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Desafíos del Covid-19 y la administración de recursos humanos en operaciones minoristas organizadas

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ABSTRACT:

The study emphasizes on identifying and overcoming Covid-19 challenges, faced by human resource management (HRM) while managing personnel in organized retail stores. Data for this study were drawn from a review of secondary sources on practical insights about Covid-19 challenges, suggesting tangible solutions to solve them, which should be addressed at the earliest to ensure successful retail operations avoiding unexpected chaos created by the Covid-19 pandemic.

KEYWORDS: Covid-19, human resources, retail stores, marketing techniques, telework.

INTRODUCTION

COVID-19 pandemic, has forced the entire world to come under the grip of quarantine commands. Timely, governmental guidelines to avoid physical contacts with other humans have created phobia among all humans. The novel Covid-19 has impacted every business sector around the globe. The retail sector along with all other sectors is also adversely affected by Covid-19. Retail sector is usually considered as an economic heavyweight, because on an average across OECD (The Organization for Economic Co-operation and Development) countries about 1 in 12 workers are employed in the retail sector and the sector contributes almost 5% of GDP. However, due Covid-19 outbreak, along with other sectors, the retail sector is also facing
severe disruptions. Since the retail sector is labor intensive, the disruptions will have severe employment consequences (OECD: 2020).

Specifically to the U.S. retail market, after the World Health Organization (WHO) declared coronavirus as pandemic in March, 2020, retailers across the U.S. were forced to shut their business for weeks to curtail the spread of the virus. The retail sector’s first-quarter operating income fell 57.7% compared with last year. This has resulted for many companies in the U.S. resorting to cost-cutting measures and some have filed for bankruptcy (Harring: 2020).

In this crisis, the retailers are in need of support from their employees more than ever before. Retailers can have the tangible cooperation of employees, only when the human resource management involves completely managing retail personnel. In service industries, particularly in retail services, commitment and motivation of employees is ‘must’, because highly motivated and committed employees will surely provide excellent quality service to the customers (Mohsen et al.: 2004, pp.226-233; Al-Madi et al.: 2017, pp.134).

Inception of Covid-19, since November-December, 2019, has drastically transformed lives globally. Presently, the world is witnessing an exceptional public health emergency. In this phase of social uncertainty, almost all businesses are adversely affected because of decrease in sales. USAFacts (USAFacts:2020) is a not-for-profit, nonpartisan civic initiative providing the most comprehensive and understandable government data, in its website, states the details with regard to decline in retail sales in the U.S. “With the COVID-19 pandemic limiting movement and disrupting economic activity, retail sales dropped 8.7% in March, the largest month-to-month decrease since the Census Bureau started tracking the data. Overall retail sales, including food services such as restaurants, fell from $529.3 billion in February to $483.1 billion in March.”

It is a known fact that an organized retail store provides employment to a large number. Therefore, for the human resource management, managing human resources in organized retail stores is more critical (Lahoti: 2014). Alarmingly, with the outbreak of pandemic, handling workforce issues which were already a challenge for human resource management has now turned out to be more challenging. The crux of this study is to know the specific workforce challenges faced by human resource management in organized retail stores and subsequently identifying the solutions in overcoming those challenges.

METHODOLOGY

Data for this study were drawn from a review of secondary sources. The literature of this study has been presented in two different sections, the first section expounds the 7Cs (Seven C’s) - Seven challenges faced by human resource management, in organized retail operations amid Covid-19 and in the second section, 9 fine solutions are presented to overcome 7Cs i.e. overcoming seven challenges faced by human resource management, in organized retail operations.

RESULTS

7Cs (Seven C’s) - Seven challenges faced by human resource management, in organized retail operations amid Covid-19

Challenges from Front-line Sales Staff

Organized retail organizations have a large number of front-line sales staff personnel, who are largely with elementary school education and are not capable enough to assist management to curb the spread of Covid-19, until they are extensively trained to handle the crisis. In addition to this, many retail organizations usually ignore to provide them with adequate skills and awareness. Boone et al. (Boone et al.:2019) asserts that
When it comes to allocating training and development dollars, entry-level front-line workers—cashiers, cart pushers, and sales associates—typically have been ignored. While many large retailers have implemented development programs for new college graduates aspiring to be managers, front-line workers, typically with little or no education, are often afterthoughts.

Providing training and awareness in hygienic matters to front-line staff is essential as they are always in forefront while serving the customers. For controlling the spread of Covid-19, the challenge is severe for the human resource management in designing, planning and providing extensive training to front-line staff.

**Challenges of Succession Planning**

For retail workers the potential sources of exposure to viruses include having close contact for prolonged periods of time with those customers affected with Covid-19. Further, touching nose, mouth or eyes after handling the items, cash or merchandise that were touched by the customers affected with Covid-19. Even though the retail employees follow the government and management instructions in maintaining safe distance with the customers, yet there is every possibility that asymptomatic customers can pass the virus to the retail employees. The concern is, if retail employees are infected with Covid-19 virus or if they die, the responsibility would remain with human resource management for the succession planning.

The organizations should handle the process of succession planning with more responsiveness, rather than merely preparing the list of names of employees that will be tabled to higher ups when any replacement is required (Cantor:2005). J.C. Williams Group, a well-known, full-service retail and marketing consulting firm, believes that investment in leadership development including succession planning, will help retail businesses in much better position having the right talent, in the right time to support the future success (J.C. Williams Group: 2012).

**Challenges of Employee Productivity and Job assurance**

Employees’ productivity in organizations is vital to control costs and increase revenues, but to achieve it, employees should be provided with job security. Assuring job security to employees is essential to ensure employees’ productivity. According to organization’s psychology, employee’s productivity is dependent on job security. An employee is least productive when his/her job is insecure and more productive when his/her job is secure. Insecure employees are uncertain about whether they will retain the job or they will lose their current job. Obviously, the performance of employees will also get affected to the extent of feeling insured (Sanyal et al.: 2018, pp.204-205). Since businesses around the world are facing rough weather and are finding tough sailing to survive, due to the outbreak of pandemic, the role of human resource management has become much tougher to ensure job security to all workers.

**Challenges of Employees’ Health**

According to the World Health Organization (WHO: 2020), “COVID-19 spreads primarily through respiratory droplets or contact with contaminated surfaces. Exposure can occur at the workplace, while travelling to work, during work-related travel to an area with local community transmission, as well as on the way to and from the workplace.” Employees while performing their routine tasks in organizations are prone to get infected with the Covid-19 virus. Usually, in organizations the ‘Health and Safety Section’ which is the special wing of human resource management is responsible to ensure health and safety of all employees. Prudently, employees are productive assets, their health and safety is utmost important for the success of any organization. The challenge for human resource management is to make sure that all employees remain healthy to perform their tasks effectively and efficiently.

**Challenges of Uncertainty**

In this pandemic situation, most of the businesses are uncertain about their next prudent plan of action and all stakeholders are facing uncertainty. The main stakeholders, facing uncertainty are both the employers and employees. The constraints which are related to reducing working hours are the concerns of employers and the possible job losses arising out of this are the concerns of employees. According to Michelle Bachelet, (OHCHR: 2020) UN High Commissioner for Human Rights,
As of 1 April 2020, the ILO’s new global estimates indicate that working hours will decline by 6.7 per cent in the second quarter of 2020–equivalent to 195 million full-time jobs lost. It is important to note that the final tally of annual job losses this year will depend on the evolution of the pandemic and the measures taken by governments and the private sector, to mitigate its impact.

Essentially, whether it is a natural disaster or global health concerns such as pandemic Covid-19, every business is bound to encounter some unexpected circumstances. It is not always easy to keep the business running smoothly during these trying times. In organized retail organization visibly, the challenge is more pertinent on part of human resource management to ensure all retail employees remain motivated in this unprecedented pandemic situation (Cassady: 2020).

**Challenges of Communication**

Novel Covid-19 has imposed challenges not only to businesses, but also equally to government bodies in all parts of the world. Government bodies are worried to ensure safety and wellbeing of citizens and they are coming up with different measures including closure of businesses to curb spreading of Covid-19. With specific reference to Sultanate of Oman, the Omani Supreme Committee issued number of orders to curb the spread of Covid-19, which includes banning all travel to and from Oman, closer of schools, malls, shops, cinema etc. ordering private sector to reduce its workforce to the minimum required and allowing staff to work from home (Al Harthy&Wigley: 2020).

Obviously, to curb the spread of Covid-19, the respective governments of the world are imposing governmental regulations. Conversely, these measures are imposing challenges to the organized retail stores management in winning the trust and confidence of employees. Therefore, during compulsory lockdown, to avoid confusion and overcome insecurity of all employees, the human resource managers should remain connected at least remotely with employees. The challenge for the human resource management is to win the trust and confidence of all retail employees by using appropriate communication tools, as this will contribute to winning the trust of customers.

**Challenges of On-line sales**

Online sales are becoming a huge platform, growing at an unprecedented rate during the Covid-19 situation. In this pandemic crisis, customers’ are avoiding physical shopping but choosing online shopping as an alternative. To ensure revenues are generated, brick and mortar retail businesses are adopting or depending excessively on ‘online sales’. However, handling online sales has its own challenges, particularly, for the brick and mortar retail stores, which basically serve physical shopping to customers, now resorting to online shopping, will have to experience many difficulties. Concerning the difficulties associated with online sales to brick and mortar retail businesses, Lee Yohn (Denise: 2020) states “Even before the Covid-19 pandemic and economic crisis, brick-and-mortar retailers had been fighting a fierce battle against Amazon and other e-commerce players. Those challenges have now accelerated at staggering speed.”

**DISCUSSION**

Fine Solutions to 7Cs (Seven Challenges) - Overcoming the Covid-19 challenges faced by human resource management, in organized retail operations

**Focus on training front-line retail sales personnel**

The pandemic situation is turning precarious every day, every moment, because there is no tangible vaccine available in any part of the world. However, until the vaccine is available, to mitigate the risk of spreading the menace-Covid-19, the human resource department can focus on training the staff on hygienic matters. For the safety of customers and employees and every stakeholder, the human resource management must promote a climate of calm while engaging into leadership to respond with timely, accurate, assertive, clear and consistent communication with all levels of organization.
Services of front-line employees are too essential for any retail stores. For all retail firms, interactions with customers are highly dependent on the actions of front-line employees, because they are more closely connected to customers than management (Bowers et al.: 1990, pp.55-69; Bitner et al.: 1994, pp.95-106; Beatty et al.: 1996, pp.223-247; Mittal & Lassar: 1996, pp.95-109; Goff et al.: 1997, pp.171-183; Guenzi & Pelloni: 2004, pp.365-384; Gremler & Gwinner: 2008, pp.308-324; O’Reilly & Paper: 2012, pp.867). Therefore, the human resource department must arrange training sessions to front-line employees particularly focusing on usage of sanitizers, wearing gloves, keeping the surroundings hygienic, handling the edible products with extra care, in addition to all assisting staff in maintaining social distancing. Focusing on imparting hygiene and allied training to front-line sales staff is essential; because if they are trained effectively, only then they will serve customers efficiently.

Developing concrete succession planning policies in retail organization

It is the responsibility of human resource management to develop concrete policies related to succession planning. Succession planning increases the availability of capable staff members, who are prepared to assume the role and bear the responsibility as and when the roles become available. Succession planning helps develop an organization to meet future needs that supports employee development and talent management (Ballaro & Polk: 2017, pp.3). Succession planning is intended to help the firms in managing or retaining the internal talent (Bolander et al.: 2017, pp.1523-1551; Ali & Mehreen: 2018, pp.41). The purpose of having concrete succession planning is to help build the career of the existing employees and ensure ready replacement of staff in retail businesses particularly, when the Covid-19 cases are increasing every day. According to Gordon and Overbey (Gordon & Overbey: 2018, pp.142) “A careful succession planning implementation will ensure that organizations are more likely to survive, and to sustain leaders and followers”.

Apart from succession planning, depending upon the necessity, the human resource management should also plan for layoffs with utmost justification, because many retail organizations are facing liquidity crises particularly the small and medium retailers. With specific reference to India, small and medium retailers in the country are facing liquidity crises and are heading towards manpower rationalization. According to the survey conducted by the retail trade body ‘Retailers Association of India’, small retailers are likely to lay off 30% of their employee strength, medium retailers are expected to cut 12% of their manpower and large retailers are expecting to reduce 5% of the workforce (Sandeep: 2020). Whether it is succession planning required for replacing employees or layoff because of downsizing, the human resource management should execute their task with equity and justice, and shall ensure that the reputation of the retail stores is not at stake.

Planning and implementing motivating techniques to ensure satisfaction and productivity of retail staff

Though the human resource department is not directly responsible for achieving employees’ productivity, often human resource management decisions encompass to enhance the productivity of employees. Human resource management is currently facing a novel challenge, because of Covid-19, both in achieving employees’ productivity and ensuring them job security. Human resource management has to initiate various incentive plans that are cost effective to the management and should plan various motivational techniques at all levels of retail organization. The human resource management professionals shall remember that, the most commonly used measure of retail productivity is labor productivity i.e. the ratio between a measure of output (Frequent sales) and a measure of labor (the number of employees or man hours worked). However, it is essential that the retail organization should also give equal priority to other factors i.e. capital, land etc., along with labor as a factor of production (Higón et al.: 2010).

Walmart is the biggest private employer in the U.S. The retailer has over 1.3 million employees in the U.S and over 2.1 million employees around the world. To honor staffers who are maintaining stocks of supplies on shelves as shoppers visit locations in crowds, the retailer announced in March 2020, that it would pay
almost $550 million in bonuses for all U.S. hourly workers. It is special cash bonuses to its hourly employees for working during the coronavirus pandemic. According to Repko and Robbins (Repko & Robbins: 2020), “Walmart’s executive vice president of corporate affairs, Dan Bartlett, said the bonuses will reward employees for “performing Herculean efforts” and be “almost like a mini-stimulus package.” Exclusively, this attempt from the retail giant is to motivate the workforce.

For achieving success in retail stores, the purpose of every retailer should be to attract customers to the stores. Retailers should not only attract the new customers; but should also motivate existing customers to remain as loyal customers with the retail stores and this is possible with effective services of employees and effective services from employees are possible with the effective employee motivation (Sulaiman & Ahmed: 2017, pp.6).

**Directing the retail staff to adhere to the health guidelines**

For retail employees to remain protected from Covid-19, the human resource management has to frame health and safety rules by giving priority to government regulations and suggestions, and should also ensure that the rules are studiously followed by all employees at business. Aryapadi et al. (Aryapadi et al.: 2020) suggests the following practices should be followed by retailers to maintain a hygienic environment in retail stores, according to them,

- Maintaining good workplace hygiene is also important. Between shifts, retailers can suspend operations at their distribution centers so that cleaning crews can sanitize equipment. Health screenings can quickly identify workers who are sick. And all staff, whether long-term or temporary hires, should undergo training in proper health procedures and be given the right protective equipment.

Necessarily, the human resource management should take the onus to direct front-line retail employees and all other staff, to adhere to the health guidelines issued timely by the organization to curb the spread of Covid-19.

**Arranging awareness sessions to overcome uncertainty of retail staff**

Human resource management should arrange awareness sessions to educate staff to prevent the transmission of the virus Covid-19. Uppal (Uppal: 2020) asserting the list of priorities, that the human resource management supposed to pursue during the pandemic Covid-19 outbreak which are “managing flexible work arrangements, employee communications to increase awareness, addressing employee concerns on workplace policies, implementing preventive measures, and reviewing current welfare policies.” The efforts of human resource management should be sincere enough to help employees overcome their agony and uncertainty to help employees regain their confidence.

**Using telework tools to enhance communications**

The Covid-19 crisis had forced the retailers to use adequately the information and communication technologies (ICTs) such as Zoom; Google meet; smartphones; laptops; and desktop computers and other allied telework tools. ILO defines “telework implies work achieved with the help of ICTs and conducted outside the employer’s locations”. Fernandez (Fernandez: 2020) reasoned the necessity of remote working amid Covid-19 according to him, “In the wake of a surge in Covid-19 cases in the United States, Apple is reworking its retail operations to let retail employees’ work from home”, this effort will help curb the spread of viruses. However, working from home with telework tools has its own challenges, but this challenge can be solved with the proper coordination among all departments of retail stores including human resource management. Once front-line employees understand the usage of the communication tools, then human resource management can communicate to them all matters concerning the health and the safety of employees and customers. When front-line employees understand the safety rules of the organization, this will provide them with adequate awareness to curb the spread of Covid-19, and their awareness will be the best means to ensure customers remain loyal with the stores.

**Reskilling the retail workforce to assists in online sales**
The special challenge for the human resource department is to reskill the workforce. For which the human resource department should assort/identify/recruit employees with e-business skills. Further the human resource department should identify the retail employees who do not have sufficient e-business skills and provide them training to ensure brick and mortar business do not face interruptions while dealing with a new mode of sales platform i.e. online sales. The generic difficulty in handling ‘online sales’ may not be for the business which is exclusively dealing in ‘online sales’ for instance Amazon, an American multinational technology company. The concerns related with ‘online sales’ are with brick and mortar retail businesses, which many of these businesses had recently started depending heavily on the on-line transactions to reverse the decreasing number of footfalls caused of Covid-19. McGovern (McGovern: 2020) focusing on the importance of reskilling the workers, presents the statement given by DiarmuidMs Sweeney, CMO, Gym + Coffee, in the article “Reskilling Retail Employees”, according to the CMO, “We had to train our retail store associates to become omni-associates who could help customers with their online shopping experience, which helped us also prevent layoffs or furloughs.”. Apart from training the retail staff in ‘online sales’ transactions, the human resource management should insist the concerned department of the organized retail stores to develop customer friendly apps for the retail customers to experience pleasant and time-efficient ‘online sales’.

**Revising health policy**

Revising policies - another important task the human resource management is expected to execute amid Covid-19 is revising the health policy.

Human resource departments should convince the top management to ensure the appropriate health policies are operational in retail stores which not only safeguard employees’ health but also assures them job security. The retail giant Walmart introduced new Covid-19 policy to support the health of associates, in March, 2020, the essence of the new policy is, if employees are unable to report or uncomfortable at work they can choose to stay home. If any employee is required to quarantine by a government agency or Walmart, they will receive two weeks of pay and absences will not be counted. If any employee is unable to return to work for a confirmed case of virus, additional pay replacement may be provided for up to 26 weeks for both full-time and part-time hourly associates (Furner: 2020). The efforts of the retail giant are to ensure employees remain confident at work.

**Integrating marketing techniques in human resource decisions**

The concepts of human resource and marketing are viewed as distantly related to each other. But today as many businesses are globally operating in different parts of the world, the commonality of the two functions are explored by businesses to achieve the organizational goals more innovatively, than compared to the past. According to Colombo and Harris, (OWIWI: 2016), “HR can learn from marketing how to segment talent and how to embrace technology in order to engage with employees and prospects. The latter is more than true as far as the usage of social media is concerned. On the other hand, marketing can learn from HR how to put people first and how to influence business behavior and strategy”. The following is the area where the human resource management can adopt marketing techniques for the success and growth of retail organization:

Allocation of roles and responsibilities following marketing segmentation techniques: Market segmentation is the process of creating a subset of the target market to better understand the taste and preferences of customers. According to Sally & Lyndon (Sally & Lyndon:1996) “market segmentation helps companies to satisfy diverse customer needs while maintaining certain scale economics. The process begins by grouping together customers with similar requirements and buying characteristics”.

Human resource departments can learn from the marketing department as to how employees can be engaged with technology and the aptitude of segmenting employees, to ensure the customers are satisfied with the services (Rajalakshmi Srinivasan: 2017). The segmentation technique can be followed on front-line retail employees by categorizing them considering their demographics such as gender, locality, age, and...
education qualification; this will assist retailers in carrying out an effective training strategy (Raut&Pawar: 2016).

Human resource management should follow strategies which are exclusively followed by marketing personnel; this will assist assessing the staff as internal customers of the organization. Further, it will add value to the optimal utilization of human resources, subsequently developing every retail employee to remain loyal with the company (Liudmila & Maria: 2013).

CONCLUSION

Pandemic Covid-19 has created a fear of the unknown in all individuals. All businesses around the globe including retail businesses are adversely affected because of lockdown and quarantine orders. To overcome the crisis, retailers are in need of support from their employees more than before, they can have the tangible support of employees, only with the cooperation of human resource management. Since organizations rely on human resource management to disseminate the latest information related to organization and employment, the role of human resource management becomes even more challenging during the crisis situation. The study suggests that, the human resource management can overcome the challenges by providing hygienic training sessions to front-line employees, executing succession planning with equity and justice to ensure organization’s reputation is not at stake, initiating incentive plans at all levels of retail organization to motivate employees, directing all staff of retail organization to adhere to the health guidelines, assisting employees in overcoming their uncertainty, ensuring retail staff are acquainted with the telework tools for affective communication, coordinating and integrating with marketing department to help retail organizations for exploring and achieving organizational goals innovatively.

BIODATA

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