

Corporate culture  
of small apparel retail firms  
in towns in the trading area of a  
regional shopping center

by

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Signatures have been redacted for privacy

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## TABLE OF CONTENTS

	Page
INTRODUCTION	1
Concept of Corporate Culture	1
Small Business in the United States	3
Small Business in the State of Iowa	4
Consumer Outshopping	5
Purpose of Research	7
REVIEW OF LITERATURE	9
Retail Systems Theory and Organizational Structure	9
Retailing defined	9
Retail business theory	9
Retail organizational structure and management	11
Organizational and Corporate Culture	13
Context for investigating corporate culture	13
Definitions of corporate culture	15
Role of founder in development of culture	17
Central role of culture within the firm	18
Implications for managers and employees	19
Profiling and measuring corporate culture	21
Research Approach	27
Qualitative research in a field setting	27
Case studies	31
The long interview	35
METHOD	40
Case Study Protocol	40

The sample	41
Data collection instruments	42
Procedure	43
Data Analysis	44
RESULTS AND DISCUSSION	47
General Description of Firms	47
Analysis of Cultural Dimensions	50
Communication patterns	50
Conflict tolerance	53
Direction	55
Identity	57
Individual initiative	62
Integration	64
Management support	66
Orientation to external publics	67
Firm image	72
Reward system	78
Risk tolerance	79
Miscellaneous	80
SUMMARY AND CONCLUSIONS	83
Overview of Research	83
Limitations of Research	85
Summary of Results	87
Implications for Further Research	90
REFERENCES	93
ACKNOWLEDGEMENTS	97

APPENDIX A:	MCKINSEY 7-S FRAMEWORK	98
APPENDIX B:	SYNTHESIS OF CULTURAL DIMENSIONS	100
APPENDIX C:	INTERVIEW SCHEDULES	116
APPENDIX D:	PERSONAL DATA QUESTIONNAIRE FORMS	127
APPENDIX E:	OBSERVATION SCHEDULE	130
APPENDIX F:	CODING GUIDE	134
APPENDIX G:	CONSENT FORM	137
APPENDIX H:	HUMAN SUBJECTS RESEARCH APPROVAL	139

## INTRODUCTION

## Concept of Corporate Culture

Each human group and organization has culture. Culture, as applied to the business organization, is often called corporate culture and generally refers to a firm's system of shared meanings and shared values. Luce (1984) quoted Brooke Tunstall, an executive with AT&T Corporation, who defined corporate culture as:

"a general constellation of beliefs, mores, customs, value systems, behavioral norms, and ways of doing business that are unique to each corporation, that set a general pattern for corporate activities and actions, and that describe the implicit and emergent patterns of behavior and emotions characterizing life in the organization. Taken together, the elements in the culture encompass the very meaning of the organization..." (p. 40).

This system of shared meanings is expressed in the behavior of managers and employees as they carry out everyday activities and respond to needs and problems faced by the business organization. Shared values determine, to a large degree, what managers and employees see as guidelines or principles, written or implicit, for how they should behave and respond within the organization.

Jelineck, Smircich, and Hirsch (1983) said that...

"culture focuses our attention primarily on the processes and artifacts of organization sense making" (p. 337). The role of corporate culture in making sense or providing consistency of meaning to the primary activity of a business organization is pointed out in the McKinsey 7-S Framework for management (see

Appendix A). Peters and Waterman (1982) developed the 7-S Framework while working for McKinsey and Company, a business consulting firm, in an attempt to expand their traditional approaches to business problem solving. They concluded that, although highly important, strategy and structure issues are only a small part of the total issue of business management effectiveness. Culture, expressed as shared values in the 7-S Framework, is central to the business organization. Peters and Waterman contended that the pervasive nature of corporate values has impact on all functions and activity in the organization at all levels.

While corporate cultures vary widely according to factors such as company size, industry, strategy, and financial performance, some cultural dimensions have been identified as common to all business environments by Betts and Halfhill (1985), Bookbinder (1984), Peters and Waterman (1982), and Reynierse and Harker (1986). Cultural dimensions from previous research were summarized by Robbins (1988) to include 1) individual initiative, 2) risk tolerance, 3) direction, 4) integration, 5) management, 6) control, 7) identity, 8) reward system, 9) conflict tolerance, and 10) communication patterns. In addition, since these dimensions have been found to be relatively stable, one can expect that the corporate culture of a firm is not likely to change much over time. Robbins contended that although no definitive method for measuring corporate culture exists, preliminary research suggests that

by analyzing a business organization according to these ten dimensions, a composite picture or profile of its corporate culture can be formed.

### Small Business in the United States

Most research in the area of corporate culture has focused on large business organizations. However, significant evidence indicates that it may be important to investigate small business cultures. Schein (1983) suggested that because business organizations do not form spontaneously but are created when someone has an idea for a new enterprise, a firm's founder simultaneously brings together a group of people for the purpose of accomplishing some goal and, "by force of his or her personality, begins to shape the organization's culture" (p. 13). The fact that the founder of the small company is often directly involved in almost all business activities as both the owner and manager further suggests that the small firm's culture will be significantly influenced by those assumptions, values, and theories he or she brings to it. In addition, according to Clifford and Cavanagh (1985), all large corporations started as small businesses and..."999 of every 1000 companies stay small" (p. 20).

The Small Business Administration defines small business as independently owned and operated, not dominating its field of operation, employing no more than 500 persons, and having

yearly sales of less than \$20 million (LaForge, Reese, & Stanton, 1984). Robinson and Pearce (1984) reported that small business firms dominate the United States' service, construction, and retailing sectors, and that approximately 82% of all retailing outlets are sole proprietorships. Small businesses comprise 97% of all business enterprises, employ nearly 60% of the entire workforce, produce 45% of the Gross National Product, and have generated 87% of the net new jobs in the United States over the last ten years (Keats & Bracker, 1988).

#### Small Business in the State of Iowa

In the state of Iowa where approximately 90% of all businesses have gross sales of less than \$250,000 (Iowa Dept. of Revenue, 1989) and employ an average of less than 12 persons (Stone, 1989a), the significance of small business in terms of employment and total state revenues is much greater than for the country as a whole. Stone (1986) reported a total of 175,109 businesses in Iowa of which 60% were retail and service businesses. Approximately 2450 Iowa apparel retail stores generated almost \$2 billion in gross sales in 1989. In that same year 791 women's apparel stores alone generated \$226 million (Stone, 1989d).

Stone (1986) found that more than 60 Iowa counties reported declines in sales tax revenues in the 1984 fiscal year. He estimated that Iowa lost approximately 5,000 retail



and service businesses between 1983 and 1986. With over one-half of Iowa's towns reporting populations of under 500, he suggested that financial problems and failure of additional businesses could be catastrophic for the main streets of many small Iowa towns.

In a more recent study, Stone (1989c) found continued decrease in total retail sales in small towns in Iowa over the previous few years for retail firms in general and for apparel retail firms in particular. By 1989 most towns under 2500 population could not support and did not have an apparel retail business of any kind (Stone, 1989b). In his studies on the impact of Wal-Mart stores, Stone (1989c) reported a loss of approximately \$290,000 in sales for apparel stores in the towns where a Wal-Mart opened, even though there was an increase in general merchandise sales for the towns as a whole during the period studied. He concluded that the losses in total sales in small towns in Iowa were partially due to competition from Wal-Mart stores and partially due to competition from larger cities as their large shopping centers increasingly draw trade from small towns situated nearby.

#### Consumer Outshopping

Consumer outshopping has been described by LaForge, Reese, and Stanton (1984) as consumers traveling to another town to buy goods that are available in their own communities. Outshopping has a particularly unfortunate effect on small

retailers who do not have the drawing power of larger establishments or shopping centers. When significant numbers of local consumers outshop, the market potentially available to local retailers shrinks accordingly. LaForge, Reese, and Stanton further suggested that traditional marketing strategies such as advertising or special promotions have not been successful in keeping customers in their local communities.

According to most retail marketing scholars and experienced retailing practitioners, the first principle of retailing is to meet the wants and needs of customers. Stone (1989a) reported that some retailers in small towns seem able to do this and are rewarded by customers from a large trade area who provide a satisfactory income for those merchants. But, more and more small town merchants are not providing competitive prices, good selection, convenient opening hours, and good service that customers want and need. These wants and needs are increasingly being provided by mass merchants in larger towns.

Outshopping has been considered the most serious threat to the survival of rural and small town retail businesses today (Lennon, Baugh, Chatterton & Larkin, 1987).

Outshopping, along with the current situation of increased competition in general, increased nonstore competition from catalog and mail order retailing, shifting customer preferences, rapid advances in technology, and turbulent

economic and financial environments puts tremendous pressure upon retailers, particularly small retailers, to find pertinent, current information to help them develop effective ways to compete for survival in today's marketplace (Taura, 1982). Stone (1986) contended that public officials also need information regarding factors that may influence prosperity and growth of small businesses so that they might develop effective strategies that support their communities' efforts toward economic growth and development.

#### Purpose of Research

Because researchers have concentrated their studies of management and marketing on large companies, a sizable and important segment of the business population across the country, and particularly in Iowa, has been notably neglected. Very little research has focused on small business in general and even less on apparel retailing businesses. The purpose of this research is descriptive and exploratory: To profile the corporate culture of small apparel retail firms in towns situated within the trading area of a regional shopping center. Understanding a firm's corporate culture may provide a basis for management action to reinforce those dimensions identified as productive and to change those dimensions identified as counterproductive to the overall objectives of the firm. Identification of common cultural dimensions across small apparel retail firms may provide a model, or corporate

culture profile, for existing or new apparel retail firms. The effectiveness of existing corporate culture theory, as it relates to small apparel retail firms, may be evaluated and expanded from findings of this research.

## REVIEW OF LITERATURE

In accordance with the purpose of this study, which was to profile the corporate culture of small apparel retail firms in towns situated within the trading area of a regional shopping center, three categories of literature were reviewed: retail systems theory and organizational structure, concepts of organizational and corporate culture, and the case study approach to research in a field setting using the long qualitative interview.

### Retail Systems Theory and Organizational Structure

#### Retailing defined

Lewison and DeLozier (1989) have defined retailing as "the business activity of selling goods or services to the final consumer.... A retailer is any business establishment that directs its marketing efforts toward the final consumer for the purpose of selling goods or services" (p. 4). What distinguishes a retail sale from other types of sales is the buyer's reason for making a purchase. If the buyer purchases a product for resale at a profit, the sale is not a retail sale; a sale is considered a retail sale only if the buyer purchases a product for personal use.

#### Retail business theory

Satisfying customers and making a profit in the process is the critical problem for every retailer. The firm's merchandising activities and strategies to meet the needs of

customers are often in opposition to the firm's administrative planning and strategies to operate effectively, efficiently, and profitably. A successful retail business must constantly weigh the product and service needs of the targeted customer against the operational and financial needs of the firm (Mason & Mayer, 1981).

Kunz (1990) has proposed a behavioral theory of the apparel firm which provides a systems approach to conceptualizing the relationships among functional units within an apparel firm. According to the model, an apparel firm is a coalition of individuals who share common goals. In the apparel retail firm, these goals relate to the sale of products and services to the final consumer. Members of the coalition are also members of interdependent internal constituencies corresponding roughly to the functional divisions of the firm. Each constituency specializes in providing particular resources for the firm and may negotiate resource exchanges with both internal constituencies and external coalitions such as banks, apparel producers, and customers.

Kunz identified five major functional units, which are the internal constituencies of the apparel firm, and suggested that all activities within the firm fall into one of these constituencies. Upper management (the executive constituency) formulates the firm's mission, establishes goals, and plans strategies which will move the organization toward

accomplishment of its overall goals. In an apparel retail business the production, operations and finance, and marketing constituencies function primarily to provide information and support services for the merchandising constituency which is the primary profit center.

According to Glock and Kunz (1990), merchandising is the central functional unit which interprets customers' apparel preferences and coordinates "...the planning, development, and presentation of product line(s) for identified target market(s) with regard to prices, assortments, styling, and timing" (p. 30). Kunz's (1990) behavioral model of the apparel firm focused on how the internal constituencies relate to each other and to external coalitions in an effort to create a balance between the firm's need to achieve its goals and the customer's need for product satisfaction.

#### Retail organizational structure and management

Retailers use numerous different structures to organize their people, tasks, and operations. Through retail organization, a firm "...structures and assigns tasks (functions), policies, resources, authority, responsibilities, and rewards in order to efficiently and effectively satisfy the needs of its target market, employees, and management" (Berman & Evans, 1989, p. 277).

Patterns of retail organization vary considerably between the simple structures of small, independent retailers and the often complex organization of chain and department store

retailers. The type of structure depends on a variety of factors such as size of the establishment, the number of outlets that are part of the business, the type of goods or services sold, and the qualifications of potentially available employees (Lewison & DeLozier, 1989).

Kunz (1990) contended that all activities within the apparel firm may be grouped according to the five major functional units or constituencies previously described. The production constituency is found only in vertically integrated apparel retailing firms. In the absense of the production constituency, the merchandising constituency negotiates the acquisition of finished apparel goods from external suppliers for resale to the ultimate consumer.

Many retailers prepare charts or diagrams to illustrate their form of retail organization. Organizational form is strongly influenced by how its activities and tasks are classified. All business activities must be organized to accomplish the objectives of the individual firm. Typically, the same activities must be performed whether a retail business is large or small. These activities include purchasing and preparing merchandise for sale, attracting customers, selling merchandise, keeping proper records, and evaluating the performance of the organization. The degree of specialization, not the functions performed, distinguishes the structure of the small retail business from the large one (Mason & Mayer, 1981). The organizational chart of a small



retail store may be very simple and only consist of an owner-manager level and a sales employee level.

A manager (executive or supervisor) is "any person in an organization who is accountable not only for his or her personal job performance, but also for the job performance of subordinates.... The manager's primary task is to create and maintain environments in which people can accomplish goals efficiently and effectively" (Albanese & Van Fleet, 1983, p. 6). Typically, a manager supervises the work activities of subordinates in order to see that their specific tasks are accomplished.

In a large company, "managing" activities are often distinct from the "doing" activities of subordinate employees. This separation is not so distinct in the small firm, where the owner-manager is often directly involved in almost all business activities and may ordinarily work side by side with employees. The owner-manager of a small retailing business is responsible for coordinating the firm's total resources - human, physical, and financial - so that the goals of the organization can be achieved (Pickle & Abrahamson, 1984).

### Organizational and Corporate Culture

#### Context for investigating corporate culture

Tremendous changes in the economic environment and the enormous increase in competition in recent years have resulted in a major search for new models for effective and sensitive

business management. Having a good product and service and a well planned strategy for marketing it to the final consumer is often no longer sufficient for companies to survive and prosper in today's marketplace (Weinstein, 1987). Current emphasis on strategic planning, while critically important for a firm's performance, sometimes is simply not enough to achieve the goals even excellent companies set for themselves (Peters & Waterman, 1982). Business managers are just beginning to understand the inadequacy of contemporary marketing management theory. A company committed to growth and competitive success must also understand and be sensitive to its philosophical foundation or corporate culture (Bookbinder, 1984).

Davis (1984) suggested that a company's business strategy proceeds from underlying, more elusive guiding beliefs which are the foundation of the firm. He contended that strategy is a statement of what a company wants to accomplish, the organization is the vehicle for how the company will accomplish it, and guiding beliefs are the imbedded assumptions as to why the company wants to accomplish it. In addition, Davis suggested that these guiding beliefs are the roots and principles upon which the company is built, the philosophical foundation of the firm which has come to be referred to as corporate culture.

In recent years corporate culture has become a popular phrase in the American business community (Wilkins, 1983).

The concept, however, is not new. According to Bookbinder (1984), different companies have distinctive norms, values, and styles, all factors associated with the concept of culture. A growing body of management literature deals with corporate culture and its relationship to a firm's performance and productivity (Posner, Kouzes, & Schmidt, 1985). Many companies have begun to study their corporate cultures and to use the results to refine their management systems and increase their ability to implement strategies (Bookbinder, 1984). Corporate culture is now firmly established as a relevant concept which is useful in understanding what makes companies effective as well as distinctive (Reynierse & Harker, 1986).

#### Definitions of corporate culture

Corporate culture has been used by managers and management researchers to mean many different and often contradictory things. Wilkins (1983) suggested that for culture to be a meaningful concept for business organizations, care must be taken in defining it.

Corporate culture has been defined in various but similar ways. Each human group and organization, whether it is a family, school, church, civic association, or business, has a particular way of functioning that distinguishes it from all others. According to Spradley (1980), culture is "the acquired knowledge that people use to interpret experience and generate social behavior" (p. 6). All organizations have

systems or patterns of values, symbols, rituals, myths, and practices that have been developed over time since they were founded (Smircich, 1983). A group's particular way of functioning is the manifestation of underlying values, beliefs, and attitudes concerning what is important to that organization and what behavior is expected from its members (Schein, 1989). These underlying elements give meaning to and confer identity on the organization; collectively they define the organization's culture.

Culture, as applied to the business organization, is often called corporate culture and generally refers to a firm's system of shared meanings or shared values and the symbolic representations of shared values that have evolved over time (Enz, 1986). Davis (1984) found that every organization has its own word or phrase to describe what it means by culture; to most business managers words like beliefs, being, core, culture, ethos, identity, ideology, manner, patterns, philosophy, purpose, roots, spirit, style, way, and vision all mean nearly the same thing. Davis used corporate culture to mean "the pattern of shared beliefs and values that give the members of an institution meaning, and provide them with the rules for behavior in their organization" (p. 1).

This system of shared meanings is expressed in the behavior of employers and employees as they carry out everyday activities and respond to needs and problems faced by the

business organization. Shared values determine, to a large degree, what managers and employees see as guidelines or principles for how they should behave and respond within the organization.

#### Role of founder in development of culture

The culture of a firm reflects the vision or mission of its founder who established the purpose and philosophy by projecting an image of what the organization should be (Robbins, 1988). The small size of most new firms facilitates the imposition of the founder's vision on all of its employees; the fact that the founder of the small company is often directly involved in almost all business activities as both owner and manager suggests that performance of employees and the firm itself will be significantly influenced by those underlying beliefs, values, and theories he or she brings to the firm (Schein, 1983). Schein contended that a firm's culture is not the overt behavior, visible artifacts, or even the philosophy of the firm that the founder may articulate or write down, but it is the assumptions that underlie the values that determine behavior patterns and such visible evidence as architecture, office layout, dress codes, and so on.

Any new organization has the problem of developing shared assumptions about the nature of the world in which it exists and how to manage and create a workable set of relationship rules so that it can operate effectively. The newly founded group's culture does not develop until it has overcome various

crises of growth and survival and has worked out solutions for coping with internal problems of integration and external problems of adaptation (Schein, 1983).

Schein contended that ultimately corporate culture will always reflect interaction between 1) the founder's guiding beliefs and assumptions and 2) what the first employees learned from their own experience within the firm. The "culture that then emerges is one of shared solutions to problems which work well enough to begin to be taken for granted - to the point where they drop out of awareness, become unconscious assumptions, and are taught to new members" (Schein, 1983, p. 15) as the acceptable way to think and behave as a member of the organization.

#### Central role of culture within the firm

Culture, expressed as "shared values" in the McKinsey 7-S Framework for management (see Appendix A), is central to the business organization and has impact on all functions and activity in the organization (Peters & Waterman, 1982). Pascale and Athos (1981) referred to shared values as superordinate goals and suggested that superordinate goals provide the glue that holds the other six elements - strategy, structure, systems, style, staff, and skills - in the 7-S Framework together. The central role of corporate culture in making sense of and providing consistency of meaning to the primary activity of a business organization is also pointed out by Deal and Kennedy (1982). They contended that the

rational aspects of organizational functioning such as structure, strategy, budgeting, and operations are not as important to the firm's performance as the shared understandings of employees.

While critics of corporate culture suggest that the concept of organizational values is too abstract and prefer to use more tangible concepts as management tools, Posner, Kouzes, and Schmidt (1985) were convinced that shared values make a significant difference in the lives of employees as well as in the performance of the firm. Watson (1963) wrote an entire book about the importance of corporate values concerning his experience with IBM Corporation in which he says, "...The basic philosophy, spirit, and drive of an organization have far more to do with its relative achievements than do technological or economic resources, organizational structure, innovation, and timing" (p. 17). What these business managers and management scholars have emphasized is the critical, central role that corporate culture plays in the prosperity of the firm.

#### Implications for managers and employees

Corporate culture has impact on all aspects of management and employee functions. According to Schein (1985), "There is no such thing as a culture-free concept of management" (p. 315). Culture is similar to a script; it is normative in that it sets forth general and specific rules and guidelines, written and unwritten, that guide the firm's members in their

daily activities and routines (Schein, 1989). The shared meanings supplied by a culture are typically applied to needs and problems commonly faced by managers and employees as they carry out everyday business activities. Schein further suggested that a firm's culture helps determine 1) the way business strategy is carried out, 2) the nature of interaction with external publics such as customers, suppliers, and financial advisors, 3) the kinds of people hired, how they are trained, and how they are compensated, and 4) the nature of internal interaction between management and employees that influences both atmosphere and climate of the workplace. Culture constrains choices by conveying to employees which behavior and practices are acceptable in the firm and which are not (Robbins, 1988).

The results from a nationwide survey of American managers indicated that corporate values significantly influence the performance of managers, employees and the organization itself (Posner, Kouzes, & Schmidt, 1985). Posner, Kouzes, and Schmidt found that shared values are related to both managers' and employees' behavior and feelings about 1) self-confidence and personal success, 2) stress and job satisfaction, 3) understanding of and commitment to the goals of the firm, 4) ethical behavior of and within the firm, and 5) the firm's publics, particularly attitude toward its customers.



### Profiling and measuring corporate culture

Schein (1989) suggested that business managers should be aware that corporate culture can be both managed and changed. Understanding a firm's culture may provide a basis for action to reinforce those dimensions identified as productive and to change those dimensions identified as counterproductive to the overall objectives of the firm. According to Kanter (1984),

"...Culture manifests itself through numerous organizational structures; it is made concrete by organizational events. And, thus, it can be managed; it can be shifted by changing concrete aspects of an organization's functioning" (p. 196). Reynierse and Harker (1986) contended that the current body of literature on corporate culture fails to address both management and measurement issues, and that culture cannot be managed unless it can be measured.

A number of attempts have been made to identify and categorize dimensions of corporate culture in an effort to develop a system for measuring or profiling it. Cultural dimensions identified by various authors were synthesized for use in developing the interview schedules for this investigation (see Appendix B for a synthesis of corporate cultural dimensions). The following is a brief discussion of the findings of various authors.

Reynierse and Harker (1986) developed a survey and analysis research instrument that could be used to examine, measure, and suggest applications for management in a large

corporation; however, they considered the data base too small to be useful for different size firms or across different industry groups. Ten critical factors Reynierse and Harker used to assess a firm's culture included:

- 1) "importance of people: management values and respects employees and acknowledges their contributions.
- 2) management visibility: management is in touch with employees and operations.
- 3) acceptability of non-conformity: non-conformity is acceptable and provides the base for innovation.
- 4) clarity of standards: employees are accountable for meeting challenging performance goals.
- 5) commitment to training: employees are well trained to enhance their career and work skills.
- 6) intimacy and values: organizational closeness and continuity is promoted by shared beliefs and values.
- 7) internal competition: employees are rewarded and receive recognition for achieving ambitious goals and results.
- 8) customer orientation: customers are a priority and strong efforts are made to satisfy customer needs and wants.
- 9) internal communication: people share information freely using both formal and informal channels of communications.
- 10) action and change: organizational structure and

support departments promote action and decision making" (p. 4).

In an attempt to provide management practitioners with a tool to be used to coordinate their strategic management interests with their organizational management realities, Betts and Halfhill (1985) proposed 13 dimensions of culture to be included in a survey instrument for the measurement of organization culture. Recognizing that definitions of corporate organizational culture range from a "view of culture being shaped by the external environment, to a view of culture as an internal set of shared values, expectations, and beliefs, to the final view of culture as an internal set of assumptions concerning how to deal with the internal and external environments" (p. 898), Betts and Halfhill divided their dimensions of culture into two segments. Adaptation to external environment dimensions included 1) strategic clarity, 2) time-goal orientation, 3) performance orientation, 4) market orientation, and 5) flexibility and innovation. Internal climate and practices dimensions included 6) autonomy, 7) rules and procedures, 8) employment security, 9) reward systems, 10) stories, myths and rituals, 11) warmth and support, 12) communication style, and 13) leadership style.

Peters and Waterman (1982), in an in-depth study of some American companies identified as "excellent", suggested eight basic principles for managers to consider when running their own firms. They contended that the best-run American firms 1)

stay close to the customer by learning needs and preferences and catering to them, 2) make decisions to act rather than sending a question through cycles of analysis and committee reports, 3) break their corporations into small companies and encourage these sub-units to think independently and competitively, 4) create in all their employees an awareness that their best efforts are essential and that they will share in the rewards of the company's success, 5) insist that all management at all levels keep in touch with the firm's essential business, 6) stick to their primary business - continue to do what the company knows best, 7) simplify form, use lean staff, have few administrative layers, and have few people at upper levels, and 8) foster a climate where there is respect for individual differences in employees who are also dedicated to the central values of the company.

Bookbinder (1984) reported finding six distinct dimensions of a corporation's culture which included 1) effective management of employees, 2) ability to cope with pressure, 3) quality orientation, 4) vision of the future, 5) willingness to take risks and be innovative, and 6) a customer versus company orientation. Although similar dimensions have been identified by others, Bookbinder's dimensions may be too broad to be used effectively for profiling a firm's culture.

While corporate cultures vary widely according to factors such as company size, industry, strategy, and financial performance, cultural dimensions that have been identified by

various authors as common to all business environments were summarized by Robbins (1988) to include:

- 1) "individual initiative: the degree of responsibility, freedom, and independence that individuals have.
- 2) risk tolerance: the degree to which employees are encouraged to be aggressive, innovative, and risk-seeking.
- 3) direction: the degree to which the organization creates clear objectives and performance expectations.
- 4) integration: the degree to which units within the organization are encouraged to operate in a coordinated manner.
- 5) management support: the degree to which managers provide clear communication, assistance, and support to their subordinates.
- 6) control: the number of rules and regulations and the amount of direct supervision that is used to oversee and control employee behavior.
- 7) identity: the degree to which members identify with the organization as a whole rather than with their particular work group or field of professional expertise.
- 8) reward system: the degree to which reward allocations (i.e., salary increases, promotions) are based on employee performance criteria in contrast to seniority, favoritism, and so on.
- 9) conflict tolerance: the degree to which employees are

encouraged to air conflicts and criticisms openly.

10) communication patterns: the degree to which organizational communications are restricted to the formal hierarchy of authority" (p. 66).

Robbins contended that although no definitive method for measuring corporate culture exists, preliminary research suggests that by analyzing a business organization according to the dimensions listed above, a composite picture or profile of corporate culture can be formed.

Robbins' (1988) list of ten corporate cultural dimensions was preferred as the point of departure for this study because the dimensions are generic in nature and therefore might allow more flexibility in interpretation of data. This may be useful and appropriate for studies involving different size firms or across different industry groups.

While the dimensions Robbins identified appear to be inclusive of those internal factors that impact values and behavior of the business organization, they do not include external dimensions which may be important factors influencing the overall corporate culture of a firm. Retailing, which involves the primary activities of buying goods from suppliers and selling them to the ultimate consumer, implies a strong focus on products and external publics. Additional dimensions identified by Betts and Halfhill (1985), Bookbinder (1984), Peters and Waterman (1982), and Reynierse and Harker (1986), were summarized to include 1) product orientation: the firm's

image and market positioning in terms of quality, price, styling, etc., and 2) orientation to external publics: the degree to which importance is placed on interaction with customers, community, suppliers, financial advisors, and others. Two additional dimensions were added to those identified by Robbins, and the composite list of twelve dimensions was used to prepare the interview schedule for the present investigation (see Appendix B).

### Research Approach

#### Qualitative research in a field setting

Kerlinger (1986) explained that a field study is a "...non-experimental, scientific inquiry aimed at discovering the relations and interactions among sociological, psychological, and educational variables in real social structures" (p. 372). Field studies generally refer to non-experimental investigations that examine existing relationships and situations of people in their everyday lives and that do not attempt to manipulate or influence the subjects being studied. Research that is done in a field setting is often naturalistic in nature and results in the collection of qualitative data, although quantitative data may be obtained as well. In a naturalistic, interpretive approach to research, the investigator usually aims to understand a range of meanings of behavior; the findings are tied to the context or field setting and are holistic in scope.

Field research that is done today ranges from investigations yielding highly standardized, quantitative data for testing of hypotheses to interpretive, qualitative descriptions of social groups in the anthropological tradition (Touliatos & Compton, 1988). These studies may be further classified into investigations that require minimum involvement of the researcher with informants and those that require maximum involvement with informants. According to Touliatos and Compton, most research conducted in field settings falls into the first classification and involves only transitory participation at the site by the investigator as compared with maximum involvement field studies commonly referred to as ethnographic research. Minimum involvement investigations may be highly focused studies that necessitate only a few visits to the site and require minimal interaction with participants other than that which is required for data collection.


When interviews or moderately structured questionnaires are used, the investigator, as the human research instrument, attempts to assume a relatively neutral role, trying to be objective in the collection of data which are usually qualitative in nature. Lincoln and Guba (1981) contended that the human interviewer is the instrument of choice for naturalistic inquiry. The following characteristics of the human research instrument facilitate qualitative, inductive data collection: 1) responsiveness - the human interviewer



can sense and respond to personal and environmental cues, 2) adaptability - the human interviewer is virtually infinitely adaptable and can collect information about multiple factors simultaneously, 3) holistic emphasis - the human interviewer is capable of grasping any phenomenon and its surrounding context in one view, 4) knowledge base expansion - the human interviewer is competent to function in the areas of propositional and tacit knowledge simultaneously, 5) processual immediacy - the human interviewer has the ability to process data as soon as they become available, to generate hypotheses, and to test those hypotheses with respondents in the situation in which they were created, 6) opportunities for clarification and summarization - the human interviewer is capable of summarizing data immediately and feeding them back to a respondent for clarification, correction, and amplification, and 7) opportunity to explore atypical responses - the human interviewer can explore atypical responses, which may be discarded with an ordinary instrument, to test their validity, achieve a higher level of understanding, and discover dimensions unexpected during initial development of instruments.

Data collected in any investigation are useless unless steps are taken to ensure credibility and dependability. The trustworthiness of the human instrument can be assessed and refined in much the same manner as reliability of any "paper-and-pencil" instrument. "Extensive trial and revision is

usually needed before an instrument can be regarded as minimally acceptable. And of course the same is true of the human instrument. One would not expect individuals to function adequately as human instruments without an extensive background of training and experience" (Lincoln & Guba, 1985, p. 194). Because humans can learn and profit from experience, there is no reason to believe that humans cannot attain a level of trustworthiness similar to non-human instruments. A well-designed questionnaire can be very effective in the hands of a skilled interviewer resulting in highly dependable and credible data.

Because there is on-going debate concerning the issue of qualitative versus quantitative research traditions, brief mention should be made of those differences which affected the decision to use the long interview data collection technique for this investigation. According to Glaser and Strauss (1965), the biggest difference between the two methodologies is the way in which analytic categories are treated. When using a quantitative strategy, the researcher seeks to isolate and define categories as precisely as possible before the investigation begins, and then to determine, again with great precision, the incidence of occurrence or the relationship between them. On the other hand, most often the goal of qualitative investigations is to isolate and define categories as they emerge from the data during the process of research.  "For one field, well defined categories are the means of

research, for another they are the object of research" (McCracken, 1988, p. 16).

Lincoln and Guba (1985) suggested that the investigator who uses a naturalistic approach to research prefers inductive analysis of qualitative data because the process is more likely to identify the multiple realities which might be found in that data. They contended that since no 'a priori' theory could possibly encompass the multiple realities that might be encountered, the naturalistic researcher prefers to have substantive theory emerge from or be grounded in the data. According to Glaser and Strauss (1967), grounded theory is developed by generating "conceptual categories or their properties from [research] evidence; then the evidence from which the category emerged is used to illustrate the concept" (p. 23). Lincoln and Guba (1985) preferred the case study reporting mode to a quantitative or technical report because it is more adapted to a description of the multiple realities which may be encountered at any given field site.

### Case studies

An approach to research which is particularly appropriate for in-depth analysis of a group, a culture, or an organization and which may be conducted in a field setting is the case study. Many different forms of writing have been labeled case study, and there is no universally accepted way of classifying the various types of case studies. The case study research strategy may be used for different purposes,

pursued at different analytic levels, may require different investigation procedures, and may result in different products (Lincoln & Guba, 1985). Life history or situation interviewing, participant observations, photographs, questionnaires, and other field study techniques frequently result in case reports. Yin (1981) contended that in spite of the close association among case studies, qualitative data, and participant observation, it is important to emphasize that no particular type of data collection technique or research evidence is necessary for the production of a case study.

Yin (1984) suggested that the case study should be considered a formal research strategy in its own right. As an approach to research, the case study contributes uniquely to our knowledge of individual, organizational, social, and political phenomena. For all of these situations, the use of the case study may result in an understanding of some complex behavioral interaction. Yin further suggested that the case study is a research strategy that is particularly well suited for investigators seeking to describe or to answer how and why questions about real-life events over which the investigator has little or no control and that, conversely, it is not appropriate for questions regarding incidence. In an effort to help understand case studies and to distinguish them from other research strategies, Yin provided a technical definition for the case study as "...an empirical inquiry that investigates a contemporary phenomenon within its real-life

context; when the boundries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used" (p. 23).

In conducting case study research, the investigator may use either a single-case or a multiple-case design. Single-case designs are usually appropriate when the situation to be investigated represents "...a critical case (that tests a theory), an extreme or unique case (that merits careful documentation and analysis), or a revelatory case (that provides an opportunity to examine a phenomenon that was previously inaccessible to study)" (Touliatos & Compton, 1988, p. 246). When the case study strategy calls for a multiple-case design it should be considered similar to the use of multiple experiments conducted for the purposes of replication (Yin, 1984).

The case study is a versatile approach to research that is well suited to exploratory as well as descriptive or explanatory purposes and is a preferred strategy in examining contemporary events when the revelant behavior cannot be manipulated. The case study relies on many of the same sources of research evidence as used in historical research, such as primary and secondary documents and cultural and physical artifacts, but adds sources of evidence which may include direct observation and systematic interviewing. Case study and history strategies can overlap, however: "The case study's unique strength is its ability to deal with a full

variety of evidence - documents, artifacts, interviews, and observations" (Yin, 1984, p. 20). This use of a variety of evidence is a critical factor in facilitating research quality control with regard to issues such as reliability and validity.

Designing a good case study involves planning, structure, and strategy. Kerlinger (1973) contended that prior to beginning any naturalistic inquiry, the investigator must plan the overall scheme or program of the research. The planning stage should include an outline of everything that will be done from writing the research questions or hypotheses and their operational implications to the final data analysis procedures. An outline of the interaction of the variables, categories, or relationships is the structure of the research design. The strategy includes the methods to be used to gather and analyze the data and implies how the research objectives will be accomplished.

According to Yin (1984), preparing for case study data collection can be complex and difficult. Preparation should include having or acquiring adequate personal skills on the part of the investigator, the development of a protocol for the investigation, and conducting a pilot case study. Yin suggested using these steps to help assure that the case study is managed smoothly and conducted with high quality.

The development of a protocol is a particularly effective method of increasing the overall reliability or dependability

of a case study. There are two main parts of the case study protocol. The first involves identifying one or more hypotheses or questions to be investigated and the probable sources of evidence to be used, as well as selecting or preparing the research instruments needed. The second part of the case study protocol involves identifying and preparing for actual field procedures such as contacting organizations or individuals for interviews, scheduling actual data collection activities, and preparing a list of and gathering supplies. The use of a case study protocol provides systematic, documented procedures that should increase the trustworthiness of the findings in the case study report.

#### The long interview

The first part of developing the case study protocol involves outlining the research questions, identifying the probable sources of evidence to be used, and selecting or preparing the research instrument or instruments needed for the investigation. While the sources of evidence used may vary according to the particular research question being investigated, McCracken (1988) promoted the long interview as "the method of choice when cultural categories, assumptions, and themes are objects of investigation, and when total immersion in the studied scene is impractical or impossible.... The long interview is one of the most powerful methods in the qualitative armory" (p. 5).

The long interview, as a qualitative data collection

technique, may be distinguished from the unstructured ethnographic interview, participant observation, the focus group, and the in-depth interview. McCracken (1988) contended that the long interview departs from the unstructured ethnographic interview in that it adopts a deliberately more efficient and less obtrusive format; from participant observation in that it attempts to accomplish some ethnographic objectives without committing the investigator to intimate, repeated, and prolonged involvement in the life or community of the informant; from the focus group in that it is conducted between the investigator and a single respondent; and from the in-depth interview in that it is concerned with cultural categories and shared meanings rather than individual affective states. The long interview is specifically designed to give the investigator a highly efficient, sharply focused instrument of inquiry.

The use of a questionnaire, usually referred to as an interview schedule, in a qualitative research interview is sometimes regarded as a discretionary matter, but for the purposes of the long interview, it is indispensable. Brenner (1985) contended that the demanding objectives of this type of interview require its use.

In the qualitative research interview, a questionnaire functions to ensure that the investigator 1) preserves the general conversational context of each interview and covers all the issues in the same order for each respondent,



2) schedules and precisely situates carefully designed prompts which are necessary to manufacture distance between the investigator and the informant, 3) establishes guidelines for the direction and scope of the discussion, and 4) frees the investigator to give his or her full attention to the testimony of the informant (McCracken, 1988). McCracken added that "it is important to emphasize that the use of the questionnaire does not preempt the 'open-ended' nature of the qualitative interview. Within each of the questions, the opportunity for exploratory, unstructured responses remains" (p. 24). He contended that the questionnaire that is used to order data and free the interviewer must not be allowed to destroy the elements of freedom and variability within the interview.

Development of the questionnaire is one of the most difficult yet critical steps in successfully using this approach to research. Genuinely qualitative questions which will elicit revealing testimony concerning non-explicit attitudes and behavior are not so easily identified. McCracken (1988) suggested that questionnaire development should begin with an exhaustive review of the literature. A good literature review enables the investigator to define problems and establish boundries for topics the interview will be used to explore, aids in the identification of categories or relationships, and may indicate larger factors that can direct respondent testimony and help determine what the

investigator should ask about and listen for.

A second step calls for an introspective examination of the researcher's personal experience in relation to the topics being investigated. This provides an opportunity to identify cultural categories or relationships that have not been considered in the scholarly literature. Once identified, these categories or relationships from the literature and from personal insight become the basis for question formulation. "What should I look for? How will it be configured? What is the best and least obtrusive way to ask about it?...What questioning strategy would most certainly elicit what I know about this subject?" (McCracken, 1988, p. 33).

Lincoln and Guba (1985) suggested that not everyone is suited for the task of conducting effective naturalistic, inductive research. It demands techniques of observation that require the investigator to sort and focus qualitative information, and to use his or her experience and imagination to formulate patterns or categories evidenced by the data. It also demands skill in interpersonal relationships and an ability to adapt, if only briefly, to field settings which may be quite alien or even highly objectionable to the researcher.

The "self as research instrument" concept is a particularly appropriate consideration for the investigator who plans to use the long interview for data collection. Fortunately, interviewing techniques can be learned, and a well prepared investigator might conduct practice interviews

to pre-test the questionnaires and also to acquire at least minimal interviewing skills before beginning pertinent data collection (Yin, 1984). A well designed questionnaire can be highly effective in the hands of a skilled interviewer.

## METHOD

In accordance with the purpose of this study, which was to profile the corporate culture of small apparel retail firms situated within the trading area of a regional shopping center, the case study approach to research was selected as most appropriate to facilitate an indepth investigation of a small number of firms on a large number of variables. The long qualitative interview was chosen as the primary method of eliciting information related to previously identified dimensions of corporate culture as well as to allow for the emergence of other dimensions unique to small apparel retail firms. The interviews and other sources of evidence generated a considerable amount of qualitative data, which were analyzed for thematic content and synthesized to form a cultural composite of each firm investigated. It was expected that each distinctive situation of proprietorship might manifest itself in a distinctive corporate culture profile. Similarities and differences across firms were examined.

## Case Study Protocol

A multiple case study protocol was prepared as suggested by Yin (1984). The first part of the case study protocol involved outlining the purpose of the research, identifying the sources of evidence to be used, and preparing the research instruments needed for the investigation. The second part of the case study protocol involved identifying and contacting

owners of firms, scheduling data collection activities, and gathering supplies needed to conduct interviews.

### The sample

Initially, six Iowa apparel retail firms located in towns of less than 15,000 population and situated within 30 miles of a regional shopping center were identified. Each of these firms was a sole proprietorship, owner-managed, and employed less than 15 persons on a full or part-time basis. An initial conversation with the owner-manager of each firm revealed characteristics of proprietorship that provided a basis for final selection of three firms for indepth investigation for this research.

Three firms were eliminated from this investigation for reasons which included store relocation, owner's reluctance to cooperate in the investigation, and retirement liquidation of the store. The owners of the remaining three firms agreed to participate in the study. At the time of this investigation each firm's owner was female, each firm had been under its current management in its current location between 3 and 7 years, and each firm's owner alleged that her business was a profitable operation. Firm A was a family business recently taken over by the retiring founder's daughter; Firm B was recently purchased from the retiring founder by a former employee with considerable business education and apparel retail experience; and Firm C was recently rescued from closure by a civic-minded individual with no previous business

education or experience, solely as an attempt to prevent the extinction of that small community's business district.

#### Data collection instruments

Four sources of evidence were included in the case study protocol: 1) the long interview, 2) a short personal data questionnaire, 3) an observation schedule, and 4) photographs of the physical firm.

Robbins' (1988) summary of cultural dimensions was the initial basis for developing the interview questions for owners and employees. Additional dimensions which were expected to be important factors in the overall corporate culture of a retail firm were added to those identified by Robbins.

A list of potential questions which might be used to elicit information related to each dimension was prepared (see Appendix B for interview schedule development procedures). From the list of specific questions, more general questions with potential probes were developed to incorporate the specific ideas and topics related to the cultural dimensions. The questions and probes were ordered along with other questions which were included for establishing rapport (see Appendix C for complete interview schedules).

An employee and an owner of other apparel retail firms, which were not part of this investigation, were interviewed for pilot testing of the interview schedules as well as

to provide practice for the interviewer who was also the investigator for this study. One of these practice interviews was observed by an interview trainer who gave advice on interaction style, pacing of questions, and minimizing of interviewer bias. The test interviews went smoothly, and no changes were made in the interview schedules.

A brief personal data questionnaire was prepared for owners and employees with questions related to sex, age, business experience, and education. A final question was included to ascertain the perceived viability of each business (see Appendix D for personal data questionnaires).

An observation schedule was prepared as a guide for recording observations and impressions of physical aspects of each firm and its merchandise as well as of owner-employee-customer interaction that occurred during visits to each site. The check-list format of the observation schedule provided opportunity to record observations and comments related to exterior and interior decor, store layout, visual merchandising, housekeeping standards, employee's clothing, and overall atmosphere or ambience (see Appendix E for observation schedule).

### Procedure

Data collection took place over a 12-week period during the spring of 1990. The owners of the three firms were interviewed first. They provided names of all employees and permission to interview on site during store hours. Five

full and part-time regular employees from Firms B and C and four from Firm A were randomly selected and contacted by telephone to set up appointments for interviews.

Interviews, which were audiotaped, were conducted on site in an office or area separate from the selling floor in all cases but one--a full-time employee on maternity leave preferred to be interviewed in her home. Each participant was asked to read and sign a consent form prior to her interview (see Appendix G for consent form). Interviews with owners ranged from one and one-half to two hours, and interviews with employees ranged between 35 and 50 minutes in length. A personal data questionnaire was completed by each participant immediately following the interview.

Photographs of the internal and external store were taken during one of the visits to each site. Observations and comments were noted on an observation schedule for each visit immediately or as soon as possible after leaving the site.

#### Data Analysis

All audiotaped interviews were transcribed verbatim onto File Maker Plus (Chadwick, Bowers, Warren, & Albert, 1986), a computer software word-filing system developed for Macintosh. This system aids retrieval of information; the content analysis was performed by human judges.

For initial content category refinement, twenty pages of transcripts were randomly selected from interviews of one



owner and three employees distributed across the three firms. Three researchers, working independently, categorized statements on the 20 pages of transcripts according to the twelve corporate culture dimensions in Appendix B. Phrases, sentences, and paragraphs were examined for themes related to the culture dimensions. Some revisions were made in the coding guide after the initial coding attempt was compared among researchers. After negotiations by the three coders, corporate culture categories were refined. For example, the control dimension was collapsed into one category with the direction dimension. The orientation to external publics dimension was found to be so multi-faceted that it was divided into four sub-categories related to: 1) customers, 2) community, 3) suppliers, and 4) others.

Two of the researchers coded all transcripts and negotiated all differences in category assignments. Throughout the negotiation process, understanding of the categories evolved and was incorporated in further refinement of the categories (see Appendix F for final version of the coding guide). The process of two coders discussing all category assignments served to increase trustworthiness of interpretation of the data. The two researchers, with diverse backgrounds in business and academia, worked synergistically to expand each others' understanding of the data content.

In addition, to conduct a standard test of inter-coder reliability, three separate sets of 10 pages of transcripts

were randomly selected from the data. At three different times--the beginning of transcript coding, after approximately half the transcripts had been coded, and after all remaining transcripts had been coded--one of the randomly selected sets of transcripts was coded independently by the two researchers and compared for agreement of category assignments. According to Holsti (1969), a measure of reliability or percent agreement for the three tests was .60, .74, and .77 respectively.

Using the File Maker Plus (Chadwick et al., 1986) computer word-filing system, all incidences of each category were separated from the transcripts and summarized by individual firm. The findings by category were compared across firms. A summary of the information from the personal data questionnaires, the observation schedules, and the photographs was combined with interview content analysis results to shape a descriptive overview of each firm.

## RESULTS AND DISCUSSION

### General Description of Firms

The personal data questionnaires, the observation schedules, and photographs were compiled into a descriptive overview of each firm. At the time of this investigation, each firm's owner was female and between 40 and 55 years of age, each firm had been under its current management in its current location between 3 and 7 years, and each firm was described by its owner as a profitable operation. All firms employed between 5 and 9 full and part-time workers, all female, who ranged between 14 and 67 years of age.

Firm A was a family business recently taken over by the retiring founder's daughter. She had some college education and nearly 30 years of sporadic experience with the firm. The store, located in a town with a population between 5,000 to 10,000, was the largest in physical size but, from all evidence, generated the lowest volume of sales of the three firms investigated. While the total sales volume for 1989 was not disclosed, the owner indicated that the business had both declining sales and declining profits; all employees perceived the business to be stable and either not profitable or with declining sales.

Firm A carried apparel for women, men, and children, and generally offered budget to moderate priced basic and staple goods. Old fashioned tables, racks, and other fixtures and a generally haphazard and cluttered display of merchandise gave

the overall impression that it was a "warehouse" operation carrying bargains. All employees dressed very casually in pants, jeans, shorts, and T-shirts or sweatshirts while the owner wore updated casual clothing.

Firm B was recently purchased from the retiring founder by a former employee with a Bachelor of Science Degree in business and 25 years experience in retailing, 18 of those years in apparel. Located in a town with a population between 10,000 to 15,000, Firm B appeared to be the smallest in physical size but was the biggest in sales volume, generating approximately \$450,000 in 1989. The owner indicated that her business was growing and profitable, and all the employees perceived this to be true.

Firm B, a women's specialty apparel store, generally offered moderate to better priced apparel of better quality and somewhat updated styling. While the bulk of the merchandise was career and better apparel and accessories, substantial floor space was allocated to casual wear for high school and college age younger women. This was the only firm that employed a part-time person specifically for visual merchandising and display. Merchandise in the windows and on interior walls was well displayed, and floor displays were neat and well organized. The owner and all employees were well-groomed and wore dresses, skirts, or suits similar in style to the merchandise carried in the store. Upon entering, customers were greeted immediately and helped individually.

Firm C was recently purchased by a civic-minded individual with no previous business education or experience in an attempt to prevent the loss of another of the community's businesses. In spite of its location in a small town with a population between 1,500 to 5,000, this firm generated approximately \$275,000.00 in sales in 1989. The owner indicated that the business was growing and profitable, and all employees perceived the business to be either growing and profitable or stable and profitable.

As a women's specialty apparel store, Firm C generally carried moderate to better priced apparel of better quality targeted to customers 35 to 40 years old and older. Only a limited amount of merchandise for young women of high school and college age was offered. This was the only store that did not currently employ any sales person under 34. The average age of employees was over 50; the oldest sales person was 67 years old. Firm C had high ceilings and a bright, open space with neatly arranged wall displays. The overall appearance was orderly. The employees were casually dressed in skirts, dresses, or suits of conservative yet contemporary styling. Customers were engaged in friendly conversation while being helped by one or more sales persons at the same time. This store, while not the most exciting in its visual merchandising, had the most relaxed and friendly atmosphere of the three stores investigated.

### Analysis of Cultural Dimensions

All transcribed interviews were examined for themes related to the twelve corporate culture dimensions in Appendix B and coded accordingly. Differences in category assignments were negotiated by the researchers as the interviews were coded. Throughout the negotiation process, understanding of the categories evolved and the corporate culture dimensions were refined to arrive at the final version of the coding guide (see Appendix F). A brief summary of the dimensions of corporate culture is found in Table 1. Each dimension is further explained and analyzed separately.

#### Communication patterns

The communication patterns dimension might have included all interpersonal interaction and therefore was limited to incorporate references to the degree to which communication was restricted to a formal hierarchy of authority, lack of restriction and freedom of interpersonal communications about the business, the degree of personal confidences shared, and the closeness of owner-employee relationships within or outside of the business.

Across all three firms, communication patterns were found to be unrestricted by rigid hierarchical structure. Without exception, owners and employees talked of confiding in each other frequently, sharing family and personal information, and openly discussing the general financial, merchandising, and customer aspects of the business. Comments like, "Most of us

Table 1. Summary of corporate culture dimensions

Dimension	Description
Communication patterns	Freedom in interpersonal communications
Conflict tolerance	Tolerance for differences of opinion or human characteristics
Direction	Leadership, supervision; written or implied rules, regulations, or expectations for behavior
Identity	Characteristics of owner personified in firm; employees' identification with organization or specific role within the firm
Individual initiative	Perceived freedom to act independently
Integration	Cooperation and team spirit
Management support	Assistance, support, concern for employees provided by manager
Orientation to external publics	Quality and characteristics of interactions with customers, community, suppliers, and others
Firm image	Image and market positioning in terms of product quality, price, and styling; what firm represents through physical structure, location, and services offered
Reward system	Type and manner of reward allocations as salary, etc.
Risk tolerance	Innovativeness in behavior
Miscellaneous	Emergent themes

have been friends all our lives or for a long time so it's not a business-only relationship" and "our relationship is just all-around...it's business, it's friends, it's different things", were common. The owner of Firm A said she did have a slight problem with a new employee who reported to another employee at first "instead of me because I'm too easy-going". On the other hand, the owner of Firm B said,

"In general we're friends, and we do confide in one another...but that's not saying that they don't know who the boss is because they do, and I think they pretty well respect me".

Overall, owners and employees indicated that they regularly shared information concerning customer requests, how the merchandise was selling, and general ups and downs of the business. An employee from Firm A said of the owner, "She likes our opinion on everything. She really does". The owner of Firm B spoke of her employees "writing notes to me all the time and talking to me all the time...I'm here", which was a sharp contrast to the employees of Firm C who, more than once, suggested that their owner "is so busy she's just never around any more". One employee of Firm C said,

"We're having a little bit of a communications problem right now. She's gone so much with her other interests ...so it's been a little harder".

Another employee of the same firm, referring to requests for opinions, said,

"She has the eye. She either likes it or she doesn't, and she knows what's gonna sell and what's not gonna sell...so she doesn't ask".



Conflict tolerance

The conflict tolerance dimension related to the degree to which owners and employees were able to openly air conflicts and criticisms, their perceived freedom to comment, suggest, or discuss problems and concerns, and their ability to tolerate differences of opinion and personal characteristics.

On the whole most owners and employees agreed that there were few situations causing conflict within their firms and, for the most part, only minor problems were experienced. Strong commitment on the part of employees to minimize conflict may be necessary in small organizations where employees work closely together and share personal information regularly. However, there were differences among firms as to the general type of situation that caused conflict as well as the manner in which those conflicts that did occur were handled.

In Firm A, most conflict resulted from the frustrations all employees felt over what they perceived to be the owner's poor organization, limited business skills, and generally lax management style. For example:

"A lot of times I was frustrated with the way she retailed things. We all felt a lot of things were retail priced just too high for what they were worth...and she'd argue with us and we'd argue back and forth and it was frustrating", or "sometimes she'll make me mad. She'll sit up on her perch not doing anything", and "I don't like her unorganization...just clutter, and that's just the way it is in here"

Firm A's owner admitted that

"I've had a few problems with them being snippy at me, and I have not dealt with 'em very well. I finally told 'em I was the boss and that if I wanted it that way, that's the way I'm gonna do it".

Firm A employees seemed resigned to living with the clutter, however. One employee explained how she tolerated the situation:

"I guess you just have to get used to her cause at first I thought she was just gonna drive me crazy, but after a while you just learn to accept it".

Employees of Firm B generally agreed that the little conflict they did experience resulted directly from the commission pay system. One employee suggested that "on any given day there might be a conflict...it can be over selling". Another said, "You know how it is when anybody works on commission. There's some little jealousy, especially with the sales girls". One employee added that "there's always a little of that kind of thing going on, you can feel it, but it never gets out of hand". Referring to the owner of Firm B, one employee recognized that

"she is aware of that [conflict], but most of the time she lets us handle it ourselves cause she feels if we girls have this problem, then we need to talk about this. She tries not to get involved in those petty little things".

Overall, conflict tolerance in Firm B was summarized by an employee who said,

"We don't always agree, but we've always had this feeling that everybody has the right to their own opinion, and we always take stock of each other's opinions".

The owner of Firm C said simply, "Once in a while we may

have problems, but I let them work it out...they're all adults and they can see". The employees agreed that

"there are some frustrations. Those come with any job" and "we might lock horns once in a while, but that's just because one of us probably has something bothering us...but we're all adults, and we quickly get over it".

### Direction

The initial coding of data resulted in the combination of direction and control into one dimension which related to the degree to which clear objectives and performance expectations were communicated; the evidence of leadership, guidance, and supervision; and the amount of written or implied rules, regulations, or expectations for how things should be done within the firm.

The owners of Firm A and Firm C had similar directional styles. There were no written rules and regulations for employee performance or for how things should be done in either firm. Little or no formal training was given when a new person began employment, and there was no regular on-going training. The owner of Firm A said,

"When a new person comes in, I walk them around, tell them the departments, and show them how to read the ticket on the merchandise and run the cash register. Then the most important thing I say is to move out and straighten so you learn where stuff is".

The owner of Firm C similarly had no formal training for new employees. She said,

"You don't have to train 'em cause they're all customers. I do not hire anybody that's never shopped here. I don't hire them if they don't know what this store is all about ...no special training is needed".

All employees from both A and C firms agreed that they had no formal training when they were hired and that any on-going training "is sort of up to us". However, some employees from Firm C did say that "once in a while she [the owner] comes out on the floor and does some selling and we just watch and see what she does" which confirmed the owner's statement that "they've watched me and every once in a while I get out there on the floor to remind them I know how to sell". In neither of these two firms were there any written rules, no personal sales quotas, or regularly posted store sales goals. In general, there were no clear objectives and performance expectations, little evidence of on-going guidance or supervision, and no explicit rules or regulations for how employees were expected to behave in Firms A and C.

Firm B was clearly the opposite. "My girls are trained to the hilt, and I am the trainer in terms of everthing, new and on-going. That's my responsibility". The owner of Firm B made it a point to spend an average of four hours each day on the sales floor and added that, "When I'm on the sales floor I'm training all the time". Every Saturday morning there was a store meeting, also attended by employees not scheduled to work that day, when they would go over

"where they are towards store goal for the month, what's coming up in advertising, what style shows are booked, and any special job assignments for the week...besides using it as a training session".

On-going training often included hands-on practice in selling

techniques, practice at coordinating clothing and accessories suitable for the season, and videotapes or reports on market or professional meetings the owner had attended.

The owner of Firm B stated emphatically that her employees "have to perform in order to earn. I don't pay someone for nothing", and accordingly she set regularly charted store goals and personal sales quotas. They

"have evaluations on a regular basis, overall evaluations; but when I see someone with a problem area, it doesn't wait for an evaluation...we work on it consistently".

Firm B was also the only firm with a store manual which outlined expectations for behavior on the floor, employee dress rules, and step-by-step procedures on how to run the cash register and carry out customer transactions. "We have guidelines, definite guidelines of what you do when you're in the store and what you don't do". But in spite of the degree of explicit direction evidenced in Firm B, there was still flexibility. As one employee added,

"There's nothing really that I know that's written in stone because if we find a better way to go about it, we usually change it".

All three of the firms were small enough to facilitate flexible change of rules and procedures when necessary.

### Identity

The identity dimension referred to the degree to which members identified with the firm as a whole and identified themselves with a specific role within the firm, how employees

felt about being part of the business and their attitude toward the firm and the owner, and the characteristics of the owner personified in the firm.

The small size of the apparel firms studied facilitated the imposition of the owner's vision and philosophy on all of its employees; the fact that the owner of a small firm is directly involved in almost all business activities as both the owner and manager suggests that performance and attitudes of employees and the firm itself will be significantly influenced by those underlying beliefs, values, and assumptions the owner brings to it. Ultimately, the culture of the firm will always reflect interactions between 1) the owner's guiding beliefs and assumptions and 2) what the employees learn from their own experience within the firm (Schein, 1983). This aspect of corporate culture was coded as the identity dimension in this investigation. Themes within the dimension subdivided naturally into two categories: 1) the personal characteristics or attitudes of the owner which were reflected in the overall operation of the firm, and 2) the employee's perceptions of their individual roles within the firm and their attitudes toward being part of the firm. A summary of the data resulted in three clearly distinctive corporate identities.

The owner of Firm A was characterized by herself and her employees as extremely easy-going, casual, undemanding of her employees and of the business itself, and very unorganized.

Referring to the 'tornado-struck' appearance of her office, the owner of Firm A said, "Obviously, neat and tidy is not my middle name". This lack of organization and the easy-going manner were evident in a general disarray throughout the store and in the owner's apparent lack of financial management skills.

"This morning I went through checks...I'm short. So who gets paid on time, who gets paid 3 days late, who gets paid 5 days late or whatever? Usually 2 times a year you run short, right?...in February, March, April and then in September, October, November...those 2 times when all your merchandise is coming in but you haven't sold anything. So then you have to decide...do you want to get a loan, or can you fudge for like 5 days?"

She added that she just didn't have the energy to come in early or stay late to get better organized.

On the other hand, Firm A's employees described her as "very friendly and personal with a lot of the customers". One employee said, "She's crazy, but she knows it. It's a good crazy", and another employee agreed that

"she's crazy and that's what makes her fun to work for. Boss-wise you couldn't work for anyone better...I couldn't work for anyone else".

In spite of their frustrations over the owner's extreme disorganization and limited business management skills, all the employees of Firm A indicated that they really liked working there. They all thoroughly enjoyed working in the clothing retail business, loved fashion, and particularly liked and felt they were very good at working with customers. One employee summarized the attitude expressed by all the

employees when she said,

"I like people a lot, and she's interesting to work for, and all the people that work here are nice. I like it a lot...I love it".

The corporate identity of Firm B was almost the direct opposite of Firm A. The owner of Firm B was consistently described by her employees as very well-organized, an extremely good business person, dedicated to training and motivating employees, and committed to growing the business. In addition to her obvious ability to operate and manage the firm, she was repeatedly described by the employees as "a friendly and outgoing person. People seem to respond to her well". They said she was energetic, very open and easy to talk to, considerate and fair, and that she

"has a real sense of humor. She's fun, she really is fun. We have a good time here and there's a lot of laughs around here. We have a good time together. I love it".

The employees of Firm B were all very pleased to be able to work there partly because "it's a status symbol at this point to get to work here". The fact that they were expected to meet sales goals and earn commissions may have helped to increase their sense of personal pride and identity with this firm. Firm B had the highest paid retail employees in that community, and the employees themselves had considerably more formal education and apparel retail experience prior to working for this firm than the employees in the other two firms investigated.



Several of the employees felt their work fit strongly with their personal identity. One full-time employee commented that she really liked working with fashion, "I live it...I love it", and another agreed with the other employees when she said,

"I like what I'm doing a lot. I never get up in the morning and wish I didn't have to go to work today. I like the people I'm working with, so I have no reason to look anywhere else".

Firm C was taken over by the current owner mainly to prevent the loss of yet another business in that small community's business district. The fact that the owner of Firm C had no previous business education or experience did not prevent her from accomplishing her goal of building a stable business which would draw customers to the community from the surrounding counties. The employees of Firm C described their owner as easy-going, very friendly, and "a very good boss or somebody to work for", but they all also suggested that they wished she'd be in the store more often. Her management style was clearly that of personally making all the operational, financial, and buying decisions and then hiring competent personnel who were left to handle the selling end of the business themselves. One employee suggested that

"the store needs her, the store wants her, the store does very well when she's here. I think she would like to move on to do other things".

It appeared that the owner of Firm C had accomplished what she set out to do with this business and was now in pursuit of new

goals for herself.

The employees of Firm C all liked working there, but had no sense of urgency about it in that they were only there because it was enjoyable and convenient. All but one were part-time employees and liked the opportunity to earn a little extra money while they "meet people and make friends". Most of these employees would not have worked had they not been asked to work for the firm; with no previous business education or retail experience, they might not have been able to find similar jobs elsewhere. As one employee said, "It's just a job. I like it here and will stay here as long as it works for me and she [the owner] will have me".

#### Individual initiative

Individual initiative referred to the degree of responsibility, freedom, and independence that employees appeared to have, their freedom to go ahead and act without asking, aggressiveness in behavior and performance, and their willingness to pursue new skills and responsibilities.

In all three firms, the responsibilities of the employees were quite clearly defined and, for the most part, were limited to activities involving selling merchandise or to the specific clerical tasks for which they were hired. Although there were some individuals who showed more initiative than others, the nature of these employees' jobs did not generally provide much opportunity for individual initiative. A few employees indicated that they would like to go to market to

learn more about the buying end of the business, and others had attended seminars or were interested in retail-related continuing education.

However, a difference in individual initiative was clearly evident among the owners of the three firms in their personal aspirations and aggressiveness in pursuit of accomplishing their goals. One of the great attractions to owning and operating one's own business is that no one but the individual owner can limit her ambition or set the terms for her success; self-ownership allows almost unrestricted individual initiative. While the overall operation and apparent success of Firm B was most impressive, each firm was a success in the terms set by its owner. The owners of all three firms showed varying degrees of individual initiative relative to the terms of success each had established for herself.

The owner of Firm A clearly stated that,

"I don't require big money. When I took over this business I said I wouldn't work like that...I don't allow myself to put in all my time to earn money for which I have no time left to spend it on to enjoy my life".

In spite of the declining sales volume and declining profits she indicated the business was currently experiencing, the owner of Firm A was still not motivated to put in more time or to acquire the knowledge required to turn the business around. "I'm hoping to hang on. The vision is that we'll still be here...and not much worse off".

The owner of Firm B expressed her terms of success this way,

"When I quit learning I know I'm going to be dead. You never know enough about merchandising, you're always looking for new ideas and new training. I'd like to know more about training people, how to motivate them. I'm not typical small town...I don't wait for things to happen. I know I never want to own a business that doesn't make money".

Firm B generated approximately \$450,000 in sales in 1989. The owner was planning expansion of her selling floor to grow the business further in the near future.

The owner of Firm C, who bought a closing business to help save the community's business district, lamented,

"I've created a monster in this small town because now it's too expensive for most people to buy. One of the reasons I went into business, I guess, is that I never thought anybody'd pay me what I thought I was worth...if you are your own boss, you make your own destiny. What I really would like to do now is go around as a consultant to some of these people who would like to do what I've done or have a small business they want to grow, particularly those with businesses in small towns. I think I can help...I've something to offer them".

### Integration

The dimension of integration related to the degree to which members were encouraged to operate in a coordinated manner, the amount of cooperation among owners and employees, and the evidence of team spirit.

Across all three firms there was evidence of a high degree of integration. In all cases owners and employees worked together to communicate customer requests and merchandise needs; to perform everyday housekeeping duties

like dusting, sizing, straightening, or vacuuming; to plan and impliment visual merchandising and display when these tasks were not specifically assigned; to help with extra tasks when needed; to share training of new employees; and to fill in or switch working hours to accommodate fellow employees in personal or family emergencies. One employee's comments echoed the other employees across all firms when she said,

"We get along great. Everybody just helps everybody. We all basically do everything...if things need to be done, you just kind of pitch in and get it done".

Again, the fact that most of these owners and employees had known each other for most of their lives facilitated cooperation and team spirit.

"We've all known each other for a long time, and we all seem to get along really well, and we all work with each other one day or another...we're like a family around here".

The only exception to complete integration among employees was evidenced in Firm B. All employees in Firm B made some reference to an undercurrent of conflict or discord which resulted from the competition for sales because of the commission pay system. One employee of Firm B said,

"If I had a choice, I would rather just be paid by the hour. Sometimes the competition is obvious...it's kind of tense on the floor".

At the same time, many of the employees of both Firm A and Firm C commented on how pleased they were not to be on a commission pay system.

"I wouldn't work commission...we work better together this way. If there was commission, I'm afraid it would

cause problems for all of us girls. I'd rather work as a team".

### Management support

This dimension referred to the degree to which owners provided assistance and support to their employees: warmth, encouragement, and compliments given to employees, and concern for employees' well-being and personal development.

In general, all three firms were found to have owners who were very supportive of their employees. All owners were perceived as open and easy to talk with when there was a personal or family matter that required time off or juggling of schedules. Employees from Firm A and Firm B specifically described difficult customer situations when their owners supported their actions with the customer. The owner of Firm B was particularly committed to her employees' professional development and encouraged seminar attendance, provided on-going training, and on occasion took different employees to market just so they could get experience and exposure to larger aspects of the business.

The owners of Firms A and B also were said to take a personal interest in their younger employees: "You know, like a mother-counsellor to them".

Owners from Firms A and C were described as being very encouraging and complimentary most of the time, but some of the employees from Firm B mentioned that they wished their owner

"would give a few more pats on the back for doing some things we weren't actually told to do. That type of thing doesn't necessarily get recognized".

An older employee of Firm C said,

"I think it's great that there are people who will employ people like myself who need something to do and maybe can contribute to their sales force".

Mention should be made of the incredible support employees of all three firms also gave back to management. One employee worked for some years with no pay just to help out the owner of Firm C. This support from employees did not go unnoticed. One owner, referring to her employees, said, "They'll look out for me and the business".

#### Orientation to external publics

Orientation to external publics referred to the degree to which importance was placed on both owners' and employees' interaction with individuals or groups outside the firm. This dimension was subdivided into four parts which were separately coded: 1) customers, 2) community, 3) suppliers, and 4) other individuals or groups external to the firm.

1) Orientation to customers was found to be similar across firms. The single, most important qualification for individuals employed by all three firms was the ability to interact positively with customers. In terms of job responsibilities, waiting on customers was always the priority. Being friendly, pleasant, smiling, personal, and helping customers individually was stressed. Knowing customers' names or recognizing where they were from was

facilitated by the small size of the stores and the small communities the stores were situated in. "We pride ourselves to know people or act like we know them even if we can't think of their names" and "We're personal...they're important to us and they kind of like that, I think" were statements made by employees.

Most of the owners and employees felt it was important to be honest with customers, in terms of letting them know what looked good on them and what didn't, and to provide individual assistance without being pushy just to make a sale. One owner said, "I try to be honest...and I don't apologize for my prices, and I don't apologize for my quality of clothes". It was suggested that being personal and honest with customers might be the main reason these firms did not experience extensive customer problems or merchandise returns.

All of the firms made it a point to employ sales personnel who were representative of the age range of their targeted customers; across firms the age range of employees was from 14 to 67 years old. These employees lived in or near their respective towns, and this seemed to encourage support from families and friends and facilitated the development of loyal, repeat customers.

When asked if they agreed with the statement 'the customer is always right', most responses were similar. "Well, the customer is not always right, but you try to let 'em believe that they are most of the time". One employee



answered insightfully,

"It's not that the customer is always right, it's that you're trying to satisfy the customer. They don't necessarily get a good deal, but they got what they wanted...that's customer satisfaction".

Across firms, it was evident that these owners and employees liked what they were doing and were working not primarily for monetary reward but because they thoroughly enjoyed meeting and working with customers.

"I think my personality is my strength. I'm friendly and the customers seem to like me, and I thoroughly enjoy my job, therefore I can express that with the way I help people".

For the most part, this customer orientation was rewarded with satisfied, loyal, and repeat customers who came from a large trading area beyond the immediate community.

2) Orientation to community was also found to be similar across firms. There were two aspects of this dimension which emerged from the data. The first had to do with owners' and employees' support for and involvement in community activities, groups, and organizations. The second had to do with the community members' attitude and support for these businesses.

The owners of all three firms were very active members of their towns' organizations and participated extensively in community activities. As members of local churches, school boards, national service or professional organizations, and their Chambers of Commerce, the owners all were involved in and supported their respective communities. Employees all

lived in or near their communities and often knew most or many of the people in the area. Often the employees had known each other or their families and were sometimes friends or customers prior to becoming employed by these firms.

Unfortunately, only in a few instances was it reported that an owner's or an employee's ties to the community resulted in increased community support for their business. There seemed to be general agreement across firms that perhaps 50% of the people in each community actually shopped regularly in their stores. Reportedly, some local people wanted to keep these businesses in their communities, but often these same people did not shop at them. All owners said that their firms could not depend on local customers, but must draw people from outside their communities to survive. An employee said that they get more out-of-town customers than from in town, "It's just always been that way". Another employee suggested that "there are still a lot of people who care about their town...but too many just don't". Older people seemed to be most supportive and loyal to their community businesses if they could find suitable merchandise for their body size, life-style, and income.

Young people, particularly, were not loyal to community businesses and preferred to 'hang out' at the large shopping center nearby. All employees agreed that many people seemed to feel they must go outside of town to get good selection and better prices, and that townspeople often shopped at the large

shopping center first. They shopped in town only when they didn't find what they were looking for elsewhere, when they needed something immediately, or when they were buying gifts to give to someone else. One employee summarized the opinion expressed by others when she said,

"They have a false impression that 'I will see myself'[on the street in another townsperson wearing the same item]. They think if they go outside they're going to get something unique...it's a false impression, but a lot of them believe it".

3) Orientation to suppliers was generally found to be similar across firms. Most owners and employees said they got along fine with the vendor representatives with whom they came in contact, but all owners suggested that their suppliers were the source of most conflict or problems occurring in their businesses. Because they are dependent upon suppliers for suitable merchandise, at the right cost, in the right quantities, at the right time, it was considered critical to establish workable relationships with those who were found to be reliable. All firms reported shopping the smaller mid-west area markets "to work with people who we've purchased from in the past and are pretty sure that they are gonna be a staple for us". As one owner added,

"It's just like when I give service to my customers ...it's because I want them back. Well, when I go to market our sales reps give us that kind of service cause they want me to come back".

More than one owner indicated that if the vendor representatives were not friendly or did not give reasonable

service, they simply did not continue to deal with the vendor.

4) Orientation to others was the category assigned to interaction with other significant individuals or groups external to the firm. A few references were made by owners to their relationships with outside financial advisors or bankers, out-of-store alterations persons, or outside accountants, but there was not sufficient data to make statements concerning these external publics.

All owners were asked if they belonged to any professional organizations which might provide them important information regarding the operation and management of their firms. The owners of Firm A and Firm C said they did not have the time or the membership money to belong to any such organizations. The owner of Firm B did belong to a specialty stores group, by special invitation only, which she considered invaluable for networking and exchange of ideas and information pertaining to successful operation of her small apparel retail firm.

#### Firm image

Initially coded as product orientation, this dimension was renamed and used broadly to refer to the firm's image and market positioning in terms of product quality, price, and styling. Firm image included the perception of what the firm represented to customers through its physical structure and location, merchandise and services offered, and the product knowledge and retailing skills utilized by its employees.

This was a large and comprehensive dimension of the apparel retail firm's culture. The data provided information which was subdivided into four categories: 1) product characteristics for the targeted customer, 2) services offered including product knowledge and retailing skills utilized by sales personnel, 3) overall store image, and 4) marketing communications and promotion management activities. Not all categories were clearly identified for each firm, but the data indicated that each firm had a different firm image.

Firm A did not have clearly defined target customers. The only firm to offer children's, men's, and women's apparel, the specific customer targeted within each classification was unclear. Most merchandise was basic in styling, of reasonable quality, and at a lower or budget price range. While the owner of Firm A said she cannot and does not try to compete with mass merchandisers like Wal-Mart, she offered much of the same or similar products at non-competitive prices. "We sell a bit of everything, but we're trading up in our price goods...every year we trade up a little bit more because the people can go to Target, and we don't want to fight 'em". Firm A did carry some items which are not easily found elsewhere such as cotton housedresses, "old-fashioned" style underwear, nursing gowns, and other goods that appeal particularly to elderly women. The owner was attempting to bring in more brand name goods for high school and college age women and more updated styles for the career woman. This firm

attracted older customers from other small towns in the very near area, mostly those who knew this to be one of the few stores that carried particular goods they wanted.

Firm A offered many services to its customers, some of which are not normally offered at competing stores in the larger shopping centers. The store delivered goods to older people and to the local retirement home, gift wrapped everything free, had a liberal returns policy, gave individual attention to customers who wanted it, and had store charge accounts. The owner and employees of Firm A felt the store charge was a real necessity in a small town. Whether it actually pays to provide that service is questionable when there was "\$10,000.00 on the books...I wish they'd pay!"

The image projected by the physical store and merchandise carried was that of an "old ladies store", old-fashioned in its decor and fixtures, haphazard in its display of merchandise, and cluttered in its overall appearance. One employee said that one of the reasons people came there to shop was because of

"the old-fashionedness. They say it's just like they remember the old department stores...and there's things here they just can't get anywhere else".

On the other hand, a younger employee suggested that the reason many young people did not shop there was "because of the stigma. You know, we used to be an old ladies' store". The employees dressed very, very casually in pants, jeans, and sweatshirts. "I think the people like the casual atmosphere

of this store. I would feel uncomfortable dressing up in here".

Advertising special sale items in the local newspaper was the primary marketing technique used by Firm A, and apparently this was not very effective.

"I advertise in the paper, but do people actually read the paper? You don't know if they read your ads or not. No one ever comes in and buys the specials".

Firm B is a women's specialty apparel store which had three clearly identified target customers who were "from 12 years of age to over 100 years old. I have kind of three groups that we really gear toward...teenage, middle age, and my older customers". The customers who regularly spent the most money in this store were the career women who had the discretionary income to buy clothing to wear to work, for casual activities, and for an evening out.

"The normal person who shops in this store probably buys a complete outfit every time she walks in the store, minus the shoes because we don't sell shoes. We carry coats and we carry lingerie, so she will come in and we will dress her from tip to toe...and that's any age".

Firm B offered mostly moderate to better priced apparel of better quality in somewhat updated styling, and they were well-known for carrying the newest accessories in the area. "Fifteen percent of our business is in accessories which is far above average for a specialty store".

Firm B offered special services to its customers which included individual wardrobe consultations from well-trained sales employees, a continually updated customer purchase

profile for reference and gift advice, an on-approval take home option, free gift wrap, and a liberal returns policy.

"One thing we don't have is store charge accounts which is normally what you think of in a customer service area. But I have been in retailing long enough to see that this is an area which keeps a lot of small town merchants with very low inventories because they tie up all their dollars in accounts receivable. So part of our service is having a large inventory. By not having accounts receivable, I can keep that money flowing in inventory so there is a wide selection of merchandise in our store for customers to choose from. Most people would call that 'merchandising'. In a small town...that's customer service!"

The image projected by the physical store and merchandise carried was that of a quality operation which specialized in providing classic-contemporary and updated fashions with individualized service for moderate income women.

"I don't sell to somebody who's getting ready to go to New York or Chicago and be 'big time'...that's not my customer. My customer is a well-dressed career woman who lives and works in small town Iowa".

Firm B used a variety of promotion and advertising activities to draw customers from a large trading area. Recognizing that local customers alone could not sustain her business, the owner of Firm B promoted her store by direct mailing information about promotions and other special events to approximately 2300 regular customers who live within a 75 mile radius. Regular fashion shows held in the community and surrounding towns and creative promotional activities in the store have been highly effective marketing techniques for Firm B.

Firm C is a women's specialty apparel store which targets



career women from about 30 to 80 years of age. Most of the clothing and accessories offered by this firm were moderate to better priced, of better quality, and in classic-contemporary styling.

"Our typical customers are pretty nice. We have the working lady, not as many of the young mothers because they can't afford most of our stuff, and a lot of college girls cause they found out my stuff lasts".

Firm C carried petites, half-sizes, a few larger sizes in career styles, lingerie, accessories, and an increasing Mother-of-the-Bride selection.

"I think our customers come here to shop because of what we have and what we do. They like our fashions, they like our quality, and they know that we're going to help them complete their outfit...they're gonna look dressed when they go out of here".

Firm C offered special services for its customers including a store charge, free gift wrap, and a liberal returns policy. Probably this firm is best known for its large selection of merchandise and its individual, personal customer service.

"We wait on people...they don't just come in and look around and then leave. The reason I have this large inventory is because when they come here I better have something for them...so when they leave with that package they'll think they came for what they got and got what they came all the way over to this small town to get".

The image projected by the physical store and merchandise carried was that of an orderly, efficient operation which specialized in providing individualized service for middle income women who wanted classic-contemporary fashions for casual and career wear.

"I try to buy things that I know that you as a working girl can wear more than one season. My greatest accomplishment is when they leave and feel good and are proud to say they got it here".

Firm C also used a variety of promotion and advertising activities to draw the majority of its customers from about a 60 mile radius and from out-of-state. The owner of Firm C sent out a newsletter to a mailing list of about 2000 regular customers. It contained community news, messages of interest, and recipes as well as store promotional activities and special events. This firm did not have sales except for a huge Labor Day sale once a year. The firm gives out a Store Dollar for every \$10.00 spent and regularly had creative promotional events in the store. Sponsoring style shows frequently in surrounding communities was another marketing technique used by Firm C.

#### Reward system

Reward system referred to the degree to which reward allocations such as salary increases, promotions, and bonuses were based on employee performance rather than seniority, favoritism, or other criteria.

In general, jobs in retail sales have always been very low paying, and jobs with these three firms were not exceptions. Firm A and Firm C basically paid hourly wages at minimum wage rates. Firm A had two long-term employees who were paid a salary. Firm B paid a base hourly wage plus commission and was said to pay the highest average wages of

any retail establishment in that community.

All employees received a discount on purchases for personal or family use or gifts. Firm B paid a bonus to all employees if the store sales goal was achieved, and a Christmas bonus was common in all three firms. Promotions were not mentioned in any firm, and seniority did not affect wages; basically everyone received minimum wage or slightly above.

For most of these employees across firms, monetary reward was not the primary reason for working. Some of the other reasons given included,

"This is handy for me because I live just up the street";  
"I like the discount on clothing as much as anything";  
and "I'm not working for the money, I'm working to have something to do".

#### Risk tolerance

This dimension referred to the degree to which employees were encouraged to be innovative and risk-seeking and included owner or employee willingness to try something new or different.

Without exception across all three firms, no incidences of risk tolerance of any significance were reported among owners or employees. Perhaps the only real risk that was associated with these firms was that related to the initial decision to own and operate a small apparel retail business in a small town in today's competitive environment.

When dealing with suppliers, all three owners have

learned to keep very accurate and detailed records and never to leave orders at market. An employee of Firm B said, "We always bring our paper home because sometimes you buy on impulse...so we've learned that that's no way to do it".

The owner of Firm C found out from experience that

"you gotta just deal with all the crap in proving your position in dealing with these vendors today. But I'm learning...I can't afford to knuckle under".

### Miscellaneous

This last coding category was used for themes that were considered significant but did not fit into the other dimensions of corporate culture which were pre-established. An important category that emerged from the data from these three firms situated in small towns was the owners' and employees' family relationships. The emphasis placed on family considerations affected not only an employee's decision to work but the conditions under which she would work.

Some of the older employees, raised in traditional environments, deferred to their spouses' expectations of their primary role as homemakers. The following comments were commonly heard:

"My husband would prefer me to be home 24 hours a day and not work anywhere", "He never did want me to work when my children were younger", "I still have to go home and fix meals and take them out to the field at night and that sort of thing".

Other employees said,

"Once in a while my husband's nose gets a little out of joint when I have to work extra",

and,

"I've got a husband who thinks his wife ought to be home once in a while".

As long as these women worked part-time, had flexible hours and an accommodating owner, which indeed all three stores had, they had little difficulty juggling work and family. One employee said, "My family has always come first.... I've never really wanted to work full-time", and another employee stated that, "I'm the type of mother that likes to be home with her kids.... my kids like me to be home, even at the age they are".

Many of these owners had known their employees or their families all of their lives. The owner of Firm C would not even hire anyone who was not a customer and knew "...what this store is all about". Some of the younger employees said that their families had been friends, and one high school age employee said,

"I'm working here partly because of the family connections. We're family kind of...her and my mom have been friends for a long time".

For the most part, none of these employees had particular education or experience which might have enabled them to find higher paying jobs with other businesses, so the opportunity to work in town with little or no experience or particular qualifications was important. These employees liked the chance to make a little extra money or get out of the house and be with people without having to commit to a full work day

or travel a great distance. One employee suggested that she could work other places for similar pay but "this is handy for me because I live just up the street". Another employee said simply,

"It's just a job and it's in town. My family time ...that's why I choose to work in town. Like I said, my kids are here, my husband is here...I'm in town you know".

## SUMMARY AND CONCLUSIONS

### Overview of Research

Small businesses comprise 97% of all business enterprises, employ nearly 60% of the entire work-force, and produce 45% of the GNP in the United States (Keats & Bracker, 1988). Stone (1989c) found approximately 5,000 small Iowa retail and service business failures and a continual decrease in total retail sales in small Iowa towns for retail firms in general and for apparel retail firms in particular over the past few years. He has suggested that these business failures and declining retail sales were mainly due to competition from large shopping centers which increasingly draw trade from small towns nearby.

An enormous increase in competition, tremendous changes in the economic environment, and changing purchase patterns of consumers in recent years have resulted in a major search for new models for effective business management for businesses in Iowa and across the United States. Traditional marketing strategies which emphasize strategic planning have not been effective in helping many businesses survive in today's marketplace (Peters & Waterman, 1982). Recent studies with large corporations suggest that, while strategic planning is still critically important, a company committed to growth and competitive success must understand its corporate culture.

The term culture and scientific methods for studying corporate culture have been borrowed from anthropologists who

suggest that all human groups and organizations have culture. Culture, as applied to the business organization, is often called corporate culture and refers to a firm's system of shared meanings and values. Culture is central to the firm, has impact on all functions and activity in the firm, and can be managed if it can be identified (Reynierse & Harker, 1986).

Most research in the area of corporate culture has focused on large business organizations, and little or no research has focused on either large or small apparel retail firms. The purpose of this research was to profile the corporate culture of small apparel retail firms in towns situated within the trading area of a regional shopping center. Understanding a firm's corporate culture might provide a basis for management action to reinforce those dimensions identified as productive and to change those dimensions identified as counterproductive to the overall objectives of the firm. Identification of common cultural dimensions across firms might also be useful as a model of corporate culture for existing or new apparel retail firms.

For the present study, a multiple case study approach was adopted to examine the corporate culture in three small apparel retail firms. A moderately structured interview schedule was developed to obtain information about each firm related to twelve cultural dimensions which were identified as common to many large business organizations. Audio-taped interviews were conducted with owners and employees of each



firm, and the findings were analyzed using a computer program designed to facilitate management of qualitative data. A summary of this data along with personal data questionnaire information, systematically recorded observations of firms and owner-employee-customer interaction, and photographs of the physical business environments provided a descriptive overview of cultural dimensions across firms.

#### Limitations of Research

The abstract nature of this research produced descriptive, not statistical, data. Synthesis of data resulted in identification of predominate themes or characteristics of the culture within these small retail firms. While repetition of ideas, words, or phrases in the data was the primary factor in determining significant themes, no attempt was made to measure incidence. Confidence in representativeness of incidences cannot be high due to the exploratory nature of this case study approach.

This investigation involved only three retail firms. While the findings were somewhat consistent across these firms, replication of this study on a larger scale and in other locations would be necessary to generalize the results and implications for managers of small apparel retail firms as a whole. Nevertheless, the findings of this research provided insight into the culture and operation of small apparel retail businesses.

All but one interview were conducted in the stores, sometimes in less than ideal surroundings for the intimate nature of some of the interview questions. Employees may have been uncomfortable disclosing thoughts and feelings related to themselves, their fellow employees, or their owner in situations where they might be interrupted or overheard. In addition, because interviews were conducted during employee's working hours, there was not always time to further probe some potentially revealing responses.

A change in the case study protocol is recommended for investigators who choose to replicate this research. Store owners were contacted to obtain permission to interview themselves and their employees; however, employees were not all aware beforehand that their manager had given permission for them to be interviewed. A formal introduction procedure for employees should be identified so that they will know ahead of time what to expect in terms of what part they will have in the investigation.

Qualitative data management was somewhat simplified through the use of the File Maker Plus (Chadwick et al., 1986) computer program which sorted pre-coded information out by page number. However, one of the available software programs which can sort words, phrases, or lines from a text would have been more efficient for managing the qualitative data from this investigation.

### Summary of Results

The interviews and other sources of evidence generated an abundance of data. These data were categorized according to major corporate culture dimensions identified in previous research, and the findings were summarized by individual firm and compared across firms.

Across firms, the findings related to five of the cultural dimensions could be directly related to the small size of the firms and their location in small towns: Interpersonal communication patterns unrestricted by hierarchical barriers, strong efforts on the part of all employees and owners to readily resolve minor conflicts and tolerate differences of opinion or personal characteristics, an overall spirit of cooperation and integration, highly supportive management, and a personal and personable orientation to customers, community, and others. These dimensions of the small businesses are similar to characteristics of healthy, nurturing families identified by Lewis and Beavers (1976), Stinnett, Chesser and DeFrain (1979), and Curran (1983). The fact that most of the owners and employees of these firms had known each other or their families all of their lives suggests an overall familiarity which carried over into and could not be separated from the business situation. That the owners all were female may also have contributed to the nurturing and personal climate of the small organizations. Further study of small apparel firms

headed by male owners could provide a valuable comparison.

The dimensions of direction, identity, and individual initiative reflected the personal characteristics, knowledge, beliefs, and values of owners rather than employees of these firms. Findings related to these dimensions were considerably diverse across firms. This diversity was directly associated with differences in owners' personal management styles; in knowledge, experience, and beliefs that each brought to their businesses; and in owners' personal aspirations and visions for their firms.

The data related to the theme of risk tolerance were not substantial in number. It could be concluded that in small apparel retail businesses other dimensions are preeminent in the overall corporate culture. Risk taking is not a relevant engrossment on the part of employees primarily involved in sales work. Owners were the risk takers when making financial and buying decisions, and indeed did most of the decision making for the small firm.

Reward system referred to the degree to which salary increases, promotions, and other reward allocations were based on employee performance in contrast to seniority, favoritism, or other criteria. Because of the size and management structure of these firms, there were few opportunities for promotion and limited resources for salary differential. The benefits accrued from the commission pay system were tempered by the interpersonal conflicts created by the competitive

system used in one firm investigated. Strong management support, integration, and identity found in small firms in small towns could be incentive enough for strong employee performance. The conflict resulting from employee competitiveness may be ultimately unproductive or unnecessary. Further study is necessary to compare related merits of the two reward systems for small firms.

Firm image was a complex dimension which was basically descriptive of the physical, service, or more tangible aspects of an apparel retail firm. Of particular interest were the findings related to marketing communications and promotion management. The owners of two firms recognized that, because of the small size of their towns, local customers alone could not sustain their businesses. These owners did not focus their promotion and advertising efforts solely on local customers but effectively used a variety of marketing techniques to draw customers from a large trading area outside their own communities.

An additional dimension of culture that emerged from the data related to the significance of family relationships and the firm's proximity to home. Emphasis placed on family considerations affected not only an employee's decision to work but the conditions under which she would work. As long as these women could work part-time and had flexible schedules and an accommodating owner, they found little difficulty managing work and family demands and were able to experience

personal enrichment derived from working outside their homes. Small retail owners must recognize that their likely labor pool will have strong family demands that must be flexibly accommodated in maintaining a productive and loyal work force.

In summary, the unrestricted interpersonal communication patterns, high conflict tolerance, highly supportive management, a high degree of integration, and the highly personal orientation to external publics that characterized these small apparel retail firms presumably facilitated the strong employee identity, which resulted in loyalty and support being given back to management and the firm. Recognition of and support for the importance of family relationships appeared to be a significant factor in employee satisfaction with the reward system in these small businesses. Emergence of the dimension of family orientation adds significantly to understanding of corporate culture of small retail firms, which have not been previously studied using a corporate culture framework.

#### Implications for Further Research

The exploratory nature of this research provides a foundation for further research of a much larger scope. This investigation generated a considerable amount of meaningful data related to cultural dimensions of small apparel retail firms located in small towns. Several areas of interest for further research have emerged.

1) Understanding a firm's corporate culture may provide a basis for management action to reinforce those dimensions identified as productive and to change those dimensions identified as counterproductive to the overall objectives of the firm. An investigation which links financial or other rewards or sales volume increase and decrease to changes in management of aspects of culture could provide support for the importance a firm places on its corporate culture.

2) An investigation of the effects of a commission pay system on other dimensions of a firm's culture to discover if commission is necessary or effective may be valuable. Is strong management support, integration, and identity found in small firms in small towns self-motivating and perhaps degraded by emphasis on inter-employee competitiveness? Or does the competitive environment increase prestige of and motivation to work in a profitable retail organization?

3) The effects of various marketing communications and promotion management techniques focused within a small community versus a larger trade area could be compared. Can increased local support for community businesses be realized through the use of selective promotion and advertising strategies?

4) Increase the scope of research to propose a model of corporate culture for existing or new apparel retail firms and for firms of varying sizes. Examine differences, if any, between firms owned by men vs. women.

5) Use findings from this research to focus and expand investigation of cultural dimensions. The results lend information that will help in understanding firm image and external public dimensions of any business. Employee support of management and family orientation of employees are important concepts to highlight within corporate culture dimensions.



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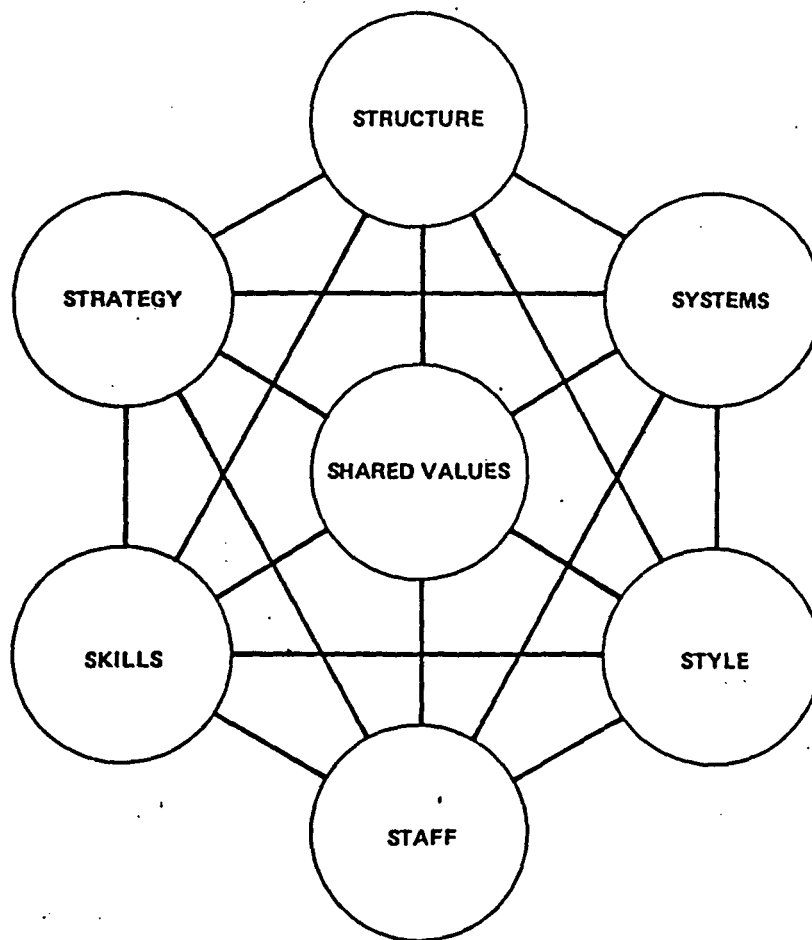
I would like to express my sincere thanks to my major professor, Dr. Mary Lynn Damhorst, for her willingness to take on the responsibility of guiding me through this original project in apparel merchandising. Her support and confidence in me was invaluable. I would also like to thank my committee members, Dr. Grace Kunz, Dr. Mary Littrell, and Dr. Steven Ralston, for their important contributions to this research.

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**APPENDIX A: THE MCKINSEY 7-S FRAMEWORK**

## McKINSEY 7-S FRAMEWORK ©



Peters, T. J., & Waterman, R. H., Jr. (1982). In Search of Excellence, p. 10. New York: Harper and Row.



**APPENDIX B: SYNTHESIS OF CULTURAL DIMENSIONS**

Synthesis of Corporate Culture Dimensions

References Used for Comparison of Corporate Culture Dimensions

Authors and the cultural dimensions identified by the authors are listed below:

- I. Betts, C. A., & Halfhill, S. M. (1985, November). Organizational culture: Theory, definitions, and dimensions. Paper presented at a conference of the National American Institute of Decision Sciences, Las Vegas, Nevada.
  - A. Adaptation to External Environment
    1. Strategic Clarity
    2. Time-Goal Orientation
    3. Performance Orientation
    4. Market Orientation
    5. Flexibility and Innovation
  - B. Internal Climate and Practices
    6. Autonomy
    7. Rules and Regulations
    8. Employment Security
    9. Reward Systems
    10. Stories, Myths and Rituals
    11. Warmth and Support
    12. Communication Style
    13. Leadership Style
  
- II. Bookbinder, S. M. (1984). Measuring and managing corporate culture. Human Resource Planning, 7(1), 47-53.
  1. Effective Management of Employees
  2. Ability to Cope with Pressure
  3. Quality Orientation
  4. Vision of the Future
  5. Willingness to Take Risks and be Innovative
  6. Production of Good Financial Results
  
- III. Peters, T. J., & Waterman, R. H., Jr. (1982). In search of excellence. New York: Harper and Row.
  1. A Basis for Action: a preference for doing something rather than sending a question through cycles and cycles of analyses and committee reports.

2. Staying Close to the Customer: learning his preferences and catering to them.
3. Autonomy and Entrepreneurship: breaking the corporation into small companies and encouraging them to think independently and competitively.
4. Productivity through People: creating in all employees the awareness that their best efforts are essential and that they will share in the rewards of the company's success.
5. Hands-on, Value Driven: insisting that executives keep in touch with the firm's essential business.
6. Stick to the Knitting: remaining with the business the company knows best.
7. Simple Form, Lean Staff: few administrative layers, few people at the upper levels.
8. Simultaneous Loose-Tight Properties: fostering a climate where there is dedication to the central values of the company combined with tolerance for all employees who accept those values.

IV. Reynierse, J. H., & Harker, J. B. (1986). Measuring and managing organizational culture. Human Resources Planning, 9(1), 1-8.

1. Importance of People: management values and respects employees and acknowledges their contributions.
2. Management Visibility: management is in touch with employees and operations.
3. Acceptability of Non-Conformity: non-conformity is acceptable and provides the base for innovation.
4. Clarity of Standards: employees are accountable for meeting challenging performance goals.
5. Commitment to Training: employees are well trained to enhance their career and work skills.
6. Intimacy and Values: organizational closeness and continuity is promoted by shared beliefs and values.
7. Internal Competition: employees are rewarded and receive recognition for achieving ambitious goals and rewards.
8. Customer Orientation: customers are a priority and strong efforts are made to satisfy customer needs and wants.
9. Internal Communication: people share information freely using both formal and informal channels of communication.

10. Action and Change: organizational structure and support departments promote action and decision making.

#### Cultural Dimensions Compared, Potential Questions Listed, Actual Questions Used in Interview Schedules

Robbins' (1988) summary of cultural dimensions was selected for use in developing the interview schedules because it was felt that these dimensions were more generic in nature and might therefore allow more flexibility in interpretation of data. Robbins' summary may be useful and appropriate for studies involving different size firms or across different industry groups.

Below each of the dimensions identified by Robbins and the additional dimensions selected as appropriate for this study is a comparative list of those dimensions identified by other authors which are similar or appear to refer to similar aspects of culture. Author's initials precede dimensions listed.

A list of potential questions which might be used to elicit information related to each dimension was prepared and is included. From all the potential questions listed with each dimension of culture, a final set of questions was developed and ordered with other questions necessary for establishing rapport and distance in the long interview. The actual questions used in the interview schedules (excluding probes) have also been included below. Questions were expected to elicit information regarding more than one cultural dimension.

Robbins, S. P. (1988). Management: Concepts and applications (2nd ed.). Englewood Cliffs, NJ: Prentice Hall.

1. INDIVIDUAL INITIATIVE: the degree of responsibility, freedom and independence that individuals have.

B&H: Autonomy

Flexibility and Innovation

Bkb: Willingness to Take Risks and be Innovative

P&W: A Basis for Action

Autonomy and Entrapreneurship

R&H: Action and Change

Potential questions?

What are your job responsibilities/tasks?  
 Do you ever perform other tasks or are you ever given other responsibilities?  
 Would you like to have other responsibilities/tasks?  
 Have you ever asked to be allowed to take on another responsibility or perform another task?  
 How did the manager react?  
 Have you ever gone ahead and performed a task or taken on the responsibility for something not normally part of your job?  
 How did the manager and fellow employees react?  
 How did you feel about their reaction?  
 Do you think other employees at your level have more responsibilities, freedom to act or do something, or make decisions without asking the manager than you do?  
 Do you think any one in this firm has permission or freedom to do the above?

Actual questions used in interview schedules

What do you think are your personal strengths in terms of running this business?....Any areas you might like to improve on?  
 What kinds of things do you do well/are you good at?....What, if any, would you like to learn more about or improve on?  
 What are your greatest challenges/problems/frustrations in running this business today?  
 How many employees do you have?....What are their responsibilities?  
 Do any of your employees ever ask to take on new responsibilities?....How do you feel about that?  
 Have you ever been asked to take on new responsibilities?....How do you feel about that?  
 Have you ever asked the owner if you could learn about some new business procedures or to take on new responsibilities?

2. RISK TOLERANCE: the degree to which employees are encouraged to be aggressive, innovative and risk-seeking.

B&H: Autonomy  
 Flexibility and Innovation  
 Bkb: Vision of the Future  
 Willingness to Take Risks  
 P&W: A Basis for Action  
 Autonomy and Entrepreneurship

Potential questions?

Have you ever had a good idea, and the manager was not there to ask permission to do it?  
 Would you or did you ever go ahead and do it without permission?  
 What was the manager's and fellow employees' reaction to this?  
 Would you ever or have you done such a thing again?  
 Have you ever made a decision or performed a task that was clearly new or different?  
 Is this kind of behavior encouraged by the manager?

Actual questions used in interview schedules

Do any of your employees ever ask to take on new responsibilities?  
 Does the owner ever ask for suggestions for or your opinion about business operations?  
 Have you ever asked the owner if you could learn about some new business procedures or to take on new responsibilities?

3. DIRECTION: the degree to which the organization creates clear objectives and performance expectations.

B&H: Strategic Clarity  
       Time-Goal Orientation  
       Performance Orientation  
       Rules and Procedures  
 Bkb: Effective Management of Employees  
 P&W: Productivity through People  
       Hands-on, Value Driven  
       Stick to the Knitting  
 R&H: Clarity of Standards  
       Commitment to Training

Potential questions?

Do you have a written job description?  
 Do you have a clear idea of what you are expected to do in this position?  
 Do you have a performance review?  
 Have you ever been promoted or given increased responsibilities and increased pay to go with it?  
 What kind of training or instruction did you receive about how to perform in this position?  
 Do you receive any on-going training or retraining for your job?

Is there a career advancement program or pattern within this business?

Is there an operations or training manual for employees?

Are you assigned specific goals, quotas, etc. to achieve in performing your job?

#### Actual questions used in interview schedules

What do you think are your personal strengths in terms of running this business?....Any areas you might like to improve on?

How many employees do you have?....What are their responsibilities?

What type of pay system do you use?....hourly, salary? (sales quotas, commissions, bonuses, other?).

How are you paid?....hourly, salary? (sales quotas, commissions, bonuses, other?)....How do you feel about this?

Do you talk to your employees about your business operations?

Does the owner talk to you about the business?

Do your employees receive training for their job?....What kind of training do they get?

Did you receive or are you receiving any kind of training for this job?....What kind of training did/do you get?

What kinds of things do your employees do well/are they good at? ....What, if any, would you like to see them improve?

Does the owner encourage you or compliment you when you do something well/do a good job?

Do you have any rules and regulations, written or unwritten, for your behavior here at work?

Do you ever have problems with any of these things?....How do you deal with these employee problems?

Have you or another employee ever had problems with any of these rules?....How did your owner deal with these problems?

How would you describe the owner as "boss"?

4. INTEGRATION: the degree to which units within the organization are encouraged to operate in a coordinated manner.

Bkb: Effective Management of Employees

P&W: Productivity through People

Simultaneous Loose-Tight Properties

R&H: Intimacy and Values

Internal Communication

Potential questions?

How well do you think you get along with the other employees?  
 Do you share ideas or help each other out in dealing with your responsibilities?  
 Are you informed when the business is good/bad and encouraged to cooperate to share the work to eliminate the bad?  
 Do you keep management informed of best sellers, customer requests, etc?  
 Are you on a sales quota/commission wage basis?  
 Do you think there is competition/conflict to achieve sales?  
 Do you help another sales associate make a sale even if you won't get credit for it?  
 Do you ever take on someone else's tasks when they are over loaded or are away? How do you feel about that?

Actual questions used in interview schedules

What are your greatest challenges/problems/frustrations in running this business today?  
 How do you feel about working here?....Do you like it or not? (likes, problems/frustrations, personal goals, other demands on your time?).  
 How many employees do you have?....What are their responsibilities?  
 Do you talk to your employees about your business operations?  
 Does the owner talk to you about the business?  
 Does the owner ever ask for suggestions for or your opinion about business operations?  
 Do your employees receive training for their job?....What kind of training do they get?  
 Did you receive or are you receiving any kind of training for this job?....What kind of training did/do you get?  
 What kinds of things do your employees do well/are they good at? ....What, if any, would you like to see them improve?  
 Have you ever been asked to take on new responsibilities?....How do you feel about that?  
 What kind of relationships do you have with your employees?  
 What kind of relationship do you have with the owner?  
 Do you or some employees have more management or supervisory responsibilities than others?....What are they?  
 How well do you think your employees get along with each other? ....Do they support/help each other?....the business?  
 How do you get along with the other employees?....How do you think they feel about you?  
 How do you think the other employees get along with each other?



5. **MANAGEMENT SUPPORT:** the degree to which managers provide clear communication, assistance, and support to their subordinates.

B&H: Warmth and Support  
 Leadership Style  
 Bkb: Effective Management of Employees  
 P&W: Hands-on, Value Driven  
 Productivity through People  
 Simultaneous Loose-Tight Properties  
 R&H: Importance of People  
 Management Visibility  
 Commitment to Training

#### Potential questions?

How long have you worked here?  
 Did you receive training for this job when you started here?  
 Do you ever receive on-going training?  
 Are you encouraged to go to outside seminars and classes?  
 What is your relationship with the manager?  
 Do you ever have family or personal problems that require support/advice/understanding/special treatment from the manager?  
 How does the manager react to that?  
 Is the manager around much of the time?  
 Do you feel comfortable approaching the manager with problems or questions about your job? Your personal life?  
 Is there a job description for your position?

#### Actual questions used in interview schedules

Do you talk to your employees about your business operations?  
 Does the owner talk to you about the business?  
 Does the owner ever ask for suggestions for or your opinion about business operations?  
 Do your employees receive training for their job?....What kind of training do they get?  
 Did you receive or are you receiving any kind of training for this job?....What kind of training did/do you get?  
 What kinds of things do your employees do well/are they good at? ....What, if any, would you like to see them improve?  
 Does the owner encourage you or compliment you when you do something well/do a good job?  
 Have you ever been asked to take on new responsibilities?....How do you feel about that?  
 Do you have any rules and regulations, written or unwritten, for your behavior here at work?

Do you ever have problems with any of these things?....How do you deal with these employee problems?  
 Have you or another employee ever had problems with any of these rules?....How did the owner deal with these problems?  
 What kind of relationships do you have with your employees?  
 What kind of relationship do you have with the owner?  
 How would you describe the owner as "boss"?

6. CONTROL: the number of rules and regulations, and the amount of direct supervision that is used to oversee and control employee behavior.

B&H: Rules and Procedures  
 Bkb: Effective Management of Employees  
 P&W: Simple Form, Lean Staff  
 R&H: Acceptability of Non-Conformity  
 Management Visibility  
 Clarity of Standards

#### Potential questions?

Are there any rules and regulations, written or unwritten, for your behavior here at work?  
 Do you feel the manager or other employees watch you all the time to make sure you follow these rules?  
 Have you ever been reprimanded for not following the rules?  
 What happened and what disciplinary action was taken?  
 Who reprimands/corrects you when you do something unacceptable?  
 Do you feel you need/want more supervision? Less?

#### Actual questions used in interview schedules

What do you think are your personal strengths in terms of running this business?....Any areas you might like to improve on?  
 How many employees do you have?....What are their responsibilities?  
 Do you talk to your employees about your business operations?  
 Does the owner talk to you about the business?  
 Do your employees receive training for their job?....What kind of training do they get?  
 Did you receive or are you receiving any kind of training for this job?....What kind of training did/do you get?  
 What kinds of things do your employees do well/are they good at? ....What, if any, would you like to see them improve?  
 Does the owner encourage you or compliment you when you do something well/do a good job?

Have you ever been asked to take on new responsibilities?....How do you feel about that?  
 Are there any rules and regulations, written or unwritten, for your behavior here at work?  
 Do you ever have problems with any of these things?....How do you deal with these employee problems?  
 Have you or another employee ever had problems with any of these rules?....How did the owner deal with these problems?  
 How would you describe the owner as "boss"?

7. IDENTITY: the degree to which members identify with the organization as a whole rather than with their particular work group or field of professional expertise?

B&H: Employment Security  
 Stories, Myths and Rituals  
 Warmth and Support  
 P&W: Productivity through People  
 Simultaneous Loose-Tight Properties  
 R&H: Intimacy and Values

#### Potential questions?

Are you happy with this firm?  
 How do you feel about your job?  
 How do you think your family/friends feel about your working here?  
 Are you proud to tell people that you work here?  
 Would you like to work for another firm in town?  
 How do you think the other employees feel about working here?  
 How do you think the other employees feel about you?  
 Do you socialize with the manager/employees as a group?  
 Do you socialize with the manager/employees outside of work?

#### Actual questions used in interview schedules

How did you get involved with this firm?  
 What do you like about being in the apparel business?  
 What do you think are your personal strengths in terms of running this business?....Any areas you might like to improve on?  
 What have been some of your greatest satisfactions/achievements/triumphs from having this business?  
 How do you feel about working here?....Do you like it or not?  
 I'd like you to try to imagine how your employees might describe you as "boss"....How do you think they would describe you?  
 How would you describe the owner as "boss"?

How well do you think your employees get along with each other?  
 ....Do they support/help each other?....the business?  
 How do you think the other employees get along with or think  
 about the owner?  
 I'd like you to tell me, if you can, about your vision for or  
 where you see your business going from here?

8. REWARD SYSTEM: the degree to which reward allocations (i.e., salary increases, promotions) are based on employee performance criteria in contrast to seniority, favoritism, and so on.

B&H: Reward System  
 Bkb: Production of Good Financial Results  
 P&W: Productivity through People  
 R&H: Clarity of Standards  
 Internal Competition

#### Potential questions?

How long have you worked here?  
 Have you ever received a raise/promotion?  
 Do you have performance reviews?  
 Do you have quotas/commissions as part of your wage scale?  
 Do you have a job description?  
 Do you feel that you deserve to have an increase in wages?  
 Has anyone else received a raise/promotion that you are aware of?  
 How did you feel about that?  
 Do you think the raises/promotions/ responsibilities given to  
 other employees have been fairly given or deserved?  
 Do you or other employees receive bonuses or other kinds of  
 rewards for doing a good job?  
 Does the manager acknowledge or compliment you when you do a  
 good job?

#### Actual questions used in interview schedules

What type of pay system do you use?....hourly, salary, (sales  
 quotas, commissions, bonuses, other?).  
 How are you paid?....hourly, salary, (sales quotas, commissions,  
 bonuses, other?)....How do you feel about this?  
 Does the owner encourage you or compliment you when you do  
 something well/do a good job?  
 Have you ever been asked to take on new responsibilities?....How  
 do you feel about that?

9. CONFLICT TOLERANCE: the degree to which employees are encouraged to air conflicts and criticisms openly.

B&H: Communication Style  
 Bkb: Ability to Cope with Pressure  
 P&W: Simultaneous Loose-Tight Properties  
 R&H: Acceptability of Non-Conformity  
 Internal Communication

Potential questions?

How do you like working here?  
 Have you ever felt anger, conflict, unhappiness about something that happened at work?  
 How did you deal with it?  
 Did you talk to the manager? Another employee?  
 How did the manager react?  
 Would you go to the manager again if you have a conflict or criticism regarding work situations?

Actual questions used in interview schedules

What are your greatest challenges/problems/frustrations in running this business today?  
 Does the owner ever ask for suggestions for or your opinion about business operations?  
 Do you have any rules and regulations, written or unwritten, for employee behavior here at work?  
 Do you ever have problems with any of these things?....How do you deal with these employee problems?  
 Have you or another employee ever had problems with any of these rules?....How did the owner deal with these problems?  
 What kind of relationships do you have with your employees?  
 What kind of relationship do you have with the owner?  
 How well do you think your employees get along with each other?  
 How do you get along with the other employees?....How do you think they feel about you?  
 How do you think the other employees get along with each other?  
 How do you think the other employees get along with or think about the owner?

10. COMMUNICATION PATTERNS: the degree to which organizational communications are restricted to the formal hierarchy of authority.

B&H: Communication Style  
 Bkb: Effective Management of Employees

P&W: Simple Form, Lean Staff  
 R&H: Management Visibility  
 Internal Communication

Potential questions?

Who do you report to/are you responsible to on the job?  
 Do you have to always ask the manager?  
 Do you have to ask/talk to someone else who reports to the manager?  
 How do you feel about that?  
 Do you feel comfortable talking with the manager?  
 Do you think other employees feel comfortable going directly to the manager to discuss a situation or problem concerning work?  
 Do employees discuss things among themselves and not with the manager unless the manager approaches them?

Actual questions used in interview schedules

Do you talk to your employees about your business operations?  
 Do your employees help with information about customer requests, new merchandise, suggestions to improve sales, markdowns, best sellers, etc?  
 Are there any rules and regulations, written or unwritten, for employee behavior here at work?  
 What kind of relationships do you have with your employees?  
 What kind of relationship do you have with the owner?  
 Do you or some employees have more management or supervisory responsibilities than others do?....What are they?  
 How well do you think your employees get along with each other?  
 How do you get along with the other employees?....How do you think they feel about you?  
 How do you think the other employees get along with the owner?

Additional Dimensions not Included by Robbins

ORIENTATION TO EXTERNAL PUBLICS: the degree to which importance is placed on interaction with customers, community, resource personnel, financial advisors, etc.

B&H: Market Orientation  
 P&W: Staying Close to the Customer  
 R&H: Customer Orientation

Potential questions?

How much emphasis is placed on satisfying the customers' needs?  
 What are your customer service policies?  
 Why do you think customers come to your store to shop?  
 What special events or activities do you do to attract customers?  
 Do the people of this community support this store?  
 Are you involved in any community activities, organizations?  
 Do you ever have problems with customers? How do you deal with them?  
 Do vendors come into your store?  
 What do you think of them?  
 How do they treat you?  
 Do you have an internal or external financial accountant?  
 How do you deal with these people?

Actual questions used in interview schedules

What are your greatest challenges/problems/frustrations in running this business today?  
 How do you think your family/friends feel about your working here?  
 Why do you think your customers come here to shop?  
 What kinds of strategies do you use to attract your customers?  
 Do you do anything special to attract/bring these customers here to shop?  
 Can you tell me about your store's customer service policies?  
 What kinds of problems, if any, do you generally have with customers?  
 What do you think about the statement: "The customer is always right!"?  
 Do you think the people in this community support this business?  
 How do you think your family/friends feel about this firm?....Do they shop here?  
 Are you involved in any community activities, organizations, etc?  
 Are you a member of any professional/trade organizations?  
 Do you network with/know other apparel retailers in small towns or cities in this area?  
 How do you do your buying?....Do you go to market or do vendor reps come to you?  
 Do suppliers/vendors ever come into the store?....What do you think of them?  
 What kind of relationships do you have with your vendors?

PRODUCT ORIENTATION: the firm's image and market positioning in terms of quality, pricing, styling, etc.

B&H: Time-Goal Orientation  
           Performance Orientation  
 Bkb: Quality Orientation  
 P&W: Productivity through People

Potential questions?

How would you describe your typical customer in terms of age, income, style preference, etc?  
 What is the price range of the goods you carry?  
 Who are your customers?  
 Who do you buy for or how would you describe your target customer?  
 Do you have problems with customer returns because of quality of their purchase?  
 What do you think of the quality of the goods available to you from vendors? Any problems with that?

Actual questions used in interview schedules

Tell me about your background....What kinds of experiences, jobs, education or training have you had?  
 What do you like most about being in the apparel business?  
 Apparel retailing is a little different in that fashions change sporadically and often rapidly?....How do you deal with this aspect of the business?  
 Does your store have a typical/usual customer?....Can you describe her for me?  
 What have been some of your greatest satisfactions/achievements/triumphs from having this business?  
 What are your greatest challenges/problems/frustrations in running this business today?  
 What kind of relationships do you have with your vendors?



**APPENDIX C: INTERVIEW SCHEDULES**

Interview Schedule for Owner-Managers

I'd like to begin by having you tell me about your typical day/week....What kinds of things are you likely to be doing?

Probe: time with customers  
time with employees  
time in business activity  
time in travel/buying

Tell me about your background....What kind of experience, jobs, education or training do you have?

How did you get involved with this firm?

Probe: how firm acquired  
inherited  
purchased  
started by self

What do you like most about being in the apparel business?

Probe: apparel/fashion interest or expertise

Apparel retailing is a little different in that fashions change radically and often rapidly....How do you deal with this aspect of the business?

Probe: sources of fashion information used  
market/vendors  
magazines  
other sources

What do you think are your personal strengths in terms of running this business?....Any areas you might like to improve on?

What have been some of your greatest satisfactions/achievements/triumphs from having this business?

What are your greatest challenges/problems/frustrations in running this business today?

---

Does your store have a typical/usual customer?....Can you describe her for me?

Probe: target versus typical  
age, income, occupation, education, type, etc.  
do you have regular/repeat customers - loyalty  
from what area/distance do they come

Why do you think your customers come here to shop?

What kinds of strategies do you use to attract your customers?

Can you tell me about your customer service policies?

Probe: returns  
charges/checks/credit  
alterations  
mail/phone notices, other

What do you think of the statement: "The customer is always right!"?

Do you think the people in this community support your business?

Are you involved in any community activities, organizations, etc?

Are you a member of any professional/trade organizations?

Do you network with/know other apparel retailers in small towns or cities in this area?....Is this helpful for you in running this business?

How do you do your buying?....Do you go to market or do vendor reps come to you?

What kind of relationships do you have with your vendors?

---

How many employees do you have?....What are their responsibilities?

Probe:   how long employed here - turnover  
           who handles merchandise  
           who does bookkeeping  
           who does display, windows, etc.

What type of pay system do you use?....hourly, salary, other?

Probe:   commissions  
           sales quotas  
           bonus  
           discounts  
           other benefits, incentives

Do you talk to your employees about your business operations?

Probe:   sales volume achieved  
           financial information  
           merchandise ordered, other

Do your employees help with information about customer requests, new merchandise, suggestions to improve sales, markdowns, best sellers etc.?

Do your employees receive training for their job?....What kind of training do they get?

Probe: new employee training  
on-going training  
who is responsible for training  
methods of training - vendor seminars, video-tapes

What kinds of things do your employees do well/are they good at?....What, if any, would you like to see them improve?

Do any of your employees ever ask to take on new responsibilities?....How do you feel about that?

---

Do you have any rules and regulations, written or unwritten, for employee behavior at work?

Probe: dress code  
chewing gum/food on selling floor  
personal phone calls  
lateness for work/break times  
cash handling, other

Do you ever have problems with any of these things?....How do you deal with these employee problems?

What kind of relationships do you have with your employees?

Probe: personal confidences  
social interaction  
business only relationships, other

I'd like you to try to imagine how your employees might describe you as "the boss"....How do you think they would describe you?

How well do you think your employees get along with each other?....Do they support/help each other?....the business?

---

I'd like you to tell me, if you can, about your vision for or where you see your business going from here?

In thinking back over the topics we have touched on today, is there anything you might like to add or comment on?

Interview Schedule for Employees

I'd like to begin by having you tell me about your typical work day/week....What kinds of things are you likely to be doing?

Probe: time with customers/selling  
time with owner/manager  
time handling merchandise, display, etc.  
time doing paper work, bookkeeping  
time in house-keeping

Tell me about your background....What kinds of experience, jobs, education or training have you had?

Probe: apparel/fashion interest or expertise  
trade schools/formal education

How did you get involved with this firm?....Personal connections, newspaper ad, help wanted sign, etc.?

How do you feel about working here?....Do you like it or do you not like it?

Probe: likes  
problems/frustrations  
personal goals  
other demands on your time..other job, family, etc.

How do you think your family/friends feel about your working here?

---

Does your store have a typical/usual customer?....Can you describe her for me?

Probe: target versus typical  
age, income, occupation, education, type, etc.  
do you have regular/repeat customers - loyalty  
from where do they come - distance

Why do you think your customers come here to shop?  
Do you do anything special to attract/bring these customers here to shop?

Can you tell me about your store's customer service policies?

Probe: returns  
charges/checks/credit  
alterations  
mail/phone notices, other

What kinds of problems, if any, do you generally have with customers? (examples?)

What do you think about the statement: "The customer is always right!"?

Do you think the people in this community support this business?

How do you think your family/friends feel about this firm?....Do they shop here?

Do suppliers/vendors ever come into the store?....What do you think of them?

Probe: how do they treat you  
how do you get along with them

---

How are you paid?....hourly, salary?....How do you feel about this?

Probe: commissions  
sales quotas



discounts  
bonus  
other system you would prefer/would work better

Does the owner/manager talk to you about the business?

Probe: how the business is doing  
sales volume achieved or that should be achieved  
financial information  
new merchandise on order, other

Does the owner/manager ever ask for suggestions for or your opinion about business operations?

Probe: customer requests  
best sellers  
new merchandise that is in or should be  
promotion ideas  
display ideas

---

Did you receive or are you receiving any kind of training for this job?....What kind of training did/do you get?

Probe: new employee training  
on-going training  
who is responsible for training you  
methods of training - vendor seminars, video-tapes

What kinds of things do you do well/are you good at?....What, if any, would you like to learn more about or improve on?

Does the owner/manager encourage you or compliment you when you do something well/do a good job?

Have you ever been asked to take on new responsibilities?....How do you feel about that?

Have you ever asked the owner/manager if you could learn about some new business procedures or to take on new responsibilities?

---

Are there any rules and regulations, written or unwritten, for your behavior here at work?

Probe: dress code  
chewing gum/food on selling floor  
personal phone calls  
lateness for work/break times  
cash handling, other

Have you or another employee ever had problems with any of these rules?....How did the owner/manager deal with these problems?

What kind of relationship do you have with the owner?....the manager (if different)?

Probe: personal confidences  
social interaction  
business only relationship, other

How would you describe the owner as "boss"?....the manager (if different)?

Probe: personality likes/dislikes  
business/management abilities

Do you or some employees have more management or supervisory responsibilities than others?....What are they?

How do you get along with the other employees?....How do you think they feel about you?

Probe: support each other/work as a team  
conflicts in personality/work responsibilities

How do you think the other employees get along with each other?....How do you think the other employees get along with or think about the owner?

---

I'd like you to tell me, if you can, about your plans for the future or where you see yourself going from here?....Do you plan to stay with this firm?

In thinking back over the topics we have touched on today, is there anything you might like to add or comment on?

---

APPENDIX D: PERSONAL DATA QUESTIONNAIRE FORMS

Personal Data Questionnaire for Owner-Managers

Your sex? Male\_\_\_\_ Female\_\_\_\_

Your age? \_\_\_\_\_

How long have you owned this firm? \_\_\_\_\_

How many years experience have you had in the apparel retailing business? \_\_\_\_\_ In other retail business? \_\_\_\_\_

Your Education: (circle highest year completed)

Grade School: 1 2 3 4 5 6 7 8

High School: 1 2 3 4

Technical/Trade/Business School: 1 2 3 4

College: 1 2 3 4 5

Graduate School: 1 2 3 4 or more

Highest academic degree completed? \_\_\_\_\_

Check off all of the following that describe your business:

\_\_\_\_\_ Growing and profitable

\_\_\_\_\_ Growing, not profitable

\_\_\_\_\_ Stable and profitable

\_\_\_\_\_ Stable, not profitable

\_\_\_\_\_ Declining sales volume

\_\_\_\_\_ Declining profits

\_\_\_\_\_ Other comments:

Personal Data Questionnaire for Employees

Your sex? Male\_\_\_\_ Female\_\_\_\_

Your age? \_\_\_\_\_

How long have you worked for this firm? \_\_\_\_\_

How many years experience have you had working in the apparel  
retailing business? \_\_\_\_\_ In other retail business? \_\_\_\_\_

Your Education: (circle highest year completed)

Grade School: 1 2 3 4 5 6 7 8

High School: 1 2 3 4

Technical/Trade/Business School: 1 2 3 4

College: 1 2 3 4 5

Graduate School: 1 2 3 4 or more

Highest academic degree completed? \_\_\_\_\_

Check off all of the following that you think describe this  
business: (Please estimate if you don't know exactly)

\_\_\_\_\_ Growing and profitable

\_\_\_\_\_ Growing, not profitable

\_\_\_\_\_ Stable and profitable

\_\_\_\_\_ Stable, not profitable

\_\_\_\_\_ Declining sales volume

\_\_\_\_\_ Declining profits

\_\_\_\_\_ Other comments:

APPENDIX E: OBSERVATION SCHEDULE

Observation Schedule

DATE: \_\_\_\_\_

LOCATION: \_\_\_\_\_

INTERVIEWEE: Owner # \_\_\_\_\_ Employee # \_\_\_\_\_

PHOTOGRAPHS: Exterior \_\_\_\_\_ Interior \_\_\_\_\_ People \_\_\_\_\_

Appraisal of Interviewee

Comments

Overall appearance:

Good \_\_\_\_\_ Average \_\_\_\_\_ Poor \_\_\_\_\_

Personal grooming:

Well groomed &amp; made up \_\_\_\_\_ Clean &amp; neat \_\_\_\_\_ Sloppy \_\_\_\_\_

Style of dressing:

Dressy \_\_\_\_\_ Casual \_\_\_\_\_ Sporty \_\_\_\_\_

Fashionability:

Update \_\_\_\_\_ Contemp-conservative \_\_\_\_\_ Unfashionable \_\_\_\_\_

Personality descriptives: (check all that apply)

friendly \_\_\_\_\_ outgoing \_\_\_\_\_ talkative \_\_\_\_\_ bubbly \_\_\_\_\_

reserved \_\_\_\_\_ unfriendly \_\_\_\_\_ hostile \_\_\_\_\_ shy \_\_\_\_\_

pleasant \_\_\_\_\_ quiet \_\_\_\_\_ helpful \_\_\_\_\_ snobby \_\_\_\_\_

rude \_\_\_\_\_ sarcastic \_\_\_\_\_ sweet \_\_\_\_\_ harsh \_\_\_\_\_

loud \_\_\_\_\_ others: \_\_\_\_\_

Additional comments:



Appraisal of Interaction (outside of interview)      Comments

Overall impression of personal interaction:

Friendly/open\_\_\_\_ Reserved\_\_\_\_ Unfriendly\_\_\_\_

Interactions observed this date:

\_\_\_\_Employee - customer(s):

\_\_\_\_Owner - customer(s):

\_\_\_\_Owner - employee:

\_\_\_\_Employee - employee:

\_\_\_\_Other:

Customers observed:

How many?\_\_\_\_\_

How dressed?

Perceived attitude:

Friendly\_\_\_\_ Reserved\_\_\_\_ Unfriendly\_\_\_\_

How was customer greeted?

How did customer respond?

Did customer make a purchase?

Additional comments:

Appraisal of Store Atmosphere/Ambiance

Comments

Overall impression or feeling:

Bright/inviting\_\_\_\_ Pleasant/nice\_\_\_\_ Oppressive/dark\_\_\_\_

Overall appearance:

Great\_\_\_\_ Average/OK\_\_\_\_ Bad/poor\_\_\_\_

House-keeping:

Very orderly/neat & clean\_\_\_\_ Mostly orderly & clean\_\_\_\_  
Messy/unclean\_\_\_\_

Fixture &amp; wall displays:

Well-done/impressionable\_\_\_\_ Attractive\_\_\_\_ Poor\_\_\_\_ N/A\_\_\_\_

Window displays:

Well-done/impressionable\_\_\_\_ Attractive\_\_\_\_ Poor\_\_\_\_ N/A\_\_\_\_

Lighting comments:

Visibility of security:

Impression of floor layout:

Extra effects/features for ambience:

Additional comments:

**APPENDIX F: CODING GUIDE**

Coding Guide

(111) COMMUNICATION PATTERNS: The degree to which organizational communications are restricted to the formal hierarchy of authority; freedom of interpersonal communication; closeness of personal relationships; degree of confidences shared; lack of restriction in communications.

(121) CONFLICT TOLERANCE: The degree to which employees are encouraged to openly air conflicts and criticisms; ability to tolerate differences of opinion or personal characteristics and behavior.

(131) DIRECTION (control): The degree to which the organization creates clear objectives and performance expectations; degree of leadership, guidance, supervision; written or implied rules, regulations or expectations for how things should be done.

(141) IDENTITY: The degree to which members identify with the organization as a whole and identify themselves with a specific role within the organization; how they feel about being part of the organization; attitude toward the organization and the owner; characteristics of owner personified in the firm; "corporate identity."

(151) INDIVIDUAL INITIATIVE: The degree of responsibility, freedom and independence accorded to employees; perceived freedom to act independently; willingness to pursue new skills and responsibilities.

(161) INTEGRATION: The degree to which members are encouraged to operate in a coordinated manner; degree of cooperation and team spirit.

(171) MANAGEMENT SUPPORT: The degree to which managers provide assistance and support to their employees; level of warmth and encouragement, compliments, concern for employees' well-being and personal development.

(181, 182, 183, 184) ORIENTATION TO EXTERNAL PUBLICS: Quality and characteristics of interactions with 1) customers, 2) community, 3) suppliers, and 4) others.

(191) FIRM IMAGE: The firm's image and market positioning in terms of product quality, price, styling, etc; image of what the firm represents to customer through physical structure and location and the products and services offered; product and business knowledge of employer and employees.

(211) REWARD SYSTEM: The manner and degree to which reward allocations (i.e., salary increases, promotions, bonuses) are based on employee performance criteria in contrast to seniority, favoritism, or other criteria.

(221) RISK TOLERANCE: The degree to which employer is or employees are encouraged to be innovative and risk-seeking; employee willingness to try something new or different.

(231) MISC: Themes that do not fit into the other dimensions listed.

APPENDIX G: CONSENT FORM

Consent Form

You are invited to participate in a cultural study of small apparel retailing firms being conducted for Iowa State University. Your experience and opinions about your work environment will provide very important information that will help us learn more about apparel retailing. Your firm is one of five firms which are participating in this study. The owner(s) and all employees in each firm are asked to participate.

If you decide to participate, we will conduct an audio-taped interview of approximately 60 minutes or longer if we feel the need to continue. You also will be asked to fill out a brief personal data questionnaire that will take approximately 2 minutes to complete. You are free to discontinue participation at any time during the interview.

Any information that is obtained in connection with this study and that can be identified with you or your firm will remain confidential. Firm names and names of participants will be assigned code names and numbers immediately upon completion of interviews. No names will be used in reports of this study. The only person who will listen to the tapes is the interviewer who will also transcribe them. Interview tapes will be erased by the end of August, 1990.

If you have any questions, please ask me. If you have any additional questions later, Patricia Kusters (515) 294-5111 or Dr. Mary Lynn Damhorst, Associate Professor, (515) 294-9919, will be happy to answer them.

You will be offered a copy of this form for your records.

-----  
You are making a decision whether or not to participate in a study being conducted for Iowa State University. Your signature indicates that you have read the information provided above and have decided to participate. You may withdraw at any time without prejudice after signing this form should you choose to discontinue participation in this study.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Parent or Guardian (if minor)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Investigator

\_\_\_\_\_  
Date

**APPENDIX H: HUMAN SUBJECTS RESEARCH APPROVAL**



**Information for Review of Research Involving Human Subjects**  
**Iowa State University**

(Please type and use the attached instructions for completing this form)

1. Title of Project Corporate Culture of Small Apparel Retailing Firms in Towns in the Trading Area of a Regional Shopping Center
2. I agree to provide the proper surveillance of this project to insure that the rights and welfare of the human subjects are protected. I will report any adverse reactions to the committee. Additions to or changes in research procedures after the project has been approved will be submitted to the committee for review. I agree to request renewal of approval for any project continuing more than one year.

Patricia M. Kusters 02-19-90  
Typed Name of Principal Investigator Date

Textiles and Clothing 305 MacKay Hall 294-5111  
Department Campus Address Campus Telephone

3. Signatures of other investigators Date Relationship to Principal Investigator
- 02-19-90 Major Professor

Signatures have been redacted for privacy

4. Principal Investigator(s) (check all that apply)  
☐ Faculty ☐ Staff ☒ Graduate Student ☐ Undergraduate Student
5. Project (check all that apply)  
☒ Research ☒ Thesis or dissertation ☐ Class project ☐ Independent Study (490, 590, Honors project)
6. Number of subjects (complete all that apply)  
\* 30 # Adults, non-students     # ISU student     # minors under 14     other (explain)  
\* ? # minors 14 - 17
- \*number is approximate; 14-17 year old minors may participate if employed by firm.
7. Brief description of proposed research involving human subjects: (See instructions, Item 7. Use an additional page if needed.)

See attached

(Please do not send research, thesis, or dissertation proposals.)

8. Informed Consent: ☒ Signed informed consent will be obtained. (Attach a copy of your form.)  
☐ Modified informed consent will be obtained. (See instructions, item 8.)  
☐ Not applicable to this project.

**Checklist for Attachments and Time Schedule**

The following are attached (please check):

12. ☒ Letter or written statement to subjects indicating clearly:
- a) purpose of the research
  - b) the use of any identifier codes (names, #'s), how they will be used, and when they will be removed (see Item 17)
  - c) an estimate of time needed for participation in the research and the place
  - d) if applicable, location of the research activity
  - e) how you will ensure confidentiality
  - f) in a longitudinal study, note when and how you will contact subjects later
  - g) participation is voluntary; nonparticipation will not affect evaluations of the subject
13. ☒ Consent form (if applicable)
14. ☐ Letter of approval for research from cooperating organizations or institutions (if applicable)
15. ☒ Data-gathering instruments

## 16. Anticipated dates for contact with subjects:

First Contact

Last Contact

February 26, 1990April 30, 1990

Month / Day / Year

Month / Day / Year

## 17. If applicable: anticipated date that identifiers will be removed from completed survey instruments and/or audio or visual tapes will be erased:

August 30, 1990

Month / Day / Year

## 18. Signature of Departmental Executive Officer      Date      Department or Administrative Unit

02-19-90      Textiles and Clothing Department

## 19. Decision of the University Human Subjects Review Committee:

☒ Project Approved      ☐ Project Not Approved      ☐ No Action Required

Patricia M. Keith  
 Name of Committee Chairperson

2/22/90  
 Date

Signatures have been redacted for privacy

9. Confidentiality of Data: Describe below the method(s) used to ensure the confidentiality of data obtained. (See instructions, item 9.)

Any information that is obtained in connection with this study and that can be identified with firms or individuals will remain confidential. Firm names and names of participants will be assigned code names and numbers immediately upon completion of interviews. No names will be used in reports of this investigation. The only person who will listen to the tapes is the interviewer who will also transcribe them. Interview tapes and identifying photographs will be erased/destroyed by the end of August, 1990

10. What risks or discomfort will be part of the study? Will subjects in the research be placed at risk or incur discomfort? - Describe any risks to the subjects and precautions that will be taken to minimize them. (The concept of risk goes beyond physical risk and includes risks to subjects' dignity and self-respect as well as psychological or emotional risk. See instructions, item 10.)

No risk involved

11. CHECK ALL of the following that apply to your research:

- ☐ A. Medical clearance necessary before subjects can participate
- ☐ B. Samples (Blood, tissue, etc.) from subjects
- ☐ C. Administration of substances (foods, drugs, etc.) to subjects
- ☐ D. Physical exercise or conditioning for subjects
- ☐ E. Deception of subjects
- ☐ F. Subjects under 14 years of age and/or ☒ Subjects 14 - 17 years of age
- ☐ G. Subjects in institutions (nursing homes, prisons, etc.)
- ☐ H. Research must be approved by another institution or agency (Attach letters of approval)

If you checked any of the items in 11, please complete the following in the space below (include any attachments):

Items A - D Describe the procedures and note the safety precautions being taken.

Item E Describe how subjects will be deceived; justify the deception; indicate the debriefing procedure, including the timing and information to be presented to subjects.

Item F For subjects under the age of 14, indicate how informed consent from parents or legally authorized representatives as well as from subjects will be obtained.

\*Consent form includes space for Parent or Guardian signature if required.

Items G & H Specify the agency or institution that must approve the project. If subjects in any outside agency or institution are involved, approval must be obtained prior to beginning the research, and the letter of approval should be filed.