

# IMPACT OF EMPLOYMENT IN ORGANISED RETAIL OUTLETS- A Socio-Economic Analysis in Coimbatore District

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## **Abstract:**

*Next to agriculture, retailing is the second largest employment provider in the world. The Indian retail industry has presently emerged as one of the most dynamic and fast paced industries as several players have started to enter the market. It accounts for over 10 per cent of the country's gross domestic product (GDP) and around eight per cent of the employment in India. This rapid developing sector which gives more employment opportunities to the people, which develops the social and economic status of the society which leads to better standard of living of the family. Finally a well developed social and economic prosperity of the nation can be achieved. Hence, the researcher felt that, a study on the employment in organized retail outlets is needed. This study will give answers for the following questions.*

1. *How far the employment in retail outlets has influenced and improved the people's social status?*
2. *How far the employment in retail outlets has influenced and improved the people economic status?*

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## **Introduction:**

### **Present status of the study:**

The Indian retail industry has presently emerged as one of the most dynamic and fast paced industries as several players have started to enter the market. It accounts for over 10 per cent of the country's gross domestic product (GDP) and around eight per cent of the employment in India. The country is today the fifth largest global destination in the world for retail. Several corporate have planned to exploit the opportunities in the Indian retail space. With the online medium of retail gaining more and more acceptance, there is a tremendous growth opportunity for retail companies, both domestic and international market. This rapid developing sector which gives more employment opportunities to the people, which develops the social and economic status of the society which leads to better standard of living of the family. Finally a well developed social and economic prosperity of the nation can be achieved.

In the past, retailing employees got lower pay and had longer working hours. But now, the retail sector is becoming more organized with better pay. This has changed the lifestyle of the people. Better employment brings money flow into the family, better education to their children, increases their purchasing power which in turn improves the standard of living, finally leads the country in to economic prosperity.

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### **Importance of the study:**

Increase in employment of organized retail outlet will contribute the following:

- Increase in the level of economic growth throughout the twentieth century.
- Improvement in the standard of living,
- A tremendous improvement in the educational standard of the people.
- Increase in the saving habit of the people

- Increase in the purchasing power of the people  
Finally, the increase in employment level in the organized retail outlets contributes much to the social and economic prosperity of the country.

#### **Need for the study:**

Retailing is one of the fastest growing industries in India, catering to the world's second-largest consumer market. A sunrise industry, it offers tremendous potential for growth and contributes 8-10% to overall employment. It is estimated in developed countries that retail industry employs one in nine of the work force. More than two thirds of the retail forces are women. Also, more than half of retailing employees are employed in part-time basis. This highly flexible workforce is capable of adapting to the different labour demands and also attracts many middle class people to prefer this nature of work which has changed their lifestyle. Hence, the researcher felt that, a study on the employment in organized retail outlets is needed. This study will give answers for the following questions.

3. How far the employment in retail outlets has influenced and improved the people's social status?
4. How far the employment in retail outlets has influenced and improved the people economic status?

#### **Review of research development in the subject:**

Sabarirajan et.al.(2010) shows welfare measures plays important role in employee satisfaction and it results in improved quality of work life. This study throws light on the impact of welfare measures on QWL among the employees of textile mills in Salem district. Satyanarayna and Reddi (2012) stated that the overall satisfaction levels of employees about welfare measures in the organization cover is satisfactory. However, a few are not satisfied with welfare measures provided by the organization. Therefore it is suggested that the existing welfare measures may be improved further. Such welfare measures enrich the employee standard of living and their satisfaction levels. Sindhu (2012) stated the employee welfare measures increase the productivity of organization and promote healthy industrial relations there by maintaining industrial peace. Organizations provide welfare facilities to their employees to keep their motivation levels high. Upadhyay and Gupta (2012) conclude that communication plays a major role in increasing the satisfaction of an employee. Satisfied employees are reported to have high morale. Welfare measures and work experience does not necessarily relates to satisfaction .Therefore its recommended that company should provide for adequate welfare measures but should not burden itself by increasing the cost part of it in greed to earn the competitive edge and declare itself as most desired company.

#### **Women employment in retailing sector:**

Next to agricultural sector, retailing sector stands second in providing employment to the people. It is estimated that two thirds of the retail workforce are women. Women being the backbone of each of the family, if also provided with employment financial support will lead to

- Economic stability in the family which in turn lead to economic prosperity of the nation.
- Women employment will lead to more money flow in the family which leads to their children getting good education; increase in purchasing capacity thereby the standard of living is improved.
- Retailing is a sector which has got better scope for starting new business. After gaining experience in retailing sector, the women can start their own stores, which by our country get more number of women entrepreneurs.
- More women employment and women entrepreneurs lead to women empowerment.

#### **Objectives of the study:**

1. To study the personal profile of the respondents employed in organized retail outlets in Coimbatore district.
2. To assess the social and economic status of the respondents employed in organized retail outlets in Coimbatore district.
3. To identify the problems faced by retail employees.

#### **Methodology**

The following methodology is used in the study:

- (i) Study area :  
The study area is Coimbatore district
- (ii) Sampling Procedure  
Convenient sampling method is followed
- (iii) Tools used:  
Percentage analysis, Chi-square analysis.
- (iv) Sources of data

Both primary and secondary data is used for the study.

**Analysis and Discussions of the study:**

Table no.1: Table showing Personal Profile of the employees working in retail stores

Particulars	Classification	Number of respondents	Percentage
Gender	Male	32	43
	Female	43	57
Age group	Less than 25	38	51
	25 to 50	24	32
	50 and above	13	17
Educational level	No formal education	11	15
	School	26	35
	College	34	45
	Others	4	5
Designation	Manager	5	7
	Supervisor	8	11
	Sales persons	35	46
	Billing	13	17
	Stock Arrangements	14	19
Marital status	Married	33	44
	Unmarried	42	56
Type of family	Joint	22	29
	Nuclear	53	71
Number of earning members	one	20	26
	Two	41	55
	Three and above	14	19
Monthly family income	Less than 10000	39	52
	10000/- to 20000/-	31	41
	20000/- to 30000/-	5	7
Type of house	Own	36	48
	Rental	39	52
Economic status	Below poverty	53	71
	Above poverty	22	29

**Source: Primary data.**

It is found from the table no.1, majority of the respondents are female; belonged to age group less than 25; educational level being college level; designation as sales persons; married and belongs to nuclear family with two earning members Majority of the respondents monthly income is less than 10000; lives in rental house and belongs to below poverty level.

**Table no.2 : Table showing the assets owned by respondents**

Assets owned	Classification	Number of respondents	Percentage
Mobile	yes	73	97
	No	2	3
DVD player	yes	52	69
	No	23	31
Two Wheeler	yes	47	63
	No	28	37
Four Wheeler	yes	25	33
	No	50	67
Grinder/Mixer	yes	70	93
	No	5	7
Air Conditioners	yes	23	31
	No	52	69
Washing Machine	yes	34	45
	No	41	55

Computer/Laptop	yes	45	60
	No	30	40
Refrigerator	yes	22	29
	No	53	71
Geyser	yes	59	79
	No	16	21

From the table no.2, , it is found that , majority of the respondents owned mobile phones, DVD player, two wheeler, grinder/mixer, computer/laptop, geyser etc.,

Table no 3: Table showing the respondents reasons for entry in to retail jobs.

Reasons for entry in to retail jobs	Classification	Number of respondents	Percentage
To support family financially	yes	61	81
	No	14	19
Convenient work timings	yes	47	63
	No	28	37
Nearness to house	yes	50	67
	No	25	33
Association of family member in retail business	yes	30	40
	No	45	60
Easy entry into job	yes	40	53
	No	35	47
Good career opportunities	yes	24	32
	No	51	68
High salary and benefits	yes	42	56
	No	33	44
To support education	yes	44	59
	No	31	41
To become an entrepreneur	yes	38	51
	No	37	49
Less Work pressure	yes	37	49
	No	38	51
Parental/ societal pressure	Yes	40	53
	No	35	47
Free Food and Accommodation	Yes	45	60
	No	30	40

Source: Primary data

From the table no. 3 , it is found that; majority of the respondents chooses retail employment to support their family financially, convenient work timings, nearness to house, easy entry in to job, to support their education, to become an entrepreneur, parental/social pressure, free food and accommodation etc.,

Table no 4: Table showing –Retail employment provides social status.

Retail employment provides social status	Number of Respondents	Percentage
Yes	55	73
No	20	27
Total	75	100

Source: Primary data

From the table no. 4, it is found that majority of the respondents opined that, retail employment has provided them a good social status.

Table no. 5: Table showing- Retail employment improves economic status.

Retail employment improves economic status	Number of Respondents	Percentage
Yes	46	61
No	29	39
Total	75	100

Source: Primary data.

From the above table, it is found that, majority of the respondents opined that, retail employment has improved their economic status.

Table no. 6: Table showing the problems faced by the respondents working in retail stores

Problems faced by retail employees	Classification	Number of respondents	Percentage
High work load	Yes	44	59
	No	31	41
Less salary and benefits	Yes	54	72
	No	21	28
Poor working conditions	yes	55	73
	No	20	27
Good career development	yes	32	43
	No	43	57

Source: Primary data

It is found from the table no. 6, that majority of the retail employees face problems like high work load, less salary, poor working conditions and less career development.

#### Chi-square analysis:

Hypothesis: Personal factors of the respondents have no significant influence on the social status of the employees of retail stores

Table no. 7, Chi-square values-personal factors-social status of the respondents working in retail stores.

Personal factors	Chi-square value	Table value	Decision
Gender	0.655	0.418	Social status does not depend on gender.
Age	1.270	0.530	Social status does not depend on age.
Education level	3.486	0.0323	Social status depends on educational level
Occupation	4.644	0.0326	Social status depends on occupation
Size of the family	1.146	0.284	Social status does not depends on size of the family
Number of earning members	0.367	0.0332	Social status depends on number of earning members.
Monthly family income	0.223	0.0494	Social status depends on monthly family income.

Source: Primary data; p value  $\leq$  0.05

Hypothesis: Personal factors of the respondents have no significant influence on the economic status of the employees of retail stores.

Table no. 8, Chi-square values-personal factors-economic benefits of the respondents working in retail stores.

Personal factors	Chi-square value	Table value	Decision
Gender	0.320	0.858	Economic status does not depend on gender.

Age	0.606	0.739	Economic status does not depend on age.
Education level	3.327	0.344	Economic status does not depends on educational level
Occupation	2.724	0.005	Economic status depends on occupation
Size of the family	0.066	0.797	Economic status does not depends on size of the family
Number of earning members	3.359	0.0166	Economic status depends on number of earning members.
Monthly family income	1.023	0.000	Economic status depends on monthly family income.

Source: Primary data; p value $\leq$ 0.05

Hypothesis: Assets owned by the respondents have no significant influence on the economic status of the employees of retail stores.

Table no. 9, Chi-square values-assets owned-economic benefits of the respondents working in retail stores.

Assets owned	Chi-square value	Table value	Decision
Mobile	1.295	0.255	Economic status does not depend on owing mobile phones
DVD player	0.324	0.569	Economic status does not depend on having DVD player
Two Wheeler	0.007	0.932	Economic status does not depends on having two wheeler
Four Wheeler	0.112	0.037	Economic status depends on having four wheeler
Grinder/mixer	0.787	0.375	Economic status does not depends on having grinder/mixer
Air Conditioners	0.948	0.030	Economic status depends on having air conditioners
Washing Machine	0.605	0.944	Economic status does not depends on having washing machine.
Computer/Laptop	0.084	0.002	Economic status depends on having computer/laptop
Refrigerator	0.700	0.792	Economic Status does not depends on having a refrigerator.
Geyser	1.102	0.294	Economic status does not depends on having geyser.

Source: Primary data; p value $\leq$ 0.05

Hypothesis: Assets owned by the respondents have no significant influence on the social status of the employees of retail stores.

Table no. 10, Chi-square values-assets owned-social status of the respondents working in retail stores

Assets owned	Chi-square value	Table value	Decision
Mobile	0.747	0.0387	Social status depends on owing mobile phones
DVD player	0.412	0.521	Social status does not depend on having DVD player
Two Wheeler	1.773	0.0183	Social status does not depends on having two wheeler
Four Wheeler	1.670	0.0196	Social status depends on having four wheeler
Grinder/mixer	0.122	0.727	Social status does not depends on having grinder/mixer

Air Conditioners	0.412	0.521	Social status depends on having air conditioners
Washing Machine	2.367	0.124	Social status does not depend on having washing machine.
Computer/Laptop	2.557	0.0110	Social status depends on having computer/laptop
Refrigerator	0.247	0.0619	Social Status does not depend on having a refrigerator.
Geyser	1.221	0.269	Social status does not depend on having geyser.

Source: Primary data; p value  $\leq 0.05$

It is found from the table no. 6, that majority of the retail employees face problems like high work load, less salary, poor working conditions and less career development.

### Findings and Suggestions:

- Retail employment has improved the social and economic status of the employees. But this improvement is not to the expected level. This is seen from the study that, only small percentage of them owned items like Air conditioner, four wheelers etc.
- Most of the employees in retail stores are women employees and also majority of them belongs to middle class family. Hence, it is proved that retail employment favour women employment which makes the country to develop both economic and socially improved. Hence, management should also provide good
- Majority of the retail employees face problems like high work load, less salary, poor working conditions and less career development. Hence the management of retail stores should take necessary steps to make their employees happy by providing good workings, reasonable salary and work load.

### Conclusion:

The Indian organized retail industry is expected to grow rapidly, which in turn would contribute much to the social and economic development of the country. Retailing, the world's second-largest employment provider, it offers tremendous potential for growth and contributes 8-10% to overall employment. Industry experts believe that Coimbatore will soon experience an entire gamut of retail development which provides an enormous employment opportunity in retailing sectors. It is concluded from the study that, retail employment has improved their social status, economic status. The respondents chooses retail employment to support their family financially, convenient work timings, nearness to house, easy entry in to job, to support their education, to become an entrepreneur, parental/social pressure, free food and accommodation etc., Hence the researcher concludes that, retail employment has contributed much to improve the social and economic development of the people.

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