

**How is formal management education integrated with nonformal learning in retail management development programs?**

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## **Abstract**

As they function in a dynamic, fast-paced environment characterized by high turnover, retail firms are challenged to provide comprehensive, responsive management development programs. These programs provide new managers with a variety of nonformal, workplace learning opportunities and, also opportunities to integrate learning from formal education programs. Conversely, formal retail management education programs also integrate opportunities for workplace learning in their curriculum. This research proposal addresses the question of how formal management education is integrated with workplace learning programs. The aim of this research proposal is to provide an overview of the underlying and related theories that inform this question and present a research approach.

**Key Words:** management development, retail, management training, management education, workplace learning, nonformal learning, adult education, informal learning

## **Introduction**

The retail sector is a significant economic sector, with global retailing sales reaching over US\$9.4 trillion in 2006 (Euromonitor International, 2009). As retailing has evolved to meet the challenges of globalization and increased use of technology, so too has the scope of retail management (Levy & Weitz, 2009). Coupled with this evolution has been the development of retail management as a discrete area of study to which entire schools are devoted (i.e. Ted Rogers School of Retail Management, Ryerson University, [www.ryerson.ca/retail](http://www.ryerson.ca/retail)). However, there has been little academic work done on the integration of formal management education and nonformal management development (MD), the distinct characteristics of retail management development (RMD), and/or the differences between RMD and MD in other sectors.

The very structure of the retail industry is unique in the breadth and depth of its reach. Retailers function in every part of the world and their businesses are characterized by a wide diversity of types, sizes, ownership and geographic locations. The retail population is diverse and characterized by concentrations of both large retailers and small and medium enterprise (SME) businesses. This diversity is also apparent in a wide range of retail management roles, responsibilities, and skills (Levy & Weitz, 2009).

Several ongoing issues present ongoing management challenges in the retailing sector. Employee turnover remains a major challenge for retailers, as turnover rates are higher in the retail sector than any other sector (Conference Board, 2008). Turnover in retailing is particularly problematic because of the conditions endemic with the environment, including long hours and blurring of work-life balance (Good et al., 1988; Peterson, 2007, Zeynep & Huckman, 2008). As a result of these conditions, Rhoads et al., 2002 reported that managers are disposed to high turnover. It is important, therefore, that retailers are able to not only appropriately identify and attract potential high performers for management positions, they also need to have in place programs for developing the skills of managers, recognizing managers' career development needs, as well as preventing the loss of talented managers (Booth & Hamer, 2007; Broadbridge, 2002, Rhoads et al., 2002, Peterson, 2007).

This research proposes to answer the question how are formal management education and nonformal learning processes integrated in RMD programs?

The ontological perspective that this research will take is a subjective one as it is oriented to the experiences of stakeholders involved with the process of management development in retail organizations. Although it may hold a perspective of the organization as an entity, the organizational culture and related artifacts as tangible entities, and the learning processes as observable, the essence of the question is about the participants' (i.e. managers-to-be (m2b) and other stakeholders) interaction with the learning processes and how the interaction of the various processes affects their experiences. Further, the ontological perspective could be said to be constructionist, as the question also allows for the notion that the interaction of the participants contributes to the construction and ensuing interpretation of not only RMD programs, but the retail organizations in which they will be managers.

The epistemological perspective is an interpretivist one. It is oriented to understanding the experiences, conditions and factors affecting the interaction of formal and workplace learning processes in RMD rather than explaining them. By virtue of the nature of their employment/role, retail m2b create social reality and multiple social realities are created, maintained, and changed, however there is still an underlying pattern/order in the social world in which they are employed, i.e. the retail organization. Having said that, the focus of the research is on the individual m2b's perspective because the formal education and nonformal learning dimensions of management development are specifically related to their learning processes. Further, pillars of nonformal and work-based learning are self-direction and reflexivity, both of which are geared to an understanding of the individual m2b/learner's perspective.

Although the initial design of the research is deductive, there is potential for an inductive study - i.e. since the research surrounding RMD is limited, there is potential for sector/industry specific concept development. In addition, although this particular research question will be informed by a quantitative study (already in place), the emphasis will be on the qualitative research that will examine the experiences, conditions and factors affecting the learning processes in RMD.

### **Theoretical Perspectives**

This research question is predicated on the post-structural notion that identities are constructed within, not outside, discourse. Thus, a m2b's nonformal learning needs to be understood from the perspective of the work environment in which it develops. This question can be approached from different theoretical traditions. This research will focus primarily on perspectives from two schools of thought – economics of education and adult education.

#### **Economics of Education**

The economics of education involve the relationship between investment in learning and productivity. Questions about this relationship are central to human capital theory, which explains employers' propensity to invest in employee learning if there are benefits of improved employee productivity and rates of return (Becker, 1964). The workplace is seen as the location where the contributions of learning (formal and nonformal) are made, but also where learning is further developed. The epistemological approach of this theory is individualistic, and related to

individuals' contribution to productivity as a result of educational opportunities and to the resulting increase in wages/job tenure. More structuralist/institutionalist theoretical approaches includes labour market segmentation and organizational citizenship theories.

### **Adult Education**

The other primary theoretical tradition that informs this question includes the myriad of adult education theories which are typically situated within different paradigms of thought.

One paradigm can be characterized as behaviourism, in which all behavior is caused by external stimuli and learning can be explained without considering individual emotions/feelings. This paradigm is extended through Bandura's (1977) social learning theory which offers the perspective of learning occurring through observation of another person's modeling a behavior.

Another paradigm is cognitivism which views learning as a function of information processing. These theories are typically influenced by the cognitive and behaviourist psychology disciplines and view learning from objective ontological and positivistic epistemological perspectives.

Constructivist, social and situated learning theories, on the other hand, do not present learning as something that is acquired, rather they view learning is an active, subjective process of constructing knowledge from past experiences and social/cultural interaction. Learners are active participants in social communities (i.e. retail organizations) and construct identities within them (i.e. as managers). Situated learning theories, including Vygotsky's social constructivist theory, portray learning as being dominated by social/cultural processes. Lave and Wenger (1991) extend this notion with the concept of communities of practice, in which folks with like interests (i.e. retail m2b) interact to learn more.

Humanist theories of learning relate to the self-actualizing, personalized needs of the learner and include Kolb's Experiential Learning Theory (1984) and Malcolm Knowles' Androgogical Model of Learning (1990), which presents a comprehensive framework of adult learning.

Schön's (1983) and Argyris and Schön's (1984) work points to the contribution of experience-based learning, in which learning is derived from direct experience and reflection in

action. Further, Mezirow (1990) theory of transformative learning purports that reflection provides an opportunity to reformulate ideas, and guide action and the strategies used in problem solving.

Training transfer is an auxiliary consideration related to adult education. It is related to how m2b apply the knowledge and skills they learn to current and future roles, or how learning is transferred from the learning situation to the work environment. This learning transfer refers to how effectively knowledge and skills are learned/retained and then applied in a generalized manner and then maintained over time within a job context. The degree to which this occurs is dependent upon characteristics of the learning, the design of learning and the work environment (Baldwin & Ford, 1988). Needless to say, this concept addresses a myriad of considerations for designing RMDs conducive to learning/retention, generalization, and maintenance of management behaviours/skills.

### **Theoretical Framework**

Underlying these theories are the practical problems of transferring not only explicit but implicit or tacit learning to new social contexts, whether they be with the same retail organization or not, and also of developing the tacit knowledge that is inherent in the retail manager's role (i.e. particularly with interpersonal skills). In addressing these problems, Raelin's (1999) work-based learning model is based on the notions that learning occurs within experience, that it should be augmented with reflection, that the reflection should be public/shared, and that tacit learning can and should be made explicit (i.e. through common language/theory). The model presents a typology of four types of learning at the individual level of analysis. The four types are conceptualization and reflection (explicit learning) and experimentation and experience (tacit learning). These types of learning can occur in formal and nonformal frameworks (see Definitions below). This project will use Raelin's model as a basis for examining a variety of RMD experience, how they reflect formal/nonformal learning experiences and how participants relate the interaction between them to their own development as m2bs. In addition, this research project attempts to make sense of the complexity of the learning of new retail managers in context – i.e. the social environment of their retail workplace to which they are active contributors.

## **Definitions**

Although there has been significant research done about MD, there is a lack of consensus about what it entails and there has been a history of varied definitions of management development (Storey, 1989). Cullen & Turnbull's (2005) meta-review of MD literature found that the majority of the definitions used include a perspective that MD has a functional-performance rationale, is a strategic, planned activity, and is driven by organizational needs. Their meta-definition summarizes that MD is a framing of the organizational reality in order to contribute to individual managers' resources and/or to the organization.

Formal education (Eraut, 2000) takes place where there is a prescribed learning framework and outcomes, an organized event/package, the presence of an instructor, and a qualification and/or credit.

Nonformal learning (Coombs & Ahmed, 1974) is any organized, systematic learning activity carried on outside the formal framework. Informal learning (Marsick & Watson, 1990) has been defined as any learning that is predominantly experiential and non-institutional, possibly including self-directed learning, networking, coaching, mentoring, performance planning and trial-and-error. For the purposes of this research project, both types of learning will be referred to as nonformal learning, and will relate specifically to learning within the retail workplace context.

The integration of these types of learning refers to the articulation, reflexivity and assessment of the various elements of formal/nonformal learning experienced by retail m2b which are related to the four dimensions of Raelin's (1999) work-based learning typology.

## **Methodology**

The Ted Rogers School of Retail Management (TRSRM) provides Canada's first (of two) and foremost undergraduate degree in retail management. Located in Toronto at Ryerson University, it is situated in the heart of Canada's commercial and financial community. The degree marks its tenth year in 2009 and through its advisory board, the School has established relationships with major retailers. Many of these retailers have developed workplace retail management development programs, for which they have hired TRSRM graduates. Other

participants in these programs are not TRSRM graduates, and they may or may not have any formal retail management education, but they, too, are new to the retail management role. This research will examine how the formal and nonformal learning of these two groups is integrated in their workplace management development programs.

The project will utilize qualitative case study methods of interviews, focus groups and participant observation. Initial interviews with m2bs, their managers/mentors/colleagues/customers/teachers will generate emergent ideas and theoretical concepts and will inform the next in-depth phase of the research. The next phase will be an in-depth case study of selected RMDs.

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