



IMPORTANCE OF HUMAN RESOURCE MANAGEMENT IN RETAIL SECTOR

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ABSTRACT

Retail Sector is the most booming sector in the Indian economy. With a growing economy, improving income dynamics, emerging retail formats, large number of earning young population, rising awareness, and changing consumer habits, behavior and lifestyles, India is well on its way to become one of the most prospective markets. Retailing has displayed great significance in the Indian market with tremendous contribution to the Indian economy.

It is clear that Human Resource Management plays an importance in retailing. It helps retailing sector to prove its ability, to face competition, to create profitability, to provide better services, to help the economy to grow instantly, to improve and maintain the workforce.

Therefore with the help of Human Resource Management, retailing can substantiate and prosper. It is heartening to know the most of the respondents are holding permanent jobs and enjoy relative freedom at work. However, the most of the employers attach more importance to interviews. The prospective applicants are expected to possess sound communication skills. Although the respondents are happy with the training programme offered to them, still they have some suggestions for improved training programmes. With rapid rise of retail sector new employment opportunities have been created and youngsters are flocking in to make a career in retailing. Thus in retailing Human Resource Management occupies top priority.

KEYWORDS: Retail Sector , Human Resource Management , possess sound communication skills.

INTRODUCTION

Human Resource Management practices are most effective when matched with strategic goals of organizations. Human Resource Management's importance in the company's success is growing rapidly with the growth in many sectors in the present globalized era. Human Resource Management is a vital function in organizations and becoming more important than ever.

Human Resource Management practices are a primary means for defining; communicating and rewarding desired importance behavior's and function of organizational characteristics. Innovative Human Resource Management practices can play a crucial importance in changing the attitude of the companies and its employees in order to facilitate the entry and grow the in the markets.

- **Objectives of the study:-**1) To evaluate define the concept of retailing.2) To evaluate define importance of Human Resource Management in retailing.3) To evaluate conduct SWOT analysis in retailing.
- **Research Methodology:-** The present paper identifies the importance of Human Resource Management in Retail sector.

The study covers both unorganized and organized sectors of retailing. It also covers the current and future perspective of Human Resource Management in retailing. Collection of data was based on primary and secondary data which was collected through various books, journals, monthly magazines periodicals and questionnaire. Information has been properly analyzed.

➤ **Retailing in India:-** The retail industry in India is largely unorganized and predominantly consists of small, independent, owner-managed shops. However the retail sector in India is witnessing a huge revamping exercise as the traditional retailers are making way for new formats. These modern retail formats provide wide variety to customers and offer an ideal shopping experience with an amalgamation of product, entertainment and service, all under a single roof. The modern Indian consumer is seeking more value in terms of improved availability and quality, pleasant shopping environment, financing option, trial rooms for clothing products, return and exchange policies and competitive prices. This has created a rapid growing opportunity for organized, modern retail formats to emerge in recent years and grow at a fast pace.

Retail in India is essentially “unorganized.” 98% of the retail industry is made up of counter-stores, street markets, hole-in-the-wall shops and roadside peddlers. The term “unorganized retail” is better understood when comparing this form of retail to the organized retail that one is familiar with in developed countries. Unorganized retail is characterized by Family-run stores, lack of best practices when it comes to inventory control and supply-chain management, lack of standardization and essentially a sector populated by anyone who has something to sell.

Retailing is the sale of goods & services to the ultimate consumer for personal, family or household use. It includes every sale of goods & service to the final consumers. It does this by organizing their availability on a relatively large scale and supplying them to customers on a relatively small scale. Retailer is any person/organization instrumental in reaching the goods or merchandise over services to the end users. Retailer is a must and cannot be eliminated. The recent time has been observed as growth of Indian organized retail market with many folds. Retailing is one of the most important Industries in any country employing major share of work force

The Indian retailing industry is becoming intensely competitive, as more and more players are vying for the same set of customers. The major retail players are Pantaloons Retail, Shoppers Stop, Reliance, and Akabarallys in Mumbai. Retailing is one of the biggest sectors and it is witnessing revolution in India. The new entrant in retailing in India signifies the beginning of retail revolution. India's retail market is expected to grow tremendously in next few years. Numerous business groups are attracted in the past few years, including some renowned business groups like Bharti, Future, and Reliance. Organized retail sector has also grabbed the attention of foreign companies, showing their interest to enter India, (Dalwadi 2010). Retailing is one of the largest industry in India and one of the biggest sources of employment in the country.

Retail is the booming sector of India in the present times. Retail, one of India's largest industries, has presently emerged as one of the most dynamic and fast paced industries with several players entering the market. Over 10 per cent of the country's GDP and around 8 per cent employment in the country accounted. India is among 10 largest retail markets in the world 394 billion and is growing at the rate of 30% annually.

➤ **Importance of Human Resource Management in Retailing:-**The business performance of the Organization largely depends upon the human resources. Employee's performance at the back end and at the front end operations are criteria for the success of the Organizations. Human Resource management therefore is the critical managerial function that affects every other function of the Organization. The job of retail employees particularly at front end operations is critical and demand high level of involvement and commitment in job performance. They need to perform different importance while performing the job often simultaneously.

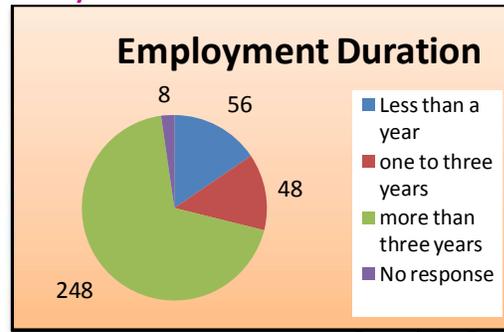
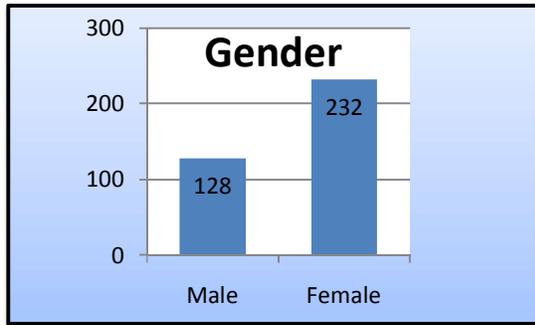
Key areas of Human Resource Management in Retailing:

- **Job Analysis:** It refers to the process of determining & reporting pertinent information relating to the nature of specific job. It determines the task, which comprises the job, and informs about the skills, knowledge, abilities and responsibilities required of the job holder for successful.
- **Job Design:** The process of structuring work & designating the specific work activities of an individual or a group to achieve certain organizational objectives. It addresses the questions how the job is to be performed, who is to perform it, where is to be performed
- **Recruitment and selection:** Recruitment is the process of identifying the need for a new employee, defining the job and the appropriate person for it, attracting a number of suitable candidates and then selecting the one best suited to the job.

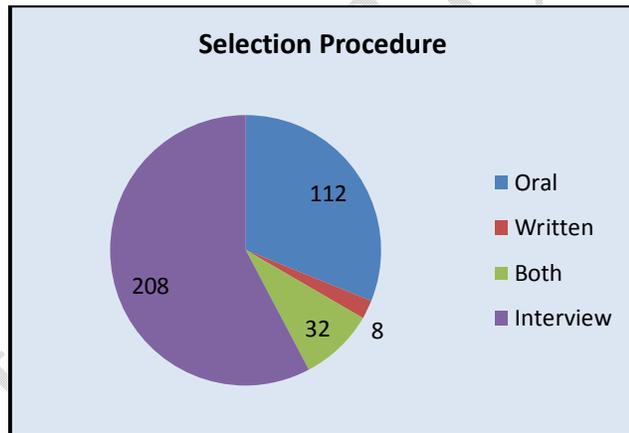
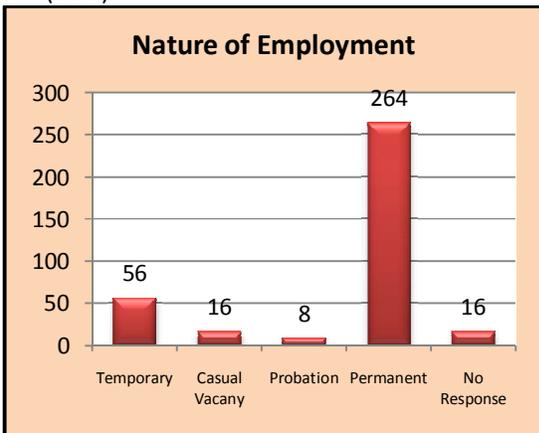
The next job is to select new employees from among those the company has recruited. The main objective in the selection process is to match the character of potential employees with the requirements of the jobs to be filled. The process of selection includes job analysis and description, the application blank, interviewing, testing, references and a physical examination. These processes should be followed in an integrated manner. However, the selection process can be very costly because selections are done by qualified professionals & at attractive convenient locations.

- **Training and development:** The objective of training and development is to develop key competencies in individuals to perform current or future jobs. It involves identification for training needs, selection and execution of training methods and facilitation of skill development and behavior shaping. In retailing sector common training programmes includes on the Job training, Vestibule training, Apprentent training, etc...
- **Compensation:** Retail or service establishment employees are generally compensated (apart from any extra payments for overtime or other additional payments) by one of the following methods such as Straight salary or hourly rate, Salary plus commission, Quota bonus, Straight commission without advances, Straight commission with "advances," "guarantees," or "draws." The above listed method reflects the typical method of compensation is not, of course, exhaustive of the pay practices which may exist in retail or service establishments. Although typically in retail or service establishments commission payments are keyed to sales, the requirement of the exemption is that more than half the employee's compensation represent commissions "on goods or services," which would include all types of commissions customarily based on the goods or services which the establishment sells, and not exclusively those measured by "sales" of these goods or services.
- **Promotion:** Human Resource Management involves designing of appropriate payment and reward systems for all employees. These systems should be acceptable to all employees. They need revision from time to time. The payment and reward systems should be competitive.
- The **Organization** collects comparative data from other Organizations and work for developing better systems. Human Resource Management also deals with individual problems or complaints about payment and reward systems. Promotion is also decided on the basis of feedback obtain through performance appraisal.
- **Work Environment:** Staff is a major resource in any business. This is particularly true in retail industry, which has a very large number of employees and which provides a range of services to its customers. The retail human resource environment has its special features: a large number of inexperienced workers, long hours, highly visible employees, many part-time workers, and variations in customer demand. Those features also create difficulties to retailers. Retailers need to have the knowledge about what season, what number of employees is needed; and what day, what number of employees is needed; and which period of a day, what number of employees is needed.

Finding of survey

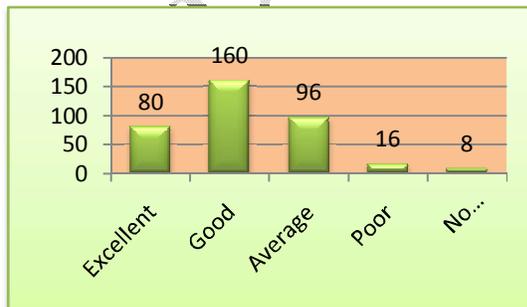


- Majority of the respondents are female (64%) Majority of respondents are working more than 3years (69%)

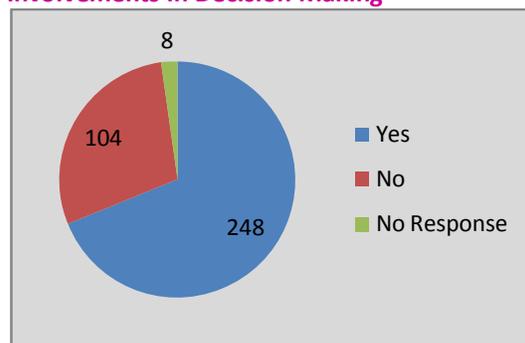


- Majority of respondents are Permanent (73%) Majority of respondents have been selected through Interviews (58%)
- Majority of respondents respondent Yes (76%) that their organization conducts Training Programmes
- Majority of respondents responded yes (73%) that they are satisfied with the training conducted. Majority of respondents (80%) enjoys relative freedom at work .
- Majority of respondents (60%) are getting competitive rate as compensation.

Work Environment



Involvements in Decision Making



- Majority of respondents (44%) response that works Environment is good & 22% response it's Excellent.
- Majority of respondents (69%) are getting chance in the involvement of Decision Making.

SUGGESTIONS:

- Employees should be exposed to acquiring improved communication skills.
- Practice oriented training programmes be offered to the employees.
- Employees should get familiar with customer relationship management.
- There is need to motivate the employees through performance based incentives.
- Two way interactions with representatives of employers is the need of the hour.
- Where ever possible schemes of participative management be implemented.

CONCLUSIONS:

The results of the study states that retailing cannot substantiate without Human Resource Management. The Human Resource management practices are vital for the development of any business or sector. All the major key areas of Human Resource Management are used in retailing for the growth and maintaining such large number of work force. In Retail business employees come in contact with diversified consumers and visitors. They are required to invite a visitor and send back a friend which requires high caliber of communication skills that must form an integral part of every training programmes.

It is clear that Human Resource Management plays an important importance in retailing. As retailing involves large number of work force which needs to identify the number of people required and then select, provide training, good working environment and compensation to them. All these cannot be possible without Human Resource Management. It helps retailing sector to prove its ability, to face competition, to create profitability, to provide better services, to help the economy to grow instantly, to improve and maintain the workforce. Therefore with the help of Human Resource Management are tailing can be substantiate and prosper.

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