



UNORGANIZED SECTOR PARTICULARLY FOCUS ONLY RETAILERS: A STUDY ON ITS STRENGTH AND WEAKNESS

KEYWORDS

Unorganized sector, Labour and Socio Economic.

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ABSTRACT

Unorganized sector has first place which is mostly occupied by family owned business in India as well as second place by creating or making self-employment business in India. This current study tells about the second phase in the unorganized sector namely creating or making the self employment. Precisely this paper provides information pertaining to retailing sector in India. Generally in India, most of the retails and retail outlets are unorganized and they don't have a system to regulate and control their consequences. This research study compares of socio-economic position of the retailers, the way they face the present /current situation and a comparison between socio-economic status among retailers' income hierarchy, the means to run their family and also the other expenses that occurs and the strategy to meet them. It has been observed totally that the retailers procure goods/ commodities in smaller quantity to meet the demands of vast majority of the clients/ customers. Mean while the researcher has intended to find out the research gap between the current socio-economic expectations and the same status that had existed in the mere past. The outcome of the study would be the system to promote the well being of the retailers and their socio-economic levels in the Indian economic status.

Introduction

In India, retail journey started from ancient time. Its one of the fastest growing retail markets in the world. It is predominantly unorganized and highly fragmented. According to Philip Kotler, 'Retailing includes all the activities involved in selling goods or services to the final consumers for personal, non-business use. The Indian retail industry is divided into two sectors- organized and unorganized. Organized retailing refers to trade activities undertaken by the licensed retailers i.e., those who are registered for sales tax and income tax etc. The term 'unorganised sector' has been defined by the National Commission for Enterprises in the Unorganised Sector (NCEUS) Government of India as the sector which "consists of all unincorporated private enterprises owned by individuals or households engaged in the sale or production of goods and services operated on a proprietary or partnership basis and with less than ten total workers" (Report on Conditions of Work and Promotion of Livelihoods in the Unorganised Sector. Academic Foundation, 1 Jan 2008, p.1774). According to a survey by AT Kearney, an overwhelming proportion of the Rs. 400,000 crore retail markets are unorganized in India. In fact, only a Rs. 20,000 crore segment of the market is organized. The sector is highly fragmented with 97% of its business being run by the unorganized retailers like the traditional family run stores and corner stores. Indian retail is dominated by a large number of unorganized retailers consisting of the local kirana stores, chemists, footwear shops, apparel shops, paan and beedi shops, hand-cart hawkers, pavement vendors, etc. Retailing in unorganized sector is thus not a profit oriented vocation but a mere source of livelihood, it requires limited investment in land, capital and labour. Naturally, the capital investment is very low and the infrastructure is rudimentary. The main advantage in unorganized retailing is consumer familiarity that runs from generation to generation. It is a low cost structure; they are mostly operated by owners, have very low real estate and labor costs and have low taxes to pay.

Area of the study:

The study mainly focused retailers and whole sellers, those who are all dealing with grocery shops, special reference to Gandhi market at Tiruchirappalli. This study takes an attempt to find the

socio economic status of the owners and their labours. The socio economic status is determined by the respective Government, based on the income, education and occupation. It is differ from every individuals'. The major differens is how it is influenced in the labour pay scale and economic status. The problem of the study, found by the researcher is that labours those who have high skill and have business experience but even though they are suffering from lowest wage and not offered by basic benefits which is at least fulfill their basic needs.

Literature Review:

Verma and Madan (2011) in a study conducted in Indian context highlighted that retailers are offering newer service dimensions to create unique shopping experiences for the customers. However, whether consumers are able to perceive newer service dimensions and getting affected for store patronage in new store formats or not, remains to be found out. They emphasized the fact that Indian retail environment is going through a sea change due to the introduction of new formats and opening up of retail industry, it becomes important to understand the store image perceptions of consumers here. The study attempted to find out the key factors that are perceived as important to Indian consumer in evaluation of a retail format. Paswan, Pineda and Ramirez (2010) in a study conducted in Mexico investigated whether influx of large stores is inevitable, by focusing on consumers' motivation for selecting a retail store, and the association between these motivation dimensions and the shopping patronage. The results indicated that consumer's preference for small stores is positively motivated by functional benefits and familiarity with small stores; and negatively associated with the functional benefits offered by large stores. These motivational dimensions were also found to be positively associated with the share of wallet spent at small stores. It was found that gender exhibited mixed effect on preference for small stores and the share of wallet. The study revealed that women feel that large stores provide better functional benefits and support for the local economy. Mehrotra (2008) analysed the conditions of work (for example, hours of work, hazardous nature of work, safety conditions and wages rates) in the prevailing labour market conditions, where there is

excess supply of labour. The unorganised sector workers themselves are fragmented and almost always not organised into unions, where they suffer from access to imperfect information and are not fully aware of their limited rights. To make it even more difficult, they are mostly illiterate or barely literate. If the pre-requisites for improving their conditions of work do not exist, he suggested that the state should focus its attention on improving the social protection for such workers, that is, social assistance and social insurance. This implies that the state should focus on doing the do able.

Objectives of the study:

To study the socio-economic level of the unorganized retailer.

To analysis the employment nature of retailers with minimum wages.

To study the issues and concerns towards retailers in the unor-ganized sector.

Hypothesis:

There is significant relationship between gender of the respondence and economic status of unorganized labours in Gandhi market.

There is significant different between income of the respondence and economic status of unorganized labours in Gandhi market.

Research design

The researcher had applied a descriptive research design.

Sample method

The researcher selected to simple random sampling method was used and collect 57 samples of the respondent. The primary data was collected from unorganized retailer through the use of interview method. secondary data was collected from many sources like websites, journals and books.

Analysis and Interpretation

Hypothesis 1

Ho: There is no significant relationship between gender of the respondents and economic status of unorganized labours .

H1: There is a significant relationship between gender of the respondents and economic status of unorganized labours.

Group Statistics

Gender	No.	Mean	Std. Deviation	Std. Error Mean
Male	46	47.31	8.36	1.23
Female	11	49.82	8.46	2.55

Independent Sample t Test

t test for equality of means					
t	Df	Sig. [2 tailed]	Mean Difference	95% confidence interval of the difference	
				Lower	Upper
-.887	15.035	.389	-2.51	-8.55	3.52

From the above table, we see the calculated value is 0.389. Its table value is 0.05. Since the calculated value is greater than the table value, we accept the null hypothesis [Ho] and reject the research hypothesis [H1]. Therefore we can draw the conclusion that there is no relationship between gender of the respondent and economic status of unorganized labours.

Hypothesis 2

Ho: There is no significant difference between income of the respondents and economic status of unorganized labours .

H2: There is a significant difference between income of the respondents and economic status of unorganized labours.

Descriptives

Income	N	Mean	Std. Deviation
Below 6000	13	48.3077	8.71191
6000-8000	24	45.1667	7.02583
8000-10000	14	46.5714	6.76773
10000-12000	6	60.0000	6.19677
Total	57	47.7895	8.36390

ANOVA TABLE

Percentage	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1083.943	3	361.314	6.758	.001
Within Groups	2833.531	53	53.463		
Total	3917.474	56			

From the above table, we see its calculated value is 6.758 at its table value is 0.05. Since the table value is greater than the calculated value, we accept the research hypothesis [H2] and reject null the hypothesis [H0]. Therefore we can conclude that there is significance difference between income of the respondents and economic status of unorganized labours.

Summary of Findings

The majority 80.7% of the respondents are male labours, maximam 57.9% of the respondents belongs to the age group of 20-30, maximum 40.4% of the respondents posses SSIC Qualification and maximum 42.1% of the respondents have income between Rs6000- Rs8000. The majority 55% retailers think that in near future unorganized sector will sustain against the organized labours. There is no significant relationship between gender of the respondents and economic status of unorganized labours from (Table 1) and also There is significant difference between income of the respondents and economic status of unorganized labours from (Table 2) .

Suggestion & Conclusion

The government should take some step to save the unorga-nized retailer labour. where less than 10 Unorganized there where no social security and welfare legislations in their work place even they didn't ask or no rights to bargain the minimum wages. There are more number of people with Lack of skill and education, they don't have the capability unaware of legal

rights for the government schemes. Here more number of unorganized retailer labour face similar problems like poor health conditions, substandard working life, harassment at work, inadequate and unequal wage structure, long working hours, poor housing facilities, lack of safety measures, atrocities on women workers and no proper education for children the of workers.

The purpose of the study is to have in depth understanding of unorganized retail sector at Gandhi market particularly grocery retail shop in Tiruchirappalli. In fast growing Indian population scenario there are malls, department stores blooming everywhere. More over we are in the world of fast growing online shopping arena. Most of the over flourishing retail shop in the last decade were closed and a very few are remaining in some corners. it is so pathatic that the shop-keepers are suffering and started involving in some other business. As it is obvious the position of retail shops are in stake and people in this fast growing decade are willing to do multi tasks like shopping, eating and enjoying with their family in this malls. Therefore it is a question in the coming decade whether the retail shops could remain in the field. And there should be government. Intervention to make it sure the retail shop keepers survival should be kept safe.

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