

DEVELOPMENT AND EVALUATION OF A BUYING AND  
MERCHANTISING LEARNING PACKAGE FOR  
TRAINING POTENTIAL APPAREL STORE  
ENTREPRENEURS

By

MARY HOWELL CREMER

Bachelor of Science

Oklahoma State University

Stillwater, Oklahoma

1976

Submitted to the Faculty of the Graduate College  
of the Oklahoma State University  
in partial fulfillment of the requirements  
for the Degree of  
MASTER OF SCIENCE  
December, 1977

Thesis  
1977  
C 915d  
cop. 2



DEVELOPMENT AND EVALUATION OF A BUYING AND  
MERCHANDISING LEARNING PACKAGE FOR  
TRAINING POTENTIAL APPAREL STORE  
ENTREPRENEURS

Thesis Approved:

*Kathryn M. Greenwood*  
\_\_\_\_\_  
Thesis Adviser

*Brooklyn Sister*  
\_\_\_\_\_

*Margaret J. Callen*  
\_\_\_\_\_

*Norman N. Decker*  
\_\_\_\_\_  
Dean of the Graduate College

## ACKNOWLEDGMENTS

Special recognition is given to my major adviser, Dr. Kathryn M. Greenwood, for her generous investment of time, helpful suggestions, and guidance throughout my graduate study. Appreciation is also extended to Dr. Margaret Callsen and Dr. Lynn Sisler, members of my advisory committee, for their assistance and recommendations concerning the thesis.

This research was part of a larger project entitled "Instructional Materials for Adult Entrepreneurship of Apparel Shops" (Research Project Number 489 AH 602 78; Grant Number HEW-DE-G00-76-0357). Appreciation is expressed for the privilege of serving as a graduate assistant on the research team. An expression of gratitude is also due to the following members of the Apparel Shop Entrepreneurship Research Team for their contributions and support throughout this investigation: Dr. Dennis Mott, Gene Rupe, Raunda Robinson, Jo Anne LeMay, and Delilia Diggs.

Acknowledgments also include the apparel store merchants who served as consultants, adult trainees who participated in the pilot study, and Mrs. Sharon Phillips, who typed the manuscript.

Finally, a sincere thanks is extended to my husband, Gregg, and our parents, Mr. and Mrs. Robert E. Howell and Mr. and Mrs. Robert L. Cremer, for their understanding and encouragement.

## TABLE OF CONTENTS

Chapter	Page
I. INTRODUCTION . . . . .	1
Background of the Study . . . . .	3
Statement of Purposes . . . . .	4
Assumptions of the Study. . . . .	5
Limitations of the Study. . . . .	5
Definition of Terms . . . . .	5
II. REVIEW OF LITERATURE . . . . .	9
Entrepreneurship. . . . .	10
Small Business . . . . .	10
Education in Small Business Entrepreneurship . . . . .	11
Open Entry - Open Exit. . . . .	13
Characteristics of Open Entry - Open Exit Programs . . . . .	13
Barriers to Implementing Open Entry - Open Exit Programs. . . . .	14
Competency-Based Education. . . . .	15
Characteristics of Competency-Based Education. . . . .	16
Objectives in Competency-Based Education . . . . .	16
Identification of Competencies . . . . .	17
Individualized Instruction. . . . .	17
Characteristics of Individualized Instruc- tion . . . . .	18
Instructional Packages. . . . .	19
Components of Learning Modules . . . . .	19
Instructional Objectives . . . . .	20
Evaluating Learning Modules. . . . .	20
Adult Learning Theories . . . . .	21
Characteristics of Adult Learners. . . . .	21
Implications for Developing Adult Instruc- tional Materials . . . . .	22
Readability. . . . .	22
Review of Related Research. . . . .	23
Summary . . . . .	25

Chapter	Page
III. DEVELOPMENT OF A LEARNING PACKAGE RELATED TO BUYING AND MERCHANDISING CONCEPTS . . . . .	27
Procedural System for Objective One . . . . .	28
Selection of the Sample. . . . .	28
Development of the Instrument. . . . .	28
Collection and Treatment of Data . . . . .	31
Procedural System for Objective Two . . . . .	33
Format for the Learning Package. . . . .	33
Procedures for Writing the Learning Package. . . . .	34
Analysis of Findings for Objective One. . . . .	37
Description of the Sample. . . . .	38
Buying and Merchandising Concepts Perceived as Very Important. . . . .	40
Instructional Materials Developed for Objective Two . . . . .	42
IV. EVALUATION AND RECOMMENDATIONS FOR REVISION. . . . .	48
Procedural System for Objective Three . . . . .	48
Selection of the Sample. . . . .	49
Development of the Instruments . . . . .	51
Collection and Treatment of the Data . . . . .	53
Procedural System for Objective Four. . . . .	58
Collection of the Data . . . . .	59
Treatment of the Data. . . . .	59
Analysis of Findings for Objective Three. . . . .	61
Description of the Sample. . . . .	61
Module Characteristics . . . . .	63
Perceptions of the Trainees' Application of Concepts. . . . .	66
Trainee Performance in Relation to Comprehension and/or Knowledge of Concepts . . . . .	70
Analysis of Findings for Objective Four . . . . .	73
Specific Suggestions for Improvement . . . . .	73
Recommendations for Revision . . . . .	75
V. SUMMARY, IMPLICATIONS AND RECOMMENDATIONS. . . . .	78
Summary of Procedures and Findings. . . . .	79
Implications. . . . .	82
Recommendations . . . . .	82
A SELECTED BIBLIOGRAPHY . . . . .	84

	Page
APPENDIXES. . . . .	88
APPENDIX A - APPAREL SHOP ENTREPRENEURSHIP RESEARCH PROPOSAL ABSTRACT AND CHART OF ACTIVITIES. . . . .	89
APPENDIX B - PROCEDURES ESTABLISHED BY THE APPAREL SHOP ENTREPRENEURSHIP RESEARCH TEAM FOR DEVELOPING INSTRUCTIONAL MATERIALS. . . . .	94
APPENDIX C - SUMMARY OF CRITERIA ESTABLISHED BY THE APPAREL SHOP ENTREPRENEURSHIP RESEARCH TEAM FOR SELECTING QUESTIONNAIRE SAMPLE . . . . .	97
APPENDIX D - REFERENCES USED TO OBTAIN BUYING AND MER- CHANDISING CONCEPTS . . . . .	99
APPENDIX E - TENTATIVE LIST OF BUYING AND MERCHANDIS- ING STATEMENTS TO BE INCLUDED IN QUESTIONNAIRE . . . . .	102
APPENDIX F - MANAGEMENT QUESTIONNAIRE FOR SMALL APPAREL STORES. . . . .	104
APPENDIX G - DESCRIPTION OF LEARNING PACKAGE FORMAT ESTABLISHED BY THE APPAREL SHOP ENTRE- PRENEURSHIP RESEARCH TEAM . . . . .	110
APPENDIX H - READABILITY GUIDELINES. . . . .	112
APPENDIX I - BUYING AND MERCHANDISING LEARNING PACKAGE . . . . .	114
APPENDIX J - DESCRIPTION OF PILOT STUDY SCHEDULING . . . . .	152
APPENDIX K - APPAREL SHOP ENTREPRENEURSHIP PILOT STUDY PUBLICITY . . . . .	154
APPENDIX L - APPAREL SHOP ENTREPRENEURSHIP EVALUATION INSTRUMENTS DEVELOPED FOR EACH PILOT STUDY PARTICIPANT . . . . .	159
APPENDIX M - EXAMPLE OF PILOT STUDY PARTICIPANT PROFILE . . . . .	161
APPENDIX N - BUYING AND MERCHANDISING MODULE EVALUATION INSTRUMENT. . . . .	163
APPENDIX O - TRAINEE'S SELF-EVALUATION OF ACHIEVEMENT OF OBJECTIVES . . . . .	165

	Page
APPENDIX P - NUMERICAL VALUES ASSIGNED TO PARTICIPANTS' RESPONSES . . . . .	168
APPENDIX Q - APPAREL SHOP ENTREPRENEURSHIP PROCEDURES FOR FORMULATING TRAINING PROGRAM REVISIONS . . . . .	170
APPENDIX R - APPAREL SHOP ENTREPRENEURSHIP CRITERIA FOR IMPROVING MODULAR CHARACTERISTICS . . . . .	172
APPENDIX S - DESCRIPTION OF PILOT STUDY PARTICIPANTS . . .	174
APPENDIX T - COMMENTS AND SUGGESTIONS OFFERED BY PILOT STUDY PARTICIPANTS. . . . .	178



LIST OF TABLES

Table	Page
I. Characteristics of Questionnaire Respondents. . . . .	39
II. Responses to Buying and Merchandising Questionnaire Statements. . . . .	41
III. Expansion of Concepts to be Included in the Buying and Merchandising Learning Package. . . . .	44
IV. Summary of the Buying and Merchandising Instructional Materials Developed . . . . .	45
V. Description of Pilot Study Participants . . . . .	62
VI. Trainees' Evaluation of the Buying and Merchandising Module Characteristics. . . . .	64
VII. Summary of Classification of Module Characteristics . . .	67
VIII. Evaluation of Instructional Objectives. . . . .	68
IX. Applications of Concepts as Perceived by the Adult Trainees and Panel of Business Experts. . . . .	71
X. Pretest-Posttest Scores by Concept. . . . .	72
XI. Specific Suggestions for Improvement of the Two Modules .	74
XII. Member of the Panel of Business Experts and Role Model Merchant Suggestions for Improvement of the Two Modules . . . . .	75

LIST OF FIGURES

Figure	Page
1. Buying and Merchandising Statements Included in the Questionnaire. . . . .	31
2. Procedure Used for Evaluating the Learning Package . . . . .	55
3. Procedures Used for Formulating Recommendations for Revision of the Learning Package . . . . .	60

## CHAPTER I

### INTRODUCTION

Some economists and historians have predicted the eventual collapse of capitalism in the United States, along with the emergence of a government-regulated economy. Grayson (1973, p. 111), concerned with this shift from a private enterprise-free market economy to one that is government-regulated, recommended encouragement of entrepreneurs as a means of halting these trends: "The entrepreneur is the lifeblood - the innovator, creator, pusher - of the private enterprise system; without him the system will tend to become change resistant and bureaucratic."

Keirulff (1975) also suggested encouragement of entrepreneurial activity as an inexpensive means of improving productivity and realizing the benefits of our technological society.

According to Cohn and Lindberg (1974) small businesses are not infantile versions of large ones and many major differences exist between the small and the large business. Yet according to Keirulff (1975) most business schools operate on the assumption that small ventures are big business in microcosm. As a result of this problem concerning current educational assumptions pertaining to small business ventures, Keirulff (1975) has suggested the need for separate programs designed especially for the small business entrepreneur.

Some assistance is available for the potential entrepreneur of specialized products. The United States Department of Commerce provides statistics on population size, trends, and compositions in all areas of the country. Information on the number of retail establishments and volume of business done within individual trades is provided by the United States Bureau of Census. Free professional advice concerning market research can be obtained from local offices of the Small Business Administration (SBA) along with "How-to" periodicals on establishing a business. The SBA also sponsors two volunteer groups, the Service Core of Executives (SCORE); and the Active Core of Executives (ACE). In addition, "Going Into Business Workshops" for potential entrepreneurs are sponsored by SBA Chapters throughout the country. Information directly related to establishing an apparel shop can be obtained from Men's Wear Retailers of America, Men's Apparel Clubs (MAC), the Merchandise Division of the National Retail Merchandise Association, Bank of America and such sources.

Even though assistance is available, there still exists a need for retail training specific to the operation of apparel shops. This need is evidenced by the large number of small retail stores in operation, along with the high rate of business failures in small apparel shops. Dun and Bradstreet (1970, p. 101) has estimated the failure rate of new stores to be 10-20 percent during the first year of operation, and identified the most important reasons for retail failure as ". . . lack of capital and incompetence resulting from inexperience and lack of managerial ability."

## Background of the Study

This study was made possible by a larger research project conducted at Oklahoma State University entitled "Instructional Materials for Adult Entrepreneurship of Apparel Shops." The research project was funded by the United States Office of Education. The director of the project was Dr. Kathryn M. Greenwood, and the co-directors were Dr. Margaret Callsen and Dr. Dennis Mott.

The project was designed to select entrepreneurial competencies and develop instructional materials for use in an open entry - open exit setting by potential apparel shop owners. The organization of the instructional materials incorporated the four major retail functions: accounting and control; buying and merchandising; operation and management; and advertising and promotion. Individualized, self-instructional and self-evaluative learning packages were developed based on the entrepreneurial competencies related to each of the four retail functions.

The major objectives of the larger research project were:

1. To develop individualized and modularized instructional materials which aim to provide entrepreneurial competencies for potential small apparel shop owners.
2. To test the instructional materials through use in a pilot study open entry - open exit setting with role model merchants as consultants.
3. To evaluate the instructional materials during the pilot study period with assistance from a panel of business experts.

4. To revise the instructional materials and to make recommendations concerning the continued use in open entry - open exit programs to provide adult entrepreneurial competencies which facilitate self-employment.

Four graduate assistants were selected from the areas of Clothing, Textiles and Merchandising; Home Economics Education; and Distributive Education. Each graduate assistant was responsible for developing and evaluating a learning package related to one of the four functional areas of retail store operation. This researcher developed and evaluated a buying and merchandising learning package for the purposes of this study.

An abstract of the Apparel Shop Entrepreneurship (ASE) research proposal, along with a chart illustrating the ASE project's schedule of activities is in Appendix A.

#### Statement of Purposes

The major purposes of the study were to develop a buying and merchandising learning package and to evaluate the use of the learning package by potential apparel shop entrepreneurs during a pilot study period. The four objectives of the study were:

1. To identify buying and merchandising concepts related to entrepreneurial competencies.
2. To prepare a learning package aimed to contribute to the development of buying and merchandising concepts needed for apparel shop entrepreneurship.
3. To evaluate the buying and merchandising learning package during a pilot study period.

4. To formulate recommendations for revision of the buying and merchandising learning package.

#### Assumptions of the Study

The following assumptions underlie the study:

1. The learning package will facilitate the trainees' development of buying and merchandising concepts.
2. The performance objectives can be designed to enable the trainees to achieve the terminal objective for the learning package.

#### Limitations of the Study

1. The learning package was tested in an existing open entry - open exit setting at South Oklahoma City Junior College.
2. The participants consisted of eleven adults who enrolled in the pilot study.
3. The open entry - open exit period consisted of an eight week period.
4. The learning package contained only buying and merchandising concepts related to apparel store entrepreneurial competencies.

#### Definition of Terms

1. Adult Trainee (AT)--any person enrolled in the pilot study.
2. Apparel Shop Entrepreneurship (ASE)--refers to the larger research project entitled "Instructional Materials for Adult Entrepreneurship of Apparel Shops," funded by the United States Office of Education.

3. Buying and Merchandising--activities requisite to the planning, procuring and controlling of merchandise for the small apparel store.

4. Competency-Based Education--an attitude or behavior, skill or understanding demonstrated by a participant at a specified performance level (AHEA, 1974, p. 4).

5. Entrepreneur--extraordinary person who arranges and manages any enterprise, especially a new or untried business (Packard, et al., 1976, p. 327).

6. Evaluation--a process assessing the use of the learning package.

7. Evaluation Instrument--a rating scale used by the adult trainees, role model merchants, panel of business experts, and the teacher-coordinator to assess the effectiveness of the learning package utilized in the pilot study.

8. Individualized Instruction--a highly flexible system of multiple materials and procedures in which the student is given substantial responsibility for planning and carrying out his own organized program of studies, with the assistance of his teacher, and in which his progress is determined solely in terms of those plans (Baker, 1970, p. 775).

9. Instructional Materials--materials developed by the ASE research team including: a trainee orientation manual; video tape; five learning packages inclusive of modules, Individual Store Plans, and pretests and posttest; resource center containing additional reference materials; and evaluation instruments.

10. Instructional Objectives--refers to the performance objectives in the two buying and merchandising modules and the terminal



objective for the buying and merchandising learning package.

11. Learning Package--a self-instructional unit developed for learning one or more basic concepts; the buying and merchandising learning package included two modules, one set of Individual Store Plans, a pretest, and a posttest.

12. Module--a set of learning activities designed to help the trainee acquire and develop concepts related to specific performance objectives. Each module included instructions, rationale, performance objectives, content, content check, self check, Apply To Your Own Store Plans, and a glossary of terms and formulas.

13. Open Entry - Open Exit--a concept that refers to procedures in educational programs and courses that allow the learner to enter and exit a formal educational setting at times other than the beginning and ending of the traditional school term (Paulsen and Berg, 1976, p. 1).

14. Panel of Business Experts (PBE)--a panel composed of experts in the areas of the four functional areas of retailing: Accounting and Control, Buying and Merchandising, Operation and Management, Advertising and Promotion and in other areas such as banking and business law.

15. Performance Objective--Explicit statement to describe what the trainee will be able to do upon completion of each content segment with a module.

16. Pilot Study Participants--the following individuals who actively engaged in various aspects of the ASE Research Project:

- a. teacher-coordinator
- b. adult trainees

- c. role model merchants
- d. panel of business experts

17. Role Model Merchants (RMM)--owners of men's or women's small apparel stores who served as consultants for the trainees participating in the pilot study.

18. Terminal Objective--explicit statement to describe what the trainee will be able to do upon completion of the learning package.

## CHAPTER II

### REVIEW OF LITERATURE

Papanek (1962) and others (Bruton, 1965) have emphasized the importance of encouraging entrepreneurial activity in order to improve productivity and realize the benefits of our technological society. However, in spite of this general recognition of the importance of entrepreneurship in economic growth and development, most career education programs stress specific career concepts that may be helpful to potential employees.

There is a growing need to make available formal education and training that will provide the necessary skills for small business entrepreneurship, and recommendations have been made at the national level to incorporate business ownership and management concepts into the educational curriculum (Johnson, 1975). Instructional concepts implemented in the entrepreneurship curricula include: open entry - open exit, competency-based education, and individualized instruction including instructional packages.

The first section of this chapter will contain selected literature pertaining to entrepreneurship, including a discussion of small business and current educational materials developed to provide requisite skills for small business entrepreneurship. Curriculum concepts will be reported in this chapter along with recent developments

of adult entrepreneurship curricula. The last section includes other research related to the study.

### Entrepreneurship

Most career education programs currently focus on the development of certain competencies in employees--those individuals who work for others. These programs neglect the important career option of small business entrepreneurship. The entrepreneur has commonly been defined as an individual who creates, owns, and manages a business firm (McGaffey and Christy, 1975).

### Small Business

According to Dun and Bradstreet (Kuehn, 1973), there are about 2,250,000 businesses in this country. Well over half are worth less than \$50,000. Only five percent are worth more than \$200,000.

In distinguishing between big business and small business, some of the criteria used are relative size, type of customer, financial strength, and number of employees. For example, in the Small Business Act of 1953, Congress defined a small business as one which is "independently owned and operated and which is not dominate in its field of operation" (Barnes, 1954).

There is no generally accepted definition of "small business." The definitions vary all the way from that of the office of the Secretary of Treasury, which includes all firms with receipts of less than \$1,000,000 (Small Business Administration, 1972) to the definition given by Tate, et al. (1975, p. 4) which is "an organization with a name, a place of operation, an owner, and one or more workers other than the

owner." The Secretary of the Treasury indicated that there were more than 14.5 million small businesses in the United States in 1969. According to Tate, et al., there were around 5.7 million small businesses in 1971.

Perhaps the best means of distinguishing between big business and small business is to examine the designated advantages of small business. Tate et al. (1975) reported that the small business is usually in closer touch with its customers, employees and suppliers. It can do a more individualized job for customers and thereby can attract customers on the basis of specialty products, quality and personal services rather than on the impersonal factors of price or mass production of largely identical products.

Traditionally the largest percentage of small business firms have existed in retail trade (Nelson and Bober, 1977). Apparel stores are one of the various business options included in retail trade. Dun and Bradstreet (1970) reported an annual establishment of over 1200 women's apparel stores and the failure of approximately 250 owners of small apparel stores each year. As indicated by these figures, there is a need for retail training in the operation of small apparel stores.

#### Education in Small Business Entrepreneurship

Johnson (1975) estimated that there are over seven million independent businesses in the United States today. Because of the significant number of people who own their own business or who are interested in business ownership and management, recommendations have been made at the national level to integrate business entrepreneurship concepts

into the curriculum at the elementary, secondary and postsecondary levels.

In 1972 the National Business Education Association received a grant from the United States Office of Education (USOE) to develop a course of study to acquaint seventh, eighth and ninth grade students with business ownership and management as a potential career choice (Business Ownership Curriculum Project for the Prevocational and Exploratory Level, Final Report. Project No. V257012).

The materials cover general concepts relating to small business ownership and management and do not concentrate too heavily on application aspects.

In 1974 the Athena Corporation of Bethesda, Maryland contracted with the USOE to prepare materials for teaching small business topics in grades ten through twelve (Nelson and Bober, 1977). Approximately fourteen instructional modules are being developed, and several stimulation games will also be prepared to accompany the materials. One of the major purposes of the project is to develop materials that emphasize the "humanistic" aspects rather than the "technical" aspects of owning and operating a business.

Other materials dealing with postsecondary small business entrepreneurship also exist. For example, the New Enterprise Development Program was created in 1972 by the Institute for New Enterprise Development (INED). It was funded by successful entrepreneurs and staffed by people experienced in market research, business and financial planning, new venture team development and new venture curricula. INED is funded by a federal agency and a private foundation which are both

concerned with promoting substantial profitable businesses in or near poverty areas (Timmons, 1975).

The division of business education at the University of Illinois has completed a teaching guide entitled Owning and Operating a Small Business (Nelson and Bober, 1977). Funding for preparation of the guide was provided by the Illinois Division of Adult, Vocational and Technical Education. The guide identifies strategies for covering the personal factors involved in owning and operating a business as well as for presenting more traditional small business management topics.

#### Open Entry - Open Exit

Recent writers in the field of education have emphasized the value of enrollment procedures which allow variable points of entry. The National Advisory Council on Adult Education (1972) reported that present emphasis on age limits, sequential curricula and prescribed entry tends to limit adult opportunities in career education. The Council recommended that career education models be modified or developed to reflect the diverse needs of adults.

#### Characteristics of Open Entry - Open

#### Exit Programs

Open entry - open exit allows students to be introduced to subject matter at varying times within the school year, and to leave the program when the established objectives have been accomplished. The flexibility of enrollment patterns in open entry - open exit provides for a more student oriented educational setting.

Paulsen and Berg (1976) define the open entry - open exit concept as:

Education which refers to procedures in educational programs and courses that allow the learner to enter a formal educational setting at times other than the beginning of the traditional school term; frequency of entry is generally considered to be greater under an open entry/exit format than under a more traditional one. Entry points under this concept are variable and these points might occur every several months, monthly, weekly, or even daily (p. 1).

Students seeking post-secondary education who are anxious to begin and complete their studies with minimum delay are often discouraged under traditional educational systems which delay entering and completion. For these students, open entry - open exit appears to offer advantages over the more traditional systems.

In addition to the flexible scheduling associated with open entry - open exit programs, a "student-centered" approach is also characteristic of such programs. Dollar (1971) designated heterogeneity in learning styles as an assumption of open entry - open exit programs. Thus, a continuous process of program planning, development and improvement is needed in open entry - open exit programs in order to meet the needs of students.

Other characteristics of open entry - open exit programs, identified by Dollar (1971) include: clusters of related experiences, instructors as managers of learning and self-contained programs.

#### Barriers to Implementing Open Entry - Open Exit Programs

A research project (No. 498 AH 503 56) funded by the United States Office of Education identified barriers to the use of the open entry -



open exit concept in cooperative vocational programs in the retail clothing area. The researchers developed individualized instructional materials and arranged for them to be accessible to students in twelve secondary and two adult programs.

The open entry - exit concept was implemented in four secondary programs and one adult program. Some of the barriers identified in the nine programs where the concept was not implemented were concerned with the lack of flexibility in the enrollment policies; the lack of an accepted way to establish credit for competency-based achievements of students; and the lack of access to learning materials for students not already enrolled in a cooperative vocational class.

The researchers recommended a number of strategies for overcoming barriers to the open entry - open exit concept. Recommendations included the development of a statewide flexible system for giving credit for competency-based achievements, and/or approval of open entry - open exit programs in selected secondary schools in Oklahoma.

#### Competency-Based Education

Initiated by educators, supported by grants from federal, private and state sources, competency-based education (CBE) rapidly gained prominence in American teacher education during the early seventies. Since that time, other professions and programs have implemented the competency approach. Physicians in Illinois, Michigan and Texas are being trained through competency-based programs. Nursing, allied health programs, child care, food preparation, pilot testing and other training for paraprofessionals are focusing on CBE. Engineers,

electricians, plumbers and computer programmers are also engaged in competency-based programs.

### Characteristics of Competency-Based

#### Education

In August, 1971 the American Association of Colleges for Teacher Education Committee sponsored a conference in which a group of experts discussed aspects of CBE. Stanley Elam prepared a report on their deliberations and included three levels of descriptors in his definition of CBE: (1) essential elements; (2) implied characteristics and (3) related or desirable characteristics.

The essential elements specified by Elam (1971) included competencies, criteria in assessing competencies, rate of progress and achievement of competencies.

Houston (1974) designated several other characteristics which appear to be implied in the list of essential elements. The implied characteristics included: individualized and personalized instruction, emphasis on exit requirements rather than entrance requirements and student accountability.

Characteristics related to or desirable in CBE were identified by Elam (1971). Related or desirable characteristics identified included: field centered program, broad base for decision making, focus on concepts, skills and knowledges, and a research component.

### Objectives in Competency-Based Education

Objectives are an essential component of CBE. Bruce and Carpenter (1977) indicated the development of objectives as the third

step in implementing a competency-based program. Dressel (1968) asserted the importance of objectives by insisting on the specification and agreement of objectives in advance of instruction.

Houston (1974) defined five types of objectives and listed the relative importance of each of the five types to competency-based education. Houston reported that greater emphasis should be placed on performance based, consequence based and affective objectives than on cognitive based objectives.

### Identification of Competencies

Competency-based instructional programs are designed to bring about learner achievement of specified competencies. Dressel (1968) defined competency as an end result to be acquired by students. In agreement with this definition, Wight (1974) identified competency as an explicit statement of what the student will be able to do upon completion of a course.

A methodology for identifying competencies suggested by Bruce and Carpenter (1972) included the following:

. . . Workers currently employed in the relevant occupations are observed and interviewed. A preliminary list of all the tasks performed by the workers is then compiled. This occupational inventory is submitted to a sample of the total population of workers in the priority area to identify the tasks actually performed and the relative time spent on each. Based on an analysis of the data gathered, high priority tasks are identified . . . (p. 58).

### Individualized Instruction

Recent writers in the field of education have also emphasized the value of individualized approaches to instruction. The Policies

Commission for Economic Education (1974) recognized the merit of individualization of instruction for all subject areas in business education. Kotaska and Dickinson (1975) reported,

Individual methods are obtaining increasing importance in adult educational programs as attempts are made to tailor the instructional process to the learning needs of adults who are unable or unwilling to engage in group methods (p. 161).

### Characteristics of Individualized Instruction

Concerned with the lack of congruity in descriptions and definitions of individualized instruction, Coppedge (1974) specified six characteristics of individualized instruction in the following:

1. Students are expected to perform commensurate with their ability and learning.
2. Evaluation of student effort is based primarily on individual ability.
3. There is more contact between teacher and student on a one-to-one basis.
4. The student must become a full partner in the learning process.
5. The teaching-learning process is a cycle of diagnosis, prescription and evaluation.
6. Instructional planning is designed to promote student learning through continuous progress (pp. 273-275).

Methods of individualizing instruction vary in accordance with emphasis on prepackaged, teacher- or student-determined diagnosis, prescription, learning resources, activities, assessment and recycling. Dunn and Dunn (1972) identified five basic ways to individualize instruction including: programmed learning, instructional packages, contract, work-study experiences and community contributions.

## Instructional Packages

The development of instructional packages is a new curriculum strategy for organizing learning experiences in education. Each primary idea or concept identified becomes the topic of an instructional package. Learning Packages, Teaching Activity Packages, Learning Activity Packages (LAPS), Contract Activity Packages (CAPS) and Home Economic Learning Packages (HELP) are among the various titles used for this strategy. In an attempt to alleviate terminology confusion, Parsons, et al. (1976) stated, "No one title has gained universal acceptance; however, 'learning module' often is considered the generic name . . ." (p. 31).

The educational rationale of modular organization, reported by Bruce and Carpenter (1977) designated an increase in the possibilities of student individualization and relatively objective evaluation of performance.

### Components of Learning Modules

Coppedge (1974) emphasized the need for plans related to learning packages to be written so that the student may read and follow the plans in order to advance in a learning sequence suitable for him. Plans suggested by Coppedge (1974) included provision for diagnosis, evaluation devices and quest activities.

Arena (1970) adopted the format previously developed at Nova High School in Ft. Lauderdale, Florida because of its proven effectiveness and increasing employment by educators. The format for the learning

packages included the following:

1. Rationale
2. Performance objectives
3. Pretest
4. Pretest analysis
5. Basic references
6. Program for learning
7. Self-evaluation test
8. Self-evaluation test analysis
9. Appendix (p. 785).

### Instructional Objectives

Mager (1962) and Kiber, et al. (1970) identified similar characteristics of instructional objectives. Characteristics designated included the following:

1. who is to perform the desired behavior;
2. the actual behavior to be employed in demonstrating mastery of the objectives;
3. the result of the behavior which will be evaluated;
4. the relevant conditions under which the behavior is to be performed; and
5. the standard that will be used to evaluate the success of the performance.

### Evaluating Learning Modules

A research team at North Carolina State University recently conducted an extensive review of the literature and critically reviewed a wide range of modules available. From this research, criteria were

developed for educators to use in evaluating modules for purchase or for preparation of modules. Parson, et al. (1976) participated in this research activity and identified criteria and guides to be employed in the appraisal of both structure and content of learning modules. According to Parson, et al. referenced above, learning modules should be subjected to critical appraisal in the following areas: objectives, subject matter, design characteristics, learning activities, adaptability, validity and evaluation.

### Adult Learning Theories

Several persons have indicated the importance of the student as related to the strategy selected for developing curriculum. Tyler (1950, p. 5) identified, ". . . the learner as one of the major sources of data from which instructional objectives may be constructed." Bruce and Carpenter (1977, p. 60) reported ". . . reading level, psychological approach, types of learning activities and evaluation techniques must be geared to the target student."

### Characteristics of Adult Learners

In an attempt to instruct educators involved in adult program planning, Knowles (1967) described four unique characteristics of the adult learner:

1. Self-concept. Adults tend to see themselves as responsible self-directing independent personalities. Adults tend to resist learning under conditions that are incongruent with their self-concept as autonomous individuals.
2. Accumulated Experience. A given adult enters into any educational activity with a different background of experience from that of his youth. Adults are less dependent on the vicarious experiences of teachers, experts, and textbooks.

3. Readiness to Learn. Adults are usually characteristic of a readiness to learn through the requirements of social roles.
4. Time Perspective. Adults engage in learning in response to pressures they feel from current life problems; their time perspective is one of immediate application (pp. 267-268, 278).

### Implications for Developing Adult

#### Instructional Materials

Cason (1975) identified eight principles to be considered in the design of adult instruction. From Cason's discussion it appears that maximizing the effectiveness of instruction depends in part upon the organization and presentation of instruction in terms of job goals; and restricting the number of elements designated by any list such that the total number of items which must be retained in immediate memory does not exceed the limited capacity of immediate memory.

#### Readability

The literature available concerning curriculum development for adult education has stressed the need for readability as a critical factor in instructional materials. Flesch (1974, p. 172) defined readable as "easy and interesting to read." The reading ease of written materials is determined by the structure of words and sentences. The human interest of readability is determined by the inclusion of "personal" words and sentences.

The importance of reading ease has been emphasized by the research conducted under the sponsorship of the Air Force Resources Laboratory. This research is concerned with methods for increasing



the comprehensibility of written materials as employed in Air Force technical training. Support for increasing the comprehensibility of the textural materials included the reduction in training time and costs and the increase in training effectiveness (Siegel, 1974).

Several authors have emphasized the continuing need to identify interest factors and have stressed that this information should be used in the development of curriculum (Kirchner, 1966; Neff, 1972; Waples and Tyler, 1931). Fitzgerald (1975) defined interest as an expressed positive attitude toward the content of verbal material. Since adult learners seek immediate rewards and usefulness for any facts or concepts, the factor of interest appeal should be of critical importance in the development of instructional materials.

#### Review of Related Research

Several studies, in various areas of home economics and business, have been conducted which relate to curriculum development in retail education. A discussion of the related research, selected from the literature, is presented in the following.

Tate (1976) conducted a study for the purpose of developing and evaluating a competency-based learning package for use by students in two fashion work experiences courses at Oklahoma State University.

A two-part learning package on Sales Productivity was developed and pretested. Part I was used by thirty-five fashion merchandise students during the work class in the spring of 1976. Eighteen students completed Part II of the learning package during the actual work experience period in the summer of 1976. The results indicate that

the learning package can be used effectively in the work experience class and during the actual work experience program.

A study directed by Greenwood (1972) was designed to incorporate a career oriented approach to the evaluation and revision of the Curriculum for the Fashion Merchandising Program at Oklahoma State University. As a component of the study, Greenwood identified job descriptions--responsibilities, duties and competencies which cluster around the retail buying function. Job descriptions were obtained for the buyers and the assistant buyers in selected retail organizations in the Central part of the United States by means of a retail questionnaire. Responsibilities associated with five major retail buying functions were identified: planning and evaluating; procuring; promotion; merchandising and supervision.

A study was conducted by Kunsemiller (1961) to determine the educational needs of small independent retail businessmen in southern California. The study was limited to individually owned small retail firms (1) with ten or less regular employees, (2) located within the geographical limits of California and (3) encompassing six retail categories including apparel.

The sample groups were selected by industry representatives, based upon their own criteria for relative success. These groups were validated against Dun and Bradstreet ratings and by observations. The researcher concluded that (1) methods of teaching should emphasize the scientific process in problem solving and decision making through case problems, management games and games-theory and role playing; (2) collection and dissemination of meaningful statistical information and

interpretation for small business owners are necessary and (3) consulting and advisory services for small business owners by colleges, universities and industry should be extended.

A similar study was directed by Rici (1972) in New England. The purpose of this study was to provide guidelines to be used as a basis for development and improvement of retail education programs in post-secondary institutions. Questionnaires were mailed to instructors, students and administrators of the nineteen participating post-secondary institutions. The retailers' questionnaires were sent to those familiar with the retailing program.

Recommendations for the administration of post-secondary retailing programs involved: close communication with retailing industries and other educational institutions, advisory committees, instructors with retailing experience, indication of program objectives to students, and flexible semester terms.

Recommended guidelines for curriculum and instruction included: training for all types of retailing organizations, individualized instruction and student evaluation of curriculum.

### Summary

Within this chapter, related literature was discussed with respect to curriculum development in entrepreneurial education. A discussion of small business entrepreneurship was presented. This discussion involved the identification of several recent innovations in small business entrepreneurship education. Competency-based education was defined by comparing the characteristics of competency-based education programs to traditional programs. A methodology for identifying

competencies was also suggested. Individualized instruction was discussed with respect to the trend toward individual rather than group-oriented instruction. The instructional package, one method of individualizing instruction, was recognized as a new curriculum strategy for organizing learning experiences. A discussion of open entry - open exit concepts suggested a trend for the need of variable enrollment patterns. Characteristics of adult learners and implications for developing adult instructional materials were identified. A review of additional studies which related to curriculum development in retail education was also presented. All of the literature related to curriculum development was used as a basis for the development of a buying and merchandising learning package for use by potential apparel store entrepreneurs.

## CHAPTER III

### DEVELOPMENT OF A LEARNING PACKAGE RELATED TO BUYING AND MERCHANDISING CONCEPTS

The major purposes of the study were to develop a learning package related to buying and merchandising concepts and to evaluate the use of the learning package by potential apparel store entrepreneurs during a pilot study period. This study was made possible by an Apparel Shop Entrepreneurship (ASE) Research Project described in Chapter I. A list of the procedures established by the ASE research team for developing instructional materials is in Appendix B.

The first stage of this study, discussed in this chapter, included two objectives: to identify buying and merchandising concepts related to entrepreneurial competencies; and to prepare a learning package aimed to contribute to the development of buying and merchandising concepts needed for apparel store entrepreneurship. The second stage of the study, reported in Chapter IV, included the following objectives: to evaluate the buying and merchandising learning package during a pilot study period; and to formulate recommendations for revision of the learning package. The procedural system and the analysis of findings for objective one and objective two of the study are discussed in this chapter.

## Procedural System for Objective One

Concepts related to entrepreneurial competencies were identified for use in developing the buying and merchandising learning package. A management questionnaire was developed by the ASE research team for the collection of data needed in prioritizing concepts related to entrepreneurial competencies. The questionnaire was mailed to owners and managers of apparel stores located in Oklahoma.

### Selection of the Sample

The population for this objective of the study was identified as owners and managers of men's and women's apparel stores in Oklahoma. Approximately 200 owners and managers of men's and women's apparel stores located in small, medium and large cities in Oklahoma were selected for the sample. Based on a tentative investigation of the list of men's and women's apparel stores in Oklahoma, the ASE research team formulated criteria to be used in selecting a representative sample. The Dun and Bradstreet Apparel Trades Book (February, 1970) and the yellow pages of city telephone directories were used to select specific stores. A summary of the criteria for selecting the questionnaire sample, established by the ASE research team, appears in Appendix C.

### Development of the Instrument

A questionnaire was developed by the ASE research team for the collection of data needed in prioritizing concepts related to entrepreneurial competencies. The questionnaire was designed to include

the following parts: 1) a cover letter identifying the purposes of the questionnaire; 2) instructions for completing the questionnaire; 3) a profile to obtain background information about the respondents' retail setting, such as the size of store, the type of store and a delineation of sales volume and 4) a list of competency related statements pertaining to four functional areas of retailing: accounting and control; buying and merchandising; operations and management and advertising and promotion. The respondents were instructed to read each of the statements and indicate the degree of importance of each item by placing a checkmark in the appropriate column. An example of the rating scale is presented below:

Very Important = Must be accomplished  
Somewhat Important = Helpful and desirable  
Unimportant = Little or no value  
Not Applicable = Does not apply

The questionnaire statements related to buying and merchandising concepts were developed by this researcher. These statements were formulated based on previous research conducted by Greenwood (1972) and selected materials from other retail authorities.

Greenwood (1972) developed a retail questionnaire and identified responsibilities and duties associated with the buying function of retailing. Of the responsibilities and duties identified by Greenwood, only those which met the following criteria were considered for use in the questionnaire: 1) a duty or responsibility pertaining to single unit store operations and 2) a duty or responsibility pertaining to the planning and evaluating, procuring or merchandising functions.

Other retail authorities included selected materials from the University of Texas Instruction Materials Center, Ohio Distributive

Education Materials Lab, Men's Wear Retailers of America, Small Business Administration and Bank of America. Publications of these retail authorities were examined and buying and merchandising concepts were derived from an analysis of the instructional objectives, content and learning activities. A complete list of the references used to obtain the buying and merchandising concepts is in Appendix D.

The buying and merchandising concepts derived from Greenwood's research and other retail authorities were classified and grouped according to similarity of content. A tentative list of twenty-five statements was formulated to represent the buying and merchandising concepts. A list of these buying and merchandising statements is in Appendix E. The twenty-five statements were presented to two Stillwater apparel store merchants. Based on the merchants' comments and suggestions regarding the importance of each concept, the ASE research team decided to include sixteen of the buying and merchandising concepts in the management questionnaire. The final revision of the statements incorporated suggestions from two Stillwater merchants related to the wording. The buying and merchandising statements included in the questionnaire are presented in Figure 1. A copy of the complete management questionnaire for small apparel stores is in Appendix F.

#### Collection and Treatment of Data

The management questionnaires for small apparel stores were mailed to 216 merchants on November 19, 1976. Prior to December 12, 1976, twenty-five questionnaires (11.6 percent) had been returned.



Buying and Merchandising

	Very Important	Somewhat Important	Unimportant	Not Applicable
Develop merchandise plan based on:				
--Projected annual sales volume at retail. . . . .				
--Percentage of inventory mix by classification. . . . .				
--Merchandise assortments by units . . . . .				
--Opening inventory by dollars . . . . .				
--Other (Specify) _____				
Estimate the following items for:				
--Initial markups. . . . .				
--Markdowns. . . . .				
--Maintained markups . . . . .				
--Cash discount. . . . .				
--Gross margin . . . . .				
--Net profit . . . . .				
--Seasonal turnover. . . . .				
--Open-to-buy. . . . .				
Survey the potential vendors or resources by:				
--Visiting the market. . . . .				
--Contacting sales representatives . . . . .				
--Contacting resident buying office. . . . .				
--Consulting manufacturers' catalogs . . . . .				
--Other (Specify) _____				

Figure 1. Buying and Merchandising Statements Included in the Questionnaire.

A follow-up of telephone calls was begun December 12, 1976 to encourage the return of questionnaires. Procedures for implementing the follow-up consisted of asking merchants to respond to the following questions: 1) Did you receive the questionnaire? 2) Did you return the questionnaire? 3) Do you still have the questionnaire? and 4) If you received another questionnaire, would you complete and return that questionnaire?

Types of responses from the telephone calls included promises to return questionnaire, store out of business, no answer, wrong number and refusal to cooperate. Thirty-nine additional questionnaires were received following the telephone requests. A total of 64 (30 percent) of the questionnaires was returned.

The responses of the men's and women's apparel store owners and managers were hand tabulated. The data were studied in relation to the characteristics of the respondents and the importance of the concepts represented in the buying and merchandising statements. Characteristics of the respondents which were studied included: job titles; store types; store size; city size and length of retail experience and store operation. Procedures for prioritizing concepts that were rated as very important were arbitrarily set by the ASE research team. The criteria included listing all of the buying and merchandising statements which two-thirds or more of the responding merchants rated as very important. Three merchants and three members of the Service Core of Retired Executives (SCORE) were consulted and verified the decision to include the concepts, represented in these statements, in the buying and merchandising learning package.

## Procedural System for Objective Two

This researcher developed a learning package related to the buying merchandising function of retailing based on the guidelines established by the ASE research team discussed previously in this chapter.

### Format for the Learning Package

The modular format established for the buying and merchandising learning package was based on selected formats from the literature and suggestions from a curriculum specialist from the Oklahoma State Department of Vocational and Technical Education Board. The modular format developed by the ASE research team for use in the study included the following parts:

- I. Introduction
  - A. Instructions
  - B. Performance Objectives and Terminal Objective
  - C. Rationale
- II. Content
- III. Learning Activities
  - A. Content Check
  - B. Self Check
  - C. Apply To Your Own Store Plans
- IV. Glossary for Terms and Formulas

In addition to the modular format listed above, the learning package contained Individual Store Plans, pretest and a posttest. A more detailed description of each of the parts of the learning package format, established by the ASE research team, is in Appendix G.

### Procedures for Writing the Learning Package

A buying and merchandising learning package was written using the learning package format established by the ASE research team. The learning package was organized into two modules based on the relatedness of the buying and merchandising concepts identified in objective one of the study. Each module was designed to be self-instructional, self-evaluative and self-paced. Writing techniques for increasing the readability of written materials were compiled and used as guidelines in the development of the modules. A list of the readability guidelines is in Appendix H.

Standard instructions for the modules were developed by the ASE research team. The instructions appeared on the first page of each module and were designed to inform the trainees of the procedures to be used in the completion of a module. A rationale for each of the two modules was developed by the researcher. The rationale was designed to reflect the nature and the importance of the concepts presented within each module.

Each module contained two or more performance objectives. Performance objectives were formulated based on the buying and merchandising concepts identified in objective one of the study. The performance objectives were reviewed and one terminal objective was written to encompass the performance objectives identified for inclusion in the buying and merchandising learning package. The performance objectives and the terminal objective were written in behavioral terms. Criteria for stating the performance objectives and the terminal objective included Mager's (1975) suggestions which were discussed in

the literature. Each performance objective was followed by content and learning activities.

Information sheets were compiled to be used in the development of the content. The information sheets included definitions, applications and/or principles pertaining to each buying and merchandising concept represented in the performance objectives. Training materials, text books, local apparel shop entrepreneurs and trade associations were employed as resources in the compilation of the information sheets.

Learning activities consisted of a content check, self check and a section entitled Apply To Your Own Store Plans. Content checks were developed to allow self-assessment of the trainees' knowledge and comprehension of the factual information presented in the content. Multiple choice, true-false and matching items were developed to represent the definitions and/or principles included in the content. The correct answers to the content check items were provided in the self checks. The self checks were located on the back of each content check page for easy reference by the trainee. The section entitled Apply To Your Own Store Plans was developed to: encourage the trainees to use the factual information presented in the content in making decisions and developing their own store plans; and to enable the trainees to achieve the buying and merchandising performance objectives for each of the two modules and the terminal objective for the learning package.

One set of Individual Store Plans was developed for the buying and merchandising learning package to represent a composite of the Apply To Your Own Store Plans section for each module. The Individual Store Plans were designed to be presented by trainees to owners or managers of apparel stores for review and suggestions. The Individual

Store Plans became a part of the ASE Folio used in a final presentation of the trainees' store plans to a panel of business experts.

A pretest and an identical posttest were developed for the buying and merchandising learning package in order to measure the trainees' knowledge and comprehension of the concepts presented in the content of the buying and merchandising learning package. The pretest and posttest items included the following: 1) questions drawn from the content checks; 2) questions classified as representing either the knowledge or comprehension levels of the cognitive domain. The questions were stated in the form of a combination of multiple choice, true-false and matching items. An equal distribution of questions relating to each performance objective was obtained in the pretest and posttest.

Drafts of the first modules were field tested during the developmental stage of the study. Field test participants included students enrolled in a senior clothing, textiles and merchandising class and two adults with similar interests and backgrounds as the trainees expected to participate in the pilot study. The field test participants were encouraged to react orally to the modules in terms of the time required for completion, adequacy of content, attainability of objectives, clarity of statements, satisfaction with modular format and procedures and other aspects of the modules.

Six students enrolled in a senior clothing, textiles and merchandising class read and completed learning activities in a draft of one module in the learning package. The revisions of the first module and the writing of the second module incorporated suggestions and comments from the students relative to the wording of the statements.

One adult male and female with similar interest and backgrounds as the trainees expected to participate in the pilot study reacted to the revised first module and a draft of the second module. Comments and suggestions made by the two adults indicated an unwillingness to make decisions unsupported by factual information, confusion when terms were abbreviated and the need for the availability of a pocket calculator. In response to these reactions, revision of the modules included the addition of more examples and the deletion of some of the abbreviations. The researcher also recommended that pocket calculators be made available to the trainees participating in the pilot study.

For the purposes of the ASE Project, each learning package was color coded. The buying and merchandising learning package was color coded yellow. A logo representing the ASE Project appeared on the title page of each module. The learning package was completed by the May 15, 1977 deadline and duplicated as a part of the instructional materials to be used in the pilot study.

#### Analysis of Findings for Objective One

Objective one of the study was to identify buying and merchandising concepts requisite for men's and women's apparel store entrepreneurship. A discussion of the findings related to the description of the sample and the selection of the buying and merchandising concepts is presented below.

### Description of the Sample

The sample for this objective of the study included 216 owners and managers of men's and women's apparel stores located in Oklahoma. The analysis was based on data obtained from 64 (30 percent) questionnaires returned by owners and managers.

Characteristics of apparel merchants responding to the questionnaire included: job title; type of store; size of store and length of retail experience and store operation. The responses to items in the Profile Section of the questionnaire were tabulated. The findings, presented in Table I, are summarized in the following discussion.

An examination of the findings presented in Table I reveals that a majority of the respondents, 78 percent, were owners of men's and women's apparel stores. A review of the size of the cities in which the stores were located indicated that 52 percent were located in cities with populations greater than 25,000. Only six percent of the respondents were from stores located in small cities.

In regard to the type of stores operated, 48 percent of the respondents described their stores as women's apparel while 31 percent of the respondents indicated the operation of men's apparel. A majority of the respondents, 63 percent, indicated that they operated medium-sized stores. The smallest percentage of respondents (11 percent) were from large stores.

An investigation of the merchants' responses concerning length of retail experience and store operation indicated that the largest percentage of merchants had acquired twenty or more years of retail



TABLE I  
 CHARACTERISTICS OF QUESTIONNAIRE RESPONDENTS  
 N=64

Characteristics	Respondents <sup>a</sup>	
	N	%
<u>1. Job Title</u>		
Manager	14	22
Owner	50	78
<u>2. City Size</u>		
Small (less than 2,500)	4	6
Medium (2,500-25,000)	27	42
Large (greater than 25,000)	33	52
<u>3. Age Bracket</u>		
Under 30	7	11
30-49	27	42
50 and Over	30	47
<u>4. Apparel Store Experience</u>		
1 year	4	6
2-4 years	7	11
5-10 years	9	14
10-20 years	13	20
20 or more	31	48
<u>5. Store Type</u>		
Men's apparel	20	31
Women's apparel	31	48
Men's and women's apparel	12	19
Other (children's)	1	2
<u>6. Length of Store Operation</u>		
1 year or less	3	5
2-4 years	9	14
5-10 years	11	17
10-20 years	13	20
20 or more	28	44

TABLE I (Continued)

Characteristics	Respondents <sup>a</sup>	
	N	%
<u>7. Full-Time Employees</u>		
None	4	6
1-5	48	75
6-10	10	16
11-15	1	2
15-20	0	0
21-25	1	2
<u>Part-Time Employees</u>		
None	11	17
1-5	48	75
6-10	2	3
11-15	1	2
16-20	1	2
<u>8. Store Size</u>		
Small (\$100,000 or less)	13	20
Medium (\$100,000-\$500,000)	40	63
Large (\$500,000 or more)	7	11

<sup>a</sup>All of the respondents did not respond to all of the items.

experience and operated stores which had been established twenty or more years.

#### Buying and Merchandising Concepts Perceived

##### as Very Important

The responses to the sixteen buying and merchandising statements on the management questionnaire are presented in Table II.

A large majority of merchants (89 percent) indicated that it was very important to survey potential resources by visiting the market.

TABLE II  
 RESPONSES TO BUYING AND MERCHANDISING  
 QUESTIONNAIRE STATEMENTS  
 N=64

Buying and Merchandising Statements	Degree of Importance									
	Very Important		Somewhat Important		Unimportant		Not Applicable		No Response	
	N	%	N	%	N	%	N	%	N	%
Develop merchandise plan based on:										
--Projected annual sales volume at retail <sup>a</sup>	46	72	14	22	0	0	0	0	4	6
--Percentage of inventory mix by classification	29	45	25	39	1	2	0	0	9	14
--Merchandise assortments by units	25	39	29	45	3	5	0	0	7	11
--Opening inventory by dollars <sup>a</sup>	47	73	5	8	2	3	0	0	10	16
Estimate the following items for:										
--Initial markups <sup>a</sup>	46	72	8	13	2	3	0	0	8	13
--Markdowns	37	58	20	31	2	3	0	0	5	8
--Maintained markups	38	59	18	28	1	2	1	2	6	9
--Cash discount	28	44	19	30	8	13	5	8	4	6
--Gross margin	40	63	16	25	1	2	2	3	5	8
--Net profit <sup>a</sup>	49	77	8	13	2	3	0	0	5	8
--Seasonal turnover <sup>a</sup>	48	75	9	14	1	2	0	0	6	9
--Open-to-buy <sup>a</sup>	43	66	13	20	1	2	0	0	8	13
Survey the potential vendors or resources by:										
--Visiting the market <sup>a</sup>	57	89	4	6	1	2	0	0	2	3
--Contacting sales representatives	27	42	28	44	5	8	3	3	2	3
--Contacting resident buying office	7	11	29	45	21	33	5	5	4	6
--Consulting manufacturers' catalogs	2	3	27	42	24	38	5	5	8	13

<sup>a</sup>Two-thirds (43) merchants perceived activity to be very important.

Only two of the sixteen buying and merchandising statements were rated by a majority of the merchants as of little or no value. These two statements represented the use of resident buying offices and manufacturers' catalogs as tools for surveying potential resources.

Seven of the sixteen concepts represented in the buying and merchandising statements were perceived as very important by at least two-thirds (43) of the merchants. The concepts indicated as very important by two-thirds of the merchants are listed below.

Develop merchandise plan based on:

- Projected annual sales volume at retail
- Opening inventory by dollars

Estimate the following items for:

- Initial markups
- Net profit
- Seasonal turnover
- Open-to-buy

Survey the potential vendors or resources by:

- Visiting the market

All but one of these seven concepts were designated to be included in the buying and merchandising learning package. The concept of net profit was excluded based on the decisions of the ASE research team to incorporate net profit into the accounting and control learning package.

#### Instructional Materials Developed for Objective Two

Objective two of the study was to prepare instructional materials which would contribute to the development of buying and merchandising concepts needed for apparel shop entrepreneurship.

The compilation of information sheets, related to the concepts identified in objective one of the study, indicated the need for additional buying and merchandising concepts to be incorporated in the learning package. The expansion of concepts was due to the: 1) identification of prerequisite concepts and 2) related information available. For example, applications of the concepts of beginning of the month and end of the month inventory were identified as prerequisite to developing merchandise plans based on opening merchandise by dollars. Similarly, the concepts of retail price, cost price and markup should be comprehended before the concept of initial markup is introduced. In regard to related information, the concept of seasonal turnover was expanded to incorporate the concept of stock-sales ratio due to the availability of average ratios. A summary of the expanded concepts in relation to the concepts previously designated in objective one of the study is presented in Table III.

Based on the concepts to be incorporated in the learning package, the learning package was organized into two modules. The two modules were entitled: 1) Dollar Merchandise Plan and 2) Buying Plan. The Dollar Merchandise Plan Module included definitions and applications related to the following concepts: monthly sales, stock-sales ratio, beginning and end of the month inventory and open to buy at retail. The Buying Plan Module included definitions and applications related to the following additional concepts: retail price, markup, cost price, open-to-buy at cost, merchandise classifications, fashion markets and resident buying office.

A summary of the developed instructional materials is presented in Table IV. An examination of Table IV reveals that Module One

TABLE III  
 EXPANSION OF CONCEPTS TO BE INCLUDED IN THE  
 BUYING AND MERCHANDISING LEARNING PACKAGE

Concepts Designated in Objective One of the Study	Concepts Expanded in Objective Two of the Study
--Projected annual sales	--Monthly sales
--Opening inventory by dollars	--Beginning and end of the month inventory
--Initial markup	--Retail price, cost price, markup
--Seasonal turnover	--Stock-sales ratio
--Open-to-buy	--Open-to-buy at retail and open-to-buy at cost
--Markets	--Markets and resident buying office

TABLE IV

## SUMMARY OF THE BUYING AND MERCHANDISING INSTRUCTIONAL MATERIALS DEVELOPED

Instructional Materials	Title	Instructional Objectives	Concepts
Learning Package	Buying and Merchandising	<p><u>Terminal Objective:</u> When you have completed this module and have achieved 80 percent of the posttest, you will develop a dollar merchandise plan and a buying plan for your own apparel store.</p>	Dollar Merchandise Plan and Buying Plan
Module One	Dollar Merchandise Plan	<p><u>Performance Objectives:</u> Given average monthly sales distributions, you will calculate the planned monthly sales for your store's first six months of operation.</p> <p>Given average monthly stock-sales ratios, you will determine the planned inventory needed for the beginning of each month of your opening season.</p> <p>Given a formula, you will determine the amount of inventory that you plan to have in your store at the end of each month of your opening season.</p> <p>Given a formula, you will calculate a planned open-to-buy for each month of your opening season.</p>	<p>Sales Distribution</p> <p>Stock-Sales Ratio; BOM Inventory</p> <p>EOM Inventory</p> <p>Open-to-Buy at Retail</p>

TABLE IV (Continued)

Instructional Materials	Title	Instructional Objectives	Concepts
Module Two	Buying Plan	<p><u>Performance Objectives:</u>            Given some concepts and guidelines concerning retail price, markup and cost price, you will</p> <ul style="list-style-type: none"> <li>a. Estimate a planned markup for your inventory and</li> <li>b. Convert your monthly open-to-buy at retail to a monthly open-to-buy at cost.</li> </ul> <p>Given the National Retail Merchants Association standard classification of merchandise you will</p> <ul style="list-style-type: none"> <li>a. Rank the three demand centers that you plan to emphasize and</li> <li>b. Select the merchandise that you plan to purchase for your opening season.</li> </ul> <p>Given some information about fashion market centers and resident buying offices, you will select the sources from which you plan to purchase your inventory.</p>	<p>Retail Price;            Markup; Cost Price;            Open-to-Buy at Cost</p> <p>Merchandise Classifications</p> <p>Fashion Markets;            Resident Buying Offices</p> <p>Opening Season;            Dollar Merchandise Plan;            Monthly Open-to-Buy;            Buying Plans</p>
Individual Store Plans			



contained three performance objectives and Module Two contained four performance objectives. As indicated in Table IV, each performance objective was formulated based on specific buying and merchandising concepts. One terminal objective was written to encompass the buying and merchandising concepts represented in the performance objectives in both modules. The terminal objective for the buying and merchandising learning package is stated below:

When you have completed this learning package and have achieved 80 percent of the posttest, you will develop a dollar merchandise plan and a buying plan for your own apparel store.

A copy of the two modules in the buying and merchandising learning package, along with the Individual Store Plans and the pretest and posttest is in Appendix I.

## CHAPTER IV

### EVALUATION AND RECOMMENDATIONS FOR REVISION

The major purposes of the study were to develop a learning package related to buying and merchandising concepts and to evaluate the use of the buying and merchandising learning package during a pilot study period. The first stage of the study, reported in Chapter III, included the identification of buying and merchandising concepts and the preparation of a buying and merchandising learning package. The second stage of the study, discussed in this chapter, included the following objectives: to evaluate the buying and merchandising learning package during a pilot study period and to formulate recommendations for revision of the buying and merchandising learning package. The procedural system and the analysis of findings for the second stage of the study are presented in this chapter.

#### Procedural System for Objective Three

The instructional materials and procedures for the ASE Pilot Study were evaluated by the research team during the eight week pilot study, Summer, 1977. Evaluation instruments were developed and administered by the ASE research team in order to identify the strengths and weaknesses of the ASE Instructional Materials and Procedures.

This researcher participated in the ASE Pilot Study and assisted in the preparation of instruments to be utilized in the evaluation of the buying and merchandising learning package. Based on criteria established by the ASE research team, this researcher analyzed the use of the buying and merchandising learning package in terms of the effectiveness of the module characteristics and the development of buying and merchandising concepts.

### Selection of the Sample

South Oklahoma City Junior College (SOCJC) was selected by the ASE research team as the school setting for the pilot study. SOCJC was chosen on the basis of the flexible pacing policies which accommodated the open entry - exit system, the interest in new programs for adults, the willingness to assist in recruitment activities and the availability of merchants and other business experts to participate in the study. An eight week period, June 14 to August 4, 1977 was allotted for the pilot study. The pilot study was administered on Tuesday and Thursday nights from 7:30 to 10:30. Trainees were allowed to enter the program any Tuesday night between June 14 and July 5 and to exit from the program any Tuesday night between July 5 and August 4. A more detailed description of the pilot study scheduling is in Appendix J.

The following types of participants were needed relative to the pilot study: ten or more adult trainees, one teacher-coordinator, ten or more role model merchants and twelve or more members of the panel of business experts.

Adult trainees were recruited between May 15 and June 15, 1977. Persons interested in opening an apparel store were contacted through the dissemination of a brochure developed by the ASE research team and the South Oklahoma City Junior College. The brochure was distributed to administrators at the school setting for the pilot study, to participants in the April, 1977 "Going Into Business Seminar" sponsored by the Small Business Administration (SBA) and to other persons requesting assistance from the SBA. A news article about the ASE Pilot Study also appeared in the SOCJC school newspaper. In addition, a news release in an Oklahoma City newspaper was used to promote the ASE Pilot Study. A copy of the brochure, the article in the SOCJC newspaper and the article in the Oklahoma City newspaper is in Appendix K.

A teacher-coordinator was identified in early May, 1977. Conferences were held to clarify the teacher-coordinator's responsibilities for administering the instructional materials, reporting to the ASE research team, compiling trainee folders and evaluating the ASE Pilot Study.

Role model merchants were asked to serve as consultants for each trainee and to offer suggestions and comments relative to their store plans for each of the five learning packages. Merchants from the Oklahoma City area who responded to the management questionnaire, discussed in Chapter III, were used as a source for contacting prospective role model merchants.

The panel of business experts was organized to provide group evaluators for each trainee at the completion of the ASE Pilot Study. The assistance of the Oklahoma City office of the Small Business

Administration was employed to establish preliminary contacts with prospective members of the panel of business experts.

#### Development of the Instruments

Evaluation instruments developed and administered by the ASE research team were designed to obtain information related to the educational background and work experience of the participants, reactions to the characteristics of the modules, the achievement of the instructional objectives by the trainees and the assessment of the ASE Pilot Study by the participants. In addition, a teacher-coordinator record book and an ASE research team log were used to record any observations, including comments and suggestions. A list of the evaluation instruments developed by the ASE research team for each pilot participant is in Appendix L.

The data to be utilized for this study were drawn from the instruments developed by the ASE research team which specifically related to the evaluation of the buying and merchandising learning package. Included were profiles of the participants, the buying and merchandising module evaluation, the evaluation of the trainees' achievement of the buying and merchandising instructional objectives by the panel of business experts and the adult trainees, and the buying and merchandising pretest and posttest described in Chapter III as a part of the learning package development.

Participant Profiles. The adult trainees, teacher coordinator, role model merchants and members of the panel of business experts were asked to complete similar profiles indicating their previous work

experiences and educational backgrounds. The information recorded on these instruments was used by the ASE research team to describe the pilot study sample. An example of one of the profiles developed for use in the pilot study appears in Appendix M.

Module Characteristics. Nine module characteristics were identified as they related to module format and content. The module characteristics included directions, rationale, performance objectives, content, content checks, self checks, Apply To Your Own Store Plans, glossary and length. Statements were prepared to represent these module characteristics. Adult trainees were asked to review each statement and indicate on a continuum the extent to which they agreed with the statements in relation to each module. An example of the statements and the range of responses is presented below:

<u>Statement</u>	<u>Extent of Agreement</u>
The directions for the module were easy to understand.	SA (Strongly Agree) A (Agree Somewhat) U (Uncertain) D (Disagree) SD (Strongly Disagree)

The instrument was duplicated for each module contained in the learning packages developed by the ASE research team. The buying and merchandising module evaluation instrument used by the trainee after completing each of the two modules is in Appendix N.

Achievement of Instructional Objectives. An instrument was developed and administered in order to obtain the trainee's self-perception of achievement of the instructional objectives for each learning package. An identical instrument was duplicated and administered to each member of the panel of business experts in order to

obtain the panel of business experts' perceptions of each trainees' achievement.

The instrument was prepared to include items representing two types of instructional objectives: the performance objectives and the terminal objective. Each module had two or more performance objectives and each learning package had one terminal objective. The respondents were asked to read and react to the performance objectives first and then rate the trainees' achievement of the terminal objective. Below is an example of the items and the response form:

<u>Item Related to Performance Objective</u>	<u>Perception of Performance Objective Achievement</u>
Realistic plans for BOM inventory	E (Excellent) G (Good) S (Satisfactory) P (Passable) NA (Not Adequate)

<u>Item Related to Terminal Objective</u>	<u>Perception of Terminal Objective Achievement</u>
The trainee has developed a realistic opening inventory buying plan for an apparel store.	SA (Strongly Agree) A (Agree Somewhat) U (Uncertain) D (Disagree) SD (Strongly Disagree)

A copy of the instrument used to evaluate the trainees' achievement of the instructional objectives for the buying and merchandising learning package is in Appendix O.

#### Collection and Treatment of the Data

The data for this evaluation stage of the study were collected during the eight week pilot study period, Summer, 1977.

The ASE research team established procedures for recording data on coding sheets. The procedure included assigning a coding

identification number for each pilot study participant and assigning numerical values to the range of responses. Identification numbers of participants and the numerical values representing the extent of the responses were recorded in the columns and the rows of the coding sheets, respectively. The numerical values of 1, 2, 3, 4 and 5 assigned to each of the two types of response codes appear in Appendix P.

The data was tabulated and studied according to the following categories:

1. Data related to the characteristics of the buying and merchandising modules.

2. Data related to the trainees' development of the concepts presented in the buying and merchandising modules.

A summary of the procedures used for evaluating the buying and merchandising learning package is illustrated in Figure 2.

Module Characteristics. The trainee's buying and merchandising evaluation instrument for each of the two modules included a list of statements related to modular characteristics. The trainees were asked to indicate their reactions using the following code:

- 1 - SA (Strongly Agree)
- 2 - A (Agree)
- 3 - U (Uncertain)
- 4 - D (Disagree)
- 5 - SD (Strongly Disagree)

The data was tabulated and the findings were studied in order to identify the characteristics of the modules which appeared to contribute to trainee learning and the characteristics which appeared to hinder learning. Criteria for classifying modular characteristics as either contributing or hindering aspects were established by the ASE research team as follows.



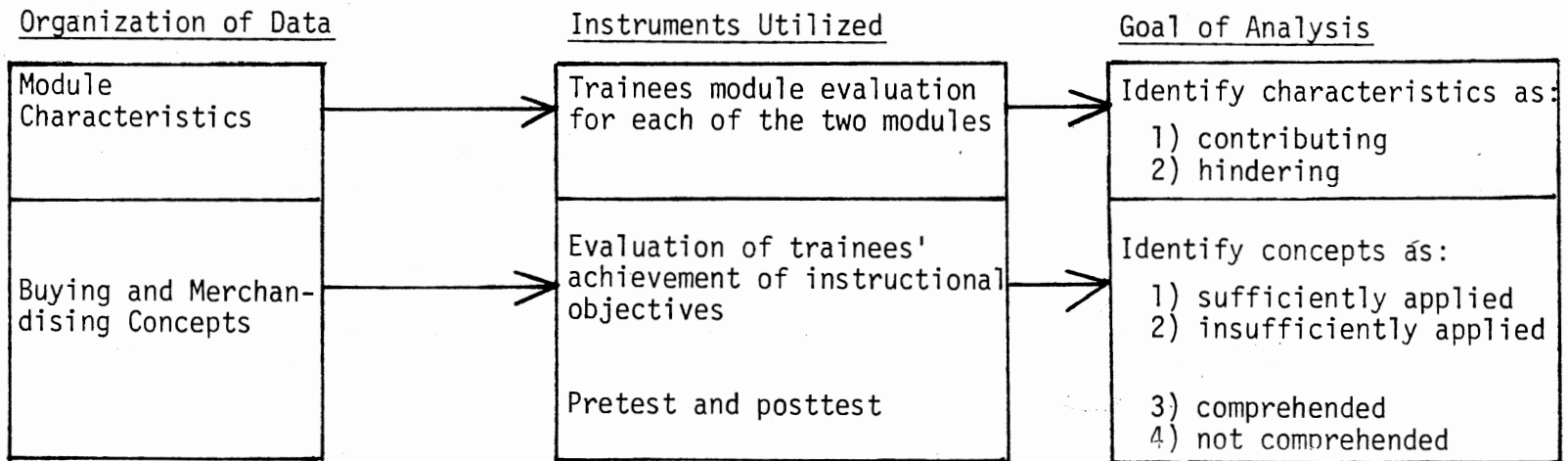


Figure 2. Procedure Used for Evaluating the Learning Package

Module characteristics which received responses coded as either 1 or 2 from all participants were identified as contributing characteristics. Module characteristics which received one or more responses coded as 3, 4 or 5 were identified as hindering characteristics. An illustrative example of the criteria established by the ASE research team is presented below.

1	2		3	4	5
Contributing Characteristics			Hindering Characteristics		

An examination of the statements included in the instrument revealed that one of the statements was negatively stated. The responses indicating the extent to which trainees agreed to this statement were reversed for the purpose of analysis.

#### Development of Concepts

Evidences of the development of the buying and merchandising concepts were indicated by the adult trainees in two manners: the perceptions of their achievement of the instructional objectives and the indication of their performance on the posttest. Additional evidences were indicated by the perceptions of the panel of business experts of each trainee's achievement of the buying and merchandising instructional objectives.

Perceptions. Reactions of the adult trainees and the panel of business experts to the trainees' achievement of the buying and merchandising instructional objectives were hand tabulated. The items on the instruments were designed to relate to the trainees' ability

to apply the buying and merchandising concepts to their own store plans. Therefore, evidences of the trainees' ability to apply buying and merchandising concepts were designated as the perceptions of the adult trainees and the panel of business experts.

The panel of business experts and the adult trainees were asked to indicate their reactions to each trainee's achievement of the performance objectives and the terminal objective. An example of the range of responses and the code is presented below.

Performance Objectives

- 1 - SA (Strongly Agree)
- 2 - A (Agree Somewhat)
- 3 - U (Uncertain)
- 4 - D (Disagree)
- 5 - SD (Strongly Disagree)

Terminal Objective

- 1 - E (Excellent)
- 2 - G (Good)
- 3 - S (Satisfactory)
- 4 - P (Passable)
- 5 - NA (Not Adequate)

The findings were studied in order to identify the buying and merchandising concepts which appeared to be sufficiently applied to the trainees' plans for opening an apparel store and the concepts which were insufficiently applied to the trainees' apparel store plans. Criteria for identifying evidences of sufficient concept application and evidences of insufficient concept application were established by the ASE research team. Buying and merchandising instructional objectives which received all responses coded as 1 or 2 were identified as concepts that were sufficiently applied. Buying and merchandising instructional objectives which received at least one response coded as 3, 4 or 5 were identified as concepts that were insufficiently applied. An illustrative example of the criteria established by the ASE research team is presented below.

1	2	3	4	5
Evidences of sufficient concept application		Evidences of insufficient concept application		

Performance. The items on the buying and merchandising pretest and posttest were designed to measure the trainees' knowledge and/or comprehension of specific buying and merchandising concepts. Criteria for identifying evidences of concept knowledge and/or comprehension were established by the ASE research team. The criteria included:

1. Items on the pretest and the posttest which were answered correctly by all of the trainees represented evidences of concept knowledge and/or comprehension.
2. Items on the pretest and the posttest which were answered incorrectly by at least one of the trainees represented evidences of the lack of concept knowledge or comprehension.

#### Procedural System for Objective Four

Objective four of the study included the formulation of recommendations for revisions of the buying and merchandising learning package. The ASE research team established procedures and criteria to be used in formulating recommendations for revision of the ASE Pilot Study. A list of the research team procedures established for formulating ASE Pilot Study revisions is in Appendix Q. Based on the procedures and criteria established by the ASE research team, this researcher formulated recommendations for revision of the buying and merchandising learning package.

### Collection of the Data

The data utilized in this objective of the study were compiled from the data obtained in objective three of the study. Data collected from objective three of the study included the 1) module characteristics which were identified as a hindrance to trainee learning, 2) buying and merchandising concepts which were insufficiently applied in the development of the trainees' own store plans and 3) buying and merchandising concepts which lacked evidence of trainee knowledge or comprehension.

### Treatment of the Data

The module characteristics and the buying and merchandising concepts, identified above, were grouped according to the material presented in each of the two modules. The ASE research team assumed a relationship between the module characteristics and the trainees' development of entrepreneurial competencies. In light of this assumption, the ASE research team decided that attention would be given to the improvement of the module characteristics in an effort to increase the trainees' development of entrepreneurial competencies.

A summary of the ASE research team procedures used to formulate recommendations for revision of the learning packages is illustrated in Figure 3.

Procedures for improving the nine module characteristics were established by the ASE research team. The procedures for improving

module characteristics are in Appendix R. The procedures for improving the module characteristics were used by this researcher as a basis for formulating specific suggestions for increasing the trainees' development of the buying and merchandising concepts.

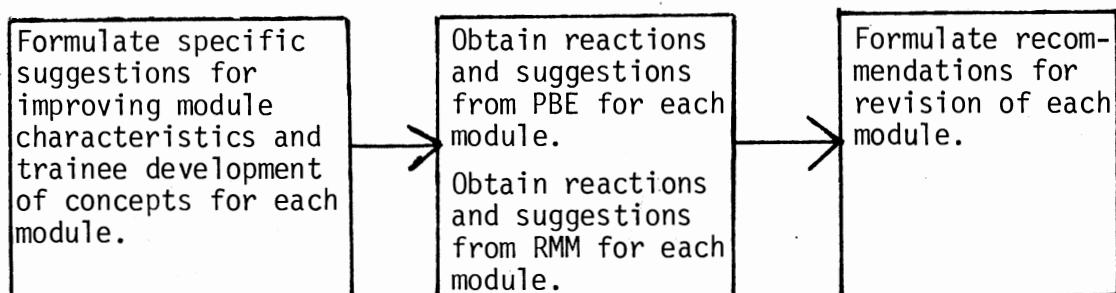


Figure 3. Procedures Used for Formulating Recommendations for Revision of the Learning Package

Additional considerations in formulating specific suggestions for increasing the trainee's development of concepts were also identified by the ASE research team. These considerations included comments and suggestions recorded in the ASE research team log and the teacher coordinators' record book, the number and the extent of participants' reactions to specific module characteristics and the number, extent and nature of participants' reactions to specific concepts in terms of the trainees' knowledge, comprehension and application.

A list of specific suggestions for improving each of the two modules was formulated and presented to one role model merchant and one member of the panel of business experts. Additional suggestions

for improving each module, offered by the role model merchant and the panel of business experts member, were recorded.

Final recommendations for revision of the two buying and merchandising modules incorporated the specific suggestions for improvement and the additional suggestions for improvement offered by the role model merchant and the panel of business experts member.

### Analysis of Findings for Objective Three

The purpose of objective three of the study was to evaluate the use of the buying and merchandising learning package during a pilot study period. A discussion of the findings related to the description of the sample, the effectiveness of the module characteristics and the trainees' development of the buying and merchandising concepts follow.

#### Description of the Sample

The sample for this objective of the study included eleven trainees, one teacher-coordinator, twelve role model merchants and sixteen members of the panel of business experts. A summary of the description of the pilot study participants is presented in Table V.

Ten of the eleven trainees participating in the pilot study were women. All of the trainees had received a high school diploma. Seven of the trainees indicated four or less years of business experience; none of the trainees designated business experience exceeding four years. Goals for entrepreneurship listed by the trainees included the operation of women's apparel stores, a fabric store and a shoe

TABLE V  
DESCRIPTION OF PILOT STUDY PARTICIPANTS

Participant	Total Participating <sup>a</sup>	Sex		Education				Expertise in Buying and Merchandising			Years of Business Experience				
		M	F	BS	MS	PhD	JD	None	Some	Much	2 or less	2-4	5-10	10-20	20+
AT	11	1	10	1	2	-	-	-	-	-	5	2	-	-	-
TC	1	-	1	1	-	-	-	-	-	1	-	1	-	-	-
RMM	12	7	5	7	-	-	-	-	2	10	2	1	4	1	4
PBE	16	14	2	7	1	2	3	4	1	6	-	-	2	3	11

<sup>a</sup>All of the respondents did not respond to all of the items.

AT - Adult Trainee  
TC - Teacher-Coordinator  
RMM - Role Model Merchant

M - Male  
F - Female

BS - Bachelor of Science  
MS - Master of Science  
PhD- Doctor of Philosophy  
JD - Doctor of Law



store. In response to what the trainees hoped to learn from the ASE Pilot Study, three trainees indicated the desire to learn more about buying practices.

The role model merchants consisted of an approximately equal distribution of males and females. A majority of the role model merchants indicated much expertise in buying and merchandising. One-third of the role model merchants had acquired more than twenty years of business experience. Only one-sixth of the role model merchants designated two or less years of business experience.

A majority of the panel of business experts was men and 50 percent had acquired a college degree. Five of the panel designated much expertise in buying and merchandising. Two-thirds of the panel had acquired twenty or more years of business experience. None of the panel members indicated less than four years of business experience.

A more detailed description of the pilot study participants is in Appendix S.

### Module Characteristics

The module characteristics represented in each statement on the trainee module evaluation instruments, and the respondents' extent of agreement to these statements appears in Table VI. The most favorable aspect of both modules was the self checks. The length of both modules was the most unfavorable aspect of the buying and merchandising learning package. Trainee responses to length, in relation to Module One, evidenced the desire for additional information. Responses to length in regard to Module Two implied an equal distribution between uncertain attitudes toward adequacy of length.

TABLE VI  
 TRAINEES' EVALUATION OF THE BUYING AND MERCHANDISING  
 MODULE CHARACTERISTICS.  
 N=8<sup>a</sup>

Characteristic	Statement	Module One Number of Responses					Module Two Number of Responses				
		SA	A	U	D	SD	SA	A	U	D	SD
Directions	The directions for the module were easy to understand.	3	5	-	-	-	3	4	-	-	-
Rationale	The rationale for the module emphasized the importance of the content.	3	5	-	-	-	3	4	-	-	-
Performance Objectives	The performance objectives were easily understood.	3	5	-	-	-	3	4	-	-	-
	The performance objectives were attainable.	3	5	-	-	-	2	5	-	-	-
Content	The content was easily understood.	4	4	-	-	-	3	4	-	-	-
	The content was adequate.	3	5	-	-	-	2	4	1	-	-
	I felt that I needed the information in this module.	6	2	-	-	-	3	4	-	-	-
Content Checks	The content checks enabled me to apply the information to my store plans.	3	4	1	-	-	4	3	-	-	-

TABLE VI (Continued)

Characteristic	Statement	Module One Number of Responses					Module Two Number of Responses				
		SA	A	U	D	SD	SA	A	U	D	SD
Self Checks	The self checks were helpful.	5	3	-	-	-	4	3	-	-	-
Apply To Your Own Store Plans	The apply to your own store plans section helped me to make my own store plans.	4	4	-	-	-	2	4	-	-	-
Glossary	The glossary was helpful.	1	6	1	-	-	3	2	1	-	-
Length	The module was too short.	-	3	2	1	1	-	-	3	4	-

<sup>a</sup>All respondents did not respond to all of the items.

SA - Strongly Agree  
A - Agree  
U - Uncertain  
D - Disagree  
SD - Strongly Disagree

The identification of module characteristics as contributing and hindering characteristics are summarized in Table VII. The directions, rationale, performance objectives, self checks and Apply To Your Own Store Plans were listed as contributing characteristics for both buying and merchandising modules. Glossary and length were classified as hindering characteristics for both modules. Content checks and the adequacy of content were classified as hindering characteristics for Module One and Module Two, respectively.

#### Perceptions of the Trainees' Application of Concepts

Table VIII lists each of the buying and merchandising instructional objectives. The trainees' achievement of the seven performance objectives and the terminal objective as perceived by both the trainees and the panel of business experts is indicated.

Identification of fashion market centers and realistic plans for beginning of the month inventory were perceived most favorably by the adult trainees. Realistic plans for end of the month inventory and open-to-buy were rated least favorably by adult trainees.

The panel of business experts tended to rate the trainees' applications of merchandise classifications and fashion market centers higher than any of the other concepts. Realistic plans for end of the month inventory was rated most unfavorably by the panel of business experts.

The panel of business experts tended, as a group, to perceive the trainees' achievement of the instructional objectives less favorably

TABLE VII  
SUMMARY OF CLASSIFICATION OF MODULE  
CHARACTERISTICS

<u>Contributing Characteristics</u>	
Module One	Module Two
directions	directions
rationale	rationale
performance objective	performance objectives
content	content (needed)
self checks	content checks
apply to your own store plans	self checks
	apply to your own store plans
<u>Hindering Characteristics</u>	
Module One	Module Two
content checks	content (adequacy)
glossary	glossary
length	length

TABLE VIII  
EVALUATION OF INSTRUCTIONAL OBJECTIVES

Performance Objectives	Concepts	Adult Trainee <sup>a</sup> (N=8)					Panel of Business Experts <sup>a</sup> (N=32)				
		E	G	S	P	NA	E	G	S	P	NA
Realistic plans for beginning of the month inventory	Beginning of the Month Inventory	2	5	-	-	-	-	8	11	1	6
Realistic plans for end of the month inventory	End of the Month Inventory	1	4	2	-	1	-	5	13	2	9
Realistic plans for monthly open-to-buy	Open-to-buy	-	5	2	-	1	1	4	11	4	8
Profitable planned markup	Markup	1	5	1	-	1	5	9	10	2	1
Appropriate selection of merchandise to be emphasized	Merchandise Classification	1	5	1	-	1	3	15	5	3	1
Appropriate decision regarding use of buying office	Buying Office	2	4	2	-	-	3	6	11	5	1
Appropriate identification of fashion market centers	Market Centers	4	3	1	-	-	5	12	6	2	1

TABLE VIII (Continued)

Terminal Objective	Concepts	Adult Trainee <sup>a</sup> (N=8)					Panel of Business Experts <sup>a</sup> (N=32)				
		SA	A	U	D	SD	SA	A	U	D	SD
This trainee has developed a realistic opening inventory buying plan for an apparel store.	Buying plan	2	5	-	-	-	1	12	7	8	2

<sup>a</sup>All of the respondents did not respond to all of the items.

E - Excellent  
 G - Good  
 S - Satisfactory  
 P - Passable  
 NA - Not Adequate

SA - Strongly Agree  
 A - Agree  
 U - Uncertain  
 D - Disagree  
 SD - Strongly Disagree

than the trainees, as a group, perceived their own achievement of the instructional objectives.

Table IX is a summary of the concepts which were applied and the concepts which were not applied as perceived by the adult trainees and the panel of business experts. The trainees appeared to feel confident about achievement in terms of beginning of the month inventory, dollar merchandise plan and buying plan. The panel of business experts perceived a lack of sufficient trainee application for all of the buying and merchandising concepts. Concepts which both the adult trainees and the panel of business experts indicated insufficient application included end of the month inventory, open-to-buy, markup, merchandise classifications, buying offices and fashion market centers.

#### Trainee Performance in Relation to Comprehension and/or Knowledge of Concepts

The trainees' performance on the pretest and the posttest indicated evidences of trainee development of buying and merchandising concepts relative to the comprehension and/or knowledge of specific concepts. Table X identifies the concepts represented in each pretest and posttest item, and the number of correct and incorrect answers for each item.

Prior to the availability of the buying and merchandising learning package, all of the trainees evidenced some knowledge or comprehension of the following concepts: cost price, fashion markets, stock-sales ratio and retail price. Prior to the availability of the learning package, the trainees indicated the least knowledge or comprehension of buying offices.



TABLE IX

APPLICATIONS OF CONCEPTS AS PERCEIVED BY  
THE ADULT TRAINEES AND PANEL OF  
BUSINESS EXPERTS

<u>Concepts Sufficiently Applied to Apparel Store Plans</u>	
Adult Trainees	Panel of Business Experts
BOM inventory	(None)
Dollar merchandise plan	
Buying plan	
<u>Concepts Insufficiently Applied to Apparel Store Plans</u>	
Adult Trainees	Panel of Business Experts
EOM inventory	BOM inventory
Open-to-buy	EOM inventory
Markup	Open-to-buy
Merchandise classifications	Markup
Buying office	Merchandise classifications
Market centers	Buying office
	Market centers
	Dollar merchandise plan
	Buying plan

TABLE X  
PRETEST-POSTTEST SCORES BY CONCEPT  
N=8

Concept and Item Number	Number of Correct Responses	
	Pre	Post
Dollar Merchandise Plan (1.)	5	8
Monthly Sales (2.)	7	8
EOM Inventory (3.)	7	8
Cost Price (4.)	8	8
Markets (5.)	8	8
(14.)	7	8
(15.)	8	8
(16.)	7	8
Buying Office (6.)	1	8
Stock-Sales Ratio (7.)	8	8
Open-to-Buy (8.)	7	8
(9.)	6	8
Markup (10.)	7	8
Retail Price (11.)	8	8
Merchandise Classifications (12.)	4	7
(13.)	7	7

After the trainees had completed the learning package, all of the trainees evidenced some knowledge or comprehension of the following concepts: dollar merchandise plan, monthly sales, end of the month inventory, cost price, fashion markets, buying offices, markup and retail price. Indications of all of the trainees' knowledge or comprehension of open-to-buy and merchandise classifications were not supported by the posttest scores.

## Analysis of Findings for Objective Four

The purpose of objective four of the study was to formulate recommendations for revision of the buying and merchandising learning package. Data used in the analysis were based on the findings from objective three of the study. A discussion of the findings related to specific suggestions for improvement and recommendations for revision of the two buying and merchandising modules is presented next.

### Specific Suggestions for Improvement

Specific suggestions for improving the buying and merchandising learning package were formulated for each of the two modules. Table XI identifies the areas of improvement needed in relation to module characteristics and the buying and merchandising concepts.

An examination of Table XI reveals that suggestions for improving Module One were formulated in regard to three specific module characteristics and four buying and merchandising concepts. Suggestions for improvement of Module One implied the need for improving the trainees' abilities to apply the concepts by modifying the content checks and the glossary. Evidences of the trainees' desire for additional information were also indicated.

Suggestions for improving Module Two were formulated in regard to three module characteristics and five concepts. Comments recorded in the ASE research team log and the teacher coordinator's record book indicated that the trainees would like to have more information on buying brands and selecting resources. A complete list of the

TABLE XI  
 SPECIFIC SUGGESTIONS FOR IMPROVEMENT  
 OF THE TWO MODULES

Module	Characteristic	Concepts	
One	Content Checks Glossary Length	Beginning of the Month Inventory End of the Month Inventory Open-to-Buy Dollar Merchandise Plan	<p>Increase trainees' comprehension and application of concepts by:</p> <ol style="list-style-type: none"> <li>1. adding more questions to content checks</li> <li>2. adding questions of a higher cognitive domain to content checks; i.e., application, analysis</li> <li>3. referring to glossary for additional definitions of related concepts</li> <li>4. adding discussion pertaining to related concepts</li> </ol>
Two	Content (adequacy) Glossary Length	Markup Merchandise Classifications Buying Offices Markets Buying Plan	<p>Increase trainees' comprehension and application of concepts by:</p> <ol style="list-style-type: none"> <li>1. differentiating between initial markup and maintained markup</li> <li>2. listing services of buying offices</li> <li>3. indicating significant characteristics of various market centers</li> <li>4. referring to glossary for additional definitions of related concepts</li> <li>5. incorporating a learning activity designed to clarify merchandise classifications, brands and number of units to be purchased</li> </ol>

trainees', the teacher coordinators' and the ASE research team's comments and suggestions appears in Appendix T.

Recommendations for Revision

Suggestions for improvement of the two buying and merchandising modules offered by the panel of business expert member and the role model merchant appear in Table XII.

TABLE XII

MEMBER OF THE PANEL OF BUSINESS EXPERTS AND  
ROLE MODEL MERCHANT SUGGESTIONS FOR  
IMPROVEMENT OF THE TWO MODULES

Module	PBE/RMM Suggestions for Improvement
One	Increase trainees' comprehension and application of concepts by: <ol style="list-style-type: none"> <li>1. reorganizing the dollar merchandise into a more standard form</li> <li>2. adding discussion related to the following concepts: cost of goods sold, merchandise available, merchandise needed</li> <li>3. increasing projections on dollar merchandise plan to one year</li> </ol>
Two	Increase trainees' comprehension and application of concepts by: <ol style="list-style-type: none"> <li>1. identifying costs of fashion market trips</li> <li>2. adding concept of terms of purchase</li> <li>3. adding concept of unit control</li> </ol>

PBE - Panel of Business Experts  
RMM - Role Model Merchant

The suggestions made by the panel of business expert member and the role model merchant in regard to improving Module One included the reorganization of the dollar merchandise plan and the addition of several related concepts. Suggestions offered by the panel member and the role model merchant for improving Module Two included the addition of instruction related to terms of purchase and unit control.

The final recommendations for revisions of the two buying and merchandising modules represent a composite of suggestions of the researcher based on the evaluation findings, the panel of business experts member and the role model merchant. Recommendations for revision of Module One and Module Two are summarized as follows:

Recommendations for Revision of Module One

Add more questions to content checks.

Add questions of a higher cognitive domain to content checks.

Refer to glossary for additional definitions of related concepts.

Reorganize the dollar merchandise plan.

Add discussion related to cost of goods sold, merchandise available and merchandise needed.

Increase projections on dollar merchandise plan to one year.

Recommendations for Revision of Module Two

Differentiate between initial markup and maintained markup.

List services of buying offices.

Indicate significant characteristics of various market centers.

Refer to glossary for additional definitions of related concepts.

Incorporate a learning activity designed to clarify merchandise classifications, brands and the number of units to be purchased.

Identify cost factors related to fashion market trips.

Add discussion related to terms of purchase and unit control.

These recommended revisions are concerned with the addition of content in both modules and the reexamination of the usefulness of the glossary in both modules. In addition, improvements suggested for Module One included restating the content check items in a higher cognitive domain.

## CHAPTER V

### SUMMARY, IMPLICATIONS AND RECOMMENDATIONS

For the purposes of this study, a learning package was prepared to contribute to the development of buying and merchandising concepts needed for apparel store entrepreneurship. The buying and merchandising learning package was evaluated during an eight week pilot study conducted in an open entry - open exit setting at South Oklahoma City Junior College.

The study was made possible by a larger research project conducted at Oklahoma State University entitled "Instructional Materials for Adult Entrepreneurship of Apparel Shops." The research project was funded by the United States Office of Education.

The Apparel Shop Entrepreneurship (ASE) Research Project was designed to select entrepreneurial competencies and develop instructional materials for use in an open entry - open exit educational setting by potential apparel store owners. The organization of the instructional materials incorporated the four major retail functions: accounting and control; buying and merchandising; operations and management; and advertising and promotion. Individualized, self-instructional learning packages were developed based on the entrepreneurial competencies related to each of the four retail functions.



The review of the literature reported educational concepts utilized in the development of small business entrepreneurship curricula. These concepts included: open entry - open exit, competency-based education, individualized instruction, instructional packages and adult learning theories. A review of additional studies related to curriculum development in retail education was also presented.

#### Summary of Procedures and Findings

The procedures for this study were organized into two stages. The first stage of the study included two objectives: to identify buying and merchandising concepts related to entrepreneurial competencies and to prepare a learning package which would contribute to the development of buying and merchandising concepts needed for apparel store entrepreneurship. The second stage of the study incorporated the following objectives: to evaluate the buying and merchandising learning package during a pilot study period; and to formulate recommendations for revision of the learning package.

Stage One: Development of a learning package related to buying and merchandising concepts. Concepts to be used in preparing the learning package were identified by Oklahoma apparel merchants. A questionnaire included statements related to the buying and merchandising function of retailing selected from previous research and information reported by retail authorities. Based on the 64 (30 percent) responses to the questionnaire, seven concepts were designated as important, including: annual sales, opening inventory, initial markups, net profit, seasonal turnover, open-to-buy and markets.

The buying and merchandising learning package was organized into two modules utilizing the related concepts designated for inclusion. Module One, entitled "The Dollar Merchandise Plan," included concepts related to projecting opening inventory needs. Module Two, entitled "The Buying Plan," included concepts related to the procurement of merchandise. The format for each module contained the following parts: instructions, rationale, two or more performance objectives, content of factual information and examples, learning activities and a glossary of terms and formulas. The modules were written to facilitate self-instruction, to allow self-assessment and to encourage application of factual information in the development of individual plans for opening an apparel store.

The buying and merchandising learning package contained one terminal objective, a pretest and an identical posttest. In addition, an Individual Store Plans section was developed to incorporate the entrepreneurial plans formulated in the learning activities of the two modules.

Drafts of the first modules were field tested during stage one. Field test participants included students enrolled in a senior clothing, textiles and merchandising class and two adults with similar interest and background as the trainees expected to participate in the study. Revisions were made based on the suggestions and comments offered by the field test participants.

Stage Two: Evaluation and recommendations for revision. The learning package was pilot tested during an eight week open entry - open exit period at South Oklahoma City Junior College. Pilot study participants included eleven adult trainees, one teacher coordinator,

twelve role model merchants and sixteen members of a panel of business experts. Evaluation instruments were used to assess the effectiveness of the module characteristics and the development of buying and merchandising concepts.

Nine module characteristics were identified as either contributing to or hindering learning as evidenced by the responses of the trainees to the buying and merchandising module evaluation instrument. Five of the module characteristics were identified as contributing aspects and four characteristics were identified as hindering aspects in terms of the use of the learning package by adult trainees.

The development of the buying and merchandising concepts was evidenced by the trainees for three of the nine concepts. However, evidences from the panel of business experts did not indicate sufficient development of the nine buying and merchandising concepts by the trainees. Performance of the pretest indicated trainee knowledge or comprehension of four of the nine concepts. Performance on the post-test indicated trainee knowledge or comprehension of seven of the nine concepts.

The final recommendations for revision included specific suggestions for improvement of the learning package based on the evaluation findings, the reactions of a role model merchant and a member of the panel of business experts. These recommendations were concerned with the addition of content in both modules, the restatement of content 4, check items in a higher cognitive domain for Module One and the modification of the glossary in both modules.

## Implications

As this paper was concluded, the researcher noted various aspects of the study which were not analyzed in detail but became apparent during the investigation. For example, evidences indicated that the adults responded positively to the learning materials designed to facilitate self-instruction, self-pacing and self-evaluation. Similar materials could be developed and used in training entrepreneurs in other occupationally specific areas. Other evidence indicated that the individualized materials provided the flexibility needed in open entry - open exit educational programs. In addition, the expertise of successful persons such as the role model merchants provided an effective supplement for the written instructional materials. The positive response of the role model merchants participating in this study suggests that successful entrepreneurs in related career areas could be used with other occupationally specific programs.

## Recommendations

A number of recommendations drawn from this study might stimulate further research in areas related to curriculum development in retail education. Further studies of the following nature are recommended.

1. Revision of the buying and merchandising learning package based on the recommendations from this study and validation with a larger sample.
2. Further analysis of the data from this study incorporating case studies of adult trainee types.

3. Development of learning packages for other types of merchandise using this learning package as a model.

4. Identification of characteristics associated with successful apparel store entrepreneurship.

5. Establishment of the differences in successful merchandising of men's and women's wear.

## A SELECTED BIBLIOGRAPHY

- American Home Economics Association. Competency-Based Education in Home Economics: Selected Competencies and Criteria. Washington, D.C.: AHEA, 1974.
- Arena, J. E. An instrument for individualizing instruction. Educational Leadership, 1970, 27, 784-787.
- Baker, G. L. & Goldberg, I. The individualized learning system. Educational Leadership, 1970, 27, 775-780.
- Barnes, W. B. First Semi-Annual Report of Small Business Administration. Washington, D.C.: Small Business Administration, January 31, 1954, 7.
- Bruce, H & Carpenter, B. Competency-based curriculum, Kentucky model. American Vocational Journal, 1977, 52, 58-61.
- Bruton, G. The development of entrepreneurship. American Economic Review, 1962, 52, 46.
- Cason, G. J. The information processing approach: organizing instructional content. Educational Technology, 1975, 15, 24.
- Cohn, T. & Linberg, R. A. Survival and Growth; Management Strategies for the Small Firm. New York: American Management Associations, 1974.
- Coppedge, F. L. Characteristics of individualized instruction. Clearing House, 1975, 48, 272-276.
- Dollar, E. Individualized Instruction in Open-Ended Manpower Programs. Oklahoma: State Department of Vocational and Technical Education, 1971.
- Dressel, P. College and University Curriculum. Berkeley, California: McCutchan, 1968.
- Dun & Bradstreet. Apparel Trades Book. New York: Credit Clearing House, 1964.
- Dunn, R. & Dunn, K. Educator's Self-Teaching Guide to Individualizing Instructional Programs. West Nyack, New York: Parker, 1975.

- Elam, S. Performance Based Teacher Education: What is the State of the Art? Washington, D.C.: AACTE, 1971.
- Flesch, R. D. The Art of Readable Writing. New York: Harper and Row, 1974.
- Grayson, J. C. Jet's get back to the competitive market system. Harvard Business Review, November-December, 1973, 103-112.
- Greenwood, K. M. Systematic approach to the evaluation of a fashion merchandising course with guidelines for student work experiences. Unpublished doctoral dissertation, Oklahoma State University, 1972.
- Houston, R. W. Exploring Competency Based Education. Berkeley, California: McCutchan, 1974.
- Johnson, W. The problems and roles of small business associations. Paper presented at the International Symposium on Small Business, Tokyo, Japan, November 19, 1975, 3.
- Kierulff, H. E. Can entrepreneurs be developed? MSU Business Topics, 1975, 23, 39-44.
- Kirschner, C. Motivation to learn. Basic Education for the Disadvantaged Adult, 1966.
- Knowles, M. S. Program planning for adults as learners. Adult Leadership, 1967, 267-268, 278-329.
- Kotaska, J. C. & Dickinson, G. Effects of a study guide on independent adult learning. Adult Education, 1975, 25, 161-168.
- Kuehn, W. A. The Pitfalls in Managing a Small Business. New York: Dun and Bradstreet, March, 1973, 3.
- Kunsemiller, C. F. Recognized educational needs of independent retail store owners in selected cities in California. Unpublished doctoral dissertation, University of Southern California, 1961.
- Mager, R. F. Preparing Instructional Objectives (2nd ed.). Belmont, California: Fearon, 1975.
- McGaffey, T. N. & Christy, R. Information processing capability as a predictor of entrepreneurial effectiveness. Academy of Management Journal, December, 1975, 18, 857.
- National Advisory Council on Adult Education. Career education for adults: What's available? American Vocational Journal, September, 1975, 50, No. 6, 58.

- Neff, M. & Minkoff, D. Criteria for judging materials and techniques: A rationale. Materials and Methods in Adult Education. New York: Klevens, 1972.
- Nelson, R. E. & Bober, G. F. Small business ownership: A neglected career option. Business Education World, 1977, 23.
- Packard, S., Winters, A. A. & Axelrod, N. Fashion Buying and Selling. New York: Fairchild, 1976.
- Papanek, G. The development of entrepreneurship. American Economic Review, May, 1962, 52, No. 2, 46.
- Parson, J., Treat, K., Brunette, D., Foster, B. L. & Stockert, T. C. Criteria for selecting, evaluating or developing learning modules. Educational Technology, 1976, 31-32.
- Paulsen, R. C. & Berg, M. Open Entry/Open Exit. Wausau, Wisconsin: United States Office of Education, Project No. 15 090 151 226, 1976.
- Policies Commission for Business and Economic Education. This we believe about implementing individualized instruction in business education. Business Education Forum, 1974, 28, 18.
- Rici, F. A. The nature of retail education with implications for curriculum development for post-secondary institutions in New England. Unpublished doctoral dissertation, Boston School of Education, 1972.
- Siegel, A. I. Increasing and Evaluating the Readability of Air Force Written Materials. Lowry AFB: Colorado, Air Force Human Resources Laboratory, Technical Training Division, 1974.
- Small Business Administration. Annual Report. Washington, D.C.: United States Government Printing Office, 1972, 2.
- Tate, C. E., Megginson, L. C., Scott, C. R. & Trueblood, L. R. Successful Small Business Management. Dallas, Texas: Business Publications, 1975.
- Tate, J. Development and analysis of a learning package, sales productivity, for use in the fashion work experience courses. Unpublished master's dissertation, Oklahoma State University, 1972.
- Timmons, J. A. Guided entrepreneurship. Business Horizons, December, 1975, 18, 49.
- Tyler, R. W. Basic Principles of Curriculum and Instruction. Chicago: University of Chicago Press, 1950.



United States Office of Education. Business Ownership Curriculum Project for the Prevocational and Exploratory Level (Grades 7-9), Final Report. Project No. V257012, Grant No. OEG-0-72-4848.

United States Office of Education. Exploratory Study of Administrative Barriers to Installation of Open Entry-Exit Work Experiences in Cooperative Clothing Retailing Programs, Final Report, 1977. Project No. 498AH50356, Grant No. G007500328.

Waples, D. & Tyler, R. What People Want to Read About. Chicago: American Library Association and the University of Chicago, 1931.

Wyant, R. Business failures. Dun's Review, 1970, 96, No. 3, 101.

APPENDIXES

APPENDIX A

APPAREL SHOP ENTREPRENEURSHIP RESEARCH  
PROPOSAL ABSTRACT AND CHART  
OF ACTIVITIES

## ABSTRACT

INSTRUCTIONAL MATERIALS FOR ADULT ENTREPRENEURSHIP  
OF APPAREL SHOPS

This proposal is designed to select entrepreneurial competencies and develop instructional materials for use in an open entry - exit setting by potential apparel shop owners. The organization of the instructional materials will incorporate the four major retail functions: accounting and control; buying and merchandising; operation and management and advertising and promotion. Individualized, self-instructional and self-evaluative learning packages will be developed based on the entrepreneurial competencies related to each of the four retail functions.

The strategy for the development, use and evaluation of the instructional materials involves the advisement of each trainee by a role model apparel merchant and by a panel of business experts. During the funding period the instructional materials will be tested in an open entry - exit program and the results will be evaluated by the participating teacher-coordinator, the adult trainees and the role model merchants. The panel of business experts will evaluate the effectiveness of the instructional materials as evidenced by the entrepreneurial competencies exhibited by the adult trainees.

Based on these evaluations of the project, the instructional materials will be revised. Recommendations will be made for the continued use of the revised materials in open entry - exit programs aimed to provide entrepreneurial competencies which will facilitate self employment in apparel shops.

CHART OF ACTIVITIES  
 RESEARCH PROJECT II  
 APPAREL SHOP ENTREPRENEURSHIP (ASE)

Activities	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	
	Aug 76	Sept	Oct	Nov	Dec	Jan 77	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan 78	
A. Staffing Research Project	A1	A3								A2	A3								
	A2																		
B. Panel of Business Experts		B1				B2							B3		B4				
C. LP's	C1		C 2		C 3		C 4		C5	C6									
D. Testing						D1	D2	D3					D4			D 5			
E. Sights					E1			E2	E3	E4		E5			E 6				
F. Role Model Merchants							F 1				F2				F3				
G. Project Management											G1			G 2					
H. Evaluate Results																	H1	H2	H3

- A. Staffing Research Project
    - 1. Co-Directors - Greenwood
    - 2. Grad Assistants - Greenwood, Mott
    - 3. Payroll and Budget - Greenwood, Callson and Mott
  - B. Panel of Business Experts
    - 1. Contact Panel present Research Project - Drs
    - 2. Contact Panel as needed - GAS
    - 3. Final evaluation of entrepreneur plans of adult trainees - RT
    - 4. Final evaluation of research project - Drs
  - C. Instructional Material (LP's)
    - 1. Strategy for total Learning Packages - RT
    - 2. Select competencies for four functional areas - RT - PBE
    - 3. Compile information for four functional areas - GAS - PBE
    - 4. Prepare Learning Packages for four functional areas - GAS
    - 5. Pretest Learning Packages - GAS
    - 6. Duplicate Learning Packages - GAS
  - D. Testing Instructional Material
    - 1. Select evaluation techniques - Drs
    - 2. Develop instruments - RT
    - 3. Validate instrument - GAS
    - 4. Use of evaluation instruments - RT
    - 5. Analyze data - Drs
  - E. Sights
    - 1. Contact principal, teacher-coordinators - Drs
    - 2. Selection of Pilot Study school setting - Drs
    - 3. Recruit adult trainees - RT - T/C
    - 4. Prepare teacher-coordinators - GAS
    - 5. Use of LP's by adult trainees - T/C - AT
    - 6. Final evaluation of research by teacher-coordinator and adult trainees - RT
  - F. Role Model Merchants
    - 1. Contact role merchants - Drs
    - 2. Schedule role model merchants and adult trainee conference - T/C
    - 3. Final evaluation of research project - RT
  - G. Project management during Pilot Study
    - 1. 1st on sight visits - RT
    - 2. 2nd on sight visits - RT
  - H. Evaluate Results of RP
    - 1. Results of evaluation instruments - RT
    - 2. Recommendations - RT - PBE
    - 3. Final report - Drs
- Code: Drs - Directors; GAS - Grad Assistants; RT - Research Team;  
 PBE - Panel of Business Experts; T/C - Teacher-Coordinators;  
 AT - Adult Trainees

APPENDIX B

PROCEDURES ESTABLISHED BY THE APPAREL SHOP  
ENTREPRENEURSHIP RESEARCH TEAM FOR  
DEVELOPING INSTRUCTIONAL  
MATERIALS



1. Review literature related to: competency-based, individualized instruction, open entry - open exit, adult education and readability of written materials.
2. Review literature related to the four retail functions: accounting and control, buying and merchandising, operations and management and advertising and promotions.
3. Prepare a tentative list of statements of possible concepts related to four functional areas of retailing.
4. Interview women's and men's apparel shop owners and managers to review tentative statements of concepts.
5. Consult with business experts in the areas of banking, business law and retail management for comments concerning tentative statements of concepts.
6. Formulate items based on the comments of retailers and business experts and list under the four retail functions for the questionnaire.
7. Select sample of apparel shops in Oklahoma and mail questionnaires.
8. Tabulate returns of the questionnaire.
9. Analyze findings based on importance of concepts as rated by respondents.
10. Validate concepts by conferring with additional retailers and business experts.
11. Establish format for the learning packages.
12. Group concepts into modules within the learning package.
13. Write modules for each learning package using the following procedures:
  - a. Write performance objectives using selected concepts.
  - b. Prepare content needed to accomplish each performance objective.
  - c. Write learning activities, based on each performance objective, including: content checks and self checks; Apply To Your Own Store Plans.
  - d. Write rationale and instructions based on content.
14. Write terminal objective for learning package based on the performance objectives in modules.
15. Develop Individual Store Plans (ISP) for each learning package based on Apply To Your Own Store Plans.

16. Write pre/posttest for each learning package based on content check.
17. Field test one module for each learning package.
18. Prepare first draft of learning packages and ISPs based on reactions of participants in field test.
19. Field test first draft of learning packages using procedures for implementing open entry-exit pilot study.
20. Make revisions based on reactions of participants in field test.
21. Duplicate materials with graphics, color coding and logo.

APPENDIX C

SUMMARY OF CRITERIA ESTABLISHED BY THE  
APPAREL SHOP ENTREPRENEURSHIP  
RESEARCH TEAM FOR SELECTING  
QUESTIONNAIRE SAMPLE

1. The sample would include geographical representation from the four quadrants of the state divided by Highway I35 north and south and I40 east and west.

<u>Number of Questionnaires Mailed</u>	<u>Oklahoma Regions</u>
54	NE
54	NW
54	SE
54	SW

Total: 216

2. The sample would include approximately the same number of stores in small or medium size cities as the number of stores in large cities.

<u>Number of Questionnaires Mailed</u>	<u>City Size</u>
24	Small (under 2,500)
76	Medium (2,500 - 25,000)
116	Large (25,000 - over)

Total: 216

3. The sample would include approximately one-third of the store representing men's wear and two-thirds representing women's wear.

<u>Number of Questionnaires Mailed</u>	<u>Store Type</u>
133	Women's store
71	Men's store
12	Men's & women's store

Total: 216

APPENDIX D

REFERENCES USED TO OBTAIN BUYING AND  
MERCHANDISING CONCEPTS

- Bank of America. Apparel stores. Small Business Reporter. 1973, 11, No. 5.
- Cahill, J. Can a Smaller Store Succeed? New York: Fairchild, 1966.
- Cantor, J. Evaluating Purchasing Systems. American Management Association, 1970.
- Didle, D. M. Up Your Own Organization. The Entrepreneur Press, 1971.
- Dickson, F. Successful Management of the Small and Medium-Sized Business. Englewood Cliffs, New Jersey: Prentice-Hall, 1971.
- Fairchild. The Retail Revolution. New York: Fairchild, 1962.
- Greenwood, K. M. Systematic approach to the evaluation of a fashion merchandising course with guidelines for student work experiences. Unpublished doctoral dissertation, Oklahoma State University, 1972.
- Hedrick, F. D. Purchasing Management in the Smaller Company. American Management Association, 1971.
- Hemphill, C. F. Preventing Loss in Handling Merchandise. Management American Association, 1971.
- Kuebbeler, G. L. Going Into Business For Yourself. Ohio: Distributive Education Materials Lab.
- Men's Retail Association (MRA). Establishing a Men's Wear Store. New York: MRA, 1972.
- Men's Retail Association (MRA). Men's store operating experiences. Annual Business Survey, 1975.
- National Retail Merchant's Association (NRMA). Merchandising and Operating Results. New York: NRMA, 1970.
- National Retail Merchant's Association (NRMA). The Buyer's Manual. New York: Merchandising Division of the NRMA, 1965.
- Putt, W. D. How to Start Your Own Business. Cambridge, Massachusetts: MIT Press, 1974.
- Richort, M. H. Retailing Principles and Practices, 4th edition. New York: Gregg Division/McGraw-Hill, 1962.
- Small Business Administration (SBA). Business plans for retailers, Small Marketers Aid No. 150, 1972.
- Small Business Administration (SBA). Men's and boy's wear stores, Small Business Bibliography No. 45, 1968.

SCORE and Small Business Administration (SBA). Guidelines for Running a Small Business. Oklahoma City: Small Business Administration.

Steinhott, D. Small Business Management Fundamentals. New York: McGraw Hill, 1965.

Strydesdy, R. H. Merchandising and buying. American Enterprise Series, 1975. University of Texas at Austin: Instructional Materials Center.

Troxell, M. D. and Judelle, B. Fashion Merchandising. New York: Gregg Division/McGraw-Hill, 1971.

Wingate, J. W. and Samson, H. E. Retail Merchandising, 7th edition. New York: South-Western, 1968.

Wingate, Schaller and Thal. Problems in Retail Merchandising, 5th edition. Englewood Cliffs, New Jersey: Prentice-Hall, 1961.

Wingate, J. W., Schaller, E. O. and Miller, L. R. Retail Merchandising Management. Englewood Cliffs, New Jersey: Prentice-Hall, 1972.

APPENDIX E

TENTATIVE LIST OF BUYING AND MERCHANDISING  
STATEMENTS TO BE INCLUDED IN  
QUESTIONNAIRE



Buying

- Identify specific characteristics of anticipated clientele.
- Consult buying offices.
- Locate and select resources (market, sales representatives, catalogs).
- Determine initial inventory mix.
- Select merchandise classifications to be included in opening inventory.
- Establish criteria for selecting specific merchandise for resale.
- Select merchandise assortments by units.
- Establish means for procuring advantageous prices at the market.
- Investigate possible delivery options (F.O.B., etc.).
- Investigate possible terms of purchase (cash discounts, etc.).
- Plan timing of orders.
- Follow proper procedure for placing orders.
- Establish good vendor relations.

Merchandising

- Project annual sales volume.
- Estimate opening inventory in dollars.
- Estimate initial markup.
- Determine seasonal turnover.
- Calculate open-to-buy.
- Estimate gross margin.
- Project net profit.
- Allocate space for receiving, marking and storing merchandise.
- Establish procedures for receiving, checking, marking and storing merchandise.
- Develop a plan for determining stock conditions.
- Develop a means for evaluating stock conditions.
- Develop plans for readjusting stock conditions.

APPENDIX F

MANAGEMENT QUESTIONNAIRE FOR SMALL  
APPAREL STORES



*Oklahoma State University*

DEPARTMENT OF CLOTHING, TEXTILES & MERCHANDISING

STILLWATER, OKLAHOMA 74074  
HOME ECONOMICS WEST 312  
(405) 624-5034

November 24, 1976

Dear Apparel Merchant:

The attached questionnaire is concerned with the procedures involved in starting an apparel shop. This is part of a research study being made to help adults prepare to open a small women's or men's store. The study is funded by the U. S. Office of Education and has the cooperation of the Small Business Administration. The results of this study will be used in determining the basic information to be involved in a learning guide for adults who want to go into the apparel business.

It is most important to have your reactions and suggestions because you have had experience in operating and managing an apparel store. The enclosed questionnaire has been tested with a sample of store owners and has been revised in order to obtain the data needed. It will require a minimum of your time, approximately 30 minutes.

Please return this questionnaire by December 10. Copies of the findings will be sent upon request.

Sincerely yours,

A handwritten signature in cursive script that reads "Kathryn M. Greenwood".

Kathryn M. Greenwood  
Project Director

Enc.







## P R O F I L E

NAME OF RESPONDENT \_\_\_\_\_

STORE NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY/STATE/ZIP \_\_\_\_\_

TELEPHONE \_\_\_\_\_

\* \* \* \* \*

1. Which of the following best describes your position in the field of retail apparel stores?

\_\_\_\_ Owner      \_\_\_\_ Manager      \_\_\_\_ Assistant Manager      \_\_\_\_ Buyer  
 \_\_\_\_ Salesperson      \_\_\_\_ Other (Specify) \_\_\_\_\_

2. In which of the following classifications is the size of your city?

\_\_\_\_ Small (under 2,500)      \_\_\_\_ Medium (2,500-25,000)      \_\_\_\_ Large (25,000-over)

3. In which age bracket are you?

\_\_\_\_ Under 30      \_\_\_\_ 30-49      \_\_\_\_ 50 and over

4. How many years of actual retail apparel store experience do you have?

\_\_\_\_ 1 year      \_\_\_\_ 2-4 years      \_\_\_\_ 5-10 years      \_\_\_\_ 10-20 years      \_\_\_\_ 20 or more

5. Which of the following categories describes your store?

\_\_\_\_ Ladies apparel      \_\_\_\_ Men's apparel      \_\_\_\_ Men's and Women's  
 \_\_\_\_ Other (Specify) \_\_\_\_\_

6. How many years has your store been in operation?

\_\_\_\_ 1 year or less      \_\_\_\_ 2-4      \_\_\_\_ 5-10      \_\_\_\_ 10-20      \_\_\_\_ 20 or more

7. How many employees do you have?

\_\_\_\_ Full-time      \_\_\_\_ Part-time

8. Do you consider your store to be small, medium, or large by the following sales volume?

\_\_\_\_ \$100,000 or less      \_\_\_\_ \$100,000-\$500,000      \_\_\_\_ \$500,000 or more  
     (Small)                      (Medium)                      (Large)

THANK YOU for completing the questionnaire. Please fold on the lines provided on the back of this sheet. Our return address should be seen on the outside. Staple the questionnaire once in the center to seal. Postage has been prepaid.

APPENDIX G

DESCRIPTION OF LEARNING PACKAGE FORMAT

ESTABLISHED BY THE APPAREL SHOP

ENTREPRENEURSHIP RESEARCH

TEAM



<u>Instructions:</u>	Standard instructions to identify the parts of the module and inform the trainee of the procedures to be used in the completion of a module.
<u>Rationale:</u>	Information about the nature and importance of the concepts within each module.
<u>Terminal Objective:</u>	Explicit statement to describe what the trainee will be able to do upon completion of a learning package.
<u>Performance Objective:</u>	Explicit statement to describe what the trainee will be able to do upon completion of each content segment within a module.
<u>Content:</u>	Factual information about each performance objective.
<u>Content Check:</u>	Multiple choice, true-false and matching items that represent definitions and applications of concepts.
<u>Self Check:</u>	Correct answers to the content check items.
<u>Apply To Your Own Store Plans:</u>	Instructions to apply content segments to develop plans for opening an apparel shop.
<u>Glossary:</u>	Definitions of terms and mathematical formulas in the module.
<u>Individual Store Plans:</u>	Composite of the several Apply To Your Own Store Plans from each module within a learning package.
<u>Pretest/Posttest:</u>	Multiple choice, true-false and matching items to measure knowledge and comprehension of concepts in each learning package.

APPENDIX H  
READABILITY GUIDELINES

- Do not begin a sentence with the indefinite pronoun "this."
- Avoid using colloquial expressions which may be meaningful to certain groups of people but not to others.
- Use parentheses to set off explanations.
- Use abbreviations only after a full explanation of the abbreviation has been provided, except where the abbreviation is very widely known.
- Use only those symbols that are very common; otherwise spell out the symbol.
- Do not omit an article for the sake of brevity.
- Do not omit the word that.
- Do not omit a verb.
- Place modifiers as close to the word they modify as possible.
- Avoid splitting infinitives unless the sentence would be awkward.
- Avoid using the word and to connect two unrelated ideas; either rephrase the sentence using other connectives or write two sentences.
- Use the active voice rather than the passive voice.
- Avoid the following sentence structures:
  - prepositional phrases,
  - compound sentences and
  - complex sentences.

(Siegel, A. I. Increasing and Evaluating the Readability of Air Force written materials. Lowry AFB: Colorado, Air Force Human Resources Laboratory, Technical Training Division, 1974).

APPENDIX I

BUYING AND MERCHANDISING LEARNING  
PACKAGE

## MODULE ONE

Name \_\_\_\_\_

Buying and Merchandising  
Learning Package

Module 1

# Dollar Merchandise Plan



Pilot Study Learning Materials  
USOE Research Project  
Summer, 1977  
NOT FOR DUPLICATION

**1**

## INSTRUCTIONS

This is one of several modules in a learning package. The terminal objective for the learning package and several performance objectives for this module are listed on the next page. The terminal objective describes the behavior you must exhibit in order to complete this learning package. The performance objectives describe the behaviors you must exhibit in order to complete this module.

Each learning package has a pretest and a posttest based on the terminal and performance objectives. You must take the pretest before you begin the first module in each learning package. The pretest will be used for research purposes only. Your goal is to answer correctly eighty percent (80%) or more of the questions on the posttest and complete your Individual Store Plans for each learning package.

1. Read the objectives and the rationale first, then precede to the content of this module.
2. Study carefully the content pertaining to each of the performance objectives.
3. Follow the directions given for the learning activity related to each performance objective.
  - a. Complete the Content Check section at the beginning of the learning activity. Use the self-checks and review the content if you answer any questions incorrectly.
  - b. Complete the Apply to Your Own Store Plans section following the content check. Make tentative decisions and plans for opening your own store. Refer to the content as a guide in completing this section of the learning activity.
4. Follow the instructions given at the end of the last module in this learning package in order to complete your posttest.

Remember: Complete each of the modules in this learning package in consecutive order, as they are numbered.

## OBJECTIVES

**Terminal Objective:** When you have completed this learning package and have achieved 80% of the posttest, you will develop a dollar merchandise plan and a buying plan for your own apparel store.

### Performance Objectives:

1. Given average monthly sales distributions, you will calculate the planned monthly sales for your store's first six months of operation.
2. Given average monthly stock-sales ratios, you will determine the planned inventory needed for the beginning of each month of your opening season.
3. Given a formula, you will determine the amount of inventory that you plan to have in your store at the end of each month of your opening season.
4. Given a formula, you will calculate a planned open-to-buy for each month of your opening season.

RATIONALE

Effective buying and successful selling of merchandise depends on careful planning of buying and merchandising activities. Buying and merchandising activities are responsible for the functions of planning, buying, and controlling inventory. Most retail firms, both large and small, have found that careful planning results in higher net profits. Maintaining high net profits is of prime importance to the retailer.

This module is primarily concerned with the planning and controlling of inventory--developing a dollar merchandise plan. The dollar merchandise plan is a monthly projection and guide of the sales goals of a store for a given period, usually six months. The plan is used to maintain dollar stock control or the dollar value of a store's merchandise. A merchandise plan should contain enough information to enable the buyer to determine the amount of:

1. merchandise in the store,
2. merchandise sold,
3. merchandise on order, and
4. merchandise which needs to be purchased.

A merchandise plan must be used as a guide for merchandising activities. Adjustments, when needed by unexpected changes in current operations, should be made in the merchandise plan.

CONTENT

Performance Objective: Given average monthly sales distributions, you will calculate the planned monthly sales for your store's first six months of operation.

Monthly Sales

Estimating your store's monthly sales is the first step in developing a dollar merchandise plan. Most stores have previous sales records to help guide them in planning future monthly sales. Since you do not have previous sales records, you will need to use other store's monthly sales records as a guide.

The National Retail Merchants Association (NRMA) periodically gathers and publishes apparel store merchandising and operating results. The average monthly sales distributions of women's apparel stores, presented below in Table I, was reported by the NRMA in the Merchandising and Operating Results of 1970. Menswear Retailers of America (MRA) annually surveys men's stores and reports men's store operating experiences. The average monthly sales distributions of men's apparel stores, presented below in Table I, was reported by the MRA in the 1975 Annual Business Survey.

TABLE I

Month of Year

FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

Women's Apparel: Monthly Sales Distribution--% of Total Gross Annual Sales.

5.7	7.1	7.9	8.6	6.9	8.2	7.5	8.2	9.6	8.4	15.7	6.6
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	------	-----

Men's Apparel: Monthly Sales Distribution--% of Total Gross Annual Sales.

5.2	6.3	6.6	8.2	8.3	7.3	6.8	7.0	8.2	9.3	17.7	7.7
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	------	-----

The first row of boxes identify the month of the year, and the second and third rows of boxes indicate the monthly sales distribution of women's and men's apparel. For example, a women's apparel store could expect to receive 9.6% of the

LEARNING ACTIVITY

Content Check on Dollar Merchandise Plan and Monthly Sales

store's total annual gross sales in the month of October. Notice that the month of December for both men's and women's apparel generates the largest percentage of sales.

The percentages of sales given in Table I are helpful in that they at least guide you in anticipating the busy and slow months of the year. But, it is a lot more interesting to "talk" dollars. For example, knowing that you can expect \$6,900 in sales for the month of June is usually more appealing than knowing that you can expect 6.9% of your total sales in June. In addition, monthly sales expressed in dollars can be used in determining the dollar amount of merchandise needed each month.

The following formula demonstrates how to convert these monthly percentage sales figures into monthly dollar sales figures.

$$\text{Dollar Monthly Sales} = \frac{\% \text{ of Annual Gross Sales for Month} \times \text{Estimated Annual Gross Sales}}{100}$$

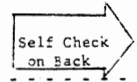
The percentage of annual gross sales for each month is found in Table I. You have previously estimated your store's annual gross sales in the Store Profile. Let's take an example and convert a monthly percentage sales figure into a monthly dollar sales figure. Suppose a potential merchant has estimated an annual gross sales of \$100,000 for a men's clothing store. The merchant plans to open in August and would like to estimate the dollar sales for that month.

$$\begin{aligned} \% \text{ of Annual Gross Sales for August} &= 6.8\% \\ \text{Store's Estimated Annual Gross Sales} &= \$100,000 \\ \text{Dollar Sales for August} &= 6.8\% \times \$100,000 \\ &= .068 \times \$100,000 \\ &= \$6,800 \end{aligned}$$

Therefore, the merchant can expect to receive \$6,800 in sales for the month of August.

DIRECTIONS: The following are multiple choice questions. Each question is followed by four possible answers. Choose the best answer from the four alternatives given, and write the letter of that answer in the space provided to the left of the question.

1. The dollar merchandise plan is a \_\_\_\_\_ projection and guide of the sales goals of a store for a given period, usually six months.
  - A. Bi-weekly
  - B. Monthly
  - C. Weekly
  - D. Bi-monthly
2. Which of the following months represents the poorest sales performance?
  - A. February - 5.7% of total annual gross sales
  - B. March - 7.1% of total annual gross sales
  - C. April - 7.9% of total annual gross sales
  - D. May - 8.6% of total annual gross sales
3. A merchant has estimated an annual gross sales of \$100,000. The merchant plans to open the store in July and would like to know what sales he can expect to receive for this month. The monthly sales distribution for July is 5.7%. Which of the following items best represents the sales which the merchant can expect to receive in July?
  - A. \$5,700
  - B. \$1,200
  - C. \$1,040
  - D. \$ 570



Apply To Your Own Store Plans

A Dollar Merchandise Plan is presented on the next page. The following directions relate to that merchandise plan.

- DIRECTIONS:
1. Place a check mark in the box which corresponds to the season in which you plan to open your store (Spring or Fall).
  2. Based on your estimated annual gross sales and the monthly sales distribution (either women's or men's apparel) given in Table I, calculate a dollar sales figure for each month of your opening season.
  3. Record the monthly dollar sales for each month on the line which corresponds to "Sales: Planned". The line which corresponds to "Sales: Actual" is provided so that you may record your actual sales once you have opened your store.
  4. Once you have completed these three steps, turn to the next objective. You will complete the merchandise plan when you have finished this module.



DOLLAR MERCHANDISE PLANS (Dollars represent retail price)

Spring <input type="checkbox"/>	FEB	MAR	APR	MAY	JUN	JUL
Fall <input type="checkbox"/>	AUG	SEP	OCT	NOV	DEC	JAN
Sales: Planned						
Sales: Actual						
BOM Inventory: Planned						
BOM Inventory: Actual						
ECM Inventory: Planned						
ECM Inventory: Actual						
O-T-B: Planned						
O-T-B: Actual						

CONTENT

Performance Objective: Given average monthly stock-sales ratios, you will determine the planned inventory needed for the beginning of each month of your opening season.

B.O.M. Inventory

The stock-sales ratio indicates the relationship that exists between a store's stock and its sales. This stock-sales relationship can be expressed as the B.O.M. (beginning of the month) stock-sales ratio. The B.O.M. stock-sales ratio represents the relationship of the stock at the beginning of the month to the sales for the month. The B.O.M. stock-sales ratio implies that a specific amount of stock will be required to achieve the planned sales. The following formula illustrates how the B.O.M. stock-sales ratio is calculated:

B.O.M. Stock-Sales Ratio

$$\text{B.O.M. stock-sales ratio} = \frac{\text{B.O.M. stock}}{\text{sales}}$$

For example, a store which has a B.O.M. stock of \$30,000 and sales for the month of December of \$15,000 has a stock-sales ratio of 2.0 ( $\frac{\$30,000}{\$15,000} = 2.0$ ). The ratio of 2.0 implies that an opening inventory for this month should be twice as large as the planned sales for the month.

You will not be able to calculate a stock-sales ratio until you have opened your store and have actual stock and sales records. However, you may want to refer to this formula when you are able to calculate stock-sales ratio.

We will again refer to the NRMMA's Merchandising and Operating Results of 1970 to obtain the average B.O.M. stock-sales ratios for women's apparel and the NRA's Annual Business Survey to obtain the average B.O.M. stock-sales ratios for women's apparel. The stock-sales ratios are presented below in Table II.

TABLE II

Month of Year

FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

Women's Apparel: B.O.M. Stock-Sales Ratios

3.5	3.4	3.4	3.2	3.5	3.9	3.4	3.6	3.3	3.3	2.0	3.8
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

Men's Apparel: B.O.M. Stock-Sales Ratios

9.3	8.8	5.7	7.5	7.2	7.7	8.0	8.6	7.8	7.2	5.7	6.8
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

The first row of boxes identify the month of the year, and the second and third rows of boxes indicate the B.O.M. stock-sales ratios for women's and men's apparel. For example, a men's apparel store could expect a stock-sales ratio of 8.0 for the month of August. This 8.0 ratio implies that the merchant needs an opening inventory for August of 8 times as large as the planned sales for August.

The following formula illustrates how these stock-sales ratios can be used in determining the inventory needed for the beginning of any month.

B.O.M. Inventory

$$\text{B.O.M. Inventory} = \text{monthly stock-sales ratio} \times \text{planned monthly dollar sales}$$

For example, suppose a women's apparel store had a stock-sales ratio of 3.4 for March and a planned dollar sales of \$2,000 for March. The B.O.M. Inventory needed for March is equal to  $3.4 \times \$2,000$ .  $3.4 \times \$2,000 = \$6,800$ . Therefore, the merchant would need to have \$6,800 worth of inventory at the beginning of March in order to receive \$2,000 in sales for March.

LEARNING ACTIVITY

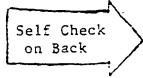
Content Check on B.O.M. Inventory

DIRECTIONS: The following statements are True or False. In the blank before each statement place a (+) if the statement is true. If the statement is false place a (-) in the blank.

1. The stock-sales ratio indicates the relationship that exists between a store's stock and its sales.
2. The beginning of the month stock-sales ratio =  $\frac{\text{B.O.M. stock}}{\text{sales}}$

DIRECTIONS: The following are multiple choice questions. Each question is followed by four possible answers. Choose the best answer from the four alternatives given, and write the letter of that answer in the space provided to the left of the question.

3. Which of the following formulas illustrates how stock-sales ratios can be used in determining the B.O.M. inventory?
  - A. B.O.M. inventory = monthly purchases X planned monthly dollar sales
  - B. B.O.M. inventory = monthly stock-sales ratio X monthly purchases
  - C. B.O.M. inventory = Planned monthly stock X planned monthly purchases
  - D. B.O.M. inventory = monthly stock-sales ratio X planned monthly dollar sales
4. Suppose a men's apparel store has a 7.2 stock-sales ratio for March and a planned sales of \$1,000. Which item below best represents the B.O.M. stock needed for March?
  - A. \$ 3,600
  - B. \$14,000
  - C. \$ 8,000
  - D. \$ 7,200



Apply To Your Own Store Plans

A Dollar Merchandise Plan is presented on page B/M 1.7. The following directions relate to that merchandise plan.

**DIRECTIONS:**

1. Based on your planned monthly dollar sales figure recorded on the Dollar Merchandise Plan and the E.O.M. stock-sales ratios given in Table II, calculate a E.O.M. inventory needed to support the sales for each month of your opening season.
2. Record the E.O.M. inventory for each month on the line which corresponds to "E.O.M. Inventory: Planned". The line which corresponds to "E.O.M. Inventory: Actual" is provided so that you may record your actual E.O.M. inventory once you have opened your store.
3. Once you have completed these two steps, turn to the next objective. You will complete the merchandise plan when you have finished this module.

B/M 1.11

CONTENT

**Performance Objective:** Given a formula, you will determine the amount of inventory that you plan to have in your store at the end of each month of your opening season.

E.O.M. Inventory

Two common ways to determine the amount of inventory in the store at the end of the month (E.O.M.) are:

1. to record purchases and sales as they occur, and
2. to periodically count the inventory

You have previously developed a system for recording purchases and sales as they occur--the dollar merchandise plan. The following formula illustrates how you can determine the dollar amount of inventory that you plan to have in your store at the end of any month can be determined.

E.O.M. Inventory

$$\text{E.O.M. Inventory} = \text{B.O.M. Inventory} - \text{Monthly Sales}$$

For example, suppose that a merchant plans to have a B.O.M. inventory for March of \$6,800 and planned sales of \$2,000 for the month.

$$\begin{aligned} \text{E.O.M. Inventory} &= \$6,800 - \$2,000 \\ &= \$4,800 \end{aligned}$$

Therefore, the merchant plans to have \$4,800 worth of inventory remaining in the store at the end of the month.

Once you have opened your store, you may want to actually count the inventory in your store. It is always a good idea to compare the results of your inventory counts to the E.O.M. figures in your merchandise plan. For example, if your E.O.M. inventory represented in your merchandise plan is considerably less than the E.O.M. inventory represented by inventory counts this may imply that you have a theft problem.

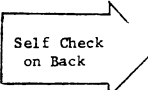
B/M 1.12

LEARNING ACTIVITY

Content Check on E.O.M. Inventory

DIRECTIONS: The following are multiple choice questions. Each question is followed by four possible answers. Choose the best answer from the four alternatives given, and write the letter of that answer in the space provided to the left of the question.

1. Two common ways to determine the amount of inventory in the store at the end of the month are \_\_\_\_\_ and \_\_\_\_\_ .
  - A. To record purchases as they occur and returns as they occur.
  - B. To record purchases and sales as they occur and to periodically count the inventory.
  - C. To record purchases and markdowns as they occur, and to periodically count the inventory.
  - D. To record sales as they occur, and to periodically count purchases.
  
2. Which one of the following formulas illustrates how you can determine the dollar amount of inventory that you plan to have in your store at the end of any month?
  - A. E.O.M. Inventory = B.O.M. Inventory + Monthly Sales
  - B. E.O.M. Inventory = B.O.M. Inventory + Purchases
  - C. E.O.M. Inventory = B.O.M. Inventory - Monthly Sales
  - D. E.O.M. Inventory = B.O.M. Inventory - Purchases
  
3. Suppose that a merchant plans to have a B.O.M. inventory of \$5,000 and planned monthly sales of \$3,000. Which of the following items represents the worth of the planned E.O.M. inventory?
  - A. \$2,000
  - B. \$7,000
  - C. \$4,000
  - D. \$5,000



Apply to Your Own Store Plans

A Dollar Merchandise Plan is presented on page B/M 1.7. The following directions relate to that merchandise plan.

DIRECTIONS:

1. Based on your planned B.O.M. inventory and your planned monthly sales recorded on the Dollar Merchandise Plan, calculate a planned E.O.M. inventory for each month of your opening season.
2. Record the E.O.M. inventory for each month on the line which corresponds to "E.O.M. Inventory: Planned." The line which corresponds to "E.O.M. Inventory: Actual" is provided so that you may record your actual E.O.M. inventory once you have opened your store.
3. Once you have completed these two steps, turn to the next objective. You will complete the merchandise plan when you have finished this module.

B/M 1.13

CONTENT

Performance Objective: Given a formula, you will calculate a planned open-to-buy for each month of your opening season.

Open-To-Buy

Open-to-buy is the amount of merchandise which can be added to the inventory of a store in a given period without exceeding planned inventory levels. Open-to-buy should be used as a tool to keep the inventory investment in line with plans and actual sales. The following formula illustrates how open-to-buy is calculated.

Open-To-Buy

$$\text{Open-To-Buy} = \text{Merchandise Needed} - \text{Merchandise Available}$$

The merchandise needed is equal to the B.O.M. inventory. The merchandise available is equal to the previous E.O.M. inventory. For an example, let's calculate the open-to-buy for the month of July using the information presented below.

	<u>June</u>	<u>July</u>	<u>August</u>
Planned Sales:	\$10,200	\$ 5,700	\$ 6,600
Planned B.O.M. Inventory:	52,000	43,890	43,560
Planned E.O.M. Inventory:	42,000	38,190	36,960

$$\begin{aligned} \text{Open-to-buy for July} &= \$43,890 - \$42,000 \\ &= \$1,890 \end{aligned}$$

Therefore, this merchant would plan to purchase \$1,890 worth of inventory for the month of July.

Actual increases or decreases from planned figures for sales and inventory will affect open-to-buy. For example, actual inventory levels that are higher than planned, with sales proceeding as planned, decrease the open-to-buy.

Up to this point, markdowns have not been mentioned. A markdown is a reduction of retail price of an item or group of items. Most large department stores include markdowns in their dollar merchandise plans. You may also

B/M 1.14

anticipate markdowns and incorporate them into your merchandise plans. When markdowns are considered, the open-to-buy is calculated in the following way.

$$\text{Open-to-Buy} = \text{Merchandise Needed} + \text{Markdowns} - \text{Merchandise Available}$$

#### LEARNING ACTIVITY

##### Content Check on Open-To-Buy

DIRECTIONS: The following statements are True or False. In the blank before each statement place a (+) if the statement is true. If the statement is false place a (0) in the blank.

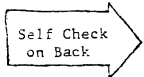
- \_\_\_\_ 1. Open-to-buy is the amount of merchandise which can be added to the inventory of a store in a given period without exceeding planned inventory.
- \_\_\_\_ 2. Open-to-buy = Merchandise Needed - Merchandise Available.

DIRECTIONS: The following are multiple choice questions. Each question is followed by four possible answers. Choose the best answer from the four alternatives given, and write the letter of that answer in the space provided to the left of the question.

- \_\_\_\_ 3. Which of the following items is the correct open-to-buy for the month of November? (Use the planned sales and planned B.O.M. and E.O.M. information given below.)

	Oct.	Nov.	Dec.
Planned Sales:	\$ 9,600	\$ 8,400	\$15,700
Planned B.O.M. Inventory:	31,600	27,720	31,400
Planned E.O.M. Inventory:	22,000	19,320	15,700

- A. \$12,020
- B. \$19,320
- C. \$ 8,400
- D. \$ 5,720



Apply to Your Own Store Plans

A Dollar Merchandise Plan is presented on page B/M 1.7. The following directions relate to that merchandise plan.

**DIRECTIONS:**

1. Based on your planned B.O.M. inventory and your planned E.O.M. inventory recorded on the Dollar Merchandise Plan, calculate an open-to-buy for each month of your opening season.
2. Record the open-to-buy for each month on the line which corresponds to "O-T-B: Planned." The line which corresponds to "O-T-B: Actual" is provided so that you may record your actual open-to-buy once you have opened your store.

GLOSSARY FOR TERMS

B.O.M. - Beginning of the month.

B.O.M. Stock-Sales Ratio - Represents the relationship of the stock at the beginning of the month to the sales for the month. The B.O.M. stock-sales ratio implies that a specific amount of stock will be required to achieve the planned sales.

Dollar Merchandise Plan - A monthly projection and guide of the sales goals of a store for a given period, usually six months. The plan is used to maintain dollar stock control or the dollar value of a store's merchandise.

E.O.M. - End of the month.

Markdown - Reduction of retail price of an item or groups of items.

M.R.A. - Menswear Retailers of America.

N.R.M.A. - National Retail Merchant's Association.

Open-to-Buy - The amount of merchandise which can be added to the inventory of a store in a given period without exceeding planned inventory levels. Open-to-buy should be used as a tool to keep the inventory investment in line with plans and actual sales.

Stock-Sales Ratio - Ratio which indicates the relationship that exists between a store's stock and its sales.

GLOSSARY FOR FORMULAS

B.O.M. Inventory = Monthly Stock-Sales Ratio X Planned Monthly Dollar Sales

B.O.M. Stock-Sales Ratio =  $\frac{\text{B.O.M. Stock}}{\text{Sales}}$

E.O.M. Inventory = B.O.M. Inventory - Monthly Sales

Open-To-Buy = Merchandise Needed - Merchandise Available

Complete the next module

GO

B/M 1.17

B/M 1.18

## MODULE TWO

Name \_\_\_\_\_

Buying and Merchandising  
Learning Package

Module 2

# Buying Plan



Pilot Study Learning Materials  
USOE Research Project  
Summer, 1977  
NOT FOR DUPLICATION

**2**

## INSTRUCTIONS

This is one of several modules in a learning package. The terminal objective for the learning package and several performance objectives for this module are listed on the next page. The terminal objective describes the behavior you must exhibit in order to complete this learning package. The performance objectives describe the behaviors you must exhibit in order to complete this module.

Each learning package has a pretest and a posttest based on the terminal and performance objectives. You must take the pretest before you begin the first module in each learning package. The pretest will be used for research purposes only. Your goal is to answer correctly eighty percent (80%) or more of the questions on the posttest and complete your Individual Store Plans for each learning package.

1. Read the objectives and the rationale first, then precede to the content of this module.
2. Study carefully the content pertaining to each of the performance objectives.
3. Follow the directions given for the learning activity related to each performance objective.
  - a. Complete the Content Check section at the beginning of the learning activity. Use the self-checks and review the content if you answer any questions incorrectly.
  - b. Complete the Apply to Your Own Store Plans section following the content check. Make tentative decisions and plans for opening your own store. Refer to the content as a guide in completing this section of the learning activity.
4. Follow the instructions given at the end of the last module in this learning package in order to complete your posttest.

Remember: Complete each of the modules in this learning package in consecutive order, as they are numbered.

## OBJECTIVES

Terminal Objective: When you have completed this learning package and have achieved 80% of the posttest, you will develop a dollar merchandise plan and a buying plan for your own apparel store.

### Performance Objectives:

1. Given some concepts and guidelines concerning retail price, markup and cost price, you will
  - A. Estimate a planned markup for your inventory, and
  - B. Convert your monthly open-to-buy at retail to a monthly open-to-buy at cost.
2. Given the National Retail Merchant's Association standard classification of merchandise you will
  - A. Rank the three demand centers that you plan to emphasize, and
  - B. Select the merchandise that you plan to purchase for your opening season.
3. Given some information about fashion markets and resident buying offices, you will select the sources from which you plan to purchase your inventory.



## RATIONALE

Effective buying and successful selling of merchandise depends on careful planning of buying and merchandising activities. Buying and merchandising activities are responsible for the functions of planning, buying, and controlling inventory. Most retail firms, both large and small, have found that careful planning results in higher net profits. Maintaining high net profits is of prime importance to the retailer.

This module is primarily concerned with buying plans. Buying will be less difficult if you plan carefully. Buying plans should begin with a review of planned sales, inventories and open-to-buy, and customer preferences. The minimum buying plans prior to any buying trip should at least include an identification of the following:

1. How much to spend,
2. What to buy,
3. From whom to buy, and
4. When to buy.

B/M 2.3

## CONTENT

Performance Objective: Given some concepts and guidelines concerning retail price, markup and cost price, you will

1. Estimate a planned markup for your inventory, and
2. Convert your monthly open-to-buy at retail to a monthly open-to-buy at cost.

The dollar value of your store's inventory may be represented at a retail price and at a cost price. The retail price is the price at which your inventory is marked for resale. The retail price is the price that your customers will pay for the merchandise in the inventory. The cost price is the price at which your inventory is billed to your store. The cost price is the price that you will pay for the merchandise in the inventory. Markup is the difference between the billed cost price and the retail price.

The estimated retail price of your inventory is based on your expected sales volume. The B.O.M. and E.O.M. inventory and the monthly open-to-buys you planned for in your Dollar Merchandise Plan represent retail prices. Remember that these planned inventories were based on your planned monthly sales volume. When you are developing your buying plan it is helpful to convert these monthly open-to-buys at retail to monthly open-to-buys at cost. In other words, when you have converted an open-to-buy at retail to an open-to-buy at cost you then have an open-to-buy which represents what you will have to pay for the inventory.

It is very important for you to understand and to be able to work with these three concepts: 1) retail price, 2) markup, and 3) cost price. Three important reasons why you need to understand and be able to work with retail price, markup, and cost price are:

1. You need to be able to estimate how much money you will need in order to purchase your monthly inventory.
2. When you are purchasing your inventory, you will need to understand what the manufacturer's sales representative means when he/she quotes prices of retail or at cost.

B/M 2.4

3. When you are pricing your inventory for resale, you will need to be able to ensure a reasonable net profit for your store.

Markup

Markup is the difference between the billed cost price and the retail price of inventory. Determining the retail price on individual items of merchandise is an important decision you must make. When you are pricing inventory for resale, you must consider the cost of the inventory, the expenses of operating the business, and the profit you desire. At the same time, the quality of the merchandise, the customers served by the store, the services offered, and the store image must be considered. Local economic conditions and trends are also factors to be considered. However, as a general rule, most clothing retailers double the cost price of their inventory in order to determine the retail price of their inventory. For example, a lady's pant suit with a cost price of \$25.00 may be sold at a retail price of \$50.00.

Markup is calculated as a percentage of the retail price and should be used as a guide when you are pricing merchandise. The following formula demonstrates how markup on retail is calculated.

$$\text{Markup on Retail} = \frac{\text{Retail Price} - \text{Cost Price}}{\text{Retail Price}} \times 100\%$$

Suppose a merchant has purchased some blouses and that he/she has paid \$10.00 for each blouse. In order to pay for the store's operating expenses and still leave a reasonable net profit, the merchant plans to sell the blouses for \$20.00 each. The following calculation demonstrates how the markup on retail is calculated.

$$\begin{aligned} \text{Markup on Retail} &= \frac{\$20.00 - \$10.00}{\$20.00} \times 100\% \\ &= \frac{\$10.00}{\$20.00} \times 100\% \\ &= 50\% \end{aligned}$$

Therefore, the merchant plans to receive a markup of 50% on the blouses. Any time the cost price is doubled in order to determine the retail price, the markup on retail equals 50%.

LEARNING ACTIVITY

Content Check on Markup

DIRECTIONS: The following statements are True or False. In the blank before each statement place a (+) if the statement is true. If the statement is false place a (0) in the blank.

- \_\_\_ 1. Markup is the difference between the billed cost price and the shipping cost.
- \_\_\_ 2. Most clothing retailers determine the retail price of their inventory by doubling the cost price.

DIRECTIONS: The following are multiple choice questions. Each question is followed by four possible answers. Choose the best answer from the four alternatives given, and write the letter of that answer in the space provided to the left of the question.

- \_\_\_ 3. A merchant has purchased some slacks and has paid \$15.000 for each pair of slacks. The merchant plans to sell the slacks for \$30.00 each. What is the markup percent on retail?  
A. 100%  
B. 75%  
C. 50%  
D. 60%

Self Check  
on Back

-----  
Apply to Your Own Store Plans

DIRECTIONS: Based on how most clothing retailers usually determine their markup on retail; estimate your planned markup on retail.

The estimated markup on the merchandise in my inventory = \_\_\_\_\_ %.

Cost-Price of Inventory

The cost price of your inventory is the price at which your inventory is billed to your store. The cost price is the price that you will pay for the inventory. Now that you have estimated a markup on retail, you are ready to estimate the cost price of your monthly open-to-buys. The cost of each monthly open-to-buy is equal to the planned retail price of your monthly open-to-buy multiplied by your estimated markup on retail.

$$\text{Cost Price of Monthly Open-To-Buy} = \text{Planned Monthly Open-To-Buy at Retail} \times \text{Estimated Markup on Retail}$$

The planned monthly open-to-buy at retail is equal to the monthly open-to-buy which you planned for in your Dollar Merchandise Plan.

Let's calculate a monthly open-to-buy at cost for the month of July, using the information provided below.

$$\begin{aligned} \text{Planned Open-To-Buy for July} &= \$1,890 \\ \text{Estimated Markup on Retail} &= 50\% \\ \text{Cost Price of July Open-To-Buy} &= \$1,890 \times 50\% \\ &= \$1,890 \times .50 \\ &= \$945 \end{aligned}$$

Therefore, the open-to-buy for July is \$945. This means that the merchant can spend \$945 on inventory for the month of July.

LEARNING ACTIVITY

Content Check on Cost Price of Inventory

DIRECTIONS: The following are multiple choice questions. Each question is followed by four possible answers. Choose the best answer from the alternatives given, and write the letter of that answer in the space provided to the left of the question.

1. The cost price of your inventory is the price at which your inventory is
  - A. Sold to the consumer
  - B. Marked for resale
  - C. Billed to your store
  - D. Periodically counted
  
2. Which of the following formulas illustrate how the cost price of monthly open-to-buy is calculated?
  - A. Planned monthly open-to-buy at retail X estimated markup on retail
  - B. Planned monthly open-to-buy at retail ÷ estimated markup on retail
  - C. Planned monthly open-to-buy at retail + estimated markup on retail
  - D. Planned monthly open-to-buy at retail - estimated markup on retail
  
3. Calculate an open-to-buy at cost for the month of October, using the information provided below.
 

Planned open-to-buy for October = \$2,000

Estimated markup on retail = 50%

  - A. Cost price of July open-to-buy = \$3,000
  - B. Cost price of July open-to-buy = \$2,000
  - C. Cost price of July open-to-buy = \$1,000
  - D. Cost price of July open-to-buy = \$5,000

Self Check  
on Back

Apply to Your Own Store Plans

The following directions relate to Table A presented below.

DIRECTIONS:

1. Place a check mark in the box which corresponds to the season in which you plan to open your store.
2. Record the planned open-to-buy at retail for each month on the lines that corresponds to "O-T-B at Retail: Planned." (Copy this information from the Dollar Merchandise Plan on page B/M 1.7.)
3. Based on your estimated markup on retail and your planned open-to-buy at retail, calculate a planned open-to-buy at cost.
4. Record the planned open-to-buy at cost for each month of your opening season on the line which corresponds to "O-T-B at Cost: Planned." The line which corresponds to "O-T-B at Cost: Actual" is provided so that you may record your actual open-to-buys at cost once you have opened your store.

TABLE A

Spring	<input type="checkbox"/>	FEB.	MAR.	APR.	MAY	JUNE	JULY
Fall	<input type="checkbox"/>	AUG.	SEPT.	OCT.	NOV.	DEC.	JAN.

O-T-B: Planned at Retail							
O-T-B: Actual at Retail							

O-T-B: Planned at Cost							
O-T-B: Actual at Cost							

COMMENT

Performance Objective: Given the National Retail Merchant's Association standard classification of merchandise, you will select the merchandise you plan to purchase for your opening season.

Standard Classification of Merchandise

Classification breaks down a store's merchandise and merchandise operations into merchandise groups related to areas of consumer need. Classes are the basis for a dollar summary of sales, inventory and related information which can be used to determine the success which a store achieves in serving an area of customer need; sales trends; proper handling of inventory and promotional emphasis.

At a meeting of representatives of various retail stores, groups and associations held on June 23, 1965 at National Retail Merchant's Association in New York, it was agreed to develop a standardized merchandise classification and to establish class definitions in order to:

1. Serve as the model for retailers' own classification development in their internal merchandising, management and operating activities;
2. Provide the basic medium for exchange of information on retail sales experience and customer demand, as well as for similar exchange of information on stock investment and turnover, profitability and relative factors of direct expense, etc.;
3. Establish a common language for retailers' reports to Government agencies;
4. Provide a basis for vendor participation in vendor-marking and other aids to their own and retailers' advantage, and influence the direction of their marketing programs;
5. Facilitate the use of EDP techniques by smaller stores through standardized programming.

One of the needs served by Standardized Merchandise Classification is the development of a common language. The following definitions were set forth by the NRMA and can be used to identify grouping levels of merchandise:

Classification: Systematic arrangement into classes by groups.

Merchandise Group: Primary first level grouping of general merchandise assortment, filling a major common need, e.g., Adult Female Apparel.

Demand Center: Second level grouping of general merchandise assortment, filling a narrower common need, e.g., Separates and Coordinates.

Sub-Center: Third level grouping which continues to narrow the common denominators of demand, e.g., Blouses, Shirts.

Class: Fourth level grouping into still more homogeneous segments, i.e., Blouses, Woven Shirts.

Sub-Class: Fifth level grouping by which a class is subdivided into two major segments. In the case of Blouses, these segments are Women's and Misses' and Juniors.

Category: Sixth and last level of grouping for those who would want even more refined control than can be gotten from the sub-class. In the case of Junior Blouses, the categories would be formal and "After 5," All Other Woven Blouses and All Other Knit Blouses.

LEARNING ACTIVITY

Content Check on Standard Classification of Merchandise

DIRECTIONS: The following statements are True or False. In the blank before each statement place a (+) if the statement is true. If the statement is false place a (0) in the blank.

- \_\_\_ 1. Classes are the basis for a summary of sales, inventory and related information which can be used to determine the success which a store achieves.
- \_\_\_ 2. Classification breaks down a store's merchandise and merchandise operations into groups related to areas of management needed.
- \_\_\_ 3. One of the needs served by Standardized Merchandise Classification is the development of a common language.

Self Check  
on Back

Apply to Your Own Store Plans

DIRECTIONS: Below are listed the demand centers for men's apparel and the demand centers for women's apparel. With your target customer and store image in mind, select and rank the three demand centers that you plan to emphasize by writing 1st, 2nd, or 3rd to the left of the three demand centers.

Demand Centers - Men's Apparel

- \_\_\_ Men's Outerwear
- \_\_\_ Sport & Dress Shirts
- \_\_\_ Sweaters & Hosiery; Pajamas, Robes & Underwear
- \_\_\_ Accessories
- \_\_\_ Sport & Playwear
- \_\_\_ Men's Footwear

Demand Centers - Women's Apparel

- \_\_\_ Dressy & Tailored Coats
- \_\_\_ Casual & Utility Coats & Jackets
- \_\_\_ Suits
- \_\_\_ Fur & Fur Garments
- \_\_\_ Dresses
- \_\_\_ Separates & Coordinates
- \_\_\_ Swim, Ski & Other Sports Playwear

Apply to Your Own Store Plans - Continued

On the following pages are two opening inventory checklists with five levels of women's and men's apparel identified by the NEMA. The following directions apply to this information.

DIRECTIONS:

1. Place a check mark in the space provided to the right of either title,  Opening Inventory Checklist--Women's Apparel or  Opening Inventory Checklist--Men's Apparel. This check mark indicates the type of apparel you plan to sell.
2. Notice that each demand center is sub-divided into sub-center, class and sub-class. Each sub-center is sub-divided by class and sub-class, and that each class is broken down into sub-classes.
3. Place a check mark in the spaces provided for each demand center item you plan to purchase. For example, the first demand center item in women's apparel is "Dressy and Tailored Coats." If you decided to purchase this demand center you would so indicate by " Dressy and Tailored Coats." There are a total of seven demand centers in Women's Apparel.
4. For each demand center you plan to purchase, place a check mark in the spaces provided for each sub-center you plan to purchase. For example, the first demand center in men's apparel is "men's outerwear." If you previously placed a check mark to the left of "men's outerwear," you will now want to indicate which sub-centers of men's outerwear you plan to purchase. You may plan to purchase "suits and formal wear." If so, you should place a check mark to the left of suits and formal wear--" suits and formal wear."
5. For each sub-center you plan to purchase, place a check mark in the spaces provided for each class you plan to purchase. For example, the first sub-center in women's clothing is "women's and misses." If you previously placed a check mark to the left of "women's and misses" you will now want to indicate which classes of "women's and misses" you plan to purchase. You may plan to purchase "synthetic or simulated furs (fake furs)." If so, you should now place a check mark to the left of "synthetic or simulated furs (fake furs)--" synthetic or simulated furs (fake furs)."
6. For each class you plan to purchase, place a check mark in the spaces provided for each sub-class you plan to purchase. For example, suppose you previously indicated that you plan to purchase "topcoats" in men's apparel. If so, you should now place a check mark to the left of either or both of "Topcoats, lined," "Topcoats, unlined."
7. The spaces left on the bottom of pages B/M 2. and B/M 2. are provided so that you may write in any additional item you plan to purchase. For example, in women's wear you may want to add lingerie.

OPENING INVENTORY CHECKLIST--MEN'S APPAREL

<u>Demand Center</u>	<u>Sub-Center</u>	<u>Class</u>	<u>Sub-Class</u>
___	Men's Outerwear		
	___	Overcoats, topcoats, rain, storm & dual purpose coats	
		___ Overcoats	___ Wool & like fabrics
			___ Furst & novelty fabrics
		___ Topcoats	___ Topcoats, lined (incl. liners)
			___ Topcoats, unlined
		___ Rain, storm, & dual purpose coats	___ With removable liners (incl. liners)
			___ Unlined
	___ Suits and formal wear		
		___ Formal wear	___ Evening
			___ All other formal clothes
		___ Suits, lightweight (to 9 oz. wool or other fabric of comparable weight & "hand")	___ One-pant suits
			___ Two-pant suits
		___ Suits, regular weight (over 9 oz. wool or other fabric of comparable weight & "hand")	___ One-pant suits
			___ Two-pant suits
	___ Sports and casual outerwear		
		___ Outer coats for casual & sportswear	___ Heavy-weight
			___ Golfing & other light-weight jackets
		___ Separate jackets (sport coats) & coordinates	___ Separate jackets
			___ Coordinates (jacket & slack sets)
		___ Men's slacks	___ Slim cut
			___ Full cut
		___ Jeans, shorts, & all other pants	___ Jeans
			___ Shorts & all other pants
	___ Uniforms and occupational clothing		
		___ work clothing & accessories	___ Separates
			___ Matched sets
		___ Military, fraternal order, occupational, school and camp uniforms	___ Military, fraternal order, & like occupational uniforms
			___ School & camp
___	Sport and Dress Shirts		
	___ Sport shirts		
		___ Short sleeve	___ Year around weight
			___ Summer weight
		___ Long sleeve, woven	___ Year around weight
			___ Winter weight
		___ Short sleeve, knit	___ Year around weight
			___ Summer weight
		___ Long sleeve, knit	
	___ Dress shirts		
		___ Long sleeve white & formals in all colors	
		___ Long sleeve solids & fancies	
		___ Short sleeve - white solid & fancy	
___	Sweaters and Hosiery; Pajamas, Robes and Underwear		
	___ Sweaters and hosiery		
		___ Sweaters and vests	___ Pullovers
			___ Cardigans & sets
		___ Hosiery	___ Individually sized hose and slipper socks
			___ Stretch-to-fit & support hose

<u>Demand Center</u>	<u>Sub-Center</u>	<u>Class</u>	<u>Sub-Class</u>
		Pajamas, robes and underwear	
			___ Pajamas, night shirts, sleep coats
			___ Year around weights (include broadcloth, flannel and "skis")
			___ Short sleeve, knee length, and other "summer" types
		___ Robes	
			___ Bath, "warm", swim, & travel robes
			___ Lounge robes and smoking jackets
		___ Underwear	
			___ Light weight and year-around
			___ Heavy or winter weight
	___ Accessories		
		___ Handkerchiefs	
		___ Ties	
		___ Suspenders, garters and belts	
		___ Jewelry	
		___ Toiletries	
		___ Small leather goods	
		___ Hats and caps	
			___ Soft hats and straws
			___ All other (include "formals", derbies, caps, berets)
		___ Mufflers, gloves and sets	
		___ Umbrellas and accessories	
	___ Sports and Playwear		
		___ Sports and playwear	
			___ Beach and swim wear and all other "summer-type" playwear
			___ Swim trunks and bathing suits
			___ beach cover-ups, accessories & other summer playwear
			___ Ski clothes & other "winter" type sportswear
			___ Sky jackets, pants, etc.
	___ Men's Footwear		
		___ Men's footwear	
			___ Shoes, dress
			___ Dress shoes
			___ Shoes for casual wear
			___ Moccasin (loafer types)
			___ Other casual
			___ Boots and work shoes
			___ work shoes, work boots & all water-proof
			___ Dress & casual boots
			___ Slippers and canvas
			___ Slippers
			___ Canvas
			___ Special purpose, shoe accessories & findings
			___ Special purpose
			___ Shoe accessories & findings

Additional Items Planned to Purchase:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



OPENING INVENTORY CHECKLIST--WOMEN'S APPAREL

<u>Demand Center</u>	<u>Sub-Center</u>	<u>Class</u>	<u>Sub-Class</u>
___	Dressy and Tailored Coats		
	___ Women's and Misses'	___ Light-weight (for Spring and Fall wear)	___ Misses'
		___ Heavy-weight (for Winter wear) fur trimmed	___ Women's
		___ Heavy-weight (for Winter wear) untrimmed	___ Misses'
		___ Synthetic or simulated furs (fake furs)	___ Women's
	___ Juniors'	___ Light-weight (for Spring and Fall wear)	___ Misses'
		___ Heavy-weight (for Winter wear)	___ Women's
		___ Synthetic or simulated furs (fake furs)	___ Misses'
		___ Fur trimmed	___ Women's
		___ Untrimmed	
___	Casual and utility coats and jackets		
	___ Women's and Misses'	___ All leather, simulated leather and simulated furs	___ All leather and simulated leather
		___ Synthetic or simulated furs	
		___ Car coats, other short coats and jackets in fabrics other than leather, simulated leather and simulated furs	___ Light-weight
			___ Winter weight
		___ Raincoats and dual purpose coats	___ Poplin, twill and like treated fabrics; laminated fabrics and other dual purpose garments
			___ Rubber, oilskin, plastic and packaged
	___ Juniors'	___ All leather, simulated leather and simulated furs	___ All leather and simulated leather
			___ Synthetic or simulated furs
		___ Car coats, other short coats and jackets in fabrics other than leather, simulated leather and simulated furs	___ Light-weight
			___ Winter weight
		___ Raincoats and dual purpose coats	___ Poplin, twill and like treated fabrics; laminated fabrics and other dual purpose garments
			___ Rubber, oilskin, plastic and packaged

<u>Demand Center</u>	<u>Sub-Center</u>	<u>Class</u>	<u>Sub-Class</u>
___ Suits	___ Women's and Misses'	___ Woven light-weight 2 piece (added sweater, vest or blouse included)	___ Misses' ___ Women's
		___ Woven heavy-weight 2 piece (added sweater, vest or blouse included)	___ Misses' ___ Women's
		___ Knitted 2 piece with jacket tops (shirt-like or sweater tops being in 2 piece dress class)	___ Misses' ___ Women's
		___ Ensembles with coats or suits	___ Misses' ___ Women's
	___ Juniors'	___ Woven 2 piece (added sweater, vest or blouse included)	___ Heavy-weight ___ Light-weight
		___ Knitted 2 piece with jacket tops (shirt-like or sweater tops being in 2 piece dress class)	___ Fur trimmed ___ Untrimmed
		___ Ensembles with coats or suits	___ Heavy-weight ___ Light-weight
___ Furs and fur garments	___ Women's, misses' and juniors' furs and fur garments	___ Full length coats (below the hip)	
		___ Jackets, capes and stoles	
		___ Scarves, boas, skins and other pieces	
___ All Dresses	___ Bridal and formal (Women's, Misses' and Juniors')	___ Bridal gowns and accessories (including bridesmaids' gowns)	___ Bridal gowns and accessories ___ Bridesmaids' gowns
		___ Formal gowns	___ Women's and misses'
	___ Junior street, business, general occasion and "After five" dresses	___ One-piece street, business and general occasion dresses	___ Junior ___ Junior petite
		___ Two or more piece dresses and dress ensembles	___ Junior ___ Junior petite
		___ "After five," cocktail and party dresses	___ Junior ___ Junior petite
	___ Women's street business, general occasion and "After five" dresses	___ One-piece street, business and general occasion dresses	___ Women's ___ Half-sizes
		___ Two or more piece dresses and dress ensembles	___ Women's ___ Half-sizes
		___ "After five," cocktail and party dresses	___ Women's ___ Half-sizes
	___ Misses' street, business, general occasion and "After five" dresses	___ One-piece street, business and general occasion dresses	
		___ Two or more piece dresses and dress ensembles for street, business, and general occasion wear	
		___ "After five," cocktail and party dresses	

<u>Demand Center</u>	<u>Sub Center</u>	<u>Class</u>	<u>Sub-Class</u>
	___ Daytime utility dresses, uniforms and aprons		
		___ Women's and misses' housedresses	
			___ Women's
			___ Misses'
	___ Uniforms (maids', waitresses', nurses', beauticians', etc.)		
		___ Maids', waitresses' and similar uniforms and accessories	
		___ Nurses', beauticians' and similar uniforms and accessories	
	___ Brunch coats, smocks and aprons		
		___ Brunch coats and smocks	
		___ Aprons	
	___ Military and organization uniforms		
		___ Military, police and similar uniforms	
		___ Lodge, band, scout and similar organizations' uniforms	
	___ Maternity clothing and accessories		
	___ Dresses		
			___ One-piece
			___ Two-piece
	___ Separates, beach, and other playwear		
		___ Separates (skirts, pants, tops)	
		___ Beach and other playwear	
	___ Intimate apparel		
		___ Maternity bras, girdles and belts	
		___ Daytime lingerie and sleepwear	
	___ Separates and Coordinates (Women's, Misses' and Juniors')		
	___ Tops		
		___ Blouses	
			___ Women's and misses' blouses
			___ Junior blouses
	___ Shirts (woven - includes all cut and sewn)		
			___ Women's and misses' shirts
			___ Junior shirts
	___ Women's, misses' and juniors' sweaters		
			___ Women's and misses'
			___ Juniors'
	___ Other tops		
			___ Women's and misses'
			___ Juniors'
	___ Skirts, pants and coordinates		
	___ Skirts		
			___ Women's and misses'
			___ Juniors'
	___ Pants		
			___ Women's and misses'
			___ Juniors'
	___ Coordinates (priced and sold as a unit)		
	___ Swim, Ski and Other Sports Playwear		
	___ Swim, ski and other sports playwear		
		___ Swim and beachwear and accessories	
			___ Swim suits
			___ Other beachwear and accessories
	___ All other Summer playwear (tennis, sailing, riding, etc.)		
	___ Ski jackets, pants and other winter sports/playwear		

Additional Items Planned To Purchase:

---



---



---



---



---



---

## CONTENT

Performance Objective: Given some information about fashion markets and resident buying offices, you will select the sources from which you plan to purchase your inventory.

Fashion Markets

Fashion markets are centers where apparel manufacturers can show, exhibit and sell seasonal fashion goods to the retailer. In the women's and men's apparel industry, manufacturers prepare a sample line of garments for each fashion season--fall, winter, spring, summer. Most apparel firms present sample lines in seasonal market showrooms six to eight months prior to each consumer selling season.

Fashion markets are scheduled on a seasonal basis in regional centers across the country. A number of cities serve as regional marketing centers for fashion goods in the United States. For example:

- 1) New York City has traditionally dominated the Northeastern region;
- 2) Chicago has served the Midwestern region over a period of time;
- 3) Atlanta more recently has functioned for the Southwestern region;
- 4) Dallas has developed into an important market in the Southwestern region; and
- 5) Los Angeles has become the focal of the Western region.

The majority of the apparel manufacturers in the United States have permanent showrooms in the New York, Los Angeles, and Dallas markets. Listed below is a Summary of Factual Information about these three market centers.

## Summary of Factual Information

## New York Apparel Market:

- Maintains supremacy in abundance of production knowhow and design talent
- Remains the nation's largest center for marketing, merchandising and promoting ladies' and men's ready to wear.
- Serves retailers, large and small, from all over the United States and many countries abroad

- Historically considered the fashion capital of the United States
- Showroom and factory space concentrated on Seventh Avenue between 35th and 40th and bounded by 8th and Broadway

Los Angeles Market:

- Primarily known for sportswear and casual wear, although broader categories and price lines are being produced annually
- Known as an international merchandise center--products from United States, Canada, the Far East, Central and South America
- Presents five major market openings, although Mart is open for business 52 weeks a year
- Considered a test market for consumer acceptance of styles, colors and fabrics
- Showrooms located in California Mart, 110 East Ninth Street, Los Angeles and other showrooms in nearby factory location

Dallas Apparel Market:

- Noted primarily for production of medium to popular priced sportswear and dresses
- Designing is largely adaptation of couture designs to meet consumer demand
- Promotes apparel made in Southwest
- Serves primarily retailers from Central and Southern parts of the United States, although exhibitors and buyers come from all states and a few foreign countries
- Showrooms located in Apparel Mart, 2300 Stemmons Freeway

It is almost impossible to operate a fashion shop without at least two market trips a year. When and how often a buyer goes to market are determined by the size of the store, the emphasis on fashion, and how far away a store is from the market.

Resident Buying Office

A resident buying office is an organization located in a major market area that provides market information and representation to its client stores. These client stores are usually fairly similar in size and class of trade but

are located in different towns and cities and do not compete with one another. Most of the major buying offices cover the whole range of department store merchandise, from fashion accessories to home furnishings. A number, however, serve only specialty stores.

There are two major types of resident buying offices--independent offices and store owned offices. An independent resident buying office actively seeks out noncompeting stores as paying clients. The store-owned office is entirely owned by the store or stores it represents and works exclusively for them.

LEARNING ACTIVITY

Content Check on Fashion Markets and Resident Buying Offices

DIRECTIONS: The following are multiple choice questions. Each question is followed by four possible answers. Choose the best answer from the four alternatives given, and write the letter of that answer in the space provided to the left of the question.

- \_\_\_ 1. Fashion markets are scheduled on a \_\_\_\_\_ basis in regional centers across the country.
  - A. Annual
  - B. Seasonal
  - C. Monthly
  - D. Bi-monthly
  
- \_\_\_ 2. Most apparel firms present sample lines \_\_\_\_\_ to \_\_\_\_\_ months prior to each consumer selling period.
  - A. Ten, Twelve
  - B. Six, Eight
  - C. Five, Seven
  - D. Three, One
  
- \_\_\_ 3. An independent resident buying office actively seeks out noncompeting stores as \_\_\_\_\_ clients.
  - A. Non-paying
  - B. Paying
  - C. Competing
  - D. Wholesale

DIRECTIONS: The following is a matching questions. On the left side of the page are statements. On the right side of the page are fashion markets. For each item on the left choose the best response from the column on the right and write the letter of that response in the blank provided.

- | <u>Statements</u>  | <u>Fashion Markets</u> |
|--|------------------------|
| ___ 4. Promotes apparel made in the southwest.   | A. New York            |
| ___ 5. Remains the nation's largest center for marketing, merchandising and promoting ladies' and men's ready-to-wear. | B. Dallas              |
| ___ 6. Considered a test market for consumer acceptance of styles, colors and fabrics.                                 | C. California          |

Fashion Markets

- A. New York
- B. Dallas
- C. California

Self Check  
on Back

Apply to Your Own Store Plans

DIRECTIONS: Place a check mark in the spaces provided to indicate your decisions.

1. From which one or more of the following fashion markets do you plan to purchase at least some of your store's inventory?

- \_\_\_ New York
- \_\_\_ Chicago
- \_\_\_ Dallas
- \_\_\_ Atlanta
- \_\_\_ Los Angeles
- \_\_\_ Other; specify \_\_\_\_\_

2. Do you plan to use the services of a resident buying office?

- \_\_\_ Yes
- \_\_\_ No



## GLOSSARY FOR TERMS

Category-Sixth and last level of grouping for those who would want even more refined control than can be obtained from the sub-class.

Class-Fourth level grouping into still more homogeneous segments.

Classes-The basis for a dollar summary of sales, inventory and related information which can be used to determine the success which a store achieves in serving an area of customer need; sales trends; proper handling of inventory and promotional emphasis.

Classification-Breaks down a store's merchandise and merchandise operations into merchandise groups related to areas of consumer need. Systematic arrangement into classes by groups.

Cost Price-Price at which inventory is billed to the store.

Demand Center-Second level grouping of general merchandise assortment, filling a narrower common need, e.g., blouses, shirts, sweaters and other tops.

Fashion Markets-Centers where apparel manufacturers can show, exhibit and sell seasonal fashion goods to the retailer.

Independent Resident Buying Office-Actively seeks out noncompeting stores and paying clients.

Markup-The difference between the billed cost price and the retail price.

Merchandise Group-Primary first level grouping of general merchandise assortment, filling a major common need, e.g., adult female apparel.

Resident Buying Office-An organization located in a major market area that provides market information and representation to its client stores.

Retail Price-Price at which inventory is marked for resale.

Store-Owned Resident Buying Office-Entirely owned by the store or stores it represents and works exclusively for them.

Sub-Center-Third level grouping which continues to narrow the common denominators of demand, e.g., blouses, shirts, sweaters and other tops.

Sub-Class-Fifth level grouping by which a class is subdivided into two major segments. In the case of blouses, these segments are women's and misses' and juniors.

## GLOSSARY FOR FORMULAS

$$\text{Markup on Retail} = \frac{\text{Retail Price} - \text{Cost Price}}{\text{Retail Price}} \times 100\%$$

Posttest: When you have completed each module in this learning package you are ready to take the posttest.

1. Contact your teacher coordinator and arrange to take the posttest.
2. Conference with teacher-coordinator regarding test after your posttest has been scored.
3. You must answer correctly 80% of the questions on the posttest before you can schedule a conference with your Role Model Merchant (RMM).
4. If you do not answer correctly 80% of the questions on this posttest, review the content and the learning activities related to the questions you did not answer correctly and take the posttest again.

Role Model Merchant (RMM) Conference: When you have answered correctly 80% of the questions on the posttest you are ready to conference with your RMM.

1. Contact your teacher-coordinator and arrange for a conference with a RMM.
2. The RMM conferences will be scheduled on Thursday night only. A 30-minute conference will be arranged to complete the ISP for each Learning Package. You may wish to schedule a 1-hour conference and complete the ISP for two Learning Packages in order to expedite your progress.
3. Complete your ISP plans for each learning package during the RMM conferences.
4. Use the RMM Conference Guide included with the Individual Store Plans for each learning package.

Panel of Business Experts (PBE) Presentation: When you have completed the RMM conferences for each of the five learning packages you will present your ISP to the PBE. Follow the instructions in your Apparel Shop Entrepreneurship Folio.

Exit Conference: When you have presented your ISP to the PBE you will arrange a final conference with the teacher-coordinator. Follow the instructions in your Apparel Shop Entrepreneurship Folio.

## INDIVIDUAL STORE PLANS

Name \_\_\_\_\_

Buying and Merchandising  
Learning Package

# Individual Store Plans (I.S.P.)

Pilot Study Learning Materials  
USOE Research Project  
Summer, 1977  
NOT FOR DUPLICATION





1. Have you completed all the learning activities contained within each module of this learning package?
2. Have you answered correctly 80% of the questions on this learning package posttest?
3. Have you contacted your teacher-coordinator and scheduled a conference with your Role Model Merchant?

If you answered yes to the three above questions, turn to the next page and read the RMM Conference Guide.

## R.M.M. CONFERENCE GUIDE

The RMM Conference Guide is a step-by-step outline of your RMM Conference. Be sure that you read through the guide before your RMM Conference.

- I. Review briefly your Introductory Profiles with the RMM.
  - A. Indicate your reasons for wanting to become an entrepreneur.
  - B. Describe your Store Profile.
  - C. Indicate tentative projected store budget.
  
- II. Review each of the modules in the Learning Package with the RMM.
  - A. Beginning with the first module, point out each performance objective and the content sections.
  - B. Discuss the portion of the learning activities for each performance objective that concerns your store plans (Apply to Your Own Store Plans).
  - C. With the help of your RMM, make a final decision about your ISP for each module before going on to the next module.
  - D. Review your completed ISP again with the RMM and make any additional changes.
  - E. Summarize the questions and suggestions made by your RMM.
  
- III. Thank the RMM for their ideas and suggestions.
  
- IV. After your RMM Conference, give your completed ISP to the teacher-coordinator to have duplicated for your ASE Folio and for the PBE Conference.

## DIRECTIONS FOR COMPLETING ISP's

The following step-by-step directions are numbered and labeled identically to your Individual Store Plans found on the following pages. These planning sheets should serve as a guideline to present your plans to the Panel of Business Experts. A reference to the module and page number is given in parentheses. You will want to refer to these modules and pages while you and your role model merchant are making final decisions.

## 1. OPENING SEASON.

Place a check mark (✓) in the box which corresponds to the season in which you plan to open your store (Spring or Fall).

## 2. DOLLAR MERCHANDISE PLAN (Dollars represent retail price).

- A. Sales: Planned. Record your planned monthly dollar sales for each month of your opening season (B/M 1.7 ).
- B. B.O.M. Inventory: Planned. Record your planned B.O.M. inventory for each month of your opening season (B/M 1.7 ).
- C. E.O.M. Inventory: Planned. Record your planned E.O.M. inventory for each month of your opening season (B/M 1.7 ).
- D. O-T-B: Planned. Record your planned open-to-buy for each month of your opening season (B/M 1.7 ).

## 3. MONTHLY OPEN-TO-BUY (Dollars represent cost price)

- A. Estimated Markup. Record your estimated markup (B/M 2.7).
- B. O-T-B at Cost: Planned. Record your planned open-to-buy for each month of your opening season (B/M 2.10).

## 4. BUYING PLANS.

- A. Demand Centers. Write, in the spaces provided, the three demand centers that you plan to emphasize.
- B. Buying Office. Indicate if you plan to use the services of a buying office by writing 'yes' or 'no' in the space provided.
- C. Fashion Market(s). Identify the fashion market or markets from which you plan to purchase at least some of your store's inventory.

Name \_\_\_\_\_

INDIVIDUAL STORE PLANS (ISP)  
Buying and Merchandising

1. OPENING SEASON

Spring <input type="checkbox"/>	FEB	MAR	APR	MAY	JUN	JUL
Fall <input type="checkbox"/>	AUG	SEP	OCT	NOV	DEC	JAN

2. DOLLAR MERCHANDISE PLAN (Dollars represent retail price)

A.	Sales: Planned						
	Sales: Actual						
B.	B.O.M. Inventory: Planned						
	B.O.M. Inventory: Actual						
C.	E.O.M. Inventory: Planned						
	E.O.M. Inventory: Actual						
D.	O-T-B: Planned						
	O-T-B: Actual						

3. MONTHLY OPEN-TO-BUY (Dollars represent cost price)

A. Estimated Markup: \_\_\_\_\_%

B.	O-T-B: Planned at Cost						
C.	O-T-B: Actual at Cost						

4. BUYING PLANS

A. Demand Centers

---

---

---

B. Buying Office

---

C. Fashion Market(s)

---

---

---

## SUMMARY OF QUESTIONS AND SUGGESTIONS MADE BY RMM

Questions:

Suggestions:



1. Have you completed five ISP's?

If no, then take the pretest for one of the remaining learning packages and begin working through that package.

If yes, schedule your PBE conference and ask the teacher-coordinator for the PBE Conference Guide.

## PRETEST-POSTTEST

Your goal is to answer correctly 80% of the following questions. If you answer correctly 14 of the questions, you will have passed this test.

Section I: Multiple Choice

**DIRECTIONS:** The following are multiple choice questions. Each question is followed by four possible answers. Choose the best answer from the four alternatives given, and write the letter of that answer in the space provided to the left of the question.

- \_\_\_\_\_ 1. The dollar merchandise plan is a \_\_\_\_\_ projection and guide of the sales goals of a store for a given period.

  - A. Bi-weekly
  - B. Monthly
  - C. Weekly
  - D. Bi-monthly
  
- \_\_\_\_\_ 2. A merchant has estimated an annual gross sales of \$100,000. The merchant plans to open the store in July and would like to know what sales he can expect to receive for this month. The monthly sales distribution for July is 5.7. Which of the following items best represents the sales which the merchant can expect to receive in July?

  - A. \$5,700
  - B. \$1,200
  - C. \$1,040
  - D. \$ 570
  
- \_\_\_\_\_ 3. Two common ways to determine the amount of inventory in the store at the end of the month are \_\_\_\_\_ and \_\_\_\_\_.

  - A. To record purchases as they occur and returns as they occur.
  - B. To record purchases and sales as they occur and to periodically count the inventory.
  - C. To record purchases and markdowns as they occur, and to periodically count the inventory.
  - D. To record sales as they occur, and to periodically count purchases.
  
- \_\_\_\_\_ 4. The cost price of your inventory is the price at which your inventory is \_\_\_\_\_.

  - A. Sold to the consumer
  - B. Marked for resale
  - C. Billed to your store
  - D. Periodically counted
  
- \_\_\_\_\_ 5. Fashion markets are scheduled on a \_\_\_\_\_ basis in regional centers across the country.

  - A. Annual
  - B. Seasonal
  - C. Monthly
  - D. Bi-monthly
  
- \_\_\_\_\_ 6. An independent resident buying office actively seeks out noncompeting stores as \_\_\_\_\_ clients.

  - A. Non-paying
  - B. Paying
  - C. Competing
  - D. Wholesale



Section II: True - False

DIRECTIONS: The following statements are True or False. In the blank before each statement place a (+) if the statement is true. If the statement is false place a (0) in the blank.

- \_\_\_7. The stock-sales ratio indicates the relationship that exists between a store's stock and its sales.
- \_\_\_8. Open-to-buy is the amount of merchandise which can be added to the inventory of a store in a given period without exceeding planned inventory.
- \_\_\_9.  $\text{Open-to-buy} = \text{Merchandise Needed} - \text{Merchandise Available}$ .
- \_\_\_10. Markup is the difference between the billed cost price and the shipping cost.
- \_\_\_11. Most clothing retailers determine the retail price of their inventory by doubling the cost price.
- \_\_\_12. Classification breaks down a store's merchandise and merchandise operations into groups related to areas of management need.
- \_\_\_13. One of the needs served by the Standardized Merchandise Classification is the development of a common language.

Section III: Matching

DIRECTIONS: The following is a matching question. On the left side of the page are statements. On the right side of the page are fashion markets. For each item on the left choose the best response from the column on the right and write the letter of that response in the blank provided.

- | <u>Statements</u>   | <u>Fashion Markets</u> |
|---|------------------------|
| ___14. Promotes apparel made in the southwest.  | A. New York            |
| ___15. Remains the nation's largest center for marketing, merchandising, and promoting ladies' and men's ready-to-wear. | B. Dallas              |
| ___16. Considered a test market for consumer acceptance of styles, colors and fabrics.                                  | C. California          |

APPENDIX J

DESCRIPTION OF PILOT STUDY SCHEDULING

June 13 - 17

- Tuesday: 7:30-8:30 Orientation Session for adults entering program  
 8:30-10:30 Administer pretest for first Learning Package  
 Trainees begin work on first Learning Package  
 Trainees may take posttest for first Learning Package when they have completed first Learning Package  
 Trainees may compile Individual Store Plans and make arrangements for Role Model Merchant conference  
 Trainees may begin another Learning Package

- Thursday: Role Model Merchant Conferences along with continuous process of working through Learning Packages (pre/posttests, Individual Store Plans, scheduling Role Model Merchant Conferences)

June 20 - 24

- Tuesday: Orientation Session to adults entering program  
 Thursday: Role Model Merchant Conferences

June 27 - July 1

- Tuesday: Orientation Session  
 Thursday: Role Model Merchant Conferences

July 4 - July 8

- Tuesday: Orientation Session  
 Thursday: Role Model Merchant Conferences

July 11 - July 15

- Tuesday: First Panel of Business Experts Presentation (earliest exit date and Exit Conference)  
 Thursday: Role Model Merchant Conferences

July 18 - July 22

- Tuesday: Panel of Business Experts presentations and exit conference  
 Thursday: Role Model Merchant Conferences

July 25 - July 29

- Tuesday: Panel of Business Experts Presentation and Exit Conference  
 Thursday: Role Model Merchant Conferences

August 1 - August 5

- Tuesday: Panel of Business Experts Presentation and Exit Conference  
 Thursday: Final Panel of Business Experts Presentation and Exit Conference (last exit date)

APPENDIX K

APPAREL SHOP ENTREPRENEURSHIP PILOT  
STUDY PUBLICITY

BROCHURE

# PLANNING YOUR OWN APPAREL STORE

- WOMEN'S WEAR
- MEN'S WEAR
- SPECIALTY STORE
- BOUTIQUE

## AN ADULT TRAINING PROGRAM FEATURING FLEXIBLE PACING



Sponsored Jointly By  
 OKLAHOMA STATE UNIVERSITY  
 and  
 SOUTH OKLAHOMA CITY JUNIOR COLLEGE

# PLANNING YOUR OWN APPAREL STORE

Small shops, specializing in men's and women's apparel, dominate the retail scene in the U.S. According to the U.S. Department of Commerce, a continued growth of retail sales in apparel stores is expected for the last half of the 1970's. Great numbers for available small store for sale exist today, although there has been considerable growth of large corporate retail operations.

Converting your own store can be financially and personally satisfying. However, opening a store and being your own boss can be a risky business. It is estimated that the failure rate among new store owners is between 10-20% during the first year of operation. The Small Business Administration and Dun & Bradstreet reports indicate that many store failures result from lack of capital, lack of experience, and lack of management ability.

Risk of failure may be reduced by preparation of specific plans which you can use in making financial arrangements for opening your own apparel shop. You can obtain help in making your individual plans by attending the Adult Training Program for Apparel Shop Ownership.

REGISTER NOW!  
 THIS COURSE WILL ACCOMMODATE  
 A MAXIMUM OF 20 STUDENTS

# PLANNING YOUR OWN APPAREL STORE

South Oklahoma City Junior College  
 7777 South May Avenue  
 Okla. City, Okla. 73159



# PLANNING YOUR OWN APPAREL STORE

## WHERE?

South Oklahoma City Junior College  
7777 S. May, Oklahoma City  
Area 86, First Floor

## WHEN?

June 14 through August 4, 1977  
Tuesdays and Thursdays  
7:30 p.m. to 10:30 p.m.

## WHAT?

The 15 module individualized learning packet is self-instructive, self-evaluative and self-paced.

- You can work independently and develop specific plans for opening your own store.
- You can prepare your own folio for apparel shop ownership and include the specific facts and information required by financial and management consultants.

## HOW?

Successful merchants and a panel of business experts will react to your individual plans for opening a store and will provide realistic solutions to the problems you encounter during your planning sessions.

Module protests and posters may be scheduled both nights each week throughout the course.

- Conferences with merchants may be scheduled Thursday evenings of each week throughout the course.
- Presentation of individual apparel shop ownership plans to a panel of business experts may be scheduled any Tuesday evening throughout the course.

## HOW MUCH?

\$55.00 - This enrollment fee includes the individualized learning packet.

## COURSE CONTENT

Complete the learning packets pertaining to the basic functions of a retail store including:

- Accounting and Control
- Buying and Merchandising
- Operation and Management
- Advertising and Promotion

Prepare your own Apparel Shop Ownership Folio including:

- Proposed Store Profile
- Estimated costs for Operation, Merchandise, Advertising.
- Plans for Store Layout, Record Keeping System, Merchandise Assortment, Advertising Media, Management Policies.
- Enter by attending the introduction session and taking the protests during any of the first 4 Tuesday meetings.
- Exit by presenting your plans to open an apparel shop to a panel of business experts during any of the last 4 Tuesday meetings.
- Complete the individualized learning materials and prepare your own plans for opening an apparel shop during the 34 our sessions, 2 nights a week throughout the eight allotted weeks.

## OPEN ENTRY - OPEN EXIT

## LEARNING SYSTEM

### HOW FLEXIBLE PACING WORKS

You may take advantage of the full eight week period (June 14-Aug 4) allotted for the course to complete your course work or you may choose to finish in a much shorter time. You may even choose to begin as late as July 5. IT IS STRONGLY RECOMMENDED THAT YOU ATTEND CLASS AT LEAST ONCE A WEEK FOR THE NUMBER OF WEEKS YOU CHOOSE TO COMPLETE THE COURSE.

## TO REGISTER

Register in person at the admissions office area R-3 (first floor) at South Oklahoma City Junior College (8:00 a.m. - 8:00 p.m. Monday - Thurs., 8:00 a.m. - 4:30 p.m., Friday).

For additional course information, call Dale Johnson, Community Service Center, Ext. 331

For additional information on registration call the admissions office, Ext. 221  
SOUTH OKLAHOMA CITY JUNIOR COLLEGE  
Phone 682-1611

Funded in part by the U.S. Office of Education

Project Directors  
Dr. Kathryn M. Greenwood  
Dr. Margaret Callsen  
Dr. Dennis Mutt - Graduate Assistants  
Gene Rupe, Raunda Robinson, Mary Cremer,  
Jo Ann LeMay

ARTICLE IN SOUTH OKLAHOMA CITY JUNIOR  
COLLEGE NEWSPAPER



## SOCJC course trains apparel shop owners

Owning an apparel store can be satisfying and profitable, but up to 20 percent fail in the first year, according to Dr. Kathryn M. Greenwood, Oklahoma State University professor of clothing, textiles and merchandising.

Therefore, she has developed a program of instruction especially for owners or potential owners of small women's or men's apparel shops.

The program will be presented in a special non-credit eight-week course starting June 14 at South Oklahoma City Junior College, 7777 S. May.

Classes will meet from 7:30 to 10:30 p.m. each Tuesday and Thursday for eight weeks, although participants may choose to attend fewer classes by taking advantage of the package of instructional materials developed especially for the program.

Dale Johnson, director of Community Services for SOCJC, explained that a 15-unit learning packet for the course permits students to work on their own and evaluate their own progress through a "flexible pacing" system of individualized instruction used in conjunction with selected class meetings selected by participants.

Students will be instructed on correct methods for developing plans for opening stores plus information recommended by most financial and management experts for successful operation.

Each Tuesday, students will have an opportunity to present their individual shop ownership plans to a panel of experts. On Thursdays, conferences with apparel merchants are featured to allow students to share the experience of persons successful in business.

Cost of the entire program, including the learning packet, is \$56. For more information, interested persons may contact Johnson at 682-1611.

## PIONEER

The Pioneer is a publication of the Community Relations Department of the South Oklahoma City Junior College. Published every two weeks except holidays and vacation by South Oklahoma City Junior College, 7777 South May Avenue, Oklahoma City, Oklahoma 73159. Edna Jones, Publications Advisor.

# Study Attacks Clothing Store Failure Rate

Keener competition, changing fashions and a rise in home sewing has led to an increasing failure rate in the retail apparel industry.

However, a cooperative project involving Oklahoma State University, South Oklahoma City Junior College and several local store owners and business persons has been started to lower that rate.

With less than a dozen students, a flexible pace class in apparel store operation and fashion merchandising has been established.

The eight-week, non-credit course is being presented at SOJC, 7777 S. May, under the guidance of OSU's Dr. Kathryn M. Greenwood and with partial funding from the U.S. Office of Education.

Research shows that 20 percent of all new apparel stores fail during their first year. At that rate, at least one of the six new apparel stores that opened in Oklahoma during the first third of 1977 will not survive.

One reason is that too many new operators are confused by the huge number of clothing lines from which they must choose

to build their stock, said course instructor Sue Burghart.

"With all they have to pick from, new store operators can spend way over their budget before they know it," she said.

This is complicated by the changing nature of fashion influence and strong differences in clothing tastes that can exist even from one part of a city to another, said Dr. Greenwood.

This is probably more true of women's apparel than men's, she noted.

Dr. Greenwood said subjectivity in decision making can be fatal to an apparel store operation. So, the course tries to teach students to make objective judgments in addition to planning for advertising, promotion and openings, she said.

She estimated that there are at least 225-250 apparel store operations in Oklahoma presently. A handful of Oklahoma City's experienced operators have consented to share their knowledge by making presentations to the classes. One is Jay St. John, operator of St. John's Women's Apparel at Crossroads Mall, said Dr. Greenwood.

She said the entry of large department stores into apparel retailing has not damaged the smaller independent operators much if any. "There will always be a place for small merchants because they can be more flexible and give more personalized attention," she noted.

Fabric stores have taken away some sales from apparel shops in recent years, Dr. Greenwood added, as growing numbers of women have become involved in the make-it-yourself trend.

However, the greater variety people seek in their wardrobe today means that each person probably owns more clothes than ever before, she said.

That contrasts with smaller wardrobes in the past when fashion dictated that everyone wear similar styles, a trend that created clothing obsolescence.

As a result, creations like "sack" dresses and Nehru shirts disappeared while others like the turtleneck top lasted, Dr. Greenwood said, attributing today's variety to greater public confidence.



APPENDIX L

APPAREL SHOP ENTREPRENEURSHIP EVALUATION  
INSTRUMENTS DEVELOPED FOR EACH PILOT  
STUDY PARTICIPANT

ParticipantEvaluation Instrument

Adult Trainee

Application Form  
Progress Record  
Pretests  
Posttest  
Module Evaluation  
Self-Evaluation of Terminal  
Objectives  
Evaluation of the Program

Role Model Merchant

Profile  
Evaluation of the Program

Panel of Business Experts

Profile  
Evaluation on Adult Trainee's  
Achievement of Terminal Ob-  
jectives

Teacher-Coordinator

Profile  
Evaluation of the Program  
Record Book

ASE Research Team

Log

APPENDIX M

EXAMPLE OF PILOT STUDY PARTICIPANT  
PROFILE

PANEL OF BUSINESS EXPERTS (PBE) PROFILE

Thank you for sharing your time and expertise to help adults interested in going into business for themselves. We appreciate your willingness to serve as a member of our Panel of Business Experts (PBE) for our research project. As a research participant we ask that you please fill in the following information concerning your business experience. THIS INFORMATION WILL BE KEPT CONFIDENTIAL.

DATE \_\_\_\_\_

Person responding: \_\_\_\_\_

Position:  Store Owner  Store Manager  Lawyer  Accountant  Banker

Other (specify) \_\_\_\_\_

Name of Business \_\_\_\_\_

Business address: \_\_\_\_\_  
(street) (city) (state) (zip)

Telephone: \_\_\_\_\_

Would you be willing to serve as a PBE in the future?  Yes  No

If you answered "yes," please circle the date(s) you would be willing to serve.

7/19 7/26 8/2 8/4  
\* \* \* \* \*

RETAIL EXPERIENCE:

1. Check (✓) the boxes below which best describe the extent of your expertise related to the following:

	NONE	SOME	MUCH
Accounting and Control			
Buying and Merchandising			
Operations and Management			
Advertising and Promotion			
Law			
Finance			

2. How many years of actual business experience do you have? (Check (✓)).  
 1 year  2-4 years  5-10 years  10-20 years  20 or more years

3. List the three most recent business positions you have held.

YEAR	POSITION	LENGTH OF TIME	NAME OF FIRM	LOCATION

EDUCATIONAL BACKGROUND:

Check (✓) the type of school you have attended

- High School  
 Junior College  
 College/University  
 Other (List) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Check (✓) the kinds of courses you have had

- Acct./Bkkg.  
 Retail/Bus. Math  
 Advertising  
 Economics  
 Fashion Mdsq.  
 Management  
 Marketing  
 Law  
 Finance  
 Other (List) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Check (✓) each kind of diploma you have obtained and indicate the date received

- High School \_\_\_\_\_ (Date)  
 Jr. College \_\_\_\_\_ (Date)  
 B.S. or B.A. \_\_\_\_\_ (Date)  
 M.S. or M.A. \_\_\_\_\_ (Date)  
 J.D. \_\_\_\_\_ (Date)  
 Other (List) \_\_\_\_\_ (Date)  
 \_\_\_\_\_ (Date)  
 \_\_\_\_\_ (Date)

THANK YOU FOR COMPLETING THIS PBE PROFILE.

APPENDIX N

BUYING AND MERCHANDISING MODULE  
EVALUATION INSTRUMENT

Name \_\_\_\_\_

TRAINEE'S MODULE EVALUATION  
 Buying and Merchandising

Module 1: Dollar Merchandise Plan

DIRECTIONS: Please check the box which indicates how you feel about the following statements and note any comments.

Strongly agree: agree completely with the statement
Agree: agree somewhat with the statement
Uncertain: can neither agree nor disagree with the statement
Disagree: disagree somewhat with the statement
Strongly disagree: disagree completely with the statement

1. The directions for the module were easy to understand.
2. The rationale for the module emphasized the importance of the content.
3. The performance objectives were easily understood.
4. The performance objectives were attainable.
5. The content was easily understood.
6. The content was adequate.
7. The content checks enabled me to apply the information to my own store plans.
8. The self-checks were helpful.
9. The apply to your own store plans section helped me to make my own store plans.
10. The glossary was helpful.
11. The module was too short.
12. I felt that I needed the information in this module.

	SA	A	U	D	SD	COMMENTS
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						

DIRECTIONS: Please write suggestions for improving this module below.

APPENDIX 0

TRAINEE'S SELF-EVALUATION OF ACHIEVEMENT  
OF OBJECTIVES

Dear Trainee:

In a short while, you will discuss your Individual Store Plans (ISPs) before a Panel of Business Experts (PBE). Listed below are the terminal objectives of each ISP and a set of criteria. Please use the criteria to evaluate your ISPs, then rate your achievement of the terminal objective.

NAME \_\_\_\_\_

DATE \_\_\_\_\_

**DIRECTIONS:** Circle the code letter that best describes your reactions to the set of criteria and the terminal objective listed below. Read and react to the criteria first, then, rate your achievement on the terminal objective.

**CRITERIA:**

- Code → E - Excellent: needs no adjustment  
 G - Good: needs minor adjustment  
 S - Satisfactory: needs several improvements  
 P - Passable: needs reexamination; approval given with reservations  
 NA - Not Adequate: information not adequate to make judgments

**TERMINAL OBJECTIVES:**

- Code → SA - Strongly Agree: agree completely with statement  
 A - Agree: agree somewhat with statement  
 U - Uncertain: neither agree or disagree with statement  
 D - Disagree: disagree somewhat with statement  
 SD - Strongly Disagree: disagree completely with statement

**1. CRITERIA FOR INTRODUCTORY PROFILES**

- a) Realistic reasons for wanting to become a small business entrepreneur  
 E G S P NA
- b) Recognition of personal traits desirable for entrepreneurship.  
 E G S P NA
- c) Appropriate reasons for the type of ownership selected  
 E G S P NA
- d) Appropriate identification of type of store  
 E G S P NA
- e) Appropriate identification of potential target customers  
 E G S P NA
- f) Appropriate identification of store image  
 E G S P NA
- g) Appropriate identification of store name  
 E G S P NA

CRITERIA FOR INTRODUCTORY PROFILES CONTINUED ON NEXT PAGE.

**1. TERMINAL OBJECTIVE**

This trainee has realistically identified personal characteristics necessary for an entrepreneur, developed a store profile and proposed a store budget.  
 SA A U D SD

- Code → E - Excellent  
 G - Good  
 S - Satisfactory  
 P - Passable  
 NA - Not Adequate

- Code → SA - Strongly Agree  
 A - Agree  
 U - Uncertain  
 D - Disagree  
 SD - Strongly Disagree

h) Realistic selection of location and site  
 E G S P NA

i) Realistic projection of gross annual sales  
 E G S P NA

j) Realistic appraisal of square footage  
 E G S P NA

k) Proposed store budget realistically projected expenses and income  
 E G S P NA

**2. CRITERIA FOR ACCOUNTING AND CONTROL**

- a) Balance sheet realistic  
 E G S P NA
- b) Personal financial statement adequate  
 E G S P NA
- c) Appropriate use of store's sales slip  
 E G S P NA
- d) Realistic plans for determining cash proof  
 E G S P NA
- e) Realistic plans for determining cash flow  
 E G S P NA
- f) Realistic short-range and long-range goals for the store  
 E G S P NA
- g) Use of customer credit carefully planned  
 E G S P NA
- h) Knowledgeable about insurance needs  
 E G S P NA
- i) Knowledgeable about trade credit policies  
 E G S P NA

**2. TERMINAL OBJECTIVE**

This trainee has constructed the necessary financial statements to open an apparel store.

SA A U D SD



CRITERIA:  
 Code → E - Excellent  
 G - Good  
 S - Satisfactory  
 P - Passable  
 NA - Not Adequate

TERMINAL OBJECTIVES:  
 Code → SA - Strongly Agree  
 A - Agree  
 U - Uncertain  
 D - Disagree  
 SA - Strongly Disagree

CRITERIA:  
 Code → E - Excellent  
 G - Good  
 S - Satisfactory  
 P - Passable  
 NA - Not Adequate

TERMINAL OBJECTIVES:  
 Code → SA - Strongly Agree  
 A - Agree  
 U - Uncertain  
 D - Disagree  
 SD - Strongly Disagree

3. CRITERIA FOR BUYING AND MERCHANDISING
- a) Realistic plans for B.O.M. Inventory  
 E G S P NA
- b) Realistic plans for E.O.M. Inventory  
 E G S P NA
- c) Realistic plans for monthly open-to-buy  
 E G S P NA
- d) Profitable planned markup  
 E G S P NA
- e) Appropriate selection of merchandise to be emphasized  
 E G S P NA
- f) Appropriate decision regarding use of buying office  
 E G S P NA
- g) Appropriate identification of fashion market centers  
 E G S P NA

3. TERMINAL OBJECTIVE  
 This trainee has developed a realistic opening inventory buying plan for an apparel store.  
 SA A U D SD

4. CRITERIA FOR OPERATION AND MANAGEMENT
- a) Store layout well planned  
 E G S P NA
- b) Realistic allocations for remodeling, decorating, fixture and equipment  
 E G S P NA
- c) Employee job descriptions appropriate for proposed type of store  
 E G S P NA
- d) Adequate number of employees proposed  
 E G S P NA
- e) Realistic decisions pertaining to store operation  
 E G S P NA

4. TERMINAL OBJECTIVE  
 This trainee has developed a realistic operational budget and made sound management decisions for an apparel store.  
 SA A U D SD

5. CRITERIA FOR ADVERTISING AND PROMOTION
- a) Realistic advertising budget for the store  
 E G S P NA
- b) First month's advertising budget well planned  
 E G S P NA
- c) Appropriate selections of advertising media for proposed type of store  
 E G S P NA
- d) Realistic allocations made in the advertising budget for each medium selected  
 E G S P NA

5. TERMINAL OBJECTIVE  
 This trainee has developed a realistic advertising budget and selected appropriate advertising media for an apparel store.  
 SA A U D SD

APPENDIX P

NUMERICAL VALUES ASSIGNED TO  
PARTICIPANTS' RESPONSES

<u>Participant Responses to Two Types of Evaluation Instruments</u>				<u>Numerical Values Assigned</u>
SA (Strongly Agree):	Agree completely with statement	E (Excellent)	Needs no adjustment	(1)
A (Agree):	Agree somewhat with statement	G (Good)	Needs minor adjustment	(2)
U (Uncertain):	Neither agree or disagree with statement	S (Satisfactory)	Needs several improvements	(3)
D (Disagree):	Disagree somewhat with statement	P (Passable)	Needs reexamination	(4)
SD (Strongly Disagree):	Disagree completely with statement	NA (Not Adequate)	Information not adequate to make judgments	(5)

APPENDIX Q

APPAREL SHOP ENTREPRENEURSHIP PROCEDURES FOR  
FORMULATING TRAINING PROGRAM REVISIONS

1. Select existing open entry - exit school setting for pilot study.
2. Establish procedures for pilot study.
3. Schedule activities for participants in pilot study.
4. Recruit adult trainees for pilot study and contact other participants.
5. Develop evaluation instruments for each group of participants in the pilot study.
6. Administer evaluation instruments and collect data from each participant during the pilot study period.
7. Tabulate evaluation data:
  - a. establish identification code for each participant
  - b. establish numerical value for rating scales
  - c. record data from all participants
8. Analyze data in order to identify:
  - a. characteristics of training program which appear to contribute or hinder learning by adult trainees
  - b. evidences of entrepreneurial concepts developed and undeveloped by trainees
9. Formulate specific suggestions for improving hindering characteristics and undeveloped concepts.
10. Obtain role model merchants and panel of business experts reactions to specific suggestions for improvement.
11. Formulate recommendations for revision in each module.
12. Prioritize recommendations for revision in each module.
  - a. major changes common to instructional materials and procedures
  - b. specific changes common to modules and learning packages
13. Make final decision for revising instructional materials and procedures.
14. Revise instructional materials and procedures and make recommendations for use in open entry - exit settings.

APPENDIX R

APPAREL SHOP ENTREPRENEURSHIP CRITERIA FOR  
IMPROVING MODULAR CHARACTERISTICS

1. Restate
  - a. restructure sentence
  - b. increase readability
2. Clarify
  - a. adding or deleting explanatory information related to existing concepts
  - b. adding or deleting explanatory information related to additional concepts
3. Reorganization of format
4. Reexamine criteria for learning package content

APPENDIX S

DESCRIPTION OF PILOT STUDY PARTICIPANTS



Adult Trainees

N=11\*

<u>Sex</u>	<u>Types of Retail Experience</u>	<u>Length of Retail Experience</u>
M - 1	Sales - 6	Less than one year - 3
F - 10	Buying - 1	1 - 2 years - 2
	Management - 1	2 or more years - 2

<u>Other Work Experience</u>	<u>Educational Background</u>	<u>Courses Completed</u>
Clerical - 3	H.S. - 11	Acct/Bkking - 5
Professional - 1	B.S. - 2	Eco. - 5
Teacher - 2	M.S. - 2	B. Math - 5
Wholesale - 1		Adv. - 2
		Ret. Math - 2
		Mkt. - 1
		Mgt. - 2

<u>Entrepreneurial Goals</u>	<u>Desire to Learn from Program</u>
Women's apparel store - 5	How to open an apparel store - 3
Fabric store - 1	Specifics on buying and management - 3
Shoe store - 1	

\*All of the trainees did not respond to all of the items.

Role Model Merchants

N=12\*

<u>Sex</u>	<u>Retail Position</u>	<u>Length of Retail Experience</u>
M - 6	Owners - 11	1 yr. - 2
F - 5		2 - 4 yr. - 1
		5 - 10 yr. - 3
		10 - 20 yr. - 1
		20 or more yr. - 4

<u>Store Description</u>	<u>Length of Store Operation</u>
Individually owned - 6	1 or less yr. - 3
Corporation or chain- 4	2 - 4 yr. - 2
Individually owned corporation - 2	5 - 10 yr. - 2
	11 - 20 yr. - 3
	20 or more yr.- 1

<u>Store Size</u>	<u>Store Type</u>	<u>Educational Background</u>
Small (\$100,000 or less) - 2	Men's apparel - 2	H.S. - 12
Medium (\$100,000 - \$250,000) - 4	Women's apparel - 8	B.S. - 6
Large (\$250,000 or more) - 5	Fabric - 2	

Role Model Merchants (Con't.)

<u>Courses Completed</u>	<u>Expertise in Accounting and Control</u>
Acct./Bkkg. - 7	None - 0
Ret. Math - 4	Some - 6
Adv. - 2	Much - 4
Eco. - 7	
Mgt. - 4	
Mkt. - 5	
B. Math - 8	

<u>Expertise in Buying and Merchandising</u>	<u>Expertise in Operations and Management</u>
None - 0	None - 0
Some - 2	Some - 1
Much - 9	Much - 10

<u>Expertise in Advertising and Promotion</u>
None - 0
Some - 3
Much - 8

\*One role model merchant served twice; all of the role model merchants did not respond to all of the items.

Panel of Business Experts

N=16\*

<u>Sex</u>	<u>Business Position</u>	<u>Business Experience</u>	<u>Educational Background</u>
M - 10	Owner - 4	5 - 10 yr. - 1	H.S. - 12
F - 2	Manager - 2	10 - 20 yr. - 3	B.S. - 6
	Banker - 2	20 or more yr. - 8	J.D. - 2
	SCORE - 3		M.S. - 1
			Ph.D. - 1

<u>Courses Completed</u>	<u>Expertise in Accounting and Control</u>
Acct./Bkkg. - 8	None - 0
B. Math - 4	Some - 4
Adv. - 5	Much - 5
Eco. - 10	
Fash. Mdse. - 4	
Mgt. - 6	
Mkt. - 6	
Law - 4	
Finance - 5	
Tax - 1	
Textiles - 1	

Panel of Business Experts (Con't.)Expertise in Buying and  
Merchandising

None - 3  
Some - 0  
Much - 5

Expertise in Operations and  
Management

None - 0  
Some - 4  
Much - 6

Expertise in Advertising  
and Promotions

None - 2  
Some - 3  
Much - 5

Expertise in Law

None - 3  
Some - 1  
Much - 2

Expertise in Finance

None - 0  
Some - 3  
Much - 6

\*Four panel of business experts served twice; all of the panel members did not respond to all of the items.

APPENDIX T  
COMMENTS AND SUGGESTIONS OFFERED BY  
PILOT STUDY PARTICIPANTS

Comments recorded in Trainee Module Evaluation:

- "More problems related to buying units."

Comments recorded in Teacher-Coordinator Record Book:

- "Information related to unit control would be helpful."
- "Lacked coding of tags."
- "More information on buying."
- "More examples explaining how much inventory to carry."
- "More information on selection of brands or styles for particular store."

Questions recorded in ASE research team log:

- "If you buy by season do you add each month?"
- "Is there a resident buying office in Oklahoma City?"

VITA<sup>2</sup>

Mary Howell Cremer

Candidate for the Degree of

Master of Science

Thesis: DEVELOPMENT AND EVALUATION OF A BUYING AND MERCHANDISING  
LEARNING PACKAGE FOR TRAINING POTENTIAL APPAREL STORE  
ENTREPRENEURS

Major Field: Clothing, Textiles and Merchandising

Biographical:

Personal Data: Born in Little Rock, Arkansas, April 6, 1954,  
the daughter of Mr. and Mrs. Robert E. Howell; married  
to Gregg A. Cremer in 1976.

Education: Graduated from Ardmore High School, Ardmore, Okla-  
homa, in May, 1972; received the Bachelor of Science de-  
gree from Oklahoma State University in May, 1976, with a  
major in Clothing, Textiles and Merchandising; completed  
the requirements for the Master of Science degree in  
Clothing, Textiles and Merchandising in December, 1977,  
at Oklahoma State University.

Professional Experience: Gift Department Manager at Turner  
Falls Park, Davis, Oklahoma, Summers, 1970-1974; Restau-  
raunt Manager, Cedervale Gardens, Oklahoma, Summers,  
1975-1976; graduate research assistant, Oklahoma State  
University, Stillwater, Oklahoma, 1976-1977.

Professional Organization: Omicron Nu