

# Competency Framework for Retail sector in India

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## Abstract

Retail sector had become a major contributor towards the growth of economy and increasingly human resource intensive. Today the sector needs emphasis upon competencies which are intrinsic to operating and managing as well as creating sustainable customer satisfaction. Competency mapping is the crucial contributor where the focus of business and strategic direction are converted in creation of right mix of skills (technical and performance) for executing strategy. It bridges the gap between the core competencies of an organization and the individual competencies of an employee. The purpose of present study is to identify core competencies and suggest framework for carrying out human resource activities.

**Keywords:** Competency, strategic, human resource activities

## Introduction

Retail industry is about how the customer perceives the goods and services, and how the retail gives them to customers. Retail industry is about finished goods, where the retailers get the products from the manufacturer. Retailers often make money by pricing in their distribution, equipment and their labor forces i.e. human resources who plays the vital role in the retail industry. As the human resources of the company interacts with the customer directly. In the large firm where the supply chain used to be large enough and to maintain that there is a hierarchy of different positions in an organization. There are various retail organizations in India but Reliance Retail has grown to become India's largest retailer who Delivers efficient value to customers its suppliers and shareholders. With the art of Technology and the supply chain infrastructure it made itself to delivers a world-class shopping involvement and excellent customer experience

However it does have its own brands as Reliance Fresh. Reliance Smart, Reliance Smart. In, Reliance Market, Reliance Digital, Reliance Jewels, Reliance Mall, Jio Store, Reliance Trends, project Eve, Trends footwear, partner brands and Ajio

## Objectives of the Study

The present research paper tries to create competency framework of key jobs and positions of selected sample organizations in retail industry on basis of critical success factors and identifying the observable behavior.

## Review of Literature

At broader levels, retail industry faces the challenge of meeting the gap between demand and supply of talent. As per the by NSDC on skill gap persisting in the retail industry, the aggregate talent demand in India will be rising to 17.6 million by 2022. Reliance Retail's, the fastest growing organization approach is to recruit freshers at the trainee levels and developing them to assume higher responsibilities with time. Retail is a service industry which impacts the daily lives of customers. Value orientation is important for exceptional customer service and delightful client experience.

Earlier studies have identified the important contribution of employee competencies for providing good service to retail customers (Dabholkar et al., 1996). It is believed that successful competence building in workplaces can lead to enhanced job satisfaction for employees (Paulson et al., 2005) and can reduce high employee turnover. Effective management of employee competencies can have influence upon business performance (Homer, 2001) which will become crucial with chances of more global players participation. As retailers exist to delight the business customers and reducing their cost bases, a knowledgeable, skilled, change oriented and highly productive workforce will be the key to future success (Skills mart, 2002). The primary emphasis need to be paid upon on access, experience and service and indirect emphasis on product and price. In few studies efforts on analyzing HR challenges in Indian retail sector had been studied (Chella 2002, there are wide gaps in the existing research: and specifically the skill gap and competency challenges

## Research Methodology

Competencies based questions which were asked-

1. When have you taken responsibilities for a task which was difficult enough to accomplish?
2. Are you a team player? Give a situation to define where you played in a team and well performed.
3. Describe a time where you have to present any new idea
4. What is the most crucial decision you have to take in work?
5. Describe a situation when you had to work with someone who you didn't get along with.
6. Describe a situation where you have used technical skills in your work.
7. Express a moment when you felt that you are going on fail but still worked and got success.

## Results and Discussion

### Top Level Position- Regional manager

Regional managers are responsible of multiple store throw out the physical area of regions. Depending on the

company original manager used to be in charge of stores of one country or across multiple States. regional manager determines the operations of the all stores in the area and make sure that it runs smoothly complies with marketing and say and meet the sales goals.

Regional manager responsibilities-

- Suggesting new products or services that can increase sales.
- Suggest new sales techniques to increase sales along with customer satisfaction.
- Take initiative to make decisions for new acquisitions or expansion.
- Identify the needs of hiring new employees select and train them.
- Maintain a clear check report of regional sales.
- Evaluate store and individual performance of the employees.

Support store managers with their today's tour operations.

- Try to find the problems which are going on and suggest potential solutions.
- Analyze the regional market Trends and new opportunities for growth.

### **Middle Level Position- Cluster Manager**

Cluster managers are the middle level positions hole in between store manager and Regional Manager, who works on the given area or cluster. Cluster manager mainly focuses on a particular cluster of shops in the area and try to make the successful by taking the responsibility to provide inspiration motivation and leadership. He also plays a major role of promoting in the local media and the relationship maintenance in the competitive world along with the competitors.

Responsibilities of cluster manager-

- Responsible for budget and for the strategies applied within the specific cluster or area.
- Work together with retail management teams and assured that they are fully aware about the activities performed in retail stores.
- Coaching and developing the store managers to keep those targets with best practice and good results.
- Contact safety and health maintenance checks for the employees in cluster shops.
- Manage and resolve the issues that arise across the areas under him.
- Ensure that all the store managers of the clusters are working according to the policies and procedures of the companies.
- Manage the performance of store managers.

### **Low Level Position- Store manager**

Store manager is someone who is responsible of the retail store and for the management of every aspect of day

to day supervision of sales including staff and stock. It's the responsibility of the retail manager that every employees working under him in the store should keep a clear supervision on them. Retail store manager used to be responsible for the training hiring and development of the employees inside the store which plays the key role to promote the sales of the potential market in that location.

Store manager responsibilities-

- Ensure that they achieve the target sales with a given budget.
- Monitoring the stocks of the store
- Keeping a check of the heavy footfalls of the customer
- Maintaining and analyzing the performance of the employees inside the store.
- Maintaining sales performance
- Provide suggestions for improvement in sales.
- Responsible for recruitment, induction, management and training for staffs working in the store.
- Suggest new marketing campaigns for visual merchandising for the stores to increase sales.
- Regularly keeping a check so that the store is staffed properly.
- Ensure the security checks.
- Maintain and develop good relationships with customers, colleagues, local communities and the retail Department Head.

### Competencies of regional manager-

Leadership skills, time management, math and budgeting, analytical skill, decision-making skill, communication skill, interpersonal skills, listener, anticipation skill, observer, Competitor analysis

Knowledge	Skill	Attitude
Math and budgeting	Leadership skills	Observer
Analytical skill	Time management	Listener
Competitor analysis	Communication skill	Anticipation skill
	Decision-making skill	

### Competencies of cluster manager-

Persuasion skill, communication skill, interpersonal skill, influencer, relationship management, patience, team management, leadership skill, cross-culture awareness, conflict resolution, Competitor analysis

Knowledge	Skill	Attitude
Cross-culture awareness	Communication skill	Patience
Persuasion skill	Interpersonal skill	Influencer
Relationship management	Team management	Conflict resolution
Competitor analysis	Leadership skill	

### Competencies of store manager-

Self-development, patience, organizer, task management, consultation, technical knowledge, culture awareness, relationship management, market knowledge, competitor analysis, conflict resolution, commitment, Leadership skill, Communication skill,

Knowledge	Skill	Attitude
Technical knowledge	Task management	Self-development
Culture awareness	Consultation	Patience
relationship management	Communication skill	Organizer

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market knowledge	Leadership skill	Conflict resolution
competitor analysis		Commitment

### Regional Manager (Top- Level Position)

<b>Knowledge</b>		
Competencies	Description	Desired Behavior
Math and budgeting	The regional manager should know about the basic math and budgeting as he is the responsible one who manages all the detailed information outflows and the inflows of the sales.	Understanding all the account terms of the cash flows and need to know each and every detail about the balance sheet and the profit and loss account.
Analytical skill	Analytical skill is the ability to collect, analyze in detailed information and with that able to make decisions while solving problems,	Always has the desire to analyze the problems or the other ways to be more efficient.
Competitor analysis	It's always necessary for the regional manager to know about the completion market.	Need to have a regular check on the competitor performance to be on the same track.
<b>Skill</b>		
Leadership skills	Being a regional manager comes with the responsibility of leading in an efficient style the whole team working under him/her.	Showing the good results in the management out of performance.
Time management	Managing time by planning	Able to do multiple projects in

	and processing them within specific activities.	the given timeline in most efficient way.
Communication skill	Regional manager must be good a good communication to define all the plans or ideas with the team in a definite manner.	Desired to be able to delivers the ideas in a easiest way to the customer in a form of marketing campaigns.
Decision-making skill	It does mean ability to select the best alternative to reach the desired outcome in easier way.	Able to generate the decisions under any circumstances.
<b>Attitude</b>		
Observer	Being a good observer means actions and process of observing someone or something in order to gain detailed and keen information	Desired to observe all the outcomes under any circumstances and gain information to find the way to proceed ahead.
Listener	Regional Manager being in retail industry needs to listener, as it's the ability to gain accurate and interpret the exact information.	Desired to get all the information given by the higher authorities to be interpreted exact and understood to keep the flow.
Anticipation skill	Regional manager being in the business needs to anticipates as it gives the ability to look ahead in all ways (customers, competitors, etc.) to make decisions	Able to anticipate the sales or any performance before taking any decisions by looking different sources.



### Cluster Manager- Middle level Position

Knowledge		
Competencies	Description	Desired Behavior
Cross-culture awareness	Cluster manager needs to be aware about the culture serving in the defined clusters. As the cross-culture skill means to understand different culture across the society.	Able to understand the allocated the cluster and to overcome the cultural difference.
Persuasion skill	Persuasion skill refers to the changing attitudes or behavior of person or group to another. It can be done by conveying the messages of feelings to others and how the other person interpret them and changes their behavior.	Able to pursue that desired cluster retailers and customers to purchase their product.
Relationship management	Being a cluster manager they should be able to maintain their relationship with different parties of the cluster or area. its ability to maintain the relationship why are the interpersonal or communication skill and build bonds with others	Able to maintain good relationships with the store managers and build new relations with local vendors.
Competitor analysis	Being in the market as a cluster manager the first step of them is to analyze the competitor and identify the	Able to generate great presence under strong competition by showcasing the strengths and knowing the

	current and potential market for the competition to manage the sales in the market.	competitors weakness.
<b>Skill</b>		
Communication skill	Cluster manager needs to have great communication skills to define the plans and the ideas to the store managers to outperform or execute in well-defined manner.	Wanted to showcase the good campaigns to generate the sales.
Team management	Team management is the ability to manage in the most efficient way to a common goal and coordinate the task of every individual.	Desired to manage every store's sale in the area and accepted to give an outstanding performance.
<b>Attitude</b>		
Patience	It is the skill which usually means the capacity to accept or tolerate the outcomes without giving much pressure or getting upset on it.	Able to be patient enough for the tax that has been allocated out of performance without getting depressed.
Influencer	Cluster manager should be a great influencer which is required as a business person so that the others or teams who are working under him can get influenced and change their mind about it topic and act in a certain way to acknowledge the opinions.	Able to influence the store managers about any new idea generation and make them compared to at in that way.
Conflict resolution	Cluster manager needs to have	Able to maintain a healthy

	a conflict resolution skill as it is the ability to resolve the conflicts which can affect the teamwork, it can be done by using various strategies that can help to maintain healthy work environment.	environment and preserve from any negative impact which can affect the productivity of sales and the teamwork within the clusters stores.
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### Store Manager- Low Level Position

Knowledge		
Competencies	Description	Desired Behavior
Technical knowledge	In the Retail Industry store manager does means a lot needs to have a technical knowledge which are machinery products. It is the ability and knowledge to perform specific tasks that can be practical enough for related to mechanical or tools used in retail stores.	Able to perform all the tax in practical way and does have great knowledge of the equipment in the stores.
Culture awareness	Being a store manager cultural awareness is the vital or important skill needed as they need to be fully aware about the society's culture where they are serving their Merchandise products.	Being aware about the cultural differences where the store has been located.
relationship management	Store manager needs to have a great relationship management	Able to have the loyal customers by maintaining the

	skill where he will be able to maintain the relationships with the desired customers to bring more footfalls in the stores.	relationships and follow the 80/20 rule.
market knowledge	Store manager should have market knowledge to generate the sales.	Able to locate the store in that location where they can generate sales and get a high performance according which is expected.
<b>Skill</b>		
Task management	Store manager needs to manage all the tasks that have been allocated by him to the other employees of staff in the store for making the work more efficient.	Able to manage All the departments in the store with high efficiency of work ok as well as performance in terms of sales.
Consultation	Being a store manager Consulting is the ability which involves a lot of the views which are been taken by the other employees of stocks before making any decision. In simple term it means two way Communications where uh both the parties are actively participating in the process.	Desired to have consultation with the employees or stops working in the store for any new activity.
<b>Attitude</b>		
Self-development	Being a store manager self-development skill is an attitude which they need to have for growing personally	Ability to inhale positive attitude towards work by improving the skills that can maximize the work efficiency.

	and professionally. Understanding them can help to maximize the potential of personal growth in career development.	
Commitment	Commitment is the attitude that a store manager needs to have as before initiating any projects he/she needs to have the commitment towards himself to perform the tasks well.	Desired to get the outcomes as on the timeline guided to them

## Conclusion

The Indian retailers are hopeful about growth of the industry despite of global slowdown. When workers are trained well and a retail operation is fully staffed, then chances of operational failures are severely mitigated. Investing in human resources had always been a good strategy; and has become prominent now for brick-and-mortar retailers. The plunging rise of e-commerce has put paramount pressure on retailers to become more efficient and to justify their existence to customers.

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