distribution of food products. As in any other hand-to-hand conflict, the man on the front line is of critical importance in determining who shall be triumphant. Therefore many firms within the supermarket industry and many people who are closely associated with the industry appear to be attempting to elevate the status of the store manager in order to strengthen the forces on the firing line.

The question arises as to whether food retailers have strengthened their store management group and upgraded the manager's job as rapidly as they have seemingly rushed to make new and larger investments in expansion of facilities. If the preferred or projected role of the food chain store manager and the role actually performed by him are entirely different, the store manager may be on the spot and his company may be losing its position in the marketplace because it lacks the flexibility to compete locally with the independent supermarket. Are large corporate food chains becoming more and more vulnerable because the objectives and policies

with regard to the store manager are antiquated? These questions can only be resolved if the true nature of the manager's job and his actual role in performing the job is understood.

The Problem

The problem is to determine the nature of the supermarket chain manager's job and his true role in actual performance on the job. The problem to be attacked in the study may be a result of a common violation of the responsibility principle within the industry regarding the chain store manager. On the surface the chain store manager appears to be commonly referred to as an executive member of management on the one hand, and on the other hand, he is associated with the joint task of being part of the store work force while being charged with full management responsibilities for the store performance. The store manager is being held responsible for the performance of the store operation despite the fact that he can not control many of the conditions or terms under which he must operate.¹

The continuous search for strong, capable people to man the organization is a major personnel problem in many large corporations. Within the supermarket industry the particular problem of staffing the organization with capable store managers appears to be difficult because in the past

¹"SMI Speakers Explore Role of the Store Manager," Food Topics (Philadelphia: Topics Publishing Co., Inc., May, 1960), p. 32.

the job has been downgraded and sold short.¹ The store manager's job has been regarded primarily as an intermediate step to a better position. Furthermore, apparently many firms in the supermarket industry have done very little to improve the status of the job.

Objectives of the Study

The specific objectives of the study are: (1) to show the actual role of the chain store manager and his projected role or description; (2) to demonstrate that he may not actually be performing his role in the manner commonly described by many in the industry; (3) to examine the relationship and effect of his status upon the store and company operations; (4) to show the need for improving the status of the job; (5) to examine some implications encountered in upgrading the job; and (6) to outline briefly a frame of reference within which it may be possible for top management to consider appropriate programs to improve the status of the job.

The chain store manager, with his unique knowledge of his individual unit and his customers, can compete more effectively in the local market if he has the freedom to be flexible in directing the store operation. However, it appears that maximum benefits can only be gained through added flexibility if the barriers of restriction are actually

¹Edward A. Brand, Class Lecture, Michigan State University, January 8, 1962.

lifted from the chain store manager, giving him the authority to meet his independent competitor on equal terms on the battleground of the marketplace.

Many people in the supermarket industry have become increasingly concerned about the status of the chain store manager. The trade publications are filled with articles discussing the amount of recognition given to the job of the chain store manager and the importance of his performance to the success of each competing firm within the industry.

The structure of most industrial organizations is such that a supervisor at any level plays a dual role. He must be an accepted member of his own management group on the one hand, and on the other hand, he must be an accepted member of the group he supervises.¹

By design, the supermarket chain manager must also be a member of two subgroups. His role requires that he be motivated and able to integrate creatively the goals of individual subordinates and the objectives of the firm. This dual role is no problem for the manager if the goals and the expectations of the two groups are compatible and if both groups recognize it. Under conditions of extreme conflict however, the chain store manager may not be able to perform the two-fold representation required by his job and the life of the firm may very well depend upon his reactions as well as his capacities.

¹Floyd C. Mann and James K. Dent, "The Supervisory Dilemma," Industrial Man, eds. W. Lloyd Warner and Norman H. Martin (New York: Harper and Brothers, 1959), pp. 294-306.

Full participation by the store manager in both organizational families appears to be one of the most effective ways to insure two-way flow of communications and thus the most effective means of integration in the large-scale organization. Does top management recognize the dual character of the role in which the store manager is inherently cast and create on the front line an environment which fosters initiative, interest, and creative leadership? Is top management seeking the advantage of flexibility in the local marketplace by merely granting lip service to the preferred description of the store manager's role or is the store manager really regarded as being an executive member of management? The objective of this study is to seek an answer to these important questions because the continued life of the firm may very well depend upon the actual performance of the store manager--his actual role within the organization.

The Hypothesis

Although the foreman's job in some firms remains on the executive level of management the growth of Big Business has tended to strip him of all managerial function by reducing him to a mere "gang boss." The foreman and the executive are regarded in this study as being significantly different in the degree and weight of responsibility apportioned among the several functions they perform.

Briefly, the executive is regarded as being responsible for conceiving ideas, formulating policies, and implementing

decisions necessary to achieve the objectives of the firm. Since the foreman does less planning and more implementing, his decisions have quite a different degree of significance for the entire firm.

Although a definite difference does exist between the function of the executive and that of the shop foreman, upper management may choose to define or describe the job as if it were an executive position and actually regard the managerial functions of it in an entirely different manner. This twofold use of terminology with its implications and effect upon the performance of the store manager is the focal point of the study rather than an attempt to contrast the job of the foreman as a line supervisor at one level with that of an executive in a high staff job at another stratum of the organization.

In terms of the implication that the chain store manager may actually be carrying out the role of a line foreman while being referred to as an executive, the hypothesis that "The supermarket chain manager is a foreman, not an executive," provides the basis for the investigation and study. The study is conducted with the orientation of evaluating the elements found in terms of the hypothesis. The hypothesis necessitates that the actual functions of the supermarket chain manager be investigated, evaluated, and compared with the preferred description of the store manager's role in order to demonstrate the need for upgrading his status.

The Approach

An indirect method of inquiry is employed in the study. Background material has been drawn from these general areas: (1) observations and ideas resulting from eight years' experience of the author in the field of food chain store management; (2) personal discussions with fellow students in a seminar at Michigan State University; (3) current trade publications; and (4) secondary sources contained in the Michigan State University library in the areas of training, management, and the behavioral sciences.

The historical method of research implies that the organization of the report follow the order of cause and effect which is basically chronological. A brief description of the origin and growth of the supermarket as well as the nature of the chain store manager's job are presented in an effort to emphasize the magnitude of the job and its importance to the corporate food chain. The relative importance of the store manager's position with his own company is demonstrated in a brief description of the manager and in a short discussion on the need for strong leadership.

In order to describe the plight of the chain store manager more vividly and thus appraise his true status, his actual role is compared to that of an industrial shop foreman and to that of a staff executive. For the purpose of evaluating the findings of the study one chapter is devoted to the positive definition of the terms "foreman" and "executive"

as well as their function and duties. Qualified definitions of the terms "status" and "authority" are also presented. After investigation of the status of the supermarket chain store manager and the comparison of the actual role of the manager with his projected role the valid elements of the problem are evaluated and presented in the conclusions.

To cover only a few broad aspects of the problem in such short time in a paper of this type has called for much restraint in the selection of subject matter.

Definition of Terms

Definitions are a most important preliminary consideration in a study dealing with words that may have different meanings in different contexts and are often subject to controversy. Since one study or the practices of one organization can not impose its own usage upon others, terms most frequently used in the study are defined with due consideration for common usage with an attempt to use them consistently throughout.

A supermarket is any retail food store, chain or independent, with yearly gross sales of \$375,000, or more.¹ An independent is an operator of ten or less retail food stores. A chain is composed of eleven or more retail food stores with central buying and ownership. Cooperative Retailers are independent retailers who are stockholder

¹Robert W. Mueller (ed.), Facts in Grocery Distribution (New York: Progressive Grocer, 1961), Fc.

members of cooperative wholesale buying groups, such as Certified Grocers, or Associated Grocers. Voluntary Group Retailers are retailers who belong to voluntary merchandising groups sponsored by wholesalers and who operate under a common name, such as IGA, Red & White, Super Valu, and Clover Farm.¹

Authority and Responsibility--Numerous concepts of authority exist within the supermarket industry. However, for the purpose of this study authority is defined as the right to guide or direct the actions of others and to exact from them certain reactions or responses which lead to the achievement of the organization's objectives. Authority is a right rather than an absolute power to force action by subordinates.² Both the supervisor and the subordinate must have some understanding as to the limits within which authority can be exercised. The subordinate subject to authority must voluntarily accept the authority and have a willingness

¹"The original definition of a supermarket was coined by Super Market Merchandising in 1936, and widely accepted everywhere. It described a supermarket then as a retail establishment with a self-service grocery department, and meat, dairy, and product departments--doing a combined volume of at least \$250,000 a year. This minimum sales figure was revised to \$500,000 recently, since the food price index has risen well over 100 per cent, making it logical to double the minimum at least." "The True Look of the Super Market Industry 1960," Super Market Merchandising, XXVI, No. 5 (May, 1961), p. 71.

²Chester L. Barnard, The Functions of the Executive (Cambridge: Harvard University Press, 1948), p. 163.

to cooperate or the right of authority is relinquished and becomes meaningless.¹ By accepting authority the subordinate accepts responsibility and accountability.² By accepting employment the subordinate implies acceptance of responsibility; therefore, responsibility is defined as the obligation of the subordinate to accept and perform as directed by the one possessing the authority.

Policy is used to include the very broad statement of company intent set down by top management. It also refers to those plans and agreements that have become a pattern of unwritten "laws" over a long term.

Application of Policy is used with reference to specific decisions concerning the individual situation or person. Such decisions also include both those made within the limits of establishing policy and those initiated at lower management levels when no formal written policy has been established.

Coordination refers to the deciding of who does what and to the tying together of the thinking and actions of diverse groups to achieve the desired organizational objectives.

Decentralization is used in the study only in relation to administrative decentralization. It is specifically

¹Herbert A. Simon, Administrative Behavior (New York: The Macmillan Company, 1961), p. 124.

²Dalton E. McFarland, Management Principles and Practices (New York: The Macmillan Company, 1959), p. 204.

defined as the maximizing of authority and the localizing of responsibility for results at the lowest possible level in the organizational hierarchy. Administrative decentralization is not to be confused with geographical decentralization of the operating units of the organization.

The level of decision making is the crux of the definition. Precisely who is involved in the making of a specific decision is sometimes difficult to ascertain; however, the point at which action is determined can be isolated.

CHAPTER II

THE STRUCTURE AND THE GROWTH OF THE INDUSTRY

The historical background and growth of the supermarket are investigated in order more fully to understand the nature of the store manager's job and to assure proper appraisal of the role which the manager performs.

One of the most vexing problems of the store manager throughout the industry appears to be that of constantly striving to adjust to the rapidly changing environment in which he operates. A brief description of the growth of the supermarket industry shows how quickly changes do occur and some of the problems which result from such rapid shifts.

Origin of the Supermarket

The modern supermarket is a product of evolution. It has rapidly developed through the stages of the general store, specialized grocery stores and meat markets, "self-service" operations, combination stores, and finally, emerged as the supermarket. An idea patented by Clarence Saunders in 1916 may very well have been one of the great innovations in the industry and the forerunner of today's supermarket.¹

¹Godfrey M. Lebhar, "The Birth of the System," Chain Stores in America: 1859-1959 (continental edition; New York: Chain Store Publishing Company, 1959), p. 31.

Saunders opened his first store in Memphis, Tennessee, with all merchandise displayed on open shelves, with prices plainly marked, and gave his customers the privilege of selecting their own merchandise. He called his invention the Piggly Wiggly Store and this self-service, cash-and-carry grocery operation was so successful that within three years it had grown to 125 stores.¹

Businessmen were quick to recognize the value of the self-service grocery operation. Prices were lower, wages were lower, the advantages of cash transactions cut capital requirements for the merchant considerably. Most important of all, it was demonstrated that the customer liked the self-service idea. Although the self-service operation was readily accepted, it was not termed a supermarket and did not really begin to grow by enormous leaps and bounds until the depression of the early 1930's. The origin of the term "supermarket" appears to be quite obscure, but the first user of the word supermarket in a corporate or firm name is associated with Albers Super Markets, Inc., in Cincinnati, Ohio in November, 1933.²

The first supermarkets were rough and ready products of the depression, geared to selling a large volume of food at the lowest possible prices. Since then their growth has

¹Pauline Arnold and Percival White, Food--America's Biggest Business (New York: Holiday House, 1959), pp. 252-53.

²Willard F. Mueller and Leon Gardian, Changes in the Market Structure of Grocery Retailing (Madison: The University of Wisconsin Press, 1961), pp. 5-11.

been particularly rapid.¹ Mike Cullen is said to have proposed the idea of a self-service market to his firm in 1930. When his proposal was refused he resigned, went to New York, rented an abandoned garage, and opened a self-service discount grocery. He became known as "King Cullen, the Price-Wrecker." Although his cut-rate specials made local grocers shudder at the time, his merchandising ideas have remained the principal devices which today's supermarkets use to generate sales volume.²

Growth of the Supermarket

The supermarket has become a major factor in all forms of retailing since it not only specializes in food products but also sells a host of nonfood lines. The general stores of a few years ago handling food and nonfood items gradually became specialty stores, "self-service" stores, combination stores, and supermarkets in the struggle to meet the changing needs and demands of society.³ The creative energy of the supermarket has increased the number of food markets and pushed the supermarkets into nonfood fields.

¹John W. Wingate and Arnold Corbin, Changing Patterns in Retailing (Homewood, Illinois: Richard D. Irwin, 1956), pp. 75-91.

²Sidney Margolian, "Super Business of Supermarkets," New York Times Magazine (New York: The New York Times Company, March 29, 1959), p. 23.

³Joseph B. Hall, "Evolution Not Revolution: The Present Job of Management in Food Distribution," The Tobe' Lectures in Retail Distribution--1957-1958, edited by Malcolm P. McNair and Hilton P. Brown (Norwood, Mass.: The Plimpton Press, 1958), p. 26.

The general character of food retailing has changed. The rapid disappearance of the general store has also meant dramatic changes in the kitchen and the community. The entire mode of shopping has changed--the service butcher no longer teaches the young housewife how to prepare various cuts of meat, and the store manager can no longer walk over to every customer and show her where the various products are located, because today's supermarkets are getting larger and larger. In addition to the lure of special prices, convenience, wide variety, parking facilities, air conditioning, modern decor, and snack bars bring customers into the supermarket today.¹

Supermarket prices are substantially higher now than in the 30's and the display shelves are more elaborate than the pineboard shelves in the early days of King Kullen.² During the days of King Kullen, margins of only 10-12 cents of the customer's dollar were enough to keep the wheels of the machine rolling, but today the modern elaborate supermarket requires 18-19 cents. It costs a million dollars to open one and it becomes obsolete in seven years.³

The supermarket has become a symbol of American life. The grocer has moved into the big league--he now does as much volume in a week as he once did in a year. In 1941 the 38,450 food chain stores accounted for \$3,820 million in

¹Wingate and Corbin, loc. cit.

²Margolius, loc. cit., p. 26.

³Ibid.

store sales with average sales per chain store of \$99,349 per year. In 1952 the 22,000 food chain stores turned in average sales of \$530,454 per store for a total chain store sales volume of \$11,670 million. In 1960 the average gross sales of the chain store was \$1,019,950 and 20,050 food chain stores turned in \$20,450 million in gross store sales. In 1960 the sales of the nation's 260,050 food retailers reached \$52.6 billion with supermarkets accounting for 69 per cent of the total sales.¹ Food retailing is big business--a business that continues to grow and grow and grow.

The Industry is Overcapitalized

During recent years, competition has been intensified by the rapid expansion of medium and large corporate chains and voluntary chains. This tends to place large, supposedly efficient, rivals in competition with one another in the market.

While their share of sales and purchases in their local operating region may be quite high, many chains and companies are relatively insignificant in terms of national sales. However, competition in the industry is such that one store is permitted to enjoy high volume only a short time before being cut down by rivals. Consequently, all stores in a particular locality are forced to operate below capacity and become overcapitalized in terms of the volume they can do. Stores involved are usually forced to lose money or operate

¹Mueller. loc. cit., p. F 18.

very close to the break-even point. In multi-unit companies the weaker units are subsidized by the stronger ones. This is a "chain reaction" which increases total distribution cost. As a result, chains, wholesalers, and voluntary groups are not making sufficient use of their facilities other than by simply storing merchandise, and consequently, must look for new means by which additional volume can be generated and operational costs lowered.

Operating costs in food retailing have been rising at a very rapid rate. The problem of increasing operational costs has become particularly acute for some corporate chains. Giant ultramodern stores with all of the fancy frills are very expensive to build and maintain. With narrowing margins between sales and expenses the cost of overhead and operation can be overcome only by the combination of high volume and quick turnover of inventory.

The low price image of the big corporate chain has quickly diminished. Independent grocers have joined voluntary chains and formed cooperatives. On the other hand, the independent continues to function quite independently while providing the same service to society as that formerly provided exclusively by the large corporate chain. This significant change in the market structure of the industry is making a dramatic impact upon the behavior of all firms competing, as they must, in each locality.

Meanwhile, giant discount houses continue to invade the food business and create more competitive problems for

the supermarkets, particularly in terms of price. The discount house is actually a department or variety store sometimes with all of the various departments leased out. Merchandise is often moved with fork-lift trucks which reduces labor expense. The elimination of all frills, stamps, and services further reduces operating costs, enabling the operator to cut mark-ups thus gaining over-all retail price advantages compared to those in the supermarket. Recognizing that lower prices are by far the best appeal for food shoppers, some discount operators are running their entire food department as loss-leaders to generate traffic and increase profitable volume for other departments within the store.

Constant competitive pressures on existing institutions to cut distribution costs have resulted in many innovations in the facilities and the methods of mass merchandising. Food merchants have been forced to face these facts and adjust to the changing market conditions in order to survive.

CHAPTER III

THE NATURE OF THE MANAGER'S JOB

In order to evaluate the status of the supermarket chain store manager objectively in terms of the hypothesis, the general nature of the job as well as some of its major responsibilities are briefly presented.

The changing market structure, competitive balance, and technology within the industry account for vast changes in the supermarket manager's responsibilities. These factors of greater complexity in the job are compelling the food chains to match men with special managerial skills with the job in order to insure survival in the local situation. Strong leadership on the spot becomes imperative if the business is to succeed because the industry is saturated with supermarkets in many areas and customers have the opportunity to choose among a number of nice food stores.¹

¹Since the saturation point for the consumer allows for many more stores than the saturation point allowed by the industry management, the term "saturation" is relative. Naturally, the customer in seeking the greatest degree of service and convenience that results from location considers the saturation point in quite a different view than the food chain management who are primarily interested in the relative cost of sales.

Responsibilities of Store Management

The responsibilities for which the store manager is often held accountable run the gamut from staff selection to net profit performance. His responsibilities may include staffing the store, the discipline and scheduling of store personnel for the most productive combination, analyzing and meeting local competition, determining the number of items to be stocked and where they are to be placed within the store, planning displays and special promotions, and planning and maintaining effective store operations.¹

The chain store manager today should be proficient in ordering merchandise, selling, finance, accounting, public relations, customer relations, employee training, store security, promotion, merchandising, budgets, expense control, maintenance--in fact, virtually every phase of the business.

Behind the scenes there are many complex problems and activities to be directed and controlled by the store manager. Because of fluctuation in wholesale markets, retail price changes must often be made daily in order to maintain and control desired mark-up margins. Merchandise has to be received, unloaded, priced, and transferred to the shelves or to special display spots. Stocks of merchandise must be ordered daily in a large store. Incoming orders and invoices must be checked, store cash properly controlled, and operating

¹George E. Kline, "The Super Market Manager--The Growing Power in Food Retailing," Progressive Grocer (New York: Progressive Grocer, October, 1961) p. 47.

records maintained which makes a full-time job of bookkeeping in many large units. Personnel must be scheduled and directed for the most efficient production. The store equipment must be maintained and the store has to be kept clean. Advertising is another very vital task which the store manager has to plan.

One of the most important aspects of managing a supermarket and one which requires a great deal of experience and skill is the job of directing and coordinating the perishables departments. The meat, produce, dairy, and bakery departments account for approximately one-half of the total sales volume in most large supermarkets today.¹ The gross profit success of the store depends upon the performance of the perishables department. Handling perishables in volume represents a great degree of risk for the firm. Customer wants have to be anticipated and the merchandise must be ordered and prepared very close to the point of sale. A lot of time and labor are involved in breaking up large units

¹According to Facts in Grocery Distribution, 1961, F22, edited by Progressive Grocer, if Mrs. Consumer spent \$100 in a typical supermarket her purchases and gross profits would be allocated to each department in the following manner:

<u>Purchases</u>	<u>Gross Profit Realized from \$100.00 in Sales</u>
\$100.00 Total	\$21.80
21.90 Meat department	5.69
11.10 Dairy department	1.69
10.00 Produce department	2.94
6.20 Baked goods	1.24
3.50 Frozen foods	.92
47.30 Grocery department	9.40

and large shipments of various perishable items into sizes for individual customer purchases.

The Supermarket Chain
Store Manager Today¹

The old methods of the bazaar, when the merchant sat crosslegged in front of his store and enticed his customers in, can no longer exist because the modern food merchant has too many items and too many types of merchandise to sell.² For example, Kroger store manager, Nelson Apling, of Toledo, Ohio, today manages a supermarket of 28,000 square feet which employs 80 people, has 9 checkout counters, carries approximately 7500 items, and has about 15,000 weekly customer transactions.³

Based on surveys of over 1300 chain store managers and executives Robert W. Mueller, editor of Progressive Grocer, summarized many characteristics of the 1960 store manager. The profile of the men who were managing these high volume, quick turnover operations revealed that 93 per cent of them were married and 81 per cent owned their own

¹Much more is to be said in describing the modern supermarket chain store manager in Chapter V. The immediate discussion is limited to statistical data in order to briefly compare the chain store manager with his independent counterpart.

²Arnold and White, loc. cit., p. 283.

³Robert W. Mueller, "Meet Kroger's 1960 Store Manager: The Executive in Chain Store Operation," Progressive Grocer (New York: Progressive Grocer, March, 1960), p. 43.

homes values at an average of \$17,000. The average yearly income of the 1960 store manager was \$8675 and he had life insurance amounting to \$23,900. It is also interesting to note that 32 per cent of them either attended college or were college graduates and 63 per cent owned stocks of some type.¹

The Independent Operator

Until the early 1930's the grocery industry was almost entirely composed of independent operators. With the depression came the onslaught of chain stores with their low price appeals for customers and their mass merchandising techniques. Although the independent operators bitterly fought the chains; self-service, mass merchandising, and lower prices of food gave rise to phenomenal growth of the chains and the market structure of food retailing changed dramatically.²

During World War II expansion of the food chains was sharply curtailed and the independent operators again began to increase their relative share of the national sales. Independent grocers and wholesalers joined in associations in order to acquire operational advantages for each. In many cases, the wholesalers formed a voluntary chain of

¹Robert W. Mueller, "The Chain Store Manager Today," Progressive Grocer (New York: Progressive Grocer, November, 1961), pp. 30-32.

²Robert W. Mueller, "The New Independent a Growing Force in Food Distribution," Progressive Grocer (New York: Progressive Grocer, January, 1962), pp. 32-33.

independent grocers by providing them with financial assistance, merchandising specialists, and economies of scale in buying and advertising. Other groups of retailers banded together, formed cooperatives, and operated a group warehouse in order to acquire the major advantages inherent in the chain system.¹

The independent operator through these group affiliations acquired the operational advantages of the corporate chain but retained his freedom and flexibility. He continued to function quite independently while providing the same services to society as the corporate chain. Through the voluntary chains and the cooperative groups the independent operator became stronger and stronger and once again, within less than a twenty-year period, the market structure of food distribution changed. Consequently, the independent grocer is now the predominant food retailer in the local marketplace in many areas.

In 1960, approximately 240,000 independent stores² enjoyed 61 per cent of the grocery and combination stores' volume of \$52.6 billion. An estimated 34,000 voluntary and cooperative stores had estimated sales of \$25.4 billion, and

¹Voluntary group retailers and cooperative retailers are defined on pages 9 and 10 of the "Introduction."

²An independent store is an operator of ten or less retail stores as defined on page 9 of the "Introduction."

approximately 156,000 unaffiliated stores did about \$6.75 billion.¹

A profile of the nation's 1960 independent supermarket operator was recently revealed in a survey by Progressive Grocer drawn from a national cross-section of stores doing a minimum of \$500,000 per year. The typical independent operator was 45 years old; he started to work in food retailing at the average age of 22; and started his own business when he was 29 years old. The average yearly income of the independent operator was \$30,700 in salary and net profit, and he had life insurance amounting to \$87,600. Forty-seven per cent of the nation's independent supermarket owners and 41 per cent of their wives had attended or had graduated from college. He owned a house worth \$33,000, had 1.7 late model automobiles, and held corporate stocks of some type. The profile of this typical independent operator also reveals that he operated 1.6 supermarkets averaging over \$1 million per year and employed 44 people, two-thirds of whom were full-time.²

The independent operator is a permanent resident and an active citizen in the community, which aids him in establishing better customer relations. His operation is flexible and he is free to adjust prices and promotional efforts to

¹Mueller, Facts in Grocery Distribution (1961 ed.), loc. cit., "Summary."

²Mueller, "The New Independent", loc. cit., pp. 32-36.

meet the competitive situation daily.¹ In many instances the independent can build and retain a better organization of store personnel since his employees often do not belong to a union. The independent has complete freedom in selection of brands, perishables, and new items and he is often able to respond to local neighborhood demand more quickly than his chain store competitor.

The Need for Strong Leadership

There are very few strategies that are not available to all food retailers; therefore, good customer relations have become a key to the success of a store. The responsibility for creating good customer relationships rests almost entirely upon the store manager. His ability to resolve situations directly involving the customer can make a lasting impression upon the customer and determine the final success or failure of the store. The customer sees only her store and the man who is manager of it as the company; consequently, she expects the same treatment from the chain store manager as she does from the independent who is operating his own store.

It is quite apparent that strong leadership plays an important role in the success of the highly competitive business of managing a supermarket. Manuals can set down

¹Ibid.

the company plans and policies, but the execution of them depends solely upon the human element directing the unit organization--the store manager. Hence, putting up a brand new store is not nearly so difficult as selecting and rearing a strong store manager. Sometimes it takes years to develop a manager to the point where he can direct the operations most effectively.¹

Today, the squeeze is on profits and the battle for supremacy is a contest among the management teams of every company from the neighborhood supermarket to the national chain. The importance of a chain having a strong store manager in every unit is further emphasized by Nathaniel Schwartz, editor-in-chief of Super Market Merchandising, in an editorial entitled, "Hail, The Professional Manager," in which he stated, "There's more to running supermarkets today than slashing prices and out-gimmicking the gimmicks. Those companies who desire to survive must be led by the professional manager."²

The need for strong leadership at the store level appears to be readily recognized throughout the industry. However at this point the question arises as to whether strong unified administrative leadership and over-all on the spot supervision imply that the supermarket chain store

¹"How to Manage the Manager," Super Market Merchandising (New York: Super Market Publishing Co., Inc., February, 1959), p. 41.

²Nathaniel Schwartz, "Hail, The Professional Manager," Super Market Merchandising (New York: Super Market Merchandising Publishing Co., Inc., February, 1959), p. 41.

manager's job is one requiring executive talents or the line-foreman type of supervision. It appears quite possible that top management could very easily describe or refer to the store manager as an executive on the one hand, and on the other hand, associate him with the duties and status of a shop foreman.

CHAPTER IV

CHAIN STORE MANAGEMENT: THE TASK OF AN EXECUTIVE OR THE FUNCTION OF A FOREMAN

If a discrepancy does exist between what the supermarket chain store manager's job is and what it is described to be then perhaps the specific conditions of his relationship can be determined by establishing which function his actual role more closely parallels--the line or the staff. Since no attempt is made to contrast the line supervisor's job at one level with a staff job on another level the terms "foreman" and "executive" are explicitly defined for the purpose of evaluating the store manager's actual relationship to his organization. The duties and functions of the "executive" and the "foreman" are also outlined briefly to aid in properly evaluating the comparison of each with the role of the supermarket chain store manager.

The Foreman

For the purpose of this study a foreman is an individual who constitutes the connecting link between what is commonly called "management" of a firm and the workers. In this position he is "first-line" management and next in line to the employees. He participates in a portion of the physical work

and the actual routine of the productive work force.¹ He is associated with the workers themselves in the joint task of doing the work in question. He is the front line supervisor who carries out the directives passed down by upper management.

The Duties and Responsibilities of the Foreman

The foreman must accept and carry out policies and directives which he has not formulated.² The broad job of the foreman as an administrator may be broken down into the following four main general tasks:

1. Maintaining efficient department operations within company policies.
2. Insuring the proper functioning of his department at all times.
3. Maintaining effective coordination between his unit and higher management.
4. Completing required administrative details.³

The duties and responsibilities of the foreman are now further defined and outlined in more detail. The responsibility for coordination of his unit with the rest of the organization means specifically operating the department in accordance with company policies, schedules, and specifications. It also implies working in cooperation with the staff

¹Elmore Petersen and E. Grosvenor Plowman, Business Organization and Management (3d ed.; Homewood, Illinois: Richard D. Irwin, Inc., 1955), pp. 217-218.

²Ibid., p. 247.

³Rexford Hersey, Better Foremanship: Key to Profitable Management (2d. ed. rev.; Philadelphia: Chilton Co., Inc., 1955), p. cc.

department and supervisors, and keeping the immediate supervisors informed as to the operation of the unit. Submitting reports and initiating all necessary paper work applicable to the job are also duties expected of the foreman.

Maintaining efficient department operations includes the indoctrination and training of new employees, placing the right man in the right job, and constantly striving to improve the job performance of each man. Gaining employee cooperation, and developing a smooth working relationship through the proper handling of discipline, grievances, and labor relationships are important foreman duties also. If he performs these responsibilities well he should have little difficulty in maintaining high department morale, developing the potential abilities of each employee, and operating his department consistent with operating requirements.

Effectively using company facilities, materials, and equipment involved in his unit function includes controlling supply expenses, and planning for efficient handling and storing of supplies and equipment. He is also charged with the responsibility of maintaining safe operating conditions within his unit.¹

The Executive

For the purpose of this project an executive is defined as one who conceives ideas and then plans back of them. reduces

¹Ibid., p. 130.

the ideas to directives and orders, directs them into the proper channels for execution and appraises and inspects the achieved results. He formulates policies and implements decisions dealing with both the present and the future activities of the firm.

The Responsibilities of the Executive

The main executive functions are performing the processes of planning, directing, and controlling activities in the areas of policy making, organization, execution, coordination, public relations, and evaluation of achievements.¹ His principal responsibilities include:

1. Interpreting major policies and objectives to persons lower in rank.
2. Issuing orders and directives designed to carry out policies and achieve the objectives of the firm.
3. Representing his firm in the community.
4. Acting as the main center of communication within the organization.
5. Formulating company policies.

The executive is principally a person who is responsible for the tasks of others and the achievement of such tasks. He must possess the personal qualities of leadership and authority commensurate with his responsibility.

¹Petersen and Brownman, loc. cit... p. 181.

The Difference in the Managerial Functions
of the Executive and the Foreman

The significant difference between a foreman and an executive exists in the degree and weight of responsibility apportioned among the several functions set forth. Both the executive and the foreman direct and control various aspects within the firm--but with different scope. Both make decisions but at different degrees of significance for the entire firm.

Briefly, it is the responsibility of the executive to conceive ideas, formulate policies, and implement the decisions necessary to achieve the objectives of the firm. On the other hand, the foreman does less planning and more implementing than the executive. The foreman accepts and carries out the details of the policies and directives formulated by the executive level of management, and supervises the employees involved in the actual routine physical work.

Traditionally, the foreman is often regarded in our society as being the highest position within the physical labor class and the first level in the management hierarchy. Peter F. Drucker points out that the foreman's main problem is almost exclusively that of middle class status and functions.¹

The development of the hierarchy of executives between the foreman and the top management of the firm has taken away

¹Peter F. Drucker, Concept of the Corporation (New York: The John Day Company, 1946), pp. 163-175.

most of his function and authority. The growth of Big Business has tended to deprive him of all managerial function by reducing him to a gang boss whose job it is to see that executive orders are carried out. Even this function has largely disappeared because unionization of the workers has replaced the personal authority of the foreman with the impersonal authority of a labor-management contract. The foreman then is caught between two powerful groups--a strong union on the one hand and a well organized management team on the other. Drucker concludes that the foreman has become less of a second lieutenant and more of a long-serving sergeant.¹

A definite difference does exist between the function of the executive and that of the shop foreman; however, top management may choose to define or describe a job in one way and actually regard the managerial functions of it in a manner entirely foreign to the job description. This twofold use of terminology reflects a split in the actual position of the foreman in the firm. As a deliberate policy he is placed on a basis essentially different from that of the worker under him but beyond these formal provisions he is often regarded as being at best a gang boss.

The question now arises as to whether the supermarket chain store manager has been cast into a dilemma similar to that of the industrial shop foreman. If the store manager

is a "foreman" should he be deceived in his expectations of treatment by being called an "executive" or by being held accountable for executive responsibilities? On the other hand, is it really practical for a store manager of the firm to be an executive as the term is defined here? The perplexity of the chain store manager may very well stem from the action of upper management and the manner in which the upper echelon executives regard the managerial functions of front line supervision.

CHAPTER V

THE STATUS OF THE SUPERMARKET MANAGER

Often the status of a particular job depends to a great extent upon the attitudes and opinions toward the job, and the initial associations connected with the job during the formative years of the industry. The psychological impression of the role of the supermarket chain store manager appears to have been very solidly stamped in the minds of chain employees and customers in the early days of the supermarket business. Therefore, the status of the supermarket chain store manager is investigated in an effort to determine its significance and the salient factors which may cause it to affect the store operation.

People are highly conscious of the status of others and often appear to evaluate communications, validate information, or associate a certain degree of authority, prestige, and respect with the initiator's status. Within any organization status can serve several useful functions; however, it can also impede the communication process and provide many disadvantages for both the organization and the individual.¹ For the purpose of appraising the status of the job of the supermarket chain store manager the term status is now defined

¹McFarland, op. cit., pp.438-439.

and briefly discussed.

Status

Status is used in this report as meaning the hierarchical ordering or ranking of positions within an organization or a society and the degree of importance others ascribe to the position or to the individual occupying it.¹

One of the implicit sets of human relationships appearing behind every act of communication is referred to as status. Men are usually not satisfied by simply recognizing the function of a position so the position is ranked in terms of notions regarding its relative value to the organization or to the society. The term status then is implied by job titles, salary distinctions, and the attitudes and approval displayed by others toward a position in a hierarchy.

A system of status is based on: (1) differences in the abilities of individuals; (2) differences in the skill and technology required to do the various jobs; (3) differences in the relative importance attached to specific types of jobs; and (4) the needs or objectives of the system of communication.²

Analyzing the bases of status reveals that the differences in the abilities of the individual are strictly a matter of personal will or choice. Although the capabilities

¹Ibid.

²Chester I. Barnard. "The Status Structure of Management," Industrial Man, ed. W. Lloyd Warner and Norman H. Martin (New York: Harper and Brothers, 1939), pp. 258-270.

of the individual may be decided socially. they are retained by the individual and application of them in any degree remains his personal will or choice.

Since almost every job in society appears to involve adaptation of the individual's behavior to the system, more qualifications of the concept of individual ability or merit is necessary. Differences in the skills or technologies required to do various jobs become a social evaluation as to what is rated as easy or difficult. Thus, a social standard for measurement of abilities is reflected. The standard and the abilities together form the base in the status system.

The Fallacy of the System

The status system or principle implies that an imputed value be associated with the individual relating to his role within the system and to the importance of his ability. Status can both help and hinder communication between the store manager and employees, customers, or higher supervision, because many injustices are inherent within systems of status. It is apparent that status enables those who work with a person to identify his significance, understand his place within the organization and explain that person's relationships with others. Status can be a great aid to the store manager provided it has been earned or maintained without destroying the confidence and trust of his customers and associates through past abuse of authority by the individual or by misuse of the job title by the organization.¹

¹McFarland, loc. cit., p. 439.

Consequently, a very capable individual who is actually performing a service of real skill may very well be afforded the same position in the status system as one who is less capable. On the other hand, the less capable individual who is placed in a higher status than the service he performs really warrants exemplifies a situation equally as unjust socially.¹

Apparently the present status of the supermarket chain store manager is the result of the evolution of the role and society's social value systems regarding the status scale of all occupations. The status systems in the case of the store manager indicate very serious inherent injustices. Status seems to be not only a personal factor concerning the store manager but it also appears to be a significant element in both employee and customer relationships. The protection and balance of the status system then appears to command the attention of upper management as part of management's administrative responsibility in maintaining a harmonious and progressive organization.

The Status Symbol of the Store Manager:
A Lasting Psychological Imprint

Most of the promotional effort during the earlier stages of the industry was directed toward selling a large volume of food at the lowest possible prices. Fancy frills, elaborate facilities, and highly talented store managers were not considered necessary for a successful operation. Consequently,

¹It is.

supermarket managers who came up through the ranks from the school of hard-knocks directed the unit operation and the stores were controlled through a rigid chain of command by headquarters.

During the very rapid expansion period of the industry following World War II, top management of many grocery chains encountered a serious problem in staffing the stores. As a result of the extreme shortage of trained and talented store managers many relatively inexperienced men were appointed to the job of manager.¹

The store manager was expected to follow through on orders from headquarters as a part of the store work force. Since he usually wore an apron he was often referred to as a "glorified clerk." The chain store manager was not especially well paid or well informed.

The long hours and hard physical work associated with the job of store manager made lasting psychological imprints--symbols of status in the minds of managers, employees, and customers. Consequently, history and events have created a stereotyped picture of "the supermarket chain store manager." Although the industry's structure has changed drastically the supermarket chain store manager today apparently still occupies a poorly defined position in the status system. He appears to be the victim of a dilemma which can only be changed by upper management.

¹Kline, op. cit., p. 33.

CHAPTER VI

THE NEED FOR IMPROVING THE STATUS OF THE JOB

Peter F. Drucker in the book The Practice of Management precisely outlines the responsibilities of the firm in upgrading the status of the manager as follows:

. . . there is the fact that the modern business enterprise for its survival needs to be able to recruit the ablest, best educated and most dedicated of young men into its service. To attract and to hold such men a promise of a career, of a living, or of economic success is not enough. The enterprise must be able to give such men a vision and a sense of mission. It must be able to satisfy their desire for a meaningful contribution to their community and society. It must in other words embrace public responsibility of a high order to live up to the demands the manager of tomorrow must make on himself.¹

Advantages of a Properly Balanced Status System

Systems of status facilitate the function of communications within the organization, act as important incentives to encourage better performance from the individual, develop a sense of responsibility and impose or fix responsibility within an organization. A system of status often assures

¹Peter F. Drucker, The Practice of Management (New York: Harper and Brothers, 1954), p. 301.

more rapid and more accurate communications in the organization by facilitating authentication, authoritativeness, and intelligibility.¹

Maintenance and improvement of the chain store manager's status appear to be essential incentives to cooperation. Prestige is important to most individuals; therefore, a properly balanced system of status can provide prestige as an incentive for the chain store manager to work to achieve. Personal satisfaction on the job is also very important to most individuals, and here again, a proper system of status in an organization can provide a personal incentive for the manager to strive to attain. Hence, a strong status system can be an indispensable tool in the development and fixing of responsibility.²

Loss of status is loss of prestige to the individual. Thus improvement of status is important and desirable for enforcing the stability of an organization. If a store manager is not reasonably certain that he will be able to retain the achieved status the chances are that he will not be spurred to strive for greater achievements. Therefore, if the status system within an organization is to act as an incentive a considerable degree of stability of status is necessary or status ceases to serve as an incentive.

¹Barnard, "The Status Structure of Management," loc. cit., pp. 253-270.

²Ibid.

The Store Manager Holds One Key
to the Survival of the Firm

Many problems confronting the supermarket chain store manager appear to result from the extremely rapid growth of the industry. Chain companies have grown quickly with rapid increases in the number of stores and by building larger and larger units. In an effort to control a large number of scattered units more effectively, branch offices have been established as service and control centers. Some companies operate branch offices as autonomous units within the company in an effort to cope with overextended lines of communication and to create more flexibility in meeting competition in the marketplace.

Today chains and independents operate as equals in the local market with strong capable people on the spot being almost the only unique competitive weapon possessed by either of them. Hence, the supermarket manager's job emerges as the focal point--the strategic key to the survival of the firm.

In many cases the present image of the supermarket manager is not recognized by employees or customers as truly representing the scope of the responsibility that he now carries. A recent study by Cornell University reveals the attitudes of more than 1,000 customers from coast to coast toward supermarket chain store managers and independent owner-managers. The findings of the research group indicate that much can and should be done to improve the status of the

store manager both as a businessman and a citizen.¹

With the spectacular growth in the size of stores and the enormous volume of sales for which he is responsible, the food store manager's job has grown into a position requiring multiple managerial skills. The store manager is expected to make decisions and take actions that will increase sales and profits for his store and his company.

The manager's latitude for individual decisions and his scope of authority can have a great bearing upon the effectiveness of the unit in meeting or beating its competition. The degree of authority given to the store manager and the status associated with his job can also affect his individual initiative and the leadership responsibilities which he assumes.

Status and Function

Men are not equal, and even if they were, the exercise of functions and responsibilities would still place one above another in an organization. Business is a hierarchical society--it can not be classless. The hierarchical distinctions in a business are important not merely because they derive from a function, but also because they form the foundation of all personal dignity--status--within the business at all levels. Discipline and control depend upon the recognition of this. The hierarchical distinctions can also be

¹Wendell Earle, "What Customers Think of the Super Market Manager," Progressive Grocer (New York: Progressive Grocer, December, 1961), pp. 134-137.

important factors affecting the efficiency of the organization because within business, as elsewhere, there is little satisfaction to be gained when rank and status have no meaning.

Since status may affect the efficiency of the firm if the store manager is ranked by society as being on the last step down the rung of the ladder, the following postulates should be given serious considerations:

1. Only a few men who occupy the role of supermarket chain store manager will rise in the echelons of management above the level.
2. Assuming this to be true, how can the status of those in these positions be made of an importance equal to the needs of top management?
3. In view of intensified competition adapted to the peculiarities of each location and the expanding size and scope of each unit store, does top management need to reassess the kind of man and the kinds of responsibilities necessary to compete on a different basis from former times?
4. If a higher calibre man is required for the job of store manager, how can he best be helped to achieve desired aims, in terms of authority scope, functions, and responsibilities?

In order to give consideration to the questions set forth, the manner in which the store manager is commonly described in the industry as well as the role which he actually fulfills must be investigated.

CHAPTER VII

THE PROJECTED ROLE OF THE CHAIN STORE MANAGER

At this point the projected role of the store manager is examined in an effort to determine the place of the manager within the chain organization. It seems possible that, in the struggle to improve the performance and the status of the store manager, the preferred description of him and his actual role may be entirely different.

The Purpose of Examining the Projected Role

Supermarket chains are made up of people who are continually trying to improve their own performance--people who are fully aware that the store manager is in a very strategic spot in the organization, and that the life of the firm depends upon the improvement of his status and performance.¹ The importance of the top corporate executive who sits behind a desk and issues directives is readily accepted and recognized. On the other hand, it is also recognized that the store manager is closer to the customer than any top executive could ever be. Often she knows the manager personally and it would seem that through him is projected her image

¹ Ibid., p. 47.

of the company and the store.¹ The manager becomes important to that customer, and consequently, very important to his company. In order to determine the real strength and status of his position it is necessary to find out how people within the industry describe him.

The Projected Description of the Manager

The projected description of the chain store manager including his duties and responsibilities is revealed by the typical comments contained herein.

Nathaniel Schwartz, the editor of Super Market Merchandising, describes the professional manager as a man of many talents many of which are above merely carrying out the line duties of the operation. He further describes the manager as a man with the ability to develop teamwork from executives and subordinates, a man who is skillful in public relations, and a man with sound economic sense who is not afraid to make decisions.²

Many people in the industry express views similar to those of Schwartz. For example, Bob Harrison, the personnel manager of Hinky-Dinky, in an interview by Super Market Merchandising said:

. . . the manager's role is not that of a worker.
His role is that of a leader, adviser, problem

¹Foy King, "Shelf Talk," Food Topics (Philadelphia: Topics Publishing Co., Inc., May, 1940), p. 5.

²Schwartz, loc. cit., p. 41.

solver, and organizer. These are the essential things. If he can't handle them, he's not a manager.¹

The former President of Marsh Foodliners, Inc., Erma Marsh, projected the role of the store manager as that of a king in his own little kingdom when he described the position of the retail store in his organization by saying:

In our company we like to think of the retail store as being the bull's eye in our operation. This is reflected in the manner in which we have drawn an organizational chart. You might say that the retail manager is the king of his own little bailiwick. Of course, it goes without saying that the higher caliber of manager we have, the better this is going to work.²

Joseph B. Hall, President of the Kroger Company, points out that increasing volume has emphasized the importance of the store manager and, although progress is measured in cash register sales, it is assured by strengthening the store managers, realigning and strengthening the supporting elements, and eliminating layers of management. He further stated:

These men are running a \$1 to \$6 million business. They are executives directing the activities of a sizable organization. They are leaders in their communities and are among the higher-salaried men in their areas.

An important concept of management is that decisions should be made at the level where all the pertinent facts are known. This has stimulated some interesting discussions concerning what are "pertinent facts." At any rate, this concept has placed more decisions within the division organization.³

¹"How to Manage the Manager," op. cit., p. 56.

²"SMI Speakers Explore Role of Store Manager," op.cit., p. 33.

³Hall, op. cit., pp. 27-31.

Roy King, former editor of Food Topics, indicated that the store manager must be an executive when he said:

The brains, personality, know-how, dedication, resourcefulness and enterprise--once the forte only of the chain executive--must be common attributes of the store manager.

There is no room for thinking that the store manager is an errand boy or a clerk. It is of the utmost importance that he be an articulate, well-trained, integral part of each company's operation. He must look like an executive, act like an executive, and, it goes without saying, be paid like an executive.¹

Robert W. Mueller, editor of Progressive Grocer, in the article "Meet Kroger's 1960 Store Manager: The New Executive in Chain Store Operation," summarized the apparent preferred description of the chain store manager's role as follows:

Nelson Apling and store managers like him from coast to coast are the new executives of the food industry. They have grown into executive stature with the spectacular growth of the stores they operate, and in the vast volume for which they must be held responsible. They have grown to this stature because competition is far more intense, more skillful. Correct decisions must be made quickly at the store level if the modern super market is to fully succeed. In the final analysis, every super market is different from every other super market, even those within the same company. Each has different customers, with different income levels, each has different competition, different advantages and disadvantages requiring understanding control and action that cannot be achieved but through a strong and responsible store executive.²

The Authority of the Store Manager

The latitude for individual decisions and the degree of authority possessed by the manager, the head man of a

¹King, loc. cit.

²Mueller, "Meet Kroger's 1960 Store Manager: . . .," p.48.

store operation, can have a great bearing upon the effectiveness of the unit. The authority given to the store manager can also affect his individual initiative and the leadership responsibilities which he assumes.

The authority of Dillon Store managers was demonstrated in a panel discussion by store manager Orin Fehrenbacher of Salina, Kansas at the National Association of Food Chains Convention in Chicago, Illinois, in October, 1961. Fehrenbacher described how he had completely reorganized the layout of half of his store when he noticed that one side of the store was not drawing enough traffic. Richard Dillon, Vice-President of J. S. Dillon & Sons Stores, also indicated that their store managers were left pretty much on their own. At the same convention, George W. Jenkins, President of Publix Super Markets of Florida stated that his theory was to let the manager manage his store.¹

Summary of the Projected Role

In summary, the study indicates that the projected role of the chain store manager very closely approximates the description and definition of the executive which were set forth in the report earlier.

The typical comments contained herein and many more revealed by the study appear to indicate a trend toward

¹Steve Weinstein, "NAFC Talks Favor Strong Store Manager," Supermarket News (New York: Fairchild Publications, Inc., October 23, 1961), p. 21.

thinking in terms of more decentralization within the industry. Progress in this direction, however, is often the result of extinguishing little competitive fires rather than as a result of deliberate planning by top management. Apparently people within the industry project the role of the store manager as approaching the role of an executive since the store manager is described as possessing the same personal qualities of leadership and as having the authority commensurate with executive responsibility.

CHAPTER VIII

THE ACTUAL ROLE OF THE CHAIN STORE MANAGER

The duties which the store manager actually performs on the job are investigated in order: (1) to determine the true nature of his job; (2) to examine his latitude in decision making; (3) to determine whether or not he is molded to a job title rather than to the specific needs of the organization; and (4) to show that he may be a victim of the organizational charts of the corporation. The comparison of the manager's actual role with his projected role can then be objectively evaluated in terms of the hypothesis. A frame of reference may then be determined within which it may be possible for top management to consider appropriate programs to improve the status of the store manager.

The True Meaning of the Job Title

The study reveals that, whatever their titles or their jobs may be, both store managers and carry-out boys in many cases may consider themselves as materials handlers, laborers, or janitors for the most part. Apparently store personnel consider themselves and their jobs in this manner because they think top management looks upon them this way. Perhaps the nature of the job also makes the store managers look this

way to themselves because: their responsibilities are often not clearly defined; their authority is frequently not commensurate with their responsibilities; and the physical work requirements, the salary scales, and the long hours have not improved over the years to any great degree. They have very little real "selling" responsibility because they really consider themselves as materials handlers instead of sales personnel.¹ The chain store manager is associated with the joint task of being part of the store work force while assuming full management responsibilities for the store performance.

Long Hours and Fed-Tape

Long hours and hard physical work appear to have made a very lasting psychological imprint in the minds of managers, employees, and customers regarding the status associated with the job of store manager. One of the biggest gripes of the store manager is the number of hours he has to put in on the job. Store managers generally find it necessary to work long hours because they do not have experienced managerial help to back them up.²

The actual role fulfilled by the chain store manager indicates that a prevalent weakness in store managers is their inability to accomplish the best over-all responsibility

¹William C. Nigot, "Rigid Operating Programs Creates Sterile Personnel," Food Topics (Philadelphia: Topics Publishing Co., Inc., May, 1961), p. 53.

²Kline, op. cit., p. 41.

in the store because they have to spend far too much time on hundreds of details.¹ The store manager in some companies has to fill out or have access to as many as 100 forms.² The pressure of paper work, details, and ever-present red-tape takes much valuable time of the manager, thus reducing his time available for supervision of the over-all store operation.

The Salary Scale

The salary scale is another annoyance to most store managers. Findings of Progressive Grocer's recent survey indicates a difference of slightly less than \$3,000 per year between the store manager's income in a class A store and in the smaller more ordinary store.³ The manager of a store with a yearly volume of \$3,000,000 or more per year receives only approximately \$3,000 more per year than the manager of store with the volume of \$500,000 per year. This kind of a salary differential does not act as an incentive to encourage a manager to excel in his job by producing better operating figures.

¹"SMI Speakers Explore Role of the Store Manager." op. cit., p. 32.

²"How to Manage the Manager," op. cit., p. 54.

³Kline, op. cit., p. 44. According to the Progressive Grocer Survey of over 1300 chain store managers those managers of stores with sales under \$500,000 per year earned an average salary of \$6948 in 1960, and those who managed stores in the \$1,000,000 to \$2,000,000 class earned \$9362.

The Dilemma of the Manager

Apparently in some cases the store manager is being held responsible for the gross margin performance of the store while he actually has virtually no control over the selection of the merchandise or the margins to be placed on it. As pointed out by John Hertz, Director of the General Management Division of the Super Market Institute, authority should be clearly defined and matched with responsibility. A store manager can properly be held responsible only for those things which he can control.¹

The manager must accept and carry out policies and directives which he has not formulated at all. His success depends on his ability to act upon these policies and carry them out instead of on the exercise of his own judgment. He has no part in setting up the rules under which he must operate. Most of the major activities concerning the store operations are directed from the headquarters point and the manager is really molded to a job title rather than to the needs of the store operation.

The Discrepancy Between the Projected Role of the Manager and His Actual Role

There is an apparent discrepancy between the lip service being given to the projected role of the store manager

¹"SMI Speakers Explore Role of the Store Manager,"
op. cit... p. 32.

and the jobs actually performed by him. Although the supermarket chain store manager is frequently referred to as an executive, his actual role seems to be that of providing the store with unified administrative leadership as a line supervisor. Instead of conceiving ideas, formulating policies, and making decisions concerning the broad objectives of the firm he is more often saddled with accepting and carrying out the details of policies and directives formulated by higher management and supervising the employees involved in the actual routine physical work.

This discrepancy between the manager's projected role and his actual role can hardly be interpreted as an expression of maliciousness or bad faith on the part of top management but rather as to the dramatic impact which new social forces produced by modern technology are having on the market structure of food distribution.¹

Suppression and Conformity

Quite naturally the store manager is bewildered because he must accept the responsibility of all aspects of the store operation despite the fact that he cannot control the conditions or terms under which he must operate. The store manager along with many of his associates connected with the industry feels that he is on the spot because all of the terms of

¹Fritz J. Roethlisberger, "The Foreman: Master and Victim of Double Talk," Human Factors in Management, ed. Schuyler Dean Hoslette (New York and London: Harper and Brothers, 1940), p. 39.

responsibility are established by the policies and restrictions of the organization.

At this point individual initiative is suppressed and conformity becomes a problem of enormous proportions.¹ If creative thinking is suppressed the management function seriously hinders the growth of the business. For example, the idea of suppression may be of such a magnitude that it sometimes suggests the possibility that much effort in sales promotion may not be for the public at all, but merely for higher management in the form of merchandise displays with "window-dressing" to please the eye of the supervisor rather than actually selling the product to the customer.² Critics of large scale business organizations have often centered critical comments on the impact of excessive conformity upon an organization.

The Manager's Real Problem

Top management is fully aware that the store manager is in a key strategic spot in the organization and that the life of the firm depends upon the improvement of his status and performance. In the constant effort to improve the performance and status of the manager, apparently he is

¹Poy King, "Shel Talk," Food Topics (Philadelphia: Topics Publishing Co., Inc., May, 1961), p. 5.

²David L. Yunich, "Retail Management's Toughest Competition: Self-Imprisonment," The Tube' Lectures in Retail Distribution--1957-1958, ed. Malcolm P. McNair and Milton P. Brown (Norwood, Mass.: The Plumpton Press, 1958), p. 90.

described and referred to as an executive while his actual detailed duties and responsibilities have really not been changed very much. The dilemma of the manager may stem from the fact that his authority is not clearly defined and matched with responsibility. The real problem may then be regarded as one of communications rather than a violation of the responsibility principle. Perhaps the problem is that he does not understand what is expected of him and the company does not understand what it wants.

The True Nature of the Job

Regardless of the lip service attributed to the prestige of the store manager's job, it is apparent that it is regarded as the arm which implements company planning in the attempt to achieve the desired effectiveness in the local situation. The manager is trained and prompted to be tough, to be fair, to use consultation supervision, and to retain management rights in supervising the physical operation of the store. Restrictive company policy for the most part is the manager's only apparent source of authority for what passes for latitude in decision making. The findings of the study indicate that the supermarket chain store manager is really fulfilling a role similar to that of an industrial shop foreman. Yet, in the next chapter is seen one popular approach to upgrading the manager's role through the principles contained in the concept known as decentralization.

CHAPTER IX

THE ADMINISTRATIVE DECENTRALIZATION CONCEPT OF MANAGEMENT

Corporate food chains have been confronted with some major problems in upgrading the status of the store manager: (1) internal problems arising from very rapid growth into large firms difficult to control; and (2) external problems arising from the emergence of severe competition from the improved local independent operators and other chains. Apparently many top management teams have felt, that to a great degree, the solution would be found in changing their internal organizational structure or at least in changing the organizational charts. Within the supermarket industry much attention has been devoted to the problem of running large corporations with democratic rather than autocratic authority in order to improve the effectiveness of company operations. A great amount of attention has also been directed toward improving the effectiveness of the local store operation and the efficiency of store management through administrative decentralization.

Decentralization

The term "decentralization" has become very popular in the supermarket industry and appears to have been regarded as

a cure-all philosophy of management. Decentralization is defined as the maximizing of authority and the localizing of responsibility for results at the lowest possible level in the organizational hierarchy.¹ The basic concept of decentralization implies that the organization be divided into a number of autonomous units with mandates to operate as independent units. The principal advantage of administrative decentralization is in decision making. Theoretically capable administrators can solve problems by making decisions promptly on the spot and thereby initiate action without delay.

Many companies appear to have hastily turned toward decentralization of authority and restructure of the firm's organizational anatomy as a means of improving first-line management and store operations. Often top management seems to have taken these actions blindly without fully recognizing the coexistent need for control and coordination. Consequently, many misconceptions and much confusion can be attributed to this theory of management.

Decentralization is often regarded as a cure-all for management ills. Administrative decentralization and its effects upon the organization is many times prematurely criticized or misjudged immediately following the development of new organizational manuals or charts and new company

¹McFarland, op. cit., p. 228.

policies. Often top management does not realize the complexity of decentralization; therefore, the organization is not properly prepared to develop a decentralized organizational structure in the manner in which it can function effectively. It is often implied that decentralization should be complete; however, extreme applications of decentralization are both economically impractical and ridiculous.¹

Functional Decentralization

Administrative decentralization can be either of two basic concepts according to Peter F. Drucker. The first is called functional decentralization whereby emphasis is placed upon a specialized function instead of the entire company operation. The company organization is subdivided into specialized functional departments. Managerial authority is delegated to an integrated unit and maximum responsibility is restricted within that particular unit. An example of this method of functional subdivision of an organization would be departments within a supermarket chain organization subdivided by a particular commodity group, such as meat, seafood, bakery, etc.

Several weaknesses are inherent in this type of decentralization. It is virtually impossible to evaluate results of an operation when functional subdivision exists

¹Charles Louis Thomas, Jr., "Decentralization and Re-centralization of the Merchandising Function" (unpublished Master's thesis, Department of General Business, Michigan State University, 1955), pp. 1-c.

in an organization because each department often directly influences the operations of other departments. Another major disadvantage of functional decentralization is that a group of specialists soon develop within each of the functional units of the organization. Very technical specialization often results in rivalry between functional units making over-all coordination difficult or impossible and many times acts as a threat to the future development of the individuals involved.

Federal Decentralization

The second basic concept of decentralization is referred to as the federal system. According to this concept company activities are organized into autonomous units each with its own market and own profit and loss responsibilities. Many large companies, such as Ford, Chrysler, General Electric, Westinghouse, Sears Roebuck, and The Kroger Company have instituted this form of organization during the past twenty years. General Motors and du Pont developed this concept of management during the 1920's.¹

Peter F. Drucker outlines the following main reasons for the emergence of federal decentralization:

1. It focuses the vision and efforts upon performance and results.

¹Drucker, Practice of Management, pp. cit., pp. 202-203.

2. Because of this the danger of self-deception spurs management of the decentralized unit to exercise its capabilities more efficiently.
3. The number of people or units under one manager is limited by managerial responsibility instead of by span of control thus eliminating layers of management.
4. It aids in developing future executives who are generalists instead of specialists.
5. It tests men in independent command early at low managerial level.¹

Drucker also listed five basic rules essential for the successful application of federal decentralization.

1. . . . any federal organization requires both strong parts and a strong center. The term "decentralization" is actually misleading--though far too common by now to be discarded. It implies that the center is being weakened; but nothing could be more of a mistake. Federal decentralization requires strong guidance from the center through the setting of clear, meaningful, and high objectives for the whole. The objectives must demand both a high standard of conduct throughout the enterprise and a high degree of business performance.
2. The federally decentralized unit must be large enough to support the management it needs. The aim should be to have as many autonomous units as possible and to have them as small as possible; but this becomes absurdity when the unit gets too small to support management of the necessary number and quality.

¹ Ibid.

3. Each federally decentralized unit should have potential for growth.
4. There should be enough scope and challenge to the job of the managers.
5. Federal units should exist side by side, each with its own job, its own market or product. Where they touch it should be in competition with each other--as are the automobile divisions of General Motors or of Ford. But they should not normally be required to do anything jointly. Their relation should be close and friendly--but based strictly on business dealing rather than on the inability of individual units to stand alone.¹

The Decision to Decentralize

There are many important factors to be considered before making the decision to decentralize the operations of a company. Some of the more important factors are the size and significance of a particular function, the number of people involved in the operation of a specific unit, and relationship of the function with other functions in the organization with regard to the contribution of earnings. It is also recognized that decisions can be made closer to the point of action. The nature of the business and the competitive atmosphere in which the firm is operating are also important considerations. Since prosperous conditions may be more conducive to expansion and growth the type of competition and the general economic trends of a particular area should be investigated.²

¹Ibid.

²Thomas, loc. cit., pp. 46-48.

Also to be considered is the fact that in the large retail food chain it is very difficult to find the right degree of delegation of authority which permits great flexibility in the individual units and still maintains an efficient well co-ordinated company operation. Many problems are encountered in lifting the barriers of restriction from the store manager and in deciding to sacrifice the extra costs involved in duplicate functions within the organization in order to gain the added flexibility in meeting local competition. Although decentralization is initiated at the store level, many restrictions must still be placed upon the store manager if the company is to enjoy the economies of scale, such as central buying, warehousing, advertising, accounting, and transportation.

It should also be pointed out here that sometimes delegating authority to the store manager is really not a simple process. Often delegation deals with people who have been trained since infancy to look to those who are more powerful and capable for leadership but have individual pride, dignity, and the desire to be considered on decisions affecting them.¹

The Degree of Decentralization

Many companies may consider themselves entirely decentralized; however, when allocation of authority is analyzed

¹Thomas D. Mottin, "Food Fair," Food Merchandising (St. Louis: Food Merchandising, Inc., July, 1961) p. 25.

They are found to be only partially decentralized. According to the parameters set forth in this chapter a company is not entirely decentralized unless important decisions directly affecting operations are made at the lowest possible point in the hierarchy.

It is true that unless some degree of decentralization is followed the best laid plans of top management may not be carried out; however, the success of any plan depends not only on how it is carried out but also in what spirit it is executed. Hence, if top management of the firm only gives lip service to the concepts of being decentralized and does not actually grant first-line management more authority to make important on-the-spot decisions the manager's lack of understanding, sympathy, and enthusiasm may hinder performance at the lower echelon. The concept of decentralization then must not only exist in the organizational charts but also in the actual communication system and practice of top management if it is to aid in upgrading the status of the supermarket chain store manager.

The decision to decentralize should be based on economic factors. Basically the economic issues between centralization and decentralization is between lower total administrative costs and more effective performance.¹ Centralization and decentralization are always a matter of degree. Different

¹ Ernest Dale, The Great Organizers (New York: McGraw-Hill Book Company, Inc., 1960), p. 250.

elements in the local situation must be balanced against corporate objectives and policies. Success in this balancing process is much more important than the degree of centralization or decentralization.

The need for balance is complicated greatly by certain dilemmas facing top management. The need for maintaining the integrity of the corporate personality on the one hand, and on the other hand, the need for unique flexibility in the local marketplace often present upper management with conflicting organizational goals that are not easy to resolve.¹

Since decentralization can be applied in various degrees the question becomes at what level on the hierarchical ladder does autonomy cease to exist? Naturally, each firm has to answer this question in accordance with its own needs; however, it should be pointed out that as a chain becomes larger it inevitably reaches "the point of diminishing returns." Hence, the most efficient point of operation exists at the level where benefits can be realized from having relatively centralized functions below and relatively decentralized functions above. At that point the extra costs sacrificed in providing duplicate functions do not exceed the benefits derived and the firm enjoys the benefits of being a large chain as well as the benefits of localized autonomy.

¹Helen Baker and Robert R. France, Centralization and Decentralization in Industrial Relations (Princeton, New Jersey: Princeton University Press, 1954), p. 200.

Although the store manager has frequently had his participation in various functions liberalized the optimum point of autonomy for a decentralized company operation is not the store level. There is no need for high autonomy at the store level; and if the need existed, there are great, if not insurmountable problems to overcome. The question now arises as to how can the status of men in this position be made of an importance equal to the needs of top management?

CHAPTER X

IMPLICATIONS ENCOUNTERED IN UPGRADING THE JOB

Since decentralization can not be pushed all of the way to the store level in the supermarket chain the store manager remains in a marginal position between the worker and upper management. It has been suggested that the store manager can not function effectively unless top management recognizes and admits his dilemma and initiates action to upgrade his status. Regardless of how astute and how willing top management may be, however, there are still many implications to be encountered in upgrading the job.

The Nature of the Industry

In the past two decades vast and significant changes have rapidly occurred in food retailing as in other parts of the economy. These changes have been stimulated by technological and economic factors which in turn have induced great changes in the industrial structure. Food retailing occupies a strategic position in the distribution system between the producer or processor and the consumer. Horizontal integration has taken place through increases in the sizes of individual stores and through increases in

the number of stores owned by individual firms.¹

The transformation of the industry from many to relatively fewer firms certainly affects the competitive conduct of remaining grocery retailers. Assuming that all food stores compete with one another in the same market from an aggregate view, the market concentration has increased appreciably since 1940. The total number of food stores has decreased from an estimated 444,950 in 1940 to an estimated 260,050 in the year 1961, or slightly more than 40 per cent.²

Since 1941 the total estimated retail food store sales have increased from \$10.2 billion to \$52.6 billion. In 1960 the 33,300 chain and independent supermarkets accounted for 69 per cent of the total grocery sales.³

Horizontal mergers have contributed somewhat to this increased market concentration; however, vertical integration by firms within the industry has also significantly affected the conduct and performance of individual firms as well as the market structure. Often physical or technical reasons have encouraged firms to merge or integrate vertically for increased profits. Vertical integration has offered many firms a temporary sanctuary from selling in a market dominated by the influences of price and other competitive perils.

¹Mueller and Garolan, op. cit., pp. 3-47.

²Robert W. Mueller (ed.), Facts in Grocery Distribution (1961 ed.), op. cit.

³Ibid.

Competition in the industry has reached an all-time high and now a remarkable balance of power exists in food retailing. Both chains and independents enjoy virtually the same competitive advantages--large efficient warehousing facilities; economies in buying; modern stores with complete merchandise lines; excellent supplier relationships; and professional knowledge for direction and control of the organization and operations. Today chains and independents operate as equals in the local marketplace with strong capable people on the spot being almost the only valuable competitive weapon possessed by either of them.

It seems entirely possible that problems involving the chain store manager personally may now be neglected as a result of this marketplace struggle. Assuming that the goals of each firm are survival and growth, both of which can be measured by profits, the problem of the supermarket chain store manager may stem from the rapidly changing environment. Top management teams of the supermarket chains apparently are involved in making two basic types of decisions--routine decisions and problem solving decisions. The routine decisions are in the areas of cooperation in the struggle for survival. The problem solving decisions are in the areas of conflict against the unknown. There is a tendency within an organization when the situation is at status quo or under control to move from problem solving decisions to routine decisions. Perhaps then the problems

at the store manager level are being downgraded to a matter of routine because new problem solving decisions regarding areas of conflict against the unknown are being inserted at the staff level. If this is the case then apparently the chain store manager is being downgraded and his problems neglected in an attempt to upgrade the total organization and insure its survival.¹

The Structure of the Organization

An examination of the general organizational structure of most mass retailing firms presents another point to be considered. In mass retailing a very large number of front line people, such as clerks, department managers, and store managers are required to provide customer service and product distribution. The large body of front line employees can be directed easily and efficiently by top management with a relatively small group of specialists and supervisory personnel. Consequently, the organizational structure of many retailing firms appears to take the form of a pyramid having a very broad base representing front line personnel and a narrow column rising very abruptly from the base representing higher management.

Due to the organizational structure of most large mass retailing companies inherent dangers exist for the

¹Daniel M. Slate, Class Lecture, Michigan State University, January 15, 1962.

firm in which the store manager's job is regarded as an intermediate step to a better position. The danger inherent in developing a reserve of supervisory talent in advance of actual need is that more potential supervisors may be trained than can ever be placed in positions above the level of store managers. The result can only be dissatisfaction, disappointment, and eventual loss of those who were identified and trained for higher positions. On the other hand, professional food chain store managers must be recruited from young men of vision, competence, and ambition who foresee the same wealth of opportunity and rewards equally as good socially under present conditions as they would have in other companies for comparable responsibilities.

The Responsibilities of the Job

No business today can expect to succeed and progress any faster than the quality of the front line management is upgraded. Top management through necessity places in the hands of the store manager the responsibilities of the interpretation of policies, submission of orders, and the listening to complaints, criticism, and suggestions.¹ Today businesses are large and impersonal and trained competent managers are hard to replace. Alert unions are ready and eager to transmute management's mistakes into costly grievances. A successful store manager must be a capable personnel

¹ National Foreman's Institute, Inc., Foreman's Policy Manual (New London, Conn.: National Foreman's Institute, Inc., 1951), p. FJ-2.

manager under today's system. He must regard human relations problems as important as the mechanical problems involved in running the business. If he is not a leader of men and does not know how to handle men he may cause an expensive industrial relations problem that can involve the company in severe labor troubles.¹

A business must either move ahead or perish, and the degree of flexibility exercised at the store level can very well determine the fate or the odds for survival for the individual firm. Flexibility not only implies authority to make changes on the spot but it also means recognizing changes and acting on the basis of them. Therefore, flexibility includes the ability to see the new relationships and conceive the new ordering of events prior to making a decision.² The store manager must possess the ability to marshall all of the relevant facts, to weigh and evaluate them, to conceive the most logical alternatives and conclusions and base his leadership decisions on these.³

The store manager is usually charged with the responsibility of making a smoothly functioning team out of the operation of a modern supermarket. He must plan, organize, and integrate in every situation. He is responsible for

¹George Strauss and Leonard R. Sayles, Personnel: The Human Problems of Management (Englewood Cliffs, N. J.: Prentice Hall, Inc., 1960), p. 732.

²Milton M. Mandell, "The Selection of Executives," Selection of Management Personnel, ed. M. Joseph Doherty and Elizabeth Marting (New York: American Management Association, 1957), p. 243.

³Ibid.

representing the company organization, setting and maintaining work standards and setting the entire tone for his subordinates. The organization's survival depends as directly upon strong store management as it does on strong middle and top management; therefore, opportunities to grow should be provided for every man at every level. The question then arises as to how can the status of the man who has little opportunity to be promoted above the store manager level be upgraded even though his performance on his present job does improve considerably.¹

Incentives and Compensation

As pointed out previously the salary scale is another important point to be considered in regard to upgrading the status of the chain store manager. The salary differential between the smaller more ordinary store and the larger class A store is often not sufficient to act as an incentive to encourage a manager to excel in his job by striving for a more efficient store operation.

The first question which arises in regard to the salary of the store manager is whether or not the monetary rewards are equal to those paid by firms in other industries for comparable responsibilities and time spent on the job. It is widely accepted that employees do not react in the most efficient manner if they feel they are being paid under

¹ Strauss and Sayles, loc. cit., p. 523.

the prevailing rates or being exploited by upper management. Salary is also generally regarded as a status symbol. Proper compensations in salary help to maintain morale and make managers more reluctant to quit their jobs.

The company salary policy is often directly related to its recruitment and selection policies and often higher salaries attract more job applicants from a wider reservoir of talents permitting management to choose better potential managers to be trained.¹ Higher starting salaries usually stimulate the competition between firms for new men. This bidding frequently leads a company to the point whereby a new man is being paid a higher salary than one who has worked in the firm for many years even though both men are doing the same job. Naturally bitterness and resentment develop among the older members of the organization as a result of the firm's attempt to upgrade the status of the job through higher salaries and by the recruitment of more competent young men.²

Theoretically, the problem can be solved by raising the salaries of the older men also, but this may call for the readjustment upward of many other salary differentials. Inflationary pressures may increase too and in all probability very few managements could satisfactorily solve the problem

¹Ibid.

²Harry Hepner, Perceptible Management and Supervision (Englewood Cliffs, N. J.: Prentice-Hall, Inc., 1961), p. 251.

by attacking it in this manner.

If a company attempts to raise the status of the store manager by promoting men on the basis of their merits and potentials for the future then some younger men may receive higher salaries than the older men, and again dissatisfaction usually results within the organization. The resentment by the "old guard" presents additional problems for top management who must admit the squeeze in the narrowing of salary differentials between the old and the new members of management and state frankly that the old differentials can not be maintained if the firm is to survive.¹

However, higher salaries in themselves do not always raise the status of the store manager or guarantee his motivation toward greater efficiency. The store manager's work must also have meaning; meaning, that is, for him as a person, as great as the meaning is for top management. He must receive satisfaction from doing the job and prestige from being identified with it. Upper management is then faced with other problems in the attempt to upgrade the status of the store manager's job because complaints about salary are often symptoms of other dissatisfactions, such as working conditions, the number of hours worked, or the type of supervision. Finally, the basic problem becomes: How can the firm gain the advantages that come with size and upgrade the status of the store manager without paying

¹Ibid., p. 253.

a heavy price in terms of reduced employee and managerial effectiveness?¹

The Nature of Control Imposed by Headquarters

The retail store allows a concentration of customers in an area to be conveniently served locally and it is there that consumer demands are anticipated, supplied, and interpreted. It is the final function in food distribution and the first, last, and only contact with the customer; therefore, the store operation should be the focal point in the entire organization. Many elements of control over the store are certainly necessary if the firm is to successfully operate mass marketing, low margin retail institutions economically and efficiently; however, the control functions of the organization must complement and aid the retail store in every possible way to better serve the customer.

Organizational control at the headquarters level is often separated into compartmented and isolated parts of the company by being divided into varying proportions among sales, purchasing, accounting, distribution, advertising, traffic, and personnel. Frequently the proportions are also subdivided by functions within the department. Each of the departments perform separate and distinct functions; however, the actions of each are naturally oriented primarily toward the fulfillment of the departmental responsibilities. Without centralized control at the staff level fragmentary

¹Strauss and Sayles, loc. cit., p. 377.

action suited to the ends of the particular department involved often results and the retail store--the only direct customer contact--becomes subservient to headquarters and the warehouse.

Presently the predominant practice of supermarket chains seems to be that of having one specialist, or a small group of specialists, at headquarters make certain kinds of decisions and project them to all store managers. Frequently concentration in their specialities tends to blind the staff members of management to the realities of the business as a whole, making coordination with store operations difficult.

The lack of coordination and the self-centered actions of various departments in the staff organization casts the store manager into a dilemma. The manner in which staff exercises its functional authority may discourage line action by destroying confidence and competence in decision making by supervisors and store managers thus reducing them to mere puppets.¹

At this point a discrepancy exists between the way things are at the store level and the way top management thinks they are. Many other problems are created also which may affect the net assets of the business in the end because the store manager is being held responsible for

¹Baker and France, op. cit., p. 202.

something which he cannot control or because his authority is not defined and matched with responsibility. Although the store manager may be willing and capable of managing the supermarket most efficiently how can he escape from his dilemma until upper management intelligently plans flatter, less complex organizational structures with a maximum of administrative decentralization coordinated and entirely oriented toward customer service?

Communications

The growth and complexity of the supermarket industry has forced management to develop effective means of transmitting information to lower echelons efficiently. Since the passing on of orders, policies, and plans necessarily form the backbone of efficient management communication is the life blood of coordination and control.¹ Communication is a two-way street; however, participation in management decisions for the chain store manager may often consist principally of communication downward rather than any upward transmission of constructive ideas from the store level.

Effective upward communication can be very valuable to top management because it reveals the degree to which ideas and orders passed down are accepted. Often individual participation is stimulated and coordination and cooperation insured by the upward flow of ideas. If upward communication

¹Earl G. Plauty and William Machover. "Stimulating Upward Communication," Effective Communication on the Job, ed. Joseph M. Doherty (New York: American Management Association, 1950), pp. 219-20.

is effective and the ideas of subordinates are given prompt and sympathetic attention followed by desirable action top management can avert many day-to-day explosive situations causing operational difficulties or human relations problems.

Many barriers to upward communication can exist in the business organization such as:

1. The complexity of the organization structure.
2. The physical distance between the supervisor and the store manager.
3. The fact that movement of information through many levels usually dilutes or distorts the information.

Supervisors often provoke barriers to upward communication through their actions such as:

1. Their behavior while listening.
2. Erroneously thinking that no news from a store manager is good news.
3. Resistance to listening to personnel problems of the store manager.
4. Failing to take action on previous requests of the store manager.
5. By being too quick to criticize the manager's actions before all of the facts are known.

Many barriers to upward communication also exist involving the store manager directly because:

1. The superior is always free to call him in at will which is a privilege not enjoyed by lower echelon people.
2. Neither adequate facilities or rewards are available or offered to him for expending extra effort for upward communication.
3. He can not usually prepare his communications with as much care as those transmissions coming down have had.

4. Often a semantics barrier exists between him and higher management.
5. He operates in a very colorful, busy, ever-changing environment and his feelings and emotions may often mix freely with the facts.
6. The subordinate often tends to temper bad news, failures, or unfavorable reports.

These barriers to communication may affect the status of the store manager as well as the efficiency of the organization. The question posed at this point is: How can the status of the store manager be lifted and the efficiency of the organization be improved unless a top-notch communication system is operative at all levels in the firm? Secondly, do not status and communication improvement complement one another in terms of organizational efficiency since both can recognize the unique contributions which the individual store manager may add to the firm?¹

Time and costs are most important limitation factors in communication. Day-to-day coordination and personal contact via telephone calls and field trips as means of organizational control are expensive. Decisions often have to be made before efforts to coordinate can take place. The problem at the store level is one of time versus the need for action. Many times immediate action must be initiated before information can be transmitted to headquarters and consultation received back through channels.² Once again

¹Baker and France, loc. cit., p. 202.

²Ibid., p. 37.

o not improvements in the communication and status systems
o hand in hand since the firm's operations can not be most
efficient unless capable store managers are given the nec-
essary information about the business along with the auth-
ority to handle decisions on the spot?

Another major problem arises concerning communication
and the status of the store manager in that the manager
apparently often does not know exactly what to do, how to
do about it, or even the precise scope of his authority
in dealing with his subordinates.¹ Consequently, he must
resort to double talk with subordinates because he does not
understand or does not accept higher management's concepts.
Can the status of the store manager be upgraded unless
authority is commensurate with his responsibilities and
internal communication of the firm are improved at every
level?

¹Paul Pigors and Charles A. Myers, "The Foreman: His
Place and His Problems," Readings in Personnel Administration,
ed. Paul Pigors and Charles A. Myers (New York: McGraw-Hill
Book Company, Inc., 1952), p. 221.

CHAPTER XI

CONCLUSIONS

Real life almost never yields to quick and easy analysis. The facts in any situation are hard to get, hard to assess, and hard to interpret. Worse it is hard to know what facts are relevant, how to classify the facts, and how to relate them to each other.

--John S. Ellsworth, Factory Folkways

As John S. Ellsworth points out it is difficult to reach final conclusions which can apply in all situations. In summation, however, it is possible to suggest some general conclusions to which the study has given meaning.

Semantic Trickery

At the outset it was suggested that the supermarket chain store manager cannot function effectively in his dual role in an organizational structure and management philosophy which does not recognize and admit this twofold representation required by his job. The essential point appears to be the need to recognize that semantic trickery cannot by any stretch of the imagination upgrade the status of the food chain store manager or increase the efficiency of the organization. Apparently many top managements expect their store managers to think and act like executives while in the final analysis the manager is regarded as an errand boy

or clerk. Granting lip service to the preferred description of the store manager's role--using different languages to suit the audiences--does not result in added flexibility at the store level nor does it give the firm any additional advantages in the marketplace.

The Gap Between Managerial Levels

It is clear that a definite gap exists between top management and the store manager. Apparently there is a discrepancy between the way things are at store level and the way top management thinks they are. Consequently, there may be a vast difference between what most firms are getting out of their stores and what they could get. Certainly the discrepancy between what the store manager should be and what he is cannot fail to be disconcerting and is most likely to influence adversely what he actually does or does not do.

The test of a man is what he can do and what he is worth to society; therefore, a man's search for growth may be directed toward material possessions, social status, or toward growth as a person. Apparently most firms in the supermarket industry have thusfar neglected all three of these basic motivation factors concerning the job of store manager. Due to the organizational structure of most mass retailing firms the pathways to advancement beyond the store level for an individual manager are not well defined. Since men can advance in society either through a company or through a function it seems that organizational progress and

possibly survival of many firms may be better insured through the establishment of good career store management positions. The crux of the situation may not be so much the need for capable men or the scarcity of proven leaders as it is the failure of top and middle management generally to discover, develop, and assign professional store managers to a career position with status.¹

The Psychological State of Transition

Management at the helm of the food chains must realize the impact which has been made on the techniques of supermarket management at the store level by the sweeping changes which have taken place in the industry during the past decade. There is little doubt that food retailing has reached the point whereby the human resources are the only elements which cannot be duplicated by competitors. Perhaps then many of the problems regarding the store manager and his status faced by food chain retailers today stem from the fact that the public and top management of many firms are still in a state of transition psychologically that the industry passed through physically long ago. The industry and its structure have changed drastically. The titles assigned to people within various firms have also changed, but the social, psychological, and personal aspects of the store management apparently have changed very little.

¹Edward R. Stettinus, Jr., A Speech given at Harvard Tercentenary Celebration at the Harvard Graduate School of Business, September 17, 1936.

The Social Climate at Store Level

Only top management, by virtue of the fact that its directive functions place it in authority, can change the social climate at the store level and upgrade the status of the store manager. Top management can no longer rule by coercion with puppets as store managers--it must rule in the future by superior wisdom and knowledge.¹ In order to have flexibility in decision making at the store level, upper management should develop its people to the point which it can assign as much authority to them as possible while remaining in the background. This may call for changes at the staff level because it requires more real managerial skill than merely giving orders or doing the job does.²

Upper management must possess the ability to initiate planning procedures by permitting the necessary specialists to be drawn upon in decision making without imposing problems of coordination in the organization. In order to accomplish this management must formulate and set forth the parameters of a plan for the behavior for all members of the organization. Astute upper management must be able to integrate every phase of the company operation while deliberately controlling the environment of decision at each managerial level so that the individual store manager will apply judgment in his decisions and select the alternatives most compatible with company objectives.

¹Hooper, op. cit., p. 61.

²Ibid., p. 87.

Solving the Problem

Those who indicate that the chain store manager should be an independent operator of an autonomous unit by acting as though he owned the business may be pursuing a very unrealistic and impractical idea. The store manager can not be expected to buy or price merchandise or perform other functions that can be handled more efficiently by a centrally located headquarters staff. However, in attempting to combine the strengths of the chain with the advantages of an independent the chain store manager must be able to supplement company planning and exercise flexibility if effectiveness is to be achieved in the local marketplace.

Conformity to the requirements of the organizational activity is certainly one aspect of the store manager's responsibilities. The chain store manager must be organization-minded. Upper management should make sure that he understands and accepts the need for a hierarchy, the procedures, rules, and controls that are necessary in a large organization. On the other hand, the men selected for store managers should have the ability to understand over-all corporate objectives and possess the ability to visualize the intermeshing of the parts to accomplish these goals.

Organizational progress requires the development of individuals who will change to meet the demands of progress. When experience does not develop organizational-mindedness it is doubtful that additional training will overcome lack of interest, initiative, or ability on the part of the store

anager and top management should take the action necessary to maintain organizational efficiency. If the man does not make the system, the system will not re-make the man.

Good two-way communication conveying full and frank information is a basic necessity in order to develop mutual confidence--both above and below in the hierarchy. It is not enough that the right thing be done--it must be manifestly seen by all concerned to be done. The store should become the hub of the organizational wheel and the chain warehouse a service organization for the stores in order to provide flexibility through custom services for each store.

Top management should recognize and accept the importance of the store manager as well as the effects his decisions may have upon the total company operation. Organizational survival depends on long range investment in management talent at the store level and calls for a change in the philosophy of upper management in regard to the store manager. Human resources can not be wasted because many talented men will not submit themselves to a wasteful machine if there are other careers available.

Shorter working hours and better communication must be projected to the store manager level if the manager of executive capacity is to be attracted to the job. As top store managers are developed the salary must be commensurate with the responsibilities of the job. If the spread in salary is increased perhaps more talented managers will be satisfied to advance laterally as career managers instead

of taking the first opportunity to get into a buying or supervisory job. Incentive payment may be an important method of attracting talented men and encourage them to excel in their jobs by producing better unit operations.

Non-material aspects concerning the job, such as social, psychological, and personal factors are also essential in attracting and keeping high quality store managers. These factors which are essentially the products of human relationships created by the interplay between upper management and the store manager are most important in developing the proper climate of work for the store manager. Once a capable man is found he should be given all of the necessary information about the business and the authority to handle details on his own to increase operating efficiency. The store manager's work should provide meaning, satisfaction, and a sense of human dignity for him as a person.

Take the Store Manager Off of the Treadmill

The competitive battle for profitable sales--even for survival--is sure to be won by men with ideas and abilities rather than with bricks and mortar. It is indeed unfortunate that the lingering prejudice against the grocery store as a place of employment--especially the lasting psychological imprint of the chain store manager--has not long ago been erased from the minds of society.

The fact that the supermarket chain store manager holds a marginal position necessitates that he be deprived of the

onomy and dignity that strengthen his status in society. However, the chain store manager's problem can never be solved by attempts at the managerial level alone. His status depends as much on the status of the employee under him as on his relation to the supervisor or members of upper management. Unless the employee also has status and function in society the store manager's status can never be successfully upgraded. Finally, a key to the solution of the problem may lie in raising the entire industry--from the part-time bag boy to the top management--into one that has a more acceptable social status.

Perhaps some progress is being made in the industry; however, the following statement made by Don Parsons, the Executive Director of Super Market Institute, at the Super Market Institute Convention in 1954--eight years ago--still seems to contain some very opportune recommendations.

Our difficulty in attracting good personnel now becomes clear. If we haven't sold our customers--the people we serve--on the dignity of our service is it any wonder that the Super Markets have a problem in attracting the best of our career minded young men and women?

We've got to do the same general thing in selling the desirable future that exists in the retail food field. We must impress all the people that we are the leaders in our field and, further that our field is a most important, most vital, most exciting retail operation in the entire world. We must raise our industry into one that has an accepted social status.

We must prove that our mechanical marvels of stores have a heart and personality, as well as efficiency of operation. We must prove that there is ample opportunity for advancement; that the hard work of providing more for all in the food field really pays off in terms of community stature, and countless other employee

benefits. We must prove that our industry in every sense of the word--is just as progressive and up to date as television, atomic energy, and any other new growing industry.¹

In Retrospect

Obviously the last word has not been said on this vital subject concerning the status of the supermarket chain store manager. This study cannot and does not claim to be complete or conclusive because it touches upon far more topics than could be adequately covered within such a short paper.

One cannot help but feel that the conclusions reached in this paper have been recognized by many top management people within the supermarket chains for several years. If the need for upgrading the status of the store manager has been recognized and solving the problem has been deliberately postponed then the problem will continue to return to plague the food chains. There is no justification for postponing a problem as vital as this one concerning the store manager. In the long run if difficulties of the moment are not dealt with they quickly become permanent, cumulative maladies that result in deterioration, if not complete dissolution, of the firm.

¹M. M. Zimmerman, The Super Market (New York: McGraw-Hill Book Company, Inc., 1955), p. 233.

BIBLIOGRAPHY

BIBLIOGRAPHY

Books

- Arnold, Pauline, and White, Percival. Food--America's Biggest Business. New York: Holiday House, 1959.
- Baker, Helen, and France, Robert R. Centralization and Decentralization in Industrial Relations. Princeton, New Jersey: Princeton University Press, 1954.
- Barnard, Chester I. The Functions of the Executive. Cambridge: Harvard University Press, 1948.
- Cole, Ernest. The Great Organizers. New York: McGraw-Hill Book Company, Inc., 1940.
- Drucker, Peter F. Concept of the Corporation. New York: The John Day Company, 1946.
- _____. The New Society. New York: Harper and Brothers, 1940.
- _____. The Practice of Management. New York: Harper and Brothers, 1954.
- _____. Landmarks of Tomorrow. New York: Harper and Brothers, 1959.
- _____. The End of Economic Man. New York: The John Day Company, 1940.
- _____. Future of Industrial Man. New York: The John Day Company, 1942.
- Lepner, Harry. Perceptive Management and Supervision. Englewood Cliffs, N. J.: Prentice-Hall, Inc., 1961.
- Lersey, Rexford. Better Foremanship: Key to Profitable Management. 2d edition revised. Philadelphia: Chilton Company, Inc., 1955.
- Looper, Frederick Collins. Management Survey: The Significance of Management in the Modern Community. New York: Pitman Publishing Corporation, 1948.

- mes, Ralph W. (ed.) The Story of Sears, Roebuck and Co.
New York: Book Division, Fairchild Publications,
Inc., 1961.
- abnar, Godfrey M. Chain Stores in America 1859-1959.
Centennial edition. New York: Chain Store Publishing,
Corp., 1959.
- ach, James G., and Simon, Herbert A. Organizations. New
York: John Wiley & Sons, Inc., 1958.
- Farland, Dalton E. Management Principles and Practices.
New York: The Macmillan Company, 1958.
- eller, Robert W. (ed.) Facts in Grocery Distribution.
1961 edition. New York: Progressive Grocer, 1961.
- eller, Willard F., and Gardian, Jean. Changes in the
Modern Structure of Grocery Retailing. Madison:
The University of Wisconsin Press, 1961.
- atl. Foreman's Institute, Inc. Foreman's Policy Manual.
New London, Conn.: National Foremen's Institute, Inc.,
1951.
- etersen, Elmore, and Plowman E. Grosvenor. Business Organi-
zation and Management. 33 edition. Homewood, Illinois:
Richard D. Irwin, Inc., 1953.
- aynes, Paul. Food Marketing. New York: McGraw-Hill Book
Company, Inc., 1950.
- imon, Herbert A. Administrative Behavior. New York: The
MacMillan Company, 1961.
- trauss, George, and Sayles, Leonard R. Personnel: The
Human Problems of Management. Englewood Cliffs, N. J.:
Prentice-Hall, Inc., 1960.
- ingate, John W., and Corbin, Arnold. Changing Patterns in
Retailing. Homewood, Illinois: Richard D. Irwin, 1956.
- immerman, M. M. The Super Market. New York: McGraw-Hill
Book Company, Inc., 1955.

Articles and Periodicals

- arnard, Chester I. "The Status Structure of Management,"
Industrial Man. Eds. W. Lloyd Warner and Norman H.
Martin. New York: Harper and Brothers, 1959.

- rie, Wendell. "What Customers Think of the Super Market Manager," Progressive Grocer. New York: Progressive Grocer, December, 1961.
- 11, Joseph B. "Evolution Not Revolution: The Present Job of Management in Food Distribution," The Tobe' Lectures in Retail Distribution--1957-1958. Eds. Malcolm P. McNair and Milton Brown. Norwood, Mass.: The Plumpton Press, 1958.
- How to Manage the Manager," Super Market Merchandising. New York: Super Market Publishing Co., Inc., June, 1959.
- ing, Roy. "Shelf Talk." Food Topics. Philadelphia: Topics Publishing Co., Inc., May, 1961.
- _____. "Shelf Talk." Food Topics. Philadelphia: Topics Publishing Co., Inc., May, 1960.
- line, George E. "The Super Market Manager--The Growing Power in Food Retailing," Progressive Grocer. New York: Progressive Grocer, October, 1961.
- andell, Milton M. "The Selection of Executives," Selection of Management Personnel. Eds. Joseph M. Doherty and Elizabeth Marting. New York: American Management Association, 1957.
- ann, Floyd C., and Dent, James K. "The Supervisory Dilemma," Industrial Man. Eds. W. Lloyd Warner and Norman H. Martin. New York: Harper and Brothers, 1959.
- argolius, Sidney. "Super Business of Supermarkets," New York Times Magazine. New York: The New York Times Company, March 29, 1959.
- artineau, Pierre. "The Personality of the Retail Store," Harvard Business Review. Harvard University, Graduate School of Business Administration, January-February, 1958.
- Mottin, Thomas D. "Food Fave," Food Merchandising. St. Louis: Food Merchandising, Inc., July, 1961.
- Mueller, Robert W. "Meet Kroger's 1960 Store Manager: The New Executive in Chain Store Operation," Progressive Grocer. New York: Progressive Grocer, March, 1960.
- _____. "The Chain Store Manager Today," Progressive Grocer. New York: Progressive Grocer, November, 1961.

- ueller, Robert W. "The New Independent: A Growing Force in Food Distribution," Progressive Grocer. New York: Progressive Grocer, January, 1962.
- igut, William C. "Rigid Operating Programs Create Sterile Personnel," Food Topics. Philadelphia: Topics Publishing Co., Inc., May, 1961.
- igors, Paul, and Myers, Charles A. "The Foreman: His Place and His Problems," Readings in Personnel Administration. Eds. Paul Pigors and Charles A. Myers. New York: McGraw-Hill Book Company, Inc., 1952.
- lanty, Earl G., and Machever, William. "Stimulating Upward Communication," Effective Communication on the Job. Ed. Joseph M. Doherty. New York: American Management Association, 1956.
- urcell, T. V. "The Problem of Dual Allegiance," Industrial Man. Eds. W. Lloyd Warner and Norman H. Martin. New York: Harper and Brothers, 1959.
- bethlisberger, F. J. "The Foreman: Master and Victim of Double Talk," Human Factors in Management. Ed. Schuyler Dean Hoslette. New York and London: Harper and Brothers, 1946.
- SMI Speakers Explore Role of Store Manager," Food Topics. Philadelphia: Topics Publishing Co., Inc., May, 1960.
- chwartz, Nathaniel. "Hail! The Professional Manager," Super Market Merchandising. New York: Super Market Publishing Co., Inc., February, 1959.
- eed, O. Administration: Its Purpose and Performance. New York: Harper and Brothers, 1959.
- _____. The Art of Administration. New York: McGraw-Hill Book Company, Inc., 1951.
- _____. Personnel Administration: Its Principles and Practices. 3rd edition. New York: McGraw-Hill Book Company, Inc., 1933.
- einstein, Steve. "NAFC Talks Favor Strong Manager," Supermarket News. New York: Fairchild Publications, Inc., October 23, 1961.
- hyte, William H., Jr. "The Social Ethic," Industrial Man. Eds. W. Lloyd Warner and Norman H. Martin. New York: Harper and Brothers, 1959.

Williams, Whiting. "Social Handles of the Pay-Cup," Human Relations in Administration. Ed. Robert Dubin. New York: Prentice-Hall, Inc., 1951. (First published in Mainsprings of Men in 1925. New York: Charles Scribner's Sons, pp. 53-63.)

Orthy, James C. "Organizational Structure and Employee Morale," Readings in Personnel Administration. Eds. Paul Pigors and Charles A. Myers. New York: McGraw-Hill Book Company, Inc., 1952.

_____. "Case 3: Sears, Roebuck and Company," The Development of Executive Talent. Ed. Joseph M. Doohan. New York: American Management Association, 1950.

_____. "Managers, Corporate Structure, and Employee Morale: A Case Study," Industrial Man. Eds. W. Lloyd Warner and Norman H. Martin. New York: Harper and Brothers, 1959.

Rich, David L. "Retail Management's Toughest Competitor: Self-Imprisonment," The Tobie's Lectures in Retail Distribution--1957-1958. Eds. Malcolm P. McNair and Milton P. Brown. Norwood, Mass.: The Plimpton Press, 1958.

Unpublished Materials

Arnold, Bruce E. "Developing Store Manager Ability." Unpublished Master's thesis, Michigan State University, East Lansing, Michigan, 1955.

Epickio, Cleodore. "The Store Manager--How Autonomous?" Unpublished Master's thesis, Michigan State University, East Lansing, Michigan, 1961.

Thomas, Charles Louis, Jr. "Decentralization and Recentralization of the Merchandising Function." Unpublished Master's thesis, Michigan State University, East Lansing, Michigan, 1955.

Class Lectures

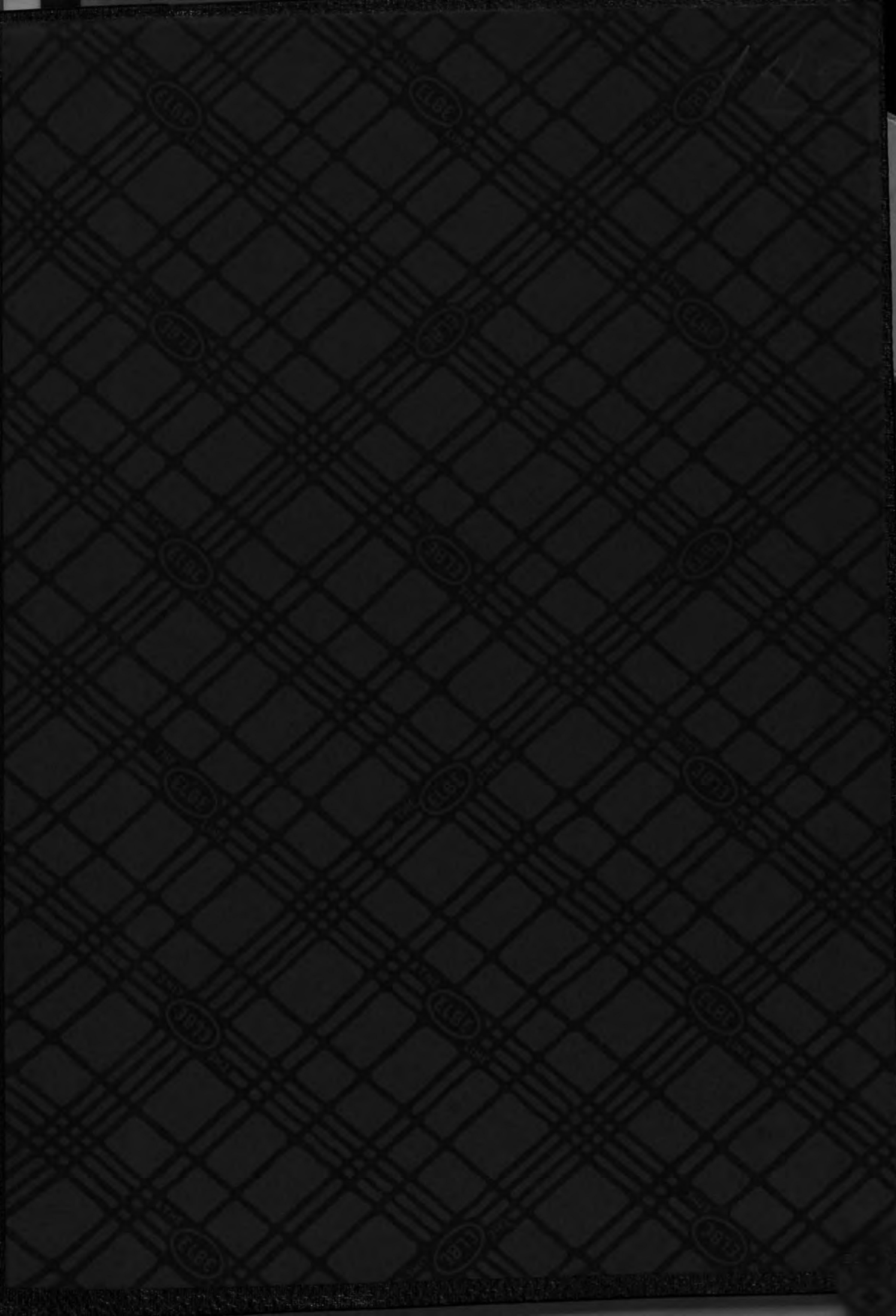
Brand, Edward A. Class Lecture, Michigan State University, January 8, 1962.

Hate, Daniel M. Class Lecture, Michigan State University, January 13, 1962.

Other

tettinus, Edward R., Jr. A speech given on September 17, 1938 at Harvard Tercentenary Celebration at the Harvard Graduate School of Business contained in "The Selection of Executives" by M. Joseph M. Doherty and Elizabeth Marting. New York: American Management Association, 1957.





MICHIGAN STATE UNIV. LIBRARIES



31293010156291