

MANAGEMENT PROGRAMME

Term-End Examination

December, 2013

01822

MS-612 : RETAIL MANAGEMENT

Time : 3 hours

Maximum Marks : 100

(Weightage : 70%)

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- Note :** (i) *Attempt any three questions from Section A.*
(ii) *Section B is compulsory.*
(iii) *All questions carry equal marks.*
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SECTION-A

1. (a) Discuss the importance of Retailing in India. What factors have lead to the growth of Retailing in India ?
(b) What are the emerging trends in retailing ? Discuss.
2. To establish a Life Style departmental store in a large city , discuss the process of market research that can be undertaken to gain consumer insights. Elaborate the research methods, research instruments and sampling procedures that can be used.
3. (a) What are the Retail Pricing Objectives ? Discuss in brief the various Retail pricing approaches.
(b) What are the components of the CRM Strategy/Loyalty programmes in Retailing industry ? Discuss in brief.

4. Write short notes on **any three** of the following :
- (a) Human Resource Functions in Retailing
 - (b) Budget Planning in retailing.
 - (c) Types of Non--Store Retailers.
 - (d) Retail Image Dimensions.
 - (e) Components of Retail atmospherics.

SECTION--B

5. Read the case study and answer the questions that follow:-

Case: "MANPOWER PLANNING IN A DEPARTMENT STORE"

Following rapid growth in business volumes, this department store recruited 150 permanent employees to cover its working hours from 10 am to 8.30pm. The store--which had an area of 50,000 square feet--works seven days a week.

Manpower planning in a free--access department store is done according to factors like sales volumes and value planned per salesperson, floor area covered by a salesperson, number of customers attended per day, or a combination of these. The idea is to optimize business operating results.

The pattern of business in the store is such that there is a rush of customers entering the store on weekends from Friday to Sunday. Friday's sales are thus twice that of a Monday, Saturday's sales are twice that of a Thursday and Sunday's figures are two times that of Friday's. The manpower however remains the same: that is 150 salespeople report for duty on all days in their own designated shifts. And most of the day's sales---60%---take place during the latter part of the day.

The store's business has been growing, and at times the management feels that there are less staff to serve customers, especially during weekends and busy hours.

Efficient manpower planning in retail stores takes into account the impact of part-timers and overtime to meet short-term peaks in demand. It uses weekenders in times of dire necessity. This store has not been following this practice, as it is new both to the company and to prospective employees. And the organization fears that the commitment of such weekenders and part-timers would be very low.

Efficiently-run retail stores unfailingly conduct the following to arrive at their optimal manpower needs:

Manpower Forecasting

Manpower Scheduling

Manpower Budgeting

Manpower Forecasting allows a retail organization to generate accurate and reliable business level forecasts hours, days and weeks in advance. This is used as a basis for staffing. Accurate forecasts reflect the real needs of the business, where each floor or department is different as is every hour of each day. A balance between customer service levels and staff costs can be attained only when there's an accurate picture of the store's operations.

Manpower Scheduling combines business level forecasts with a user defined model in order to provide an accurate and detailed staff

requirement throughout the working day . Scheduling takes into account company policy, staff performance, multi-skilling, working time regulations, the product category needs, breaks and minimum staffing levels. It produces the best possible combination of schedulers/rosters for each members of staff for the forthcoming weeks. It should detail breaks, start and finish times for each member of the staff.

Manpower Budgeting allows accurate medium and long--term budgets to be made for staff costs. These are one of the largest overheads for any retail business and are often thought too complex for accurate budgeting. Budgets are created for each floor or department or store taking into account the individual trading conditions and workloads.

Manpower outsourcing is an option the organization is now trying to meet its needs after following the above methods of professional manpower planning. Outsourcing a part of its manpower requirement, the management feels, would alleviate its problems, providing flexibility in to meet the dynamic staff needs. Outsourcing the right skills may even be less time--consuming for the company, since the trained talent and skill will be readily available for deployment. Further, statutory obligations such as workmen's compensation, provident fund, gratuity, bonus, maternity benefits, professional tax, etc. are not the organization's responsibility but the service provider's.

Questions :

- (a) Weighing all the options available, as it is now an opportune time for the organization to decide on its manpower planning and deployment strategy, what recommendations would you make ?
 - (b) Is a variable manpower fitment model during peak hours and peak days a practical strategy ?
 - (c) What in your opinion are the pros and cons of manpower out-sourcing in retailing ?
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