

Management of Human Resource in Retailing Sector

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Abstract: *The Indian Retail Industry stood at a value of a whopping US \$330 billion in 2007 with the likes of Reliance Retail and Wal-Mart joining the conglomerates from inside and outside the country. It is estimated that the retail sector will reach around US \$600 billion by the turn of this decade. Significantly retail industry contributes about 10% to the GDP of India, and it is the largest source of employment after agriculture in the country. However in, India attracting people to this industry and then retaining them is a challenge. This paper tells about human resource management in retail sector such as product knowledge, market awareness and success of retail environment largely depends on the workforce. Given the kind of work hours and the pressures on performance, the retailer needs staff which is completely motivated. Thus, this paper focused on retailer's single largest controllable expenses and the work force is the retailers face to the customer. Human Resource Department plays an important role not only in selecting the right person for the right job but also in maintaining their morale and ensuring that employee attrition is minimized*

Keywords: Retail Industry, GDP, Market

I. INTRODUCTION

With growing consumerism, unprecedented awareness and a youth-hefty customer base, India is perceived as 'Most promising land' for the global and domestic retailers. As per A.T. Kearney's 2007 Global Retail Development Index (GRDI), India has placed among the one of the topmost destinations for retail investment with a huge potential for consumer goods marketing. As per the report of McKinney Global Institute (2007), India is becoming the world's 12th Trillion dollar economy, and further it predicts that India is well on its way to become the world's fifth largest consumer market by 2025. The Indian Retail market is professed as potential goldmine and is attracting a large number of giant international and domestic players in anticipation of explosive growth. The organized retail sector has increased its share from 4% in 2007 to over 20% in 2010 as the overall retail sector grow from \$328 billion to \$430 billion in the corresponding four year period, as per report by FICCI (2007) on the retail sector. In India, sudden and unprecedented growth in organized retailing poses a challenge to human resources development. Therefore, it would be useful to look at the usefulness of HRM in retailing emerging requirements and challenges and measures to improve work culture in Indian scenario.

Objectives of the study:-

This study is conducted to evaluate the following objectives –

- 1) To define the concept of retailing.
- 2) To define scope of HRM in retailing
- 3) To study the challenges of HRM in retailing
- 4) To know usefulness of HRM in retailing.

Hypothesis:-

Role of HRM is very linchpin in the progress of retailing.

II. RESEARCH METHODOLOGY

Coverage of the study: The study covers both unorganized and organized sectors of Retailing. It also covers the current and future perspective of HRM in retailing.

Data collection:

- a) Primary data – The employees and the retailers were contacted for collecting information.
- b) Secondary Data – It is collected through various books, journals, monthly magazines and periodicals. Information has been properly analyzed.

Findings of the Study:-

Retailing Sector:-

India has been operating its own unique concept of retailing like weekly heats, weekly bazaars, month long duration Jutras, meals and festivals etc. This practice is still prevalent in many parts of India. The organized retailing sector can be seen in the functioning of stores such as Akabarallys in Mumbai, Nil iris and Spencer's in Chennai. These stores lacked the infrastructure support and proper human resource management. The emergence of retailing trends Retailing Sector can be seen through the rapidly growing middle class consumers and increase in per capita spending by consumers. Organized retail sector accounts for close to only three percent of the retailing industry in India. The organized retailers are trying innovative models and formats to woo the customers. These retail formats are convenience stores, chain stores, franchise, specialty stores, Departmental stores, Super markets, hyper markets, shopping malls, shopping plaza, discount stores, factory outlets, second outlets, kiosk etc. customers look for variety, convenience, quality and price at these retail outlets. The retailers have come out with creative and innovative retail outlets to meet customer's needs and demands. Unorganized retailing sector refers to the Low-cost retailing for example, the small kiranashops, general stores, pan-bidi shops, handcarts, pavement vendors etc.

Retailing HRM in:-

Employment market Retailing Sector is lacking for skilled man power. The retailing industry is generating huge employment opportunities. The requirements of man power are in the all functional areas. The industry is looking for human resources to see the customers at retail outlets and to motivate them indirectly for more buying. The requirements are also for proper category wise display and layout at products to attract customers. The research personnel are required to know, understand and assess for what customers are looking for in the outlets and out of the outlets. The industry also requires manpower for awakening customers regarding why organized outlets. The industry is looking for human resources instead at man power. The industry will certainly get human resources in near future. The issues relating to job specification job classification, job design, recruitments, and selections, training and development is also becoming important.

Scope of HRM in Retailing:-

Today, 21 million peoples are employed in the retail sector in India, which is 7% of the total national workforce. Though the employee workforce require proper training, motivation and guidance through Human Resource Management. The HRM policy enhances the performance of the organization. Retail enterprises would want to structure and assign task, policies and resources in order to meet their goals. Now day's retail organizations have required a skilled work force. There are a few steps that form the core of HRM in retail. Outline the specific tasks among channel members and customers. Grouping the tasks into jobs. Classifying the jobs.

Finally integrating the position in the organization charts. The specific tasks mentioned above deals with a number of activities which a retail enterprises undertakes such as setting prices shipping merchandise, logistics, research, marketing, customer interaction, sales, follow up services. According to the needs these tasks may be outsourced or divided among the retailer. After the retailer determines the tasks which it would perform, they are grouped into jobs such as sales persons, cashier, merchandisers, display personnel, store managers and marketing executives. In the Retail sector there could be some difference in HRM practice due to long Hours of work, pool of inexperienced workers, variation in customer demand, and location of the store. A good decor and environment, services, are also important to

make a mark in the customer mind. Hence quality of the services and how these services are provided to the customers becomes significant in our present times.

HR Challenges in Retailing:

Today, the main challenges faced by the HR departments mainly relate to resolving the following problems faced by the retail industry in India. A) Unskilled Manpower: The organized retailing is a massive man power oriented industry that recruits a large pool of employees. However, there is a huge scarcity of skilled retail professionals. This can be attributed to the fact that retail has never been considered as a prominent profession Retailing Sector as there were very few retail professional courses still few years back.

Stressful working / Culture:-

According to a survey carried out by Associated Chambers of Commerce and Industry of India (ASSOCHAM), retail sector is among stress and mental fatigue had intensified during the recent times. The working pattern of retail industry requires employee to put in long hours of work which generally cause fatigue and result in lower motivation among employees. Besides this, in part-time, and casual jobs in retail sector, there is job insecurity, short-and split shifts, unpredictability of hours, low wages and benefits, poor working facilities, and need to juggle multiple jobs to earn a livelihood contribute to stress and working problems.

Lack of Talent:-

The present scenario depicts that there will be a very high demand for manpower to match the scope of rollout plans of various players in the near future. It is estimated that 8 million people will be required in organized retail by the current year 2011 (Pant 2007).

This gives a clear indication of extent of human resources required to support the growth of retailing in India. The sector is facing talent. Crunch because neither the talent required on such a large scale is available nor there is training infrastructure facility for them.

Lack of Formal Retailing Education:-

KPMG report (2006) point out that there are also competency gaps in various key areas like supply chain management, vendor development and customer relations management. There is requirement of qualified and trained manpower to look after day to- day operations and cater to the wide spectrum of customer expectations. As there is lack of formal vocational institutes, where students can be trained, more retailers Retailing Sector depend on in-house training or fulfilling their training needs with small institutes.

High Turnover:-

There seems to be high level of attrition in the retail sector which is almost 40% according to a recent study. For from end staff attrition rate is believed to be 25% to 50% which may be due to large number of inexperienced and part-time staffs. At lower levels some perennial issues for high employment turnover with sector are: seasonal employment during peak trading period and the perceived lack of career opportunities.

Complex HR Environment:-

The retail human resources environment Retailing Sector is very complicated with lack of experience and trained people, Lack of sources of employment and little focus on HR planning, compensation measurement and working condition. In addition to this, the perception of working within retail is poor with entrenched beliefs that all rolls involve long and unsocial hours, which limit the ability of employees to manage the balance between work and life. It may be business requirement to open the stores on holidays and festivals but from employees' perspective that deprives them of community activities.

HRM Works as a Useful Tool in Retailing:-

Today Retailing places a growing emphasis on speed and urgency. The ability to increase customer service, the development of new products or service for the market, and the training and education of technicians, managers, and astute decision makers are required in retaining business. When new persons join in enterprises, an introduction programme is conducted by HR manager. The purpose of such programme is to familiarize the new employee about the enterprises policy and method of doing business. In retail, special importance is given to the training of sales staff as they are commonly termed as the face of the enterprises. HRM activities play a major role in ensuring that the enterprises will survive and prosper. In many enterprises, effectiveness is measured by the balance of such complementary characteristics as reaching goals, employing the skills and abilities of employees efficiently and enduring the influx and retention of well-trained and motivated employees.

HRM as a tool in retailing perform following under mentioned duties –

- Placing the right person on the right place.
- Starting new employees in the enterprises.
- Training employees for jobs that are new to them.
- Improving the job performance of each person.
- Gaining Creative co-operation and developing smooth working relationships.
- Interpreting the company's policies and procedures.
- Controlling labor costs.
- Developing the abilities of each person.
- Creating and maintaining department Morale.
- Protecting employee's health and physical condition.

III. CONCLUSION

To conclude the HR challenges when taken care of by the organization are bound to make a difference to the organizational success. Every retail organization must have a HR manual that would include everything from clarifying, timings, personal care grooming appraisal system and training and practices. Effective HR practices when in these practices, retailers are required to incorporate innovative HR approaches to help them stay ahead and stay functional. In addition to concluding the view of scope of human resource management, retailing cannot survive without HRM. It is though clear vision that HRM helps retailing to prove its ability, to stand efficiently before consumers, to create profitability, to provide better services, to help the economy to grow instantly, to improve the workforce and be a part of successful business story. Therefore with the help of HRM retailing can be success.

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