

## SOFT SKILLS TRAINING FOR SUCCESS OF SALES IN RETAIL

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### **Abstract :**

Training has been a vital component for the growth of retail sector employees .India's retail sector appears backward not only by the standards of industrialized countries but also in comparison with several other emerging markets in Asia and elsewhere in terms of service given by the sales Team.The Indian retail market is estimated to be US\$ 450 billion and one of the top five retail markets in the world by economic value. India is one of the fastest growing retail market in the world, with 1.2 billion people. Retail market is growing, not only in terms of numbers but also in terms of stature, image and class. Today customers are changing and their expectations are rising, they are demanding world class service.To meet such challenging demands the sales force has to be well equipped with good soft skills ,updated with the latest technology (bearing in mind the necessity of keeping the human element in place because technology in itself, is cold, impersonal and not at all customer friendly) will ensure that brand marketers are able to keep pace in a dynamic world.

Increased competition ,e-commerce ,mobile commerce ,needs innovative skills and developed soft skills of the sales team to help the retail stores aim their high sales targets .

### **Key words:**

Retail ,training, soft skills training ,Sales Emerging markets, e-commerce , mobile commerce ,innovative skills .

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**Introduction :**

Retail industry which is in boom from past one decade there is a drastic change in the way the business is run. Retail business has become more organized and customer oriented. So the people in this industry are also changing with a more professional outlook with more knowledge and skills to impress the consumers and make good volume of sales at the end of the day.

Whether selling shoes, computer equipment, or automobiles, retail salespersons assist customers in finding what they are looking for and try to interest them in buying the merchandise. The demands of customers are not just great products but also great shopping experience and to make this possible a retail outlet should have well trained sales people. This paper explains how well the sales people of retail industry are trained to meet the customer expectations and global standards, how their soft skills contribute towards the sales target of the outlet.

The retail sales people demonstrate how items work, gives information of models, colors, and brands of an item. Sometimes they give special information about very expensive or complex items. They play important role in convincing customers to buy those items. Retail sales people compute the amount of the total sale and received cash, cheque or credit card payments. Sales people also handle returns or exchanges of items.

The above mentioned are the very basic and important duties of sales people and they require great skills, adequate soft skills and knowledge to perform well. And this high level performance can only be seen if the sales people are provided with relevant training as and when required.

Retailers are increasingly stressing the importance of providing courteous and efficient service in order to remain competitive. The direct link between the customers and the company is the sales people who are expected to provide this courteous and efficient service to the customers. Sales people are periodically given training to update and refine their skills for providing the best customers.

A sales persons gain experience and seniority; they usually move to positions of greater responsibility and may be given their choice of departments. This often means moving to areas with potentially higher earnings and commissions. The highest earnings potential is usually

found in big-ticket items. This type of positions often requires the most knowledge of the product and the highest talent for persuasion. So training is also important ,for building strong sales team and meet organizational and personal objectives.

- Retailers are using sophisticated communications and information systems to manage their business. The use of new technologies helps retailers reduce their operations costs, while better serving their customers.
- To compete against non-store retailers, stores are now becoming more than just places to buy products. They are offering entertaining and educational experiences for their customers.
- In this dynamic environment, entrepreneurs are launching new companies and concepts and becoming industry leaders, **while traditional firms have had to rethink their business.**

Retail managers today must make complex decisions on selecting target markets and retail locations, determining what merchandise and services to offer, negotiating with supplier and distributing merchandise to stores, training and motivating sales associates, and deciding how to price, promote and present merchandise.

### **Benefits of Soft skills training to sales force**

#### **1. INCREASE IN EFFICIENCY**

Soft Skills Training becomes more important especially in the context of changing technology because the old method of working may no longer be relevant. Today more interaction is needed with the customers for better results .

#### **2. INTRODUCTION OF NEW STRATEGIES AND WORKING METHODS IN THE ORGANIZATION**

Organizations today are exploring ways and means to increase its productivity, level of proficiency of the staff, or its ability to provide more efficient and cost-effective services to its client groups. For achieving this, the organization may, at any given point in time, introduce new

working methods, procedures or practices. Soft skills training can be a major contributor towards an organization's future plans or a shift in its priorities.

### **3. BETTER HUMAN RELATIONS**

Soft skills Training attempts to increase the quality of human relations in an organization. Many of the problems can be overcome by suitable human relations training. Many techniques have been developed through which people can be trained and developed to tackle many problems of social and psychological nature.

### **4. TO INCREASE PRODUCTIVITY**

Soft skills training can help employees increase their level of performance on their present assignment. Increased human performance often directly leads to increased operational productivity and increased company profile. Again, increased performance and productivity, because of soft skills training, are most evident on the part of new employees who are not yet fully aware of the most efficient and effective ways of performing their jobs.

### **5. TO IMPROVE ORGANIZATION CLIMATE**

An endless chain of positive reactions results from a well-planned training programme. Production and product quality may improve, financial incentives may then be increased, internal promotions become stressed, less supervisory pressures ensue and base pay rate increases result.

### **WORKING CONDITIONS OF SALES FORCE AT RETAILS:**

Most salespersons in retail trade work in clean, comfortable, well-lighted stores. However, they often stand for long periods and may need supervisory approval to leave the sales floor.

This job can be rewarding for those who enjoy working with people. Patience and courtesy are required, especially when the work is repetitious and the customers demanding. A proper training is must for these people

### **EMPLOYMENT:**

The sales people worked in stores ranging from small specialty shops employing a few workers, to giant department stores with hundreds of salespersons. In addition, some were self-employed

representatives of direct sales companies and mail-order houses. The largest employers of retail salespersons are department stores, clothing and accessories stores, furniture and home furnishing stores, and motor vehicle dealers.

This occupation offers many opportunities for part-time work and is especially appealing to students, retirees, and others looking to supplement their income. However, most of those selling "big ticket" items, such as cars, furniture, and electronic equipment, work full time and have substantial experience.

### **EDUCATION AND TRAINING:**

There usually are no formal education requirements for this type of work, although a high school diploma or equivalent is increasingly preferred. Employers look for people who enjoy working with others and have the tact and patience to deal with difficult customers. Among other desirable characteristics are an interest in sales work, a neat appearance, and the ability to communicate clearly and effectively. The ability to speak more than one language may be helpful for employment in stores in communities where people from various cultures tend to live and shop. Before hiring a salesperson, some employers may conduct a background check, especially for a job selling high-priced items.

In most small stores, an experienced employee, or the proprietor, instructs newly-hired sales personnel in making out sales checks and operating cash registers. In large stores, training programs are more formal and usually conducted over several days. Topics usually discussed are customer service, security, the store's policies and procedures, and how to work a cash register. Depending on the type of product they are selling, they may be given additional specialized training by manufacturers' representatives. For example, those working in cosmetics receive instruction on the types of products available and for whom the cosmetics would be most beneficial. Likewise, salespersons employed by motor vehicle dealers may be required to participate in training programs designed to provide information on the technical details of standard and optional equipment available on new models. Because providing the best service to customers is a high priority for many employers, employees are often given periodic training to update and refine their skills.

**JOB OUTLOOK:**

As in the past, employment opportunities for retail salespersons are expected to continue to be good because of the many job openings created each year due to the need to replace the large number of workers who transfer to other occupations or leave the labor force. Additional openings will be created by growth in employment of retail salespersons. Employment is expected to increase about as fast as the average for all occupations through the year 2008 due to anticipated growth in retail sales created by a growing population. There will continue to be many opportunities for part-time workers, and demand will be strong for temporary workers during peak selling periods, such as the Christmas season.

**Retail Scenario in India:**

In the last decade India's retail journey has been smooth with less hiccups .

Some of the most attractive brand of the world entered the market .This market was unexploited , under –penetrated ,steady economic growth , demographics , ability of easy credit - fuelled the growth of India's market to USD 25 billion , in organised retail market .India became a destination of choice for top global retailers.This environment saw India's own blue chip companies like Tata , Reliance , Bharti , RPG diversified their business and became major players in this sector.

Growth of organized retail penetration, is expected to rise by 16 percent by 2013. (Source KPMG)

**Challenges in Retail Sector:**

**Dissapointing Footfalls:** According to KPMG's survey, 70 percent of the respondents stated that the slowdown has adversely affected their footfalls.

**Funding Constraint:** Working capital requirement have also been difficult

**Sales force Training :** In 2008 companies like Bharti Retail, Vishal Retail launched retail Training cademics in Ludhiana and Delhi. These facilities trained 5,00 persons every year. This

was purely from the objective that Salesman need to learn on the skills which converts footfalls in to buyers.

Staff knowledge and Motivation

High Attrition rate ,low product knowledge, poor customer Interaction skills

Inability to monitor on the job

Larger issue with Idle resources which subsequently leads to high cost

### **Soft Skills:**

Soft skills are very essential to any individual, which are needful for Development in various kinds of institutions. Soft skills are communicative skills, Fluencing in language, management qualities, ability to work in a team, positive Attitude in critical situations, problem solving ability, decision making, stress techniques etc.

Enough evidence are being produced in the past which convey that skills and qualifications affect employment and earnings. Recent research in this field have examined the role of literacy and numeracy specifically, identifying an inverse link with unemployment and earnings (Dearden *et al.*, 2000;McIntosh and Vignoles, 2001). Concern over the levels of literacy and numeracy in the population and their effect on individuals and on the economy prompted the establishment of a government inquiry into basic skills in 1998 (DfES, 1999). A major aim of the programme was to enhance the employment prospects of people with low basic skills.

The link between labour market performance, qualifications and Skills, is purely with an assumption that such skill development programmes will give improved market performance of youth . Youth undergoing such training improve upon other aspects of employability (e.g. qualifications, motivation). This research has study will be able to prove these assumptions .

### **Review of Literature:**

According to Chaitanya (2005), the different approaches to training and development need to be explored. It has come to their attention by their own preferred model and through experience with

large Organisations. The current traditional training is continuously facing the challenges in the selection of the employees ,and in introducing new tactics for the environment of work. They are advising on all the problems, which reiterates the requirement for flexible approach.

Usually the managers have the choice to select the best training and development programme for their staff but they always have to bear in mind that to increase their chances of achieve the target they must follow the five points highlighted by Miller and Desmarais (2007). According to Davenport (2006), mentioned in his study that it's easy to implement strategy with the internet supported software. Malcom Tight (1995), studied the attrition problem and he related it with education, employers and policy makers. Because of less education they do not perform in expectation of the organization. He also described that performance of organization is affected by attrition.

Anil Varma (2008), studied about the attrition and he wrote that attrition is happening because of less compensation, poor working conditions and self centered behavior of management, improper training and challenges attached towards high performance expectation . He stated that it affects employee's performance and they leave the organization.

J. Slack, Pat Turner (2005), researched and mentioned that poor management and training caused attrition. High attrition affects company's policy and performance.Cooper, Carry L. & Cart Wright (1997), studied the training and development programme in ICT and described the implementation of training and development programme in companies.

All the previous studies show that **trainings affects performance and attrition.** Training is directly related to performance of the employees. There is no organisation which has reaped the profits, increased the market share, and increased its brand recall without the trained employees. Performance increases after quality training, and because of good performance of employees organization get their goal. The attrition is related with that and it affects both employees as well as organization. It is one of the biggest problems in various organizations which should not be neglected.



The success of the retail stores, therefore, depends on customers' reaction to the retailing mix which influences the profits of the store, its volume of turnover, its share of the market, its image and status and finally its survival.

Service quality is perceived as a tool for increasing value for the consumer; as a means of positioning in a competitive environment (Mehta, Lalwani and Han, 2000) and for ensuring consumer satisfaction (Sivadas and Baker- Prewitt, 2000), retention, and patronage (Yavas, Bilgin and Shemwell, 1997). With greater choice and increasing awareness, Indian consumers are increasingly demanding better quality of service (Angur, Natarajan and Jahera, 1999) and players can no longer afford to neglect customer service issues (Firoz and Maghrabi, 1994; Kassem, 1989).

Subhasini Kaul in his paper titled Measuring Retail Service Quality: Examining Applicability of International Research Perspectives in India. Examines the Retail Service Quality Scale (RSQS) developed in the US for applicability in India. But an important element of presence of Soft skills in sales force which is not be studied .

Service quality is defined as 'a global judgment or attitude relating to the overall superiority of the service' (Parasuraman, Zeithaml and Berry, 1988).

### **Research methodology**

Survey was conducted to know what kind of training is currently provided by the retail companies. Almost all kinds of retail outlets were covered under this research like the retail outlets of big brands of sports wear, clothing showrooms, food retailers of all sizes. There were different numbers of sales people working in different kinds of retail companies.

Total sample size of 200 was taken for this study. Sample comprised of responses from staff of four retail outlet of Big Bazar, Spencer, Total Mall ,Hypercity in the eastern region of the city Bangalore. Only front line staff was taken for the study who have maximum interaction with the customers.

Questionnaire was administered to get the response from the sample.

**Problem statement:**

The study was done to identify the relevance of Soft skills training to Sales Team for achieving high targets of the retail Outlet.

The retail industry in India has changed its face and approach. From small outlets to big showrooms and departmental stores, every retailer is giving their business a new look. Sales people working here play a major role by handling the customers effectively. Customers are of various types and to handle them and their queries, sales people should be having good skills and knowledge. *This paper aims to understand the training aspects which keep the sales force of retail industry fit and ready to face any kind of challenges, particularly due to increasing domestic and international competition.*

Every employee is an asset to the organization. In order to effectively manage the employees in an organization, one need to assess his performance, know his strengths and weakness, identify his training and development needs, and develop training program to fill up the deficiency gap existing between the current performance level and the expected standards of performance. Training programs should be carried out with a view to increase the consistency, fairness, and accuracy of the training programs.

The study is therefore, conducted to bring out the importance and effectiveness of training and development at Retail outlets and also to evaluate the methods adopted along with suggestions for betterment.

The below table shows the response of sales executive on the duration of training.

**TABLE 1 Showing the duration of Training attended by sales staff in a month .**

Particulars	No. of respondents	% of respondents
1Hour	95	47.5%
1-2 Hour	65	32.5%
1 Week	15	7.5%

<b>1-2 week</b>	15	7.5%
<b>Total</b>	<b>200</b>	<b>95%</b>

47.5% of respondents have attended the 1Hour-training programme, 32.5% of respondents have attended the 1-2 Hour training session, 7.5% attended one week and 7.5% attended 1-2 week training programme conducted by Human Resource Department.

**TABLE 2 Response on relevance of Training .**

<b>Particulars</b>	<b>No. of respondents</b>	<b>% of respondents</b>
<b>YES</b>	162	81%
<b>NO</b>	38	19%1
<b>Total</b>	<b>200</b>	<b>100%</b>

**TABLE 3. Showing the preference of Respondents on type of training programme.**

<b>Particulars</b>	<b>No. of respondents</b>	<b>% of respondents</b>
<b>Individually</b>	28	14%
<b>In a group</b>	172	86%
<b>Total</b>	<b>200</b>	<b>100%</b>

**Table 4 Showing the relevance of Topic covered in training Programme.**

Particulars	No. of respondents	% of respondents
Disagree	12	6%
Agree	100	50%
Neither agree nor disagree	13	6.5%
Strongly Agree	75	37.5%
<b>Total</b>	<b>200</b>	<b>100%</b>

**TABLE 5 Impact of Training on development of the following areas**

Particular	No. of respondents	% of respondents
Productivity	186	93%
Morale	10	5%
Soft Skills	176	88%
Customer Service	182	91%

**TABLE 6. Feedback on the Training Programmes.**

Particulars	No. of respondents	% of respondents
Improvement of knowledge and skills	160	80%
Change of attitude	70	35%
Improved the working relationship	60	30%
New idea and approaches	167	84%

**Conclusion:**

In order to achieve the high sales targets and compete in the mushrooming market of retail outlets in India. Now a focus on Sales Executive's soft skills will help the operations team to meet its target.

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