Performance Appraisal System of Aarong

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Letter of Transmittal

September 22, 2011

Ms Rahnuma Ahmed

Faculty,

BRAC Business School
BRAC University.

Dear Madam,

This is the report on “Performance evaluation system of Aarong” that is a requirement for fulfillment of our BUS 400 course and it is our pleasure to present it before you.

I have tried my best to follow your guidelines in every aspect on my report. I have collected what seems to be most important information to make my report as specific and coherent as possible. I enjoyed the challenges of preparing the report with an opportunity to increase our understanding of business prospects for Bangladesh. I am earnestly thankful to you for your guidance during the preparation of this report. I hope you will appreciate my effort put forth hereby.

Sincerely yours,

Nowrin Jahan

ID# 072104121
Acknowledgement

In the process of preparing this internship report, I have been assisted by some of the individuals, whose active support and guidance has been the greatest source of inspiration for me to carry on. I am highly indebted to them for their selfless cooperation.

I want to express my gratitude mainly to my supervisor Ms. Rahnuma Ahmed, faculty of Brac Business School, who guided me to prepare this report.

I also want to acknowledge GM, Mr. Dominic S. V. Bennett, for giving me this wonderful opportunity to work on his department and he supervised me last three months of my internship period at Aarong. I am thankful to Ms. Tahmina Hossain (Officer) and Mst. Shuly Akter (Executive) who in every step of my internship program guided me, taught me and provided information to prepare this report.
**Executive Summary**

Aarong, is now a valued brand name in Bangladesh with its unique line of products, available to many households all over the country. Its mission & vision consists of the society, artisans, shareholders and its employees.

The operation of Aarong focuses on efficiency, man power development, cost minimization & fairness. Its products can be classified in to 12 different categories. The recruitment & selection process of this subsidiary varies from others with its pre selection training camp at Niketon, Dhaka. New joiners, even the temporary sales associates have to attend the training center before getting finally selected.

Along with being responsible for the recruitment & selection of the temporary sales associates, I was instructed to develop a performance appraisal procedure for various levels of employees at Aarong. The objective is set to ensure development & accomplishment, at both the personal & organizational level. A time frame & a rating scale have been introduced to evaluate employee performances. Factors for evaluation are selected based on Aarong’s priorities, of what it looks within its employees. A sample performance appraisal form is attached to this report for expediency.

The findings during working at Aarong have been explained. And recommendations are given emphasizing on KRA’s (Key Result Areas) & KPI’s (Key Performance Indicators).

This report also includes discussion on KRA’s (Key Result Areas) for employees of Aarong, starting from top to root level at the hierarchy, of its various functions.

In conclusion, a lot is yet to be achieved by Aarong Human Resource Team, still it has kept the house alive with its limited resources, a rate of high employee satisfaction, and low turnover.
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1.1 About Aarong Bangladesh

There are many talented people in Bangladesh. Most of them live in the rural areas and would not have had the opportunity to promote their artistic and creative capabilities if Aarong did not exist. Aarong was founded in the year 1978 and is an organization that is dedicated to changing the lives of the disadvantaged, promoting traditional products from Bangladesh and opening the doors so their products can be exported. Throughout Bangladesh and in international destinations, the name Aarong is synonymous with quality, originality and uniqueness.

The designers and the creators of the product range offered by Aarong, have not only established the organization as leaders in local handicraft, but have also reignited interest and popularity for styles and traditional crafts that are native to the country.

Today, few urban consumers will argue that Aarong is the pioneer for local handicrafts. Aarong’s product designs has brought consumer attention back to the products and styles that are indigenous to Bangladesh, its designers blending the traditional with the contemporary in a manner that has won instant consumer appeal, starting a revolution in trends that has now been taken up by countless other boutiques and stores. Aarong’s product designs focus on the diverse types and textures of crafts and patterns that have been passed along from generation to generation among weavers and artisans in craft hubs around the country.

1.2 BACKGROUND of AARONG:

Aarong began as a cause – a means to an end for a quiet organization fighting to uphold the dignity of the marginalized. In 1976, when BRAC- a Bangladeshi NGO dedicated to alleviating poverty and empowering the poor, first began encouraging sericulture for women in Manikganj, their only buyers were a few scattered retailers in Dhaka. Weeks, even months would pass between supply and payment, until BRAC intervened. Aarong was born out of a need to ensure that the penniless silk farmers of Manikganj were paid for their goods upon delivery, so that they could feed their families.
Today, Aarong's reach has spread beyond Manikganj to the rest of the country. It has grown into a thriving international enterprise showcasing ethnic wear to beautiful crafts from silks, handloom cotton, endi to terracotta, bamboo, jute and much more. From a single shop, Aarong has grown into one of Bangladesh's biggest retail chains, with eight stores spread across the major metropolitan areas of the country - in Dhaka, Chittagong, Khulna and Sylhet and one in London, UK. Throughout Bangladesh and in international destinations, the name Aarong is synonymous with quality, originality and uniqueness.

The women Aarong employees are among the country’s most disadvantaged. Through Aarong they have been offered a way out of destitution and degradation where before they had none. And the benefits that they receive extend well beyond simply the wages they earn for their products, since every single woman who works in Aarong-owned production facilities is also a beneficiary of BRAC's multifaceted development programmes.

As a support entity of BRAC, a significant portion of Aarongs earnings go directly into financing the NGO’s development programmes in healthcare, education as well as economic and social development.

NAMING:

The name of the organization “Aarong” is a Bengali word. It means Village Fair. The village fair provides craftsman of all trades a marketplace to display and sell their traditional handicrafts. The naming of Aarong as such upholds the organizations commitment to promote the indigenous goods of our country, which are a part of our rich culture and artistic heritage.

“AARONG” means:

A: Active: we will execute our plans in an active manner.

A: Appealing: we will make ourselves and our workplace appealing.

R: Reliable: we will carry out our duties in a reliable manner.

O: Outstanding: w will perform in an outstanding manner.
N: Novel: we will always look for **novel** creative ways of improving everything we do.

G: Genuine: we will be **genuine** in our thoughts and actions.

### 1.3 Operational procedures of Aarong

Aarong symbolizes fairness in the global village. The organization has identified three basic constraints for gainful employment of the low income and marginalized people in the rural areas: lack of working capital, marketing support and opportunity for skills development. In order to bridge these gaps, Aarong provides a wide range of services to its workers and suppliers:

- Spot payment on product delivery to encourage efficiency and productivity
- Reach out to producers in remote areas to ensure fair value for their efforts
- Marketing communication and information for artisans
- Advances against purchase orders where necessary
- Training & Education in skills development to raise product quality and marketability
- Product Design and Support in Product Development
- Quality Control to increase producer awareness of the importance of quality

These values reflect fair trade principles which have been developed by registered Fair Trade Organizations. Fair Trade is a trading partnership, based on dialogue, transparency and respect that seek greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers.
1.4 Aarong’s product offerings

Aarong has more than 107 product offered under different sectors. The sections are given below:

<table>
<thead>
<tr>
<th>MEN'S PRODUCTS</th>
<th>WOMEN'S PRODUCTS</th>
<th>CHILDREN'S PRODUCTS</th>
<th>HOME TEXTILE PRODUCTS</th>
<th>HOME ACCESSORIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional</td>
<td>Traditional</td>
<td>Clothes</td>
<td>Bed</td>
<td>Kitchen</td>
</tr>
<tr>
<td>Executive Shirts</td>
<td>Western</td>
<td>Toys</td>
<td>Table</td>
<td>Lamps</td>
</tr>
<tr>
<td>Maanja</td>
<td>Sandals</td>
<td>Books</td>
<td>Living</td>
<td>Photo Frames</td>
</tr>
<tr>
<td>Fotua</td>
<td>Stoles/Shawls</td>
<td>Shoes</td>
<td>Kitchen</td>
<td>Bowls</td>
</tr>
<tr>
<td>Short Kurta</td>
<td>Sarrees</td>
<td></td>
<td>Kids</td>
<td>Platters</td>
</tr>
<tr>
<td>T-shirts</td>
<td>Nightwear</td>
<td></td>
<td>Rugs</td>
<td>Bookends</td>
</tr>
<tr>
<td>Stoles/Shawls</td>
<td>Fabrics</td>
<td></td>
<td>Fabrics</td>
<td>Decorative</td>
</tr>
<tr>
<td>Sandals</td>
<td>Bags</td>
<td></td>
<td></td>
<td>Candles</td>
</tr>
</tbody>
</table>
### JEWELRY PRODUCTS
- Gold Decorative Living Plates and Saucers Bags, Optical Cases Candle Stands Bowls

### TERRACOTTA PRODUCTS
- Silver Plant Accessories Dining Teapots Table Cloth/Napkin Vases Glasses and Cups

### BAMBOO/LEAF PRODUCTS
- Pearl Glasses/Mugs Personal Accessories Mugs and Cups Mats Wall Hangings Pitchers

### CERAMICS PRODUCTS
- Pitchers Wall hangings Shelves and Racks

### NAKSHI KANTHA PRODUCTS
- Hot Plates Christmas decorations Mirrors

### WOOD PRODUCTS

### GLASS PRODUCTS

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### 1.5 Mission & Vision

**Mission:** Be the best socially responsible enterprise empowering people to realize their potential by creating appeal for a Bangladeshi lifestyle experience.
Vision: Aarong’s “Vision” changes every 3 years. Their visions for 2014 are given below:

Customers:

- By 2014 5M customers to be served of which 10% through e commerce.
- Open 8 new outlets all over Bangladesh including Dhaka by 2015.
- 90% satisfaction rating in Customer service index.

Employees:

- Seen as the employer of choice having a dedicated, trained and motivated professional team with a staff turnover of 5%-10%.
- Having an effective performance management system in place that justly rewards performances on the basis of values, skills and abilities.

Society:

- We are viewed as a socially responsible enterprise providing equal opportunity development and having respect for the environment.
- Standing as a symbol of pride for Bangladeshi heritage and culture (brand survey).

Shareholders:

- 100% increase in revenue generated for
- Profit percentage will increase by 4% as compared to 2010 by cost control
- Brac to showcase Aarong as a model of successful social enterprise that maximizes benefit for all stakeholders.
Artisans:

- Ensure that all artisans get maximum benefit from BRAC (health, sanitation, legal aid, children education, financial support)
- By 2014, all artisans will know that Aarong’s core mission is to empower them in realizing their potential
- Artisans and their children will seek to preserve Bangladeshi craft tradition through Aarong.

1.6 Aarong Offices & Outlets

- Aarong Centre (Head Office)
- Aarong Flagship Outlet, Uttara
- Aarong at Dhanmondi
- Aarong at Gulshan
- Aarong at Moghbazar
- Aarong at Wari
- Aarong at Mirpur
- Aarong in Sholashahar, CTG
- Aarong in Halishahar, CTG
- Aarong in Sylhet
- Aarong in Khulna
- Aarong in London
2.1 My internship days at Aarong

During my first week at Aarong, my goal was to immerse myself in the company and to learn as much as I could about this unique company. Part of that was taking a trip to see pre service training of sales associates for Ramadan at Niketon.

At the training, I learned more about Aarong, I was amazed by the company’s tremendous success. But what I was most drawn to was Aarong’s reputation worldwide. The company is so highly regarded mainly for its gorgeous, fashion-forward designs and house wares that celebrate Bangladeshi techniques and motifs.

SWOT Analysis:

<table>
<thead>
<tr>
<th>Strength</th>
<th>Weakness</th>
</tr>
</thead>
<tbody>
<tr>
<td>➢ Specialist marketing expertise</td>
<td>➢ Vulnerable to producer</td>
</tr>
<tr>
<td>➢ Leading brand reputation</td>
<td>➢ Limited budget in R&amp;D</td>
</tr>
<tr>
<td>➢ Customer loyalty</td>
<td>➢ Higher price</td>
</tr>
<tr>
<td>➢ Production quality</td>
<td>➢ Sales person need more training</td>
</tr>
<tr>
<td>➢ Sales</td>
<td>➢ Sampling process are lengthy</td>
</tr>
<tr>
<td>➢ Low production damage rate</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>➢ New distribution channel</td>
<td>➢ Increasing competitors</td>
</tr>
<tr>
<td>➢ Capture more market share</td>
<td>➢ Price wars with competitors</td>
</tr>
<tr>
<td>➢ International market</td>
<td>➢ Political instability</td>
</tr>
<tr>
<td>➢ Seasonal fashion influence</td>
<td>➢ Economy situation</td>
</tr>
<tr>
<td></td>
<td>➢ High turnover rate or loosing trained professional.</td>
</tr>
</tbody>
</table>
2.2 Nature of the Job:

During my internship period I worked at HR, my main task was to conduct the recruitment and selection process of the temporary sales associates of Aarong. After the joining of sales associates, for the last 20 days, I worked on their performance appraisal system, based on the performance evaluation; employees were given confirmation, promotion and increment. There are different kinds of job and work responsibility that are the duties of every people who work over there. But a part of being an intern I get to know about how they work, what are the works and responsibilities of which department, how they do the task with in a very short time, how they report, how they maintain the time scale. I get to know a bit of every sphere of these things.

2.3 Specific Responsibilities of the Job:

For Ramadan, Aarong need a huge number of sales associates to deal with the extra pressure of Eid. This year they had to appoint 1500 sales associates on different times. The requirement is given below:

### Joining plan of Sales Associates For Eid-Ul-Fitr, 2011

<table>
<thead>
<tr>
<th></th>
<th>Dhanmondi Aarong</th>
<th></th>
<th></th>
<th></th>
<th>Gulshan Aarong</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Required</td>
<td>1st August 30%</td>
<td>15th August 40%</td>
<td>25th August 30%</td>
<td>Required</td>
<td>1st August 30%</td>
<td>15th August 40%</td>
<td>25th August 30%</td>
</tr>
<tr>
<td></td>
<td>180</td>
<td>54</td>
<td>72</td>
<td>54</td>
<td>190</td>
<td>57</td>
<td>76</td>
<td>57</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Maghbazar Aarong</th>
<th></th>
<th></th>
<th></th>
<th>Wari Aarong</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Required</td>
<td>1st August 30%</td>
<td>15th August 40%</td>
<td>25th August 30%</td>
<td>Required</td>
<td>1st August 30%</td>
<td>15th August 40%</td>
<td>25th August 30%</td>
</tr>
<tr>
<td></td>
<td>90</td>
<td>27</td>
<td>36</td>
<td>27</td>
<td>62</td>
<td>19</td>
<td>25</td>
<td>18</td>
</tr>
</tbody>
</table>
My responsibility at Aarong was mainly regarding the recruitment and selection process of temporary sales associate for Ramadan. My duties started from screening the CVs to final evaluation.

Screening CVs, which are collected from outlets & CV box of head-office

Calling people for interview (interview for different outlets were arranged on different dates) and make a list of the interviewees according to schedule.

After taking interview along with the outlet manager, selected candidates are given some written instructions to attend training at Niketon. Provide training list to the training team.
3.1 Performance appraisal procedure

Alike other organization Aarong also conducts Performance Appraisal yearly, to evaluate employees performance standards. Aarong HRD (Human Resource Department) spends a considerable amount of time and labor to have a flawless and authentic performance appraisal. A glimpse of the performance appraisal procedures in different hierarchies and the problems identified on the current performance appraisal system are given below:

Objectives of the performance appraisal

The main objective of performance appraisal is to evaluate the actual performance appraisal of the employees. During my internship period, I noticed employees are not satisfied about their performance appraisal system, which is one of the major reasons of Aarong’s high turnover rate. Employees get demotivated if their performance is not appraised after evaluation. When I talked to GM of HR, he said
he also noticed it and recently he has increased the salary scale than before, but unfortunately the performance scales of employee’s have not increased. So, I thought to get in to the depth of this problem. The main objectives are mentioned below:

- To reduce absurd compensation cost which incurred with the employees who never meet the expectations.
- To strategize employees and organization’s goals.
- To enhance employees effort so that their performances can strengthen.
- To have a well communication system between employees and their subordinates having a proper feedback process.
- To motivate employees through increment, on the basis of their performance.

**Methodology**

At first I browsed the internet for as much information I could get. From the internet I got the background information of Aarong. At Aarong I gathered information from with open ended questionnaire; I took information from the GM of HR, HR Executives and Managers. These were my primary source of data. For some additional information, I went through the HR Procedure of BRAC. From the procedure I got a clear view of Aarong’s current performance appraisal system; the contents and time frames of performance evaluation. I also needed to understand the HR Procedure of BRAC precisely, to recommend a new performance appraisal system, as every organization has some basic rules to be followed.

**Limitations**

Every company has some enclosed information and HR is a very confidential unit of the organization, it would not share internal information about this department too, so I was not
permitted to use some information in this report, which would be helpful to present the current 
performance appraisal system more accurately. For example:

- I could not present the current performance appraisal form.
- Salary structure of the employees.

3.2 Time frames of the Appraisal

- For the grade of I-VII: Starts from the month of November of previous year and ends in the 
  month of October of current year (One Year).
- For the grade VIII or more: Starts from the month of April of previous year and ends in the 
  month of March of current year (One Year).

3.4 Contents in the performance appraisal system

The performance appraisal form contains different aspects regarding the criteria of evaluation; the form 
contains different elements according to the job level. This appraisal process works as an effective 
activity for the organization to evaluate employee’s performance in achieving goals. The contents are 
given below:

1. General Information:

This part of the appraisal form contains general and personal information about the employees, such 
as; name, a unique PIN or BADGE number(identify number), grade or designation level, 
department, duration of the service, joining date, gender, educational qualification, marital status, 
language proficiency in both Bangla and English, Computer literacy.

Above mentioned criterions show the background information of an employee. The general 
information doesn’t state any evaluative factors, yet there are some criterion (language proficiency, 
computer literacy and educational background) provide comparison among the employees, these 
things are rated as: Outstanding, Excellent, Very good, Good, Satisfactory and Poor. These five 
criterions are used to evaluate employee’s skills and qualification which are qualitative in nature. 
This part is usually done by appraisers and this part provides with some fundamental traits and
glimpses regarding employee’s knowledge, but eventually these are not so much influential on evaluations.

2. **Performance evaluation:**

   The actual appraisal starts from this segment, the employees are rated in different criteria. Employee’s self analysis on their performance and relevant factors are also taken, to ensure it is not merely an appraiser’s task.

3. **Rating scales:**

   The rating scale states an employee’s achievement level in accordance with his performances, previously there have been several rating methods used to assess an employee’s performance. A lot of people are working at head office to maintain Aarong’s standard as the leading fashion brand. Aarong’s rating measurements are as follows:

<table>
<thead>
<tr>
<th>10-16</th>
<th>17-26</th>
<th>27-36</th>
<th>37-43</th>
<th>44-47</th>
<th>48-50</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsatisfactory</td>
<td>Improvement needed</td>
<td>Good</td>
<td>Very good</td>
<td>Excellent</td>
<td>Outstanding</td>
</tr>
</tbody>
</table>

From the above table, the excellent category is the best achievement and the least category is appraised as unsatisfactory, which is defined as failure to meet the goals. The table provides both narrative and quantitative rating measures and decisions lie through these rating limits.

4. **Evaluation factors:**

   An employee is not likely to appraise on some concise factors, here several direct and influential factors are needed to be reviewed to appraise an employee properly. The organization uses the following criteria to evaluate employee’s performances, which are as follows;

   i. **Job knowledge:** Employee’s job knowledge refers to the process of understanding the job properly. From this part of appraisal, employee’s sufficient understanding of work, executing the work properly and adherence to the policy of the organization is assessed.
ii. **The quality of work and time management**: an employee’s work quality is evaluated accuracy and reliability. Another important criterion is the time management, which indicates an employee’s ability to complete his job timely.

iii. **Integrity**: Employee’s honesty and loyalty matter a lot. Because, employee’s lack of honesty may affect organization image. So employee’s honesty works as a critical factor.

iv. **Positive attitude and team spirit**: Strategically an employee must be always ready to cope up with changes. An employee also needs to have a positive attitude towards his or her workplace, as employee’s negative attitude may lead to unpleasant circumstances. Team approach is the key element for both organization and self success.

v. **Creativity and initiative**: creativity is the process of generating new ideas; it’s broadly defined as the process of sensing new ideas. Organization tries to view on different aspects regarding creativity of an employee’s creativity. The criterions are here; ability to create new ideas, support experimentations and the generation of fresh ideas. This evaluating criterion perhaps would be much more feasible for the designing team, as Aarong is a fashion brand. So employee’s performance are broadly tested through these criteria, another important factor is the initiative which makes an employee entrepreneurial through his instigation of new ideas.

vi. **Leadership and decision making skills**: The focus point is “leading”, employee’s ability to lead others and the capacity to influence other to make the works done efficiently. The ability to make sound decisions, provide solutions to the problem and make right judgment. The leadership and decision making quality is very important for managerial positions, as a team’s performance depends highly on the leader.

vii. **Analytical ability**: Organization’s and human objectives must meet each other, as employees are resources and key to the success of the organization. Employees must be capable enough
to understand the organization’s strategic objectives. They also need to align themselves according to the objectives of the organization.

viii. **Communication and information sharing**: Communication is the process of exchanging information to others, as in the organization employee’s work depends on their internal communication and understanding. Here, employee’s performance is measured on the basis of his capability to understand and explain information in different levels of hierarchy.

ix. **Discipline**: these criterions assess employee’s punctuality, attendance, promptness and adherence to the rules. These are not directly related to the work performances, yet substantial to assess because there are certain things which highly affects employee’s devotion towards the organization.

x. **Gender sensitivity**: Employee’s biasness really causes deprivation and unethical practices which deteriorates organization’s image. In this criterion, employee’s performance on the gender impartiality is assessed. So every employee should not undermine opposite sex.

### 3.5 Results of the performance evaluation:

Based on the evaluation of employee’s performance, employee’s confirmation, promotion, increment or special allowance is given.

<table>
<thead>
<tr>
<th>Employee's reward on their performance of 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees without promotion or increment</td>
</tr>
<tr>
<td>Promotion</td>
</tr>
<tr>
<td>Increment</td>
</tr>
</tbody>
</table>
In the pie chart above, employee’s reward on their performance of 2010 is shown, where total employees were 868, only 123 employees got promotion and 124 got increment, but a huge portion of employee has not received any remuneration. So, employees become demotivated.

3.6 Findings

In the performance appraisal process, I found some flaws.

- As employees don’t have any goal or target, so they cannot judge their performance, which lead to grievance.

- Another problem with the current system is; employees get promotion or increment on their performance, but according to me rather than giving promotion or increment, performance bonus or increment based on employee’s performance would be more profitable for the organization.

- Feedback is a step of performance evaluation process, if employees do not get any feedback on their performance, the get demotivated, but as Aarong has only two way to appraise their employees, every year many employees do not receive their feedback on their performance.

- The unsatisfied employees are one of the major reasons of Aarong’s high turnover rate.

The turnover ratios of outlets for Dhaka of the year 2011 are given below:
Gulshan Outlet

- Number of Sales Associates at the beginning of the year 2011
- Number of resigned employees

Maghbazar Outlet

- Number of Sales Associates at the beginning of the year 2011
- Number of resigned Sales Associates

Wari Outlet

- Number of Sales Associates at the beginning of the year 2011
- Number of resigned Sales Associates
Employees feel, their works are not being noticed and it is not possible to promote every employee yearly. With the performance bonus or increment system, employee’s performance can be appreciated and it will not affect the organizational hierarchy also.

3.7 Recommendations

After doing some analysis, I would like to recommend that Aarong should follow “KRA (Key Result Area) and KPI (Key Performance Indicator)” system. In this way, employees will get their goal of performance and by incentive their performance will be also appreciated. For 100% achievement of KPI, an employee will get 10,000tk, the minimum achievement level is 40%, if an employee’s achievement level is below 40%, then he will not be entitled with any incentive. I have designed a KRA for top level management authorities. The KRA will give the employees an idea about what they are expected to do and KPIs will give employees some specific goals and guidelines about their job. The KPIs will be decided by both employee and his or her higher authority.
### Employee’s KRAs

#### KRA of GM & DGM

<table>
<thead>
<tr>
<th>Performance Dimensions</th>
<th>Required Work Values</th>
<th>Full Performance</th>
</tr>
</thead>
</table>
| **Operational/Professional & Tech/Financial Results** | Results through employees working under him. | • Meets both individual and aggregate department KRAs/goals and makes necessary adjustments.  
• Make sure all work meets professional/technical/operational standards for quality.  
• Contributes to functional strategy development and drives its execution. |
| • Improved effectiveness/efficiency/production/productivity/quality | | |
| • Contribution to strategy development and execution | | |
| • Information for strategic and business plans and decisions | | |
| **Leadership Results** | Leadership capability within department pipeline.  
• Direct reports accountable for leadership work/results.  
• Values based results, self and others. | • Ensure all department members understand, support and know how their roles fit into the vision and the strategy.  
• Identifies, retains, coaches and develops future leaders and managers.  
• Shows high self awareness of their leadership role and lives the values consistently.  
• Demands discipline of self and others to raise standards and deliver stretch results.  
• Seeks opportunities for growth and development as a leader.  
• Communicate mission, vision, values, business direction and department goals and assures every employee accepts and can articulate them. |
| • Clear direction | | |
| • Department leadership pipeline | | |
| • Right people in right job | | |
| • Developing first line management | | |
| • Company values | | |
| **Management Results** | Management competence of direct reports.  
• Lateral integration. | • Holds first line managers accountable for management work.  
• Keep team focused on key priorities by setting measures and standards.  
• Causes work to flow smoothly throughout the department.  
• Produces a positive, cumulative result from all projects.  
• Gives assessment of performance based on selected performance dimensions.  
• Linking compensation to performance management |
<p>| • Operational plans and priorities. | | |
| • Performance management/standards and expectations for first line managers | | |
| • Progress review/results measurement | | |
| • Project management | | |</p>
<table>
<thead>
<tr>
<th>Performance Dimensions</th>
<th>Required Work Values</th>
<th>Full Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relationship Results</td>
<td>Cross functional relationships.</td>
<td>• Shares information with peers.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Proactively supports peers in own and other functions.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Builds effective network (internally and externally) to get things done.</td>
</tr>
<tr>
<td>Analytical Skills &amp; Decision Making</td>
<td>• Identify possible options</td>
<td>• Think logically, pay attention to details, explore issues, and assess risk.</td>
</tr>
<tr>
<td></td>
<td>• Analyze all options according to a set criteria</td>
<td>• See the big picture and recognize patterns.</td>
</tr>
<tr>
<td></td>
<td>• Calculate a value for all criteria of each option</td>
<td>• Analyze findings based on experience and expertise.</td>
</tr>
<tr>
<td></td>
<td>• Choose the option with highest total criteria values</td>
<td>• Analyze alternatives, come to decisions, and give rationales—explain and support</td>
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<tr>
<td></td>
<td></td>
<td>• Prioritize according to risk—choose actions that reduce risk</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Are autonomous in decision making and confident in making professional judgments</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Makes the hard decisions promptly, even when they may be unpopular.</td>
</tr>
<tr>
<td>Innovation Results</td>
<td>Continuous improvement of process.</td>
<td>• Measures direct reports on changes and improvements.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Tries out new ideas and technologies to drive productivity and reduce cost.</td>
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<tr>
<td></td>
<td></td>
<td>• Take calculated risks and learns from mistake.</td>
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<tr>
<td></td>
<td></td>
<td>• Seeks and utilizes customer input in design of services/programs/products.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Proactively listens and engages with internal and external functional network, across markets.</td>
</tr>
</tbody>
</table>
KRA of Program heads

<table>
<thead>
<tr>
<th>Performance Dimensions</th>
<th>Required Work Values</th>
<th>Full Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Results:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Business unit profit</td>
<td>• Profits, not just</td>
<td>• Produces</td>
</tr>
<tr>
<td>• Business unit budget</td>
<td>functional</td>
<td>consistent</td>
</tr>
<tr>
<td>• Business revenue</td>
<td>excellence</td>
<td>bottom-line</td>
</tr>
<tr>
<td>• Complexity reduction</td>
<td>• Sustainable</td>
<td>results over</td>
</tr>
<tr>
<td>• Investment project</td>
<td>profitability</td>
<td>three years of</td>
</tr>
<tr>
<td>• Contribution to supply</td>
<td>• Stretch goals</td>
<td>their business.</td>
</tr>
<tr>
<td>• Product development</td>
<td></td>
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</tr>
</tbody>
</table>

| **Leadership Results** |                      |                  |
| • Vision for the business | • Guiding principles/ local company values. | • Gains confidence at all levels. |
| • High performance culture | • Current and future excellence. | • Ensures the entire organization understands, accepts and owns the mission, vision and values. |
| • Business strategy      | • Integrated business | • Holds self and team to spirit of guiding principles. |
| • Business leadership agenda |                      | • Leads by setting a personal example of excellence. |
| • Performance standards  |                      | • Puts right people in the right job and deals with poor performance. |
| • Business’s leadership pipeline |                      | • Invests significant time in developing, attracting and retaining leaders, to build a robust leadership pipeline. |
| • Engagement of workforce|                      | • Ensures alignment of functions with business strategy. |
| • Team building          |                      |                  |

<p>| <strong>Management Results</strong>  | Functional integration and synergy. |                  |
| • Developing and        | Business risk management.  |                  |
| • monitoring the business plan. |                      | • Integrates corporate strategies, organizational competencies and processes |
| • Critical business decisions. |                      | • Proactively manages business productivity and efficiencies, while taking measures to upgrade operations and technology for future results. |
| • Resource allocation   |                      | • Manages own time effectively to assure achievement of results. |
| • Risk evaluation       |                      |                  |
| • Staffing              |                      |                  |
| • Crisis management     |                      |                  |</p>
<table>
<thead>
<tr>
<th>Performance Dimensions</th>
<th>Required Work Values</th>
<th>Full Performance</th>
</tr>
</thead>
</table>
| **Relationship Results** | Relationships that leverages business results. | • Proactively enhances organization’s reputation.  
• Leverages external relationships for business benefit.  
• Demonstrates integrity and ethical awareness in all decisions and behaviors.  
• Approachable, listens to people about the issue that matter to them.  
• Negotiate effectively- achieving win/win outcomes.  
• Proactively integrates functions, leveraging complementary strengths. |
| • Company representative in community  
• Responsible employer  
• Law-abiding citizen  
• Peers for synergies  
• Government relationships  
• Internal and external relation | | |
| **Analytical Skills & Decision Making** | • Identify possible options  
• Analyze all options according to a set criteria  
• Calculate a value for all criteria of each option  
• Choose the option with highest total criteria values | • Think logically, pay attention to details, explore issues, and assess risk  
• See the big picture and recognize patterns  
• Analyze findings based on experience and expertise  
• Analyze alternatives, come to decisions, and give rationales—explain and support  
• Prioritize according to risk—choose actions that reduce risk  
• Are autonomous in decision making and confident in making professional judgments  
• Make hard decisions promptly, even when they may be unpopular. |
| • Take decision on calculated selection of alternatives. | | |
| **Innovation Results** | | • Makes the space and the time to challenge, reflect upon and revisit assumptions about the business model, practices and processes.  
• Creates an environment throughout organization which encourages challenge, innovation and challenge.  
• Leverages understanding of customers, consumers, suppliers, internal and external stakeholders, to inform business decisions. |
| Business innovation | | |
| • Innovation that leverages business results.  
• Wide diversity of sources for information and ideas.  
• Innovation across the business- all levels, all functions. | | |
KRA for Senior Managers, Managers & Assistant Manager

<table>
<thead>
<tr>
<th>Performance Dimensions</th>
<th>Required Work Values</th>
<th>Full Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operational/Tech/Professional Results</strong></td>
<td>Quality bar continuously raised</td>
<td></td>
</tr>
</tbody>
</table>
- Ensures self and team always meets targets, due dates and quality standards.  
- Produce predictable results by holding employees to agreed-upon methods and measures.  
- Provides operational/professional advice to assure achievement goals and results.  
- Effective analysis, procurement, transactions  
- Productivity/efficiency gains  
- Project execution  
- Strategy contribution |
| **Leadership Results** |  
- Success of others.  
- Values based results, self and others.  
- Produces viable successor.  
- Tactical support for strategy  
- Employee technical skill growth and career preparation  
- Team work and team building  
- Company values  
- Potential feedback  
- Communicate mission, vision, values, business direction and department goals and assures every employee accepts and can articulate them.  
- Leads by example; living the values consistently.  
- Demands discipline of self and others to raise standards and deliver stretch results.  
- Provides clear and timely feedback and ongoing coaching for others. |
| **Management Results** |  
- For better outcome, assign work where they are good at and enjoy doing.  
- Managerial work-embracing versus tolerating.  
- Conveys a clear picture of current performance to team members.  
- Puts right people in right job.  
- Requires all employees to work on their development plans.  
- Tracks progress and sets milestones to ensure things happen as planned.  
- Is available and approachable for direct reports.  
- Linking compensation to performance management  
- Tactical and career preparation plans.  
- Resource and process optimization  
- Budget management.  
- Measurement and feedback  
- Individual Guidance. |
<table>
<thead>
<tr>
<th>Performance Dimensions</th>
<th>Required Work Values</th>
<th>Full Performance</th>
</tr>
</thead>
</table>
| **Relationship results:** | Needs and expectations of others. | • Seeks full understanding of customer needs.  
• Proactively builds network to understand big picture.  
• Displays fairness, exhibits trust and gains respect through own behavior and actions.  
• Regular consultation with employees, understanding their mind state and motivating them for better behavior and performance. |
| • Working relationships with customers (internal and external)  
• Connection with other teams. | • Identify possible options  
• Analyze all options according to a set criteria  
• Calculate a value for all criteria of each option  
• Choose the option with highest total criteria values | • Think logically, pay attention to details, explore issues, and assess risk  
• See the big picture and recognize patterns  
• Analyze findings based on experience and expertise  
• Analyze alternatives, come to decisions, and give rationales—explain and support  
• Prioritize according to risk—choose actions that reduce risk  
• Are autonomous in decision making and confident in making professional judgments  
• Makes the hard decisions promptly, even when they may be unpopular |
| **Analytical Skills & Decision Making** | | |
| • Take decision on calculated selection of alternatives. | | |
| • Identify possible options  
• Analyze all options according to a set criteria  
• Calculate a value for all criteria of each option  
• Choose the option with highest total criteria values | • Think logically, pay attention to details, explore issues, and assess risk  
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• Prioritize according to risk—choose actions that reduce risk  
• Are autonomous in decision making and confident in making professional judgments  
• Makes the hard decisions promptly, even when they may be unpopular |
| **Innovation Results** | Innovation in others | |
| • Process, practice, methods  
• More with less  
• New ways of doing existing work  
• Complexity reduction | | • Leverages the abilities of other teams.  
• Designs user-friendly programs and processes from conception to implementation.  
• Gathers ideas wherever they exist.  
• Regularly reviews what’s done, why and how.  
• Embraces and promote changes. |
Proposed Performance Appraisal Form

Performance Appraisal Form for Senior Management Staff

| Review Period: From………………………………… to ………………………………………….. |

**Staff Information (To be filled by staff)**

- Name of the staff:……………………………………………………………………..PIN:……………………………..
- Designation:……………………………………………………………………..Present Level/Grade:………………
- Organizational unit (Program/Department/Enterprise):…………………………………………………..
- Date of joining AARONG&AAF:…………………………………Date of last promotion:……………………………..
- Educational qualification: Graduate/Post graduate/Others( if any):…………………………………………
- Professional Qualification (if any):………………………………………………..National ID:……………………………..
- Marital Status (✓): Married ☐ Unmarried ☐ Others:…………………………….. No. of children:………………

**Fill in the following information if the staff’s spouse works in BRAC:**

- Name of spouse:……………………………………………..PIN:……………………………..
- Designation:……………………………………………………………………..Organizational unit (Program/Department/Enterprise ):……………………………..

<table>
<thead>
<tr>
<th>KPI</th>
<th>Weight</th>
<th>QTY</th>
<th>Achievement</th>
<th>%</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>KPI 1:</td>
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<tr>
<td>KPI 2:</td>
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<td>KPI 3:</td>
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<td>KPI 4:</td>
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<td>KPI 5:</td>
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<td>KPI 6:</td>
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<td>KPI 7:</td>
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</table>
Living the values:

<table>
<thead>
<tr>
<th>KPI</th>
<th>Weight</th>
<th>Qty</th>
<th>Achievement</th>
<th>%</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>KPI 8:</td>
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<td>KPI 9:</td>
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<td>KPI 10:</td>
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<td>KPI 11:</td>
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<td>KPI 12:</td>
<td></td>
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</tbody>
</table>

Supervisor’s Recommendation on staff performance:

(To be completed by the staff’s supervisors. Any recommendations such as transfer, promotion, salary, adjustment, contract renewal etc. should be included in this section.)

<table>
<thead>
<tr>
<th>Supervisor</th>
<th>Comments</th>
<th>Name, PIN, Designation, Signature &amp; Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Supervisor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2nd Supervisor</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Comments of HRD

Signature:……………………………………… Date:………………………………
Name:……………………………………………… PIN:………………………………………………

Approval:

PH/AD/Director/DED __________________________________________ MD/ED __________________________
Date:……………………………………… Date:……………………………………
5.3 Proposed KPIs at Aarong

Some specific KPIs are given as examples:

**KRA of DGM of Logistics, Transport, Security & Maintenance:**

- Managing and forecasting production, procurement, warehousing and distribution of Aarong.
- Ensuring all the new employees will be equipped by new stationeries (pen, pencil, stapler, scotch tape, and diary) and other essential stuffs (for example: computer) on their joining.
- Managing an annual budget portfolio of Central Warehouse Operations, Facilities and Administration
- Take Business Blueprints from all departments so as to capture all business requirements. Discuss with other Department Managers regarding the availability of materials and provide status and location updates on overdue materials.
- Ensures that working capital (raw materials, WIP and finished goods) does not exceed budgeted goals. Directs the logistics operations so that goods inwards/outwards are handled efficiently and cost effectively
- The DGM of Transportation will assure the compliance with state laws and board policy.
- Transport department will ensure that all employees who are taking the transport facility will arrive at office timely.
- Transport department will take care of all the transports of the organization. They will make sure that the transports will be mechanical error or defect free. The transport manager needs to be certain that all regulations are met that ensure passenger safety
- A large portion of the transport manager's job involves scheduling; constant evaluation of the timetables is required to ensure that passengers' needs continue to be met.
- As a security officer working for a retail organization, the role will be to make sure that the premises, stock, customers and staff are safe and secure. Essentially, prevent theft and damage and deal with emergencies.
• Patrolling, securing and monitoring the outlet premises, sometimes with the aid of closed circuit television (CCTV), and supervising at the door.

• Keep accurate records and write short reports, which may be used by the police or courts.

• Make sure that all the premises of head office and outlets are clean, uncluttered and inviting. Work place’s maintenance must be done according to the guide book.

• Be fully aware of and trained in fire and other emergency procedures. Fire drills should be arranged once a year. First aid boxes should be kept in designated places for easy access.

**KRA of GM of retail:**

• Developed & prepared Business Blueprints for both marketing and logistics department so as to meet all business requirements.

• Conducting customer service satisfaction survey to ensure 90% customer service satisfaction. It takes continuous effort to maintain high customer satisfaction levels.

• Reducing customer complain ratio by taking complain records from CRM on a regular basis & taking necessary steps accordingly.

• Taking initiatives (touring the sales floor regularly, talking to employees and customers, and identifying or resolving urgent issues; maintaining awareness of market trends in the retail industry, understanding forthcoming customer initiatives and monitoring what local competitors are doing and forecasting future sales volumes) & provide necessary facilities to the outlets for meeting up the sales target.

• Making plans and preparations to open 8 new outlets all over Bangladesh by 2015.

• Analyzing and interpreting trends to facilitate planning.

• Ensure compliance of the guide book by his team. The manager will held accountable if any team members fails to comply with the guideline.
KRA of Senior Manager of Marketing:

* Responsible for all brand promotion activities (media, Hording etc) in the assigned area.
* Take initiatives for brand visibility and popularity.
* Improvement for Brand Management activities.
* Take report from Jr. Employees and support them in resolving all the issues in relation to Job.

KRA of GM of HR:

- Reduce average time taken to fill vacancies (delivery of requisite number of people as per agreed time frame).
- Reduce average cost per recruitment
- Reduction in absenteeism per employees
- Increase in employee satisfaction.
- Reduce workplace accidents
- Training needs analysis & Competencies development.
- Monitoring employee deployment
- Reward employees to motivate them, the reward system should be designed according to their need.
- Ensure compliance of the guide book by his team. The manager will held accountable if any team members fails to comply with the guideline.
- Taking personal responsibility for organization’s success.
- Reduce turnover of 5%-10% through training and motivation.

KRA of Manager of IT:

Maintaining all the computers of employees and take immediate steps, if receive any complain regarding computers. Timely delivery and set up of new computers for new employees on their joining.

KRA of Senior Executive of warehouse & central store:

Make certain that all the products will be delivered to outlets in time and as per requisition.
4.1 Conclusion:

Working in HR department of Aarong is such a learning experience for me. I enjoyed every bit of my time working there. To build a career in HR it is going to be an experience for me. Because, there I got to see all the basic HR works, working there I felt the responsibilities of HR employees.

Moreover Aarong is a name that symbolizes cultural and traditional heritage of rural Bangladesh in art and craft. It not only make people conscious about the fashion but also makes some underprivileged villagers self sufficient. It introduces Bangladeshi fashion, culture and tradition to the outside world. Aarong keeps our tradition table in the gathering of western fashion and make it popular.