TRAINING AND DEVELOPMENT IN INDIAN RETAIL SECTOR: A CONCEPTUAL STUDY

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ABSTRACT

Organizations are becoming increasingly aware of the importance of human resources. This awareness is generated by realization of the fact that people sub-systems are a critical dimension in organization effectiveness. Real life experiences substantiate the assumption that no matter how sophisticated and modern the business activities of the organization become, it will be extremely difficult for the firm, to sustain its growth and effectiveness unless its human resources are complementary to its operations. This realization has propelled Human Resource Development (HRD) into a major field of study in recent years and this renewed interest has further facilitated in the development of newer approaches for managing human resources. This paper is a modest attempt to study about training and development practices in Indian retail sector.

INTRODUCTION

Human resource development in the coming years will demand that learning occur faster in more diverse places, across more cultural and national boundaries with more efficiency. The real challenge for HRD is to find new ways to implement learning technologies that are efficient, effective and deliver immediate strategic business results. Human resource development is defined as a process by which people are assisted in continuous and planned manner to develop their job competence, personality and other capabilities. It refers to the activities undertaken by an organization to promote intellectual, social and psychological development of employees so as to help them achieving their highest potential. It is the total all-round development of people so that they can contribute their best to the business and the society.

People are the most important and valuable resources, every organization or institution possesses, in the form of its employees. Dynamic people can build dynamic organizations. Effective employees can contribute to the effectiveness of the organization. Competent and motivated people can make things happen and enable an organization/institution to achieve its goals (Rao, 1990). Therefore, organizations should continuously ensure that the dynamism, competency, motivation and effectiveness of the employees remain at high levels. Human resource development is thus, a continuous process to ensure the development of employee competencies, dynamism, motivation and effectiveness in a systematic and planned way.

Material resources cannot be put to use unless there are qualified and motivated people to transform development programmes into reality (Stane, 1984). The urgency and magnitude of the task is only understood when one considers that the body of knowledge especially in view of the growth and diversification of science and technology is rapidly becoming obsolete. The fast pace of Scientific and technical development requires a constant expansion of knowledge and skills and a continuous consolidation of knowledge required.

THE PROCESS OF HUMAN RESOURCE DEVELOPMENT

Human resource development means enhancing the capabilities of human beings by allowing them to undergo learning experiences. Thus, human resource development programmes are the learning situations that result in enhanced capabilities for people who undergo them. They include the instructor-led activities like lectures, self-facilitated schemes like e-learning and the learning accrued by working on the job.

Human resource development in the organizational context is a process by which the employees of an organization are helped in a continuous planned way to

- acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles,
- develop their general capabilities as individuals and discover and exploit their own inner potentials for their own and/or organizational development purposes, and
- develop an organisational culture in which supervisor subordinate relationship, team work and collaboration among sub-units are strong and contribute to the professional well being, motivation, and pride of employees(Rao, 1985).[6]

The emphasis in this definition is first on the organizational role of employees, but is not limited to it. The individual's inner urges, genius and potential are emphasized as worth developing not just for organizational

purposes, but for his own. The focus on building an enabling organizational culture is significant. So is the emphasis on teamwork, which is particularly relevant in the context of the Indian experience, where the absence of team spirit is far too often the bane of our organizations.

The goal of HRD systems is to develop; the capabilities of each employee as an individual; the capabilities of each individual in relation to his or her present role; the capabilities of each employee in relation to his or her expected future roles; the dyadic relationship between each employee and his/her supervisor; the team spirit and functioning in every organizational unit; collaboration among different units of the organization; the organization's overall health and self-renewing capabilities; which in turn increase the enabling capabilities of individuals, dyads, teams, and the entire organization.

Traditionally, HR department has sought to deliver a service to all employees, adopting an 'all comers welcomed' philosophy. But the needs of organizations have changed rapidly over the past decade and many personnel functions have changed their name to human resources, which is often seen as a prime agent of organizational change. HR departments themselves need to undergo major cultural change. Training and development are a dynamic function, successful execution of which requires constant touch with the reality of business.

The emerging concerns about new values of humanism and humanization have also added to this interest in HRM. Organizational researchers in the past few decades have been able to bring about a better understanding of the concept of work and human behaviour associated with it. MI the understanding of work and human behaviour, based on experiential and empirical evidences, point out that human systems are not static. The ever-changing environment is continuously influencing them. Human resource management has to be primarily viewed as a dynamic process, which needs to be kept aligned with the changing realities in the environment. The underlying emphasis in HRM, therefore, would be to look for the appropriate fit between work and people from time to time.

TRAINING AND DEVELOPMENT - NOT A STATIC ACTIVITY

Training and development needs are not the same across geographies, industries, functions and populations. Therefore, they have got to be customized as per the contextual needs. The HRD profession over a period of time has developed several programmes to meet the diverse needs of learning community. Traditionally, HRD programmes were classified based on where they were conducted into two categories, namely

- on the job programmes (like job instruction training)and

- off the job programmes (like class room training). Now there are hybrid approaches or what can be called as

- blended programmes (like e-learning) involving a mixture of the first two, which can be included as the third category.

   There are few more ways for the classification of training programmes. One basis for classification is whether they are

- individual focused (like counseling) or

- group focused (like seminars).

   The third method of classification is based on who leads the programme. Certain programmes are

- instructor-led (like class room lecture and some others are

- trainee-led (like human process lab). Then there is classification based on content say

- technical training (like programming in C++) and

- behavioural or soft skills training (like motivation and communication).

   Training can be classified on the basis of the work life stage of the employee at which it conducted like

- Induction training (given when an employee joins an organization),

- Refresher training (given to senior employees to update their capabilities)

- Role transformation training (given to employees when they are placed in different job roles because of promotion, transfer, or job rotation). The new entry into the classification of training is based on where, when and how the trainer and the trainees interact say

- Real training (wherein the trainer and the trainees physically present at the same place and same time and

- Virtual training (wherein the trainer and the trainees may be present in different geographical locations and interact through communication technology or they are not present at the same time but interact through Internet or mail). In spite of these classifications a major confusion remains about classifying them into training and development activities.

Terms like training, development and HRD have often caused confusion. HRD includes both training and development. While training is about acquiring new skills through classroom learning or on the job learning; development includes learning, experiencing and practicing the knowledge skills and attitudes, which improves the overall personality of the individual. Training has a short-term and narrow focus of skills acquisition but development has a long-term and broader perspective of integrated development of individuals, The developmental interventions may include, counselling, mentoring, feedback, spiritual activities, community

service, or learning through actual performance of the work etc. Training is led by an instructor but development may not. Training is for acquiring or sharpening the knowledge, skill or attitude but development takes the route of discovery or exploration of the potential though awareness, practice and modification.

Training and development are not a static activity of one time, one type solution. It is a dynamic function requiring different learning approaches, continuous improvement and feedback. It is not dictated solely by organizational need and employees choice; rather there are lots of external, factors like government regulation and globalization which necessitate appropriate learning interventions. The organization may control the internal factors to save training costs but external factors will create compelling conditions to invest in training.

Even now, in many organizations the training departments and training professionals are seen as not capable of understanding business priorities, not responding to corporate concerns, not in a position to show returns on training investment, and have least concern to contribute for the bottom line improvement of business. Therefore it is necessary that training departments and its managers become business literate, speak the CEO language, and calculate return on every rupee spent for training. Training functions, if managed well, can become business drivers rather than support functions. Business strategies speak about issues like increasing sales, reducing cost, increasing quality, improving customer service, exploring new markets, doubling profit, acquiring new talent, reducing redundant work force, automating work processes and so on. Training professionals should understand these business strategies and evolve appropriate learning interventions for enhancing the credibility of HRD profession.

TRAINING REQUIRES PROFESSIONALISM

Training involves substantial cost to the organization directly and indirectly. The direct costs are, premises rent; trainers' fees; boarding, lodging and travelling cost of the trainees and trainers; the cost of stationery and study material; the cost of laboratory equipments and demonstration aids etc. The indirect costs could be loss of trainee man-hours at work and if the trainers are employees from the same organization, then there would be loss of trainer man-hours too. If training fails to attain the desired results then there would be defects in producing goods or rendering service, which may force customers not to buy our product or services leading to losses in the business. Therefore training programmes should be well-organized with a professional touch to get the best out of them.

Yesterday's proven track record and today's seemingly perfect solution is often tomorrow's anchor. In a technology-driven environment, making the whole organization aware of the need to invest in human development perhaps may be the basic step in building up a resourceful and efficient group of individuals (Varghese, 2001).[18] The mindset of people should change in order to assimilate the changes taking place in and around their organization. This is essential even to carry on the existing line of activities and to earn the income they are presently earning. All should realize that only the unusual and resourceful HRM factor can lead the organization amidst rapidly changing business realities.

TRAINING AND DEVELOPMENT IN INDIAN RETAIL SECTOR

Retailing is an important element of business around the globe. Retailing consists of all activities that result in the offering for sale of merchandise to consumers for their own use. Retailing is the final step in bringing goods to consumer. They sell both goods and services. Retailing is the process of "Sale of goods or merchandise, from a fixed location such as a departmental store or kiosk, in small or individual lots for direct consumption by the purchaser". Retailing may include services, such as product delivery. Buyers may be individuals or businesses; a retailer buys goods or products in large quantities from manufacturers or importers, either directly or through a wholesaler, and then sells in smaller quantities or lots to the end users or consumers. Retailers are the end links of the supply chain as an important manufacturing/marketer overall distribution strategy.

Retailing is one of the pillars of economy because of its growing contribution to GDP. Though the Indian retail sector is dominated by unorganized sector with 90% share, it is providing immense opportunities for large scale retailers to set-up their operations. The organized retailing sector is steadily increasing with the entry and operations of departmental stores, hyper markets, supermarkets and specially stores which are dramatically altering the retailing landscape in India.

India is the third most attractive retail market for global retailers among the 30 largest emerging markets, according to US consulting group AT Kearney's report published in June, 2010. The total retail sales in India grown from US $395.96 billion in 2011 to US $ 786.12 billion by 2015, according to the BMI India Retail report from the third quarter of 2011. Robust economic growth, high disposable income with the expansion in middle and upper class consumer because, the report identifies potential in India's tier-ii and tier-III as well. The greater availability of personal credit and a growing vehicle population providing improved mobility also contribute to a trend towards annual retail sales growth of 12.2 percent. An increasing number of people in India are turning to

the services sector for employment due to the organized retail market is growing at 35 percent annually while growth of unorganized retail sector is pegged at 6 percent.

Though the retailing sector is growing rapidly, some of the constants are .Apart from the regulations and approval for Foreign Direct Investments (FDIs). The sector is strongly lacking the effective human resource practices. The problems of lack of trained work force, low skill level for retailing management, lack of development programmes to the existing human resources and problems in retaining qualitative manpower are some of the obstacles creating huge challenges to the Indian retail sector. At present, to overcome some of the obstacles creating huge challenges faced by retail, the companies are investing heavily in training and recruitment of qualitative work force.[20]

Retail/FMCG Sector is the most booming sector in the Indian economy and is expected to reach US$ 175 - 200 billion by 2016. With this rapid expansion and coming up of major players in the sector, the need of human resource development has increased. Lack of skilled workers is the major factor that is holding back the retail sector for high growth. The sector is facing the severe shortage of trainers. Also, the current education system is not sufficiently prepared to address the new processes according to the industry/markets.

When we are sick we go to the doctor for treatment. When we are obese or underweight we go to a dietician for consultation. When we want to look good we may go to a beautician for service. Our objective in all these initiatives is improvement of our own selves. These services will involve cost and we expect worthy outcomes from the treatment/services to justify the cost. Doctors, dieticians or beauticians who are professionals will not directly jump into the treatments and services we want. Rather they invest their time and skills to find out what are the client problems, causes and needs. Assessing the problems, causes and needs ahead of providing a solution will help to find the right solution to the service-user problems will avoid causing further damage to the existing problem and possibly avoid the cost of wrong treatment.

Training Programmes in retail/FMCG Sector are implemented as per the Training Need Analysis:

- Sales Training
- On-the-Job Training
- Seminars/ Workshops
- Customer Relationship Management
- Online Course

- Group Study
- Computer-Based Training
- Self-Directed Training

CONCLUSION

People are the most important and valuable resources every organization or institution has in the form of its employees. Dynamic people can build dynamic organizations. Organizations are becoming increasingly aware of the importance of human resources. This awareness is generated by realization of the fact that people sub-system is a critical dimension in organization effectiveness. Human resource development means enhancing the capabilities of human beings by allowing them to undergo learning experiences. Thus, human resource development programmes are the learning situations that result in enhanced capabilities for people who undergo them. They include instructor-led activities like lectures; self facilitated schemes like e-learning and the learning accrued by working on the job.

HRD basically aims at enhancing the abilities and motivation of people to positively contribute towards superior performance at the individual level; nurturing teamwork at group level and conducive climate for innovation, value addition and performance orientation at organizational level. Traditionally, the HRD programmes were classified based on where they were conducted into two categories namely on the job programmes (like job instruction training) and off the job programmes (like classroom training). Now, there are hybrid approaches or what can be called as blended programmes (like e-learning) involving a mixture of the first two, which can be included as the third category. While training is any instructor-led activity aimed at helping the trainee to learn in a stated way; development is the summation experiences people gain by working independently on the job or the awareness occurred by interacting with the environment.

Training is for improvement; needs identification will help to identify the necessity and suitability issues for proper planning and implementation. Every activity undertaken within the organization should contribute to the achievement of its business objectives. Thus, always remember to align business goals of the organization to training needs analysis. Need analysis is the first step in the training process to determine who requires training, what kind of training is required and why a particular training is required in addressing a performance problem. Training programmes are tailored as per need and requirement for developing human resources in Indian retail sector too.

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