

Report On
“Variables associated with successful implementation of
Performance Management System-A study on
Robi Axiata Limited”

By

Ilmi Tabassum Nadia
15104074

An internship report submitted to the BRAC Business School in partial fulfillment of the
requirements for the degree of
Bachelor of Business Administration

BRAC Business School
Brac University
September 2019

© 2019. Brac University
All rights reserved.

Declaration

It is hereby declared that

1. The internship report submitted is my own original work while completing degree at BRAC University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted or submitted for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

Student's Full Name & Signature:

Ilmi Tabassum Nadia
15104074

Supervisor's Full Name & Signature:

Mohammad Atiqul Basher
Lecturer, BRAC Business School
BRAC University

Letter of Transmittal

Mohammad Atiqul Basher

Lecturer

BRAC Business School

BRAC University

66, Mohakhali, Dhaka-1212

Subject: Submission of Internship Report.

Dear Sir,

With all due respect, I consider this as my pleasure to submit my internship report on “Variables associated with successful implementation of Performance Management System-A study on Robi Axiata Limited” as partial fulfillment of Bachelor of Business Administration program.

The purpose of this report is to figure out the variables associated with performance management system and to provide a brief knowledge about Robi’s performance management system.

I fervently hope that you will find this paper worth reading and appreciate my efforts that I have put into making this project successful under your active supervision. Thank you for your cooperation.

Sincerely yours,

Ilmi Tabassum Nadia

15104074

BRAC Business School

BRAC University

Date: September 5, 2019

Non-Disclosure Agreement

This agreement is made and entered into by and between Robi Axiata Limited and the undersigned student at BRAC University named Ilmi Tabassum Nadia for the commitment of avoiding the unapproved divulgence of confidential data of the organization.

.....

Robi Axiata Limited

.....

Ilmi Tabassum Nadia

Acknowledgement

At the very beginning, my heartiest thankfulness to Almighty Allah for blessing me with the strength and ability to complete my internship project and internship period at Robi Axiata Limited.

It is with immense gratitude that I acknowledge the unconditional support of my respected advisor Mohammad Atiqul Basher, Lecturer, BRAC Business School. It is because of his guidance and feedback that I could accomplish this project in time.

I consider it an honor to get the chance to work in the Human Resources division of Robi Axiata Limited. This project would not have been successful without the support of the whole Human Resources team of Robi. Especially I would like to express my gratitude to my supervisors Tanaka Islam, Muntasir Mynuddin, Shakil Ahmed and my line manager Mohammad Maruful Alam Chowdhury for guiding and motivating me throughout my whole internship period.

Lastly, I would like to show my gratitude to all the people who have helped me with any sort of information and kind help regarding my project.

Executive Summary

Robi Axiata Limited, a joint venture between three multinational companies from Malaysia, India and Japan is the second biggest mobile network operator of Bangladesh having almost 47.939 million subscribers. As an eminent and lucrative telecom company Robi Axiata Ltd is more conscious than ever in implementing performance management system and Robi has remodeled its performance management system in 2019 named as IGNITE. Throughout this research and after accomplishing SPSS analysis it has been found that among the three variables, organizational leadership and employee engagement have played a major role behind the exertion of new performance management system. Though this research suggests that Robi is lacking behind in creating positive culture in some cases within employees but it is easily understandable Robi will certainly bring notable changes in its performance appraisal for upgrading working culture with the help of IGNITE.

Keywords: Robi Axiata Limited; Performance Management System; IGNITE; Organizational Leadership; Culture; Employee engagement.

Table of Contents

Declaration.....	ii
Letter of Transmittal	iii
Non-Disclosure Agreement	iv
Acknowledgement	v
Executive Summary	vi
Table of Contents	vii
List of Tables	x
List of Figures.....	xi
List of Acronyms	xii
Chapter 1 Introduction.....	1
1.1 Background of the study	1
1.2 Origin of the research.....	1
1.3 Objectives of the research	2
1.4 Limitations	2
Chapter 2 Organizational Overview	4
2.1 Robi Axiata Limited	4
2.2 Vision, Mission, Core Values, Guiding Principles	7
2.3 Shareholders.....	8
2.4 Brand Elements	9
2.5 Products and Services	10

2.6 Organizational Structure of Robi	12
2.7 Divisions of Robi	13
Chapter 3 Performance Management System	14
3.1 Definition of Performance Management System.....	14
3.2 Literature Review.....	14
3.3 Aim of Performance Management System	15
3.4 Methods of Performance Management System	16
Chapter 4 Robi Performance Management System	18
4.1 IGNITE	18
4.2 Drawbacks of the previous PMS.....	19
4.3 Significant changes under IGNITE.....	20
4.4 Process of IGNITE.....	21
Chapter 5 Research Methodology	23
5.1 Methodology	23
5.2 Measures	23
5.3 Sampling	24
5.4 Research Question	24
5.5 Demographic analysis.....	24
5.6 Data Analysis Method.....	25
5.7 Model Development.....	26
5.8 Conceptual framework and Hypothesis	27

Chapter 6 SPSS Analysis and Interpretation	30
6.1 KMO and Bartlett’s Test.....	30
6.2 Analysis.....	30
6.3 Reliability.....	32
6.4 Regression Analysis	33
6.4 Findings.....	35
Recommendations	37
Conclusion	38
References	39
Appendix.....	41

List of Tables

Table 1: KMO and Bartlett's Test	30
Table 2: Total Variance Explained	31
Table 3: Communalities	31
Table 4: Rotated Component Matrix	32
Table 5: Reliability test (Employee Engagement)	33
Table 6: Reliability test (PMS)	33
Table 7: Model Summary	34
Table 8: ANOVA	34
Table 9: Coefficients	34

List of Figures

Figure 01: Robi subscriber base, Shareholders.....	5
Figure 02: Robi 10 Minute School.....	6
Figure 03: Robi safe water campaign at railway stations	7
Figure 04: Logo.....	9
Figure 05: Slogan.....	9
Figure 06: Operator Number.....	9
Figure 07: Digital Solutions by Robi	11
Figure 08: Organogram of Robi.....	12
Figure 09: IGNITE.....	18
Figure 10: Gender percentage of Respondents	24
Figure 11: Age group of Respondents	25
Figure 12: Working experience	25
Figure 13: Model of variables associated with PMS	26

List of Acronyms

BTRC	Bangladesh Telecommunication Regulatory Commission
MNP	Mobile Number Portability
RAL	Robi Axiata Limited
VAS	Value Added Services
PMS	Performance Management System
MAD	Modern, Agile, Digital
KPI	Key Performance Indicators

Chapter 1

Introduction

1.1 Background of the study

An internship is a program, which is designed for both the undergraduate and postgraduate students to get a real life job context for a specific period. Business Dictionary defined internship as a "period of monitored training needed for qualification or occupation. This follows an amount of academic credits or years of school" (Business Dictionary). Internship allows students to get a real life job experience and match it with the academic learning, it gives opportunities to get a real taste of the chosen major, helps to develop skills and knowledge, enhances resume, provides a chance to explore career paths and build yourself on the basis of one's choice. Undergraduate students are required to complete this procedure to get their degrees. Like every other university, students of BRAC University are also required to complete a three to six months of internship to complete their bachelor's degree. This research paper has been prepared based on the three months internship period at Robi Axiata Limited.

1.2 Origin of the research

This paper is a total output of the three-month internship at Robi, where I was offered the opportunity to work under the Division of Human Resources. This opportunity provided me with a real life scenario of a corporate job. All the academics I got to learn has been depicted by comparing it with the real work experience. I had the chance to work with resourcing, business partnering and talent development units under the Human Resources division. Different experiences and exposure to tasks encouraged me to pick the topic "Performance Management System," which is a key component of human resources.

1.3 Objectives of the research

As the title says, “Variables associated with successful implementation of Performance Management System-A study on Robi Axiata Limited”, this report will contain research results on the factors that are helping to implement and conduct a successful performance management system at Robi. Working at Robi helped to enhance my knowledge on various prospects of Robi as well as on the whole telecommunication sector. The basic objectives of this paper are:

- To provide an overall organizational overview of Robi
- To explore different elements of Performance Management System of Robi
- To analyze the variables associated with implementation or conduction of PMS

1.4 Limitations

This research paper has been created under some limitations. Firstly, every organization maintains its confidentiality for outsiders. Therefore, this was one of the biggest limitations while working for this paper. There was much information that was required for the paper but could not get it because of the confidentiality issues.

Secondly, since there was not any direct involvement with the department handling the performance management system so there was lack of information and knowledge. I had to study on my own by doing research from online sites to get a broad aspect of the topic.

Lastly, the number of employees working in HR was not sufficient to get a survey result. For which I had to take survey opinions from other employees to get accurate analysis results rather than from employees who have directly worked with the performance management system.



Chapter 2

Organizational Overview

2.1 Robi Axiata Limited

The telecommunication sector of Bangladesh is one of the most largest and successful sectors of Bangladesh. Robi Axiata Limited is the second biggest mobile network operator in Bangladesh to contribute to this development of the telecommunications industry with a vision of establishing a Digital Bangladesh. It is a joint venture between Malaysia's Axiata Group Berhad, India's Bharti Airtel Limited, and Japan's NTT DoCoMo Inc.

Robi has started operating in Bangladesh in 1997 as Telekom Malaysia International (Bangladesh) under the brand name "AKTEL," according to information from Robi official website. They refurbished their brand name to "Robi" after continuing their voyage for so many years, and the name of the organization changed to Robi Axiata Limited. In November 2016, by combining with Airtel, Robi became the first successful merger in Bangladesh's telecom industry and the merged company is now continuing as Robi. It has become the pioneer in the telecom sector as the first and the biggest successful merger. Since it is a subsidiary of Axiata Group Berhad so this group controls its 68.7% share, Bharti holds 25% of the share and NTT DOCOMO of Japan controls the remaining 6.3%.

The total amount of mobile phone subscribers exceeded 161,772 million by the end of June 2019, according to a study by the Bangladesh Telecommunication Regulatory Commission (BTRC). Robi has around 47.939 million subscribers among this total number being the second largest telecom service provider in Bangladesh.

Robi is the country's first operator to introduce GPRS services and 3.5 G services. It became the first company in February 2018 to launch 4.5G service in all the country's 64 districts on the first day of this official launch of Robi's service. By the end of that year Robi became the

first operator to provide 4.5G network of the country to cover 99% of the places with around 7,400 sites. Robi has launched this 4.5G service to keep up with the digital pace alongside other technologically advanced countries. Robi also claims to have the widest international roaming coverage across 182 nations with 398 operators providing the largest 4G roaming facilities with 40 operators in 29 nations (Company Profile, 2019).

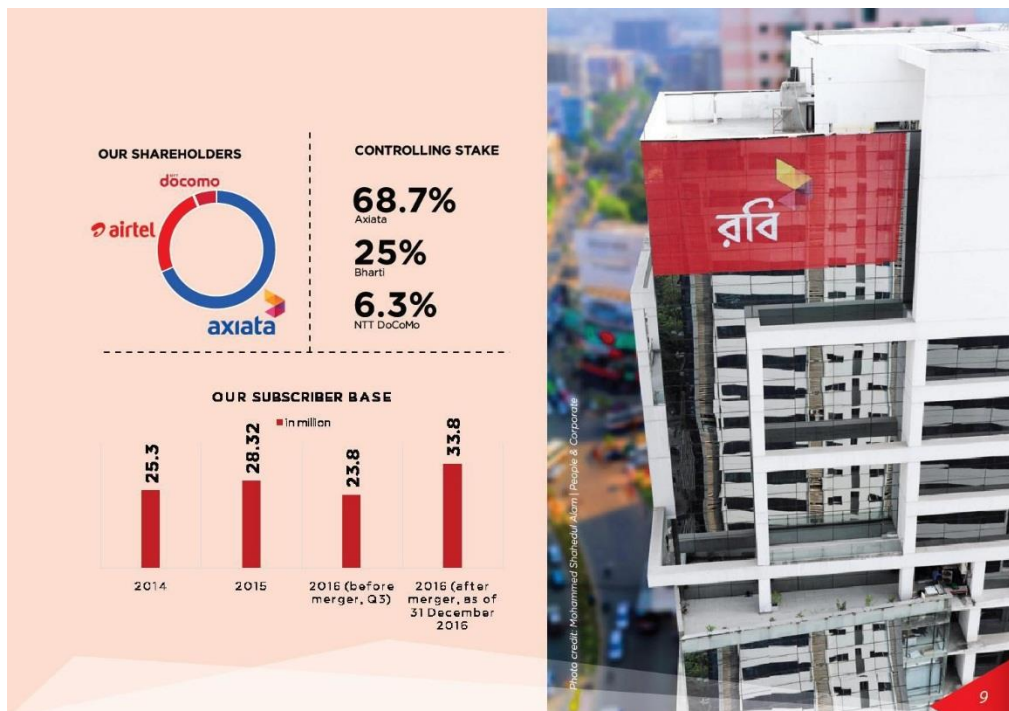


Figure 1: Robi subscriber base, Shareholders

Figure source: (Sustainability Report, 2017)

Robi has a strong sense of responsibilities towards the society and its people. For which they have been taking initiatives to fulfill their Corporate Social Responsibilities according to their report on CSR activities on website. Robi-10 minute School has become the biggest educational platform for the students of the country. Through an app and internet, around 260,000 students across Bangladesh can reach out to the contents of this service (Robi Corporate Responsibility, 2019). It has taken initiatives to make internet a safe place for the

youth because its negative usage can lead to disaster. Along with the British Council, it has spread message to the youth about their cyber rights and useful usage of internet. Safe drinking water is the first and foremost necessity of public health system. The government has been working hard to achieve this agenda of SDG. Robi has also participated with the government to ensure safe drinking water for all. With the assistance of WaterAid Bangladesh, it has planted ten water plants in ten of Bangladesh's busiest railway stations (Robi Corporate Responsibility, 2019). In addition, Robi has also created Internet corners throughout the nation in all divisional public libraries. Robi has also initiated iftar for orphans in the month of Ramadan, blood donation camps etc.



Figure 2: Robi 10 Minute School



Figure 3: Robi safe water campaign at railway stations

Figure source: (Sustainability report, 2016)

Recently the launching of Mobile Number Portability (MNP) service has proven beneficial for Robi because it has gained about two-thirds of the customers from this facility.

2.2 Vision, Mission, Core Values, Guiding Principles

Vision

The vision that Robi Axiata Limited follows is to be a leader as a Telecommunication Sector Provider in Bangladesh.

Mission

EMPOWERING YOU: To assist you develop, grow and make the most of your life through our services, we are there for you, where you want and in the direction you want. Robi's task is to maintain the vision by being the market leader when not only it comes to market share, but also by being the number one employer of choice by consistently acquiring up-to-date information and products aimed at meeting our country's evolving requirements.

Core Values

According to Robi, they work with a strong engagement of Exceptional Performance and Uncompromising Integrity (UI-EP) to create value by putting the Customer as the main target.

Guiding Principles

Robi aims to keep pace with the gradually developing digital landscape of the country. Robi aims to develop them as a leader in the industry by offering customer-centered information and digital services with its four guiding principles to pave the way for achievement. They are:

- Be agile
- Inspire to innovate
- Collaborate to deliver
- Do Digital

2.3 Shareholders

Axiata group holds most of the controlling share of Robi Axiata Limited that is 68.7%. Robi Axiata Limited is a joint endeavor between the following businesses: Malaysia's Axiata Group, India's Bharti Airtel, and Japan's NTT Docomo Inc. Apart from that, 68.7%, Bharti retains 25% of the share and Japan's NTT Docomo controls the remaining 6.3%.

2.4 Brand Elements

Brand elements consist of the Logo, Slogan associated with the brand name. Robi brand elements are:

Logo



Figure 4: Logo

Slogan



Figure 5: Slogan

Operator Number

Every telecom has its own operator number that is easily recognizable by customers. Robi's operator number starts with 018*****.







Figure 6: Operator Number


2.5 Products and Services

Robi offers its customers a variety of products to make the experience more satisfying. Initially it offers its customer with Prepaid and Postpaid packages. Other than that it provides customers with Internet services with 4.5G connection, Digital Solutions, Value Added services, International roaming services.

Prepaid Packages

-  Goti 36
-  Shorol 39
-  Noor Pack
-  Prepaid New Connection

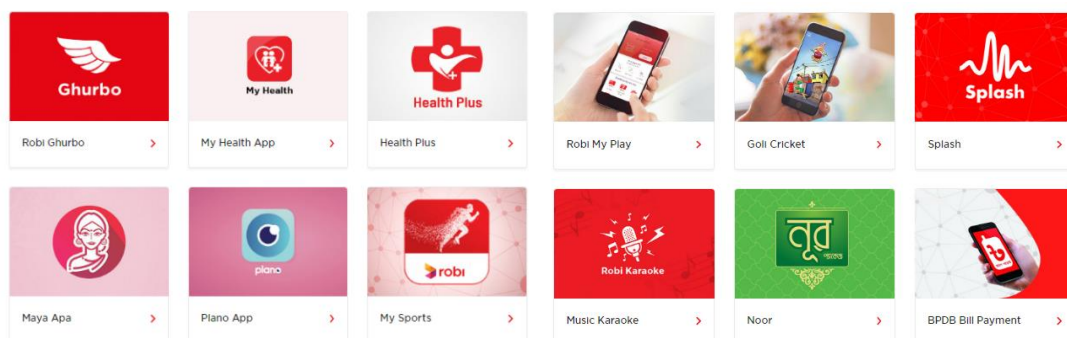
Postpaid Packages

-  Robi ACE

Customers can also migrate to Robi ACE from their prepaid packages.

Digital Solutions

Robi has a huge range of digital services for its customers. It has come up with such digital products to keep up the pace with the digital world and to meet customers changing technological needs.



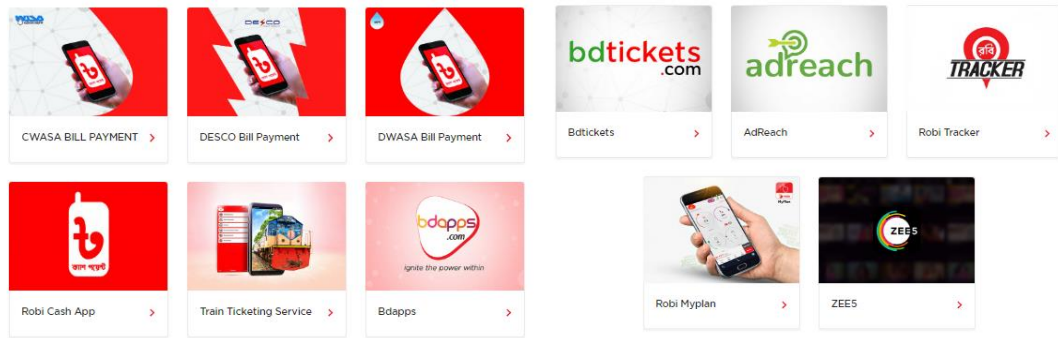


Figure 7: Digital Solutions by Robi

Value Added Services

Customers are offered Value Added Services to make their user experience more satisfying, to create a competitive advantage compared to the competitors, to provide customers with more features and services to retain them. VAS is a term used mainly in the telecom and mobile operator's community. Telecom companies see this value added service as an important variable to increase their revenue stream. So to increase their revenue stream Robi is also striving to make their customers satisfied. The value added services provided by Robi are -

- ✚ Entertainment
- ✚ Islamic Services
- ✚ Calling & Mobile Management
- ✚ Social & Chat
- ✚ Music
- ✚ Finance & Career
- ✚ Information Services
- ✚ Robi News Services
- ✚ Multimedia
- ✚ Loyalty Program

Dhonnobad

Under the Robi Dhonnobad category, Robi users can avail various discount offers from different brands like Walton, NovoAir, Biman Holidays, Lotto, Minister, Electro Mart Limited, Ezzyr, Bandbox, Nabila, O2, Leatherex, Moon’s and many other services.

2.5 Organizational Structure of Robi

Every organization has its own organogram or organizational chart that is the structure of the organization. The Axiata group controls Robi Axiata Limited and the Chief Executive Officer operates it. Mr. Mahtab Uddin Ahmed is the current CEO of Robi Axiata Ltd. Then there are divisional heads (CXOs) that are responsible for the management of the whole division. Executive Vice President (EVP), Vice President (VP), General Manager, Manager, Specialist and Executive follow divisional heads.

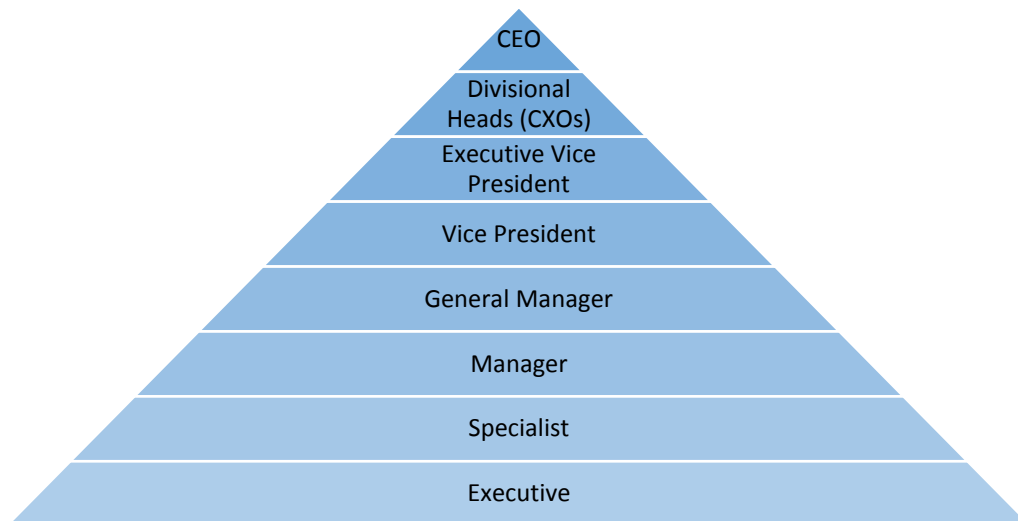


Figure 8: Organogram of Robi

2.6 Divisions of Robi

Robi has divided the whole organization into a total of eleven divisions to carry out the operational activities smoothly. All of the divisions have their operation in few other regions like Chittagong, Khulna, Rajshahi, Barisal etc. Divisions are divided into many departments and the departments are divided into units. The divisions are:

-  Axiata (Bangladesh) Limited
-  Corporate Strategy and Regulatory Affairs
-  Corporate Strategy
-  Digital Services
-  Enterprise Business
-  Finance
-  Human Resources
-  Information Technology
-  Internal Audit
-  Market Operation
-  Technology

Chapter 3

Performance Management System

3.1 Definition of Performance Management System

American compensation association defined performance management as "An efficient staff performance management scheme aligns individual efficiency with the mission, vision and goals of the organization" (American compensation association, 1996).

Performance management creates a sense of understanding among employees about their goals one wants to achieve. It is a way of dealing with supervising and creating individuals in a way that increases the likelihood of achieving it in the short and long term. It is a means by which organization and individual goals and goals can be accomplished (Armstrong and Murlis, 1994).

In today's era, organization's success mostly depends on the performance of employees and the contribution of employees to the organization. To ensure the performance of employees, performance management system plays a crucial role here. It is now the most exercised management tool to get the best out of employees and make use of their skills and knowledge to attain organizational goals.

3.2 Literature Review

Performance management system is a significant component of the contemporary management instrument that helps assess the performance of the employee to attain organizational goals. The concept of performance management system can be found from the early 1940s to evaluate employee's job satisfaction on the monthly salary they were being paid. With the advancement of historic management concepts, the performance management system idea has developed in many respects as well. There have been invented many new strategies, systems, ways of

conducting performance evaluation. Organizations use this tool to make the best out of employee's performance.

“The essence of performance management is that the development of people with the competency and commitment, working towards achieving meaningful shared goals within an organization that supports and promotes their achievement” (Lockett, 1992).

Employees are highly encouraged to contribute to the implementation of performance management system. Human Resources motivate to utilize performance management system to bring out organizations goals aligned with individual performance standards. The term performance management connects with employee's performance continuously improving.

According to Philpott and Shepard, Performance management seeks to enhance strategic focus and organizational efficiency by ensuring endless improvements in the performance of individuals and groups (Philpott and Shepard, 1992). Chris Bones states that the focus of performance management is continuous development (Chris Bones, 1996).

In order to carry out the performance management system process in an organization, it is necessary to concentrate on the variables responsible for the system execution. As stated by Choong (2013), leadership, culture and employee engagement are essential factors, which need to be considered to carry out the process of performance management system.

3.3 Aim of Performance Management System

PMS is performed in any organization with only one primary goal, which is to enhance the performance of the employee through shared goals. Performance management system evaluates employee's individual goals, objectives. Every employee is assigned with many job responsibilities that they need to fulfill. Performance evaluation allows employees to do that and find out the lacking in performances. Out of this, employees can also find ways on how to improve for the better. Employees get the opportunity to recognize their strengths and

weaknesses. One's expertise level is also measured through this. On another note, constant feedback are another form of self-improvement. It creates a sense of value among employees. Furthermore, performance management system brings out ways by which ways organizational goals and objectives can be achieved more quickly.

Performance management system provides individuals with opportunities to enhance their individual goals and aspirations which leads to job satisfaction and ensures organization's success. It helps to attain sustainable goals and objectives. When employees are aware of what they are expected to achieve, they feel more engaged towards their work. Another important goal of the system of performance management is to build an open and promoting connection between managers, supervisors and staff.

3.4 Methods of Performance Management System

Performance management system varies from organization to organization. Every organization decides their own performance management process to evaluate their employees. Evaluation process just does not include the managers and supervisors. It is increasingly similar to an exponentially developing curve. There are few popular methods of performance management system which is used worldwide by organizations. According to Uma Rajavelliah in her report "Different types of Performance appraisal system", there are five popular methods of performance appraisal, which are followed all over the world by organizations (Rajavelliah, 2013). The methods are listed below:

General method

It is a continuous process running throughout the whole year between the manager and the employees. Managers evaluate the employees after a year end and check if the predetermined goals have been achieved or not.

360 Degree Method

This method allows all the other employees to share their experience about a specific employee whose evaluation will be conducted. Peer feedback will also be considered along with supervisor's feedback.

Objectives set by Managers

In this process of performance appraisal, specific and clear objectives are set for employees along with ways of achieving those objectives. This method is very effective for creating a culture where employees work together for shared objectives and promote teamwork.

Personal Improvement Plans

This method is conducted for personal improvements of individuals. Most of the employees work for the organization with a goal to improve own skills and knowledge to achieve personal goals. This method helps them achieve it.

Evaluation by Project

Rather than waiting for throughout the year to evaluate an employee, it is wise to evaluate after the end of each project. This enables the person as well as the organization for continuous improvement.

Chapter 4

Robi Performance Management System

4.1 IGNITE

The performance management system that Robi recently implemented is known as IGNITE. Like every other organization, Robi has its own performance appraisal system which it follows to evaluate the employee's performance. IGNITE has been implemented across all the operations of Axiata group. Robi's previous performance management system was implemented back in 2010. Robi always had a vision to improve the overall organizational structure wherever needed in order to achieve a secure place in the telecommunication industry among the customers. The performance of the employee is the key to this achievement. The more employees are motivated to perform better, the more the company reaches to the top.



Figure 9: IGNITE

Since the previous performance management system was implemented quite a long back so to keep up with the modern pace it required few changes to satisfy the employees needs and wants. Robi has been making continuous efforts to improve their PMS and reviews and changes have been made over the years as per the required focus. IGNITE is still improving and bringing changes in order to drive the MAD transformation by Axiata group.

The word MAD stands for Modern, Agile and Digital. This is basically an agenda which Robi wants to achieve to create a benchmark in the telecommunication sector by bringing changes and making it digital. In order to drive MAD agenda Robi has been making continuous efforts and coming up with new ideas like creating digital apps to make people's life easier and service experience with smoother. It has recently launched a new digital service named LinkedIn Learning that is going to bring a drastic change for students and also for corporate people.

There has been brought many changes in the new system, Robi still manages to uphold the key principles it has been following. Key principles like driving for exceptional performance, uphold the pay for performance philosophy and differentiate top performers, improve and motivate poor performers, creating opportunities for employees to make career growth based on potential and creating equal platform for all employees.

4.2 Drawbacks of the previous PMS

The previous PMS had few major drawbacks that led to up gradation to a new system called IGNITE. The previous process had the following drawbacks that are:

Bell curve / Forced ranking

This process of evaluation created negative impacts on both the employees and managers because it was difficult to match both side's expectations.

Complex reward mechanism

Complex reward mechanism meant that the process had mixed and multiple rating system for incentive payouts and increment which created a lot of negative impact.

Individual rewards too reliant on company performance

Exceptional performers used to get increments and rewards but based on the company performance that did not motivate the employees to keep up the good performance. Also the

bottom performers did not get much scope of improvements and thus did not receive increments.

Once a year review process

Goals and objectives were fixed at the year end and there were no review process throughout the year round so there was limited scope of improvements.

Lack of empowerment from line managers

Line managers did not have the power to take necessary actions to motivate or provide feedback to the employees throughout the year. In addition, to monitor regular increments employees will be based on their performance.

4.3 Significant changes under IGNITE

Following the above pain points of the previous system major Robi has brought changes to IGNITE to drive the MAD agenda. The changes are as follows:

No Bell curve/ Forced ranking

Removing the bell curve from the process will allow managers to assess the employees that will be considered final.

Creating 1-5 rating

There are three indicators for each employee which are Outstanding, Well done, Needs improvement. Each of the criteria will be rated under 1-5 rating scale where 1 is the highest measure and 5 is the lowest.

Single profile for incentive and increment

No separate incentive score will be given to employees for annual bonus payment. 360 degree aspects of performance for reward mechanism have been implemented.

Performance improvement throughout the year

Line managers have the power to recommend improvement for any employee on any time of the year instead of year end assessment.

Challenge Yourself




This new criteria allows employees to experiment wherever needed even if they do not succeed. This will give them scope of learning and improvement for own benefit.

Line manager empowerment

Line manager now have the power to assign rewards, administer performance and provide incentives for that.

4.4 Process of IGNITE

Robi follows the “Pay for Performance” approach. This makes the whole process of measuring performance a bit critical. The following tools are used:

-  Performance planning
-  Performance tracking
-  Performance appraisal (once a year)

Planning Process

Planning process is the very first and most important tool of any appraisal process. This process includes company level Key Performance Indicators (KPI), Cross-functional deliverables and individual objectives setting. Individual performance objectives are set by mutual discussion between managers and employees.

Performance Tracking

After finishing the planning phase for performance appraisal, managers change their focus to provide staff with continuous feedback and monitor, guide and evaluate results. Managers must keep employees under consistent supervision, monitor and coach employees about how to improve more, arrange regular or weekly review discussions. After that once performance planning is all set, a mid-year review is conducted by human resources and checked if the goals have been achieved or not.

Performance Appraisal

Performance appraisal is conducted once a year where the whole year's performance is evaluated and checked if the preset goals and objectives have been achieved or not. If an employee needs training and development, how one can improve their performance all these are originated from performance appraisal. This serves as a tool for employee development. This works as the basis for the incentives and increments, rewards, salary, career growth, training needs analysis etc.

Chapter 5

Research Methodology

5.1 Methodology

Primary and secondary sources of data were used for the methodology of the research project.

Primary Data Sources

The primary information has been gathered from the employees through an oral interview who are directly associated with conducting performance appraisal and who works with the performance management system. Employees who have participated in PMS process directly have given other information. To complete the primary data collection procedure a survey was conducted on HR employees. Survey responses were collected through hardcopies.

Secondary Data Sources

Articles on performance management system, research papers, journals, documents, Robi website, Robi sustainability reports these are the sources of secondary research method.

5.2 Measures

The participants were provided a questionnaire composed of twenty questions to have their respective views on the following subject of studies. A five-point Likert scale was used to measure the respondent's opinion. Each likert scale contains 5 responses starting from numeral 1 with "Strongly disagree", numeral 2 with "Disagree", numeral 3 with "Neutral", numeral 4 with "Agree" and numeral 5 with "Strongly agree". The scale "Strongly disagree" shows disagreement with a statement whereas "Strongly agree" shows positive judgment towards a statement. Neutral explains neither disagree nor agree. Disagree means totally disagreeing and Agree shows agreeing with a statement. Multiple items play an important role in measuring each assembly in order to assess measurement on the basis of validity and reliability.

5.3 Sampling

For the research purpose, a survey has been done to collect the samples. A questionnaire survey containing in total 20 questions under each of the dependent and independent variables was formed to collect responses. Demographic information was also asked to the respondents. In total 50 responses were collected through hard copies of survey.

Respondents were assured about the confidentiality of the survey and they were briefly given knowledge about the whole research purpose.

5.4 Research Question

The main research question guiding this study is, “What are the variables responsible for the implementation of Performance Management System in Robi?”

5.5 Demographic analysis

Demographic information was collected from the paper survey. Among the 50 respondents, the number of the male respondents was 72 percent and rest of the 28 percent was female. 12 percent of the participants were 20-30 years of age, 64 percent to the group 30-40 and rest of the 24 percent belonged to the group 40-50. 74 percent of the employees have 0-5 years of working experience in Robi and other 26 percent has 5-10 years of experience.

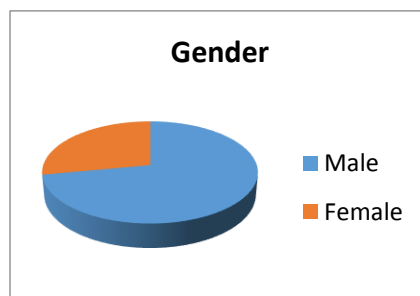


Figure 10: Gender percentage of Respondents

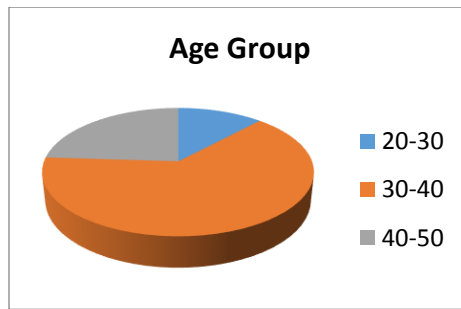


Figure 11: Age group of Respondents

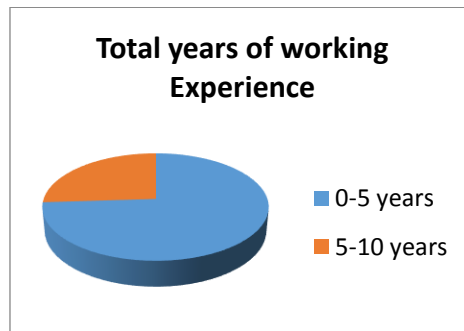


Figure 12: Working experience

5.6 Data Analysis Method

To analyze the data that has been collected through a paper-based survey, SPSS software has been used. This software is widely used for interactive and statistical analysis of data.

5.7 Model Development

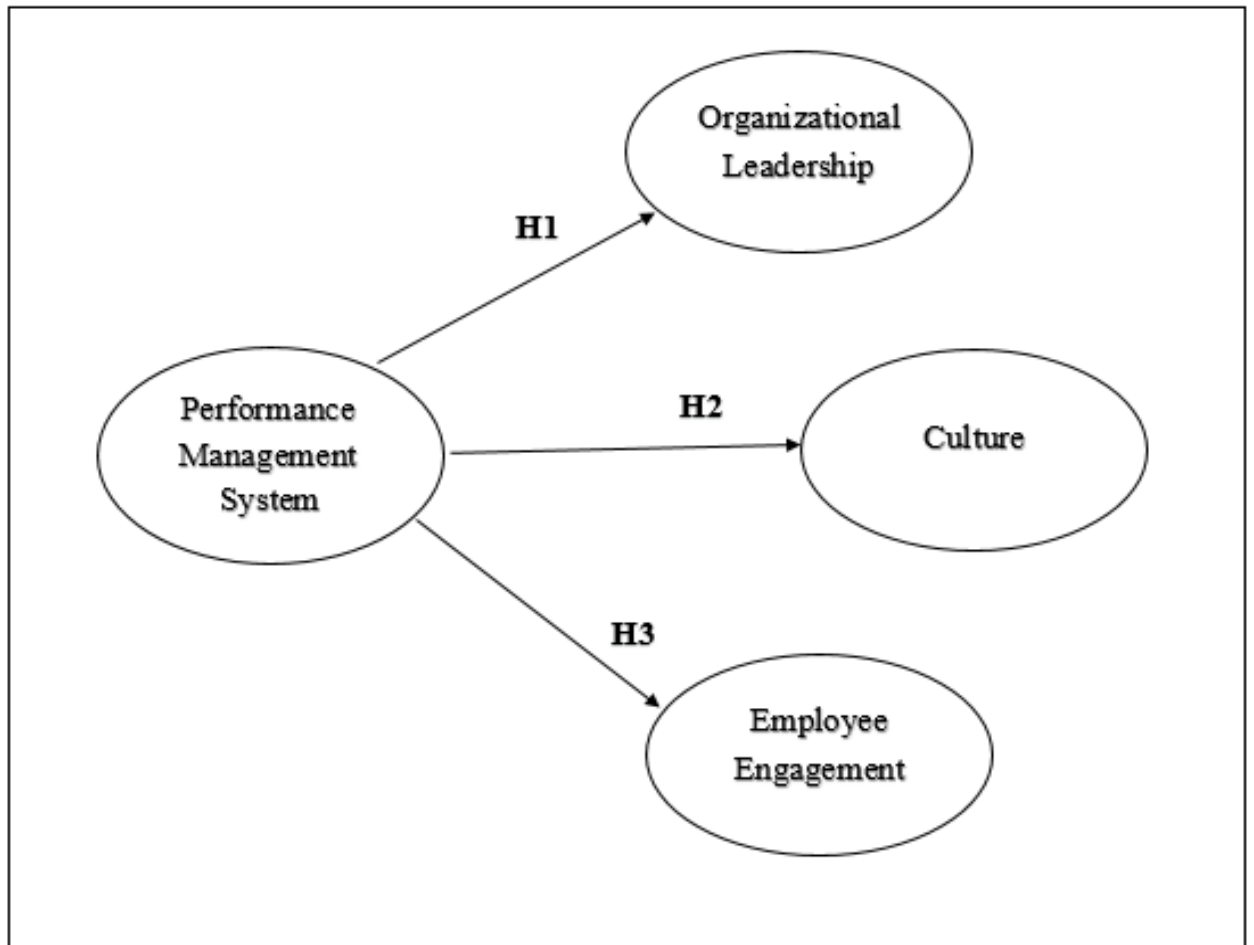


Figure 13: Model of variables associated with PMS

The model of conceptual framework has been developed from the research paper on “The Effect of Performance Appraisal on Employee Performance: A Survey on Administrative Staff of Hawassa University” by Teshome (2014), Nigatu, (2007), Gethanu (2013).

In this conceptual model of variables associated with PMS, Performance Management System is the dependent variable. Organizational Leadership, Culture, Employee Engagement are the independent variables.

The dependent and independent variables used in the model was collected by conducting oral interviews with employees of Robi. Moreover, few previous reports and guidelines on PMS were also used to find out the variables. From the findings, these three variables were finalized because of their strong affiliation with PMS in Robi Axiata Ltd.

5.8 Conceptual framework and Hypothesis

Organizational Leadership

Leadership is the ability to lead and motivate a group of people towards a shared goal. The definition of leadership catches the basics of having the option to motivate others and being set up to do so. Constructive leadership depends on ideas regardless of whether unique or acquired. It only matters if those ideas can be conveyed to others in a manner that connects with them enough to be the leader needs them to act. Organizational leadership is a dual-focused approach to administration that progresses simultaneously towards what is best for people and what is best for an overall group of individuals. An organization needs strong leadership skills in order to drive its people towards shared goals and objectives. Leadership is the trait which leads to create and implement an effective performance management process to keep the employees motivated.

Leadership is a trait which can be developed or it can be inbuilt as well. So if employees are motivated to develop their leadership skills it will create an impact on their organizational performance. This will eventually lead to better performance which will be evaluated by the performance management system.

In order to develop strong leadership skills among employees, IGNITE has been implemented with new changes which will allow the employees to challenge themselves and grow as an individual. Apart from that, the KPIs set for each employee also motivate them to develop the qualities of a leader to achieve the organizational goals.

H1: The stronger the leadership skill, the more efficient PMS is.

Culture

Organizational culture is the structure of values, beliefs, norms, standards and attitudes, suppositions that might not have been explained rather shape the manners by which individuals in organizations act, and things complete. Organizational culture encourages a work environment within staff that is positive and supportive. The success of any organization largely depends on its culture. Culture is the context which encourages employees to learn and decide what can or cannot be done within an organization to promote a healthy working environment. It is defined as how employees interact with each other and motivate each other towards achieving a common goal. Culture incorporates leadership.

Culture of an organization is responsible for motivating employees to perform better. A performance management system will only work efficiently if the organization culture promotes positivity. Employees will be able to achieve the KPIs if the culture they are working is promoting positivity. For instance, if an employee wants to be a team leader but due to previous failures one is not getting the chance to prove themselves or because other employees are mocking continuously then he will not be able to achieve the objectives set by PMS. To establish a supportive work culture in the organization performance management system has to be implemented.

H2: The more satisfactory organizational culture, the more dynamic PMS is.

Employee Engagement

Employee engagement means employee involvement in organizational work. Perrin's Global Workforce Study (2003) defines employee engagement as employee's readiness to achieve organizational goals. Employee engagement is a working environment approach about bringing out the best of employees by creating such opportunities for them.

Employee engagement can be assured if employees are given the chance to demonstrate their talents, abilities, ability and potential and work towards organizational objectives. Employee engagement shows how content employees are regarding their work which will reflect in the performance appraisal process. Studies found that employee engagement has a strong and positive relationship with performance management system as it creates scope for employees to perform better and engage themselves more into the organization. To ensure and provide more employee involvement opportunities implementation of a new performance management system is necessary.

H3: The more employee engagement is ensured, the more gain in PMS.

Chapter 6

SPSS Analysis and Interpretation

6.1 KMO and Bartlett's Test

The Sphericity test of the KMO and Bartlett is less than .05. This recommends being statistically significant in this study.

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.516
Approx. Chi-Square		70.198
Bartlett's Test of Sphericity	df	28
	Sig.	.000

Table 1: KMO and Bartlett's Test

6.2 Analysis

Varimax rotation method was implemented for factor assessment because all variables were already known. The assessment discovered four variables. The cumulative complete variance was nearly 74% (see Table 2). The values in the table of communities were more than .5, as shown in Table 3.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.056	25.696	25.696	2.056	25.696	25.696	1.950	24.371	24.371
2	1.695	21.185	46.881	1.695	21.185	46.881	1.647	20.587	44.958
3	1.291	16.134	63.015	1.291	16.134	63.015	1.266	15.829	60.787
4	.948	11.855	74.870	.948	11.855	74.870	1.127	14.083	74.870
5	.751	9.392	84.262						
6	.570	7.122	91.385						
7	.386	4.819	96.204						
8	.304	3.796	100.000						

Extraction Method: Principal Component Analysis.

Table 2: Total Variance Explained

Communalities

	Initial	Extraction
OL2	1.000	.933
OL3	1.000	.695
CL3	1.000	.682
CL4	1.000	.687
EG2	1.000	.790
EG3	1.000	.812
PMS4	1.000	.641
PMS2	1.000	.750

Extraction Method: Principal Component Analysis.

Table 3: Communalities

One factor items are dragged into a single column for the Rotated Component Matrix.

Rotated Component Matrix^a

	Component			
	1	2	3	4
OL2				.955
OL3				.777
CL3			.784	
CL4			.788	
EG2		.872		
EG3		.815		
PMS4	.796			
PMS2	.786			

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

Table 4: Rotated Component Matrix

6.3 Reliability

Cronbach's Alpha was used to assess the measurement's reliability and to verify internal consistency of the variables. Reliability shows the consistency of the analysis results. The reliability has been tested between the variables EG1, EG2, EG3 and EG4 and the result is reliable. According to Hair Et Al, 2010 Alpha minimum of 0.6 or more than 0.6 is deemed acceptable in an exploratory research by Cronbach, and this is similar to the reliability test between the above variables. Similarly the following variable PMS1, PMS2, PMS3 and PMS4 has been tested and the result was reliable as well.

Employee engagement

Reliability Statistics

Cronbach's Alpha	N of Items
.625	2

Table 5: Reliability test (Employee Engagement)

Performance Management System

Reliability Statistics

Cronbach's Alpha	N of Items
.614	2

Table 6: Reliability test (PMS)

6.4 Regression Analysis

Regression analysis tests the dependent and independent variable's hypothesis. Among the four factors, three independent variables were used to perform multiple regression analysis to determine the variables for the chosen model associated with PMS implementation in Robi Axiata Ltd.

Model Summary indicates that all out inconstancy of the dependent variable is clarified by the independent variable. The F-statistic (Sig.000 < .05) seems to signify the whole model. The

Adjusted R Square=.171 shows that 17.1 percent variance in the dependent variable was clarified by the independent variables (see Table No. 7).

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.471 ^a	.222	.171	.85282

a. Predictors: (Constant), EEG, CLL, OOL

Table 7: Model Summary

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.524	3	3.175	4.365	.009 ^b
	Residual	33.456	46	.727		
	Total	42.980	49			

a. Dependent Variable: Ppms

b. Predictors: (Constant), EEG, CLL, OOL

Table 8: ANOVA

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.760	1.679		4.025	.000
	OOL	.408	.139	.389	2.941	.005
	CLL	-.004	.108	-.004	-.033	.974
	EEG	-.180	.072	-.327	-2.490	.016

a. Dependent Variable: Ppms

Table 9: Coefficients

Among the independent variables organizational leadership, culture and employee engagement, only two variables organizational leadership and employee engagement has significant impact on the performance management system. The hypothesis H1 proposed that the stronger the leadership skill, the more efficient PMS is and the result came out significant ($\beta = .389$ and $\text{Sig} = .005$) which proved that H1 is supported by the data. Moreover, H3 hypothesis proposed that the more employee engagement is ensured, the more gain in PMS and the result is found to be significant ($\beta = -.327$ and $\text{Sig} = .016$) and is well supported by the data. On the other hand, H2 ($\beta = -.004$ and $\text{Sig} = .974$) was not supported by the data because the result was insignificant.

6.4 Findings

Performance management system in Robi Axiata Limited has a significant impact on employee's performance improvement. The new performance management system was implemented by considering the need to improve the organizational leadership skills of the employees. To promote leadership within the organization and to provide employees with better opportunities to improve their leadership skills the new PMS has been upgraded. In addition, it was necessary to engage employees more into tasks to support the organization goals.

It is proven from the above analysis that after the implementation of system of performance management, Robi has seen some drastic changes in improvement of leadership qualities among employees. Moreover, after introducing the new performance management system, employees are more motivated to flourish their own leadership skills which eventually plays a massive role on the overall performance of Robi. Having stronger leadership skill employees are more driven towards the shared goals of organization like Robi. Nonetheless new performance system has been successfully able to encourage more employee engagement than

ever in Robi. To accomplish the goals of the organization Robi gives platform to their employees to showcase their potentials and talents. Thus employees are bringing out their best possible effort and they are more eager to achieve the organizational goals. This type of involvement regarding achieving organizational goals has reflected in their performance appraisal process.

On the contrary, Robi is still lacking in creating a positive and satisfactory culture to help employees to improve their performance in order to achieve organizational goals. With the help of IGNITE, Robi can certainly bring more changes into the organization and incorporate more policies to improve the work culture so that employees can feel a positive vibe working there.

Recommendations

Robi has already implemented the new performance management system IGNITE to drive the MAD transformation by Axiata. Although it has brought some major changes from the previous system, it still might need a few changes to be implemented to make the system more convenient. Based on the analysis and findings, also by taking kind suggestions from few of the employees, here are a few of the recommendations that Robi might take into consideration to improve their performance management process.

- ✚ The Key Performance Indicators fixed for the employees can be made more individual centric rather than making it dependent on team performance. For instance, since Robi promotes teamwork so most of its tasks are done in teams rather than doing individually. When a team does not execute their tasks according to instructions, the individual has an adverse effect. Therefore, the employees are evaluated improperly and free riders at work increases.
- ✚ There should be more review discussions throughout the year to provide employees with scope of improvements. Frequent follow ups will make employees feel that their work is being valued and noticed. They will be more engaged in their work and will also get a chance to improve if there is any lacking. Line managers can be given the power to conduct more review discussions whenever they might feel necessary.
- ✚ KPIs fixed for the individuals must be lesser in number. Too much work pressure makes employees distracted from their work. They feel less motivated and engaged in their daily activities. So the number of KPIs can be reduced along with making the KPIs more practical.

Conclusion

Robi is leading the path of telecommunication industry as the second biggest telecom service provider in Bangladesh. Being a joint endeavor between Axiata Group Berhad of Malaysia, Bharti Airtel Limited of India and NTT DoCoMo Inc. of Japan it has launched its operations across the country to create a benchmark in the telecommunication sector. This research has mainly focused on Robi's performance management system and the variables responsible for its successful execution. In the new performance management system IGNITE has brought significant changes from the previous one that made a lot of improvements in the whole appraisal process. As the research has demonstrated, organizational leadership, culture and employee engagement all the three factors have a huge significance behind the success of PMS of Robi. The way Robi is progressing toward creating the best network, it would not be far when Robi will be leading the telecommunication industry with its best services.

References

- [1] Company Profile. (n.d.). Retrieved from <https://www.robi.com.bd/en/corporate/company-profile>
- [2] "Different types of performance appraisal system: Synergita Blog". (2019, July 25). Retrieved from <https://blog.synergita.com/2013/09/different-types-of-performance-appraisal-system/>
- [3] Gethanu, 2013. Investigate the impact of training on employee performance in government education sector in case of Arsi Negele district: Hawassa University, Ethiopia
- [4] Girma, T., Lodesso, S. L, & Sorsa, G. (2016, March). The effect of performance appraisal on employee performance: A survey on administrative staff of Hawassa University. Journal of business and management (IOSR), 18(3). doi: 10.9790/487X-1803023644
- [5] Key Components of Organizational Leadership. (n.d.). Retrieved from <https://www.tdktech.com/tech-talks/key-components-of-organizational-leadership>
- [6] Key Tools and Techniques for Performance Management. (n.d.). Retrieved from <https://www.bernardmarr.com/default.asp?contentID=772>
- [7] Mamun, A. A. (2014, January 29). Main body (The management functions of Robi Axiata ltd.). Retrieved from <https://www.slideshare.net/abdullahalmamun1069/main-body-30588387>
- [8] Mobile Phone Subscribers in Bangladesh June, 2019. Retrieved from <http://www.btrc.gov.bd/content/mobile-phone-subscribers-bangladesh-june-2019>
- [9] Nigatu, T. A. 2007. Employees' attitude towards performance appraisal system and its components, Addis Ababa University, Ethiopia
- [10] Report, S. B. (2019, January 16). Robi gains most from MNP. Retrieved from <https://www.thedailystar.net/business/telecom/news/robi-gains-most-mnp-service-in-bangladesh-1688038>
- [11] Robi (company). (2019, August 08). Retrieved from [https://en.wikipedia.org/wiki/Robi_\(company\)](https://en.wikipedia.org/wiki/Robi_(company))
- [12] Robi Corporate Responsibility. (n.d.). Retrieved from <https://www.robi.com.bd/en/corporate/corporate-responsibility/robi-corporate-responsibility>

- [13] Sifat, A. (2019, February 04). Robi Airtel merger: An opportunity to ponder. (Case study). Retrieved from <https://www.slideshare.net/rabbialsifat/robi-airtel-merger-an-opportunity-to-ponder-case-study>
- [14] Sustainability Report. (n.d.). Retrieved from <https://www.robi.com.bd/en/corporate/sustainability-report>
- [15] Teshome, Z, 2014. Assessing performance appraisal practices: Hawassa University, Ethiopia.
- [16] Values and Principles. (n.d.). Retrieved from <https://www.robi.com.bd/en/corporate/principles-purpose>
- [17] VAS. Retrieved from <https://www.robi.com.bd/en/personal/vas>

Appendix

Survey on Performance Management System

Measurement Scale:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Questionnaire:

Organizational Leadership:

1. Through performance management system, employees get strong administrative support to enhance their leadership skills throughout the year.
2. The need for organizational leadership has a strong impact on determining the Key Performance Indicators (KPI).
3. Organizational leadership works as an important driver to align the performance management system with organizational goals.
4. Performance management plays a significant role in recognizing future potential leaders by allowing them to “Challenge Yourself”.

Culture:

1. The reconstructed structure of PMS is supporting the MAD (Modern, Agile, Digital) agenda.
2. Implementation of the new PMS (IGNITE) was necessary in order to drive innovation and support cultural changes within the organization.

3. Cultural changes create the need for improvement for employees.
4. Work culture in Robi creates more opportunities to empower and engage employees.

Employee Engagement:

1. Continuous employee engagement is necessary for mass awareness and internalization of IGNITE.
2. Employees are actively involved in the development and implementation of the PMS.
3. Getting constant feedback from line managers help to keep employees more engaged.
4. Employee engagement becomes more evident if goals and organizational strategies are aligned properly.

Performance Management System:

1. Conducting time-to-time performance appraisal shows employee's improvement is a top priority for the organization.
2. Performance management system helps to communicate the organization's goals, vision and mission to the employees more effectively.
3. IGNITE gives employees the chance to improve their performances throughout the year.
4. The necessary changes made from the previous performance management system to IGNITE are satisfactory.

Demographic Information:

1. Gender -
 - Male
 - Female

2. Age Group-

- 20-30
- 30-40
- 40-50
- 50 and above

3. Designation in the organization-

- Vice President
- General Manager
- Manager
- Executive
- Specialist
- Other _____

4. Total years of working experience in Robi-

- 0-5 years
- 5-10 years
- 10-15 years
- 15 years and above

Survey Data

OL 1	OL 2	OL 3	OL 4	CL 1	CL 2	CL 3	CL 4	EG 1	EG 2	EG 3	EG 4	PM S1	PM S2	PM S3	PM S4
5	5	5	5	4	4	4	5	5	4	5	5	5	4	5	4
5	5	5	5	5	5	5	4	5	5	5	4	5	4	4	5
5	5	5	4	4	4	4	3	5	5	5	5	4	5	5	5
5	4	4	4	5	4	4	3	4	5	4	5	4	4	4	5
5	5	5	5	5	5	5	4	5	4	5	4	5	4	5	5
5	5	5	5	4	4	4	5	4	5	5	5	5	4	4	4
4	5	4	4	3	4	4	4	3	5	4	4	4	3	3	3
4	5	5	4	4	5	5	3	5	4	4	5	5	5	4	5
4	5	5	5	4	5	4	4	5	3	2	4	2	5	5	5
4	3	3	5	3	3	3	3	5	3	4	5	3	4	3	3
4	4	4	5	4	5	5	5	4	5	5	4	4	4	4	4
4	4	5	5	5	4	4	4	5	4	4	5	5	4	4	4
4	4	4	4	4	4	5	4	4	4	4	4	4	4	5	4
5	4	5	5	5	5	5	5	4	3	5	5	4	4	5	5
4	3	4	5	5	5	5	5	5	5	3	5	2	4	5	5
4	4	5	5	5	5	3	5	4	4	1	4	5	5	5	5
4	4	5	4	5	5	5	3	5	4	3	5	4	5	5	4
3	4	5	5	5	5	5	5	4	4	3	4	3	4	5	5
4	5	5	5	4	5	4	4	5	3	2	4	2	5	5	5
5	5	5	5	4	4	4	5	5	4	5	5	5	4	5	4
5	4	5	5	5	5	5	4	5	5	4	5	4	4	3	5
3	5	4	5	5	4	5	5	5	5	5	5	4	4	5	5
4	5	5	5	4	5	4	4	5	3	2	4	2	5	5	5
5	4	5	4	5	4	5	5	5	4	3	5	5	5	5	5
5	5	5	5	5	5	5	4	5	4	5	4	5	4	5	5
5	5	5	5	4	4	4	5	4	5	5	5	5	4	4	4
4	4	5	5	5	5	5	5	5	4	2	5	3	5	5	5
5	5	5	4	4	4	4	3	5	5	5	5	4	5	5	5
5	4	4	4	5	4	4	3	4	5	4	5	4	4	4	5
3	4	4	5	5	5	5	5	5	4	4	5	5	5	4	4
5	4	5	4	5	4	5	5	5	5	3	5	5	5	4	5
4	4	4	5	4	5	5	5	4	5	5	4	4	4	4	4
4	4	5	5	5	4	4	4	5	4	4	5	5	4	4	4
4	4	4	4	5	5	5	5	4	4	4	4	5	4	5	4
4	4	5	5	4	4	5	5	4	4	4	4	4	5	5	5
4	5	4	4	5	5	5	5	4	3	3	4	5	4	5	4
5	4	5	5	5	3	4	4	4	4	5	4	5	5	5	5
4	4	5	5	5	5	3	5	4	4	1	4	5	5	5	5
4	4	5	4	5	4	5	3	5	4	4	5	4	5	5	4
3	3	4	4	5	5	5	5	4	3	3	4	5	4	5	4
5	5	4	4	5	5	4	3	4	2	2	4	2	4	4	5
5	4	5	4	5	4	4	3	4	5	4	5	4	4	4	5

5	5	4	5	5	5	5	4	5	4	5	4	5	4	5	5
4	5	4	4	5	5	4	5	3	4	3	5	4	4	5	5
5	4	5	5	5	5	5	5	5	4	2	5	3	5	5	5
5	5	5	4	4	4	4	3	5	5	5	5	4	5	5	5
5	4	5	4	4	5	5	5	4	4	4	3	4	5	5	5
4	5	4	4	5	5	5	5	4	3	3	4	5	4	5	4
5	4	5	5	5	4	4	5	4	4	5	4	5	4	4	5
5	4	4	5	4	4	4	5	5	3	2	5	4	5	5	5