

Career Shot: Retail Management

Courtesy of Career Leader

Retail management is all about making the shopping process flow as smoothly as possible -- whether consumers are buying clothing, household appliances, health and beauty products, sports equipment, or some other items. And opportunities in this career abound. Some surveys put the number of retail establishments in the United States alone at a whopping 1.4 million. All told, these establishments employ more than 20 million people. In addition, these companies sell their wares through many different channels of distribution, including:

- department stores, specialty stores, discount outlets, catalogs, online commerce, independently owned shops and boutiques

Retail management intersects at many points with the larger process of moving products from suppliers to consumers. In an almost continuous cycle, retail buyers (or merchandisers) place orders, producers manufacture and ship the requested items, customers purchase the items, and buyers submit new orders. The large retail industry -- consisting of stores that sell a wide variety of products through numerous outlets -- provides a valuable glimpse into retail managers' many responsibilities. Consider these:

- **Production estimation:** judging how many units of a particular product the company can sell, as well as the costs and logistics involved in developing and manufacturing the product.
- **Supply-chain management:** ensuring that products move smoothly from factories to distributors or wholesalers and then to store shelves. Managers must decide how many units to ship, which form of transportation to use (truck, train, plane, ship, or a combination of some or all), and when to ship the units.
- **Inventory management:** making sure that the company has just the right amount of inventory on hand. Inventory management has tight links to supply-chain management. For example, if a supplier sends a shipment of Halloween costumes too late, so that they arrive after the holiday, the costumes will languish in the store's warehouse until next season. The store will likely sell them at a deep discount to unload them -- and lose profits. To keep inventory at just the right level, retail managers must estimate customer demand based on factors such as the economy, weather, and buying trends. As you might imagine, the process blends both science and art, since no manager can know with perfect certainty what consumers will want, and when they'll want it.

Retail management offers a variety of positions related to business. For example:

- Merchandisers, store designers, graphic designers, and marketers determine how to price and display goods in the store.
- Store managers, district managers, and zone-operations managers oversee various aspects of shoppers' experiences once they're in the store.
- Stock-room receivers and managers process inventory as it is delivered to the store.
- Sales staff, both fulltime and part-time, help customers select items and answer shoppers' questions about the company's products.
- Information-technology specialists ensure that the company has the right tools for recording sales, managing inventory (including alerting management to hot-selling items), calculating taxes, and tracking commissions for sales associates. Retail companies also use technologies such as hidden cameras to catch shoplifters in action.
- Human resources and finance personnel keep a company running through staffing and providing accounting and payroll services.

These responsibilities can play out differently depending on the size of the company you work for. For example:

- **Small, independent retail outlets:** In a small, independent retail outlet, the store owner must orchestrate all of the above facets of the enterprise -- sometimes with the help of just a handful of full- or part-time employees. In this situation, the owner needs all of the attributes of a bold entrepreneur and then some.
- **Large retail firms:** Many positions within large retail firms may be highly specialized. However, they often involve long hours as well. Why? To learn how the business runs, managers must be on the job nights and weekends -- the times when customers are most likely to wander into the store and shop.

What does the typical career path look like in retail management? You might start off as an executive trainee in any number of functions -- such as store management, finance, information systems, product design and development, and store design and construction. Many retail managers also first work as sales associates or begin in merchandising. If you started in merchandising at a large firm, your career path might look something like this:

1. merchandising trainee
2. assistant buyer
3. buyer-in-training
4. buyer
5. divisional merchandise manager
6. general merchandise manager
7. store president

Clearly, retail management covers nearly every function imaginable. To decide which function might be most fulfilling for you, think about your skills and interests. Whatever kind of work you would find most satisfying and enjoyable, retail management likely can offer a position in that area.