

WOMEN AT THE GROUND LEVEL: A CASE STUDY IN RETAIL CULTURE

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INTRODUCTION

Regular observation at a children's retail clothing store served as the basis for a disguised case, applicable to college-level courses in retail, organizational behavior, and introductory-level management. Many of the observations made from the case include gossip in the workplace, gender stereotypes in organizations, and corporate culture in remote locations. Much of the research done for this case study showed that current publications focus on more technical aspects of the retailing industry, and there is currently very little published material relating to the management of retail stores.

CASE

Treehouse is an international children's clothing retailer with store locations in malls and shopping centers. During the current economic recession, the company has been struggling to produce the same profits it did in past years; however, unlike some of its retail competitors, the company is at least trending with the industry average, and is currently doing better than some, and are hoping to continue this trend.

At a mall location of Treehouse in the Northeast, two young managers were discussing their futures at the company- which at the moment, were in direct competition and threatened not only their relationship, but the stability of the store.

Since the store manager suffered a back injury two months ago, in early December, the store has been under the watchful eye of Associate Managers Jess, 21, and Kristin, 26. With only the help of a part-time Assistant Manager, Linda, and an all-female sales staff of fewer than 10 employees, they survived the busy Christmas season successfully. Without a Manager, tasks such as handling employee issues, maintaining store records and financial data, and scheduling shifts, have been shared by Jess and Kristin. They have also become responsible for all cash that goes in and out of the store, including merchandise theft. However, with the best interests of the store in mind, corporate managers have decided to replace the manager, who is expected to be out indefinitely due to back injury. This news has left Jess and Kristin in competition of each other for the Manager position, which comes with a generous raise that both women want.

Still a full-time college student, in addition to a full-time manager, Jess has been at the store since it's opening over a year ago. She has over five years experience in retail, having worked in the industry since the age of 16. For the past two months, Jess has assumed more of the of manager's responsibilities. She has been completing all paperwork, scheduling, and creating the floor displays since the departure of the manager.

Kristin has less experience in the retailing environment - slightly more than a year- and was promoted to her current position only a few months before the manager's departure. However, because Kristin has a child at home, she relates better to customers, and goes out of her way to greet and assist them. Unlike much of the sales staff, Kristin actively sells the products, and has been learning quickly since her promotion. She still defers to Jess for most questions, even going as far as calling Jess when she is alone in the store and has a question.

After working together for almost a year, Kristin and Jess have a close relationship, in and out of the store. They socialize outside of work, and discuss personal problems in between performing store tasks and selling to customers. On this particular day, they discuss the possibility that the other might receive the promotion, and the conversation turns tense. Jess sees herself as deserving of the promotion, and Kristin agrees; however, Kristin is upset that Jess does not agree that she is deserving of it as well. Economic situations are discussed (Kristin's need

for money to support her family, Jess's need for the money in order to move out of her home and away from an alcoholic father), with the women seemingly trying to outdo each other in terms of who would benefit more from the financial boost. They do concur that both should receive some form of retroactive pay from the company for doing the manager's job throughout the busiest season. However, when Jess claims to agree, she makes a clear point she believes she actually earned it, implying that perhaps Kristin did not. Their conversation ends with both women anxious and frustrated, with each other and with higher management for letting the situation go on as long as it has.

Over the next few days, gossip among the sales team increases from its already high level. Associate Managers, and Assistant Managers that might previously have limited the level of gossip are preoccupied with this drama themselves. As a result, gossip and sales floor chatting is going almost virtually unchecked. Adding to the store commotion is the demotion of an Assistant Manager and speculation of who her replacement might be. Despite the supposed "confidentiality" of these situations, almost the entire staff knows the details.

A few days after delivering the news, the District Manager, Robin, makes a visit to the store to check on things and, because Kristin happened to be the scheduled manager, ends up speaking to Kristin about the position. On this particular day, Jess is at school and is not scheduled at the store. Kristin and Robin move the discussion to the "back room" (the only form of 'office' setting the store has), and close the doors to the other Sales Associates. Robin refers to the decisions made by "corporate" in this situation, and what "corporate" is looking to do with this decision. She includes herself in this group.

Despite the fact that Jess made several statements to Kristin about becoming a part-time student in order to take the promotion, during their conversation, Kristin allows Robin to remain under the impression this is not an option. Kristin did, however, argue her own case for the promotion, and later recounted her "confidential" conversation with the District Manager to Ashley, a Sales Associate. Kristin seems to feel more comfortable in her position now, obviously under the impression that she has the edge over Jess due to her age, maturity, and as she herself said, "dumb luck", in that she happened to be the scheduled manager the day Robin came in.

When Jess arrives the next day, she is aware of the entire conversation that occurred between Kristin and Robin. In fact, Jess spent almost an hour on the phone with Ashley last night rehashing everything that Kristin said about her to Robin. She feels that Kristin deliberately sabotaged her chance at getting the promotion. Angry with Kristin, Jess is unable to work civilly with her today. She states to several Sales Associates that if Kristin gets the position, she will quit. As it stands, Jess believes she does a majority of the manager's work and hopes her departure would put the store in an even bigger crunch. Robin, and the other upper management, are clearly unaware of the turmoil of their store, the distracting work conditions full of gossip or the tensions between Jess and Kristin.

Three weeks later, Robin has still not made a formal decision regarding the placement of a new manager. Either she is unaware of the turmoil created by the Manager opening, or is unconcerned. As a result, corporate is either unaware or unconcerned as well. The atmosphere throughout the store remains tense, and the drama continues with everyone taking sides.

CASE NOTES

INTRODUCTION

A 2008 U.S. Bureau of Labor Statistics Survey showed that at the lowest levels of the retailing industry, women account for 52.2% of all employees; however, female first-line managers of retail sales workers (that is, store managers, assistant managers, etc.) drops to 43.3%. Furthermore, a majority of all employees in the retail clothing industry are under the age of 24 (31%). By studying the environment of a retail chain store on a day-to-day basis, we can see how well current theories on gossip (Michelson, 2000), gender in organizations (Bartunek, 2000), and corporate culture (Sorensen, 2002) apply to retailing as a specific business environment. Retailing texts and journals focus on the more technical aspects of the industry (merchandising, branding, supply chain management, etc.), rather than on store management. This case is relevant to college students, many of whom may have retail experience.

KEY TOPICS

Gender in organizations, organizational culture in remote locations, gossip in the workplace.

LEVEL AND PREPARATION

This case is appropriate for undergraduate-level business students. Previous readings on corporate culture would add depth to the discussion.

APPROPRIATE CLASSES

This case is appropriate for introductory-level management, organizational behavior, and retailing classes.

OBJECTIVES

1. Analyze why stereotypical behaviors develop in an all-women work environment.
2. Examine why it is difficult to create corporate culture at locations remote from the headquarters. Develop suggestions to create a culture that will be useful and replicated in stores that are in locations far from the corporate headquarters.
3. Develop suggestions to eliminate/lessen the level of gossip in a workplace.

CASE OVERVIEW

This is a disguised case that observes the day-to-day interactions and relationships in a retail store located in the Northeast. Over one week, we observed two twenty-something Associate Managers, Jess and Kristin, who are both vying for the position of store manager. The store is a female-only staff, and as a result the environment is dominated by excessive gossiping. The corporate headquarters in California, as well as regional upper management, are both unable to implement a formal culture in the store, but are either unaware or unconcerned with the level of unprofessional behavior in their store.

DISCUSSION QUESTIONS

1. What types of stereotypical behaviors were demonstrated in this case? What do you think led to these behaviors?
2. Why does the store not follow the same culture as upper level management (such as the district manager)?
3. How can headquarters and management replicate the corporate culture in remote locations?
4. How did the level of gossip hurt the store? How can this problem be alleviated?

ANSWERS

1. What types of stereotypical behaviors were demonstrated in this case? What do you think led to these behaviors?

Women in the workplace have a somewhat negative stereotype attached to them. They are often portrayed as catty, jealous, gossiping, and more concerned with office politics and popularity contests than with their work. Obviously, this is not true of all women; however, if this case demonstrated anything, it is that these stereotypes are not entirely fictional. Kristin demonstrates catty, “back-stabbing” behavior when she neglects to tell Robin about Jess’s desire to attend school part-time in order to take the management position. Jess and Kristin both demonstrate a lack of proper conduct in the face of drama, choosing instead to share all of the details of the situation with their subordinates. The sales floor is completely consumed with the drama unfolding, and most of the women working there are more concerned with it than with customer service and making sales.

It is possible to hypothesize that an all-female workplace led to these behaviors; however, since there was no male presence, we cannot guess the effect a man on the staff may have had on the drama. What is fairly evident, though, is that corporate management was completely unaware of the possible reactions to this news. Robin

speaking to only Kristin about the position left Jess feeling unimportant and unworthy of the position, as well as demoralized. Hearing this news as gossip, through a subordinate and not a superior or equal, may also have made her evaluate herself as unworthy, as many people use office gossip to make comparisons to themselves (Michelson, 341). She became unconcerned with her job, and did not care how unprofessional her behavior was. Likewise, Kristin undertook win-at-all costs tactics, which might be called “cutthroat” of a man, but when applied to women, is considered “catty” and “back-stabbing” (Brenner, 668). The behavior of the sales staff may have less to do with the fact that they were female, and more to do with the influence and example set by their superiors, Jess and Kristin.

2. Why does the store not follow the same culture as upper level management (such as the district manager)?

Technology plays a large role in corporate cultures in modern-day business. Implementing a specific culture at a location remote from the company headquarters can be difficult, but many companies utilizing outsourcing or offshore offices achieve this through technology. Because the Treehouse corporate headquarters is in California, and this store is in the Northeast, there is a great deal of “noise” between the two locations. Likewise, the retail environment is still somewhat behind in utilizing technology for management purposes. They develop technology to make the store more efficient for the customer’s experience, but they have very little in the way of employee technology. “The wide difference in competitive and economic benefits that companies gain from information technology rests on a management difference and not a technical difference,” (Powell, 379). The only computers in the stores are the registers, which only use the companies’ programs and intranets on the sales floor only; the “office” in the back room does not even have one. Employees do not have company emails by which to receive emails or information, only district managers and higher management. Retailers still rely heavily on UPS and FedEx to send information, such as floor displays, promotional details, and target goals.

Besides these memos from corporate, which can take several days to reach the store, the only other way they receive information is through the District Manager, who receives the information through a regional manager, and so on. By the time the information makes its way to the store, there has been a great deal of interpretation along the way. Relying on one person for information is very risky; there is no guarantee that the things corporate wants to relay actually find their way to the store. Furthermore, it gives the employees a further sense of detachment from corporate, and more of a focus on their own “world”, which is the store. Without the direct communication with corporate on a regular basis, the store staff and management does not see the bigger picture.

3. How can headquarters and management replicate the corporate culture in remote locations?

It is becoming more and more evident that better technology and means of information sharing between the corporate headquarters and store locations is important, and under emphasized. A great deal of published material addressing the use of technology in retail emphasizes the customer aspects, such as e-commerce and in-store cash register efficiencies (for example, Sampler and Powell). However, very little of it focuses on the use of technology in-store for the staff, most likely because these instances are far and few between. As much as is written about the cutting edge technology utilized in the supply chain and e-commerce, store management is falling behind in technology.

The people working in these stores are the ones who ultimately determine the culture of the store, and unless they feel a sense of connection to the culture at the corporate headquarters, it is unlikely they will feel a need to change. Having their own corporate emails to be checked, by which they receive information and company newsletters, would not only give them a sense of belonging, but also keep them up-to-date with the bigger picture. Currently, they receive reports via the intranet, but only focusing on promotions and sales goals. “Informal social control is... more effective and cost less than formal control structures,” (Sorensen, 73). Communicating with employees via email about company policies, even wellness programs and other HR programs, would make them feel included and give them a greater sense of the culture the company is actively trying to promote.

It would make it easier to bring the stores together as a cohesive company, because employees could communicate more often; right now, if a store manager wants to ask another store manager a question, they call. In

most office settings, this would seem the fastest option; however, in retailing, where the store manager is needed on the sales floor a majority of the time, it results in one of two things: either a prolonged game of “phone tag” because neither manager is free at the same time, or one manager neglects her duties and chats on the phone for a long period of time. E-mail cannot only be monitored by corporate (which would help eliminate gossip), but leads to less “chatting”, and more direct and to the point communication. Another aspect that could improve the culture in the store would be visits from corporate. Not only does the store rely on one person for relaying messages, but so does corporate management. More frequent visits from higher management (beyond District Managers, who only visit once a week on average) may lead to improved replication of corporate culture.

4. How did the level of gossip hurt the store? How can this problem be alleviated?

While not always negative, gossip in this instance was detrimental to the performance and stability of the store. According to Michelson and Mouly, 2004, gossip can be a way to spread informal information throughout the levels of employees; however, in this instance, the information was not something the staff needed to know, and it exacerbated an already tense situation between Jess and Kristin. There are two primary ways by which employees receive information: through formal channels and informal channels. In this instance, very little information was being received by store employees through formal channels such as corporate emails and newsletters, or information given directly through a manager. Rather, all information was being given to them through the informal channel, the “grapevine”, which can often be filled with “noise” (Michelson, 189). Sales decreased, customer service was not of the same level it normally is, information was misconstrued and people were not hearing the truth, but believing it nonetheless, emotions were high, feelings were hurt, and people became demoralized.

Gossip is not always detrimental, however. Managers can utilize it because information tends to travel faster through the informal channel, the grapevine, than through formal channels (Michelson 194). In this particular instance, due to the fact that the employees spend hours together, with very little formal boundaries (such as a cubicle), gossip is almost impossible to eradicate. However, it can be managed and harnessed, and it seems that Treehouse needs to focus on doing so. The key, in this case, is to separate rumor from gossip, irrelevant gossip from work-related gossip, and to make these boundaries clear and violations punishable.

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