Prerequisites for Setting Up Management System in Municipal Retail Trade

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The relevance of the research problem Urban district, management, trade, sales networks determined by the number of complex problems that exist in present Samara municipal retail trade system, which is manifested in the lack of regulation, a glut of sales area, poorly developed infrastructure. The purpose of this article is to form a quantitative base for determining the municipal needs in the floor space. Leading method to study this problem is the method of empirical observations and mathematical modeling. The study results: the article contains the analysis of sales area availability on the example in the urban district and presents a quantitative method to determine predictive values for retail trade turnover. Practical significance: the paper is aimed to develop managerial decisions in the sphere of municipal trade regulation.

Introduction

Establishing a context

Currently, the Samara u. d. presents a lot of commercial networks, which have a large number of outlets on the territory of the investigated municipality.
Four trading networks of Federal significance based apartments outside of the Samara region. Officially they are listed as a Federal trading network.

Local Samara commercial network is represented by the thirteen. Also in the Samara u. d. there are international trade network, whose number is relatively small – two trading network.

The majority of outlets available on the municipal Samara territory are federal network – 271. The total number of outlets that is owned by Samara distribution network – 139. The vast majority of outlets for national retail chains is owned by ZAO “Tander”, with 110 (26.6 percent) of supermarkets outlets “Magnet” (Bobkova, 2014).

With a greater number of outlets among the Samara trade network belongs to "Elite", which has a total of 43 outlets such supermarkets as “Pchelka (“Bee”)” and “Caramel” (“Candy”) (10.4 percent).

The trade sector is the final link in the goods supply chain from manufacturer to consumer. The effectiveness of trading activity (consumer goods geographic availability, trading system costs, sales process optimization in retail outlets) directly affects the sales volume of goods producers. The trade sector development defines the share of local goods in the range of commercial enterprises, which directly affects the value of the gross regional product. In the current economic environment the growth remains a key government priority (Boudhiaf & Zribi, 2014).

At the same time the trade sector is largely formed by an active entrepreneurial class, which is important for economic diversification and sustainable growth in the long term. This is particularly important at the present time as one of the major issues of global development, which has become most urgent due to the ongoing economic crisis which shows the growing gap between the richest 10% of people in the world and the poorest 10% (Svirina, Bagautdinova & Gafurov, 2015).

The main problems in municipal Samara trade development at the present market development stage include:

- the lack of efficiency in state regulation;
- insufficient level of infrastructure development (lack of retail and warehouse facilities, the high cost of buying and renting real estate and land, high cost on engineering utilities provision, lack of trade and transport infrastructure in remote areas, weak economic links between producers and trade organizations, insufficient level of cooperation development, etc.);
- low qualification and lack of personnel at all levels;
- the glut of retail space;
- lack of attraction for business trade development in suburbs.

**Reviewing the literature**

This topic was from various points of view presented in the works of such authors as L.B. Abdullaevoy (2014), E.O. Nurgazina (2015), S.I. Panuzhewa (2001), V.V. Okrepliova (2012), and also some foreign authors such as G. Xiao (2015). However, in these works not enough attention is paid to forecasting the necessary settlements security having different sizes of retail space focusing on the prediction of retail trade turnover. These issues require further study.

**Establishing a research gap**

Small and medium businesses play an important role in the economy and employment in foreign countries. Small and medium sized enterprises typically
make up about 99% or more among all businesses and provide about 50% of jobs, ensure a significant share of retail trade turnover (Bobkova et al., 2015).

The potential threat of development for large retail formats and market consolidation is the reduction in the share of small and medium businesses in the retail trade. However, international experience shows that networking does not lead to the disappearance of small businesses because small businesses can compete due to the higher individualization of services, unique offers and marketing or reconversion to other sectors in the economy (Okrepilov, 2012).

Currently becomes relevant to determine the minimum adequacy of commercial areas of the urban district, based on projected data on retail trade turnover. Such research is not currently carried out. Knowing the figures it can be concluded about the security of the municipal retail space and the competitive level in the industry.

**Stating the purpose**

This study objective is to develop a mathematical determining model for predictive values of retail trade turnover based on which we could talk about the retail areas ratio in the urban district.

**Methods**

**Research methods**

During the research following methods were used: theoretical (analysis; synthesis; specification; generalization; method of analogies; modeling); diagnostic (method tasks and assignments); empirical (the study of the experience of classification of retail space, regulatory and legislative documents); experimental (summative, formative, control experiments); the methods of economic-mathematical modeling and graphical display of results.

**Experimental research base**

The pilot survey was conducted at the infrastructure system of retail trade in Samara urban district.

**Investigation stages**

The problem study was carried out in three stages:

- the first stage was carried out theoretical analysis of the present situation in the system of retail trade Samara urban district, studied indicators of the municipal shopping areas availability, analyzed normative and legislative acts in this field. Also, the analysis of the existing retail space classification system was conducted with a description of their purpose and it was compared with the Samara retail trade system;

- in the second stage, was developed the economic-mathematical settingup model to predict values of retail trade turnover on the basis of historical data, the model was tested, conclusions were drawn according to the the model results;

- the third phase was completed the experimental work, clarified theoretical and practical insights, generalized and systematized the obtained results.

**Results and Discussions**

The development of commercial real estate in the cities of the Volga region was influenced by the interest from retail chains to the regions. Figures 1 and 2 present the ratio of retail trade turnover and large cities population of the Volga region, the wages ratio and the commercial areas supply.
The vast majority of shopping centers in the studied cities of the Volga region were introduced until 2006. In this period the most actively developing was commercial real estate in cities with a million-plus population such as Kazan, Samara and Nizhny Novgorod.

The concept of the commercial areas supply has such a term as qualitative shopping area.

Qualitative/professional shopping center refers to a shopping center, gross leasable area from 5 000 sq. m. with the effective conception, having in its composition one or more major anchor tenants and retail gallery, presented by the international, federal and/or regional retailers.

As it can be seen from figures 1 and 2 the largest supply of commercial areas is typical to Samara and Kazan: 381 and 331 sq. m per 1,000 inhabitants, respectively. The level of wages is proportional to the availability of retail space.

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**Figure 1.** Retail trade turnover and Russian cities civil data.
Source: Welhome Real Estate Consulting

<table>
<thead>
<tr>
<th>City</th>
<th>Population, thousand people</th>
<th>Commercial areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perm</td>
<td>450</td>
<td>200</td>
</tr>
<tr>
<td>Nizhny Novgorod</td>
<td>350</td>
<td>150</td>
</tr>
<tr>
<td>Kazan</td>
<td>300</td>
<td>100</td>
</tr>
<tr>
<td>Samara</td>
<td>250</td>
<td>50</td>
</tr>
<tr>
<td>Ufa</td>
<td>200</td>
<td>0</td>
</tr>
<tr>
<td>Saratov</td>
<td>150</td>
<td>0</td>
</tr>
<tr>
<td>Ulyanovsk</td>
<td>100</td>
<td>0</td>
</tr>
<tr>
<td>Naberezhne Chelny</td>
<td>50</td>
<td>0</td>
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<tr>
<td>Penza</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Izhewk</td>
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<td>0</td>
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</tbody>
</table>

**Figure 2.** Average monthly wage, thousand rubles and commercial areas supply, sq.m./1000 people.

<table>
<thead>
<tr>
<th>City</th>
<th>Average monthly wage, thousand rubles</th>
<th>Commercial areas supply, sq.m./1000 people</th>
</tr>
</thead>
<tbody>
<tr>
<td>Samara</td>
<td>400</td>
<td>200</td>
</tr>
<tr>
<td>Kazan</td>
<td>350</td>
<td>150</td>
</tr>
<tr>
<td>Ufa</td>
<td>300</td>
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<tr>
<td>Naberezhne Chelny</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
Figure 2. Average monthly wage and the commercial areas supply in the cities of the Volga region
Source: Welhome Real Estate Consulting

The calculating method and the procedure for establishing the minimum standards for Federal subject of the Russian Federation in the population floor area supply, developed in accordance with articles 5 and 19 of the Federal law dated 28 December 2009 No. 381-FZ "About bases of state regulation of trade activities in the Russian Federation". This Methodology is applied for the calculation of the minimum area of trading objects to provide the population in the subjects of the Russian Federation and their member municipalities.

The baseline for calculating average standards for trading objects available area in the Russian Federation is established:
- for food products sale $Ro_{food}$ - 159 sq. m on 1 thousand persons;
- for non-food sales $Ro_{non-food}$ - 362 sq. m on 1 thousand persons;
- national minimum standard to provide the population with floor area $Ro$ - 521 sq. m per 1 thousand people.

The RF Government Decree "On approval of rules establishing minimum provision standards for the population floor area," dated September 24, 2010. No. 754 is adjusted every 5 years at the proposal of the Ministry of industry and trade of the Russian Federation submitted to the Government in the prescribed manner. Also this decision indicates the presence of a regional factor correction, using which it is possible to set the level of provision of retail space for separately taken the municipal formation taking into account its specificity.

According to the Federal real estate consultants, Samara is already saturated with shopping centers; to meet the operator's demand the floor space in the city is even more than enough. But the retailers themselves continue to complain about the shortage of premises, and developers continue building malls, following the plans to conquest the market.

The aggregate area of all large commercial facilities in the capital of the province, according Povolzhsky Development Center (PDC), approximately 3.3 million sq. m. (not including Sopping Centers in the built-in and attached premises, and objects less than 4 thousand sq. m., as well as not including markets), in terms of 1000 inhabitants, even taking into account circular migration, it gives transcendent value of 2129 sq. m.

Even for the Russian capital cities (Central district of Moscow - 625 sq. m of retail space per 1,000 people) is an extremely high figure, however, not all shopping center operating in Samara are shopping centers that should be considered in calculating the availability of retail space. Samara has a very high proportion of low-quality objects.

Figure 3 presents data on the availability of retail space in cities with a population over 1 million people.
As it can be seen in figure 3, Samara takes the third place on the provision of retail space and exceeds the standard indicators.

According to the research results of the Federal holding GVA Sawaer, Samara has reached 500 square meters of retail space in the shopping center per 1,000 inhabitants, and now occupies the third place among regional cities of the availability of retail real estate, second only to St.-Petersburg and Yekaterinburg.

A significant error in these calculations does not change the overall picture on the market. Samara has provided enough shopping centers. Having opened the shopping complex MEGA, which took place at the end of 2011, the local market was saturated with relatively high-quality shopping centers using traditional format.

Today in Samara you can talk about the stage of market saturation of retail space. According to experts, the construction of large-scale projects should be considered only in exceptional circumstances, as they definitely could compete with existing megamalls.

According to the Consumer Trade and Services Department in Samara u. d., during 2012 only a network of retail businesses in the urban district numbered 5243 object, including: fixed companies – 2635 units, such as:

- grocery stores – 682;
- stores, shops – 1624;
- shops with a mixed range of goods – 329.
- shopping malls – 82 units;
- pavilions – 1073 units;
- retail outlets (kiosks, carts) – 1418 units;
- retail markets – 30 (total number of spots);
- markets - 7915 units;
- fairs – 5 units.

The population provision level in Samara u. d. of commercial facilities areas is totaled 213, 7 % (1650579, 05 sq. m.; 1432, 9 sq. m. on 1000 p.), in particular:

- food products trading enterprises – 197, 34 % (452369, 22 sq. m.; 392, 8 sq. m. 1000 p.);
non-food goods trading enterprises – 230, 10% (1198209, 83 sq. m.; 1040, 2 sq. m. 1000 p.).

In 2013 the tendency of dynamic development at the consumer market in Samara, which contributed to the increase in the product saturation level, trade network development and qualitative improvement in its structure.

In 2013, the network of trade enterprises of the city district numbered 5187 objects, including: fixed company – 2693 units, such as:

- grocery stores – 708;
- stores, shops – 1625;
- shops with a mixed range of products – 360.
- shopping malls – 83 units;
- pavilions – 1091 units;
- retail outlets (kiosks, tonari) –1307 units;
- retail markets 8 units Total number of spots
- market - 2189.
- fairs – 5 units.

The population provision level in Samara u. d. of commercial facilities areas amounted 183,5 % (1319702,71 sq. m; 1145,4 sq. m per 1,000 p), in particular:

- food products trading enterprises– 202,95 % (465340,82 sq. m; 403,9 sq. m per 1,000 p).
- non-food goods trading enterprises – 164,05% (854361,89 sq. m; 741,5 sq. m per 1,000 p).

For the 3rd quarter of 2013 in the city district of Samara there were completed 38 commercial properties, including 37 fixed shops and 1 small retail (kiosks, pavilions).

During 2014-2015, as a result of work carried out by the Samara city administration there were eliminated for various reasons, more than 2,000 objects of non-fixed trade. However, that didn’t change the picture much.

Analyzing the indicators of the past two years, based on statistics we can say that in general the commercial space supply has declined, including decreased of commercial areas supply in the non-food group of goods, but the provision of space for food commodity group increased on 11 sq. m. which is the over-saturation of retail space, according to the Decree of the Russian Federation Government dated 24.09.2010 №754.

So the Decree of the RF Government "On approval of rules establishing minimum provision standards for the population floor area," dated September 24, 2010. No. 754 is adjusted every 5 years at the proposal of the Ministry of industry and trade of the Russian Federation submitted to the Government in the prescribed manner. Also this decision indicates the presence of a regional factor correction, using which it is possible to set the level of retail space provision for separately taken the municipal formation taking into account its specificity, which is the subject of further research. The next level of correction was to be held in 2015 (after five years).

Another problem is the large share of low-quality retail space as a significant part of the retail space comes in unsuitability, which may be due to the old construction age, because the shopping area had settled in old buildings.

In the segment of shopping centers, Russia has still not adopted a single classification, adapted to Russian conditions. To classify shopping centers Russian
analysts prefer to use the European classification. The basis of this classification is:

- the amount of retail space,
- coverage area of the shopping center,
- tenant mix
- the specifics of selling goods.

According to the European shopping centers classification, there are 4 types:

**Neighborhood shopping center**

The neighborhood shopping center sells goods of daily demand (food, pharmaceuticals, etc.) and domestic services (those in which there is daily need of the buyers in adjacent shopping area).

In the neighborhood shopping center anchor is the supermarket. Other notable tenants in neighborhood shopping center are pharmacy, department store. Often centers, not including the supermarket, but similar in the total lease area with neighborhood centers are called neighborhood shopping centers. But if the tenants involved in the trading food products that can't be assembled together, forming a unique replacement supermarket, then it is correct to classify it as a small district shopping center (to succeed, it will probably have to leave a broader market area and to focus on serving immediate environment). Typical neighborhood shopping center area, which presents all its typical functions, is about 5 000 sq. m., but, in principle, it can be from 3 000 to 10 000 sq. m. The neighborhood shopping center usually caters people living in five to ten minute drive away. Removed from highways and pedestrian traffic, (can't be easily noticed) there are objects in the yard. The number of parking spaces is not less than 4 m/seats per 100 sq. m.

Such examples could be the shopping center "Airplane", "May", "Pyramid".

**Community Shopping Center**

Initially, the shopping center formed around the grocery or department store that served as an anchor, in addition to supermarkets. Large stores, warehouses and catalog-showroom stores at discount prices and delivery stores are other possible anchors.

County shopping center is easier to define by what it includes and what it doesn't. A department store with a full line of products not included in the community shopping center, otherwise such a center should be regarded as a regional trading center. Shopping area for community shopping center is larger than the neighborhood shopping center, so it attracts distant buyers. Community shopping center offers a variety of durable and special goods than the neighborhood. It also often delivers goods that are not sold in any neighborhood shopping center or in regional shopping malls, for example, furniture, instruments, and products for construction and for the garden.

Community shopping center is an intermediate category: some neighborhood centers may develop to the level of district, while some district ones can become regional.

A typical shopping area for a community shopping center is about 15 000 sq. m., but in general it can range from 10 000 to 30 000 sq. m. It usually serves the population in 10 to 20-minute drive.

One of the downsides of this center is that located in the city, community shopping center is vulnerable from the competition. It is too large in order to thrive at the expense of its nearest environment, and too small to attract long distant visitors, if it is not located in a small town with population from 50 000 to 100 000 people. The emergence and development of strong regional center with attractive
force with one or more department stores can drastically reduce trade area of the regional center. But in a developed market environment both can succeed, even if they are located close to each other as they offer products of different types and as a community shopping center located closer to their customers. Parking – 5 places per 100 sq. m.

**Regional Center**

The area of the regional center is 40,000 sq. m, while it varies from 30,000 to 100,000 sq. m. usually include a mall, an indoor shopping arcade (the "passage" type with an artificial climate), fashionable products. The number of anchors is from 2 to 50-70% of the area. The coverage area for these shopping centers is in the range from 9 to 27 km. Such examples could be "Viva land", "Aurora", "Megacity".

**Super Regional Center**

Typical square for super regional shopping Mall is 80,000 sq. m, while it can vary from 50,000 to over 200,000 sq. m. The size is similar to the regional but goods diversity is varied. The main tenants are three or more full range department stores. They can take 50-70% of all leasable room. Coverage area is from 9-45 km (40 min – area transportation network).

Super regional and regional shopping centers attract shoppers as they offer a wide range of products and services. Regional and super regional centers do not differ in their functions; their difference consists only in the power to attract buyers.

In fact, the distinction between four basic types of shopping centers is not always possible to determine exactly. Certain market trends have resulted in several subtypes of such centers. Separately, these subtypes can be considered as four main types, but some categories are allocated in accordance with the characteristics of the trading zone. Parking – 6 places/per 100 sq. m. Such examples could be "Mega", "Cosmo port", "Park house".

**Specialized shopping center (Special Shopping Center)**

In this shopping center anchor is a large store of audio, video and home appliance, home goods, furniture, etc. Accessories shops of core specialty for shopping center and others, complemented main range operator, are accompanied. Such examples could be "Children" (former "M5"), positioning as a specialized children's center, "Intermebel"("Interfurniture"), "Myagkoff".

This classification is kept by GVA Sawyer Research Company analyzing the security of quality retail real estate per 1,000 residents in the coverage areas (Fig. 4.)
As can be seen from figure 4 in the segment of shopping centers superregional scale prevails in Samara and there are quite a few shopping malls in other segments.

Additionally, the glut of retail space leads to the fact that today in some areas shopping centers are empty.

Municipal infrastructure development have been analyzed together with other Samara municipal departments, that will allow to accommodate the shopping centers proportionally, keeping their distance from residential areas respecting the citizens convenience, the opportunity to drive to this shopping center without creating traffic problems.

The author suggests a method of calculating predictive values of retail trade turnover.

Table 1. Retail trade turnover on the territory of the Samara u. d. (bn.RUB).

<table>
<thead>
<tr>
<th>Years</th>
<th>Retail trade turnover, billion rubles</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>172,9</td>
</tr>
<tr>
<td>The basic starting point 2009</td>
<td>184,3</td>
</tr>
<tr>
<td>2010</td>
<td>201,7</td>
</tr>
<tr>
<td>2011</td>
<td>196,7</td>
</tr>
<tr>
<td>2012</td>
<td>210,6</td>
</tr>
</tbody>
</table>

Source: Samarastat

To build predictive trend as the basic starting point is taken the year 2009 (the calculation method of minimum population provision with trading areas objects according to the RF Government Decree, dated 24.09. 2010 № 754 " On approval of rules establishing minimum provision standards for the population floor area").

Figure 2.1 presents the statistical data of the retail trade turnover development on the territory of the Samara u.d. from 2008 to 2012. (curve line) and linear trend forecast of retail turnover in 2015-2020. (straight line).

Based on the data Table.1 a mathematical model for retail trade turnover prediction on the territory of the Samara u. d. in 2015-2020 was used. O (t) =175 + α t, (1) where O(t) is the retail trade turnover on the territory of the Samara u.d.
(billion, RUB); α = 8 – 10 – the rate of retail trade turnover change during the years (billion/year); t is the time interval.

**Figure 5.** Construction of a linear trend forecast for retail turnover on the territory of the Samara u.d., 2015-2020

The approximation error of the linear trend forecasting in retail trade turnover on the territory of the Samara u. d. in 2015-2020 can be written in the form $\beta = \varepsilon/o * 100\% = (201-196)/196*100\% = 2,5\%$ where $\varepsilon$ is the maximum deviation from the forecast values

$O$ – a forecast

The MathCad calculated the forecast retail turnover for 2015-2020.

**Figure 6.** The calculation of the forecast retail turnover for 2015-2020 in the MathCad

Thus, we obtain a valid quantitative method of calculating the predictive values for retail trade turnover.

The analysis shows that research in this direction has been carried out from different points of view. Analyzed and projected commercial activities in retail trade (Panyuzhev, 2001). Other authors such as L.B. Abdulhaev (2014), talked about management accounting in the retail sector. The analysis of foreign experience on retail trade development allows formulating the main directions to improve trading service, one of them is the development of retail trade networks formats and their associated systems. However, in most cases it was about the research of retail trade from the point of accounting. The work of E.O. Nurgazina (2015) "Entrepreneurial decisions in retail food networks" aims to study and determine the effectiveness of the system of making the right business decisions at the example of individual retail chains. In a changing economic environment it
becomes necessary to analyze not only customer needs, but also to think about how to get the result introducing a new product or service on a more sustainable basis (Daunoriene et al., 2015).

However, studies on the system retail management at the city circle level, with the aim of forming a holistic view on the retail trade system development in a large city are not still existed.

Systematic organization of retail facilities should be based not only on rational differentiation, but also on the forms development for non-store retail sale of goods. Form of non-store sales should be predominantly aimed at specific segments of the commodity market, and with their help solves a very specific range of tasks. Trade practice shows that even in the most highly organized systems of trading service there are markets and street trading. Markets are generally focused on seasonal sales, to sell handicrafts and agricultural products.

Based on various lines to develop the retail formats diversity, retail trade infrastructure provides a variety of trading services that will meet the needs of the vast population majority.

It will also lead to the modernization of the economy and the need to use innovative capacity for competitiveness (Faskhutdinov, 2015). Trade to a certain extent, is a social field and may use the experience of leading European economies (Šmejkal, 2015).

**Conclusion**

A holistic view on the retail system development and management cannot be imagined without appropriate input to the human capital development. Human resources contribute to move the system forward.

According to the "trade development strategy in the Russian Federation in 2010-2015 and till 2020" attention to the personnel potential is paid in the sphere of trade.

The trade sector employs a fifth of the economically active population with the level of remuneration, corresponding to the average for the country. However, the industry has a significant shortage of personnel, which is mainly caused by the rapid trade growth recent years, the low social prestige of low skilled work in the trade sector, insufficient quality of education on trade specialties at Russian universities.

The staff in the retail sector can be divided into three categories:

- Low qualified staff, such as cashiers, sellers, operators of a trading hall, porters;
- Staff of average qualification, for example, stores managers, heads of departments;
- Top management, senior management of retail companies.

The greatest shortage of labor force the city has at the level of low qualified staff and personnel of average skill. Problems to recruit the low skilled staff are associated, primarily, with low wages, high turnover, low work motivation and low prestige degree of the profession. The staff turnover in this category can reach up to 50%, and demand may exceed supply in some cases twice.

There is also a shortage of average workers, which is connected, on the one hand, with the rapid growth of the retail trade, on the other hand, insufficient quality of graduate's education at high schools, trained on trade professions.

The problems associated with the shortage of top management and employees of low qualification, as a rule, are solved at the company level, whereas the solution of semiskilled staff shortage in the field of trade requires government intermediation.
The decision of problems with deficiency of top management in the trading field is decided at the corporate level. Retail companies have a corporate educational program; hire a third-party company to conduct corporate training with the goal to improve the managerial staff qualifications to attract companies specializing in the staff recruitment. In major retail companies, it is common practice to send top management in Russian and international business schools for MBA programs.

The problem with semiskilled staff shortage in addition to corporate events aimed at improving staff motivation, can promote government support, and the creation of public-private partnership between educational institutions and large retail companies.

These activities are widespread in the world, especially in Europe and in the United States. Many retailers provide financial and non-financial support institutions:

- finance the educational process;
- pay scholarships to students;
- pay internships for teachers and students;
- allocate grants for the development of new educational courses;
- organize courses to improve teachers qualification and exchange experience;
- allocate grants for scientific work, equipment purchase and other material support;
- provide expert and information support.

The state authorities of the U.S. and European countries stimulate public–private partnerships in education by providing tax benefits to retail companies, the funds spent on educational activities have deductible expenses.

Unlike European countries, in Russia there is no practice of giving government tax breaks to retail companies that provide support to educational institutions, consequent on this, there are no agreements between public universities and retailers in Russia.

In Russia at the moment, the development of such cooperation is not receiving the necessary support, and in some instances is faced with additional restrictions. Many companies complain about the problem of double taxation: the funds of the donors received by the funds and be taxable income tax, given in the form of grants to universities and be taxable income tax a second time, there are no tax incentives for companies engaged in the cost of higher and professional education of employees (Xiao, 2015).

It is advisable to involve large trading companies and professional associations in trade sector to collaborate with leading universities in the field of trade to teach students the necessary specialties. Trading companies and their professional associations may participate in the development of the content of educational courses, the formation of the requirements to the graduates, the development of educational programs, internships organization. Companies’ employees may be involved as lecturers, etc. It is possible to finance by large trading companies some budget places in universities for these trading companies.

Disclosure statement

No potential conflict of interest was reported by the authors.

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