

Wholesale & Retail LEADERSHIP CHAIR

PRESS RELEASE

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RETAIL STAKEHOLDER FORUM AND RETAIL CHARTER NEEDED

Recent research in the retail sector has shown that although many large corporate retailers include socio-economic development issues on their measurement scorecards, it is rare amongst smaller retailers. The establishment of a retail stakeholder forum has been recommended to address this issue and to develop a Retail Charter.

The objective of the current study was the review and analysis of how short-term financial goals are balanced with long-term socio-economic aims in the scorecards of retail businesses.

To summarise the researchers' findings:

- Retail corporates do employ balanced scorecard management, with the inclusion of non-financial indicators. Smaller stakeholders may do the same, but via more informal measures.
- The competitive nature of the retail industry is a major factor when considering the pressures and opportunities for socio-economic development scorecard activity. Increased energy is provided by the socio-economic developmental efforts of retailers.
- Little evidence of public/private cooperation was discovered around the issue, but stakeholders who have experienced collaboration via professional associations are more open to the idea.

The following measures were recommended by way of a solution:

Retail stakeholder forum

A retail stakeholder forum should be established, through which collaboration on balanced scorecards, and the establishment of the necessary relationships, can take place. Such a Forum could also negotiate the development of a Retail Charter.

Source of input and guiding examples for the forum

The following were recommended as sources of input and as examples upon which to base a Retail Charter: the Broad-based Socio-Economic Charter for the Mining Industry (2015); the International Integrated Reporting Council (Adams 2015) 'Six Capitals of Value Creation' framework.

There exists within the South African retail industry an awareness and willingness to include socio-economic developmental aspects to scorecard setups. However, greater cooperation is required between government and retailers, preferably via the creation of a retail stakeholder forum and a Retail Charter.

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