

# IMPACT OF THE COVID-19 PANDEMIC FOR WORKERS AT GIANT RETAIL COMPANY – PT. HERO SUPERMARKET TBK MALANG

Pipin Sukandi  
RinrinRahmawati  
Evi Rahayu  
Tanti Hendayani  
Listhyanti Dwi Apriliani  
Verawati Agustina Sitorus

DOI: <https://doi.org/10.37178/ca-c.23.1.276>

---

**Pipin Sukandi**

Email: [pipin.sukandi@widyatama.ac.id](mailto:pipin.sukandi@widyatama.ac.id)

**RinrinRahmawati**

Email: [rinrin.rahmawati@widyatama.ac.id](mailto:rinrin.rahmawati@widyatama.ac.id)

**Evi Rahayu**

Email: [rahayu.evi@widyatama.ac.id](mailto:rahayu.evi@widyatama.ac.id)

**Tanti Hendayani**

Email: [tanti.hendayani@widyatama.ac.id](mailto:tanti.hendayani@widyatama.ac.id)

**Listhyanti Dwi Apriliani**

Email: [listhyanti.apriliani@widyatama.ac.id](mailto:listhyanti.apriliani@widyatama.ac.id)

**Verawati Agustina Sitorus**

Email: [verawati.agustina@widyatama.ac.id](mailto:verawati.agustina@widyatama.ac.id)

---

## **ABSTRACT**

*The Covid-19 pandemic has a bad influence in various business lines, especially in the field of business engaged in retail business lines. Giant is a company owned by PT. Hero Supermarket Tbk is engaged in retail business in the form of Hypermarket. With the Covid-19 outbreak that has no end, it has a bad impact on this Giant company. The purpose of this study was to analyze the impact of the Covid-19 pandemic on workers at retail company Giant – PT. Hero Supermarket Tbk, Malang. The method used in this study is to use descriptive methods with qualitative approaches. The results of this study showed that, PT Hero Supermarket Tbk. experienced a decrease in profit in the previous period of June 2021 compared to the June 2020 period of 254 billion, so it is certain that sales per June 2021 period were very low against sales in June 2020, on the other hand, aspects of the burden charged to the company were classified as rising too high by 550 billion, This means that sales experience a breakdown that implies a percent profit. So that the decision in closing Giant Ekspres outlets as a differentiation of its products and termination of employment is an management made by PT. Hero Supermarket with analisis reduction of the burden of the*

*insured, as well as focusing on some business differentiation that still exists in the Covid-19 pandemic. So it can be concluded that with this pandemic workers at Giant Ekspress outlets, not entirely experiencing job cuts, but pt. Hero Supermarket Tbk, provides the opportunity to fill the required positions in its business differentiation with certain terms and qualifications*

**Keywords:** Retail Company, Covid-19, Hypermarket, Worker

## INTRODUCTION

The emergence of the Covid-19 virus began in Wuhan, one of the regions in China, and has spread to many countries in the world, including Indonesia. Corona 19 situation that hit many countries in the world is a global problem that negatively affects the economic downturn of the people who experienced a sharp decline [1]. Since March 2020 until now, including Indonesia, the Corona 19 situation has negatively impacted the savings of many people's lives, including the economic and tourism sectors. The retail sales sector also showed a significant decline.

In the industrial sector there are also people who work as workers and workers in industrial companies. The decline in the company's sales due to the weakening of people's purchasing power due to Covid 19 resulted in job cuts [2, 3]. The government imposes large-scale social restrictions and practices physical distance. To break the public chain of Covid- 19, business actors must lay off some of their workers, even in the business world must fire workers unilaterally because they can no longer carry out their duties in accordance with the provisions of the employment contract.

As a result of the Covid-19 outbreak, many companies are unilaterally cutting jobs. In the labor code, a company cannot unilaterally disconnect if the worker meets the obligations stipulated in the employment contract, employment contract, company rules. However, during the Covid-19 pandemic, many businesses made job cuts (layoffs) because they could not fulfill the rights of their workers [1, 4]

In the background written, the author wants to discuss and analyze in more depth the phenomenon of job cuts that occur between the Covid-19 pandemic carried out on employees who work in retail companies. In addition, the author also wants to know the collateral impact of the dismissal decision, both for the retail business and for its employees. It is expected to enrich this characteristic in writing this article and add research in the field of management. This research was conducted at retail company Giant, PT. Hero Supermarket Tbk, Malang located on MT street. Haryono No.146, Dinoyo, Kec. Lowokwaru, Malang City, East Java. Giant is a business differentiation carried out under the auspices of limited liability company HERO engaged in retail business in Hypermarket packaging..

Giant was founded from the beginning of 2002, which has a uniformity of goods, needs and non-food products that become storefront filler products in this hypermarker. In this case, the author hopes that the scientific study presented can be a reference for business owners in making decisions in carrying out each decision along with its consequences so that it can be a record when reviewing whether the best solution before the final decision of layoffs is made. The stage at which a company is chosen as a solution to the problems it faces and for the general public, can add new references or insights into the phenomenon and impact of layoffs that occur between the Covid-19 pandemic.

## LITERATURE REVIEW

Job stoppage or unemployment is a time when a worker or employee working in an institution or company loses his or her livelihood for a reason [2]. The dismissal

decision had both positive and negative effects on the company that completely dismissed it [5, 6]. One consequence of the company's suffering from understanding hiring is the sudden shock of having to maintain this stability, along with enduring talent. Unlike what employees experience, dismissal has a more negative impact than after dismissal. Employees can have psychological disabilities. In other words, the stress that can drive criminal activity is one of the effects of work.

There are two causes of disobedience to company and company regulations if employees are not responsible. Reasons an employee is dismissed include the dismissal of employees due to legal factors, courts, superiors, and the staff themselves. Not only that, based on the Labor Law, there are certain conditions that can make the company cancel the employment contract, which is stipulated in Article 154. In addition to the reasons for the worker itself, if the company closes the door, there is a possibility that there will be a work understanding. Or if you experience unavoidable forces or suffer losses within a certain period of time, it will be the second year in a row.

Research shows that the world's wealth is not in the form of physical or economic capital, but in the form of labor in the form of people's skills and knowledge. In addition to natural resources being the main factor, the role of human resources in production is also very important. The higher the quality of talent, the more effective and efficient production it is. Many corporate strategies today are guided by talent ideas. This idea emphasizes innovation in individualization services. Human resources are individuals who specialize in a field that suits a particular organization that has the individual qualities to achieve a group's strategic goals. Must meet your organization's requirements along with other resources. That is, it becomes a subsystem, and object, of the company's management functions along with other resources.

Indonesia's retail industry is currently growing with the addition of new outlets in various regions. The spirit of retail entrepreneurs competing to invest in the construction of new stores is elusive. Since 2000, the average economic growth rate of 3% or more and inflation control have been strengthened, which may be the reason why Indonesia's economy may be bullish again in the future. The hustle and bustle of Indonesia's retail industry is characterized by the opening of new outlets by foreign retailers such as Makro (Netherlands), Carrefour (France) and Giant (later partnered with PT Hero Supermarket Tbk). Cities such as Jakarta, Makassar, Semarang, Bandung and Yogyakarta.

Indonesia's retail classification can be classified according to its characteristics. That is, traditional or traditional, modern retail [7, 8]. Traditional retail is some simple smallretailer or retailer, such as grocery store, roadside retailer or retailer, and traditional market

retailer. This retail group has simple equipment and small capital. Modern retailers are many retailers and large retailers [9]For example, there are many shops with very complete and modern funeral facilities. According to AC Nielsen, the five retailers that fall into the category of modern retail in Indonesia based on sales value are Matahari, Ramayana, Makro, Carrefour, and Hero.

## RESEARCH METHODS

The methods used in this study are descriptive based on the type of data that is qualitative. Descriptive methods are methods for determining the state of a person or group of objects by using a set of conditions equipped with a system of thinking in the class of phenomena under investigation [10]. Based on this understanding, it can be concluded that descriptive research is interpreting the meaning of interactive events of human behavior in a particular context according to the point of view of the author or researcher himself and developing the concept of sensitivity to

problems posed by technology and ongoing phenomena.

One of the impacts is the decline of shopping center visitors. In addition, the uncertainty that enveloped the coronavirus pandemic caused the public to be stricter in using its money. Due to sluggish sales in the retail sector, a number of retail stores began to perform efficiencies. Just a real example, PT. Matahari Department Store Tbk took the decision to close or temporarily suspend all operations of its outlets and temporarily lay off its employees, due to the impact of the increasing outbreak of coronavirus (Covid-19) in Indonesia. In addition, several other retail companies were also forced to make job cuts (layoffs) as done by giant pt. Hero Supermarket Tbk.

PT. Hero Supermarket Tbk. Malang as a center of education, tourism and culinary that is very strategic to its marketing because it is close to various environments, is currently unable to provide impressions and good business benefits due to various situations in stopping the rate of Covid-19 transmission. Giant Company located on Jalan MT. Haryono No.146, Dinoyo, Kec. Lowokwaru, Malang City, one of the various retail companies that are feeling the impact of the loss of the region's strategic profits due to the Covid-19 pandemic.

Referring to ceic database and figure 1, natural retail growth in Indonesia was reported at-4.5% in the period March 2020. This growth data is always updated every month, with 18% in early January 2015 to March 2020, with this data calculation there was a significant drastic increase in the period between January-July 2015 by 23%, and significantly down in the July 2015 period by -12%.



Figure 1. Retail Growth Data in Indonesia based on CEIC Data

## CONCLUSIONS AND IMPLICATIONS

The Covid-19 virus that hit the world after it was designated a pandemic on March 11, 2020 by WHO has affected all sectors of life, especially the economic sector in the industrial sector. The affected businesses take various steps to survive and continue their business, especially in retail. Giant Company - PT Hero Supermarket Tbk is a retail company engaged in the situation. Some branches experience closures at every point in Malang, so in this case the company is well dismissed because of the state of stability of the company over the closure of its business outlets. In pandemic conditions this makes it very difficult for retail businesses to thrive. According to CEIC data, Indonesia's retail industry experienced a growth decline of 4.5%.

From the phenomenology that occurred, Giant company, PT Hero Supermarket Tbk has implemented several policies for Job Cuts (LAYOFFS) related to the closure of Giant Express outlets in Malang. It's not just the dismissal of PT. Hero Supermarket Tbk also provides opportunities for Giant Ekspres alumni employees to enter the business line of differentiation of PT. Hero Supermarket Tbk with certain conditions and qualifications. So that with this pandemic workers at Giant Ekspres outlets, not entirely experiencing job cuts, but the PT. Hero Supermarket Tbk, provides the opportunity to fill the required positions in its business differentiation

with certain terms and qualifications.

## REFERENCES

1. Anwar, M., *The dilemma of layoffs and cutting workers' salaries in the midst of Covid-19.* *IT IS* 4(1):173–78. Hastuti, Rahajeng Kusumo. 2021. "Ternyata Gegara Ini Giant „Menyerah“, 7.000. 2020.
2. Muslim, M., "LAYOFFS DURING THE COVID-19 PANDEMIC." *ESSENCE: Journal of Business Management* 23(3):357–70. 2020.
3. Darmayanti, N., L.A. Africa, and T. Mildawati, *THE EFFECT OF AUDIT OPINION, FINANCIAL DISTRESS, AUDIT DELAY, CHANGE OF MANAGEMENT ON AUDITOR SWITCHING.* *International Journal of Economics and Finance Studies*, 2021. **13**(1): p. 173-193.
4. Fezaj, E., I. Kapaj, and A.M. Kapaj, *PUBLIC DEBT AND FACTORS INFLUENCING THE REAL GDP GROWTH: CASE OF ALBANIA.* *International Journal of Economics and Finance Studies*, 2021. **13**(1): p. 110-127.
5. Layard, R., S. Nickell, and R. Jackman, *The unemployment crisis.* 1994. **3**.
6. Gaba, F., S.H. Dunga, and E.H. Redda, *ADAPTING THE UNDP MPI TO DEVELOP A NEW MULTIDIMENSIONAL MEASURE OF CIRCUMSTANTIAL POVERTY FOR HARARE PROVINCE, ZIMBABWE.* *International Journal of Economics and Finance Studies*, 2021. **13**(1): p. 259-283.
7. Ponggohong and J.O. Y, *EFFECT OF FINANCIAL PERFORMANCE ON STOCK PRICES (STUDY ON IDX-LISTED RETAIL COMPANIES IN 2010-2013).* *Journal of Scientific Periodical Efficiency* 16(1). 2016.
8. Hariani, S. and A. Fakhrorazi, *DETERMINANTS OF FINANCIAL REPORTING QUALITY: AN EMPIRICAL STUDY AMONG LOCAL GOVERNMENTS IN INDONESIA.* *International Journal of Economics and Finance Studies*, 2021. **13**(2): p. 82-107.
9. Rumiarti, C.D. and I. Budi, "CUSTOMER SEGMENTATION IN CUSTOMER RELATIONSHIP MANAGEMENT IN RETAIL COMPANIES: CASE STUDY OF PT GRAMEDIA ASRI MEDIA." *Journal of Information Systems* 13(1):1– 10. . 2017. DOI: <https://doi.org/10.21609/jsi.v13i1.525>.
10. Bangun, U. and L.B. Sitepu. *ANALYSIS OF THE LEVEL OF PUBLIC UNDERSTANDING OF ISLAMIC BANKING (CASE STUDY OF THE PEOPLE OF PEKAN KUALA VILLAGE, KUALA DISTRICT, LANGKAT REGENCY.*