While work continues on developing performance standards in various categories of the NACS Foundation Standards Project, we are also focused on helping college stores apply standards that have already been published. To learn more about how stores can concretely benefit from the published standards, we turned to two experienced store managers who have been instrumental in moving the project forward and who have specific advice on applying the Financial Resources standards.

Carol Miller Schaefer and Lorren Maxfield, past presidents of both NACS and the NACS Foundation, have recently retired from their respective positions at the University of Tennessee and the University of Illinois Chicago. They have provided the expert advice that follows and it is based on their extensive experience managing successful college stores and from their previous management positions in “other” retail.

One of their key examples of applying the financial standards relates to the store manager’s communication with the institution’s administration. It is critical for the store to understand the administration’s expectations of the store’s performance. This involves an ongoing, two-way conversation that also serves to educate administrators—many of whom are not experienced in retail—regarding the myriad factors involved in store operations and their impact on financial results.

So many store managers know firsthand how a change in reporting structure or turnover in campus administrators can significantly impact the store. This underscores the importance of proactive communication and education to ensure an informed administration with whom the store can work to develop reality-based expectations.

Remember that the college store is, or should be, the retail expert on campus. The store manager should come across in these conversations as authoritative and knowledgeable, ensuring there is a common understanding of industry terms and processes along with complex issues such as supply chain issues and the various factors that impact budget development and store performance.

This is not a static process and it must be revisited on a regular basis. We all know that so many variables affecting the store—on campus and beyond—are in a seemingly constant state of flux. This calls for regular checks and updates to keep your administration informed and, if necessary, make adjustments to plans and expectations.

Another performance standard involves the routine monitoring of financial results. This is not simply reviewing numbers in a spreadsheet but is rather a more meaningful process that includes determining how those results reflect the ramifications of operational decisions and overall planning as well as factors that are outside the control of the store. These include campus issues like enrollment trends as well as larger-scale events such as the pandemic.

This monitoring process should not simply be a comparison to the previous year’s results. It involves a meaningful analysis of trends, a comparison to goals and a deep understanding of how and why those goals were set.

Some administrators will focus only on the store’s top-line results. It is important to provide the information they need to understand the story behind...
those numbers. Are policies related to student affordability or the services the store is required to offer negatively affecting the operation’s results? If so, this is a great opportunity to explain how the administration’s operational expectations impact those results. Keep in mind that some campus and/or store policies and procedures that are not designed to break even can still be contributing in valuable ways to the campus community.

Another of the Financial Resources standards concerns the store’s participation in industry financial surveys. This helps you to put your operation into industry context and to benchmark against similar stores (comparing apples to apples) to have a better understanding of how your store is doing. It can also provide important information to help inform conversations with the administration related to critical issues including budgeting and financial results.

The issues and processes addressed above are related to some of the overarching Financial Resource standards. A cursory review of the overall list of Financial Resources standards will reveal a great deal of specific, more “micro” standards (including metrics, financial controls, KPIs, and inventory management) that can provide a wealth of assistance related to successful store performance.

The Financial Resources standards can serve as an essential set of tools, a kind of road map for the store. However, since every college store is different, as is every campus, it is up to store management to determine how best to apply the standards along with the most effective way to communicate with campus administrators and store staff.


Stephen Hochheiser is a past president of the NACS Foundation and is retired after a 40-year career in publishing and bookstore management.