#### Report on

#### **HR Practices in Rahimafrooz Distribution Limited**

By

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An internship report submitted to the Brac Business School in partial fulfillment of the requirements for the degree of

Masters of Business Administration (MBA)

Brac Business School Brac University January 2020

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#### **Declaration**

It is hereby declared that

- 1. The thesis submitted is my/our own original work while completing degree at Brac University.
- 2. The thesis 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 thesis does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
- 4. I/We have acknowledged all main sources of help.

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#### **Letter of Transmittal**

January 01, 2020

Zaheed Hosein Mohammad Al-Din Senior Lecturer BRAC Business School, BRAC University

#### **Subject: Submission of Internship Report**

Dear Sir.

With due respect and immense pleasure I am submitting my internship report on "HR Practices in Rahimafrooz Distribution Limited" as partial requirement for Masters of Business Administration (MBA) Program. It was my privilege to have the opportunity to gather lots of information regarding the subject matter. I found that the study is really beneficial for professionals.

I tried my best to make an appropriate report on the selected topic. The report will provide clear concept about the overall functions of "HR Practices in Rahimafrooz Distribution Limited", I welcome your entire query & criticism on the report as it will be beneficial for me as well as the opportunity to learn more and enrich my knowledge. I hope you will consider the mistakes that may take place in the report in spite of my best effort.

Thanking you. Yours Sincerely,

#### Md. Mumitul Hasan

ID: 14264015 MBA Program Major: HRM

**BRAC Business School** 

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#### **Executive Summary**

Rahimafrooz Distribution Limited is one of the most prominent trading & automobile solution provider companies in Bangladesh. Its head office located is at 104, Motijheel C/A, Dhaka–1000. Qualified and skilled professionals are the main instrument for this company's success.

Human resources are the most important resource of every organization to achieve certain competitive advantage over competitors. To manage these human resource there are many practices that are usually used worldwide by the organizations to create diverse competent workforce. These HR Practices are a set of standards that is used as a tool of recruitment of suitable personnel for achieving the objectives of the organization and ensure admirable remuneration and career progression for the personnel to make them loyal toward the company.

This report contains the summery of Human Resource practices followed by Rahimafrooz Distribution Limited and how its importance to improve their manpower. The analysis is based on my journey as an employee under HR & Admin Department.

Through theoretical knowledge we learned that, HR practices are includes Human Recourse Planning, Recruitment & Selection, Compensation & Benefit, Training & Development, and Performance Management. There are sets of different versions and uses of HR practices. But my experience tells me, not many organizations follow those HR practices properly. Organization modifies HR practices, update them and even drop them according to their suitable way. In my report, I tried to show all the HR activities and practices that Rahimafrooz conducted and followed and also tried to find out the drawbacks and make some recommendations which may better for their.

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## **Chapter-01 Introduction**

#### 1.1. Introduction of the Report

Human Resources department become the most important department in the present corporate world. Previously Human Resource Management was not practice properly in most organization but today the scenario has been changed because without HRM practice an organization cannot do well and cannot obtain advantage over competitors. At present most of the organizations is putting concern on HRM practice to make their self more competent. The reason behind more attention on HRM practice is because that the organization is run by people so, it is more important to utilize right human resource in right place in an organization to achieve its objectives and without proper HRM practice an organization cannot utilize its human resource in appropriate manner. Rahimafrooz Distribution Limited (RDL) also gives more attention on proper HRM practice to utilize its human resource effectively. In my Internship Report, my main objective is to identify the area of HRM practices of Rahimafrooz Distribution Limited.

#### 1.2. Background of the Report

It has been clearly observed that in today's world working style is changing very rapidly and HRM as a partner of an organization must be prepared to deal with the new changes. According to HRM theory, facing and adapting the new changes is the understanding of the influences of globalization, technological changes, cultural changes, workforce diversity and social life style. Requirement of changing skills, continuous improvement, innovations, contingent workforce, decentralized work areas and employee involvement are the issues to take care of. Nowadays, the major challenge for HRM is to find out the best people for the right position of the organization within the standard lead time because finding quality people is a difficult task. From the beginning of vacancy recognizing, planning and fulfilling the vacancy accordingly is a critical job. Besides all of this, obtaining more suitable candidates and selecting the best candidate between timeline is a great challenge. Expenditure against recruitment process is significant because a limited budget may have for this process so, HR department should have proper planning for developing whole process of recruitment. To ensure equal opportunity and fair recruitment process must need to define the source of recruitment. Considering the entire factor we tried to identify the differences and similarities between theoretical aspects and practical scenario ideally followed by the organization. Apart from this, the use of technological advantage to make certain HR process automatically by using HR software is significant with the selection of appropriate software from authentic vendor.

#### 1.3. Objectives of the Report

The prime objective of the report is to do a detail study on over all HR practices of Rahimafrooz Distribution Limited. In this report we are trying to show how RDL conducting and practicing different processes of recruitment & selection, Training and development, performance appraisal, compensation and other HR related activities.

#### 1.3.1. Broad objective

To know what type of HRM practices are followed by Rahimafrooz Distribution Limited.

#### 1.3.2. Specific objectives

- To understand the functions of HRM at RDL.
- To learn how RDL conduct recruitment and selection process.
- To know the technique of training and development program held at RDL.
- To learn about compensation and benefit methods of RDL which gives to employees.
- To gather knowledge from the study and make some recommendations by combining the theoretical knowledge with gathered information from the study for the improvement of HR practices of RDL.

#### 1.4. Sources of Data Collection

The Primary and Secondary sources have been used to collect information for this study is given below:

#### 1.4.1. Primary Data

In order to attain the aims of this report I did face to face conversation with HOD members, Managers, Executives and other Staffs of **RDL**.

#### 1.4.2. Secondary Data

Sources of secondary data of this report are:

- RDL website
- RDL's different customized HR software like RAPID, Quick View, Attendance, etc.
- Some HR files, etc.

#### 1.5. Limitations

Some confidential factors were excluded in the study as the organization not shares those beyond HR department. Even, sometimes below HR Managers' level, other HR officials are not allowed to know highly confidential information.

## Chapter-02 Company overview

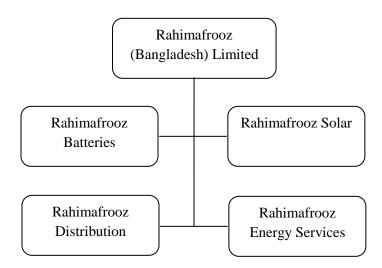
#### 2.1. Background of the Company

By the early 1940s, Mr. Rahim started small scale commercial trading on his own. He moved to Chittagong in 1947 and stared afresh with very little capital in hand, but with a whole world of courage and faith. In 1950, he established the small trading concern dealing in various items. This proprietary business was formally incorporated on April 15, 1954 as Rahimafrooz & Co.

Over the decades, Rahimafrooz has grown in size, scale, and diversity. The Group today has several operating companies (SBUs), a few other business ventures, and a not for profit social enterprise. As of now, the Group currently employs more than three thousand five hundred people directly and a further fifty thousand indirectly as suppliers, contractors, dealers and retailers. Rahimafrooz operates in four broad segments – Storage Power, Automotive & Auto Service, Energy and Retail.

Rahimafrooz has been a partner in the development journey of this nation for more than sixty years now. Rahimafrooz set the highest standards in responsible corporate behavior and its passion for success is aligned with the development of the country. Rahimafrooz is committed to playing a leading role in driving growth, prosperity, ethical values and social responsibility. Rahimafrooz continue to serve its customers through unparalleled quality excellence and service superiority. The business success of Rahimafrooz has been complemented by its commitment to the environment, society and community.

#### The Major SBUs of Rahimafrooz



### 2.2. Milestones of the company

Years	Happenings
1954	Incorporated by Mr. A.C. Abdur Rahim
1959	Distributorship of Lucas Battery
1978	Exclusive distributorship of Dunlop tire
1980	Acquisition of Bangladesh operations of Lucas UK
1985	First producer of industrial battery
1985	Pioneering Solar Power in collaboration with British Petroleum (BP)
1989	Launched Rahimafrooz Service Centre - first ever electronic engine diagnostic centre for vehicles
1992	First ever battery exports to Singapore
1993	Launched Rahimafrooz Instant Power Supply (IPS)
1994	Acquisition of Yuasa Batteries (Bangladesh) Ltd. and launched Excel Retreads.
1997	Attained ISO 9002 certification for Rahimafrooz Batteries Ltd. (RBL) operations
2000	First India office opened in Ahmedabad
2001	Awarded "Bangladesh Enterprise of the Year"
2001	Attained ISO 14001:1996 for RBL operations
2001	Launched "Agora" – the first ever chain of retail supermarket in Bangladesh

2002	Launched Rahimafrooz Energy Services Ltd. (RESL) promoting distributed power
2003	Established Rahimafrooz CNG Ltd.
2003	Awarded "National Export Trophy"
2004	Metronet Bangladesh, a fiber optic based digital solution provider for data communication, launched in joint venture with Flora Telecom
2004	Received McGraw-Hill Platt Global Energy Award for Renewable Energy
2004	The Group celebrated its 50th anniversary on April 15, with a renewed, enhanced commitment to being successful while upholding its core values
2006	Received the "Ashden Award" for Sustainable Energy
2008	Launched "Quikfill"- the first ever chain of branded CNG refueling stations in Bangladesh
2009	Established Rahimafrooz Globatt Ltd. and Rahimafrooz Accumulators Ltd.
2009	Rahimafrooz launched multi brand consumer electronics outlet UREKA
2009	Rahimafrooz launched world renowned consumer electronics brand Daewoo
2010	Rahimafrooz Inaugurates its biggest and most modern warehouse at Hemayatpur, Savar
2011	Established Rahimafrooz CIC Agro Ltd.
2012	Rahimafrooz Renewable Energy Ltd. commenced its commercial operation of PV plant
2013	Awarded "National Export Trophy" for 2010-2011
2014	Received " National Environment Award " by The Ministry of Environment & Forests
2014	Awarded "Green Business Award" by Metropolitan Chamber of Commerce and Industries

2015	Rahimafrooz IPS has won the Best Brand Award 2015 for the 4th consecutive year in IPS category.	
2015	Agora has won the Best Brand Award 2015 (superstores).	
2018	EPC Contract Signing of 35MW IPP Power Plant in Manikgonj, Bangladesh	
2019	Rahimafrooz Renewable Energy Ltd. was honoured with "Excellence Award" in the Bangladesh Solar Week 2019 in the following categories:  O Project Developer of the Year – Off Grid Project O Solar PV EPC Company of the Year – Rooftop Scale O Solar Module Company of the Year – Rooftop Scale & SHS O Solar Storage Company of The Year	

#### 2.3. About Rahimafrooz Distribution Limited (RDL)

Rahimafrooz Distribution Limited incorporated as private limited company in 1999 under The Companies Act (Bangladesh), 1994. Rahimafrooz Distribution Limited is a trading SBU of Rahimafrooz Group. RDL involves in marketing, sales and distribution of various types of automotive products, emergency power backup products and electrical products. The main products of RDL are tyre, battery, IPS, lubricant & electrical switch & socket. RDL import the entire product from different countries except battery because Rahimafrooz Group has manufacturing plant to produce battery. The name of the battery manufacturing plant is Rahimafrooz Batteries Limited (RBL). Rahimafrooz Distribution Limited is ISO 9002 certified since 2008. RDL is one of the strong and very profitable SBUs of Rahimafrooz Group. RDL has constructive distribution channel nationwide with more than 250 dealers. RDL has 08 Sales & Service Center across the country of its own to serve its customers directly and most of the Sales & Service Center has the facility of passenger car servicing with high technological equipments. RDL markets world's renowned tyre brand Dunlop in Bangladesh market along with Indian's number one tyre brand Apollo. The most popular battery brand in Bangladesh is Lucas which is markets by RDL. RDL is the sole distributor of KENNOL lubricants in Bangladesh. The most recognized product of RDL is Rahimafrooz IPS through which RDL did monopoly business in Bangladesh almost 05 years as a marketer of emergency power products. From 2010 RDL also markets a renowned Chinese switch & socket brand Hager in Bangladesh market for upper end customers.

#### 2.4. Most Popular Products of RDL

#### 2.4.1. Tyre

RDL is the sole marketer of Dunlop & Apollo brand tyre in Bangladesh market. The tyre is for various types of vehicles like passenger car, bus, truck, pick-up, CNG auto rickshaw, tractor, and motorbike tyre also.

#### **2.4.2. Battery**

RDL is the sole marketer of two prime vehicle battery brands, LUCAS and GLOBATT. These two batteries are manufactured by RBL. From 2012 RDL started selling GLOBATT battery into local market but before, it was only exports for foreign markets. GLOBATT battery is exported more than 22 countries.

#### 2.4.3. Emergency Power Backup System

Rahimafrooz IPS is the most popular and best quality product till today in Bangladesh market. Customers' first choice is Rahimafrooz IPS as power backup system for their house during load shedding. RDL has a big team for IPS product to setup IPS connection at customers' house and to ensure after sales service for the customers.

#### 2.4.4. Lubricant

RDL was the sole marketer of world famous lubricant brand Castrol in Bangladesh market since 2018 and from 2019 RDL is marketing and selling KENNOL lubricant in Bangladesh market as a sole distributor.

#### 2.5. Aspiration & Vision of RDL

To be the most admired and trusted organization through excelling in everything we do, following ethical business practices and adding value to stakeholders.

#### 2.6. Values of RDL

Rahimafrooz is committed to ensuring best in class quality standards and living the Group's four core values – Integrity, Excellence, Customer Delight, Innovation and Inspiring People.

- **Integrity:** integrity in all our dealings
- **Excellence:** excellence in everything we do
- Customer Delight: total commitment to customer satisfaction
- **Innovation:** thinking ahead and taking new initiatives
- **Inspiring People:** valuing and inspiring people

#### 2.7. Quality Policy of RDL

Rahimafrooz is totally committed to customer delight through operational excellence, innovation and continual improvement of quality.

## Chapter-03 Major Functions of HRM

#### 3.1. Functions of HR

Human resources (HR) functions are the most valuable activities of an organization. In an organization Human Resources Department can make better utilization of its human resources through practicing HR functions effectively. The major five functions of HR are Recruitment, Training & Development, Compensation, Health & Safety, and, Employee & Labor Relations.

#### 3.2. Recruitment

Recruitment the most important and sensitive function of Human resources. The main activities of recruitment are appointing employees to the right position and also terminating employees for any violation of code of conduct apart from this some other activities of recruitment function are as follows:

- Need assessment for requirement of new employees or replacement.
- Circulate announcement for recruitment.
- Short listing the candidates for interview whose qualifications match with the requirements.
- Conduct interview session and, follow-up interview assessment process.
- Select most competent candidate and, after collective negotiation offer the job with deserved remuneration package.
- Conduct the onboard and, orientation program.
- Arrange all the logistics for new joiner to perform the job.

#### 3.3. Training & Development

To enhance employees working skills training is a mandatory thing and, besides training development also necessary for employees to perform next level job. Training & Development is very effective function of HR because this function helps an organization to make its employees more skilled and productive. The activities of Training & Development are described below:

- Find out required training for the employees and provide training to improve skills.
- Evaluate training result and take necessary measures to develop whose performance is below standard.
- Develop training module on new concept and, train up employees for developing them.

#### 3.4. Compensation

Compensation is a very important function of HR as under compensation policy HR set all types of benefits for the employees. Besides salary what type of other financial facilities an employee will get HR define that based on compensation policy. Good compensation policy in an organization also works as an employee retention method. Some effective activities of compensation policy are described below:

- Setting a standard for compensating employees considering industry practice.
- Implementing maximum level of benefits for the employees to gain skilled manpower advantage over competitors.
- Ensure appropriate practice of compensation policy to keep the employees motivating.
- Timely ensure increment for existing employees and final settlement for resigned employees.
- For third party service like life insurance, health insurance and other services keeping close monitoring and, ensure quality service.
- Setting a proper retirement plans and ensures retirement benefits to the employees.

#### 3.5. Health and Safety

Health and safety is a vital function of HR because without ensuring healthy & safe working environment organization cannot get better output from its employees. Workplace hygiene factor and safety from hazards things are big concern of HR. To ensure good working environment for taking care of employees HR always focus on some activities and the activities are as follows:

- Form several committees for different unit to act as a responsive team during emergency to avoid accidents and losses.
- Ensure clean & hygiene workplace for the employees.
- Ensure all sort of necessary things which are required in emergency.
- Provide first aid and basic treatment training to some employees from different department.
- Provide necessary training for awareness and safety measures for those who are mostly involved in risky task.
- Provide basic training to all employees to create awareness and also for emergency response.
- Periodically monitoring health and safety issues within the organization and bring the necessary improvements time to time to meet the legal requirements.

#### 3.6. Employee and Labor Relations

This is very critical function of HR because this deals with disputes between employees and the organization. Through different type of intervention this function looks after on conflicts, disciplinary issues, counseling, and mediation between management and employees to protect their rights and create a more effective work environment. Some important activities of Employee and Labor Relations are given below:

- Creating balance between organization and employees to make sure justified benefits for both.
- Developing a positive work culture to reduce conflict and indiscipline.
- Creating awareness regarding ethical practices and the benefits of ethical practice.
- Giving attention to every level employee to make them feel that everyone is important for the organization.
- Developing discrimination free work culture.
- Participating as a neutral voice between organization and the employees during any broader issue like employee welfare or restructuring of the organization.

# Chapter-04 HRM of Rahimafrooz Distribution Limited

#### 4.1. HRM Functions of RDL

HR department of Rahimafrooz Distribution Limited (RDL) has various functions and activities. RDL provides the highest priority to its employees to make them more efficient and turns them into the strength of the company. The HR department presents HR functions to the employees as per instruction of the Management. The major activities of RDL's HR department are as follows:

- Recruitment Policy
- Employee's Designation and Grade Policy
- Training Policy
- Promotion Policy
- Performance Management Policy
- Benefits and Employee Retention Policy

#### 4.2. Recruitment Policy of RDL

The goal of recruitment process of RDL is to find out and recruit the best competent people for the organization to gain advantage over its competitors. RDL very strictly follow recruitment policy because RDL believe than quality recruitment process can bring quality people for the organization. Details about recruitment policy of RDL are described below:

#### 4.2.1. Objective

- Ensure quality recruitment of personnel
- Ensure transparent recruitment and selection process
- Ensure equal opportunity for employment
- Ensure the right selection of the employee for the required position

#### 4.2.2. Validation of Needs & Approval

- The Group HR or SBU HR is the authority to assess the validation of needs and the approver of the requirement.
- When manpower requirement arise, respective department should inform HR department through email about the detail of the requirement.
- HR department will assess the requirement and if found that the requirement can be filled from internal source then HR department arrange it accordingly. And if the needs cannot be filled from internal source then HR department go for source it from outside.
- For recruitment from outside source, HR department collect a formal requisition into a prescribed format from the respective department Head.
- HR department put its best effort to get the best qualified applicants and shortlist them on the basis of the relative qualifications and skills as per recruitment standard. The Group HR or SBU HR conducts the recruitment program for specific grades or positions with approval of the CEO or Managing Director.

- Any requisition for vacant position from grade 5 to 9S application of candidates is usually arranged through BDjob.com. And above position 9S grade HR department of RDL involved recruitment agency.
- Every recruitment advertisement of RDL will very clear and helpful to potential candidates, and the advertisement will contain a minimum of the information which are stated below:
  - a) Position Title
  - b) Job Grade
  - c) Department
  - d) Job Location
  - e) Education Qualifications
  - f) Required Working Experience
  - g) Other Qualifications or Skills (If required based on the job criteria)
  - h) Job Role Detail
  - i) Appling instructions
  - j) Name of the SBU of Rahimafrooz Group
  - k) Dateline of the Application

#### 4.2.3. Eligibility for Employment

- The candidate's age should be 18 years or above.
- The candidate must not be convicted by any criminal court.
- Medically must be fit for the job he or she is seeking.

#### 4.2.4. Sources of Recruitment

For initiating the recruitment process first need to define the source of recruitment based on the criteria of the job. RDL usually tries to attract best qualified and suitable candidates for the vacate position. HR department try their level best to use the best sources to hire the most suitable employee for the required position. For some certain important position HR department of RDL use totally different recruitment source than the common source and which source is more effective for fulfilling those positions. During selecting the source of recruitment HR department of RDL assess the strength or weakness factors of the recruitment sources and then consider the appropriate source of recruitment. The sources used by RDL are as follows:

#### **Internal Sources**

- Existing Permanent Employees
- Existing Non-management or Contractual Employees
- Employee Referrals
- Other SBU's Employees

#### **External Sources**

- Job advertisement through online
- Private Employment Agencies / Consultancies / Professional organizations
- Educational Institutes
- Job Fairs

#### 4.2.5. The Selection Panel

Selection panel for new employee recruitment is formed by the Head of HR, Department Head & one or two member of the respective SUB's management team for grade 5 to 7S level's employee recruit and for grade 8 to 10S level recruitment SBU COO, Group HR Head and one or two member from SBU/ Group HR/ management team. And for 10S above selection panel formed by Group HR Head & the Board Members. As per the standard of Rahimafrooz HR practice selection team member should be at least three.

#### 4.2.6. Short Listing

- Candidates' short listing is the responsibility of the recruitment Executives.
- Head of HR will finalize the shortlist of the candidates.
- The criteria of short listing will be consistently applied to all applicants.
- If found that none of the candidates qualifications and skills are not matching for the position then recruitment Executives may recommend to the Head of HR for readvertised for the position.
- While candidates short listing from reference, referees should be asked some certain questions which are as follows:
  - a) Length of time they have known the candidate.
  - b) Relationship with the candidate.
  - c) Capacity in which they have known that the candidate is good.
  - d) Assessment of the candidate's strengths and weaknesses.
  - e) The reason for quitting current job and, reasons of interest for job at Rahimafrooz.

#### 4.2.7. Interview

HR department set the interview schedule as per the advised date and time by the interview board members. The standard time for interviewing each candidate is between 20 to 30 minutes. Before interview candidates must need to fill up a job application form which will be provided by HR department. The below steps are maintained in the interview process of Rahimafrooz which are described below:

■ **Introduction:** With each candidate interview board members are introduced themselves and also ask candidate to say something about him/ her which may includes some information about their personal, academicals & other relevant information.

- **Small Talk:** After introduction part, interviewers are made some conversation with the candidate regarding the achievement that they achieved during study or from their past & present job.
- Information Gathering (main part of the interview session): Under this part interviewees are being asked about to describe there work experiences and contributions that they have made for their organization. Also asked to describe about detail that how they do their work and what procedure they follow to perform the job properly. All candidates must be asked questions that what type of obstacles they have faced into their work and how they get rid of it, their strength & weakness, working ability under pressure and willingness to work in any location within the country where company prefer to appoint.
- Question/Answer: In this step candidates can ask their question regarding the job and its facilities and all the relevant questions relating to the career progress of this job and also about the company. The interviewers will attend all the queries raised by the candidates.
- Wrapping Up: In this stage the interviewers will give ending greetings and will tell to the candidate that HR department will contact with them if they qualified for the next level.

At least two interviews should be taken for jobs from grade 5 to 7S and from grade 8 to above minimum three interviews. The number of qualified candidates for final stage interview or 2<sup>nd</sup> level interview will be short listing by the marks given by the interview board members. To qualify for the next level interview candidate must have obtained 75% marks out of 100 and top 5 to 6 candidates may consider for next level. The short listed candidates on 2<sup>nd</sup> stage or final stage must be informed at least three days prior to each interview as per the standard of HR practice of Rahimafrooz.

#### 4.2.8. Recommendation by the Selection Panel

- The Selection Panel must reach into the conclusion point to recommend for offering the job to the deserved candidate within the specified time through HR department.
- HR department will arrange approval of the COO/CEO against the recommendation made by the Selection Panel for offering employment for job grade 5 to 7S. Must need approval from Managing Director for offering employment for job grade 8 and above.
- The offer of employment shall be issued by SBU HR for job grade 5 to 7S or by Group HR for job grade 8 and above.
- A letter of regret shall be sent to every candidate who have participated in the final round of interview but not considered for employment.

#### 4.2.9. Employment Offer, Pay Package and Probation Period

- As per confirmation of joining date by the selected candidate, an employment offer will be issued in favor of the candidate. In the offer letter pay package and offer validation date should be mentioned. If the candidate failed to join within the expiry date of the job offer letter then the offer can be considered as voided.
- As per job grade the candidate will get the all benefits which are included under that package. If required any change into the standard pay package then must need special approval from Managing Director.
- HR department describe the pay package & benefits of the job clearly to the selected candidate during handover and signing on the employment offer letter.
- Any selected candidate for any position should be placed in probation period of six months from the day of joining. If any candidate failed to complete probation period successfully then HR will extend the probation period for another three months for improvement.

#### 4.3. Corporate Designation and Grade Policy

#### 4.3.1. Objectives:

- Ensure standard and constructive job grade with appropriate designation.
- Create clear concept about employees' position and job role according to job grade and designation.
- Assist employer for staffing decision based on position importance.

#### **Corporate Designation and Grade Policy**

Job Grade	Designation	
G-13	Divisional CEO & CFO	
G-12	COO-SBU	
G-11H	GM & Head of Business	
G-11	GM	
G-10S	DGM	
G-10	Head of Function	
G-9S	Sr. Manager	
G-9	Manager	
G-8	Manager	
G-7S	Sr. Executive	
G-7	G-7 Executive	
G-6	Sr. Officer	
G-5	Officer	

SG-4 Receptionist, Telephone operator, Project Assistant	
SG-3 Sr. Electrician, Cashier, Officer Assistant	
SG-2	Electrician, Driver, Peon, Cleaner

#### 4.4. Training Policy of RDL

#### 4.4.1. Objectives

- To develop a competent workforce so that the workforce can able to meet the requirements of the organization.
- To develop the competency level of the employee so that they can give better output for the company.
- Ensure quality training for the employees to make sure that they have sufficient knowledge, skills and techniques to perform assigned job effectively.
- Develop employees with the changes of technology and also with the changes of operational activities.

#### 4.4.2. Training Need Assessment

As per request of the respective departments HR department conduct assessment for the required trainings for the employees. The training need assessment is conduct considering the following stages:

- First HR department identify that, which group of employees or individuals need training for performing what type of works.
- After identifying the employees who needs training then HR department segmented the employees based on their job functions.
- Based on relevant job functions HR department make the group and do the assessment on each group to find out that, in which area they need training for improvement.

## **4.4.3.** Roles and Responsibilities for Implementing the Policy Employees have the responsibility to:

- Willingness to development through attending training organized by the organization or some outdoor training which are very important for career progress.
- To enhance competencies attend some effective training program by own arrangement and for that arrange approval from line manager.
- Put best effort to learn as much as can from the training.
- Apply learning in the workplace which learnt from training.

#### Supervisors and managers have the responsibility to:

- Conduct training need assessment and ensure necessary training to improve the workforce quality.
- Recommend to HR for arranging some specialist training for the betterment of the employee and also for their next level progress.
- Ensure that the employees are attending the training program properly and evaluation their performance after training.
- Ensure that the employees are using learning & technique that they got from training.

#### **Human Resources department's responsibilities:**

- Facilitate concerned department in identifying training/development needs.
- Arrange in-house or external facilities/resources for providing the required training to improve the knowledge and skills of the employees.
- Conduct/assess trained employees performance after training to ensure the effectiveness of the training and worth the expenditure of the company.

The training budget must be prepared by HR department along with training plan and must need to give the explanation the expense of training to the management for approval. After approval, finance department will be allocated the budgeted amount for training purpose at the beginning of the financial year. For the whole year HR department will provide training as per approved training plan and quarterly training will be evaluated by the HR Department by means of feedback from the trainee and their manager. For each training record will be maintained in personal file for every employee.

#### 4.5. Promotion Policy of RDL

#### 4.5.1. Objectives

- To reward employee for their outstanding contribution for the organization.
- To reorganization the talent.
- To encourage employees for continuous improvement.
- To appraise the employee who worth to the organization.
- To enhance the loyalty of employees towards the organization.
- To create a strong bonding between employee and employer.

#### 4.5.2. Evaluation Process

Promotion is totally depend on excellent performance and should need to be valued. If an employee consistently performs well then, he/she maybe will get promotion within the shortest time. There are some evaluation processes followed by RDL are described below:

- Periodically job performance evaluation by HR to measure the performance consistency level.
- Collect feedback from line manager regarding achievements against targets given by the organization.
- Measure behavioral activities by taking feedback from line manager, colleagues, subordinates, and by the observation of HR team.
- Evaluate the quality of leadership.
- Measure the ability to manage people in a positive manner.
- Evaluate the visionary skills as well as the strategic skills.

#### 4.5.3. General Conditions

- To get promotion an employee should perform better consistently and their work should add value to the company.
- In general if an employee doing well and achieve good score in three consecutive annual performance assessment then, the employee will get promotion as per policy.
- Employee should have required higher degree, professional degree, and skill for getting promotion for managerial level.
- Should have leadership quality to manage a team efficiently and also have the ability to development the team as an asset for the company.
- To provide a promotion to an employee for the similar work the organogram structure and the position importance must need to be supported by the organization.

#### 4.5.4. Approval

To provide promotion for job grade 5 to 7S SBU COO can give approval based on recommendation of Department Head and Head of HR. Promotion for job grade 8 and above depends on recommendation of Head of the department (GM Position), Head of HR and also COO, and based on the recommendation Managing Director will provide the approval.

#### 4.5.5. Minimum Requirement of qualifications & skills for each job grade

Grade	Minimum Academic Qualifications and Competencies	Additional Requirements
4 and below	<ul> <li>HSC/Technical diploma,</li> <li>Bachelors" degree will be preferred.</li> </ul>	■ Experience: 1-2 years
5, 6	<ul> <li>Bachelor degree/Technical diploma, Masters" degree will be preferred</li> </ul>	<ul><li>Experience : 2-4 years</li><li>Computer literacy</li></ul>

7,7S	<ul> <li>Bachelor degree/Technical diploma, Masters" degree will be preferred</li> <li>Basic functional/Technical competency</li> </ul>	<ul> <li>Experience: 5-7 years</li> <li>Language Proficiency: Business English</li> <li>Good interpersonal skill</li> <li>Computer literacy</li> </ul>
8, 9, 9S	<ul> <li>Bachelor degree/BSC Engineer/ Professional degree will be preferred</li> <li>Sufficient functional/Technical competency</li> </ul>	<ul> <li>Experience: 8-12 Years</li> <li>Exposure to other functional areas</li> <li>Excellent interpersonal skill</li> <li>Language Proficiency: Business English</li> <li>Computer literacy</li> </ul>
10, 10S, 11, 11H, 12, 13	<ul> <li>Professional qualification</li> <li>Significant functional/Technical Competency</li> </ul>	<ul> <li>Experience: Above 12 years</li> <li>Ability to effectively run a department independently</li> <li>Multi disciplinary and overseas exposure</li> <li>Excellent interpersonal and leadership skill</li> <li>Language Proficiency: Business English</li> <li>Computer literacy</li> </ul>

#### 4.6. Performance Management Policy of RDL

This is the process of creating good alignment between supervisor and the employee to keep them focused on the objectives of the company. This is a continuous process for continuous improvement of the employees.

#### 4.6.1. Objectives

- To keep employees focused on organization's objectives.
- To ensure better performance of the employee.
- To measure the contribution level of each employee.
- To ensure maximum level of contribution of each employee.
- To reward the employee for their outstanding contribution.
- To ensure financial benefit to each employee for their contribution.

KRA is the tool of setting target of each employee and also the review process of the performance. Line manager set the target as per employees job roll. In this process there is no eligibility level so every employee gets benefit against his/her contribution. Employee can earn more by performing better so, KRA benefit method encourage employee to give their best. This is very effective practice of the organization to enhance the performance level of the employees. Since, each employee's performance is being evaluated individually and also their reward depends on evaluation score so, there is no scope of conflict between the employees and employers. HR department is the ultimate authority to verify and validate the KRA score that employees are obtained.

#### 4.6.2. Role of the Appraiser

- Set realistic target.
- Provide appropriate guidance and necessary support.
- Coordinate with employees to help them achieve the target.
- Ensure fair assessment for every employee.
- Provide the actual feedback on employees' performance.

#### 4.6.3. Role of the Appraise

- Focus on target achievement.
- Active listening to understand better.
- Give best effort to become the best performer.
- Ensure quality contribution for the company.
- Accept feedback positively.

#### 4.6.4. Role of the HR Team

- Ensure necessary support to the employees to achieve the ultimate goal.
- Ensure neutral and justified review process.
- Ensure the error free assessment process through automation system.
- Ensure the valid review process.
- Ensure reward timely.

#### 4.6.5. Interim Appraisal

This appraisal session is very effective for company because through this appraisal employee can know their achievement level and according to the result they can take corrective measures for more improvement, if obtained poor score. This midyear review also helps the organization to achieve its yearly target. Usually midyear review process take place in January of each year.

#### 4.7. Benefits and Employee Retention Policy in RDL

#### 4.7.1. Variable Profit Bonus (VPB)

VPB is linked to segment profit achievement and SBU profit achievement. This Variable Profit Bonus is applicable for the employee of Sales & Marketing department those who are not entitled for incentive bonus. In Rahimafrooz which department achieves the yearly target and make profit for the company that department's Sales & Marketing team get the VP Bonus. The more profit the more VP Bonus reward. The concept of VP Bonus is to make the team more motivated to perform better for further improvement and brings more profit. This bonus concept really effective because every employee getting additional benefits and support team never feel bad about that sales team are getting monthly incentive but they did not get any bonus for their contribution. Eventually, the whole group is benefited and employees are encouraging more to give the best effort for earning more.

#### **4.7.2. KRA Bonus**

KRA bonus is a bonus which is applicable for every management employee of the company. Every year each employee get some specific target from their department and based on the achievement on the set target employee get KRA Bonus. This KRA Bonus also called as a performance bonus. The maximum level of achievement is 100% and there is no limit for minimum achievement. If an employee achieves the entire target then he/ she will get full bonus amount and if an employee perform very poor then will get poor bonus amount. Under KRA the performance of the employee reviewed twice, one midyear assessment and another final assessment at the end of the year. Since there is no minimum achievement bar to entitle for KRA bonus so everyone get KRA bonus which encourage them for doing best ahead to earn more money.

#### 4.7.3. Festival Bonus

Rahimafrooz provide two festival bonuses to the employees. The festival bonus amount is equivalent to the basic pay of an employee. Employee will get full amount of basic as festival bonus if they completed one year of service from the day of joining, and, for less than one year service the payment of festival bonus will be given prorated basis.

#### 4.7.4. Provident Fund & Gratuity

Rahimafrooz provides provident fund benefit for the employee. After confirmation of the service employee can apply for opening PF account. Every month 10% of basic deducted for PF and company share same amount with the employee. The minimum maturity period for PF is three years from the day of activation. The company also provide gratuity for its employee. To eligible for gratuity an employee need to stay with the company for minimum three years. Rahimafrooz provide gratuity amount based on calculation factor of service year multiply by last basic salary and employee whose service year more than 10 years for

them calculation factor is number of service year multiply by last basic salary multiply by 1.5. When an employee leaves the organization Rahimafrooz pay the PF & Gratuity to the employee within three months.

#### 4.7.5. Hospitalization Benefit

The permanent employees and their family (father, mother, spouse and children only) of RDL are entitled under hospitalization benefits to a minimum limit of Tk. 65000/= (Sixty Five Thousand) only and maximum hospitalization benefit amount is Tk. 125,000/= (One Lac Twenty Five Thousand) only. The amount of hospitalization benefit varies based on job grade. An employee can claim hospitalization benefits three times in a year within the limit. If the limit exit just for one claim within the year than for any further hospitalization purpose within the year can't be placed claim. It is a compelling retention initiative. Health care benefit is the most preferred reward for any employee of any organization.

#### 4.7.6. Life Insurance Benefit

Rahimafrooz also provide life insurance benefits for its employees. For normal death or accidental death employees' family (nominated person) will get the value of life insurance.

#### 4.7.7. Leave Benefits

Rahimafrooz provides very attractive leave facilities for its employees. Five type of leave assistance employee can enjoy at Rahimafrooz. This leave facilities provide enough time for rest and recreation and that positively affect on job satisfaction and performance.

- Casual Leave: Employees get 10 days leave balance annually under Casual Leave and this leave they can use whenever needed.
- **Sick Leave:** This leave gives for taking care of employees' health during temporal sickness. Employees get 14 days leave balance annually as sick leave. Employee can use this leave when they become sick and if more than 03 days of sick leave employee apply then need to provide medical report for getting approval.
- Earn Leave: After 01 year of service employee can avail this leave. Employees get 20 days balance annually under Earn Leave. For this leave employee need to set a tentative plan for leave consumption but if needed employee can use this leave any time. Remaining leave balance after every year employee can carry forward for next year and up to 40 leave balance employee will get cash benefit while leave the organization.
- Quarantine Leave: This is a beneficial leave facility for the employees. Employees get total three month leave facility with pay for any accidental issue or for any major sickness. This leave creates employee loyalty upon organization.

• Maternity Leave: Female employee who has completed nine month or more service period they can avail 16 weeks of Maternity leave with pay. This leave employee can take 06 weeks before from of the expected date of delivery. If need more leave after 16 weeks then employee can get another 06 weeks leave by showing justified reason but this leave will be without pay.

#### 4.7.8. Personal Loan Policy

Permanent employees of Rahimafrooz get the facility of personal loan from the company against PF. Employees can take loan of 80% of their PF balance and the lone amount will be adjusted by equal installments from monthly salary up to a period of 48 months according to loan amount.

# Chapter-05 Observation & Findings

#### 5.1. Organizational Culture

Organizational culture is the behavior of the people who are involved directly in the organization. Employees of Rahimafrooz are well behaved because Rahimafrooz provide particular training on behavioral issue. Every employee respects each other to maintain the organizational culture and a positive work place. For any kind of unexpected behavior issue HR look after the situation to maintain the standard culture.

#### 5.2. Employer Branding

Employer brand refers to the reliability and popularity of an organization as a batter place of work. RDL is continuously improving its reputation as a best employer by establishing appropriate HR practices. In job market Employer Brand image of Rahimafrooz is outstanding.

#### 5.3. Work Environment

A positive and good working environment exits at Rahimafrooz. This organization proved that good working environment can create job satisfaction among employees and get better output from them. Most of the employees of Rahimafrooz are working for more than 8 to 10 years and some are more than 15 to 20 years so, from the service period of employees can measure the working environment. Employees are working hear as a team and as per guideline no senior can put unnecessary work load on subordinate. Another good thing is that unless any major misconduct no one get fired for performance issue because for under performer Rahimafrooz take special care through HR to improve them.

#### 5.4. Training

Training and development is one of the core functions of HR department of Rahimafrooz. Rahimafrooz is very concern about improvement of human resources through training because they believe that skilled and quality employee can be the main strength of the company. Training is a regular event of RDL and after every two months RDL conduct value session for employees to ensure employees' morality, this value session is totally an employee awareness session for the betterment of employees.

#### 5.5. HR Practices

Rahimafrooz is one of the best structured companies in Bangladesh who maintain proper corporate culture and best HR practice. They are devoted to play a proactive strategic role contributing directly to strategy development and implementation. RDL is committed to drive business excellence and create a rewarding workplace through people. Today the business of RDL is leading by HR department because they implemented HR practice in every operation stage.

# Chapter-06 Recommendation & Conclusion

#### 6.1. Recommendations

- Human Resource Inform System should be utilized effectively and efficiently.
- Employer branding of an organization is important to attract good talent. People have perception about RDL as a leading business firm in their industry. They have to make them unique to be the desire of pick talents.
- RDL should use modern HR tools to make its HR practice more effective.
- RDL should arrange more specialist training program to develop best productive employees.
- Employees need more training on modern technology using knowledge to improve their performance and for smart work.
- HR Department should assess department wise employees' performance after every quarter.
- HR should evaluate employees' performance properly besides concern department Heads' evaluation to promote them.
- Based on performance one employee from each SBU can be awarded "employee of the year". They should categorize their employees according to performance and year of employment.
- HR should need to involve in operation process also apart from regular activities.
- As an employee of RDL HR & Admin team, I must mention that HR of RDL should need to set appropriate job roll for each employee and which should be well communicated.
- HR should give more attention to ensure proper professional workplace environment at RDL because, few employee act very unprofessionally within the workplace.

#### 6.2. Conclusion

Rahimafrooz started its journey as a small trading house in 1954. Over the last 65 years through excellent strategic plan and utilizing human resources in a right way this company becomes the most prominent and leading automotive business house in Bangladesh. Now, Rahimafrooz is a renowned and reliable brand name in Bangladesh.

Rahimafrooz is very concern and focused on building high quality human resources with expertise and professional skills. The company human resources development strategy is too built up quality manpower with conceptual managerial knowledge skills through designing of continuous in house and outside training program. They arrange in house, customized special training at for fresh entrained to build up quality manpower and suitable placing them in productive channel. It also arrange training program, workshop etc. Rahimafrooz offer attractive salaries and benefits in line with top industrial employers in Bangladesh. Apart from salary the other long term cash benefit that Rahimafrooz provides for its employees is like government jobs. After retirement an employee even can get one crore taka from a private service, Rahimafrooz made this believe into employees' market.

Rahimafrooz has a large constructive channel of distribution across the country. This distribution channel is the great strength of the company. Through this channel Rahimafrooz can reach its product and service at customers' door in every where within the country.

Rahimafrooz has proved itself a caring organization to the existing employees. As a result, apart from some exception, turnover rate is still very low. Overall manning trend line is almost flat. All these manifest compelling retention management practices in Rahimafrooz. Time is changing. The corporate environment is getting competitive. Constant supervision of the environment and application of modern retention management practices are necessary to cope with the competition.

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