STRATEGIES FOR SMALL BUSINESS

EDUCATION AND TRAINING:

A CASE STUDY IN THE INDEPENDENT

SUPERMARKET INDUSTRY IN AUSTRALIA

A thesis submitted in fulfilment of the requirements
for the degree of Masters of Science (Honours)

by

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PLEASE NOTE

The greatest amount of care has been taken while scanning this thesis,

and the best possible result has been obtained.
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ABSTRACT

The need to raise the skills and knowledge of both managers and staff in small business through improvement to education and training is the underpinning thematic concern of this research. Another concern is the appropriateness of action research as a process for research and development in education and training for small business. The independent supermarket industry in Australia provided the case study for this action research.

The study sought to identify the barriers to participation in education and training programs and to develop strategies to overcome these barriers. Participation in education and training programs in the independent supermarket industry in Australia was found to be constrained by working conditions at store level, geographic location, negative attitudes of owners or principal managers towards education and formalised training and economic pressures on the industry.

A strategy was developed for improvement to education and training in the industry which focuses on the workplace as the primary learning environment. The proposed strategy is based on a distance education approach which includes the use of computer based technology to assist communication and content delivery, and mentoring to provide local student support. Also included is a structure for accreditation of those working in the industry.
In this study the action research methodology provided the means to incrementally achieve a rich contextual understanding, to build researcher-client relationships, client receptivity to the research findings and credibility for both the researcher and the study. However, a key constraint to action research was the difficulty of gaining active participation from the client system.

Another contribution of this study is the documentation of the key issues and characteristics of independent supermarkets which have been poorly reported. The issues and characteristics identified for independent supermarkets, such as those arising from future uncertainty, family ownership, management style and attitude are compatible with those reported for small business generally.

This research was guided by, and the results support, the proposition put forward by Gummesson (1991) that action research in a business environment is enhanced by the combining of the consultant and researcher roles. This role duality and the cyclic processes of action research provided the opportunity for incremental benefits to the clients which gave incentive for the clients to provide access and support for research in their environment.
DECLARATION

I certify that the work presented in this thesis is my original work and that this work has not been submitted to any other university or institution for the award of a degree.
This work is dedicated to my sons, Jaimal and Roshan.
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<th>Acronym</th>
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<tr>
<td>ABS</td>
<td>Australian Bureau of Statistics</td>
</tr>
<tr>
<td>ACT</td>
<td>Australian Capital Territory</td>
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<tr>
<td>AFR</td>
<td>Australian Financial Review</td>
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<tr>
<td>AHC</td>
<td>Australian Horticultural Corporation</td>
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<td>ASI</td>
<td>Australian Supermarket Institute</td>
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<td>BIE</td>
<td>Bureau of Industry Economics</td>
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<tr>
<td>DARA</td>
<td>Victorian Department of Agriculture and Rural Affairs</td>
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<td>DEET</td>
<td>Department of Education, Employment and Training</td>
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<td>FAL</td>
<td>Foodland Australia Limited</td>
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<td>IGA</td>
<td>Independent Grocers Alliance</td>
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<td>IHL</td>
<td>Independent Holdings Limited</td>
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<td>National Retail and Wholesale Industry Training Council</td>
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<td>Orange Agricultural College</td>
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<td>QIW</td>
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¹ At the commencement of this research in 1993, the Orange Agricultural College was a university college of the University of New England. In January 1994 it became an academic college of the University of Sydney. Throughout this document it will be referred to as the Orange Agricultural College.

² In 1994 Davids Holdings was publicly listed as Davids Limited.
PART 1

INTENT
CHAPTER 1 INTRODUCTION

The need to raise the skills and knowledge of both management and staff in small business\(^1\) is the underpinning thematic concern of this research study. The primary focus is the process by which education and training\(^2\) can contribute to this enhancement of capability\(^3\) with particular emphasis on design, development and implementation.

1.1 Background

Small business is a significant component of the Australian economy. In 1993, reviews of small business established that there were 757,000 non-agricultural small businesses in Australia, and that these were responsible for almost 51% of non-agricultural private sector employment and contributed almost 30% to Gross Domestic Product (ABS 1993, NBEET 1993).

Raising the competence\(^4\) of the Australian workforce has been a major focus of government, industry and the union movement over the last decade. Many studies

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1. The ABS (1993) defines small business as those employing less than 20 employees for non-manufacturing industry or less than 100 employees for manufacturing enterprises.

2. In practical terms there is considerable overlap between education and training and Hawthorne (1987) proposes that they should be viewed as a continuum:

   At one end of the scale ... more typical of training, lies measurability, narrowness of subject matter, relevance to a particular time and place, well defined range of use ... more characteristic of what we mean by education, lies the exposure to contrasting assumptions and points of view, the involvement of personal and intellectual initiative, less constrained range of use ...

3. Capability is used here in its general usage: 'a quality, ability, etc., that can be developed or used' (Macquarie Dictionary 1991) as distinct from its more defined application in recent training literature (Cairns 1997).

4. Competence has been defined by the National Training Board (1991) as: '... the specification of knowledge and skill and the application of that skill within an occupation or industry level to the standard of performance required in employment.'
have been undertaken, reports written and initiatives implemented\textsuperscript{5}.

The motive for raising workplace competence is linked to the need to ensure Australian industry is competitive in an international political environment with aims of deregulation of trade (Hayton 1992b). Education and training are viewed as the primary vehicle for achieving this enhancement of competence (Dawkins 1988b, Hayton 1992b, NBEET 1993, NBEET 1995).

Despite government investment in education and training the response from industry has been mixed. Of particular concern is the overall poor response from small business (BIE 1991). This observation is an ongoing trend both in Australia (Bailey & Royston 1980, Williams 1984, Reark 1985, Ernst & Young 1991, Fuller & Forsaith 1994) and in other developed economies (Watkins 1983, Gibb 1984, Dey & Harrison 1987, Sarromona & Ferrer 1988).


A common trait of small business owner/managers in Australia is the general lack of academic achievement within school and tertiary education systems (Coopers & Lybrand 19946). However, another report (NBEET 1994) concludes, that while this characteristic is generally valid there is evidence

\textsuperscript{5} Appendix A provides a chronology of key reports and initiatives developed from the review by Donaldson (1992).
indicating that average level of skills of small business owner/managers are beginning to rise, as is recognition of the need for continuing development of management skills.

Poor participation in education and training programs has been linked to the negative attitudes towards education and training programs held by small business owners and senior managers (Bailey & Royston 1980, Williams 1984, Gibb 1984, Kailer 1990, BIE 1991). These negative attitudes have been attributed to views amongst managers that existing programs lack relevance and are not adequately contextualised in content or delivery to their needs (Williams 1984, Gibb 1984, Curren & Stanworth 1989, Hendry et al 1991, Ernst & Young 1991, Fuller & Forsaith 1994, Coopers & Lybrand 1994, NBEET 1994).

While these issues are particularly pertinent to small business the issue of relevance and contextual orientation are concerns common to training and education provision across the breadth of business (Dawkins & Holding 1987, Dawkins 1988a, Fuller & Forsaith 1994). This has led to calls for greater participation by industry in design and delivery of education and training, be it for general skills or management development (Meredith 1984, Dawkins 1988b).

Despite the messages regarding relevance and need for participation having been made regularly over the last decade, in the retail industry there has been little change. Throughout the preliminary research a common complaint within the retail industry was that organisations offering training and education programs

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6 Refer to Chapter 3.
did not understand the retail industry's needs and thus produced programs that inadequately met their content, delivery or access needs. Linked were views that attributed lack of relevance to lack of consultation.

1.2 Beginnings

This research developed from my regular interaction across the breadth of the horticulture industry in Australia as an outcome of my role as a distance educator in horticulture and management at the Orange Agricultural College⁷. The interaction had made me aware that inadequate management, handling skills and product knowledge at retail level was a significant contributor to decline in the quality of fresh produce⁸ at the point of sale. The problems at retail level included inadequate skills and knowledge in the handling, storage and uses of individual products, merchandising, staff supervision, training, and financial management for purchase and pricing⁹. Improvement to training programs and to levels of participation in them appeared to provide an opportunity for addressing these competence issues.

As my research progressed this initial interest in fruit and vegetable retailing broadened to focus on enhancement of the competence of supermarket managers

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⁷ At the commencement of this research in 1993, the Orange Agricultural College was a university college of the University of New England. In January 1994 it became an academic college of the University of Sydney. Throughout this document it will be referred to as the Orange Agricultural College.

⁸ In the supermarket context 'produce' refers to fruit, vegetables, mushrooms, sprouted seeds and sometimes flowers and potted plants.

⁹ Refer to Appendix C (Research proposal papers for training in fruit and vegetable retailing).
and staff\textsuperscript{10}. The study is contextualised within the independent supermarket industry\textsuperscript{11} in Australia which in 1993 held approximately 30\% share of sales within the Australian supermarket sector (\textit{Foodweek} 1993).

1.3 Competence and Supermarkets

Increased competitive pressures in business provides a motive for enhancement of manager and staff competence (Smith 1992, Hayton 1992b). The supermarket industry in Australia is highly competitive with considerable pressure to attain and retain market share (AFR 1993b).

For supermarkets increasing competitiveness has been accompanied by greater employment of technology and innovation (Walsh 1993). The deskilling theory\textsuperscript{12} of Taylor (1911) which was developed into the Fordist view of work by authors such as Braverman (1974) and Edwards (1979) proposes that introduction of new technology and innovation does not result in a raised competence requirement but instead leads to a progressive deskilling of the workplace. Walsh (1993) found little support for this theory in his study of a supermarket chain in the USA and proceeds to present a countering view that while technology and innovation may lower skill requirement at one level it raises responsibility and competence expectations elsewhere in the

\textsuperscript{10} The process by which the focus broadened and the context established is explained in Chapter 3.

\textsuperscript{11} The ABS (1993) definition of small business does not consider the status of employment with regard to hours worked. Independent supermarkets employ large numbers of part-time staff but would rarely exceed 20 full-time employees. In this research study, independent supermarkets will be considered as small businesses due to the level of full-time employment and the scale of operation.

\textsuperscript{12} As reported in Walsh (1993).
supermarket. This view of Walsh is supportive of the post-Fordist view which
sees the impact of technological change as a transformational and reskilling
process (Smith 1992). An implication of the post-Fordist view is that it
supports the calls identified in Section 1.1 for greater investment in manager
and staff training and education.

1.4 Change Management

In a business or industry context, education and training are strategies for
responding to pressure for change and as such can be viewed as interventions
or innovations in the management process (Walsh 1991). The process by
which interventions are undertaken and innovations introduced is an important
part of change management if appropriate and sustained change is to be
achieved.

One approach to the process of change management is action research:

'Action research is a family of research methodologies which pursue outcomes of
both action (change) and research (understanding). It is cyclic, alternating
between action and critical reflection, and (in most of its forms) is qualitative and
participative.' (Dick, 1995a).

These outcomes of change and understanding are achieved in action research by
a process involving a number of iterations of a cycle of planning, acting,
observing the effects of action, and reflection on the outcomes (Kemmis &
McTaggart 1982, Perry & Zuber-Skerritt 1990). In some models, such as that
in Figure 1.1 this is reduced to a three stage cycle wherein the observation step
is subsumed into the planning, action and review steps. This embedding of
observation within all stages is a recognition that there is a need for observation, not only of the outcomes of the primary actions, but also of the processes of change and development of understanding throughout.

**Figure 1.1: Action Research as an Intend-Act-Review Cycle**

![Diagram](image)

Source: Adapted from Dick, (1993) Figure 5, p. 15.

### 1.5 Research Purpose and Questions

The overarching research purpose of this study was to contribute to understanding of the change process for developing and implementing education and training programs appropriate to small business.

An important initial step was to identify the impediments to participation in education and training. This establishes the initial research question:

What are the barriers to participation in education and training programs in small business in Australia?

Having identified the barriers to participation the substantive task was to develop strategies for change and hence the second question:
What strategies could be adopted to overcome these barriers?

Underpinning both questions was the need to identify an appropriate process and thus the need to critically evaluate the following:

Is action research an appropriate guiding framework for research and development in education and training in the small business context?

1.6 Structure of Thesis

This thesis is structured into three primary parts which reflect the 'Intend-Act-Review Cycle' depicted in Figure 1.1.

Part One, 'Intent', comprises two chapters:

- this 'Introduction' chapter which provides background to the study and establishes the research purpose and questions; and

- a 'Methodology' chapter describing and justifying how the outcomes sought were pursued.

Part Two, 'Action in the Client's World', focuses on the action within the case study context and comprises four chapters:

- 'Reconnaissance'
- 'Supermarket Research'
- 'Strategies for Change'
- 'Client Response'
Each chapter represents a cycle of interaction within the research context, the independent supermarket industry in Australia. These four chapters have a common format:

- **Overview and objectives i.e. outlines the reflection and planning to establish the outcomes sought and why they are important.**

- **Methods i.e. reports on the outcomes of the planning to determine how these outcomes were to be achieved.**

- **Results i.e. describes the observations on the actions undertaken and the outcomes achieved.**

- **Reflection on the process throughout and the learning outcomes.**

- **Summary i.e. a reflection on the whole cycle.**

Part 3, 'Review', comprises a single chapter, 'What it Means?', which discusses the contribution of the research to the broader context of small business and to the theory and practice of change processes in education and training.
CHAPTER 2 METHODOLOGY

2.1 Introduction

This chapter describes and justifies the research methodology. The methodology needs to ensure that the outcomes have validity (i.e. does the evidence reflect the reality?), reliability (can the process and the results be replicated?), credibility (i.e. are the outcomes believable?) and relevance (to what degree can the results be generalised?).

For this study with its focus on change within the small business environment, involvement and support from within the industry was considered essential to achieving the above parameters and to responding to concerns from industry of poor consultation in the development process for education and training programs.

Gaining access to the business environment for research is one of the key challenges for researchers wanting to work in a business environment (Gummesson 1991). Gummesson argues that the prospects for access are enhanced with the inclusion of a consultancy aspect to the researcher's role as the consultant role is better known and supported by business organisations. This support arises from the perception that consultants address primarily and with first priority the questions and purposes of the client, and that in reporting their findings consultants must include actions for implementation. This contrasts to the generalised view of traditional researchers where questions are their own,

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13 Adapted from Gummesson (1991, p 159)
priorities are first to their academic purpose and in reporting can 'hedge their recommendations' or be 'guarded about their conclusions' (Gummesson 1991). Gummesson also elaborates on the contrasting demands on researchers and consultants and concludes that there are benefits in bringing the two roles together. He presents the researcher/consultant in management research as a 'change agent' endeavouring to meet both the 'demands placed on the role of consultant' and 'the requirements of the research community' and argues that action research provides a process by which this duality can be achieved.

2.2 Methodological Criteria

This section describes the criteria for selecting action research as the research methodology for this study. The consultant/researcher role as described above raises the following criteria for the methodology to meet:

- **Cultural Understanding**: a need for the consultant/researcher to achieve a rich understanding of the client's world i.e. culture, practices, key issues, future outlook.

- **Flexibility and Responsiveness**: a process which allows the clients' research needs to be identified, addressed and if necessary altered as the research proceeds.

- **Participation**: a need for effective relationships within the contextual environment to be established so that the stakeholders have the opportunity to participate in the research and change processes.
2.2.1 Cultural Understanding

In attaining and interpreting client responses or workplace behaviour it is important to be able to capture the articulated response or the observed behaviour and understand the underlying factors which elucidate them. This need to 'scratch beneath the surface' to gain a rich understanding is a prevailing theme throughout much of the qualitative research literature\(^1\). In a study of barriers to continuation in distance education, Garland (1993) described these underlying factors as 'higher order' and demonstrated that capturing these provided a rich understanding of the phenomenon being studied.

This pursuit of 'higher order' understanding should aim to establish an appreciation of the culture of the client system (Kynaston-Reeves & Harper 1981, Sleezer 1993). Gaining an insight into culture is a process of understanding the values, beliefs, and perceptions which underlie the observed behaviour of individuals or organisations (Haviland 1989).

Cultural understanding is important for determining strategies for change. Whiteley (1993) argues that introducing changes 'from traditional training values, beliefs, strategies and practices is, in effect, a cultural change' and that change agents, 'need to become active culture-builders'. Sleezer (1993) summarises the

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value of cultural awareness in implementation of change strategies:

'...thinking of organisations as cultural entities can provide the needs analyst with insight into the assumptions that individuals and groups have about the organisation, the performance problems and the appropriate solutions. By examining both the organisational culture and the culture of the training function, the analyst can gain insight into whether a training solution will support or challenge the organisation's culture and what amount and kind of support is available for this effort'.

A similar view is put by Kjellen and Soderman (1980)\textsuperscript{15}:

'...if a change process is going to succeed the researcher must have a fundamental knowledge of the studied organisation and its actors, an ability to develop a language and concepts that are appropriate to the specific case, and must concentrate on processes that are likely to lead to understanding'.

The extent to which the researcher needs to develop cultural understanding of the context during the research process will depend on the prior knowledge that the researcher brings to the study. Gummesson (1991) refers to this prior knowledge as 'preunderstanding'.

\subsection{2.2.2 Flexibility and Responsiveness}

There is a lack of published literature on independent supermarkets in Australia and supermarkets within the public domain. Within company or industry research

\footnote{15 Quoted in Gummesson (1991).}
is undertaken but is usually proprietary and as such is not widely available.

This lack of literature on the context and my lack of previous experience of the supermarket industry raised a need for flexible and responsive research methods to allow adaption to emerging and developing context knowledge and experience gained from the research process. This flexibility is particularly pertinent in a dynamic business situation such as the independent supermarket industry where circumstances can change rapidly. Changing circumstances can impact on needs, priorities and expectations of clients be they retailers, wholesalers or training providers.

2.2.3 Participation

Participation by stakeholders as a methodological criterion is supported from both a pragmatic and theoretical position.

The pragmatic position derives from the views cited in Chapter 1 that there is a perception of inadequate industry consultation and involvement in development of education and training.

The theoretical basis for stakeholder participation in change, is the assumption that sustainable change is achieved through democratisation of change processes and through this empowerment of individuals. Organisational change theories from 'Organisational Development' in the 1950's through to more recent theories articulated as 'The Learning Organisation' have increasingly argued for participation from across the workforce in the change process (Dunphy 1981; Mumford 1991, Senge 1990).
The argument in support of participation in change management is grounded in the view that change is essentially about managing relationships and building commitment to change actions:

Managing change is really managing future change through managing self and relationships and processes in the present. And in general, people are committed to those things they have had a part in.' (Dick 1994)

There is thus an expectation that participation supports the change process through generating 'informed commitment' from stakeholders. Informed commitment is a 'knowing what is going on' and an awareness that a breadth of views have been sought and implications considered (Dunphy 1981). The converse tends to produce a sense of alienation from the process which predicates behaviours which inhibit successful change.

2.3 Selected Methodology

The methodological criteria of a rich understanding, responsiveness, flexibility and effective stakeholder participation supports the application of an action research methodology. The definition from Dick (1995a) cited in Chapter 1 referred to action research as 'a family of research methodologies'. The action research methodology guiding this research is that proposed by Gummesson (1991) who advocates the use of a case study approach within an action research framework for situations in which the roles of researcher and consultant are combined for research in a business context. In developing his model and approach to research in management, Gummesson (1991)
acknowledges the significant influence of the action science/action research literature particularly the ideas of Chris Argyris and his colleagues.\textsuperscript{16}

The applicability of action research for meeting the criteria developed in Section 2.2 is supported by the following characteristics of action research in business contexts abridged from Gummesson (1991):

1. The process always involves two goals: solving a problem for the client and contributing to science.

2. The researcher/consultants and client personnel learn from each other and develop their competence.

3. The understanding developed is holistic. Cooperation is required between the researcher/consultant and the client personnel.

5. There is a capacity for continuous adjustment to new information and events.

6. Action research requires a mutually acceptable ethical framework.

7. Preunderstanding of the corporate environment and of the conditions of business is essential.

\textsuperscript{16} Distinguishing the three terms action research, action science and action learning is an area of considerable academic debate the resolution of which is beyond the needs of this thesis. Gummesson (1991) prefers the term action science on the basis of support for the position of Argyris et al. (1985) that firstly, ‘projects that have been labelled “action research” have often not properly fulfilled the requirements of scientific research but have been closer to consultancy or journalism. Second, action researchers often limit themselves to the use of traditional methodology that stems from the positivistic paradigm’. I believe that this is a very controversial and provocative position which would be disputed by many action research practitioners. The position of Dick (1993) that action science is one methodology within the broader Action Research paradigm is a more useful position as it brings out the uniqueness of action science without the belittling of other approaches. There have been attempts to distinguish action learning from action research (for example, see Perry and Zuber-Skerritt 1990) but there is also an argument that the terms have blurred with the proliferation of research of this type (Dick 1995b, Tripp 1995).
Some authors have a requirement for emancipatory intent and outcomes from action research.¹⁷ This requirement is less prevalent in more recent literature¹⁸ and it is my view that this shift away from articulating emancipatory requirements emanates from a pragmatism that recognises that emancipatory intent is readily stated while emancipatory outcomes are difficult to isolate and substantiate.

2.3.1 Researcher/consultant as an action researcher

In the business environment Gummesson (1991) summarises the role of the action researcher as:

'Researcher/consultants approach a project with a certain pre-understanding. By means of access as participants in a process, they are able to gain certain insights of their own. At the same time, they possess the methods that allow them to analyse and interpret the experiences of others.'

The process by which the researcher/consultant develops understanding in a particular context is depicted in Figure 2.1.

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2.3.2 Action Research: An Iterative Process

Action research is 'an iterative process whereby each stage of our research provides us with knowledge; in other words, we take a different level of preunderstanding to each stage of the research' (Gummesson 1991). This is
illustrated by Gummesson's (1991) 'hermeneutic' spiral shown in Figure 2.2.

**Figure 2.2: The Hermeneutic Spiral**

![Hermeneutic Spiral Diagram](image)

Source: Gummesson (1991, p. 62.)

Within each of the above cycles is the researcher/consultant process depicted in Figure 2.1.

### 2.3.2 Case Study Research

Case study research utilises a particular entity to gain either or both general conclusions and context specific understanding. The entity under analysis could be an individual, a program, organisation, community or industry (Cohen and

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19 The term, Hermeneutics, is derived from the Greek word *hermeneuien*, to interpret (Gummesson 1991). Patton (1990) describes Hermeneutics 'as the study of interpretive understanding, or meaning with special attention to context and original meaning'.

Yin (1994) describes case study research as being particularly appropriate in applications such as this proposal where:

- the research questions being posed are what, how or why questions; and
- the context is such that the investigator has little control over events; and
- the focus is on a contemporary phenomenon within some real life context.

In this research the entity is that part of the independent supermarket industry associated with the wholesaler, Davids Limited\textsuperscript{20} and the management support organisation, Independent Grocers Alliance (IGA).

2.4 Summary

This research is based on a case study within the independent supermarket industry. The methodology is informed by the approach of Gummesson (1991) which is a form of action research. Five iterations are identified each informing the actions and interpretations of subsequent cycles:

1. **Reconnaissance**: preliminary research to determine the context, identify clients, initiate key relationships and clarify the research purpose, questions and methods.

2. **Supermarket research**: field research to develop a rich understanding of the context and establish credibility for the research within the independent

\textsuperscript{20} During the period over which the research was undertaken the family company, Davids Holdings was listed as the public company, Davids Limited. Hereafter in this document both companies will be referred to as Davids unless the context specifically requires reference to one entity in particular.
supermarket industry.

3. **Strategy development:** development of strategies for change.

4. **Client response:** reporting results and strategies for change to the industry. Observation of reactions by the clients to the report.

5. **What it means:** reflection on the significance of the findings and research and development processes.

Figure 2.4 superimposes this summary onto the Hermeneutic Spiral depicted earlier in Figure 2.2.
Figure 2.3: Summary of Primary Research Cycles

Source: Adapted from Gummesson (1991, p. 62)
PART 2

ACTION IN THE CLIENT'S WORLD
CHAPTER 3 RECONNAISSANCE

3.1 Overview and Objectives

This study arose from an interest in achieving change in retailing of fruit and vegetables through improvement of training and education of retailers. Initially the 'reconnaissance' was focussed on developing an understanding of the current situation of training for fruit and vegetable retailing and attempting to attain industry access and support for the study. At this early stage communication was undertaken with retail companies, training organisations and industry peak bodies.

The outcomes sought from this industry interaction included:

- confirm a need for improvement to skills and knowledge of retailers of fruit and vegetables and from this seek acknowledgment from industry of the need to improve the effectiveness of training.

- gain acceptance of my interest to work in this area and in particular to obtain support from one or more of the main companies and organisations involved in the industry. The support sought was primarily access to and involvement with training and retailing staff.

- develop collegial relationships within training organisations servicing the retail industry with an aim of developing a collaborative approach to improvement to fruit and vegetable retail training.

- once collaborative and supportive organisation(s) were identified, clarify their needs and priorities.
• from this experience, review and revise the research purpose and questions of this study.

3.2 Methods

Approaches to and dialogue regarding opportunities for collaborative research were undertaken with:

• The major supermarket companies and peak bodies such as the Retail Traders Association (RTA) and the Australian Supermarket Institute (ASI).

• Relevant training providers. Included sourcing of documents dealing with training policy, outlines of existing programs, and reports from meetings or workshops focussing on retail training needs and program development.

• Other researchers and funding organisations.

A number of iterations were undertaken each involving a planning process in which key organisations and people were identified and an approach for making contact determined. This led to an action phase in which the identified contacts were interviewed by telephone and/or in person. A chronology of key activities is included in Appendix B.

The final step was a process of reflection to evaluate the outcomes.

The initial identification of key organisations and contact people was undertaken. This step involved the Academic Services Officer at Orange Agricultural College\(^{21}\) and involved contacting established contacts or those emerging as the

\(^{21}\) The Academic Services Officer, Roger Bunch's involvement stemmed from an on-going interest at Orange Agricultural College in evaluating the opportunities for meeting training needs for a range of retail sectors in rural and regional Australia (Eiseman 1991; Wilson et al 1992; Wilson et al 1993).
study progressed. Normally contact was first by letter followed by a telephone
call to establish interest and if affirmative, negotiate a subsequent interview.
Attached to the letter of introduction was a research proposal paper22 outlining
my background and interest and raising potential research topics. This paper was
updated as the consultative period progressed.

The dialogue with retail and training industry representatives aimed to establish
my credentials, identify common ground and search for outcomes with mutual
benefit. Notes were made of each significant interview or telephone
conversation. Once a cluster of interviews had been completed, the study's
current position were reflected on, noting new issues which had arisen and
considering the impact on current thinking and future plans.

Interviews were also used to identify prospective contacts and written resources
to support and guide the next iteration of planning and conducting interviews.

The reflection process during this exploratory phase included updating the initial
research proposal paper, presenting research ideas at postgraduate student
forums in the School of Agriculture at the University of Western
Sydney-Hawkesbury (UWS-H), preparing a progress and opportunities paper for
the Orange Agricultural College management executive23, presenting a seminar
on retail training and research opportunities to the School of Management at
UWS-H and maintaining an ongoing written and oral exchange of ideas with
Gary Watkins of the Retail Traders Association of NSW (RTA) and Richard

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22 Both the research proposal and an example of the letter of introduction are in Appendix C.
23 Refer to Appendix D.
During this period Gary Watkins was a key contributor providing relevant contact names, initiating meetings, critique of ideas and proposals and briefing on politics and nuances of the retail training situation in NSW.

3.3 Results

3.3.1 Fruit and Vegetable Retailing

The experience of this industry interaction largely confirmed my initial observations that there were problems with inadequate staff skills and knowledge within retailing of fresh fruit and vegetables. The major retailers and training organisations all acknowledged the problem and largely saw training as an important strategy for addressing the issue. Within retailers there was considerable scepticism of previous and current attempts by government and retail industry training organisations to produce relevant programs. The primary training available for staff in fresh produce departments was provided in-store by senior staff in the department or by company trainers. Training was largely on-the-job instruction with support from training manuals and videotapes. A situation analysis and a summation of research opportunities in fruit and vegetable retail training in 1993 is provided in Appendix D.

3.3.2 Achieving Industry Access

The response of the major supermarket chainstore companies was mixed and varied from constructive discussion and serious consideration from one company to initial interest and no follow-up from the other two major companies. The first company finally declined to be involved on the basis that they were too busy on
company finally declined to be involved on the basis that they were too busy on
other projects at the time and from past experience doubted that there was
sufficient potential benefit for them. The other two companies initially
responded but thereafter did not respond to various communications.

The opportunity to work in collaboration with a training organisation with
existing interest and experience in retail training was pursued with a range of
organisations including the National and NSW Retail and Wholesale Industry
Training Councils (NRWITC & RWITC), TAFE NSW and the Australian
Horticultural Corporation/ Victorian Department of Agriculture and Rural
Affairs (DARA).24

The opportunity to collaborate with the RWITC at National level was
constrained by lack of funding. The National office at the time (February 1993)
was commencing a substantial research study into training needs for the
industry. This project was poorly resourced both in personnel and funds and as
such the national manager was enthusiastic about my potential involvement.
However my primary interest at the time in fruit and vegetable retail training
was too narrow a focus for the NRWITC and I did not have confidence that I
could achieve my needs within the broad review which was the NRWITC
priority.

The relationship with the NSW RWITC did not progress beyond a single

24 Although the AHC is not directly involved in training provision they were at the time
contributing funds to a research study in Victoria which involved the Victorian
Department of Agriculture and Rural Affairs (DARA) and TAFE in Victoria. This study
lead by DARA’s Kevin Clayton-Green involved researching needs for fresh produce
retail training and offering of pilot training programs (Clayton-Green 1993).
meeting in December 1992 and a number of subsequent telephone
discussions. The contact within the organisation with whom I was dealing
was at no stage particularly enthusiastic about my proposals or for a
collaborative approach to addressing the acknowledged need for
improvement to training for fruit and vegetable retailing.

Coinciding with this period of industry discussion TAFE NSW had a staff
member assigned to communicating with the major retailers and peak bodies in
Australian horticulture with the view to developing appropriate programs for
training retailers of fruit and vegetables. Although agreeing that the task was
large enough to accommodate both our needs and that a co-operative approach
would be beneficial the relationship failed to progress. TAFE held two industry
forums to which I was not invited despite initial indications from the project
manager that I could attend. Various confidential reports I subsequently
received from industry attendees indicated that the TAFE proposals were not
received enthusiastically and the initiative faltered soon after.

Various options were explored with the Victorian-based study including a
proposal for my inclusion in the Victorian study with Kevin Clayton-Green
acting as a postgraduate co-supervisor to my research. Soon after discussions
commenced with Davids and IGA which presented an opportunity which was
geographically more convenient and compatible with my financial and personal
constraints.
3.3.3 Davids and IGA as the Principal Clients and Collaborators

Initial contact with Davids and IGA arose from a letter of introduction from Bruce Bevan, the Executive Officer of the Australian Supermarket Institute to the chief executives of the three major supermarket retailers and Davids. This letter was passed down the Davids’ organisation and resulted in separate meetings with John Hunter, a training manager with Davids and IGA’s national training manager, Jennifer Abney.

The key outcome from these discussions was acknowledgment from both organisations that they were interested in a collaborative research study. An initial invitation to participate in IGA training courses in Sydney and Dubbo provided an opportunity to gain initial insights into IGA training programs and their retail clients, and to build relationships with IGA trainers and Davids’ retail counsellors²⁵.

Participation in the IGA training courses was followed by discussions with IGA training staff directed at further establishing relationships and identifying and clarifying common interests and outcomes for future activities. This was also an important period for gaining initial insights into the independent supermarket industry. The understanding developed with IGA was for the research to collect the views of owners and management staff of independent supermarkets on a range of subjects including training and education. Also established at this time was the position of Jennifer Abney as the key contact.

²⁵ Retail counsellors are Davids’ field staff. They have a primary role of visiting supermarkets to identify problems, provide owners and managers with basic management advice and promote new products or services. They were included in the training programs as participants.
and collaborator within IGA.

Both Davids and IGA were interested in education and training for fruit and vegetable retailing but as a subset of a broader agenda for management development across the whole supermarket. IGA were also interested in how owners and managers were thinking with regard to the industry's current situation and future outlook. IGA saw advantage in an outsider going out into the industry, listening to supermarket owners, and reporting back concerns over a range of industry matters including training.

As the relationships and the research study developed IGA made it clear that they expected more than just a documenting of the research results from the interaction with independent retailers and their staff. They recognised that I was an experienced educator who could contribute to their development of appropriate and achievable training and education initiatives (J. Abney 1994, pers. comm., 16 August).

3.4 Reflection on the Process and Learning

This period of interaction with the broader industry supported my initial perception that training and education for fruit and vegetable retailing was an area requiring improvement. While this need was widely acknowledged both within the retail industry and training organisations there was a history of ineffectiveness in addressing this need. From the major retailers there was an unwillingness to view improvement to training and education as change requiring an industry-wide response. Instead the retailers tended to view this issue as an area in which competitive advantage could be gained and therefore did not want
an industry-wide approach.

In addition, the lack of confidence from the retail industry that training and education providers could meet their perceived needs raised a substantial challenge to gaining access to the industry for a research and change study. This challenge was exacerbated by my position as an academic and thus perceptions amongst retail industry training and personnel managers that I was a representative of the government funded training and education sector. Access was also hindered by other studies with similar focus being undertaken within the same time period\textsuperscript{26}. A number of managers viewed this situation as unnecessary duplication of effort which placed additional pressure on them if they were to be involved.

Early in this reconnaissance phase I experienced considerable frustration with the rate of progress in securing a client and clarifying a specific and clear research question. I was pursuing a range of initiatives which were at various stages of development. With a number of organisations progress was slow due to a lack of responsiveness and lengthy time lags between initial contact and securing a response. In time I learnt not to take this as a personal rejection but recognised that the pressures on individuals in many of the workplaces I was approaching were such that there was strong prioritisation to what they considered their core tasks and responsibilities. I had entered this environment largely at my own initiative and thus held the responsibility to convince whoever I was communicating with that my proposition was relevant to their core business or part of their responsibility.

\textsuperscript{26} See Section 3.3.2
My strategy developed largely from previous experience in securing cooperation from farmers and other relevant business people in education programs. This experience prompted a low key approach to initial telephone contact by first establishing whether it was an appropriate time to talk, and if affirmative, then communicating the purpose of the call quickly. Most often I had previously sent a letter of introduction and general outline, which if read, had provided an opportunity for prior consideration.

A similar low key approach was adopted in subsequent interviews where it was important to listen well, and then have the capacity where appropriate, to restate my broad objectives such that they related to the interviewees context.

I received guidance from various people during this period on how best to approach industry to secure support. While this counsel was valuable, an important lesson which emerged during this period was to trust my own judgement on how best to approach people and conduct the exchange. Success in securing access required planning, perseverance, patience and self confidence.

Trust was also required with regard to the process. Lack of clarity of purpose and method is characteristic of early stages of qualitative research (Ely et al 1991, Dick 1993). An important breakthrough in thinking during this period was to trust the process to produce clarity of purpose, method and a client context in which to operate.

The other important change in thinking was my recognition of this reconnaissance phase as an integral part of the research process and not a precursor to it. In addition to establishing the context for the research and
identifying the clients, the reconnaissance identified the client’s initial needs and provided pre-understanding of the retail industry.

The challenge I confronted as the reconnaissance proceeded was whether to persevere with attempts to gain access and support for the fruit and vegetable training focus or respond to other opportunities which had emerged during this period. The key to resolving this predicament was to re-examine my overarching motives. The Perry and Zuber-Skerritt (1990) demarcation of action research into a ‘Core Action Research Project’ in which the researcher engages with a particular context with a priority of addressing client expectations, and the ‘Thesis Action Research Project’ orientated to meeting the researcher’s needs, was particularly valuable for providing a clearer perspective of the need for a client and context. The latter refers to the underpinning research purpose, in this study that of developing insights into the change process in education and training, which could potentially be addressed either within the broader arena of the overall supermarket or in the fruit and vegetable retailing context.

Emerging from this reconnaissance process was an opportunity from IGA and Davids to work in a business environment with a strong training and education emphasis. In addition, within IGA there was a core group who were highly committed to their roles and enthusiastic about my involvement. This change to my envisaged research context was compatible with the ‘Thesis Action Research Project’ objectives of contributing to understanding of research and development processes in education and training.

The agreement reached with Davids and IGA can be attributed in part to the
effort from all parties to build effective collegial relationships during this period.

Establishing my credentials was also important and was facilitated by
participation in IGA training programs as both a student and an observer.
<table>
<thead>
<tr>
<th>OBJECTIVE</th>
<th>OUTCOMES</th>
<th>REFLECTION ON PROCESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Confirm need for change to training for fruit &amp; vegetable (F&amp;V) retailers.</td>
<td>Problems acknowledged by retailers &amp; horticultural industry. Training seen as solution. Scepticism that publicly funded or retail industry training organisations can produce &amp; deliver appropriate programs.</td>
<td>Major retailers unwilling to see change process as a collective process -- training seen as area for competitive advantage. I was seen as representative of public education system &amp; thus retailers &amp; industry trainers cautious and/or sceptical.</td>
</tr>
<tr>
<td>Gain support for research study in area of F&amp;V training.</td>
<td>Unable to convince supermarket retailers to make commitment to research study. Training organisations also reluctant due to other priorities or territoriality issues. Success with wholesaler, Davids Holdings &amp; associated training provider, IGA though priorities are broader than F&amp;V.</td>
<td>Perseverance, patience &amp; self confidence important qualities when seeking industry access &amp; support. Need to move the focus of dialogue away from target's generalised view to their experience of the interaction with you. Avoid taking rejection personally -- gatekeepers have priorities -- need to be able to position proposition in context of their perceived core tasks or responsibilities.</td>
</tr>
<tr>
<td>Clarify needs and priorities of collaborative &amp; supporting organisations.</td>
<td>F&amp;V subset of broader priority of management &amp; general competence development across roles in independent supermarkets. IGA also interested in retailer views on industry's current situation, future outlook &amp; training.</td>
<td>Developing effective collegial relationships &amp; establishing credentials within the client system was very important during this period. Participation in training programs particularly valuable for this process.</td>
</tr>
<tr>
<td>Review &amp; revise research purpose &amp; questions if</td>
<td>Broadening focus beyond training &amp; education for F&amp;V changed context but overarching research</td>
<td>Proposition of Perry &amp; Zuber-Skerritt (1990) of demarcating study into 'core action' within client</td>
</tr>
</tbody>
</table>
CHAPTER 4 SUPERMARKET RESEARCH

4.1 Overview and Objectives

The general guidelines negotiated with the clients were to collect the views of supermarket owners and management staff and, in consultation with IGA training staff, use the findings to develop strategies for improvement to education and training provision. In outlining the methodology in Chapter 2, it was established that in gaining these views it was also necessary to develop a comprehensive understanding such that views expressed could be contextualised, underpinning causes uncovered and broad themes identified.

Building effective relationships with the key collaborators within IGA and establishing my credentials within the broader industry were additional outcomes sought from this phase of the study. Such outcomes were expected to enhance receptivity of the project’s findings and develop a foundation for an ongoing collaborative relationship.

Thus, the objectives of this phase were to:

• Develop a comprehensive understanding of the independent supermarket industry in Australia.

• Capture the views of retailers on the key issues and concerns in the industry and on attitudes towards education and training.

• Identify barriers to improvement to provision and participation in education and training.

In Chapter 1 the experience of Walsh (1993) was discussed in which the applicability of the deskilling theory to supermarkets was challenged. Whether
independent supermarkets in Australia are experiencing a need for greater manager and staff competence in response to competitive pressures, as did the supermarkets in Walsh's study, was an important question to be answered from this iteration of the study. Enhancing training and education provision to independent supermarkets would only be justified if the need for greater knowledge and skills of managers and staff was demonstrated.

4.2 Methods

4.2.1 Introduction

An important methodological requirement established in Section 2.2.1 was the flexibility to allow the data collection process to incorporate new themes or issues as they emerged. This need for flexibility was heightened by my position as an outsider which meant I was in a diminished position to already know or anticipate the critical issues and concerns of the retailers and their staff.

The initial suggestion from Davids' staff was to develop a written questionnaire which would be distributed as Davids normally handled surveys: via their retail counsellors. Aside from this approach not meeting the criterion requiring personal interaction and conceivably diminishing my independent position, I had additional concern that this type of surveying of opinions would not gain focussed responses from the participants. This concern was raised during dialogue with Davids' retail counsellors whilst attending IGA training courses. They reported that Davids frequently used questionnaires, and that they had

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27 Refer to Section 3.3.3.
observed that retailers were often sceptical that survey responses were seriously considered or achieved anything. Arising from this concern was a need for the research process to provide some assurance against participant indifference and encourage considered and serious responses.

Another criterion for the data gathering methodology related to time. Supermarkets are very busy workplaces. I was warned that gaining a commitment of time from some retailers could be difficult and would require flexibility and persuasion on my part. The experience of IGA and Davids’ staff raised a further constraint in that most managers would only be receptive to store visits on the quieter trading days of Tuesday and Wednesday. There was therefore a need for flexibility with timing and duration of any contact with supermarket personnel.

The research method at this stage of the research process needed to be primarily exploratory, facilitating themes and issues to emerge and allowing the research process to evolve. Further, the process\textsuperscript{28} chosen needed to bring together existing knowledge and skills (i.e. preunderstanding), and through engagement via research with those in the context of the study, jointly develop new insights upon which to progress to the next phase.

\subsection{4.2.2 Data Collection}

The criteria identified above pointed to a form of interview method to collect the opinions and insights sought. Questionnaires and fixed question interviews were rejected due to lack of flexibility, the presumption of prior knowledge required in

\textsuperscript{28} Depicted earlier in Figure 2.1.
their design (Curran & Burrows 1987) and the concerns raised previously regarding retailer attitudes and responses to them.

The data collection method which appeared to meet the criteria were interviews in which fixed questions are not asked but rather a checklist of topics used to assure core themes are covered. This approach to interviewing is essentially what Patton (1990) calls the 'general interview guide approach'. Patton describes this approach as one in which:

'... the interviewer remains free to build a conversation within a particular subject area, to word questions spontaneously, and to establish a conversational style- but with the focus on a particular subject which has been predetermined'

The method allowed extension by the interviewee into subject areas beyond the checklist. If these subject areas had relevance for the research purpose then the checklist was extended for subsequent interviews.

Interviewing is often combined with participant observation in qualitative research (Curran & Burrows 1987, Patton 1990, LeCompte & Preissle 1993, Ely et al 1994). Participant observation in this study comprised participation in IGA training programs and observation during visits for interviews, student visits as part of teaching commitments and weekly visits as a consumer.

4.2.3 Selection of Supermarkets

The stores for this study needed to have near to a full complement of fresh food departments as they are increasingly important in supermarkets. The perishability of fresh foods heightens staff competence requirements. At the

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29 Refer to Appendix E.

30 Fresh food departments include fruit and vegetables, meat, delicatessen, bakery and dairy.
time, within supermarkets supplied by Davids this restricted the study to supermarkets in the Festival IGA banner group\(^\text{31}\).

The initial selection of stores was based primarily on convenience related to geographic clusters and combining visits with other activities. I had no prior knowledge or experience of any Festival IGA stores other than having met two owners and a number of management staff at the IGA training courses I attended.

The selection of supermarkets to visit was not considered critical as the stores themselves were a pathway to the target (ie the owners and managers) and not the focus of study themselves. The only control I had over which supermarkets to visit was through the act of asking the owners or managers to participate. If they refused I had no option but to try another store.

Stores selected were in regional towns in country NSW and Victoria with the addition of four supermarkets in the larger NSW metropolitan centre of Newcastle. Other metropolitan supermarkets were not deliberately omitted but there was only one Festival IGA supermarket in Sydney and the financial resources of the study prevented extension of the study to Melbourne and Brisbane.

Ensuring a broad range of views was achieved and key informants identified was assisted by asking all those interviewed whom, amongst store owners and managers, they considered important to contribute to the study. This tended to produce a consistent short list of names which was used to assist in the selection

\(^{31}\) Banner groups are clusters within the customer base of a wholesaler who share common logos, promotion and advertising and must meet particular standards of operation. 'Festival' is a particular banner group supported by Davids Ltd. Banner groups will be described more fully in Section 4.3.
of subsequent stores to visit.

This selection process is what Patton (1990) refers to as 'snowball or chain sampling' in which informants from earlier interviews enable the researcher to accumulate key names which take on special importance. Patton describes the process as one in which, 'the chain of recommended informants will typically diverge initially as many possible sources are recommended, then converge as a few key names are mentioned over and over'.

The justification of this approach is provided by two key aims of the interviews:

1. Identify the breadth of themes relevant to the study; and
2. Gather both breadth and depth of views around these themes from those in the industry.

In both instances there is a need at first to diverge - that is to collect the breadth of themes and viewpoints associated with them. This is followed by a confirmatory process in which the importance and relevance of themes is established and the views consolidated such that convergence into key themes can occur. Lincoln and Guba (1985) describe this process as one of ebb and flow of information between that which is emerging and that which is confirming.

The number of stores to visit and interviews to conduct was not predetermined. A recurring theme in the qualitative research literature (Lincoln & Guba 1985, Patton 1990, Ely et al 1991) suggests that the end point to data collection will become apparent during the study. A guide is when no new significant themes are arising and data on existing themes is repeating (Lincoln & Guba 1985). Ely et al (1991) focus on the researcher’s confidence in the data and cite an
important criterion for ending is when the researcher has reached a point where
they, 'know that they can talk for the participants-as the participants-in a
legitimate way'.

Thirty-four people were interviewed from a selection of sixteen supermarkets.
The number of people interviewed from any particular supermarket varied from
one to six. Most interviews were audiotape recorded. Four participants asked
that the interview not be recorded and in five instances technical problems with
the tape-recorder resulted in all or part of the recording being lost. In these
instances notes were written up soon after completion of the interview. In two
instances the supermarkets were not visited with the owners being interviewed at
another location.

4.2.4 Conducting the Interviews

In addition to meeting the criteria for the research the above approach to the
interviews was also attractive as it was a style of interview with which I already
had experience through regularly leading student visits to farmer or other
business cooperators. These are interactive interviews where the role of the
facilitator(s) is to glean the knowledge and experience of the cooperator in the
context of the area of study.

These experiences have demonstrated the importance of establishing a setting in
which there are minimal distractions to the co-operator during the interview. Pre-
visit dialogue regarding my needs in relation to time, location and purpose was
thus important.

All Festival IGA stores in NSW, the ACT and northern Victoria were sent a
letter of introduction from senior management in Davids and IGA outlining the study and requesting cooperation if contacted. This was followed with a written and then telephone approach to a short list of stores. The request nominated a preferred day to visit and asked for the opportunity to interview the owner, store manager (if this was a different person) and department or trainee managers. For the staff managers a preference for staff under 35 years old was indicated as this was the primary target group from the perspective of the clients. It was also indicated that interviews would be limited to a maximum duration of one hour.

At this time identification of an office or other reasonably quiet location in which to conduct the interviews was requested and assurances of confidentiality and independence from Davids and IGA given to the store manager.

The interview approach adopted in the supermarket interviews was guided by my experience which was to commence with very non threatening questions about the individual's background and history of the business. These 'grand tour' questions as Spradley (1979) refers to them, tended to lead into one of the areas of interest and the interview was then allowed to proceed by pursuing this theme and others which flowed from this dialogue. The principal intervention thereafter was to ensure the interview kept to time. This required judgement on when a particular topic was sufficiently covered and then triggering another line of discussion in consultation with the checklist.

At the initial research planning stage, prior to any supermarket visits, I became aware that many store owners and managers had been in the industry for many years. In considering the interview approach, I surmised that careful exposing of
my inexperience to these members of the industry could create a notional mentoring relationship. The premise was that these managers would be more comfortable and less threatened if they could view their role as an informant or teacher. Such a relationship, would I reasoned, allow me to ask basic questions which would not have been tolerated and have signalled incompetence from someone with industry experience. This is akin to the views of Spradley and McCurdy (1972) who describe the interview process as one in which the researcher is asking the informant to assume the role of teacher.

Another early observation was the closed nature of the industry at store level. This impacted on the study through the initial suspicion I experienced from many store owners. It was also manifested through a reluctance to allow interviews with staff other than family members. Interviewing the owner or store manager first was a strategy for allaying these concerns and thus giving management confidence to risk staff participation. This strategy was acknowledgment of the store owner or principal manager as a gatekeeper (Lincoln & Guba 1985) upon whom I was dependent for progression of the research process within their domain. The decision as to whom I could interview rested with the owner or store manager. I had limited influence over their decisions other than to provide reassurance that the interview topics did not extend beyond what they had experienced, and that there was no intention to pursue issues they would view as overtly intrusive, such as interpersonal relationships within their store or financial performance.
4.2.5 Data Analysis

'To analyse is to find some way or ways to tease out what we consider to be essential meaning in the raw data; to reduce and reorganise and combine so that the readers share the researcher's findings in the most economical, interesting fashion. The product of analysis is a creation that speaks to the heart of what was learned.' (Ely et al, 1991)

Much of the literature dealing with the analysis of qualitative research data is very focused on gaining transcripts and applying some form of thematic analysis either through manual coding or use of keyword analysis computer software. Following the initial round of store visits a pilot transcription of a one hour interview was undertaken by a wordprocessing operator experienced in working from audiotape. The transcription took four hours and the error level was high. Both the time and the accuracy problems were attributable to the poor recording quality due to background noise in the supermarket. No part of the supermarket escapes the public address system, music system and the constant ebb and flow of people. Floorspace is a highly valued commodity in the supermarket and as such often the manager's office and the staff room (the two sites usually available for interviews) were cramped, used for a number of purposes and frequently located close to refrigeration units the tone of which the microphone amplified.

This posed a dilemma in that the research funds were insufficient to employ an experienced transcriber and I lacked the time and keyboard skills required for

32 For example, Miles & Huberman (1994), Tesch (1990).
accurate and efficient self transcription. This raised the question whether transcription is essential for analysis? At this time I consulted an anthropologist whose advice was to focus on gaining an interpretation, that its validity in the first instance would be reflected in my confidence in it, and secondly by the reaction of the clients (Fisher, R. 1993, pers. comm., 10 Nov.).

The following steps involving extensive use of a whiteboard was applied:

1. A list of headings was selected based on the checklist used during the interviews. As the audiotape was replayed responses were mapped around themes on a large whiteboard. The responses of the interviewee was either represented by a summary of their position or by transcription of direct quotes.

2. From the whiteboard, notes and transcripts for each interview were transferred under each heading to a journal. Each section had a identifier code in the adjacent margin.

3. The journal was photocopied and the margin identifier codes marked with a different coloured highlighter pen according to four categories based on the interviewee's position or relationship to the business. These were: owner, other family member (i.e. children or grandchildren), salaried store or section manager.

4. The journal copies were cut into sections corresponding to each major heading and pasted onto butchers paper. Separate sheets were used for each category and heading. For some headings up to four sheets was necessary for any one category.

5. The transferred text was re-read and key points or transcript marked with a highlighter pen.

6. Each set of butchers paper paste-ups were summarised under key themes on an electronic whiteboard thus allowing an A4 record to be retained.

7. A report\textsuperscript{33} was prepared for communicating the results to the clients. The summary sheets from step 6 guided this process.

The process for unrecorded interviews was identical except for Step 1 where the field notes from the interview were used instead of the recording.

\textsuperscript{33} Refer to Client Report (Eiseman 1994a - attached)
Examples from steps 1-6 are provided in Appendix F.

The procedure outlined above[^34] is well supported by qualitative analysis literature, and in particular, Tesch (1990, pp. 95-97) who following an extensive review of analysis in qualitative research identified the following ten principles and practices which in her view hold true for most qualitative data analysis:

1. Analysis is not the last phase in the research process; it is concurrent with data collection or cyclic.

2. The analysis process is systematic and comprehensive, but not rigid.

3. Attending to data includes a reflective activity that results in a set of analytical notes that guide the process.

4. Data are 'segmented', that is, divided into relevant and meaningful 'units', yet the connection to the whole is maintained.

5. The data segments are categorised according to an organising system that is predominantly derived from the data themselves.

6. The main intellectual tool is comparison.

7. Categories for sorting segments are tentative and preliminary in the beginning; they remain flexible.

8. Manipulating qualitative data during analysis is an eclectic activity; there is no right way.

9. The procedures are neither "scientific" or "mechanistic".

10. The result of the analysis is some type of higher-level synthesis.^[34]

[^34]: Refer to Appendix F.
4.3 Results

This chapter reports the results of the research in the independent supermarket industry and thus reflects the interviews with supermarket owners and staff and the on-going interaction with personnel from Davids and IGA\textsuperscript{35}.

This section comprises:

- a situation analysis of the independent supermarket industry in Australia, a discussion of management style and organisational culture across the industry,

- a summary of the views of supermarket owners and staff collected during the store visits, and

- a review of the implications of this research for the question raised in Section 4.1 regarding the need for enhanced manager and general staff competence.

4.3.1 Situation Analysis\textsuperscript{36}

Structure

The independent supermarket industry in Australia is structured on wholesalers distributing products to supermarkets or other businesses retailing groceries and related product lines (See Figure 4.1).

\textsuperscript{35} The result of the supermarket interviews are detached in the client report (Eiseman 1994a) included as an attachment to this thesis.

\textsuperscript{36} This situation analysis was developed from personal communications with retailers and other supermarket industry personnel including John Hunter (Davids) and Michael Abney, Jennifer Abney and Michael Wilson (IGA). Their source of profitability data is from research conducted by Davids and the Australian Supermarket Institute.
Figure 4.1: Independent Supermarket Industry: Main Players 1993

Commonly the retail businesses are independently owned with family ownership being predominant. Wholesalers also supply to franchised retail groups and to corporate stores which they own. In the past wholesalers have not favoured retail store ownership, but with increasing competitiveness in the supermarket industry, store ownership by wholesalers has become more common. Corporate stores are often acquired from independent operators who are experiencing financial difficulties and are located in areas where the wholesaler wants to retain market share. Pressure in the industry
recently for larger and more sophisticated supermarkets has resulted in some wholesalers developing supermarkets and retaining part or total ownership in them.

Generally the vehicle for interaction between retailer and wholesaler is via retail banner groups (e.g. Festival, Foodtown, Welcome Mart). Retailers in a particular banner group must conform to a particular standard which takes into consideration store size, range of departments and turnover. Banner groups are generally managed by the wholesaler with retailer consultation via a committee of elected retailers. Generally banner groups pay a service fee to the wholesaler and receive rebates according to the purchasing volume of the whole group.

Independent supermarkets may have access to Independent Grocers Alliance (IGA) which is a non-profit organisation which provides a range of support services to affiliated retailers. Affiliation is dependent on the supplying wholesaler being a member of IGA and the individual store meeting set standards of management and scale of operation. IGA originated in the USA but is now an international organisation. IGA is owned by a number of grocery retailing and distribution companies including the Australian wholesalers, Davids Limited and Foodland Associated Limited. The benefits and services available to Australian retailers include:

- international and local banner group identification via IGA logos and promotional activities.
- opportunity to retail IGA brand products.
- receipt of information via the IGA newsletter, Grocergram and IGA
initiated industry forums.

- access to management support services and training programs.

**Competitiveness**

A significant trend in the supermarket industry in Australia has been a shift in market share from the independent supermarkets to the three largest supermarket chainstores, Woolworths, Coles and Franklins (Foodweek 1993, Davids 1994).

One outcome of this decline in market share for the independent supermarket industry has been pressure to rationalise the wholesalers. There have been a number of amalgamation proposals as well as successful and attempted company takeovers. This instability has added to an existing undercurrent of uncertainty in the industry. Greater competitiveness through economies of scale in warehouse management and enhanced purchasing power with suppliers provided the rationale for a reduction in the number of wholesalers.

At the commencement of this study in 1993 there were five major grocery wholesalers in Australia: Queensland Independent Wholesalers (QIW), Foodland Australia (FAL), Composite Buyers, Independent Holdings (IHL) and Davids Holdings (O'Meara & Wood 1993). During this research study Davids Holdings was listed as the public company, Davids Limited. There has been considerable change of ownership of wholesalers over the last decade (Table 4.1) with all the major wholesalers with the exception of FAL being amalgamated into Davids Limited.
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>Davids’ $16 m bid for QIW foiled.</td>
</tr>
<tr>
<td>May ’92</td>
<td>Davids’ $120 m QIW bid (foiled).</td>
</tr>
<tr>
<td>Dec. ’93</td>
<td>Davids scuttles mega merger.</td>
</tr>
<tr>
<td>June ’94</td>
<td>Davids Ltd float.</td>
</tr>
<tr>
<td>July ‘94</td>
<td>Davids’ bid for IHL succeeds.</td>
</tr>
<tr>
<td>Feb. ’95</td>
<td>Davids proposes Composite bid.</td>
</tr>
<tr>
<td>June ’95</td>
<td>QIW bid for Composite succeeds.</td>
</tr>
<tr>
<td>June ’96</td>
<td>Davids’ bid for QIW/ Composite succeeds.</td>
</tr>
</tbody>
</table>

Source: AFR (1996)

The competitiveness in the industry is illustrated by the common operating net profitability of 1-2%. Competition is most evident for grocery and general merchandise areas where gross profits are generally 12-14%. The emergence in the industry, over the last two decades in particular, of price only orientated no-frills and warehouse type supermarkets (for example, Franklins, Jewel, and Bi-Lo) has been a major contributor to decline in grocery profitability. These stores reduce overheads through lower quality furnishment, reduced service, and minimising advertising. A key response of higher priced service orientated supermarkets has been to increase turnover in fresh food departments (i.e. fruit and vegetables, meat, bakery, delicatessen and dairy) where gross profits of 30-40% are more common and where there is greater opportunity to
differentiate their operations through product range, quality and presentation. This shift to a fresh food focus is in line with consumer demand moving away from processed foods such as canned and frozen products in particular. The most visible and successful example is Woolworth's 'Fresh Food People' advertising campaign and store refurbishment giving greater profile and exposure to fresh food departments. The Woolworths experience and the more recent development by Franklins of the 'Big Fresh' and 'Franklins Fresh' concepts are examples of acknowledgment within the supermarket industry of the broadening of consumer criteria for supermarket selection beyond price to include shopping convenience, comfort and security. A key component of convenience is consumer demand for one-stop-shopping and hence a need for a full range of fresh departments and consistency of product quality and service across the entire supermarket.

Related to this fresh food focus is a trend towards greater demand for semi-prepared meals which is evident through an increasing range of prepared salads, pizza and cooked chicken products.

4.3.2 Management Style and Organisational Culture

Davids

The interviews indicated that amongst retailers there is a positive view of the Davids' family and John David in particular. However there is a view of the Davids' organisation as unwieldy due to size, structure and poor communication. There is also a recognition of Davids' loyalty to its staff with some retailers and other observers believing that this loyalty to staff has seen
Davids retain staff who are impediments to improved efficiency and communication\textsuperscript{37}.

There is a mixed view of Davids’ commitment to retailers. There is a view that Davids’ commitment to its traditional retailers has waned as the independent supermarket industry in Australia has declined in market share and metropolitan visibility\textsuperscript{38}.

Davids would counter this view on the basis that both wholesaler and retailer need each other for an assured future and that this requires Davids to be a strong organisation with diversified interests and a significant and growing market share (AFR 1994, 1996). This strategy is demonstrated in Davids’ commitment to drive the process of rationalisation of wholesalers in Australia, joint ventures with retailers to develop and operate large and innovative supermarkets and expansion of its interests into the Asia and Pacific regions (Davids 1994).

Davids appears to operate with a top down management style with strong organisation control from the Davids’ family. Both Davids and IGA have a strong paternal approach to their relationships with the rest of the industry. This paternalism is manifest in the underpinning belief in both organisations that ‘we know what is best’ for the industry. While there are various forums in the industry where the various players meet to discuss industry matters, there is a view amongst retailers and other industry observers, that these are more inclined to be informative than consultative - ‘we will tell you all the good things we have been or are going to do for you’.

\begin{flushleft}
\textsuperscript{37} Refer to client report, Section 3.2 a & b.
\textsuperscript{38} Refer to client report, Section 3.2 c.
\end{flushleft}
Independent Grocers Alliance (IGA)

The paternalism described in the previous section is also pertinent for IGA's relationships with its wholesaler partners and with the retailers. There is a degree of frustration within IGA's that its attributes, while widely acclaimed, do not translate through to widespread support through participation in its training programs and other industry initiatives.

IGA's approach to training is one in which demonstrating professionalism is an expectation and as such excellent communication and organisational skills are highly valued in staff. Industry credentials are also held in high esteem and reinforcing these to clients is part of the IGA style. This is underpinned by the belief that clients are impressed by IGA staff having been in the supermarket environment and having 'done the hard yards'.

Underpinning the IGA organisation are cultural values which go beyond paternalism to one in which fundamental values are articulated--honesty, integrity, hard work, quality, relationships. The word 'family' is used frequently in reference to both the internal IGA entity and the global network comprising IGA and its wholesaler and retailer associates. Esteem of individuals is highly valued in the IGA culture with public affirmations of positive reinforcement to individuals common. The hard work cultural value is also demonstrated with individuals readily articulating how hard they are working by listing off their recent activities and achievements. This work ethic in part contributes to pressure to be seen to deliver positive outcomes and to focus on activities which have immediate and visible benefit.
The independent supermarket industry from the position of IGA staff is often isolated and insular, particularly for training staff who have limited opportunities for collegial interaction with those from other training and academic organisations.

**Independent Supermarket Owners**

The retailers are a diverse group but some general characteristics can be ascribed to them. The supermarket owners highly value the independence of action they associate with business ownership. They are thus defensive about any proposals or actions from outside, and particularly from the wholesaler, which treats them as a generic group or compromises their independence. This attitude is reflected in the priority given to industry initiatives or government small business support programs which ranged from selected enthusiasm to general apathy to open hostility. There is a widely held view that the owner's individuality is a major strength as it provides the flexibility for them to identify with, and better meet local community needs.

The prevailing management style is one of strong domination by the store owner and as such tends to be both autocratic and paternalistic. This style, and the size of independent supermarkets, results in a management structure in which most section managers report directly to the owner or store manager.

The industry's rhetoric with regard to gender is that capability is the focus and thus all roles in the supermarket are open to women. This study's observations suggest that this rhetoric translates to practice with women visible in management positions across most departments. A significant exception is that
there are few women store managers. In the family ownership situation where both husband and wife work in the business then ownership and ultimate management responsibility tends to be identified with the male. The female partner is more likely to be referred to as 'the owner’s wife'. The other exception is the meat department where the managers are generally male.

The high level of family involvement common throughout the industry adds another dimension to the management style. In businesses with a number of generations involved there is a tendency for a concentration of management responsibility with family members. Throughout the industry, and in family dominated businesses in particular, there is a secrecy culture which may see employed managers excluded from business performance information and whole business planning processes.

The short term focus described earlier for IGA and Davids applies at store level. This is in part attributable to the competitive pressures which have created a climate of uncertainty regarding the future and often a survival approach to management. This short term focus is also rooted in the prevailing work ethic that values commitment, persistence, loyalty and hard work, and a belief that if these are present, success must flow. Uncertainty and particularly the knowledge that other independent supermarkets have gone out of business appears to reinforce the prevailing conservative management style and values. This is evident in a reluctance to reinvest in the industry for new store development or substantial refurbishment.
4.3.3 Summary of Views of Supermarket Owners and Management Staff on Industry Issues

This summary is the executive summary of the client report (Eiseman 1994a)\(^{39}\) excluding the recommendations regarding education and training which are addressed in Chapter 5.

- The Independent Supermarket owners interviewed had an overall view of the industry as experiencing difficult times. Most reported increased turnover in recent years. However, there was considerable concern with the low and declining profit margins on groceries and what was seen as unsustainable overall profitability.

- Independent supermarkets often occupy a position of considerable local influence in regional towns. They are often the largest retail outlet and are thus the major retail focus upon which smaller retailers and service providers depend to attract customers. In these towns they are a major employer.

- The decline of small stores was widely acknowledged and seen as an irreversible trend. However, there was optimism that good managers amongst independent retailers, in medium to large supermarkets would survive. There was also a view that for an assured future that larger stores with a full range of departments were essential.

- Most owners saw financing the cost of establishing large new stores or

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\(^{39}\) Presented to Davids and IGA in March 1994 and included as an Attachment to this thesis.
extending and refurbishing existing stores as being beyond their borrowing and servicing capacity.

- There is a significant division within owners and senior managers between those who are trying to adopt a more cooperative approach to dealing with industry issues and those who essentially want to be left alone to manage their businesses.

- While optimistic about the future for independent supermarkets, store and section managers interviewed did not have strong reasons for this optimism beyond their immediate experience. In comparison with Davids’ and IGA’s staff they seemed poorly informed about the situation and issues of the wider industry.

- Despite the general optimism expressed towards the future, many respondents appeared to feel isolated and not involved in the key decisions and forces driving change in the industry.

- Price competitiveness was seen as a major factor in determining the future viability of independent supermarkets. A widespread view was that at present the gap between price-orientated chainstores and the independent supermarkets was too large.

- Poor communication between Davids and the independent retailer was a widely held view. The predominant comment was that Davids’ staff do not listen enough to independent supermarket managers.

- While participants in this study believed that Davids' CEO, John David,
had a vision for the future of the industry most had difficulty articulating more than a general notion of a chain of large independent supermarkets.

- Owners and staff who had experienced Davids’ or IGA’s training courses found them motivating, challenging their present thinking and practices and providing a valuable opportunity to meet with others in similar roles from other stores.

- The great majority of owners participating in this study did not see a need for training at their level. Training was primarily seen as an activity for younger family members or staff.

- The difficulties and costs associated with replacement of key staff for one or two days, and the distance and associated travelling time to training centres were cited barriers to participation in off-the-job training.

- The industry has a dominant value system which places high value on skills and knowledge acquisition from workplace experience and in contrast tends to see higher education and formal training as being irrelevant for their industry.

- There was a widespread view that managing a supermarket is a professional activity. However, there is little recognition or acceptance by the owners participating in this study that accreditation of skills and knowledge as a means of establishing professional status and standards is relevant in this industry. In contrast the next generation40 believed that to

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40 The ‘next generation’ refers to the store owner’s children or grandchildren who currently work in the business.
succeed in the supermarket industry as a manager, both practical experience and education leading to a qualification is required.

- The salaried store managers and section managers over 30 years in age strongly reflected the view of the owners and were not supportive of qualifications for management positions.

- There was acknowledgment that it is difficult to find good experienced managers, particularly for specialist roles in fresh food departments. Overall fruit and vegetable managers were seen as the most difficult to acquire and to train. There was general acceptance that qualifications for fresh food personnel, particularly those in fruit and vegetables departments, could be valuable.

- Participants from all groups believed that perceptions in the community are that supermarkets are a low esteem and low status place to work. A persistent theme was that there is much more to managing and working in a supermarket than the community perceives or is portrayed in the media.

- A high value is placed by store owners on their perceived independence which underpins many attitudes and actions. The irony of this high valuation on independence of action is the prevalent view amongst participating supermarket owners that responsibility for perceived shortcomings and for change in the industry rests primarily with the wholesaler.
4.3.4 Change and Competence

The view of Walsh (1993) that competitive pressures in the supermarket industry has raised the knowledge and skills required by management staff is supported by this study’s observations within the independent supermarkets in Australia:

- Independent supermarkets have responded to competition by raising the profile of fresh food departments and increasing range within these departments. These initiatives, the heightened overall service expectations from customers and the requirement to operate new technology have raised competence requirements for store and department managers.

- With the increasing importance of more sensitive products such as fresh foods and semi-prepared meals in supermarkets there has been an extension of competence required both for managers and general staff. Expanding product range of these product types demands greater staff knowledge in product handling, usage and storage requirements. The increasing food preparation occurring in supermarkets and heightened public awareness of food safety has raised the knowledge and skills requirement and responsibility regarding hygiene.

- For general staff while there may be some deskilling as a consequence of the introduction of technology such as bar coding for price scanning, stock-taking and ordering, there has been a concurrent increase in the need for skills in customer relations and, related to this, awareness of
store layout and product knowledge.

- The increasing focus on fresh foods has also impacted on the checkout where the normal practice in Australia, of weighing and price entry for fresh produce at the checkout, brings an expectation of checkout operators to correctly identify products, and for some products, distinguish between varieties or types. Poor identification at the checkout can be a significant source of financial loss in fresh produce departments and a source of customer irritation.

The heightened skills and knowledge required of managers has specific relevance in the independent supermarket. The consequences of the smaller size and family structure common to most independent supermarkets is a less departmentalised structure than in chainstores. As such managers and staff often have to service a number of areas. In addition there is an expectation that managers have a good working understanding of all sections.

The principal supermarket organisation in Walsh's study (1993) responded to the increasing pressure on managers by adopting a decentralised organisational structure in which greater responsibility was passed down to supervisors and department managers. This transfer of responsibility down the organisational hierarchy elevated the skills and knowledge required at these levels thus further supporting the view that changes resulting from the introduction of technology and innovation raise rather than lower workplace expectations and job status.

The independent supermarket is highly decentralised from an industry perspective as predominate responsibility is at store level. However, within
individual independent supermarkets decentralisation of management is often limited with responsibility and autonomy of action restricted primarily to the manager and family members. While this may have been satisfactory in the past for the traditional small to medium sized supermarket with a strong family involvement, the 1990's has bought competitive pressure to extend trading hours, increase store size and add specialist departments. For managers in independent supermarkets this raises the problems of overload and inadequate specialist skills in upper management experienced by the chainstore in Walsh's study.

Devolution of responsibility and autonomy to staff at lower levels raises the need for greater competence at these levels to accept the increased responsibility. This need places pressure on the independent supermarket industry to invest in staff acquisition of greater skills and knowledge and to recognise raised competence through appropriate remuneration, genuine delegation of responsibility and building in-store and community acknowledgement.

4.4 Reflection on the Process and Learning

4.4.1 Achieving Participation

Throughout this period of research with the supermarkets my relationship with IGA training staff continued to develop. The most significant interaction was with Jennifer Abney who was a strong supporter and advocate for the study within IGA and Davids. The busy work environment at IGA discussed in Section 4.3.2 meant that liaison and responsibility for this study was strongly
delegated to Jennifer Abney. If contribution from others within either organisation was required communication was primarily via Jennifer and rarely saw me as a direct participant. This can in part be attributed to geographic separation but also the workplace culture of expediency and assignment of clear control and responsibility with a particular individual. To be effective I had to operate within this culture and I thus chose to proceed with the aim of endeavouring to achieve more active and broader participation in subsequent stages of the study. The relationship with Jennifer Abney developed beyond management of the primary study into a collegial relationship in which broader topics regarding education and training and their relevance and implications for IGA and Davids were discussed.

With the supermarket interviews I retained considerable control as it was essential to ensure that the confidentiality assurances I had given the retailers were not compromised. Notwithstanding this consideration, I retained an active communication with Jennifer Abney during this period. These communications allowed me to test general themes as they emerged, seek clarification of industry practices and gain an alternative perspective on key issues.

4.4.2 Interviewing

Setting up the interviews was generally a difficult experience for me. Despite letters from IGA/Davids and myself forewarning retailers there was an initial reluctance to participate. Some retailers contacted refused to be involved. The initial reluctance can be attributed to a number of factors including concerns over time and the type of questions to be asked, suspicion over an outsider
asking questions and reporting to Davids, perceptions of universities and researchers as not being able to relate to them and insecurity over their own performance. Overcoming this reluctance required convincing the retailers of the study's worth and relevance. This process demanded a degree of assertiveness, confidence in my purpose and sensitivity to those with whom I was dealing. In many instances I could sense that the person with whom I was negotiating was seeking an opportunity to decline involvement, and inappropriate etiquette or an inability to sell the research study, would have provided this opportunity.

The telephone contact and the arrival at the supermarket for the interviews was also a challenge for me, despite previous interview experience. I was under pressure to perform as I felt the success of the study was very dependent on how effectively I could justify the project's purpose and my skills at gaining the confidence of and rapport with the supermarket manager and individual interviewees. Although almost all visits were successful, both in regard to data collection and establishing effective relationships, this discomfort prior to a visit did not abate with greater experience - each was a distinct event in which mental preparation was required and the pressure to perform customary. The process felt much like a job interview but one in which both parties were experiencing prior anxiety.

This apprehension and emotional aspect to qualitative research is reported as a common experience in qualitative research (Ely et al. 1991). Friedman, one of the co-authors of this book summed up well the emotional challenges in
qualitative research: themes which reflect many of my feelings at the time.

'Every step of the process can provoke some degree of anxiety. Even a task as clearly defined as contacting a gatekeeper, which in some other universe might be viewed as merely a logistical consideration, has its emotional facets. One might be prepared intellectually. A speech has been rehearsed ad nauseam. The phone number of the gatekeeper has been written down in five separate places. The phone is waiting to be used. Regardless, the anxiety of the initial contact may delay the call for days. What if I sound unprofessional? What if I'm being too intrusive? What if they see right through me and discover I don't really know what I'm doing?'

(Ely et al 1991, pp 109-110)

The factors raised earlier with regard to reluctance by retailers to participate also impacted on the interview process with many participants being visibly nervous at the commencement. A number admitted concern over talking to someone from a university and made comments reflecting their surprise or relief that they could communicate in much the same manner as with anyone else. An important strategy in the interviews was to establish a bridge with the interviewees such that they felt that I understood their viewpoints. With many participants I could draw on my experience with small business by making comparison with the situation for farmers or from the restaurant industry. Interviewing the principal gatekeeper first appeared to be effective in allaying concerns that the interviews would be unacceptably intrusive.

The tape-recorder was clearly a barrier for some participants with them talking

41 My wife owns and manages a restaurant in which I had considerable involvement in the early years.
more confidently and openly either immediately the tape-recorder was turned
off or when farewelling me from the store. I viewed these comments as part of
the process and made notes as soon as feasible.

The most difficult challenge in the interviews was gaining responses from young
people who were not family members. With these participants it was often
difficult to get the interview to flow. The answers to questions tended to address
the immediate question with little diversion and extension into associated areas.
They also lacked understanding of the broader issues in the industry and were
thus often unwilling to provide an input into questions beyond their specific
responsibility or experience. I postulate that this reflects the working
environment of independent supermarkets where non-family members, and
young people in particular, are only exposed to issues and developments within
the confines of their area of work and are often not encouraged to express their
opinion on broader issues.

4.4.3 Qualitative Analysis

The data analysis process emerged as the study proceeded. The development of
the checklist for the interviews (refer to Appendix E) was the initial point of
developing categories or themes of interest. A key part of the data collection and
analysis process was to retain the perspective that these were assumptions and
thus it was important to retain the flexibility to reject or adapt categories as
appropriate. The principal categories continued to consolidate throughout the
interview period. These categories provided a framework upon which to
organise the data, such that themes could be differentiated across a continuum,
from those with which I had overwhelming confidence to others which were
interesting but needed further exploration.

The categories relating to retailer views on the position of the industry and those
associated with education and training emerged and consolidated quickly during
the initial data analysis. While the themes relating to management and
communication issues between wholesaler and retailers were not deliberately
pursued, their emergence was not unexpected. However, what was unexpected
was the strength of feeling surrounding these themes. My understanding of
organisational culture and practices developed more slowly spanning the whole
process from initial engagement through to analysis of the interviews.

The analysis process through the steps described in Appendix F was laborious
and the temptation arose to short-cut the process. In retrospect the discipline of
following through the full process instilled confidence in my interpretations and
supported the process of preparation and defence of the client report. In
particular it clarified the weighting given to particular themes, ie. those with
which I had absolute confidence, those requiring qualifying statements and those
for exclusion.
4.5 SUMMARY - SUPERMARKET RESEARCH

<table>
<thead>
<tr>
<th>OBJECTIVE</th>
<th>OUTCOMES</th>
<th>REFLECTION ON PROCESS</th>
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<tbody>
<tr>
<td>Develop understanding of the independent supermarket industry in Australia</td>
<td>Situation analysis describing market position &amp; trends, industry structure &amp; relationships, key players, corporate changes, profitability. Also description of management style &amp; organisational culture of key players.</td>
<td>All objectives in this iteration were informed by the qualitative methodology adopted. This methodology included ongoing collegial exchange with collaborating staff from IGA and Davids, interviews with supermarket owners, family members and staff &amp; participation in IGA training programs.</td>
</tr>
<tr>
<td>Capture retailer views on current issues and future outlook for the industry.</td>
<td>Client Report: supermarket owners &amp; staff views across a range of issues including role of independent supermarkets in community, decline of industry, future view, family issues, competitiveness &amp; profitability, retailer-wholesaler communication, participation &amp; cooperation in industry, community perceptions of supermarkets, staff acquisition.</td>
<td>Success with the above required the capacity to empathise with those whom I was interacting -- important to build bridge— used my small business &amp; farmer experience as common ground.</td>
</tr>
<tr>
<td>Capture retailer views on training &amp; education.</td>
<td>Client Report: retailer views on current training courses including cost, content &amp; delivery. Also views on training needs &amp; qualifications.</td>
<td>Initially important to win support from gatekeepers. This required persuasiveness &amp; sensitivity to their situation.</td>
</tr>
<tr>
<td>Identify barriers to participation in training &amp; education.</td>
<td>Arising from the above was the identification of a range of locational, workplace &amp; attitudinal barriers to participation.</td>
<td>At interviews needed to allay anxiety--open with broad non-threatening questions. Important to balance free flow of interview against time constraints.</td>
</tr>
<tr>
<td>Determine whether there is demand for greater manager &amp; staff competence.</td>
<td>Concluded that overall competence required has risen in response to heightened competitiveness which has seen expansion of fresh food departments, increased customer service expectations including staff product knowledge &amp; spread of managerial responsibility due to extension of hours. Skills also required to operate technology such as scanners &amp; other computer applications.</td>
<td>The analysis steps provided an effective process for themes to emerge and the capacity to weight these for importance. Although the analysis was laborious the discipline of following the full process provided confidence in the interpretation.</td>
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CHAPTER 5 STRATEGIES FOR CHANGE

5.1 Overview and Objectives

While the supermarket research identified various management and communication issues between Davids and retailers which required attention this research study focuses on those elements associated with education and training provision. The broader management findings were reported to the industry\textsuperscript{42} with their resolution left to the client organisations to address without recommendations from this research study.

An objective of Davids and IGA is to enhance individual business performance within the independent supermarket industry. Management and staff competence is viewed by both organisations as a key contributor to overall performance and hence their strategy for encouraging retailers to invest in development of managers and general staff (Abney, J. 1993, pers. comm., 20 April).

The appeal of investing in staff training is that the benefits tend to be readily visible and accountable to a particular initiative and hence the investment can be readily defended. Investment in education is a longer term proposition, as it is far more directed at individual development of broader skills and knowledge. For education it is therefore more difficult to directly link particular workplace outcomes to any individual learning program.

The overarching objective of this phase of the research study was to develop

\textsuperscript{42} Via Client Report (Eiseman 1994a—attached) and seminar presentation (Eiseman 1994b).
strategies for enhancement of education and training provision to the
independent supermarket industry. This included strategies for delivery, learner
support and a structure for formal award courses.

5.2 Methods

This phase of the study was at first a reflection process in which the key themes
which emerged from the field research and analysis were considered from the
perspective of their implications for education and training. An outcome of this
reflection was a set of criteria for an education and training system to meet.

A planning phase followed in which the education and training experience of
Jennifer Abney and myself was pooled to develop strategies for change. This
was achieved primarily through my development of various ideas which would
be presented at a meeting for discussion and refinement. The notional ideas
developed during the reconnaissance stage\textsuperscript{43} provided a basis for discussion and
development.

On two occasions development meetings included staff from Orange
Agricultural College with experience in instructional design and distance
education.\textsuperscript{44}

5.3 Results

The substantive content of this section is a discussion on the rationale for the

\textsuperscript{43} Refer to Appendix D.

\textsuperscript{44} Mary Jane Mahony & Maureen Tam.
education and training strategies developed following the supermarket research\textsuperscript{45}.

This discussion of the rationale is supported by presentation of:

- A summary of retailer attitudes to training and education,
- The criteria established to guide the strategy development process, and
- A summary of the strategies developed.

5.3.1 Attitudes to Education and Training

The key education and training themes arising from the research study included:

- The industry placed a very high value on training based on workplace instruction and experience.
- Amongst owners there was a clear division between those that are supportive of training provision from trainers from outside their business and those that see training as an in-house activity only.
- Young people in the industry and particularly those from the next generation group were supportive of education and training provided by outside providers and viewed this as an important adjunct to their workplace experience.
- This same group recognised the need for relevant formal qualifications as means of enhancing professionalism in the industry, improving the

\textsuperscript{45} Refer to Section 4 of the client report (Attachment).
image of the supermarket as a workplace and assisting in the acquisition of new staff.

- Strong support for IGA and Davids training programs was given by those who had participated. However, concern was expressed at the difficulty of attending due to disruption in the workplace and distance to travel to training centres.

- Overall, there was support for a training program and qualification for those working in specialist areas particularly the fruit and vegetable department and delicatessen.

5.3.2 Criteria for Training

The above themes regarding education and training were used to develop\textsuperscript{46} criteria for an education and training system for independent supermarkets to meet. These were:

- provide flexibility for time of learning;

- allow flexibility in the location for learning but be designed to be undertaken in the workplace;

- integrate closely with practical working experience;

- allow full-time (or near to it) employment in the supermarket industry;

- utilise the skills and experience of owners and senior staff in supervision of the participants in the program;

- meet the needs of staff at different levels and roles within the supermarket;

\textsuperscript{46} The development of the criteria was undertaken initially by Jennifer Abney and myself and then commented on by colleagues in our respective organisations.
• have visible workplace relevance and benefits;

• include study materials designed for multiple use i.e. applicable for stand-alone use and as part of an integrated program;

• have linkages to ensure ease of progression between levels;

• include recognised formal qualifications.

5.3.3 Strategies for Education and Training

The strategies for education and training are detailed in the Client Report\(^{47}\) with an overall summary of the key characteristics of the proposed strategy depicted here in Figure 5.1. Figure 5.2 outlines the proposed structure for award courses.

Both models were developed by the author with contribution from IGA’s training staff. The rationale for the models is provided in the next section and in Sections 4.5 and 4.6 of the Client Report (Eiseman 1994a—attached).

\(^{47}\) Refer to Appendix G.
Figure 5.1: Strategy for Provision of Education and Training to Independent Supermarkets
Figure 5.2: Structure of Proposed Award Courses

Diploma in Management
(Supermarket Retailing)

= minimum: 140 weeks total work experience

Certificate in Supermarket Retailing

= minimum: 70 weeks experience

+ 8 subjects:
  Management Development

Fresh Produce
  OR
Delicatessen
  OR
Grocery
  OR
General retail skills

Recognition of relevant previous experience and training
5.3.4 Rationale for Strategy

Why Distance Education?

A distance education\textsuperscript{48} program in which materials are developed and distributed from a single provider and programs managed from a single learning centre would appear as the most applicable in the Australian situation\textsuperscript{49}. This recommendation of a single provider is driven by recognition of the relatively small demand (ie. at least initially), the need for economies of scale in regard to acquiring technology and accessing specialist people and recognition of Davids' and IGA's preference to work with a single committed partner. The latter relates to their need to retain a degree of control over the process. Utilising strategies common in Distance Education for delivery has the potential to meet the need for flexibility of time and place for learning and for allowing full-time employment in the industry.

Many independent supermarkets are located in rural and regional areas and thus there are isolation barriers which limit access to programs based on full or part-time attendance at a educational institution or other central location. The

\textsuperscript{48} Distance Education is a learning system where the teaching behaviours are separated from the learning behaviours. The learner works - more often at a distance to the educational institution - alone or in a group - guided by provided study material. The learner however has the opportunity to communicate with a tutor/tutors with the aid of various media such as correspondence, telephone, television, radio. Distance education may be combined, with various forms of face-to-face meetings. (Adapted from Flinck (1978) quoted in Asch & Smith (1988)).

\textsuperscript{49} Both Davids and IGA have interests and responsibilities throughout the Asia-Pacific region. While the primary context of this research study was independent supermarkets in Australia it was IGA's position that it was likely that any developments for Australia would be adapted for use elsewhere and hence this potential multiple use was to be taken into consideration. How programs would be managed in the Asia-Pacific region in relation to delivery and adoption of structure and learning materials was unresolved but it was considered unlikely that there would be direct management from Australia (Abney, J. 1993, pers. comm., 21 May).
achievement of viable numbers for delivery by full or part-time institutional attendance is difficult given these locational factors.

While distance education has the capacity to provide the above opportunities there are negative factors which must be addressed. Low persistence and completion rates characteristic of distance learning are a concern when considering distance education delivery. Various studies (Woodley 1987, Brindley 1988, Herbeson 1991, Campbell-Gibson and Graff 1992) indicate that the issues of motivation, organisation skills and home and peer support which link to persistence and success by distance learning are more of an issue with students with low levels of prior formal education and those having demanding and unsupportive work and home environments.

This raises the challenge of developing learning skills and capacity for self-directed learning delivery in a target audience such as those within independent supermarkets who have little experience of formalised learning and work in an industry which historically has not been supportive of external provision of education and training. It is argued by Herbeson (1991) and Brookfield (1992) that self-directed learning capability is learned and that it cannot be assumed that this capability is innately acquired through ageing and life experience. Distance learning intrinsically demands self-reliance and self-direction from the learner. Motivating students (and particularly young students) to meet the learning challenges in this learning environment, calls for special motivational skills and a range of helping processes from education and training providers (Bailey 1989, Bynner 1992). The strategy for education and training proposed
here addresses these concerns by proposing a distance education model with an emphasis on learner support. The mentoring and the electronic communication components of the model are key strategies in this regard.

*Why Audio, Video and Multimedia Learning Resources?*

The supermarket is a highly visual environment and as such would lend itself to visual media such as video or computer based multimedia. This is particularly relevant for induction and other lower level training where the subject matter strongly relates to doing and where there are likely to be underdeveloped literacy skills in some participants.

Learner access to suitable resources such as a computer or video or audiotape players is potentially overcome in workplace based education through purchasing or leasing of the required equipment by the employer.

*Why Workplace?*

The workplace as the primary learning environment meets the criterion related to meeting the values the industry holds in regard to workplace experience. What underpins this value in the industry is a recognition that the workplace provides relevance and context to the learner and thus optimises the learning experience (Smith 1992). This rich learning experience arises from the opportunity the workplace provides for the learner to build links between their current workplace experiences and the educational process (Billett 1993).

In a review of the theoretical basis for workplace learning, Billett (1993) reports views proposing that knowledge is socially and culturally constructed
and thus learning will be more effective when embedded in an environment, such as the workplace, in which the learner socially and culturally belongs. The effectiveness of the learning process is linked to the value the learner places on particular knowledge and skills (Goodman 1990 in Billett 1993). The workplace as the primary learning environment has the potential to clearly provide this link between learning, and the purpose for learning, and thus enhances the likelihood of the learner attributing value to the process.

Why Mentoring?

'Mentoring involves a senior person undertaking to support and guide a less experienced colleague's personal, professional and career development' (Walker et al 1993).

'A workplace mentor is able to offer career advice; support the learning process; guarantee safety guidelines in the learning environment; set opportunities to apply skills; recognise and address anxieties; encourage learners to use self-assessment; set challenges; encourage questions; and provide opportunities for reflection' (Bernard 1996).

The rationale for workplace mentoring is twofold. Firstly it is envisaged that involvement of owners or other managers as mentors will promote support and commitment from the participant and from management within the workplace. Secondly, mentors have valuable skills and knowledge which if captured will enrich the whole learning process (Russell 1993).

At workplace level, the mentoring role should ensure that owners and other senior managers are not isolated from the program and thus assist in overcoming any feelings of threat. One envisaged threat are feelings of
insecurity arising from concerns that the participants may be gaining skills or knowledge that the owners or store managers themselves lack. Involvement would either allay these fears or build awareness of the mentor’s own management development needs.

Extending from this is the notion that the mentoring process also provides benefits for the mentor such as further developing communication and people management skills (Kram 1988, Bernard 1996). In the context of independent supermarkets mentoring provides the opportunity to indirectly educate and train the owners and managers through ongoing exposure to the program via their mentoring role and responsibility. Mentoring as proposed in this model is also a recognition of the valuable portfolio of skills and knowledge possessed by senior managers in the industry and that capturing these would enrich the overall program and student learning. The willingness and capacity to mentor will vary amongst owners and other senior managers. The time pressures typical in the supermarket industry may see many managers limit their involvement particularly if they develop confidence in the program. Ideally other managers in-store and Davids’ retail counsellors and fresh food specialists could have a mentoring input where appropriate.

*Why Teleconference and Internet Communication?*

As identified previously the low completion rates typical of distance education programs is a concern, particularly taking into consideration the inexperience of distance study of those in the industry. The challenge is to promote persistence by addressing issues such as poor motivation, isolation from tutors and fellow learners and minimising delays for problem solving and feedback.
Along with mentoring both teleconferences and Internet communication have the capacity to enhance learner support through providing a means of communication which is fast, flexible, convenient and cost effective. Educationally, both can facilitate group learning at a distance through the opportunity for peer support, sharing of common experiences, exchange and debate of ideas and group projects.

*Why Store Rotation and Residential Schools?*

In the interviews with supermarket staff a consistent message reported\(^{50}\) was the value of visiting other supermarkets. These visits were seen as an opportunity to gain ideas by observation and dialogue with those in similar positions to themselves. It was also viewed as an opportunity to critique, through comparison on a visual basis, their own performance and standards. It was apparent that opportunities to visit other stores beyond the immediate area was particularly limited for most supermarket staff other than the store owners.

Both the independent supermarket workplace and the country towns in which many are located can be very insular and parochial in outlook. An aim of education is to expand horizons of opportunity through challenging established thinking and paradigms. While the workplace is a valued learning environment there is also a need to detach from this environment to allow exposure to other practices and attitudes, and experience a different role in a new context.

5.4 Reflection on the Process and Learning

This phase of the study was a convergence of ideas and experiences.

Throughout the study I had been building my understanding of the independent

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\(^{50}\) Refer to Client Report (Eiseman 1994a – attached)
supermarket industry such that I had strong personal confidence in this understanding. I was also receiving feedback that this understanding was recognised within the industry and as such I had achieved a degree of credibility within Davids, IGA and at supermarket level.

Parallel to this developing context understanding was an ongoing reflection on my educational experience and an extension of my knowledge of vocational education and training through the literature, conference participation\textsuperscript{51} and dialogue with providers. The latter comprised organisations identified during the reconnaissance phase.

The strength of my confidence in my understanding of the context can in part be attributed to the degree in which I had entered the culture of the industry. I was confident that I understood the language, practices and protocols of the industry such that I had moved from poorly informed bystander to an accepted participant in the industry. This internalisation is attributable to the research process which required a deep engagement with the client’s environment including personal involvement and development of relationships.

A challenge was to keep these feelings of inclusion in perspective. I went through a period of wanting to belong to this new world I had entered- it was exciting, challenging and opportunities appeared to abound. While my status had moved to 'participant' it was, however, more akin to 'invited guest' and thus my inclusion was not absolute or to be sustained. This experience challenged

me to re-assess my current role and purposes and raised longer term questions regarding life and career goals.

The issue of emotional connections being established between the researcher and the environment in which they are working is discussed in the literature and is seen as a predictable outcome of a process which requires immersion in a particular environment. The personal reflection of Friedman in addressing this dilemma was insightful:

'To me it was clear. I knew that I had to separate myself and my life from the life of my research participants. I had entered their world and lost sight of my own'. (Friedman in Ely et al 1991, pp 115)

Another key to placing these feelings in perspective was reflecting on the bigger picture of the study and in particular my perception that retaining a position of independence would enhance receptivity across the independent supermarket industry to the study’s results and recommendations.

The development of the strategies was driven by the convergence of context understanding and the collective pooling of the educational experience of Jennifer Abney and myself.

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52 Refer to Ely et al. (1991), pp. 112-121.
53 Teri Friedman is the principal contributor to this chapter of Ely et al 1991.
### 5.5 SUMMARY - STRATEGIES FOR CHANGE

<table>
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<tr>
<th>OBJECTIVE</th>
<th>OUTCOMES</th>
<th>REFLECTION ON PROCESS</th>
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<tr>
<td>Develop strategies for improvement to education &amp; training provision to independent supermarkets. Includes:</td>
<td>The Client Report presented an overall strategy which linked the workplace with more formal and structured education &amp; training:</td>
<td>Reflective process requiring convergence of context knowledge &amp; experience of key collaborators.</td>
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<tr>
<td>- delivery &amp; learner support strategies.</td>
<td>The delivery strategy is based on a distance education delivery which links to in-store training processes. Distance education is achieved using range of media including computer based learning systems. Learner support strategies including teleconference &amp; Internet communication, residential schools &amp; in-store mentoring.</td>
<td>Qualitative approach gave me confidence that I had internalised the independent supermarket industry culture--moved to position of informed participant in industry--important to keep these feelings of inclusion in check--important not to lose sight of 'thesis action project' when enveloped in 'client action'.</td>
</tr>
<tr>
<td>- structure for courses &amp; formal qualifications.</td>
<td>Learning modules designed for multiple use ie. stand alone short courses or part of formal courses. Work experience including store rotation is a key component. A structure for formal award courses is proposed which incl. recognition of experience &amp; prior learning and articulation between levels.</td>
<td>Although IGA’s trainers were involved for pooling of experiences &amp; ideas, &amp; review of emerging strategy it was difficult to achieve the intended degree of client participation.</td>
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CHAPTER 6 CLIENT RESPONSE

6.1 Overview and Objectives

The next important task was the reporting of the outcomes from the supermarket research and the recommendations arising from this research to the key players in the industry. These comprised management in Davids and IGA, and retailers including participants in the study.

The key objectives were to:

• report the research results and recommendations to the clients and monitor the response.

• validate the research study's findings through client and participant feedback.

6.2 Methods

A two part report\textsuperscript{54} was prepared and presented to Davids and IGA documenting the results of the research study and outlining strategies for provision of education and training to the independent supermarket.

Prior to release draft versions of the report were read and commented on by Jennifer Abney the primary collaborator within IGA. The release of the report was coordinated by IGA senior management which saw the initial release to senior management within Davids. Subsequently a copy was sent to all those interviewed with an accompanying feedback questionnaire\textsuperscript{55}. The questionnaires were coded to provide a means of identification. After five

\textsuperscript{54} Refer to attachment.
\textsuperscript{55} Refer to Appendix G.
weeks store managers were contacted by telephone if they or their staff had not responded. In addition to encouraging return of the questionnaires this exchange also provided an opportunity to gain verbal feedback. Informal feedback was also received from various Davids staff and associates.

The report's recommendations were presented with the qualification that they were to provide the basis for further discussion and development, and that progression of the recommendations should involve broad representation from within the industry. At the time of presentation of the report to the clients, I indicated my willingness to be involved in the next stage, including discussing the results and strategies presented with sub-groups from within the industry.

6.3 Results

The report to the clients was given to IGA in May 1994. Release of the report to Davids and the retailers followed strategy discussions with senior IGA management who wanted to achieve significant exposure of the report. Roger Romwell (CEO IGA Asia-Pacific) gave the report to John David (CEO Davids Limited) for consideration over a weekend prior to Roger's presentation and summation of the report to a Davids' management meeting the following Monday.

Presentation of the report at this level was beyond my expectations which were that the report would primarily remain within the training sections of IGA and Davids and with the management group of the Festival banner. The report gained additional profile and broader distribution as a consequence of the results reporting on retailer-wholesaler relationship issues.
6.3.1 Response from Retailers

Following release to Davids, copies were distributed to all thirty-five participants in the supermarket interviews with a questionnaire for feedback. Initial questionnaire returns were poor with only three returned. A further four were received in response to reminder telephone calls to supermarket managers. This poor response confirms earlier advice from Davids staff that supermarket managers were generally unresponsive to written questionnaires.

The feedback received via the questionnaires was overwhelmingly supportive of the reports findings particularly to the wholesaler-retailer issues. Responses to the results dealing with training issues were also strongly supportive though the view stated with regard to qualifications received only partial support. This result is not unexpected given the divergence of views expressed during the interviews.

Telephone contact with store managers during the questionnaire follow-up revealed general support for the reports findings from those who had read the document. At that stage, five weeks following the release of the report, at least half of the twelve managers contacted had not read the report. This result further supports the general observation that amongst the retailers there is widespread disinterest or low prioritisation given to industry issues.

Since release of the report interaction with the management group of the *Festival* banner has been limited to a telephone conversation with the then chairman of the group and then primarily in his capacity as a participating store manager. Despite oral and written offers to discuss the reports findings with
this management group the offer was never taken up.

6.3.2 Response From Davids Limited

Response from David's management to the report was largely received via IGA's staff. The general feedback was that while there was discomfort with some of the reported messages they did not dispute these findings and were appreciative of the report overall. The report was widely distributed throughout the Davids organisation (David, Jeff. 1994, pers. comm., 16 June).

Soon after the release of the client report, Jeff David\textsuperscript{56} conducted a series of state based meetings with retailers in which the report provided the basis for discussions on Davids-retailer relationship issues.

The report results also prompted Davids to commission another research study (Bowden Marketing 1994) to canvass the views across managers of all Festival stores and other banner groups. This report focussed on the relationship and management issues and investigated consumer and retailer perceptions and opinions on banner promotion and advertising. It did not address training issues. For areas of common coverage the findings of Bowden Marketing replicated the results of this research study.

The results from both studies led to a substantive review of the retail services division of Davids which has resulted in changes to management, operations, and structure. A substantive restructuring has resulted in some of this division's

\textsuperscript{56} Managing Director of the then Davids Distribution Ltd.
responsibilities being transferred to IGA (J. Abney, 1995, pers. comm, 3 December). The overall response received, was that while there were few surprises in this study's results, their reporting forced acknowledgment by all parties and spurred Davids in particular to initiate actions to address the key issues.

Three factors were strongly instrumental in the report achieving this response from Davids:

1. Recognition and acceptance of my position as an independent observer who had consulted across the industry from a position without vested interest or historical prejudice. This gave the results strong credibility and had raised expectations of action at retailer level; and

2. The timing was sensitive given the coincidence with Davids' listing as a public company; and

3. IGA's commitment to bring about change in management at wholesaler and retailer level and thus their careful management of the report's release to achieve significant impact.

A specific outcome for Davids from the results was support for their position of commitment to training and their strategy of partnership with IGA to meet this commitment.

6.3.3 Response From IGA

The response of IGA needs to be considered in the context of the whole project rather than just the client report. This need arises from IGA's dual role as both
collaborator and client i.e. there were outcomes and thus response actions from IGA throughout the study. It is therefore difficult to identify particular actions from IGA and exclusively attribute them to the client report.

It was reported earlier\(^{57}\) that IGA staff have limited opportunity for collegiate support and interaction. As the study preceded my collaborative relationship with Jennifer Abney developed such that in addition to issues directly related to this study, ideas were discussed across training and education which included topics relevant to IGA's current agenda. There were thus outcomes from the relationship for IGA prior to the release of the report. An example is the initiation of development of Computer Assisted Learning (CAL) for induction and basic skills training. IGA proceeded with a pilot development which during the planning phase saw ideas, research reports and knowledge of other CAL programs shared and discussed.

Most stages of the study were fully discussed with Jennifer Abney prior to actions being finalised, a process which also involved consultation with other relevant IGA or Davids' staff when necessary.

The attitudes and issues expressed by retailers and their staff regarding education and training provision reported in this study provided IGA with an independent insight into key issues and existing programs. This added to and supported IGA's own participant survey data and the anecdotal reports they had received from the industry.

\(^{57}\) Refer to Section 3.12b.
The strategy recommended had a substantive input into the education and training model IGA have subsequently developed (Abney, J. 1994, pers. comm., 18 August). The option raised for a partnership approach with a public sector education and training provider has proceeded with an alliance with the Retail Training Institute of Monash University.

A less evident impact of the project was the challenge to IGA's thinking and practice regarding delivery of training which had a considerable component based in the classroom and thus away from the workplace. The notion of distance education delivery with strong support strategies using local mentoring and educational technology had not been considered in the context of their clients situation and needs. An outcome arising from this thinking has been the review of the role of Davids' retail counsellors which has included a greater training role in their job description. This initiative has been supported through counsellors undergoing IGA train-the-trainer courses (J. Abney 1994, pers. comm., 18 August).

The high profile afforded the study's results at the IGA Global Conference demonstrated that the findings were important to both Davids and IGA for adding credibility to their plans and initiatives regarding training and education to wholesaler and retailer clients.

6.4 Reflection on the Process and Learning

The strategy for release of the report determined by IGA was effective in

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58 Refer to client report (Attachment).

59 IGA Global Conference, August 18, 1994, Sydney.
establishing a profile for the report's findings across the industry and for stimulating response actions from Davids. The format of a formal report under my authorship allowed IGA and later Davids to present the findings as those of an independent and credible observer.

As indicated in the previous section I did not expect the report to be released at CEO level in IGA and Davids and as such was unprepared for the impact of the report at the time of release. This was a very exciting period with very positive feedback regarding the quality of the report being received from within Davids and associated organisations. Again I was challenged to examine my career and life goals with the outcome that I was keen to pursue a secondment to IGA to facilitate the implementation stage. However the secondment did not arise largely due to acknowledged personal constraints on my mobility and flexibility at the time. For IGA and Davids there were also issues of propriety of outsider involvement with both organisations having a culture emphasising self-reliance and confidentiality of management deliberation and decision.
### 6.5 Summary Client Response

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<tr>
<td>Validate the research results through client &amp; participant feedback</td>
<td>Feedback from questionnaire to participating retailers &amp; staff was supportive of findings. Similar support from Davids &amp; IGA staff. Davids commissioned further research covering larger number of retailers in NSW, Vic. &amp; Qld. Where objectives overlapped findings supported my research outcomes.</td>
<td>Return of questionnaires from participants was only about 20% confirming reports of disinterest in survey research &amp; industry wide initiatives at retail level.</td>
</tr>
<tr>
<td>Monitor client response to research results &amp; recommendations.</td>
<td>Retailers: Festival banner group management did not respond to offer to discuss report. Little evidence of report stimulating change actions from this group. Davids: Conducted series of meetings with retailers to discuss findings &amp; inform retailers of David's intentions including review of retail services division. IGA: Results largely confirmed IGA's training participant feedback &amp; other survey research. Planned release of report to achieve maximum impact on Davids &amp; retailers to further their advocacy of change. Used strategy to develop &amp; validate their own model for delivery of training &amp; establishment of educational partnership.</td>
<td>Commissioned report used surveys &amp; focus groups to come to similar conclusions and thus provided validation of results.</td>
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<tr>
<td></td>
<td></td>
<td>Release of report at CEO level within IGA &amp; Davids raised report's profile and ensured that action resulted.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>This response phase only included limited involvement by me. In part due to client perceptions that my job was done, client culture of propriety of outsider involvement in management decision making &amp; to a lesser extent, my own personal &amp; academic constraints.</td>
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PART 3

REVIEW
CHAPTER 7 WHAT IT MEANS

The aim of this chapter is to discuss the significance and contribution of the research results. Of central importance in this chapter is the extent to which the research questions have been answered and the broader implications of these findings. As such the substantive part of this chapter reviews:

- the identification of barriers to participation in education and training,
- the strategies developed for education and training in small business,
- the contribution of this study to understanding of the change process in education and training in small business, and
- the contribution of the action research methodology to achieving the above outcomes.

In the first section, the characteristics of the independent supermarket industry are reviewed in the context of the literature on small business managers and management.

7.1 The Independent Supermarket Industry and Small Business

An outcome of this study is the description and analysis of the independent supermarket industry in Australia\textsuperscript{60}. Independent supermarkets in Australia and internationally are largely unreported in the public literature beyond coverage in trade journals such as Retail World, Foodweek and Progressive Grocer, coverage primarily of current affairs such as industry politics, structural and

\textsuperscript{60} Refer to Chapter 4.
personnel changes and store profiles.

In this research, the development of a comprehensive understanding of the independent supermarket industry's practices, attitudes and current issues was driven by the recognition that this understanding was essential for development of an education and training strategy.

The key issues and characteristics of managers identified for independent supermarkets in Australia are generally supportive of the literature on small business management. These issues and characteristics can be clustered under the following key themes:

• influence and authority of the owner/manager
• self reliance and independence
• future uncertainty
• ambiguity of self view
• flexibility of management
• family ownership.

7.1.1 Influence and Authority of the Owner/Manager

Earlier it was reported that the predominant management style within independent supermarkets was one of strong dominance by the owner\(^{61}\). This is supportive of the proposition of Gibb (1984) that it is business size which provides the opportunity for the owner/manager to exert a dominating

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\(^{61}\) Refer to Section 4.3.2.
influence on management in a small business.

7.1.2 Self Reliance and Independence

The attitudes and values of independent supermarket owners with regard to their independence and attitudes to government and industry organisations\textsuperscript{62} are compatible with propositions by Gibb (1984) that small business owners highly value independence and tend to be hostile or dismissive towards organisations associated with the industry and particularly those with government association.

7.1.3 Future Uncertainty

The future outlook of independent supermarket owners and managers was ambiguous with individuals expressing both positive and negative sentiments. The negative sentiments were expressed in the contexts of price competitiveness and other economic indicators such as profitability\textsuperscript{63}. These observations are compatible with the findings of Moore and Mula (1994) who in an Australian-wide survey of family businesses found moderate levels of uncertainty and attributed this uncertainty to perceptions of increases in ‘legal, political and economic constraints ... and the intensity of price competition’.

7.1.4 Ambiguity of Self View

The ambiguity in the future outlook of owners and managers referred to above can be related to their view of themselves and their environment. In a qualitative study of small business owner-managers in the United Kingdom,

\textsuperscript{62} Refer to Section 4.3.2.

\textsuperscript{63} Refer to Client Report Section 3.1.
Curran and Burrows (1987) identified two broad categories of themes that owner-managers draw on to explain their business environment. Firstly, at a 'political' level the owner-managers stressed 'notions of individualism, competition, freedom of the market and entrepreneurial opportunity'. At another level the owner-managers in Curran & Burrows' study drew on their direct day-to-day experience of running a small business in which a negative or mundane view of their lives is portrayed. In this mode, themes of 'struggle' and 'lack of information' are expressed and supported by examples of the stresses of small business such as long working hours and detrimental impacts on personal relationships and health.

The owners and managers of independent supermarkets in this study exhibited a similar ambiguity with 'political' themes underpinning their perceptions of their positive contribution to the local community such as being a significant employer and a business hub upon which smaller businesses depend. These political themes also underpin the high value they ascribed to independence and autonomy of management. The 'mundane' mode was also demonstrated with negativity emerging in attitudes to the current position and future outlook for the industry and their view of the wholesaler and retailer relationship.

7.1.5 Flexibility in Management

Management attitude and practice in Australian independent supermarkets supports the proposition of Gibb (1984) that small firm flexibility is a myth\footnote{Refer to Section 4.3.2.}. This is particularly evident in the overall resistance to change demonstrated in
the unwillingness to forgo independence and embrace a more collaborative approach to the significant issues faced by the whole independent supermarket industry.

There are however areas in which independent supermarkets do demonstrate flexibility. An example is with regard to purchasing of product where many successful and competitive independent supermarkets attribute their success to greater flexibility in product acquisition over their more centrally controlled chainstore competitors\(^\text{65}\). Flexibility is also part of the independent supermarket industry’s rhetoric in relation to staff competence expectations where it is asserted that staff need to be more multi-skilled than staff in chainstore supermarkets\(^\text{66}\).

7.1.6 Family Ownership

Independent supermarkets are strongly influenced by the predominant family structure with the family issues identified in the literature (Gibb 1984, Brockhaus 1994) such as resolving difficulties of shareholder conflicts, planning and managing succession, provision of opportunities and roles for non-family members, placing family members in the business and achieving breadth of capability and experience across management personnel often being relevant\(^\text{67}\).

This study’s observations are also broadly supportive of the literature on attitudes towards training and education within small business. The level and

\(^{65}\) Refer to Client Report, Sections 3.2 & 3.3.
\(^{66}\) Refer to Appendix G, Section 4.5.
\(^{67}\) Refer to Client Report (Attachment, Section 3.10).
nature of this support is discussed in the next section.

7.2 Barriers to Participation in Education and Training

This study identified economic, locational and attitudinal barriers to participation in education and training from within small business.

7.2.1 Economic Barriers

Concerns by owners and managers over costs and inconvenience arising from absence of themselves or staff from the workplace to attend training courses is consistent with the findings of Gibb (1987)\textsuperscript{68}, Kelly and Thompson (1988), Hendry et al (1991), and Kirk et al (1994).

Cost of training is a reported concern of small business owner/managers in Australia (Williams 1984, Williams 1991, BIE 1991, NBEET 1994). The greater concern from retailers in this study towards workplace disruption rather than actual cost of courses can in part be attributed to the Training Guarantee Levy (TGL) which was introduced in July 1990 and was still in operation during the period in which the supermarket interviews occurred. The retailers in this study were subject to the TGL and were thus already committed to expenditure on training. Meeting these obligations with minimal disruption and paperwork was a significant priority.

7.2.2 Locational Barriers

The dispersed geographic distribution of independent supermarkets, their pre-

\textsuperscript{68} As reported by Coopers & Lybrand 1994b.
dominance in regional towns and the long distances to centres with training institutions common in rural and regional Australia, tends to produce an access barrier to participation in formal courses.

7.2.3 Attitudinal Barriers

The negative attitudes to education and external training and to program providers widespread amongst supermarket owners and senior managers is a key barrier to participation in education and training programs, be it for basic skills and knowledge acquisition or for management development. Overall, prevailing perceptions are that education and training programs are not relevant to them as individuals or for their businesses. The sources of these attitudes are twofold: those arising from the backgrounds and values of the owners and managers and those linked to the perceived shortcomings to provision.

(a) Backgrounds of Owners and Managers

The negative attitudes to education and external training in the independent supermarket industry are consistent with other studies of small business (Williams 1984, Meredith 1984, Reark 1985, Bedall 1990). These negative attitudes have been attributed to lack of inclusion of education and formalised training in the small business culture (Gibb 1984, Beresford and Gaite 1994). Lack of cultural inclusion in part has been attributed to the limited educational background of many owners and managers in small business which has left a residual 'mistrust of formal education' (Watkins 1983). Within owners and
managers of independent supermarkets in Australia incompletion of secondary school, no experience of post secondary education and an emphasis of acquisition of workplace competence through experience is typical. This background in part explains the strong value held for workplace training, and supports the general thrust of Watkins (1983), that development of attitudes to education and training are strongly influenced by an owner or manager's own experiences. This is supported by research that found that managers who have experienced formal training and education are more supportive of formal training for their own staff (Hendry et al 1995). Further investigation is required to address why, despite evidence that participation in management development programs increases chances of small business survival and overall performance (BIE 1991, Williams 1991), that these messages have either not been received by small business managers or are not given credence.

Linked to this lack of experience of post secondary education and training are reports of small business managers having difficulty identifying and discriminating between available programs (BIE 1993, Beresford and Gaite 1994, NBEET 1994b). There was little support from this project's results that this was a barrier to participation in education and training within the independent supermarket industry. Support for or against participation in formalised training was largely determined well before the question of which program is appropriate arose. Within the independent supermarket industry in Australia wholesalers employ training staff or affiliate with IGA who provide a mechanism which reduces the need for retailers to evaluate program suitability. The training staff of these organisations provide retailers with
industry orientated programs or can advise on appropriateness of other programs.

The attitudinal barriers of the small business owner or manager to participation can also be attributed to the high value placed on independence and from this the importance of demonstrating control over their business. This can lead to defensiveness and concerns that individual business performance will be questioned within the education and training process and thus undermine the owner or manager's standing with fellow retailers or their authority and position with their staff.

(b) Retailer Perceptions of Training and Education Provision

It is well established from a number of reports\(^{69}\) that small business owners and managers believe training and education programs for small business lack relevance. However, within supermarket retailers in this study, this view when present was generally based on anecdote and not personal experience. The retailer's prejudice against training programs, despite their often lack of personal experience of them, points to a need to develop strategies to gain retailer support, as the retailers are the substantive gatekeepers to participation by others in the industry.

Training and personnel managers from the broader retail industry consulted in the reconnaissance stage generally express similar views. However their concerns are inclined to be substantiated from evaluation or experience of

\[^{69}\text{Refer to Chapter 1.}^\]
programs on offer. These training staff express particular concern at the
general approach often taken in courses and stress the need for retail context.\textsuperscript{70}

There is a significant conflict between industry requirements for courses
tailored closely to the needs of specific small business types (Curran and
Stanworth 1989, BIE 1991, Coopers and Lybrand 1994b), and the need of
education and training providers (particularly government funded ones) to
seek efficiencies of research utilisation and thus the tendency towards more
generic programs. Privately funded providers while more inclined to provide
tailored programs have difficulty competing with government funded
institutions. The general argument from providers is that although industry
wants customised programs, they tend to be reluctant to pay a premium for

Retailer focus on short term needs and the requirement for training outcomes
which have immediate benefits are not a direct barrier to participation but act
indirectly through influencing retailer satisfaction. The problem for training
providers is that unless training has the potential to deliver practical and
immediately implementable skills and knowledge, the retailers are dismissive of
such programs. In the small business context training is viewed as a content
delivery process of 'telling it how it is' or ensuring that tasks are achieved 'our
way' (Beresford & Gaite 1994). A paradox is that retailers also identify higher
order management competence requirements for management staff.\textsuperscript{71}

\textsuperscript{70} Refer to Section 3.3.1 of the 'Progress and Opportunities Report' (Appendix 1)
\textsuperscript{71} Refer to Section 3.6.4 of the Client Report (Attachment).
The challenge to providers of education and training is to meet higher order learning outcomes which focus on individual development within the process of delivering programs that seek to meet the short term and visible competence expectations of retailers.

7.3 Strategies for Education and Training

In April 1995, *Enterprising Nation*, a report funded by the Commonwealth Government on management development in Australia was released (Karpin 1995). The findings of this substantive report strongly support the strategies embedded in the education and training strategy developed in this research study and presented to the clients in May 1994\textsuperscript{72}.

This project's findings give support to and gain validity from their accord with the findings of the *Enterprising Nation* report and the associated research reports regarding provision of management development for small business. Relevant conclusions from Karpin which support the recommendations developed include:

- Owner/managers require courses which have a specific focus rather than the tendency of existing programs to be general.

- New computer and communication technologies provide an opportunity to better deliver small business management development and its adoption should be accelerated.

- Inclusion of mentoring or one-to-one contact between small business

\textsuperscript{72} Refer to Section 5.3.
manager and adviser as an educational strategy.

- For training to be effective it needs to be directed toward more clearly defined market segments.

- Development of new management skills should be linked to acquisition of technical skills.

- Management skill needs of the future should be given greater attention in design of program content and teaching methods.

- Management development programs must link closely with the workplace as there are limits to the capacity of the traditional classroom based delivery, associated technologies and assessment systems to achieve development of higher order management competence.

- Programs should combine on-and off-the-job learning and be adaptable to meet specific needs by adding industry and enterprise specific management competencies to generic management competencies.

- Need for an effective system to recognise prior learning, be it from formal or experiential learning.

- There is an imperative that the quality of delivery is high which requires high quality learning materials and utilisation of the widest range of technologies.

- Those who have experience managing in a small business context and
have the empathy and skills necessary to facilitate learning are the most appropriate providers of training and advice to this business sector.

- There is a need for widespread articulation between programs relevant to small business particularly between TAFE and university levels.

The Employment and Skills Formation Council's report into small business employment and skills (NBEET 1994a) made recommendations which parallel those of Karpin. The Council's recommendations of support which append those of Karpin include:

- Program design needs to be modular to provide the flexibility to allow combining of modules to achieve accredited outcomes.

- Programs and modules need to adopt flexible delivery and timing strategies.

- Strategies for industry input into the design of programs and monitoring of relevance must be implemented.

7.4 Achieving Change

The primary aim of this section is to discuss the contributions of this research to understanding of the change process with particular emphasis on identifying important factors for enhancing education and training program development and participation in a small business context.

7.4.1 Gaining Access through Relationship Building

Much of the success of gaining access to the independent supermarket
industry can be attributed to the initial efforts in relationship building. Of particular importance was my participation early in the relationship in IGA training programs. This participation provided an opportunity to demonstrate the capacity to relate to IGA’s clients and to establish a collegiate relationship with staff from IGA and Davids.

Associated with this need to develop substantive relationships was the essential need for this process to lead to a key individual from the client system developing a strong ownership of the project and becoming an effective advocate(s) for the project.

The processes of reward and recognition for individuals within IGA\textsuperscript{73} produce a need for individuals to demonstrate productivity and initiative in the short term. It is thus important for a project’s potential outcomes to have benefits at both organisation and individual levels.

\subsection{Understanding and Managing Relationships}

There is an ongoing need to manage relationships for effective development and implementation of training and education initiatives. There is little value in having the ideal programs and having invested in sophisticated technology for delivery if there is poor receptivity within the client system and in particular from those who have the power to determine the participation of others. The need in change management to acknowledge and manage the relationships between and within organisations is particularly pertinent to the independent

\footnote{73 As reported in Section 4.3.2.}
supermarket industry in Australia. Within the industry, communication problems, parochialism, conservatism, lack of trust and overt independence to the point of isolationism underpinned many issues of concern and created barriers to implementation of industry-wide innovations.

The action research process applied in this project was selected to ensure that the strategies proposed to address barriers to participation in education and training programs took into consideration the nature of relationships, the content needs and the practical delivery challenges of the independent supermarket environment.

Early within the project (May-October 1993) tensions between the training sections of Davids and IGA were evident and as a consequence I deliberately reduced direct contact with Davids. I relied on IGA to communicate to Davids on progress which mainly occurred via general briefings from IGA staff directly to senior management in Davids. This lack of intimate project involvement from within Davids led to Davids being unaware of the broadening of the scope of the research to include retailer-Davids relationship issues. In retrospect this could have had deleterious outcomes on both IGA's and my relationship with Davids if they had taken affront at a serious issue such as their relationship with retailers being a component of the research without them being fully briefed. As it eventuated Davids accepted these findings with the constructive spirit intended and proceeded to use the report as a foundation to initiate various initiatives for change.

This example of lack of communication and the inherent risk to maintaining
effective relationships highlights the need to endeavour to meet the action research ideal of broad stakeholder participation (Argyris et al 1985). In this research study this could have been achieved by either an enhanced involvement from a Davids representative or an explicit protocol established for communicating to Davids progress and changes to the project.

7.4.3 Establishing the Researcher's Role

The project was influenced by, and the outcomes support, the views of Gummesson (1991) that effectiveness in gaining access to and conducting research opportunities in business is advantaged when research and consultant roles are combined. My background presented to the clients an existing portfolio of experience which they could utilise from an early stage of the relationship. It was acknowledged by IGA that their decision to agree to collaborate was influenced as much by this discernible opportunity as by the potential outcomes from research (Abney, J. 1994, pers. comm., 28 March).

Acknowledgement of this consultancy input illustrated the value of articulating potential client benefits when planning and negotiating a research study. This need to demonstrate benefit is supported by experience from the reconnaissance where one key organisation declined involvement on the basis that in their assessment the potential outcomes were largely for the researcher and that there were inadequate benefits for them (Clark, G. 1993, pers. comm., 22 March).

In addition to benefits for the client, the consultant role also has benefit in assisting the researcher to maintain client focus and thus maintain industry
relevance. This stems from a client perspective that consultancy is a role strongly focused on the client's situation and thus an expectation of client needs being pre-eminent and preserved (Gummesson, 1991).

A key strength of this project was the regular interaction between IGA training personnel and myself which ranged across a spectrum of topics of mutual interest. This interaction provided a means for all parties to ensure maintenance of relevance by keeping a regular check on assumptions being formed and monitoring of the impact of changes within the industry's environment.

7.4.4 Gaining a Rich Understanding of the Client's Context.

As the background of the researcher/consultant does not necessarily include context knowledge or expertise it is important for the process to develop a rich context understanding for the researcher/consultant. The qualitative research methods used ensured personal engagement with the client system, provided depth and breadth of insight for the researcher/consultant and thus established a strong foundation upon which to develop strategies for change.

The hermeneutic spiral from Gummesson\textsuperscript{74} is not only a process by which understanding is built through successive iterations of engagement between the researcher and the clients, but if effective, is also a process in which relationships are enriched and credentials built. A conclusion from this research experience is that successive spirals should also aim to build an ever increasing receptivity to the change process and acceptance of the researcher/

\textsuperscript{74} Refer to Figure 2.2
consultant's position in that process.

In this research study the development of a rich understanding included an important aspect which was recognition of the need to bring out into the open the issues of concern in the industry regarding relationships. In identifying these issues it was important to achieve the cultural understanding criterion which meant eliciting the values, beliefs and perceptions which underpin these relationship issues. Identifying the issues of communication and other relationship problems between Davids and the retailers was important as they were underlying constraints to the process of achieving change within the independent supermarket industry.

7.4.5 Managing Change

Organisational change literature (Dalmau & Dick 1985, Ackerman 1986, Nadler & Tushman 1989) distinguishes between change which is essentially working with the status quo and seeking change through evolution, and a more substantial change process which is seeking a more radical or revolutionary outcome. The former is described by Dalmau and Dick (1985) as change which seeks new ways to express old purposes and is both incremental and cumulative. In contrast, radical or transformational change seeks to redefine an organisation's purposes and goals and as such seeks to change organisational culture more expeditiously. This distinction between incremental and transformational change links to the organisational learning

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75 Refer to Section 7.4.2.
76 Discussed in Section 2.2.1.
theory of Argyris (1977) who distinguishes 'single loop learning, which keeps an organisation going, from double loop learning, which challenges and redefines the purpose of an organisation'.

The prevailing conservative culture of small business with its lack of consensus on the need for change and the high value placed on the status quo provides substantial resistance to change. This culture suggests a change process which is biased towards incremental change. The independent supermarket industry shares these cultural characteristics and thus strategies for change will need to seek incremental gains. This is not to suggest that more substantive change is not preferable but rather that such change is not achievable within the constraints of the prevailing culture. Despite business closures and declining market share for the overall industry, the 'I'm too busy surviving' or 'I'm okay at present' attitudes at individual store level, precludes strategic approaches to addressing the key issues and adopting more substantive actions for change.

The argument for incremental change is supported by Walsh's (1993) supermarket research where he observed that 'as firms innovate (viz. innovation being a change response), they innovate into areas related to the ones in which they are already established'. Walsh cites March and Simon (1958) who propose that 'innovations that build on existing organisational routines should have more success then those that require developing many novel routines'. The implication of these observations is that sustainable change is more likely in small business where the process is not unduly

78 Adapted from Mumford (1991).
threatening to the participants. This is also supported by Bridges (1991) who views change management as most importantly about the transition process, and that this transition has as a priority the psychological and emotional adjustments required by the people in the system.

For education and training, the implications of the above are support for workplace strategies (such as the strategy proposed in Section 5.1) which can be integrated into existing workplace routines, have sufficient flexibility to adjust to local fluctuations in business activity and which facilitate awareness and input into the process by senior management.

7.4.6 Linking Incremental Change and Learning

Patience will be required from those seeking change in attitudes to education and training, as acceptance of formalised education and training by the independent supermarket industry represents a cultural shift. As such, change will be slow and dependent on the support of the younger generation, and in particular the children of current owners. The findings of this research found that the next generation were strongly supportive of the need for education and training leading to recognised qualifications79.

The strong industry orientation towards immediately applicable skills and knowledge implies that learning at the individual level will also be incremental and cumulative, in that learners will progress to higher order learning from a foundation of basic skill and knowledge acquisition. Mumford (1991) argues

79 Refer to Attachment.
that improvement in the capacity of learners to learn incrementally is a worthy
goal in itself and is a necessary foundation for achieving transformational
outcomes. There is a measure of self empowerment underpinning this
argument in that it implies that the need for richer learning should arise as a
consequence of self realisation of the limitations of present learning, and from
emerging challenges from the environment. The challenge to all those involved
in provision of education and training programs is to accelerate this
progression of the learner by embedding higher order learning throughout.

7.4.7 Constraints to Participative Change

The challenges and constraints of achieving the ideal of client participation in
practice were demonstrated within this project, as achieving substantive
involvement in the research process by stakeholders proved difficult. The most
significant participant was Jennifer Abney whose direct contribution was to
planning and review of my interpretations and ideas. A less measurable input
was the collegiate interaction between IGA training staff and myself which
spanned the duration of the project.

With the retailers my status as an outsider was initially a barrier to gaining
participation and was rooted in a general mistrust of outsiders and perceptions
of research and universities as not having relevance to their industry. Both are
linked to the lack of research on supermarkets and the low levels of formal
education throughout the industry.

The independent behaviour characteristic of many independent supermarket
owners and managers was a constraint to implementing participatory
processes. This independence is exhibited in the strong inward focus and the general lack of willingness to contribute to forums to discuss industry issues. Participation was also hampered by the management style at store level which exhibited tendencies of autocracy and paternalism.

7.4.8 Building Conditions for Participative Change

The process of change is dependent on building receptivity in the client culture to change actions and processes. Essential to building receptivity is ensuring a positive client experience of the process which is dependent on outcomes being relevant. For example, in this project participation from within IGA and Davids was fragmented and limited as the prevailing culture is not supportive of collective action particularly across organisations. To proceed required accepting the degree of participation that was forthcoming but retaining a perspective that each stage should be viewed as an investment or building block towards enhanced receptivity to future participative action.

7.5 Reflection on Action Research as a Guiding Process

This section will review the contribution of action research thinking to the study as action research ideas were influential from the outset.

Initially action research appeared to offer a methodology with the potential to address the reported residual attitudes within small business pertaining to lack of relevance of programs and inadequacy of industry contribution to program development. This view of action research arose from the paradigm's emphasis
on client orientated action and requirements for stakeholder participation. The basic iterative process of action research of plan-act-observe-reflect-replan etc provided an overall structure to the study and an underlying process. Within these primary phases are nested further cycles with the same guiding iterative process (Tripp 1993).

The concept of cycling through iterations of decreasing fuzziness (Dick 1993) was of reassurance at a number of points in this research study particularly during the reconnaissance stage. This links to a theme from the broader qualitative research literature of letting the process happen -- the context, research questions, methods, critical relationships, and relevant literature and theories will emerge and develop from the research experience. The challenge is to start, accept that it is an iterative process and to be sensitive and aware of the process as it occurs (Ely et al 1991).

The exploratory or reconnaissance phase of industry consultation sought to test the notional research topic, develop these ideas to clarify the research purpose and questions, and attain specific industry partners. This early phase could not follow a single pathway as a number of strategies were being explored and at any point in time were at different stages of consideration. The reflection phase of the action research cycle was particularly valuable for providing the discipline to assess progress and question the process being employed. Ultimately from this iterative process a context, industry partners

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80 Refer to Chapter 2.

81 Refer to Figure 1.1.
and firmer research questions emerged.

Change, participation and emancipation are essential components of the action research model\textsuperscript{82}. The next sections examine each of these components with a particular focus on the challenges and constraints to achieving them in the small business context.

7.5.1 Change and Participation

Essential to action research is the participation of a core group in the change process and that learning and research outcomes arise from this group's engagement in the change process\textsuperscript{83}. The iterative cycles within the study produced progressive outcomes which included building of:

- Contextual understanding.
- Researcher-client relationships.
- Client receptivity to findings.
- Credibility for both the researcher and the study.

In addition there were change outcomes from the consultative and collegial exchange which spanned the study. However, the substantive change actions from the clients attributable to this study's findings and recommendations\textsuperscript{84} have occurred subsequent to reporting rather than being a concurrent part of

\textsuperscript{82} Refer to Chapter 2

\textsuperscript{83} For example, see Argyris et al 1985, Grundy & Kemmis 1988, McTaggart 1991.

\textsuperscript{84} Refer to Section 6.3.
the research process.

This outcome is in part a consequence of my exclusion from the decision process to consider responses to the study's results and recommendations\textsuperscript{85}. I propose that this response can in part be attributed to the client's view of the researcher/consultant's role as one in which the researcher/consultant undertakes a particular brief, reports and then withdraws. To meet the notion of Gummesson (1991) of a researcher/consultant utilising action research processes to be an effective change facilitator in business requires a broadening of this view of the researcher/consultant's role by the small business community.

Another key contributing issue is the time needed for action research in situations such as small business, where the clients are likely to lack previous exposure to participative research, and are generally not receptive to participation with peers or outsiders. In such circumstances, as is demonstrated in this study, considerable time investment is needed to build relationships, understand the client culture and enhance receptivity to participative change.

In Figure 7.1 two linked pathways for situation improvement are proposed. The right side depicts the participatory action research process\textsuperscript{86} and the left the exploratory action research process proposed as a description of the research process used in this research study. The action stage of the

\textsuperscript{85} Discussed previously in Section 6.4.

\textsuperscript{86} For example, Perry & Zuber-Skerritt (1990) or Kemmis & McTaggart (1988).
participatory action research model assumes that those involved have sufficient context knowledge to plan and implement change. A key characteristic of the participatory action research model is that it is undertaken by practitioners in their own professional context so assumptions of contextual knowledge are not unreasonable.

The iterations on the left of Figure 7.1 are based on recognition that in situations where the facilitator(s) is from outside the system there is a need for early research to build a foundation of context understanding, collaborative relationships and credentials within that environment. Once this foundation is established then actions for change can be developed and implemented using the participatory action research concept.

This notion of establishing the conditions for change has similarity to the application of action research as a basis for exploratory research by Abraham (1994) who cites the definition of Hartman and Hedblom (1979):

'An exploratory study examines new areas of inquiry, including new and previously unintegrated social phenomena as well as techniques of data collection and measurement.'

The extension of this line of argument is that exploratory action research develops the contextual understanding and conditions necessary for change actions within a client system, and is thus a precursor to more participative action research.
Figure 7.1: Pathways to Situational Change

Exploratory Action Research
(By researcher/consultant in negotiation with clients)

Identified Need for Change

Participatory Action Research
(By researcher/consultant in participation with clients)

- Plan Access to Context
- Actions to Build Relationships & Establish Project
- Observations to Build Understanding
- Reflection on Experience & Learning
- Develop Strategies for Change

- Plan Change
- Actions
- Observation
- Reflection
- etc.
7.5.2 Emancipation

There is a diversity of views on the position of emancipation in action research. Types of action research have been distinguished on the basis of the degree of emancipatory outcome sought (Grundy 1982; Carr and Kemmis 1986).

Grundy (1982) views the context of emancipatory action research occurring 'where institutional restrictions impinge upon educational practice so that the individual or group, while operating prudently and professionally to initiate change, is powerless to do so because of the strength of the system'. In such situations the 'action' in action research Grundy asserts must include freeing the participants 'from the dictates of compulsions of tradition, precedent, habit, coercion as well as self deception'. From this perspective of action research the change sought is transformational at both individual and organisational level.

Recently, there has been a softening of the emphasis on emancipation as a requirement for trueness of action research which has been driven by concerns that assuming responsibility for emancipating others is patriarchal (McTaggart 1994; Swepson, 1995). While arguing for emancipatory intent in action research, McTaggart (1995) presents a more pragmatic view of emancipation where the key question is one of 'Are things better than they were?', not 'Are we emancipated yet?'

This study has endeavoured to contribute to addressing substantial issues in the independent supermarket industry which have emancipatory implications
for both individuals and the system as a whole. For the employee and many junior family members the independent supermarket industry offers an insecure future. While most other career options have some system of accreditation and recognition of competence, people in this industry are largely dependent on their experience and the testimonial of employers.

Further, access to formal education and training programs is restricted by the lack of suitable courses, the working hours and conditions of the industry, and the overall culture of the industry which does not value outside training and education or formal qualifications. The latter extends to the broader community where little esteem is given to the skills and knowledge required to effectively manage a supermarket or a specialist department within one.

A goal in seeking to develop more comprehensive and integrated training and education leading to formal qualifications is a determination to achieve greater recognition for those working in the industry. The difficulty of attracting and retaining good young people in the industry is widely acknowledged. The difficulty of employing capable people to manage fresh food departments is also recognised. Overcoming these issues requires the industry as a whole to accept that competence across the industry needs to be raised, and that acknowledging both enhanced and existing competencies is important.

Linked is the need to provide career paths for those who enter the industry. This is difficult in an industry where family businesses predominate. A potential change lies in a greater acceptance of mobility within the industry and a means of accrediting competence would facilitate this. The proposal for
a new accreditation system developed through this research is thus a contribution to the emancipation of current and prospective employees in the industry.

The emancipatory contribution of this study is also through raising awareness through the identification and reporting of key issues and making recommendations with independence and credibility. This reporting challenges and provides support to those within the industry who have the vision and power to implement change.

7.5.3 Role of the Researcher

Within the literature there is a divergence of opinion as to whether action research must be undertaken by practitioners on their own working practice. This is fundamental to the action research approach as applied in education and grounded in the writings of the Deakin University group87. In specific reference to action research in postgraduate research programs, Perry and Zuber-Skerritt (1990) are unresolved on this issue, acknowledging that a case can be made for a dual role as consultant and action researcher.

This study provides an example which aligns with the action research model of Gummesson (1991) in which the researcher and consultant roles are merged and in which there are not expectations of prior or on-going involvement with the client system. The critical features of the process applied were the iterations of the 'hermeneutic spiral' in which the researcher built, through

87 For example, Kemmis & McTaggart 1988, McTaggart 1994.
engagement with the client system, an understanding of the client’s world and gained broader insights which provided the foundation knowledge for change.

There are arguments that those from outside are in a better position to see organisational culture as they view the organisation(s) with greater independence than someone who is part of it (Colins & Chippendale 1991, Sleezer 1993). However, the external researcher may not fully understand the economic and market environment in which the organisation operates and may need assistance in gaining access and interpreting cultural events (Berger 1986)\(^{88}\). Both views are supported by the experience of this study and are compelling arguments for an action research methodology which brings together, through participatory processes, external and internal skills, experience and insight.

7.6 Concluding Statements

7.6.1 Barriers to Participation

For the independent supermarket industry in Australia participation in education and training, be it for management or general skills development, is limited by barriers existing at industry and store level and from the external environment.

The literature\(^{89}\) supports a conclusion that the locational, economic and attitudinal barriers identified for the independent supermarket industry in

\(^{88}\) Cited in Sleezer (1993).

\(^{89}\) Refer to Section 7.2.
Australia concur to small business generally. The economic situation of the case study industry tends to exacerbate attitudes focussing on expediency and needs for short term benefit. The geographic dispersal and isolation of individual businesses creates access issues which have diminished importance for small business located in urban centres.

7.6.2 Strategies for Overcoming Barriers

To address the access issues, the strategy developed proposes a delivery system for education and training based on distance education. The proposal developed through this research incorporates the use of computer based technology to provide communication and content delivery, local support through use of mentors, and focuses on the workplace as the primary learning environment.

The challenge to meeting the workplace culture which demands immediate returns through demonstrable benefit is to nest higher order learning within learning focussed on meeting industry or role specific competencies. This notion is put forward as a guiding principle to the next steps of designing delivery and determining content. These steps need to involve greater industry participation to overcome barriers associated with perceptions of lack of relevance of education and training provision.

The proposal developed includes a structure for accreditation of those working in the industry. Accreditation is necessary to address perceptions of inadequate career opportunity for non-family employees and targets enhancing recruitment and retention of capable staff in the industry. The accreditation
structure includes proposals for recognition of prior learning, progression from basic to managements skills and industry-educational institution partnerships.

7.6.3 Guiding Framework for Change Management

The over-riding insight is that effective change management requires those facilitating change to have a rich understanding of the context environment. This rich understanding needs to include substantive insight into the practices, issues and culture of the target context. A key outcome of this research is the recognition of the importance of identifying and understanding the factors acting as constraints on the capacity of the system to change.

Qualitative research methods provided a means of achieving a rich understanding and from this development of appropriate strategies for change. These methods provided breadth and depth of insight and personal engagement with the client system. Engagement with the clients was important for ensuring relevance of outcomes and building credibility for the researcher/consultant and the project.

A key constraint to the application of action research in small business is the difficulty of gaining active participation from the client system which can be attributed in part to a prevailing inexperience of research and a view that research is an external process undertaken for them, or on them, but not by them.

Critical to the change process, when the principal facilitator is from outside
the client system is the need to establish strong relationships with key individuals from within who will act as advocates for and collaborators to the project. While this collaboration may not meet the action research ideal of full participation in the research, the aim should be to capitalise on what input is forthcoming and retain the view that this involvement is an investment towards enhanced participative change actions in the future.

The experience from this research indicates that action research in business environments can be facilitated by combining the consultant and researcher roles. The consultant role aids access to the client system by meeting business expectations of their needs being pre-eminent and the consultant’s skills and experience providing benefits which are immediate, ongoing and are discernible from potential research outcomes. Research outcomes can then provide the building blocks for ongoing change through providing a knowledge base upon which to develop strategy.

7.7 Future Research

The notion illustrated in Figure 7.1, that an exploratory action research process has the potential to provide the foundation knowledge and enhanced client receptivity necessary to enable participative change in contexts where experience of research and participative change are limited, and where the facilitator(s) may well be from outside, is propositional. In the bigger picture of developing knowledge of change processes in the small business environment, an important research priority is to progress an exploratory

90 For example, Kemmis & McTaggart 1988
study such as this to application of participative action research. The aim of such research would be to gain further insight and guiding principles into change facilitation.

Further work is needed on the significance of attitudinal barriers to participation in education and training and change implementation generally. While this research identified locational, workplace and attitudinal barriers to participation in education and training, it is my proposition, that the locational and workplace issues are constraints that are surmountable through technology and adjustment of workplace routines if there is motivation from management to do so. In contrast the attitudinal barriers may well be the critical constraints as they are deeply held and have the capacity to thwart attempts to introduce procedural or technological innovation.

Some of the training and education issues associated with the supermarket industry require initiative at a higher level than the independent supermarket industry associated with Davids Ltd and IGA. An example includes accreditation for fresh department skills and overall supermarket management. A need exists to facilitate the broader retail industry to address these issues cooperatively. The organisational change literature is dominated by research focussed within corporate entities. The accreditation issue could provide the basis for a research study focussed on the enhancement of understanding of change management at industry level, i.e. across corporate structures.
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Appendix A

Chronology Of Key Reports Into Vocational Education And Training In Australia

<table>
<thead>
<tr>
<th>YEAR</th>
<th>REPORT</th>
<th>FOCUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>Kirby Report</td>
<td>Development of traineeships and competency based training.</td>
</tr>
<tr>
<td>1987</td>
<td>'Skills for Australia'</td>
<td>Review of the issues in vocational education and training in Australia including government policy for raising participation and effectiveness of training programs.</td>
</tr>
<tr>
<td>1990</td>
<td>Deveson Committee</td>
<td>Development of two consultative bodies: Ministers of Vocational Employment, Education and Training (MOVEET) and the Vocational Employment, Education and Training Advisory Council (VEETAC).</td>
</tr>
<tr>
<td>1991</td>
<td>Finn Report</td>
<td>Development of notion of key competencies and national targets for post-compulsory education levels.</td>
</tr>
<tr>
<td>1992</td>
<td>Competency based training working party of VEETAC</td>
<td>Development and implementation of Competency based Training.</td>
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<tr>
<td>1992</td>
<td>'The Australian Vocational Certificate Training System'</td>
<td>Report from the Employment and Skills Formation Council which focuses on lower level skills acquisition for those entering the workforce directly from school including acquisition of employment competencies.</td>
</tr>
<tr>
<td>1993</td>
<td>'Raising the Standard: Middle Level Skills in the Australian Workforce'</td>
<td>Employment &amp; Skills Formation Council report on requirements for education and training in middle level skills as identified in the Australian Standards Framework</td>
</tr>
<tr>
<td>1994</td>
<td>'The Shape of Things to Come: Small Business Employment and Skills'</td>
<td>Employment &amp; Skills Formation Council report which examines the small business sector and provides a range of recommendations for support to small business including skill enhancement through training and education.</td>
</tr>
</tbody>
</table>
Appendix B

Diary Of Contact With Retail Industry, Training Providers And Client Organisations

15-10-92 Contributed to *Training Programs for Rural Retailers* discussion paper.

25-10-92 Prepared paper: *Proposal for a Research Study into Education and Training needs of Fruit and Vegetable Retailing.*

7-11-92 Letter of introduction sent to Gary Watkins, RTA.

8-12-92 Initial telephone contact with Kevin Clayton-Green, Victorian Dept. of Agriculture re AHC funded research on training needs for fruit & vegetable retailing.

22-12-92 Meeting at Retail and Wholesale Industry Training Council to discuss fruit & vegetable (f&v) retailing project proposal. In attendance: Sandra O'Neil (RWITC), Katherine Burton (AHC), Gary Watkins (RTA), Roger Bunch (OAC).

15-1-93 Meeting with Rob Davidson et al (Regional office of DEET).

25-1-93 Updated *Proposal for a Research Study into Education and Training needs of Fruit and Vegetable Retailing.*

27-1-93 Meeting with Dick Fulmer, Western NSW Region manager Woolworths.

29-1-93 Letters to Gary Nye and Hamilton Ewing, Coles Supermarkets.

2-2-93 Letters to Grant Clarke and Peter Pokorny, Woolworths.

3-2-93 Letter to Trish Donaldson, National Retail Industry Training Council (NRWTC).

3-2-93 Letter to Sandra Niblett, Retail Skills Centre (RSC), Penrith.

5-2-93 Letter to Bruce Bevan, Australian Supermarket Institute (ASI).

---

1 RWITC Retail and Wholesale Training Council
   OAC Orange Agricultural College
   RTA Retail Traders Association of NSW
   AHC Australian Horticultural Corporation
   DEET Department of Education, Employment and Training
12-2-93 Meetings in Sydney with Trish Donaldson (NRWTC), Bruce Bevan (ASI), Sandra Niblett (RSC).

16-2-93 Letter to Peter Baines, Franklins Ltd.

17-2-93 Received copy of letter sent from Bruce Bevan (ASI) to Chief Executives of Coles Myer, Franklins, Davids Holdings and Woolworths.

24-2-93 Prepared discussion paper: *Possible Research Opportunities within the Fresh Fruit and Vegetable Industry.*

5-3-93 Received letter from Peter Baines, Franklins Ltd. Sent letter and copy of opportunities paper to Peter Baines at Franklins.

11-3-93 Letter to Jeff David, Davids Holdings.

16-3-93 Received positive response from Jeff David directing me to John Hunter, National Fresh Foods Manager.

19-3-93 Fax to Peter Baines at Franklins with suggestions of possible meeting times.

22-3-93 Meeting with Grant Clarke, Woolworths Training Manager at RTA offices, Sydney.

Meeting with Karen Mackie of ACTU/Lend Lease at their Sydney offices.

1-4-93 Letter from Ross Wilson (OAC) to Gary Watkins (RTA) seeking to formalise relationship for notional project to examine rural retail training needs. Included proposal document prepared by Ross Wilson, John Eiseman and Roger Bunch: *Proposal to RTA of NSW for a Research Study into Education and Training Needs of Rural Retailing in NSW* (prepared 28-3-93).

1-4-93 Rang John Hunter at Davids Holdings.

5-1-93 Meetings in Sydney with Gary Watkins (RTA) and John Hunter (Davids).

20/21-4-93 Participate in IGA training course at Lidcombe conducted by Jennifer Abney.
22-4-93 Seminar to Business School at University of Western Sydney-Hawkesbury on research proposal.

27-4-93 Telephone contact with Steve Wilson (fruit & vegetable retail trainer with Davids).

30-4-93 Briefing letter from Richard Bennett (AHC) re Victorian University of Technology retail training course for fruit & vegetables.

3-5-93 Letter to Jennifer Abney (IGA) with research proposal for consideration by IGA.

5-5-93 Letter and copy of research proposal to Innes Garner, Festival Supermarket group chairman.

10-5-93 Michael Abney (IGA) at OAC for discussions. Accompany Michael to Dubbo.

11-5-93 Participate in 2 day IGA training course in Dubbo with Michael Abney.

21-5-93 Meeting at IGA with Jennifer Abney.

15-6-93 Copy of draft letter for distribution to supermarket owners received from Jennifer Abney (IGA).

15-6-93 Prepared Progress and Opportunities Report for OAC Executive.

25-6-93 Letters co-signed by Mike Abney (IGA) and Jeff David (Davids Distribution Ltd) sent to supermarket owners in Festival group.

5-7-93 Contacted first Festival supermarket. Manager unwilling to allow interviews of staff and unavailable himself on proposed day. Informal discussion on telephone.

13/14-7-93 Supermarket interviews in south western NSW (two stores).

20/21-7-93 Supermarket interviews in central west of NSW (two stores).

27-29-7-93 Supermarket interviews in Hunter region of NSW (five stores).

4-8-93 Supermarket interviews in northern Victoria (two stores).

29/30-8-93 Supermarket interviews on NSW south coast (three stores).

5-10-93 Supermarket interview in southern NSW (one store).

15-10-93 Supermarket interviews in greater Sydney region (one store).
24-11-93  Attend three day *Learning Partnerships Conference*, Sydney.

28-3-94  Meeting with Jennifer Abney at IGA head office.

7-4-94  Letter and draft report to Jennifer Abney (IGA).

10-5-94  Meetings in Orange with Jennifer Abney.

13-5-94  Meeting with Roger Romrell (Managing Director IGA Asia-Pacific) and Jennifer Abney at IGA Sydney to discuss strategy for release of report.

15-5-94  John and Jeff David and Roger Romrell meet to discuss report.

16-5-94  Roger Romrell releases report at Davids management meeting.

17-5-94  Telephone link with Roger Romrell to discuss Davids response and timing of release to supermarkets.

18-5-94  Letter and report to John Hunter (Davids).

20-5-94  Letter and report to each participant in interviews.

25-5-94  Lead Orange Agricultural College student group visit to Rainbow Supermarket Doonside. Meet Steve Wilson and Jennifer Abney to discuss fresh food retailing issues.

16-6-94  Brief meeting with Jeff David at IGA office. Mainly introductory. Also met Graeme Torbitt, General Manager Retail Services.

20-6-94  Letter and number of reports from Richard Bennett (AHC). Most significant Kevin Clayton-Greens report re fruit and vegetable retail training in Victoria.

18-8-94  Presentation of results and recommendations to IGA Global Conference Sydney.

6-12-94  Meeting with Jennifer and Michael Abney to up-date re proposal for University partnership.
Appendix C

Reconnaissance Documents:

- Research Opportunities within the Fresh Fruit and Vegetable Retail Industry. February 1993.
- Proforma of Letter of Introduction
UNE - ORANGE AGRICULTURAL COLLEGE

PROPOSAL

FOR

A RESEARCH STUDY INTO

EDUCATION AND TRAINING NEEDS

OF

FRUIT AND VEGETABLE RETAILING

BY

JOHN EISEMAN

25/1/93
1. Introduction

As Australia goes through the restructuring process of its economy during this decade, an importance is emerging within the Australian workforce of the value of skills and training. While this has been promoted in a large part by government, employers and employees have used the education and training issues facing many sections of the workforce as an area that often strikes common ground. Employees have gained from training from the personal and material rewards, while employers have gained from multi-skilling and increased productivity of the labour market.

Those sectors which have embraced skilling and training programs have also been surprised by the increased influence that government has brought to bear on the education and training sector, higher education, the TAFE system and now school education, to increase the relevance of education and training to the needs of industry and the community at large.

Considerable initiative has been shown by employers, employees and education bodies to develop training programs in various sectors that commence with work experience in secondary schooling, embrace the Certificate and Diploma level training offered by the TAFE system and flow onto the higher award courses in Universities.

Most notably have been the strides made by the metal trades, tourism and hospitality industries. These industries have not only embraced skilling and training as part of the human resources management strategy to assist the recovery in those industries, but are working with government to identify key competencies and establish skill levels for those competencies in those industries.

There are many sectors of Australian industry that are moving to establishing similar frameworks.

The fruit and vegetable retailing sector is a multimillion dollar industry. Food stores statistics in the 1985/86 Retail Industry Census indicated that this sector employed 111,162 people in NSW, has an annual turnover of $8.5 million and is comprised of 18,800 business establishments. The fresh fruit and vegetable stores alone comprised of over 2,000 food store establishments in this sector, not to speak of supermarkets. This sector has a unique role in the food distribution chain. Unlike other foods, fruit and vegetables require significantly less processing and packaging. However, because of the “freshness” of the produce a number of important factors need to be addressed when storing, transporting, handling, presenting and selling fruit and vegetables.

To date, the fruit and vegetable retailing has not benefited fully from a co-ordinated education and training framework for its staff and employees. Training is often only provided by “in-house” training courses offered by large employers and rarely through colleges and universities.
2. **Background**

In my teaching role at the University, I conduct an industry study project each year which takes students to the Flemington markets for students studying through the Orange campus and Rocklea Markets for students studying through the Lismore campus.

The primary focus of the study involves interaction with wholesaling and retailing organisations. From this dialogue and through other industry forums it has become apparent to me that there is little education and training in the sector, other than on a “on-the-job” training basis for workers in both retailing and wholesaling of produce.

Furthermore, these sectors of the horticulture marketing chain are characterised by worker entry to the industry with low level educational achievement and little pre-entry training in a youthful workforce.

3. **Proposed Research Project**

The first stage of the research project is to involve a period of work experience with various components of the fruit and vegetable retail sector, gaining greater insight into internal organisation training structures, opportunities for industry training structures, existing training programs and importantly, unmet industry training needs. I will research and evaluate the education and training needs of those employed in the fresh fruit and vegetable retailing sector.

The second stage of the project will be to analyse the results of the needs and demands study, identifying achievable and appropriate training programs in consultation with the sector. This would involve liaison with all key players in the industry - retailing companies, industry organisations and the relevant educational providers.

4. **Potential Outcomes**

It is conceivable that one of the potential outcomes from this research study is an educational pathway for those employed in the fruit and vegetable retail sector which would parallel workplace experience with links to career and promotional structures in the principal retail organisations.

The educational pathway might lead to articulation through a range of academic levels supporting basic skill enhancement through to management training. A total package of education, work experience and employer support may permit capable and motivated staff to progress to all levels of management in the industry irrespective of starting position or entry qualification.
5. Role of the Retail Traders Association in the Research

It would be essential to have a peak industry body involved in the initial appraisal of the needs and demands analysis phase of the program. Subsequent industry contact and the development of industry relevant training structures requires the co-operation and collaboration of many organisations. There is also the need for a body to provide leadership, credentials and the supervision of the project.

The pivotal position in the industry of the Retail Traders Association would predispose it to taking this co-ordination role.

To effectively undertake both stages of the project, there will be a need to obtain funding sourced from government or private sources. I would envisage that the Retail Traders Association would be the trustee or sponsoring organisation for handling such funds.
Research Opportunities within the Fresh Fruit and Vegetable Retail Industry

John Eiseman

24-2-93

From industry discussions and investigations to date three primary opportunities for Action Research projects within the Fruit and Vegetable sector of the retail industry are evident. All three are linked and are interdependent. All depend on support from one or more of the principal retailers in the form of participation of staff and to varying degrees provision of resources.

1. Competency Identification

Paul Brockwell of NSW TAFE is presently facilitating an industry group to develop industry competencies for the fresh F&V sector. Progress to date is one meeting late 1992. Unsure of progress or plans for future. TAFE's aim is to develop a curriculum for a TAFE offered course to parallel workplace experience and in-house training.

Target clientele is point of entry employees and above. This initiative potentially conflicts with Retail and Wholesale Industry Training Council who are presently
revising Retail Traineeship which would include modules dealing with F&V retailing.

Linked to above initiatives but not coordinated with it is a research project on training needs analysis presently being undertaken in Victoria. This research is being undertaken by Kevin Clayton-Green of the Victorian Dept. of Agriculture and Rural Affairs funded by the Australian Horticultural Corporation.

Important to avoid duplication of effort. Much depends on the attitude of the key retailers to the competency identification process generally and their view of the value of the above initiatives.

Possible Action Research projects:

(i) Assist Paul Brockwell with facilitation of industry group to identify competencies and design curriculum.

(ii) Assist RWITC to develop modules for F&V retailing. Would need to pick up on outcomes of TAFE project and probably pursue additional research with retail employers and employees.

(iii) Independent research to validate competencies and assess industry's needs in relation to content and educational strategies (eg type of delivery, scheduling of classes, articulation with in-house training processes).
2. **Pilot Training Program Facilitation**

Work within a retail organisation to facilitate the planning and implementation of a training program to extend and enhance present training procedures. At some stage in the future this will need to be undertaken to address the national and state training accreditation processes. Initially the pilot programs would be targeting the needs of a specific organisation not the F&V retail industry as a whole. The pilot programs would have two potential outcomes:

- test the potential of an education and training model in which ownership and delivery is controlled by individual companies, and/or
- test the validity of the competencies, curriculum and delivery strategies of any generic program resulting from TAFE or RWITC initiatives.

**Questions arising:**

Do the major retailers or other training providers (eg Brismark) want a national education and training system as envisaged by TAFE and RWITC?

Is an in-house program based on workplace experience, customised training manuals and targeted off-job classes more likely to meet their commercial needs?
For either provision model what is the prime agenda-content knowledge (eg product awareness, storage procedures etc) or development of process skills (eg motivation, self confidence and esteem, teamwork, communication, leadership etc)?

As both are important can they be achieved within a creative experiential learning model?

3. Validation of Training Programs.

The 1990's have seen considerable investment by both government and business into training. How can we validate the effectiveness of training programs? An Action Research opportunity here is to work with one or more training providers to evaluate the outcomes of their training programs. The aim would be to develop a process such that training would be regularly evaluated to provide refinement of program content and delivery.
Proforma of letter of introduction

11 March 1993

Dear

I have been granted study leave from the University for 1993 and am interested in researching the education and training needs for the retail fresh fruit and vegetable industry. An outline of my proposal and a Research Opportunities Paper is enclosed.

I am aware of the agenda to identify Industry Competencies for the retail industry and want to ensure that this research project contributes to this process.

It is therefore essential that I have the support of the major organisations in the industry. At this stage I am not seeking monetary support but do need support through access to relevant staff so as to understand the operations and priorities of the major organisations.

As an organisation contributing to the training agenda in the retail industry I would appreciate any comments or assistance your organisation or you can provide.

Yours sincerely

John Eiseman
Lecturer in Horticulture
Appendix D

Staff Development Fund Program

Progress and Opportunities Report

JOHN EISEMAN

JUNE 1993

Prepared for the
UNE-OAC MANAGEMENT EXECUTIVE
Initial Objectives

The key outcome of the proposed study program is to develop my skills at facilitating groups to achieve change utilising Action Research methodologies.

The context in which this is to be undertaken was the retail fruit and vegetable industry. The primary focus was to identify education and training needs and explore opportunities for development.

Activities January - June 1993

Industry interaction

The initial task was to gain broad industry support for the project and in particular identify organisation(s) willing to support the project by providing access to staff and collaboration in setting specific objectives.

I commenced by targeting umbrella organisations with the view that they would provide enhanced access to specific companies. These contacts included the Retail Traders Association of NSW, Retail and Wholesale Industry Training Council and the Supermarket Institute.

The outcomes of initial telephone and written communication was mixed such that I determined that direct contact was also required.

Direct contact with the key companies involved in fruit and vegetable retailing also provided a mixed response. While access was in some instances assisted by letters of introduction (from the Supermarket Institute in particular), access if achieved was largely achieved by my perseverance and patience.

After consultation with many players (refer to Figure 1) a number of key messages emerged with regard to research in fruit and vegetable retailing.

(1) The major retail chains were not interested in working with an outside researcher. The reasons for this varied from deliberate reasoned discussion, to dithering non-commitment and to low prioritisation.

(2) The Independent Fruit and Vegetable Retailers are difficult to access and are being targeted by an AUF\textsuperscript{1}/AHC\textsuperscript{2} funded research project being undertaken by the Victorian Department of Agriculture and Rural Affairs.

\textsuperscript{1} AUF Australian United Fresh
\textsuperscript{2} AHC Australia Horticultural Corporation
(3) The Independent supermarkets via Davids Holdings were interested but their needs both for training and research are broader than just Fruit and Vegetables.

As a consequence, I have had to revisit the context and client expectations in my original proposal. Three opportunity scenarios were identified:

1. Regional and Rural Retailers
   - Independent supermarkets
   - Farm suppliers
   - Hardware
   - Fruit and vegetable retailers

2. Independent supermarkets (metropolitan and regional)
   - General retail management skills
   - Fresh product management

3. Fruit and vegetable retailers
   - Independent supermarkets
   - Independent fruit and vegetable retailers
   - Supermarket chains

The first of these, ‘Regional and Rural Retailers’, arose from discussions between UNE-OAC and the Retail Traders Association. A meeting in April between Roger Bunch, Ross Wilson and myself from UNE-OAC and Gary Watkins from the Retail Traders Association discussed the need for research into the education and training needs of retailers in regional and rural Australia.

I chose not to pursue this opportunity due to the diversity of the retail groups and hence the size of the study would not fit easily into the scope of a masters project.

The Independent Fruit and Vegetable Retailer opportunity was also set aside for the reasons outlined previously regarding diversity of the group and current research elsewhere. However, I have been maintaining dialogue with Kevin Clayton-Green of DARA and it is likely that there will be co-operation in areas where our projects overlap.

The independent supermarket sector, and in particular those serviced by the wholesale group Davids Holdings, has been selected as the context for my master research. Davids and the associated IGA\(^3\) organisation have been enthusiastic in their interest and support and their client group sits firmly within the client base of UNE-OAC. Almost all retailers

\(^3\) Independent Grocers Alliance
supplied by Davids are independent owner operated small businesses with a majority (70% in terms of proportion of turnover) located in regional and rural Australia.

In recent years the independent supermarket sector has been experiencing declining market share. To arrest this decline Davids has been actively encouraging up-grading of stores. The primary focus of this up-grading has been the introduction of improvement of fresh produce departments, ie fruit and vegetables, meat, bakery, delicatessen and dairy. Integral to this trust has been the training of staff to manage and service those and existing departments.

Another concern of both Davids and IGA has been the quality of general business skills amongst owners and managers of independent supermarkets. The presented view is one of broad diversity but an alarming proportion at the poorer end of the scale.

The agreed brief between Davids/IGA and myself is to:

(1) Research and Independent Supermarket Managers and management staff to ascertain.

(i) expectations and feelings about the future of the independent supermarket section of the retail industry, and

(ii) gain views on the value of the training programs available and utilised by them, and

(iii) ascertain the needs and demands for further development of training and education, particularly in the areas of development of general management and fresh product management skills.

(2) Establish and facilitate a consultative group to evaluate initial research results, set priorities for further research and assess opportunities arising from my research and other industry intelligence. The latter would include assessing the potential for an enhanced interaction with higher education providers.

Planned Activities July-December 1993

- Interviews with managers and management staff of Festival/IGA stores. I anticipate visiting sixteen stores and thus conducting 35-45 interviews (July-September).

- First consultative group meeting late September.

- Focus group research to coincide with Festival banner group meeting(s).

- Quantitative survey to confirm key trends/issues identified in qualitative phase.
Further consultative group meetings as required for research evaluation or opportunity analysis and planning.

Commence writing-up of masters thesis.

Possible Opportunities for UNE-OAC

As yet I have been careful not to pre-empt the outcomes of my research and consultations. The following are thus early ideas or hunches and have not been expressed beyond the Executive, Ross Wilson and Roger Bunch.

The principal education and training available to or provided by the supermarket sector of the retail industry is depicted in Figure 3. The experiences of retail organisations with TAFE and the higher education sector has a chequered history. Key messages I have ascertained from my dialogue so far are summarised in Appendix 1.

Many of the management training and development needs of rural retailing businesses strongly overlap with UNE-OAC’s traditional client base in on-farm management. The fresh food retail component of retailing should not be viewed as an extension of what we presently do, but an integral part of the agricultural system.

As such I believe that it is probable that the management education needs of independent supermarket retailers could be met through adaptation of existing programs (specifically B Bus and RBA) rather than through development of a new program.

However, for the retail industry to support any such development a high level of consultation and involvement of industry would be essential. It has been made very clear to me that development funds are accessible in the private sector, particularly from food manufacturing and distribution organisations. For example, IGA’s management training program is sponsored by Coca Cola.

To establish a program that meets the industry experience expectations and values of the supermarket industry provides an opportunity at UNE-OAC to further develop our distance education provision.

Summary

The broad outcomes of masters have now been redefined as:

1. Develop model for working with industry
Key question regards applicability of action research as framework for consultation and research.

2. Contribute to situation improvement in regard to:
   
   (i) General management skill development
   
   (ii) Fresh product management

Key questions relate to the role of education and development in achieving above.

- role of distance education?
- recognition of prior learning?
- integration of work experience?
- utilising mentors in industry?
- experiential learning?
- initiating change?
- action research and curriculum design?
- computer aided learning?
Appendix 1: Working With Retail Industry

Key messages:

- Consultation and collaboration
- Willingness to listen
- Understand their environment
- Suspicious of trainers with high consultancy fees and facilitation skills without contextual experience or knowledge.
- Tired of token consultation and then outcomes so generic that they do not meet their needs.
- Culture dictates that short term goals and results are imperative. Therefore suspicious of vague or distant outcomes.
- Suspicious of cut and paste proposals from TAFE or other training providers, despite much of their own in-house programs developed this way.
Appendix 2: Trends In Supermarket Retailing

1. Shift in focus from groceries and general merchandising to fresh products and prepared meals.

   Why?

   Market share - consumers want one stop shopping

   Consumer perceptions of fresh - health link

   Green consumerism - less packaging, processing, preservatives, etc

   Comparative profitability

   “Time is the currency of the 90’s”

Issues arising

- Responsibility for quality assurance shifts from manufacturer and wholesaler to retailer.

- Consistency of supply and quality more of an issue for retailer then with other grocery lines.

- High risk due to perishability and sensitivity of fresh products

- Need for higher calibre staff at all levels

2. Falling market share of specialist providers, ie fruit and vegetable retailers, butchers.

3. Falling market share of traditional independent supermarkets

4. Extension of trading hours.
Appendix 3: Characteristics Of Independent Supermarkets

- Falling market share

- Independents linked to large wholesalers
eg Davids Holdings, QIW, FAL, etc

- Strongest in regional and rural Australia where chains have less dominance eg 70% of Davids business is non-metropolitan

- Variable management capability particularly with regard to financial, stock and people management

- Variability with fresh product management, particularly re profitability, hygiene, staff acquisition and retention

- Owner and staff managers articulate strong commitment to the independent supermarket industry.

- View that independents can halt decline as has independent industry in the USA - enhanced service seen as the key

- Presently low level of formal education at all levels

- Low esteem of supermarket retailing as a career or profession.
Figure 1 - Training Provision: Fruit and Vegetable Retailing

- Training Needs Analysis (targeting independents)
- John Eisenman UWS/UNSW
  - AHC Funded
  - Competency Identification
    - Kevin Clayton-Green DARA
      - Paul Brockwell (NSW TAFE)
        - Research
          - Other States
          - Victoria
            - TAFE Short Courses
              - Queensland
                - Harvest Company
                  - Freshfest Group
                    - Training Program
                      - Brismark Training Program
                        - IGA Management Courses
                          - Fresh In-Store
                            - Training
                              - New Training Programs
                                - Davids & FAL
                                  - Others
                                    - Franklins
                                      - Big Fresh Stores
                                        - Contributing to TAFE (NSW) Group
                                          - New Training Manual
                                            - Employed
                                              - Pre-employment
                                                - Facility for other training providers
                                                  - Programs for specific businesses or sectors
                                                    - General Retail Skills
                                                      - New Training Manual
                                                        - Coles
                                                          - Woolworths
                                                            - Others
                                                              - Independents
                                                                - Supermarkets
                                                                  - ACTU/LENDLEASE
                                                                    - Retail Training Centres
                                                                      - All courses to be accredited VETAB or other
                                                                        - Rewrite of Retail Traineeship (to be part of AVC)
                                                                         - Include Context Modules, including Fruit and Vegetables
                                                                           - National Office
                                                                             - National Training Plan for Whole Retail Industry - Trish Donaldson (due end 1993)
                                                                               - Identification Competencies
                                                                                 - Curriculum Development (end 1993)
                                                                                   - Point of Entry Training
                                                                                     - NSW
                                                                                       - RWITC
                                                                                        - Victoria
                                                                                             - Paul Miller
                                                                                               - Short Courses
                                                                                                 - Facilitating Industry Group
                                                                                                   - Paul Brockwell
                                                                                                     - TAFE
Appendix E

- Research Proposal: Education and Training Needs of Independent Supermarkets
- Copy of letter from IGA to retailers
- Proforma of letter of introduction to retailers
RESEARCH PROPOSAL:

EDUCATION AND TRAINING NEEDS OF INDEPENDENT SUPERMARKETS

Aims
To determine the education and training needs for the independent supermarket sector of the retail industry with a particular focus on the needs for future managers. As such the primary target of the study will be those presently employed as trainee or section managers.

Methodology
The research process will be framed within an action research model. The essence of action research is that it is a participative and consultative research process.

Proposed Steps:
1. Industry awareness
   - Networking through contact with key retailers and other organisations involved with retail industry.
   - Participation in industry training programs.
   - Shop visits with retail counsellors (Davids Holdings).
   - Discussions with a range of people involved in the retail industry.

2. Consultation with industry leaders and training personnel from Davids Holdings and IGA on the key questions and appropriateness of the proposed research approach.

3. Interviews with supermarket owners/managers.

4. Interviews with trainee or section managers.

5. Discuss results with representatives of groups involved with steps 2-4 above.

Aim of these discussions would be to:
- identify and discuss key results of research.
- identify and prioritise further research needs.
- determine actions required to respond to research results, eg. course development opportunities, changes to existing programs, sources of funding for education and/or training program enhancement or development.

Clients
It is proposed that the research study would work solely with supermarkets affiliated with Davids Holdings. As such the distribution of the results would be at the discretion of Davids or IGA although allowance would be required to meet the needs of a masters degree at the University of Western Sydney.
Interview Checklist: Owner or Store Manager

General information
- how long in industry, present store, present position (if not owner)?
- formal education?
- store size and sections?
- staff number and positions?

Skills needed today to be successful store manager?

Future of Independent Supermarkets
- changes they foresee?
- what will managers need in terms of skills?
- role of training in future?
- role of formal secondary and post secondary education?

Staff Acquisition
- ease of obtaining management staff specifically section managers?
- selection criteria?
- expectation of longevity & staff turnover at management level?

Training
- is their payroll subject to the Training Guarantee Levy?
- what training programs have they or their staff participated in?
- do they perceive change as a consequence?
- strengths and shortcomings of the programs in which they participated?
- barriers to participation in other programs?
- could they send or have other staff participate in programs in which they or other staff have been involved?
- if an appropriate education program was available by part-time or by distance education would they encourage or support their management staff to participate?
- If there was a coordinated rotation or exchange of trainee managers (for broadening experience) between supermarkets would they want to be involved? What would be their major concerns? Perceived benefits?

Fresh Sections
- importance?
- staff skills and experience required?
- product sources?

Inheritance Issues
- are children presently or likely in the future to be involved in managing business?
- if yes then are there expectations of external training or education as part of their preparation?
Interview Checklist: Trainee or Section Managers

General information
- age?
- years in the supermarket industry?
- present position?
- previous positions?
- secondary and tertiary education levels?
- family in supermarket business- this business, elsewhere or previously?
- how did you come to your present position?
- how is your working in the supermarket industry perceived in the community in which you live, with family or friends?

Future
- what are your career aspirations and role of present position in that career progression?
- how do you perceive future for independent supermarkets?
- what skills does a successful manager need to have both now and the future?

Training
- what training programs conducted by external trainers have you been a participant?
- do you perceive change as a consequence? How?
- strengths and shortcomings of the programs in which you have participated?
- barriers to participation in other programs?
- are there other training courses you are or would like to participate in?

Education
- do you see tertiary study as being important for achieving your career goals?
- if you were to undertake a course would you prefer to undertake a program specific to supermarket retailing, or aimed at retailing in general or a general business or commerce course?
- if you were to study a course which fitted your needs would you prefer to: study full-time, or study part-time while working full or part-time?
- if you were to study part-time which would you prefer: local study through attendance at day or night classes, or study by distance education (ie correspondence) with or without block periods of residential attendance?
- in your present situation would local study be an option for you if an appropriate course was available?
- if you were to study what level of award would you be wanting ie. certificate, diploma, degree, other? Why?
- what type of institution would you like to study eg. TAFE, University, other? Why?
- if you were selecting a course to support your career goals what would you expect that course to cover?
**Fresh Product Management**

General questions to ascertain the tasks undertaken and competencies perceived to be necessary in managing the fresh product sections in which they are presently or have previously worked? Perceptions on the importance of fresh products in the supermarket?

**Approach to Interviews**

Other then the general background questions the interviews would largely be unstructured the above questions serving primarily as a checklist. This unstructured approach is to allow the interview to pursue areas as they emerge and to provide for adequate explanation.
Letter from IGA to Retailers

25 June 1993

In our efforts to be committed to all aspects of training and development that affects the retail supermarket industry, we have become involved with a graduate student from the University of Western Sydney. The supermarket industry as a whole was asked to assist him in his research and because of his particular interest in the independent supermarket sector, particularly in rural areas, we are happy to be assisting him.

John Eiseman, who is on study leave from Orange Agricultural College, is currently undertaking his graduate study in the area of education and training needs of supermarket managers. In particular, he is focusing on identifying the needs of young people who are in or aspire to manager roles.

Davids and IGA training personnel have been consulted throughout the planning of John’s research and we are supportive of its thrust. The outcomes of this research should assist the independent supermarket industry to plan its longer term training needs.

The initial stage of the research will involve visits to a selection of Festival IGA stores. These visits will involve interviews with the store owner/manager and section manager, manager trainees or assistant manager positions.

Your need for confidentiality will be respected with access to the interview transcripts limited to John and his research assistants at Orange Agricultural College. Davids and IGA will receive a compiled report which will not reveal the identification of individuals. A copy of the report will also be sent to all participating supermarkets.

John will contact you directly to facilitate your involvement. We sincerely hope you will assist him by being a part of this exciting research project which can directly impact the growth and future management training and development within our industry. Research opportunities specifically addressed the needs of the independent supermarket sector are rare and we encourage you to be involved.

If you have any queries please do not hesitate to contact us.

As always, we thank you for your support of training. Your involvement in this training research will help ensure the growth and professionalism of the independent supermarket industry.

Warm regards,

Jeff David
Davids Distribution Pty Ltd
Managing Director

Michael Abbey
IGA (Asia-Pacific) Pty
National Training Director
Proforma of Letter of Introduction to Retailers

Dear

You should have received a letter from Jeff David and Michael Abney requesting your support for my research project.

I would like to visit your store on Tuesday 21 September. I have degree of flexibility with regard to visit times and would hope that we can come to an arrangement which is of least inconvenience to you.

The format of my visit will be to commence with an interview with one or both of you and follow this with interviews of no more than two of your management staff. Each interview will be restricted to one hour duration. My experience to date is that staff interviews are shorter (about 40 minutes).

For the interview, I will require an office where interruption will be minimal. If this is not possible I will organise a place away from the store. I would prefer to tape record each interview.

The selection of the staff to interview will require your assistance. My criteria are that they must already be a section or trainee manager in the store and be under 35 years of age.

The general thrust of the interview will be to gather your views on the situation of the independent supermarkets and what is required to ensure a successful future. A particular focus will be on the role of and needs for education and training.

Your right of confidentiality will be respected, with access to tape transcripts being restricted to myself and the typist undertaking the transcription.

The compiled report from my interview will be used by Davids Holdings, IGA and Higher Education Institutions to assist the continued development of support programs for independent supermarkets. This is an opportunity for you to provide your views.

If you have any queries, please do not hesitate to contact me or Michael or Jennifer Abney at IGA.

Again, I must emphasise that I have the flexibility to tailor my arrangements to best fit in with your needs. I will telephone later this week to confirm your involvement and sort our specific details.

Yours sincerely

John Eiseman
Lecturer
Appendix F

Analysis of Qualitative Data—Examples from key steps

The examples provided from the qualitative analysis steps have been edited to protect the sources from identification and thus honour the confidentiality assurances given.

Steps 1 & 2

1. A list of headings was selected based on the checklist used during the interviews. As the audiotape was replayed responses were mapped around themes on a large whiteboard. The responses of the interviewee was either represented by a summary of their position or by transcription of direct quotes.

2. From the whiteboard, notes and transcripts for each interview were transferred under each heading to a journal. Each section had a identifier code in the adjacent margin.

Example 1: Jack (owner of 2 supermarkets in neighbouring small towns)

Future Outlook
Presently difficult. Margins have to be very low to be competitive.

‘Customer service was the independents edge but chains particularly Woolworths have caught on.’

Focus needs to be on trimming costs and putting this into price. ‘Need to look at the nitty gritty of your business.’

Franklins have created perception of cheapness. Reality is that they are but not to the extent perceived. Trick is to look good but also look cheap. Gave example of Mexico where US chain with lot of glass in store did poorly. New management changed appearance downwards and turned business around.

Independents need to be more unified. We have good local group—valuable exchange forum.

Locational characteristics
Town A has grown beyond small independent village but has limitations on how much it can grow. Not an affluent area. Very dominated by older people.

Town B has grown very quickly—Very suburban many new houses with young families.

Background and role
Heads up family business which involves 3 generations of family operating two supermarkets. Started off in fruit and vegetables selling from a cart. Started first store on site of the store in Town A. One of the earliest retailers with Davids. Now has overseeing role with day-to-day management delegated to other family members. However still works 6-7 day weeks.
Has developed concept from ‘mums’ and dads’ store to present supermarket style. Always strong on personalised service. Prices cut very low often just breaking even for groceries overall—usually very competitive in local ‘Price Watch’—have to be as operating in a very competitive area.

**Training**

Strong supporter of training and believes that it is a key to future success. However not a supporter of the TGL believes a lot of money has been wasted—‘just puts up price of groceries’. Once used an outside trainer at a local motel—very expensive—staff unappreciative—would not do again.

Believes it is very important for his grandchildren and other key staff. Has observed their response to IGA training—‘motivates and switches them on . . . can feel the benefit in-store’. Now supports key staff going to training programs and then bringing the experience back to stores by running sessions for other staff. One family member has recently completed a train-the-trainer course.

Have not experienced the fresh foods training offered by Davids but believes it is a good thing.

Important part of training should be visiting other stores including competition. ‘Always pick up new ideas’.

In fruit and vegetables cannot just get anyone these days—needs professional manager—only one in fifty of those coming in have what it takes in fruit and vegetables where five out six can be trained for the checkout. ‘Fruit and veg used to be the low point in the store’.

**Davids**

Very strong supporter of John David—‘always one step ahead’. Believes John David’s vision includes having turnover and distribution network set-up sufficient to allow 7 day delivery which would see delivery straight onto shelves reducing costs through reducing transfers and storage.

Davids needs to cut fat out of system— chains have trimmed and so should Davids—put savings into price. Overall doing a good job but there is scope for improvement.

Davids needs to get stronger therefore supportive of wholesaler amalgamation proposals.

Generics too expensive—‘always have been’. Need in-house specials (not advertised)—make Franklins come out here to find out what we are charging. Davids buyers need to improve—price must be in striking range of chains.

Believes independents should be loyal to their wholesaler but at same time must be competitive. Therefore will trade directly with manufacturers—‘will drive a hard bargain if need be’.

*Festival* best banner he has been involved with. However sees more future with IGA. Maintenance of standards within *Festival* important—must be maintained.
Fresh foods

Acknowledged importance of fresh foods in store mix—‘fresh is one area where an independent can have real advantage’—flexibility of supply—access to fresher product. Chains have time lags through their central warehouses.

Reiterated the special qualities needed to work in these areas.

They have their own buyer for F&V in Central Market and work with local butcher for meat (important for him to be seen as supporting locals). Doubts that supply from Davids could do better for him then his present arrangements. Can see opportunity for deli and perhaps other lines.

Skills needed by managers
Number 1 is must like his job.

Ordering.

Understand the dollar issues particularly costs.

Watch customers when in store—how and where they buy.

Hands on experience very important—floor experience, customer contact, not be office bound.

Team work.

Computer skills.

Family
Did not really want to discuss other then to say grandchildren wanted to carry on the business. Viewed them as highly motivated and very supportive of their grandfather. Saw family as being a key factor in their success—all prepared to work hard and support each other. Very close family—outside of work lived close—shared meals etc. Exception is grandson who is about to marry who has purchased small farm some distance away. Very supportive of grandchildren having a life away from supermarket—wanted them to come into the business but would have been supportive if they had chosen otherwise.

(At this point Jack had to leave to go to an outside appointment—was confident that other family members I was yet to interview would ‘fill any gaps’.)

Example 2: Jeff (Employed store manager)

Future outlook
Confident that independents will still be around in 10-15 years time—‘going ahead in leaps and bounds’. Had little to support this except his experience from his own and sister store.

‘Independents can provide special service’. (Was hard to get him to be clear about what this was—lot of comments re customers not being numbers and individual recognition type comments).
Background and role
Left school at Year 10 and commenced work as a trolley and bag packer at an independent supermarket owned by a co-operative. When this went broke and was taken over by a cut price chain stayed on. Moved around this chain. Made a store manager when just under 18—youngest in Australia at the time—thought he had been very successful in this role. Later promoted to a roving manager responsible for a number of stores. When this cut price chain broke up moved to his current position with this independent supermarket.

Currently aged 30 so been full-time in the industry for 14 years. Prior to that helped in carpark of supermarket managed by his brother.

Pretty much at his level in independents unless moved to store ownership. Tempted but concerned at risk—his family needs security. Unlikely to return to chainstores—happier in independents.

Training
No formal training. Training scheme started while he was with chain but he missed out because he was in management position.

Very strong supporter of on-the-job training. See little need for qualifications or for training from outside. if need arises then managers should attend courses and the ‘pick out the eyes’ to pass on to staff. Every store is different—cannot learn what is required from a book. Managers know best what is required.

He has no experience of Davids or IGA training. For himself he would like training in fresh foods—his idea would be to go away and work alongside experienced managers.

Somewhat unsure as to what he thought re training. Despite above comments was supportive of programs for young people in which they could both work and study. Such a program might have a place provided it was 80% on-the-job and balance from ‘manual’.

Knew of some young guys who were studying commerce courses as well as working full-time in a supermarket—could only help the business—‘pick out the eyes’ of courses—implement the good ideas.

Davids
Davids need to be more competitive with price—many lines not competitive with chains for price. Also lack of product range.

Concern that the independents are always last to have new product launches.

Very enthusiastic re Festival banner. Festival has raised turnover, advertising is better, improved price competitiveness, up-graded stores, overall more professional.

Skills needed by managers
Public relations is number 1.

‘Managers cannot be chair sitters—willing to roll up the sleeves and work with staff’.

Staffing
Have not had to employ anyone recently at section manager level but believes with
unemployment levels being up would be easy. Harder to find good young people particularly in this area. Locals don’t want to work and city people don’t want the transport hassles. Prefers to employ locally as this brings in support from their families. Most keen young people see progress in independents as a hard road.

‘When I do have keen young people I like to nurture . . . rotation of jobs to give broad experience . . . though in independent supermarkets limited opportunities to progress’.

Qualifications
Not very supportive. Thought butcher having apprenticeship could be copied for other fresh areas—‘only help’. Recognises that will need more experienced staff in the future particularly in fresh foods.

Example 3: Jan (front-end manager)

Background and role
Straight from school (Year 11) to checkout job in independent supermarket in regional city. Only checkout for 6 months—then moved to office in the same supermarket. Now spent ten years in total in supermarket industry. Now works for independent in smaller town closer to parental home. Now works primarily as the manager of the front end which includes responsibility for the computer.

Happy in present role—not career orientated and would not describe herself as ambitious. At previous supermarket was offered assistant manager position but declined. Did not want the additional responsibility. Also no set hours and could see herself working 50+ hours a week. Was not ready for the position at time. If offered it now would consider it but not seeking it.

Training
While at her previous employment sent to a computer course at a Canberra store also owned by her employer—needed these skills to manage scanning which was new at the time.

At current supermarket participated in a customer service course run by Davids. Very good for both her and her staff—‘key message was that the customers pay our wages’. Saw considerable impact in the store although some forget—need refreshers.

Open to more training but not sure in what. (Had difficulty articulating what she thought were her training needs). Not interested in study—did not believe that qualifications were needed to do her job.

Future Outlook
Seen both good and bad independent stores. Good stores should survive. Success relates to keeping staff on side.

Managers need to be decisive, organised and good staff managers.

Job Image
Checkout check image is a put-down but it does not bother her. Having a job is a good thing which is not appreciated by some younger staff who have often less reliable.
Tom (son of an owner, finance controller)

Future Outlook
Optimistic—believes that independents can effectively compete with the chains. Training will be an important part of this competitiveness. Also a more co-operative relationship with Davids is essential.

Background and role
Trained as an accountant at university and then worked for two years with a multinational company. Now two years in the family supermarket. Came home because the family business was in financial trouble. Believed the family business offered greater opportunities then a career with the company.

Has had exposure to the business all his life through working in-store in university and boarding school holidays.

Major role is financial control and running the office. (Very $ orientated and self assured re his financial abilities).

Aim is to run the family business with ultimately take-over from father. If other siblings want to be involved may have to look at expanding into other business activities.

Training
In addition to his degree has attended a number of Davids and IGA courses. Very impressed particularly with the IGA courses which he described as 'motivating'.

Managers need skills in finance, people and communication. Accounting degree was lacking as it did not cover marketing. Supports the notion of greater training and qualifications for staff in supermarkets.

Davids
Supportive of an amalgamation of wholesalers—must help with competitiveness.

Are Davids buying well? very much depends on the product under consideration. Did not want to be negative about Davids as is father is—re-iterated his view re looking forward and greater co-operative approach.

Recognised value of fresh lines but stated that the volumes of groceries should not be understated in relation to contribution to overall cash flow.

Job image
Image amongst young of supermarket as a workplace is not good. Very much a profession but not viewed as such by graduates and school leavers.

George (absentee owner)

Future outlook
Smaller stores will have difficulty surviving. Must have room to provide a range of sections and space for customer comfort. Large stores involve big dollars to develop. Role for Davids or wholesaler conglomerate to assist with financing.

His business 'doing better then ever in terms of turnover'. Very competitive situation
with all the chains represented in town. Surviving by being progressive in service—e.g. first to extend hours.

Too many independents are focused on buying (‘doing good deals’) rather than selling (‘meeting customer needs’).

Presently very mixed performance and standards amongst independents. Different for those in small towns without direct competition from chains. ‘Shouldn’t be—some operators in these situations ripping the public off . . . opens opportunity for a new player . . . public in these towns know . . does not build loyalty’.

Many of the independents will go to the midway situation halfway between the corner store and the supermarket. In the future will not be necessary to come in with strong supermarket skills to such businesses—the supplying organisation or franchise holder will will support managers through providing systems and management training.

Background and role
Currently owns only one supermarket but in past owned many stores. Has worked for supermarket chains both overseas and Coles in Australia. Has stepped out of the day-to-day management to pursue another career path. Views himself as highly progressive retailer (cites various examples to support this view). Has been heavily involved in banner group management but no longer interested in involvement in this area.

Training
Lack of education across the industry is a weakness.

Need to get across to independents the impact of the changing workplace. More staff are part-time—shorter working day for individuals is good for the supermarket—part-time staff are more productive. Also longer trading hours and imbalanced trading pattern (peak of 30-40% on Thursday now gone—more spread) has implications—need more management staff—owner and family increasingly cannot do all the management. If you are going to be open late cannot have section managers finishing at 4.00pm—customers demand better then that—other staff in sections have to be trained to deal with customers and keep section operating in the best condition—must avoid developing in customers ‘this is a bad time to shop syndrome’. Extended trading has impacted on customer service—‘don’t like empty store look’. Also on carparks—underground and rear carparks an issue—design needs to consider customer concerns re personal safety.

At his store training mainly in-house. Management do attend Davids and IGA training but he did not want to comment as he is not involved enough.

Believes Davids were spurred into training because of impact of the IGA (Jeff Davids’ USA experiences) and the TGL. Levy was good in the above respect but not really for progressive retailers as they were doing it already.

Believes lack of education of managers is a weakness for the industry. Does not see university as a model for education—IGA type training more appropriate.

Could see value in training programs to support fresh sections—would help with staff acquisition. Ultimately Woolworths and Coles are the trainers for the industry—where most staff and the trainers have come from. To large extent the same is true for the managers unless they are owners or their children.
Suggested a traineeship to provide opportunity for young people with initiative. However doubted that many independents were ready for this.

**Davids**

Very supportive of IGA—much more important to his future then Festival. Believes Festival group is not disciplined enough—too many stores allowed in which are not good enough. Davids too focused on numbers—not strong enough on standards—these need to be checked more closely and policed. Davids missed an opportunity to set up an elite group of stores—something for the industry to aim for. Early days of SSW an example—Festival going the same way to get numbers. Like much that Davids do launch and growth was too rushed.

‘Davids need to talk and listen more to progressive retailers.’

‘John David—great ideas but needs to reflect more before action—needs to pause and take stock.’

Lack of executive control from top—management staff promise what they could never be able to deliver—‘they get over fired up’.

Supportive of general thrust to develop big stores and a nation-wide ‘chain’.

Very interested to watch the development of a mega-wholesale group. Many problems to sort out with personalities at the top. Problems with retailers with the hierarchy of banners.

**Fresh foods**

Been in fresh for years—not something new—have sorted out the training related issues.

**Skills needed by managers**

Most important is capacity to manage themselves—motivation, time management, self discipline, delegation. Also basic business skills—administration and finance.

**Staff acquisition**

Reinforced view from others re difficulty in finding good fresh food managers. Did not want to discuss other issues—used excuse of lack of day-to-day involvement—(reality was that he had made it clear that I had access for one hour and time was up).
Steps 3-5

3. The journal was photocopied and the margin identifier codes marked with a different coloured highlighter pen according to four categories based on the interviewee's position or relationship to the business. These were: owner, other family member (i.e. children or grandchildren), salaried store or section manager.

4. The journal copies were cut into sections corresponding to each major heading and pasted onto butchers paper. Separate sheets were used for each category and heading. An example is provided in Figure F1. For some headings up to four sheets was necessary for any one category.

5. The transferred text was re-read and key points or transcript marked with a highlighter pen.

Step 6

6. Each set of butchers paper paste-ups were summarised under key themes on an electronic whiteboard thus allowing an A4 record to be retained. Examples are provided in Figures F2 and F3.
Figure F1: OWNERS- STAFFING ISSUES

O-KL-B
- Easy to find staff but difficult to get good staff. • Issue of lack of esteem of working in the industry needed to be addressed- do not get better school leavers wanting to commit to the industry. • Asked staff on application form why they wanted work- found responses interesting- many were not motivated to work in the supermarket- last resort notions. Often seen as fill in to a better position comes along. Checkout operators want to move to receptionist, secretary or hairdresser etc- young guys to apprenticeships.

O-GS-N
- Finding staff not easy i.e. good staff. • Better students from school system not interested in supermarket career. • Image building with school children needs to be addressed- young people do not see food retailing as a challenging career with rewards. • Young people know qualifications are important- lack of them means the industry 'struggles to attract the thinker and planner'.

O-WT-M
- Employs store managers- been very stable- does not believe that finding this type of staff would be difficult- has had various enquiries over the years- have given some part-time work. • With young people have seen a change in recent years. Couple of years ago difficult. Higher unemployment & recession has made it easier to acquire staff. However only about 50% suitable- looks for stability. • Not concerned that they move on when older- likes to employ younger staff to save dollars.

O-DS-W
- Finding staff not easy despite recession. • Supermarket career not promoted well- needs to change.

O-KL-RR
- Has a problem getting employees- constantly understaffed. Town has a strong economy- many work outside the tax system for cash. Particularly males who want cash work to top up dole or supplement their own business activities. • High turnover- problem not unique to the supermarket. • Certainly an image problem but work has an image problem in RR. • Staffing is difficult for independents- many will not trust those outside of the family. Therefore unable to promote/bring on/provide pathway for more motivated staff. He does- will support keen staff. Very busy- has other business interests- has to trust his managers.

O-ROM-J
- Have not had an easy time finding appropriate young staff. However finding retention is easier then in the past. Attributes this lower turnover to lack of growth in the town in recent years- fewer opportunities for school leavers. • Prefers to employ locals unless special skills are required- their families will support the store. • Image of supermarkets in schools needs to be addressed- best students show little interest. • Difficulty attracting men into supermarket work due to alternative employment opportunities seen as more men's work.

O-AB-W
- Tries to employ locals. • Supermarket is not a status place to work. Difficult to get achievers from school system. Can still get good people- sort them out on the job perceptions in community need to change. Industry needs to change.

O-JT-K
- Supports employing locals. • Easier to employ a butcher from outside as they come with a ticket. • Not too much difficulty finding staff but with school leavers always picking from second best. Best do not see supermarket as career. Little room for progression in a independent vs. a chain without leaving town. Not overly concerned- often people emerge as top staff who did not perform well in school system.

O-GB-S
- Reinforced view from others re difficulty in finding good fresh food managers. • Did not want to discuss other issues- used excuse of lack of day to day involvement- reality was that he had made it clear that I had access for one hour and time was up.

O-RU-N
- Supports employing locals- know them- supports town. • Problem for staff- lack of alternative jobs.

O-DB-T
- Use CBS to get base staff- not overly happy- only get those completely out of work. To get better staff need to advertise- necessary if you want skilled people. May be able to entice people who are already working with a better package. • Supermarket seen as a last resort job. Young people seem to want 'glamour jobs-hairdressing, pharmacy, apprenticeships. • If get good young people try to encourage. Independents offer more early on compared with chains but then there is no where to go- more scope for advancement in chains. • Industry needs to address image issue.
Figure F2: Example of Theme Summary—Manager Qualities (owner’s perspective)
Figure F3: Example of Theme Summary—Present Situation and Outlook (owners perspective)
Appendix G

Feedback Questionnaire
The questionnaire has been structured to match the sections of the Results chapter of the Report. You are being asked to comment on how well the Report's findings match your views and how they match the overall views within the industry. If you agree with only some of the views expressed within any particular section, then please identify those you disagree with in the 'Comments' space. The 'Comments' space should also be used for any missing issues or any other views you want to express.

The 'Not Relevant' option is provided if you feel that some sections do not relate to your position and role in the supermarket.

All responses will be handled with absolute confidentiality. The identification code is only known to John Eiseman and is only used to allow follow-up of questionnaires that are not returned.

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<p>| 3.2 Retailer/Wholesaler Relationship: | □ Yes | □ Yes |
| a) Overall View (p.8) | □ Partly | □ Partly |
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<td>b) Warehouse &amp; Head Office Management (p.9)</td>
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<td>c) Competitiveness (p.9)</td>
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<td>e) Commitment to Independents (p.10)</td>
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<td>4. Model for Training and Education (pp.23-24)</td>
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