

## 'Retail to create two lakh jobs every year'

RPG Group is on an expansion mode for its retail business. The retail arm is adding nearly 600-700 employees a month across all formats such as Spencer's, Music World, RPG Cellucom and Books & Beyond. By 2010, RPG Retail plans to increase its headcount to 50,000-odd from the present 20,000. **Writankar Mukherjee** caught up with RPG Retail's HR head **Nihar Ranjan Ghosh** to discuss the challenges in building a team in an evolving sector such as retail and the latest HR practices in the sector. Excerpts:

### How do HR practices among large Indian retailers compare with those of the global biggies like Wal-Mart and Tesco?

The Indian labour market is quite different from that in the West. As a result, HR practices like recruitment, training, reward schemes are much different. Hence, it won't be fair to compare the two. In the US, there already exists a large pool of experienced retail talent. Here we recruit unskilled people for front-line roles and train them to become employable. At best, one can compare the HR practices in retailing with that of other evolved sectors like IT, BFSI and FMCG. HR practices are currently at an evolution stage in Indian retail and we expect it to be globally comparable over the next 4-5 years. Until you have world-class people management practices, the front-line staff cannot create similar customer experience.

### Since the sector is attracting so many youngsters, are retailers geared enough to create a proper career path for them?

The Indian retail sector has taken several initiatives to create career pathway for youngsters. At RPG Retail, we undertake series of training programmes to gear them up for higher positions. This includes 90 days of training in the first year and structured supervisory and executive development programmes to take them ahead. We are launching a new scheme which will enable a fresh recruit to become a store manager in 5 years. They will also receive a BBA degree in partnership with IGNOU.

### Any other initiatives at RPG Retail to create talent pipeline?

We have tied up with local schools, NGOs and government bodies to recruit front-line staff. They need to be local talent and usually within 5-7 km of the store's radius. For management positions, we have recruited 40 people from front-line B-schools such as IIMs, XLRI, ISB and MDI, and another 140 management trainees from other institutes.

They then undergo training in our in-house centres, christened 'Pragati Centre for Retail Excellence'. There are 13 such facilities across India which will be ramped up to 21 by the end of fiscal.

### What are the projections on the manpower requirement by the retail sector in India?

In line with the present growth momentum, the sector will create at least 1.5 to 2 lakh jobs every year. Of this, around 80-85% of the jobs will be created for front-line positions and the balance for management roles. Currently, there are knowledge gaps for specialised roles such as merchandising, store operations and space planning.

### We have seen several retailers vying for expats. Do you think this is a viable model in the long run?

Expats have been brought to fill in the existing knowledge-gaps. However, this is likely to be a temporary phenomenon. India's edu-



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