

## WORKING CONDITIONS OF RETAIL SECTOR WORKERS - A Case Study on Retail Establishments in Visakhapatnam

**Dr. N. Jyothi & Ch. Priyanka**

Assistant professors

Department of Business Administration

St. Joseph's College for Women

Visakhapatnam

### Abstract

In recent years, there has been a sea change in the employment scenario all over the globe. The retail industry is one of the biggest employers in the world. In India, it is second largest employment provider after agriculture. Even the large scale business enterprises have also been entering into retailing activity. Recently, it has been reported that, Wal-Mart stores Inc., the world's largest retailer with annual revenues of U.S. \$ 312.4 billion has received permission from the Government of India to set up liaison offices in India. India's retail sector is wearing new clothes and with a three-year compounded annual growth rate of 46.64 per cent, retail is the fastest growing sector in the Indian economy. Visakhapatnam is a growing city having number of facilities like transport facility, availability of raw material, big market, infrastructure facilities etc. that attracted new entrepreneurs to choose this town to locate their business. In this attempt good working conditions have been securing a great attention of the managements of business as well as other organizations in the recent years. The significance of better working facilities to the retail workers for achieving greater productivity and efficiency in performing the jobs. In this regard this paper mainly focused on working conditions like working hours, over time, remuneration paid to the workers, mode of termination, work on public holidays, statutory facilities, reasons for workers absenteeism of the workers who are working in retail establishments in Visakhapatnam.

**Keywords:** Retail sector - Indian market - Employment - Working conditions- Statutory facilities - Workers absenteeism.

### Prelude:

The word 'Retail' is derived from a French word with the prefix re and the verb tailer meaning "to cut again". Evidently, retail trade is one that cuts off smaller portions from large lumps of goods. It is a process through which goods are transported to final consumers. In other words, retailing consists of the activities involved in selling directly to the ultimate consumer for personal, non-business use. It embraces the direct-to-customer sales activities of the producer, whether through his own stores, by house-to-house canvassing or by mail-order business.

It is also realized that good working conditions have a great effect on the efficiency of workers. Under good working conditions, not only the workers remain happy but the shop owners also gain because higher efficiency 'returns leads to higher productivity. The gulf between the nominal wages and the real wages can be reduced with the help of better working conditions. Wherever the conditions of work are healthy and owners are committed for the provision of welfare facilities to the workers, the laborers are willing even to work at lower wages.

The many repercussions that might crop up due to non- provision of good working conditions to the workers are that (a) the worker will not be able to concentrate on work and give out his best to organization, (b) bad working conditions tell upon the health of an average employee and cause him to abstain from his work, (c) causes higher rate of absenteeism and labour turnover. Thus, bad and un-conducive working conditions culminate into of lower efficiency of workers and lower productivity. Therefore, in order to avoid these three effects of bad environment, the management should ensure good working conditions to the workers. Working conditions and efficiency of the worker go hand in hand. They also have an impact on the health, safety and welfare of the employees.

The Andhra Pradesh Shops and Establishment Act, 1928 and Andhra Pradesh Shops and Establishment Rules, 1968 have, laid down certain provisions for regulation of working hours for employees. They are:

1. Subject to other provisions of this Act, no employee in any shop shall be required or allowed to work therein for more than eight hours on any day and forty eight hours in any week.
2. Any employee may be required or allowed to work in a shop for any period in excess of the limit fixed under sub section (1) on payment of overtime wages, subject to a maximum period of six hours in a week.
3. For the purpose of stock-taking and preparation of accounts, an entrepreneur may, with the previous intimation to the inspector, require or allow any employee to work in a shop for not more than any six days in a year in excess of the period fixed in sub—section (1), on payment of overtime wages; so, however, that the excess period shall not in aggregate exceed twenty four hours.<sup>1</sup>

<sup>1</sup> Rama Reddi, P., The A.P. Shops Establishments Act, 1988 The A.P. Shops Establishment Rules, 1968, Aslan Law House, Hyderabad, 1990, p.29.

Thus the Government made explicating through the legislation that no employee irrespective of gender be subjected to exploitation or compulsion by big working hours. Steps are also taken to grant interval to enable the employees to take lunch or refreshments and to get relaxed from the drudgery of work. The Act provided that no employee shall be required to work more than five hours in any day unless he/she has had an Interval for rest of, at least one hour. As has been mentioned earlier, the number of hours worked by a worker in the retail sector is relatively more. Therefore, at this junction it is necessary to examine the time disposition of the workers and their working conditions.

#### Objectives of the study:

1. To focus on working conditions of the workers in retail sector.
2. To study the provision of the leave and weekend holiday of workers.
3. To study various reasons for workers absenteeism.
4. To offer some suggestions towards working conditions in relation to business.

#### Methodology:

To pursue the above mention objectives, the present study is based on both primary and secondary data. Interviews, discussions and observations are the some of the techniques adopted for the collection of primary data. The researcher have administered survey questionnaire to the workers in the select retail establishments in Visakhapatnam. The secondary data were collected from the various published books, journals, magazines and internet.

#### Sampling

For selection of sample the study has taken into consideration of workers in the broad line of commercial activity namely shops in general business, textiles, jeweler and electrical and electronics. In total 200 shops which include 120 general business shops (Fancy, Kirana, Footwear, books and stationery and medical), 20 textiles shops, 20 jewellery shops and 40 electrical and electronics shops have been chosen by using proportionate stratified random sampling technique.

#### Statistical tools used:

The primary data have been interpreted with the help of simple statistical tools such as simple percentage, ranking method.

### WORKING CONDITIONS OF THE WORKERS

#### 1. Working hours of the workers

Table No:1 Working hours of the employees

Category of Business	6-8 hours	8-10 hours	Total
General	35 29.1%	85 70.9%	120 100.0%
Textiles	0 00.0%	20 100.0%	20 100.0%
Jewellery	0 00.0%	20 100.0%	20 100.0%
Electronics & Electricals	0 00.0%	40 100.0%	40 100.0%
<b>Total</b>	<b>35</b> <b>16.7%</b>	<b>165</b> <b>83.3%</b>	<b>200</b> <b>100.0%</b>

Working hours per day of the selected respondents is depicted in table no: 1. It could be inferred from the table that 83.3 per cent of the total sample respondent's employees are working in between 8-10 hours. In which the category percentage of respondents of textiles, jewellery, electrical & electronics is recorded by 100 per cent each and general 70.9 per cent. The remaining 16.7 per cent total sample respondents of the respective business categories employees are working 6-8 hours. In this regard 29.1 per cent general business employees are working 6-8 hours per day.

It is concluded that the respondents in the selected business categories are working extra hours i.e., more than 8 hours per day. Working hours determine physical and mental work capacity of the workers. More working hours reduce productive capacity and vice versa. Thus, a minimum of 8 hours working as mentioned in various Acts like Factories Act and Employees Welfare Act have to be adopted by the shop owners.

#### 2. Work environment conditions

Table No: 2 Respondent's opinion on working conditions

S. No	Particulars	Good	Moderate
1	Lighting	200(100)	
2	Ventilation	200(100)	
3	Drinking water facility	120(60)	80(40)
4	Toilets	75(38)	125(62)

The table no.2 shows the opinion of the respondents about their working conditions. Cent per cent of the total sample respondents expressed that the lighting arrangement and ventilation are good. About 60 per cent of the sample respondents expressed that they are getting good water facility and 40 per cent expressed moderate facility. It is evident from the table that a majority of 62 per cent of them revealed moderate facility with respect to toilets while 38 per cent of the total respondents expressed that they are getting good toilet facility.

As per the study, some of the facilities provided by the owners are not up to the reasonable levels of standard. So, it is suggested that they should take appropriate steps to improve the facilities like drinking water and toilets. If the owner is provided with adequate facilities worker may be motivated to work more efficiently and effectively.

#### 3. Types of leave

**Table No: 3 Types of leave**

S. No	Nature of leave	General	Textiles	Jewellery	Electrical & Electronics	Total
1	Casual leave(15 days)	120	20	20	80	200
2	Earn leave(5days)	40				40
3	Medical leave					
4	Any other					

Researcher asked the respondents regarding the different types of leave provided to the employees like casual leave, earn leave, medical leave and any other leave. In vein the respondents are getting only few casual leave and earn leave without pay. All the 200 respondents are obtaining 15 days casual leave and only 40 general respondents are obtaining 5 days earn leave. The rest 160 respondents are not obtaining any earn leave. (Table no: 3)

The table concludes that casual leave and earns leave without pay provided to the workers are insufficient and inadequate. So, it is suggested that owners should be courteous in providing few casual leave, earn leave and medical leave with pay to the workers to boost their morale.

#### 4. Reasons for worker's absenteeism

**Table No:4 Various reasons for worker's absenteeism**

S.No	Reasons	1	2	3	4	5	6	Weighted Rank
1	Low wages	78 (840)	44 (400)	78 (560)				2 (1800)
2	Poor working conditions			44 (320)	78 (420)	78 (280)		4 (1020)
3	Personal works	44 (480)	156 (1400)					1 (1880)
4	Sickness	78 (840)	44 (405)	77 (552)			1 (1)	3 (1798)
5	Other employment				78 (420)	122 (440)		5 (860)
6	Indebtedness						200 (200)	6 (200)

The various reasons for employee absenteeism are low wages, poor working conditions, personal works, sickness, other employment and indebtedness. The respondents were asked to rank the reasons according to their order of preference. The sample respondents gave first rank to personal works, second rank to low wages, third rank to sickness, poor working conditions occupied fourth rank, other employment recorded fifth rank and last rank is given to indebtedness.(table no.4)

The above table concludes that personal works, low wages and sickness are playing dominant role in worker absenteeism.

#### Findings:

Along with the above observations the following are the major findings of the study.

1. A whopping majority of 83.3 per cent of the total sample respondents employees are working in between 8 to 10 hours.
2. 83.3 per cent respondents' are engaged in overtime work.
3. Majority of the respondents are working overtime work on festival seasons.
4. It is observed that textile workers are getting more over time compensation when compared to other categories.
5. Facilities provided the retail owners are not up to the reasonable levels of standard.
6. It is a good sign that majority of the respondents are opined that shop owners are courteous in terminating workers.
7. It is observed that casual leave and earn leave provided to the workers are insufficient and inadequate.
8. 78 per cent of the total sample respondents are working on public holidays.
9. The study identified that personal works, low wages and sickness are playing dominate role in retail sector workers absenteeism.
10. All the 200 sample respondents revealed that the worker's absenteeism will definitely effect the business.

#### Suggestions:

- 1.It is suggested to reduce the working hours to eight hours per day, so that the workers feels comfortable to work with high spirit.
- 2.All categories of retail establishment owners should increase the over time compensation rate to their workers to motivate them to work more efficiently and effectively.
3. Retail sector owners must try to provide minimum sanitary facilities in their shops in order to motivate the workers to work more efficiently.
- 4.The owners should provide some leave for personal work and sickness and increase wages in order to reduce workers absenteeism.

#### Conclusion:

The health and efficiency of the workers depend to a large extent, on the number of hours they are required to work. Unduly long working hours make workers tired and monotonous, which ultimately tell upon their efficiency. High rate of absenteeism, turnover, low morale are the concomitant results of long working hours. Physical exertion, stress and

strain arise out of unduly long working hours keeps worker away from home for a long time and they often do not find time, reasonably, to look after household affairs and devote time for physical and mental recreation and social welfare. So, I conclude a normal period of working hours with a rest interval and with minimum sanitary and drinking facilities would enable the retail workers to perform their duties efficiently and happily.

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