

Report On  
**Employee Satisfaction & HR Practice at Mercantile  
Bank Ltd.**

By

Nishat Tasnim Dia  
Student ID: **19304045**

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

BRAC Business School

BRAC University  
July, 2023

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## **Declaration**

It is hereby declared that

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

**Student's Full Name & Signature:**

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**Nishat Tasnim Dia**  
ID: 19304045

**Supervisor's Full Name & Signature:**

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**Mr. Zaheed Husein Mohammad Al-Din**  
Senior Lecturer, BBS  
BRAC University

## **Letter of Transmittal**

Mr. Zaheed Husein Mohammad Al-Din

Senior Lecturer,

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Submission of Internship Report on Employee Satisfaction & HR Practice at Mercantile Bank Ltd.

Dear Sir,

I am delighted to submit my internship report on Employee Satisfaction & HR Practice at Mercantile Bank Ltd. as an obligation for the completion of my BBA degree. This report contains a comprehensive account of my experience throughout the internship at Mercantile Bank and the skills and knowledge I acquired during this period.

I hope that my report will provide valuable insights into my understanding through the internship and the contribution I was able to make to that organization. I am available for any further clarifications or discussions on the report.

I appreciate your helpful guidance and thoughtful support. I would love to hear your feedback on any areas to improve.

Sincerely,

---

Nishat Tasnim Dia

Student ID: 19304045

BRAC Business School

BRAC University

Date: June 20, 2023

## **Non-Disclosure Agreement**

This agreement is made and entered into by and between Mercantile Bank and the undersigned student, Nishat Tasnim Dia at BRAC University.

This non-disclosure agreement (“Agreement”) is entered into between Nishat Tasnim Dia (“Intern”) and Mercantile Bank (“Organization”) in connection with the internship project undertaken by Intern during the internship program with the Organization.

The undersigned student acknowledge that this Agreement defines Confidential Information as any technical or non-technical data disclosed by the Disclosing Party to the Receiving Party. Receiving Party's obligations under this Agreement do not cover information that is publicly known, discovered or created by the Receiving Party prior to disclosure, acquired through legitimate means, or disclosed with prior written approval from the Disclosing Party. The most crucial aspects of this Agreement include the provisions on nondisclosure, relationships, severability, integration, waiver, and notice of immunity. The nondisclosure provisions of this Agreement shall continue to be effective even after the Agreement's termination, and the Receiving Party must maintain the privacy of Confidential Information until it no longer qualifies as a trade secret or until the Disclosing Party releases the Receiving Party in writing.

## **Acknowledgement**

I would like to express my sincere gratitude to Mercantile Bank Ltd. for providing me with the opportunity to undertake an internship program with them. It was a great learning experience and I am truly appreciative for the knowledge and skills that I have obtained during my internship.

I would like to thank my supervisor Jebun Nahar Tuhin (AVP & MOP, Mercantile Bank Ltd.) for her guidance and support throughout my internship. Her mentorship and encouragement have helped me to develop my professional skills and personal qualities. I would also like to thank the entire team at Mercantile Bank for their warm welcome and for making my journey of internship an unforgettable experience. Additionally, I appreciate the cooperation and assistance provided by the team in implementation of my internship project successful.

Nevertheless, I am pleased to extend my earnest indebtedness to my advisor, Mr. Zaheed Husein Mohammad Al-Din (Senior Lecturer, BRAC University), for his support and guidance in completing my internship report. I appreciate his judicious suggestions, valuable feedback and persistent encouragement throughout my internship journey.

In conclusion, I am forever grateful to everyone who has played a role in my internship and report writing journey. I have gained invaluable skills, knowledge, and experience that will stay with me for a lifetime, and for that, I am eternally grateful.

Thank you once again for this amazing opportunity.

Sincerely,

Nishat Tasnim Dia

## **Executive Summary**

The internship program at Mercantile Bank provided me with the opportunity to gain practical knowledge and experience in General Banking section. Right through my internship, I was assigned to various tasks and responsibilities, including updating forms, accounts opening, scheme, pay order issues, despath, cash payment and receive, loan sanction, credit card issue, LC opening, IDBP, etc.

During this program, I was able to observe and participate in the day-to-day operations of the bank and acquired a better understanding of the industry practices and standards. I also had the opportunity to develop and ameliorate my communication, problem-solving, and time management skills.

The internship project that I worked on was a comprehensive analysis of the MBL's human resource management strategies, with a specific focus on employee satisfaction. Through this project, I was able to apply the theoretical knowledge that I gained in my academic program and implement it in a real-world scenario.

Overall, the internship program has been a valuable experience, and I am grateful for the opportunity to have worked with such a professional and supportive team at Mercantile Bank Ltd.

**Keywords:** Internship; Mercantile Bank; General Banking; Loan sanction; Credit card issue; Human Resource Management; Employee satisfaction; Industry practices; Communication skills.

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## List of Acronyms

<b>MBL</b>	Mercantile Bank Limited
<b>FDR</b>	Fixed Deposit Receipt
<b>DPS</b>	Deposit Pension Scheme
<b>MOP</b>	Management Of Operation
<b>HOB</b>	Head Of Branch
<b>RTGS</b>	Real Time Gross Settlement
<b>VP</b>	Vice President
<b>AVP</b>	Assistant Vice President
<b>MSS</b>	Monthly Savings Scheme
<b>SEO</b>	Senior Executive Officer
<b>EO</b>	Executive Officer
<b>OFF</b>	Officer
<b>LC</b>	Letter Of Credit
<b>SOD</b>	Secured Overdraft
<b>CD</b>	Certificate of Deposit
<b>IDBP</b>	Inland Documentary Bill Purchased

# **Chapter 1**

## **Overview of Internship**

### **1.1 Student Information**

Name: Nishat Tasnim Dia

ID: 19304045

Program: Bachelor of Business Administration (BBA)

Major: Human Resource Management (HRM)

Minor: Accounting

### **1.2 Internship Information**

Organization: Mercantile Bank Limited

Period: 3 months

Address: 151/6 Green Road, Dhaka 1205

Department: General banking, Clearing, Accounts, Credit & Foreign Exchange

### **1.3 On-site Supervisor**

Name: Jebun Nahar Tuhin

Designation: Assistant Vice President (AVP) & Manager Operation (MOP)

Organization: Mercantile Bank Ltd. (Green Road Branch)

## 1.4 Job Responsibilities

Department	Duties
General Banking	Form updating, Account opening, In-warding & Out-warding, Pay order entry, Dealing with clients and Cheque book distributions
Clearing	Clean cash, Clean cash transaction summary and RTGS
Accounts	Voucher checking and Preparing salary sheets
Foreign Exchange	Filling up necessary forms & sealing, Preparing LC files & IDBP

Mercantile Bank has different departments on particular duties and responsibilities to maintain efficient operations and satisfy the various consumer needs. At first the General Banking department, which is dedicated to update the forms for opening different accounts like, savings account, FDR, several schemes, etc. Also handling the transactions, processing pay orders, engaging with clients, and dispensing check books and a wide range duty are handled by them. Besides GB there is another department called Clearing that handles other crucial responsibilities like managing cash, making sure cash transactions are clean, creating thorough summaries of cash transactions to keep accurate financial records, and facilitating Real-Time Gross Settlement (RTGS) transactions to facilitate smooth fund transfers.

Clearing is yet another vital division that is essential to the smooth processing of financial transactions. In order to ensure that checks and other negotiable instruments are processed and settled in a timely way, the Clearing department's main goal is to manage and streamline the clearing process. This division guarantees the seamless transfer of payments between various banks and financial organizations by following established clearing protocols and utilizing cutting-edge technology solutions. Additionally, the Clearing division keeps a close eye out for fraud or other unlawful actions, fostering confidence in the banking system.

A bank's accounts department plays a crucial role in financial management. Along with inspecting and verifying vouchers, they are also responsible for creating

accurate and timely salary sheets. To guarantee that workers are appropriately compensated and the bank's payroll system remains accurate and dependable, this includes carefully calculating and recording employee wages, allowances, and deductions. The Accounts department supports the bank's overall financial stability and responsibility by keeping careful financial records and implementing strict financial integrity standards.

The foreign exchange division works in a fast-paced, interconnected setting. In addition to supporting international trade, this division is in charge of overseeing foreign exchange transactions and offering customers foreign exchange services. The foreign exchange department is crucial in organizing and managing important documentation in addition to completing required forms and guaranteeing compliance with legal standards. For supporting safe and effective international commerce operations, this also includes the precise production of Letter of Credit (LC) files. Additionally, the department can be tasked with managing International Development Bank for Partnership (IDBP) paperwork and encouraging partnerships and collaborations with global financial organizations.

Each department contributes to the overall efficiency and success of the bank by carrying out its specific duties. In order to promote trust and confidence in the banking sector, they work together to ensure effective operations, maintain high levels of client satisfaction through offering quality services, and uphold regulatory compliance. The bank is able to successfully manage the complexity of the financial landscape while satisfying the various needs of its customers thanks to its all-encompassing and well-coordinated approach.

## **1.5 Internship Outcome**

The outcome of an internship can vary based on the intern's personal circumstances and goals. A successful internship, on the other hand, frequently leads in significant learning and career advancement for the intern. In my instance, I was lucky to have a rewarding internship that presented me with numerous prospects for advancement.

I was able to use my academic knowledge in a realistic work setting during my internship. This helped me to understand how ideas and theories are used in real-world situations. I was able to gain practical experience and necessary skills for the industry by working on important projects.

My internship experience was enhanced by my collaboration with experts in related subjects. Working with knowledgeable people gave me excellent advice and views. I was able to learn from their wisdom and expertise, as well as see their processes and expand my understanding of the industry.

During the internship, constructive feedback was critical to my professional progress. Receiving performance comments enabled me to find areas for development and refine my skills. It also aided in the development of a growth mentality and a willingness to always learn and change.

Furthermore, my internship provided me with useful experiences, skills, and relationships, all of which have aided my personal and professional development. These experiences and talents have improved my resume and made me more marketable. Furthermore, the relationships I acquired during my internship have broadened my professional network, perhaps bringing up future chances.

Overall, a good internship can provide interns with invaluable benefits such as practical experience, industry-specific insights, skill development, and networking possibilities. It is a priceless stepping stone for a successful career and long-term professional ambitions.

### **1.5.1 My Contributions**

Throughout the course of my internship, I consistently upheld a high standard of commitment and professionalism, finishing all of my assignments with correctness and assurance. I made sure that I could pro-actively finish all of my office chores in a timely and effective manner by being consistently punctual and adhering to a regular schedule.

The majority of my work across my internship was in the general banking (GB) department, where I daily updated forms for different account types like DPS, MSS, FDR, and Savings. Along with these daily duties, I also finished weekly chores like clean cash and clean cash transactions manually and summaries everything according. Besides, in the accounts department I have also collected, checked and organized the vouchers. My meticulousness and attention to the detail made sure that all pertinent information was appropriately recorded and up-to-date.

I organized the LC documents in the foreign exchange department, filled out the required paperwork, and properly filed it. To ensure that everything was correctly documented and filed, I needed to be extremely organized and have a firm grasp of the department's policies and guidelines. I also helped organize checkbooks and interacted with the clients as needed, which allowed me to strengthen my communication abilities and get an awareness of the value of customer service in the banking sector. Additionally, my duties included accurately entering pay orders into the registry and making inward and outward entries. I had to make sure that all relevant information was precisely collected and documented, which required me to be very careful and detail-oriented.

Throughout my internship, I was committed to carrying out all of my tasks to the best of my ability while continually working to increase my abilities and knowledge. My perseverance and hard work were rewarded in the form of a fruitful internship experience, which I believe has given me the tools I need to succeed in my future efforts.



### **1.5.2 My Benefits**

My internship at Mercantile Bank Limited was a very important and fulfilling experience that gave me a thorough insight of various banking functions and the working environment. I now have a strong basis to build on as I start down my career path as a result of this experience. I was given a variety of responsibilities to complete while working at the bank, which helped me to gain valuable abilities like good organizational skills, effective communication, a solid work ethic, timeliness, and task prioritizing. These abilities are necessary for professional success in any field, and I have no doubt that the abilities I have developed via this experience will be of great value to me in the future.

Even though the work I was given had nothing to do with my academic studies, the real-world information and abilities I picked up were priceless. I had the chance to see how various departments in a bank function and how they work together to keep things running smoothly during my internship. I now have a more comprehensive understanding of the banking sector and its varied roles through this experience. Furthermore, working with a caring group of coworkers who were always eager to mentor and support me throughout the process was one of the most satisfying aspects of my internship. They answered all of my inquiries patiently and gave freely of their time and knowledge while providing insights. They helped me succeed and gave me the knowledge I needed to understand the business and the working culture. So, I am incredibly appreciative of the great opportunity and inestimable experience that this internship gave me. I now have the self-assurance and abilities to take on new challenges in my future profession, and I'm eager to use these experiences to my additional future goals.

### **1.5.3 Challenges**

During my internship at Mercantile Bank, I faced a variety of challenges that put my abilities to the test and pushed me to learn new skills. One of the most difficult challenges I experienced was adjusting to a new work environment. As a novice to the banking industry, I was unfamiliar with the complexities of MBL's operations, policies, and processes. This made it difficult for me to understand and navigate the myriad banking acronyms used on a daily basis by my colleagues, such as RTGS (Real Time Gross Settlement), BEFTN (Bangladesh Electronic Funds Transfer Network), various programs, clean cash, and many more. This communication barrier made it difficult for me to successfully interact with my colleagues and perform the duties allocated to me.

In addition to the difficulties associated with adjusting to a new work environment, I had major challenges in responding to client inquiries. Because my knowledge of banking techniques was still limited, it was occasionally difficult to deliver correct and complete solutions to consumer inquiries. To effectively help customers, I needed to constantly learn and increase my knowledge of banking practices.

Furthermore, I frequently found myself dealing with severe workloads, especially during the hectic audit season. This required me to work longer hours in order to meet deadlines and accomplish duties efficiently. Juggling various obligations and successfully managing time became crucial abilities for me during this time.

Despite these obstacles, I believe my internship at Mercantile Bank to be extremely helpful. It gave me a renewed sense of confidence and preparedness for the challenges that lay ahead in my future career aspirations. I received hands-on experience in the financial industry, improved my communication abilities, and learnt to rapidly adjust to different situations. These challenges ultimately aided my personal and professional growth, and I am glad for the opportunity to face them during my internship at Mercantile Bank.

## **1.6 Limitation**

While working as an intern at MBL, I was placed in a branch where there was an inadequate number of employees and so they were constantly occupied with a heavy workload. As a result, it was challenging for me to get a proper time from them to get a clear direction about my tasks and gather any information by asking them. Moreover, as I was responsible for performing my job tasks, I struggled to allocate enough time to collect enough primary data for my research. Additionally, due to the fast-paced nature of the banking environment, it was not always possible for me to observe each employee to understand their satisfaction level and reaction toward the work environment or their assigned works. Which posed a significant challenge in my research, as a proper analysis of the employees' behavior of every level might be a valuable insight to understand the HR practices of the organization.

Despite these challenges, I managed to overcome these obstacles and gather relevant information through various methods. I have looked over the employees and their behaviors, formally interviewed them or informally talked to them during work. Likewise, I research on their websites and other online sources and drew from my personal experience to add depth and context to my findings. By using multiple sources of information, I was able to compensate for the limitations of my primary research and obtain a comprehensive understanding of a bank's HR practices.

Briefly, while my internship at MBL presented me with challenges in gathering primary data for my research, I was able to overcome them and produce valuable insights by using a variety of sources. Through this experience, I developed resilience and resourcefulness, which will undoubtedly benefit me in future professional activities.

# Chapter 2

## Overview of Organization

### 2.1 Background

Mercantile Bank, a privately owned commercial bank in Bangladesh, was founded on June 2, 1999, with a paid-up capital of 100 million taka. The bank has grown to be a popular choice among retail and corporate customers in the country due to its customer-centric strategy and significant investments in technology. With a commitment to innovation and a strong network, Mercantile Bank has become a partner in Bangladesh's development journey and helped the country transition from a Least Developed Country to a Developing Economy.

Today, the bank has around 152 branches, 213 ATM & CDMs and 187 agent banking outlets spread throughout Bangladesh, making it accessible to all, particularly to the middle and working-class population. Its attractive FDR and savings schemes have been instrumental in building its deposit base, and its focus on digital and mobile banking has enabled it to keep up with changing customer preferences. In this regard, its subsidiary, MCASH, offers mobile banking services to unbanked populations, further expanding its reach.

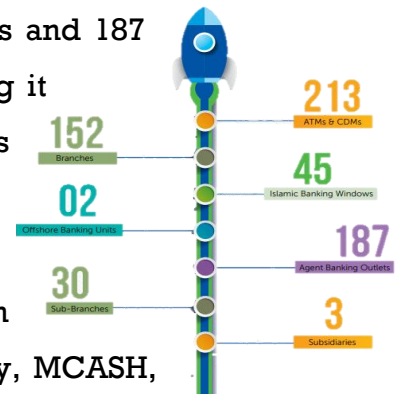


Figure 2.1: Overview of MBL

The bank has won several accolades and recognition for its excellent banking services and corporate social responsibility initiatives. Its commitment to the community is evident in its various initiatives, such as supporting education, health, and environmental conservation. Additionally, to maintain a corporate reputation and minimize the risk they have been following legal and ethical standards in their HR practices. With a focus on customer satisfaction and a track record of success, Mercantile Bank is well-positioned for continued growth and success in Bangladesh's competitive banking industry. Its network, range of services, and commitment to innovation make it an attractive option for customers looking for state-of-the-art banking services in Bangladesh.

## **2.2 Mission, Vision, Values & Objective**

### **2.2.1 Mission**

The mission of MBL is to become the most customer-focused and innovative bank in the country by providing superior financial products and services. The bank aims to be a trusted partner for its customers, helping them achieve their financial goals through personalized solutions and excellent customer service. Additionally, the bank strives to be a responsible corporate citizen by contributing to the sustainable development of the communities it serves and fostering a culture of social and environmental responsibility. Mercantile Bank Limited is committed to maintaining the highest standards of ethics and integrity in all its operations and building a strong and profitable institution that creates value for its stakeholders.

### **2.2.2 Vision**

Mercantile Bank Limited aims to “make the finest corporate citizen”. The vision of MBL is to provide better service to clients and quality operations in the banking sector. MBL also attempts to uphold the values of integrity, innovation, teamwork, and excellence. They believe that its human resources are the key to achieving its vision and goal.

### **2.2.3 Values**

The Bank’s purpose is to provide solutions for its customers, employees and shareholders. MBL has a vision to become the finest corporate citizen and a market leader in product innovation. The bank has seven core values that guide its activities: customer delight, innovation, ethical values, caring for human resources, commitment, social responsibility and shareholders value. The bank offers various products and services such as corporate banking, SME financing, retail banking, agriculture loan, foreign trade, NRB banking and treasury services. The bank also publishes annual reports, financial highlights and CSR activities on its website. Mercantile Bank Limited Bangladesh is a bank that strives to serve its stakeholders with excellence and integrity.

## 2.2.4 Objective

MBL is a customer-focused bank that works to boost shareholder value while producing considerable economic value via their activities. Their objective is to position themselves as an industry leader in product innovation by offering their clients customized, creative solutions. With the ultimate goal of being listed among the top three financial institutions in Bangladesh, they are dedicated to making the best use of their resources and procedures in order to accomplish this.

At the Mercantile Bank, they think that growth is essential to success. In every significant market segment they service, they are concentrating on growing their footprint across the country and rising to among the top five financial institutions in the nation in terms of market share. By attaining these objectives, they hope to maintain their upward growth trajectory, offer their clients improved services, and increase shareholder value.



Figure 2.2: Strategic Objectives of MBL

They continue to be committed to their principles of integrity, excellence, teamwork, and innovation to make sure they stay on course. They are confident that by respecting these values, they will be able to maintain their commitment to sustainable growth, financial success, and value creation for all of their stakeholders.

## **2.3 Organogram**

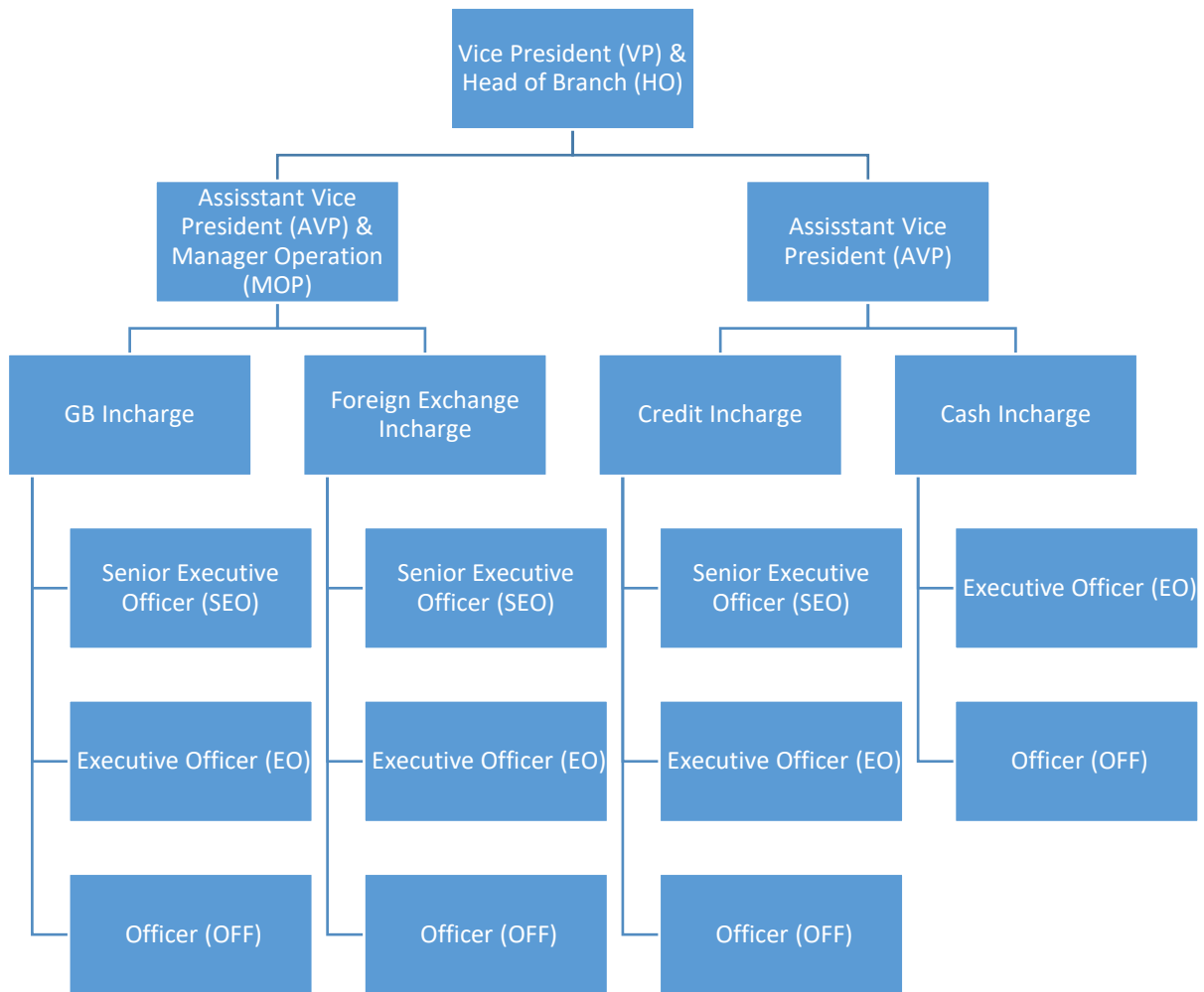
The Green Road Branch of Mercantile Bank Limited is a well-structured organization with around 20 employees. The branch is administered by a Vice President who function as the bank's management and controls the workplace's activities. To support the Vice President in his duties, there are two Assistant Vice President who assist him in ensuring the smooth functioning of the branch.

General Banking, Foreign Exchange, Credit, and Cash are the four primary departments at the Green Road Branch. The first Assistant Vice President, who is also the Manager of Operations (MOP), oversees the General Banking and Foreign Exchange divisions. The second Assistant Vice President is in charge of the Credit and Cash department.

Each division is overseen by three essential people: a Senior Executive Officer, an Executive Officer, and an Officer. These employees are in charge of everyday operations and ensuring that customers receive prompt and effective service. Furthermore, each department has an in-charge who oversees the work of the team and reports to the Deputy Vice President.

Mercantile Bank Limited's branch is committed to providing exceptional customer service and ensuring that its workers are well-trained to satisfy all client needs. It also prioritizes adherence to all regulatory requirements and maintains the highest ethical and integrity standards in all of its acts. This dedication to ethical behavior implies that personnel at the branch are required to operate with honesty, transparency, and fairness in all of their dealings. The branch aspires to develop trust and long-term relationships with its customers by keeping a strong focus on customer service, regulatory compliance, and ethical conduct while upholding the highest standards of professionalism and integrity.

**Organogram of  
Mercantile Bank  
(Green Road Branch)**



**Figure 2.3: Organogram of Mercantile Bank (Green Road)**



## **2.4 Management Practices at Mercantile Bank**

Mercantile Bank has adopted a participative leadership style that stresses management and staff engagement and teamwork. This strategy invites input from all levels of the company and fosters a culture of shared decision-making. By including employees in decision-making, the bank hopes to capitalize on their different viewpoints and experience, resulting in improved outcomes and higher employee engagement.

Mercantile Bank uses a well-structured recruitment and selection procedure in terms of human resource planning. This guarantees that the bank attracts and hires suitable candidates with the essential skills, knowledge, and values to contribute to the success of the firm. Multiple steps of the recruitment process may be included, such as job analysis, advertisement, screening, interviews, and reference checks. The bank provides a competitive remuneration system in order to attract and retain competent personnel. This involves paying fair and market-based wages and benefits to employees so they feel valued and motivated. To recognize and encourage extraordinary employee contributions, the remuneration system may also consider performance-based incentives and prizes.

Furthermore, Mercantile Bank understands the significance of employee training and development activities. The bank invests in initiatives that aim to improve the skills, expertise, and professional development of its employees. These initiatives could include on-the-job and off-the-job training, mentoring programs, workshops, seminars, and other forms of development. The bank hopes to improve workers' competencies and promote their career advancement by empowering them through ongoing learning and development opportunities.

The performance appraisal method at the bank is intended to promote staff growth and development. It establishes a structure for assessing employee performance, establishing goals, and offering regular feedback. The appraisal system may include performance evaluations, goal setting, and personal development plans. Mercantile Bank aspires to build a culture of continuous improvement and personal growth by integrating performance management and staff development.

### **2.4.1 Leadership Style**

The participative leadership style of Mercantile Bank is a strong strategy that goes beyond just including employees in decision-making. It's a concept that values each team member's unique abilities, experiences, and opinions.

Mercantile Bank fosters a climate of inclusion and cooperation by empowering workers to take part in decision-making. This strategy encourages open communication and mutual trust between management and staff, which improves teamwork and increases overall job satisfaction (Mmakgomo & Laka-Mathebula, 2004). Additionally, it enables a wider variety of thoughts and viewpoints to be taken into account, which improves organizational decisions and results.

Additionally, Mercantile Bank's participative leadership style values employee input and suggestions because they can result in novel ideas and solutions. Mercantile Bank fosters a sense of ownership and belonging among its staff by giving workers the freedom to provide proposals and contribute to the company's success. Their passion and dedication to the company are subsequently increased as a result. By fostering a culture that embraces change and supports experimentation, the participatory leadership approach also drives ongoing improvement. Employees are more inclined to take chances and attempt new things when they feel empowered to promote fresh concepts and methods (Yang & Lew, 2020). Greater innovation and more efficient working methods may result from this.

Ultimately, the participative leadership approach used by Mercantile Bank is proof of the value of inclusion and teamwork. The business may improve decision-making, increase employee engagement and motivation, and have more success by respecting employee input and fostering an innovative culture (Vermeeren, 2014).

## **2.4.2 Human Resource Planning Process**

Mercantile Bank Limited's commitment to its employees is evident in its comprehensive and systematic human resource planning process. The bank values its staff members and makes investments in their recruiting, selection, remuneration, development, and performance assessment systems to draw in and keep the top talent in the sector.

The recruiting and selection procedure used by the bank is intended to guarantee that only the best and most qualified applicants are chosen for the position. Through this procedure, the bank makes sure that its workforce is inclusive and diverse and represents the communities it serves (Wright & Gardner, n.d.). The bank's pay structure is competitive and built to draw in and keep the top employees in the business. In order to give its workers a work-life balance that supports their general well-being, the bank offers a variety of perks, including health insurance, retirement plans, and flexible work schedules.

Through its training and development initiatives, the bank also offers plenty of chances for the professional development of its staff. The training programs offered by the bank are intended to improve workers' abilities and knowledge so they may flourish in their present jobs and get ready for future leadership roles. Moreover, the bank's performance assessment system ensures that workers receive regular feedback on their performance, giving them the support and direction, they need to be successful. The approach also gives the bank a foundation for determining the areas in which workers require more training and development, enabling the bank to offer targeted support for employee development.

Overall, Mercantile Bank Limited's approach to human resource planning demonstrates its dedication to its workers. The bank makes the appropriate investments in its staff since it understands that their commitment and hard work have contributed significantly to its success. The bank is able to recruit and keep the greatest people in the sector by offering a thorough and organized approach to human resource management. This strategy also gives these individuals the assistance they need to flourish and advance within the company.

#### **2.4.2.1 Recruitment and Selection Process**

The thorough recruiting and selection procedure used by Mercantile Bank is created to draw in the most qualified and eligible individuals and guarantee that the bank hires the best people for the position. The bank makes an investment in luring outstanding people to support its development and success because it understands that its workers are its greatest asset. The bank employs a variety of platforms to promote job opportunities, including traditional newspaper ads, social media, and internet job portals. This guarantees that the job positions are widely publicized and that prospective employees from a variety of backgrounds may apply.

The hiring process starts with a preliminary resume screening to find the most suitable individuals. The candidates are then put through a battery of exams and interviews by the bank's hiring staff to determine their appropriateness for the position and their knowledge and abilities. To ascertain the candidate's compatibility with the position and the bank's culture, these examinations and interviews may involve behavioral evaluations, technical testing, and aptitude tests. Fairness and openness are very important to Mercantile Bank when it comes to the hiring process. The bank makes sure that no applicant is subjected to discrimination on the basis of gender, color, age, religion, or any other factor. To evaluate prospects and make hiring decisions, the recruiting team adheres to a set of predetermined criteria, ensuring that the procedure is impartial and unbiased.

Moreover, the bank keeps a database of qualified applicants, allowing it to find potential candidates for upcoming openings. This enables the bank to develop connections with candidates over time and guarantee a steady flow of talent to support its ongoing success and expansion.

Nevertheless, Mercantile Bank's thorough hiring and selection procedure shows its dedication to selecting the finest employees for the company. The bank makes sure that it draws a wide pool of candidates and recruits people who have the abilities, expertise, and potential to support the bank's ongoing development and success by upholding a fair and transparent hiring process.

#### **2.4.2.2 Compensation System**

Mercantile Bank recognizes that competitive compensation packages are crucial for attracting and retaining top talent. As such, the bank provides a thorough pay structure that recognizes workers' efforts and encourages top performance. The bank has a well-constructed compensation structure according to position grades that incorporates market trends, industry standards, and employee duties. To keep it competitive and equal, the pay scale is routinely reviewed and adjusted. Performance and experience are taken into consideration when evaluating employees, and pay are modified appropriately. This strategy makes sure that workers are recognized for their accomplishments and advancement within the company.

The compensation plan offered by Mercantile Bank additionally consists of a number of advantages that promote the welfare of workers and their families. To guarantee that workers have access to high-quality healthcare when they need it, the bank offers comprehensive health insurance coverage. The bank also offers provident funds and gratuities, allowing workers to save money for their retirement and other future financial objectives. The bank is aware of the importance of career development and advancement opportunities for retaining and attracting top talent. In order to assist workers, improve within the company and learn new skills and information, the bank offers a variety of training and development programs. The bank also provides work rotations and secondments so that staff members may experience various parts of the business and develop their skills.

Mercantile Bank's compensation system is designed to create a supportive work environment that values and rewards employee contributions. The bank's strategy encourages openness and justice and makes sure that workers are fairly paid for their contributions. The system also promotes employee wellbeing by offering a range of rewards and chances for professional development. This contributes to the development of a motivated and involved workforce that is devoted to the success of the bank.

#### **2.4.2.3 Training and Development Initiatives:**

Mercantile Bank is aware of the importance of employee growth and development for both the bank's performance and that of its staff members. As a result, the bank places a high priority on offering a wide variety of training and development activities to help employees improve their knowledge and abilities.

To meet the unique learning requirements of its workers, the bank provides a range of training programs, including classroom instruction, on-the-job training, and online learning modules. These training courses cover a wide range of subjects, such as banking laws, customer service, leadership, and technical knowledge including software and system training. The training programs offered by the bank are tailored to each employee's unique needs based on their position, responsibilities, and career goals.

Mercantile Bank offers workers the chance to participate in external training programs as part of its training and development initiatives, in addition to internal ones. These programs give staff members access to the most recent business trends and best practices, empowering them to return to the bank with fresh perspectives and ideas. The bank also encourages staff members to go to pertinent seminars, conferences, and workshops to increase their expertise and keep current with the most recent advancements in their industries.

The bank's training and development activities also include coaching and mentoring programs that let staff members pick the brains of more seasoned coworkers and executives. The executive staff of the bank actively participates in coaching and mentoring workers, giving them direction and assistance to help them reach their professional objectives. The training and development programs offered by Mercantile Bank are intended to instill a culture of ongoing learning and growth inside the business. The bank is boosting its workers' skills and knowledge as well as their job happiness and motivation by investing in their training and development. This strategy promotes employee commitment to the success of the bank and aids in the retention of top personnel.

#### **2.4.2.4 Performance Appraisal System**

Mercantile Bank is aware of how crucial it is to have a reliable system in place for performance reviews in order to assess worker output and make sure the bank is performing to its fullest. The bank has put in place a thorough performance evaluation system that strives to unbiasedly evaluate employee performance, offer comments, and pinpoint areas that need improvement. A structured review process is a component of the bank's performance evaluation system that happens often, usually once or twice a year. Managers and supervisors assess workers during the review based on established performance measures that are in line with the aims and objectives of the bank. These metrics take into account both quantitative and qualitative elements, such as sales goals, client satisfaction scores, collaborative efforts, and leadership abilities.

The performance review process at Mercantile Bank is intended to be fair, open, and impartial. To guarantee that employee performance is assessed from a variety of angles, the bank combines self-assessment, peer evaluation, and supervisor input. Additionally, employees have the chance to give feedback on their own performance, giving them the chance to take charge of their professional growth and pinpoint areas for improvement. The performance assessment approach at the bank includes feedback and chances for growth and development in addition to analyzing employee performance. Following the performance review, managers and staff collaborate to create an individual development plan that identifies areas for improvement and establishes objectives for future performance (Hollenbeck et al., 2004).

A reward and recognition program that rewards workers for their success is also a part of Mercantile Bank's method for evaluating employee performance. To encourage and keep top achievers, the bank provides a variety of incentives and prizes, such as bonuses, promotions, and unique events.

Consequently, Mercantile Bank's performance assessment system is a crucial instrument for fostering an environment of excellence and constant progress inside the company. The bank is developing a staff that is motivated, engaged, and dedicated to the success of the bank by regularly giving workers with feedback, highlighting areas for improvement, and praising exceptional performance.

## 2.5 SWOT Analysis

Strong customer service, strategic alliances, and a good financial performance are just a few of Mercantile Bank Limited's many advantages. The bank does, however, have a number of flaws, including outdated technology, subpar departmental communication, and an unbalanced work-life balance. The bank may concentrate on implementing new technology and encouraging cross-departmental collaboration in order to seize the chances offered by the market. However, the bank is also threatened by the market's escalating competition and the potential for a recession. The bank may need to take action to further improve its financial position and diversify its products in order to combat these challenges.



Figure 2.4: SWOT Analysis of Mercantile Bank

### Strengths:

- **Strong customer service:** The bank has a reputation for offering top-notch customer service and satisfying the demands of its clients with prompt, individualized care.
- **Strategic partnerships:** The bank has partnered strategically with a number of businesses to broaden its client base and provide cutting-edge goods and services.
- **Strong financial performance:** Since its founding, the bank has consistently displayed strong financial performance, with consistent increases in its assets, deposits, and profits.



**Weaknesses:**

- Underdeveloped technology: The bank's IT infrastructure could not be as sophisticated as those of its rivals, which might restrict its ability to provide cutting-edge goods and services.
- Poor interdepartmental collaboration: The bank may have trouble collaborating and communicating with other divisions, which may hinder its capacity to meet consumer requests and carry out new projects.
- Work-life imbalance: The bank could find it difficult to help its staff maintain a good work-life balance, which might have an effect on morale and retention.

**Opportunities:**

- Adapt new technologies: By utilizing cutting-edge technology like artificial intelligence and machine learning, Mercantile Bank Limited may improve its operations and offer cutting-edge goods and services to clients. This can aid the bank in maintaining its position as a market leader and luring tech-savvy clients seeking a cutting-edge and practical banking environment.
- Cross-departmental collaboration: The bank should encourage cross-departmental collaboration and teamwork to increase its capacity to respond to consumer requests and carry out new projects, allowing it to adapt quickly to changing market conditions.

**Threats:**

- Increasing competition in the rising market: The banking sector in Bangladesh is becoming increasingly competitive, making it difficult for Mercantile Bank Limited to attract new clients and retain existing ones.
- Downfall due to recession: A recession or other economic crisis may put the bank at risk, which might affect its performance and financial stability. Customers may be less likely to borrow money or make investments during a recession, which might have a negative effect on the bank's earnings. A recession may also make it more likely that loans will default or that additional credit risks may arise, which may worsen the bank's financial situation.

## **2.6 HR Strategies**

As an intern at one of Mercantile Bank's subsidiary branches, I got the opportunity to study and research various HR practices in the banking business in Bangladesh. While the subsidiary branch's precise HR procedures may be obscure, I have discovered certain common strategies used by banks in the country.

Improving overall employee performance is a major target of HR approaches in the banking industry. Banks frequently invest in training and development programs to help staff improve their skills and knowledge, allowing them to do their jobs more successfully. Technical banking knowledge, customer service abilities, and leadership development may be covered in these programs. Performance management systems are also often used to establish performance objectives, provide regular feedback, and acknowledge outstanding achievement.

Another important HR strategy used by banks is to promote a positive work environment. Banks understand the importance of employee satisfaction and well-being in maintaining a productive staff. Offering work-life balance programs, employee engagement events, and creating chances for employee feedback and communication are some strategies for fostering a happy work environment. Employee recognition programs may also be implemented by banks to recognize and reward workers' contributions. Banks use a variety of strategies to attract and retain excellent employees. To attract qualified workers, they frequently provide attractive compensation packages that include salary, incentives, and perks. Banks may also offer possibilities for professional development and progress, allowing staff to take on increasingly demanding jobs and responsibilities.

While these are prevalent HR strategies in the banking business, it is crucial to remember that exact procedures may differ amongst organizations, including Mercantile Bank and its subsidiary offices. Nonetheless, the overarching goal of these strategies is to improve employee performance, establish a healthy work environment, and recruit and retain brilliant employees in the banking industry.

### **2.6.1 Employee Development and Training**

The bank offers efficient training programs to assist new employees in adjusting to the organizational environment and the current personnel in enhancing their skills. This includes professional certificates, on-the-job training, and leadership development to ensure a skilled staff.

- **On-the-Job Training:** At Mercantile Bank, on-the-job training is an essential part of staff growth. Both new hires and current employees receive practical training according to their responsibilities and departments. Employees are able to pick up practical skills from more experienced coworkers, comprehend the precise processes and procedures pertinent to their job tasks, and learn from them directly (Truitt, 2011).
- **Professional Certificates:** Mercantile Bank encourages workers to pursue professional certificates in order to improve their knowledge and stature in their respective industries. These certificates are mainly in the fields of banking, finance, risk management, compliance or another pertinent field (“UK Managers’ Conceptions of Employee Training and Development | Emerald Insight,” 2013).
- **Workshops and Seminars for Skill Development:** The bank sponsors workshops and seminars for skill development to give staff members chances to advance their knowledge and skills. These classes cover a wide range of subjects, including problem-solving, computer literacy, communication skills, sales strategies, and customer service.

At Mercantile Bank Bangladesh, employee training and development programs are designed to give staff members the information, abilities, and skills they need to do their jobs well. By making investments in staff development, the bank promotes a culture of ongoing learning and development, which benefits employee retention, engagement and organizational performance.

## **2.6.2 Performance Management**

To recognize and reward the top performers the company sets forth specific objectives, and provides ongoing feedback. Performance evaluations can help identify areas that require improvement and highlight opportunities for progress. Here, employees develop quantifiable goals that are in line with the general goals of the bank at the start of each performance cycle with the help of their supervisors. Their objectives are clear, attainable, and time-bound, giving workers a direction and focus for the specific job (Budworth et al., 2014).

Initially, during their performance cycle I have observed, the manager often gives the staff members feedback and coaching. Both informal feedback from daily contacts and more formal feedback sessions, like one-on-one meetings or performance check-ins. Employees' accomplishments are acknowledged by managers, who also offer suggestions for improvement and promptly deal with any problems relating to performance (Den et al., 2004). Then, some formal performance reviews are conducted at the conclusion of the performance cycle to assess how well employees performed in relation to their predetermined objectives.

Moreover, these performance reviews offer a chance to pinpoint employees' areas of need for improvement and produce personalized development plans. This focuses on closing performance gaps and promoting long-term growth for personnel. Also, the top performers are valued by Mercantile Bank, which places a high priority on their recognition and appreciation (DeNisi & Smith, 2014). High-performing workers who routinely achieve or surpass their objectives are recognized and rewarded through a variety of channels. Employees are encouraged to keep up their excellent performance thanks to this award, which strengthens the culture of excellence.

### **2.6.3 Employee Engagement**

MBL encourages a positive and engaging work environment to boost output and morale. This includes employee recognition programs, team-building activities, and regular communication channels to promote transparency and employee involvement. Through employee recognition events, Mercantile Bank recognizes the accomplishments and efforts of its employees. These programs include awards in every three months, certificates of gratitude, or occasions for general recognition. Employee morale is raised when their contributions are acknowledged, and it also helps to foster a culture of value and appreciation inside the company.

Additionally, to promote cooperation, improve communication, and fortify connections among employees, the bank offers team-building exercises and events in many ways. Mercantile Bank places a strong emphasis on open and frequent communication with workers. They also inspire employee wellbeing by putting these plans into action. This entail setting up health and wellness initiatives, granting access to fitness centers or classes, holding stress-reduction sessions, or encouraging work-life balance through flexible work schedules. These programs promote the physical and emotional health of employees, which raises general satisfaction and engagement levels.

The bank regularly seeks and values employee feedback through routine surveys or focus groups. Employee feedback and employee engagement surveys are conducted. These feedback methods support the identification of problem areas, the resolution of issues, and the formulation of well-informed choices that affect employee engagement. A sense of ownership and involvement in the organization's activities and initiatives is promoted by taking into account the perspectives of the personnel.

## 2.6.4 Compensation and Benefits

Organizations use a variety of tactics, such as competitive benefits and compensation packages, to entice and keep top employees. These packages include pay grades, bonuses, healthcare benefits, and extra benefits. During my internship at Mercantile Bank, I was dedicated to prepare the staffs salary sheets every month that took into account other expenses like house rent, transportation expenses, health insurance, and other fringe benefits besides their basic salaries. Then setting a three-month goal for each employee was one of the ways the corporation pushed workers to give their best effort. These goals centered on growing the bank's deposits and bringing in new customers. Employees that met these goals received rewards for their accomplishments. With this strategy, employees were encouraged to actively contribute to the company's expansion, which increased their sense of drive and ownership.

The company offered its employees 10 days of paid vacation each year because it understood the value of a work-life balance. This chance for rest and renewal not only supports employee wellbeing but also boosts productivity and raises job satisfaction. In addition, the business went above and beyond by providing a variety of extra benefits and bonuses to raise employee happiness. MBL provided Employee Assistance Programs (EAPs) to help their workers during difficult periods in their personal lives. These initiatives gave people access to helpful information

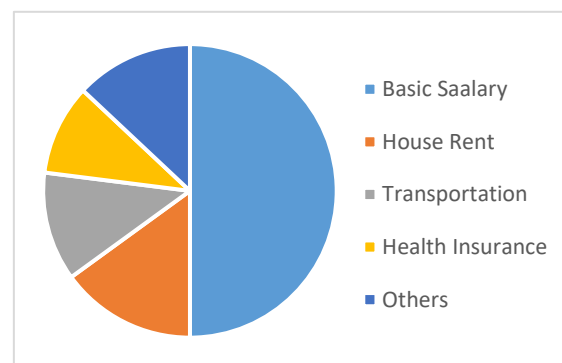


Figure 2.5: Salary Distribution

and support for problems like mental health illnesses, financial difficulties, and family challenges. The business promoted a positive and encouraging work atmosphere by showing concern and support for their employees.

In addition, the company offered lower-interest personal loans to its workers. In addition, providing assistance to workers in need, this financial support demonstrated the employer's dedication to the general well-being of its workforce. Mercantile Bank, displayed a great dedication to employee growth and

development. They offered a variety of opportunities for skill development, such as training programs and tuition reimbursement. This emphasis on continuous growth and development demonstrated the organization's understanding of the need of investing in its personnel. The firm allowed employees to improve their skills and knowledge by providing training programs, allowing them to execute their duties more successfully. This investment in professional development benefits individuals not just personally, but also contributes to the workforce's total competence and knowledge.

Their commitment to employee development also displayed its interest for its employees' success and career advancement. By investing in their professional development, the company demonstrated that it valued their contributions and wished to assist them in reaching their objectives. Individuals can be tremendously motivated and inspired by this commitment to employee development, which fosters a sense of loyalty and commitment to the firm. Furthermore, the firm realized the value of attracting and maintaining top people by offering competitive benefits and salary packages. Offering additional benefits and going above and beyond the bare standards fosters an environment that fosters employee pleasure and engagement. As a result, employees will feel valued and supported by the firm, leading to a more productive and committed staff.

Overall, a company that values attracting and maintaining top employees recognizes the need of offering competitive benefits and pay packages. They also invest in staff development and cultivate a culture of pleasure and engagement. These activities help to build a successful and long-lasting staff with higher output levels and lower turnover rates.

### **2.6.5 Employee Feedback and Communication**

Mercantile Bank Limited is aware of the value of efficient avenues for employee feedback and communication in fostering a successful and engaged staff. The organization has put in place a number of channels to get employee feedback, address issues, and encourage open communication. First of all, surveys are one way that they promote communication. The company gains important insights into employee satisfaction, engagement levels, and opportunities for development by conducting frequent surveys. These surveys enable staff members to voice their views and offer feedback in an anonymous manner, which promotes truthful responses.

Mercantile Bank uses suggestion boxes and surveys to allow employees to express their thoughts, opinions, and concerns. Managers are advised to set up one-on-one meetings with their staff members to offer direction, go over performance, and handle any issues. These meetings encourage managers and employees to have a friendly and open working relationship that builds trust and makes sure staff members feel valued and heard.

Mercantile Bank fosters an open communication culture by setting up effective channels for communication and feedback procedures. This promotes employee involvement by enabling people at all levels to share their thoughts and concerns. The company understands that retaining an engaged staff depends on prompt and efficient issue resolution. They demonstrate their dedication to employee well-being and job satisfaction by giving timely resolution of employee problems a priority.

In general, Mercantile Bank's emphasis on communication and feedback channels improves business productivity, employee engagement, and happiness. The company values the opinions and contributions of its staff and actively solicits employee input via surveys and suggestion boxes. Employees are more likely to feel connected, supported, and empowered when there are frequent town hall gatherings and one-on-one conversations. Through these programs, Mercantile Bank fosters a culture of continual development, teamwork, and respect, which leads to a highly motivated and content team.



## **2.7 Conclusion & Recommendation**

To summarize, Mercantile Bank Limited is an unquestionably significant and well-established financial organization in Bangladesh, renowned for its varied variety of banking goods and services catering to its customers' diverse demands. Over the years, the bank has successfully used its technology advantages, prioritized great customer service, and actively promoted financial inclusion, cementing its market position.

Mercantile Bank Limited should continue to make strategic investments in its digital infrastructure to maintain its development trajectory and ensure long-term competitiveness in the volatile banking business. By embracing cutting-edge technologies and digital platforms, the bank may improve operational efficiency, streamline procedures, and offer innovative digital banking products to its customers, providing better ease and accessibility.

Furthermore, Mercantile Bank Limited should increase its risk management processes in recognition of the importance of risk management in ensuring financial stability. The bank can manage potential risks, secure its assets, and maintain the faith and confidence of its stakeholders by developing strong risk assessment methods, implementing effective internal controls, and complying to regulatory rules. They can sustain its growth and capture new chances by expanding its commercial footprint both domestically and globally. The bank can diversify its revenue streams and reach underserved consumer segments by identifying emerging markets, creating strategic alliances, and offering personalized financial products and services. This expansionary strategy will not only increase the bank's profitability but will also help the economy grow.

Mercantile Bank Limited should focus the growth and retention of its human capital in addition to technology developments and commercial expansion. Investing in comprehensive employee training and development programs will provide the bank's workforce with the skills and knowledge needed to react to changing industry trends and efficiently service customers' requirements. Fostering an organizational culture of innovation and cooperation will encourage creativity, cultivate teamwork, and support the investigation of new ideas and solutions. I

agree that Mercantile Bank Limited should prioritize human capital development and retention alongside technological advancements and commercial expansion. Investing in comprehensive employee training and development programs is critical for providing the bank's workforce with the skills and knowledge required to react to changing industry trends and efficiently satisfy the needs of clients.

The bank may guarantee that its workers are up to date on the latest industry practices, legislation, and technological breakthroughs by providing regular training and development opportunities. This allows them to provide high-quality services and solutions to clients, which increases customer happiness and loyalty.

Fostering an organizational culture of innovation and cooperation is also critical for developing creativity and teamwork within the bank. Encouraging employees to share their ideas, try new ways, and work together on projects can lead to the discovery of innovative solutions and improved processes. Creating an environment that encourages the discovery of new ideas and solutions allows the bank to remain competitive in an ever-changing sector.

Mercantile Bank must prioritize staff retention in addition to training and cultivating an innovative culture. Employee turnover may be expensive and disruptive to operations. Employee happiness and loyalty can be increased by providing a nice work environment, competitive wages and benefits, and recognizing and rewarding employee efforts.

Investing in human capital growth and retention not only improves the bank's staff capabilities but also helps to its long-term performance. Employees that are well-trained and motivated are better able to assist customers, react to industry changes, and contribute to the bank's overall growth and profitability.

Overall, Mercantile Bank can build its human capital and position itself for long-term growth and success in the banking business by focusing on comprehensive staff training and development programs and fostering an innovative and cooperative organizational culture.

## **Chapter 3**

### **Project Part**

#### **3.1 Introduction**

Employee satisfaction is an important aspect in determining company performance. Employees that are happy are more engaged, productive, and inclined to remain with their organization. HR policies are critical in fostering a happy and productive team. Mercantile Bank Ltd. can improve its organizational performance by better understanding the elements that lead to employee happiness and the effectiveness of HR policies.

The purpose of this research is to look at the relationship between employee happiness and HR procedures at Mercantile Bank Ltd. The interview and observation are the main source of collecting data from employees regarding their job happiness, their boss, and the company as a whole. The study will also collect information on human resource procedures such as recruiting, training, and remuneration. The data will be analyzed using a number of statistical methods in the study. The study's findings will be utilized to identify areas where Mercantile Bank Ltd. may improve employee satisfaction and human resource processes. The report will also give recommendations for how the bank's organizational performance might be improved.

This chapter includes a thorough overview of the existing literature on employee satisfaction and HR practices in addition to the research methodology and objectives. This literature evaluation, which draws on a variety of academic sources, creates a solid theoretical framework for the investigation. The research places itself within the larger academic discourse by incorporating important theories, concepts, and empirical studies, adding to the body of knowledge.

### **3.1.1 Background**

Employee happiness is a vital component that has a substantial impact on an organization's performance and effectiveness. Extensive research and practical studies have continuously shown that happy employees are more likely to be dedicated, committed, and loyal to their employers, resulting in higher productivity and overall organizational success. Recognizing the significant impact of employee happiness on organizational outcomes, businesses must develop a positive work environment and adopt effective human resources (HR) procedures.

This project is based on a thorough literature evaluation that investigates the idea of employee satisfaction and its relationship to job satisfaction. The literature study demonstrates the critical significance of HR practices in affecting employee happiness by reviewing a wide range of academic articles and empirical studies. Several major HR-related elements identified as significant contributors influencing employee happiness. Work-life balance emerged as a key predictor of employee happiness. Maintaining a healthy work-life balance is critical for lowering stress, improving general well-being, and increasing job satisfaction. Employee happiness is better in organizations that prioritize work-life balance through programs such as flexible work hours, supportive leave policies, and chances for personal growth and self-care.

Furthermore, the analysis of the literature underlines the importance of fair and competitive remuneration and benefits packages in molding employees' perceptions of their worth and financial stability. Affordability of compensation, complete benefit packages that include health insurance, retirement plans, and other incentives all contribute considerably to employee engagement and job satisfaction. Furthermore, the assessment emphasizes the need of offering chances for training and growth. Businesses that invest in their employees' growth and professional advancement through training programs, skill-building initiatives, and career advancement opportunities demonstrate a commitment to employee satisfaction, which in turn improves their job satisfaction and ability to contribute effectively to organizational goals. According to the literature assessment, effective performance management approaches have a critical role in increasing employee satisfaction.

### **3.1.2 Literature Review**

The concept of employee satisfaction and its significant impact on organizational success are thoroughly examined in this section. Numerous studies have shown that happy workers are more likely to be dedicated, committed, and loyal to their employers, which increases productivity and the success of the firm as a whole. Therefore, creating a healthy work environment and boosting employee satisfaction depend on knowing the factors that affect employee happiness and figuring out efficient HR practices.

The review of the literature looked at a range of academic papers and empirical investigations on employee happiness and its relationship to job satisfaction. The results constantly showed how important HR practices are in determining how happy employees are. Employee happiness has been found to be strongly influenced by a number of important HR-related aspects. The importance of work-life balance appeared as the primary factor influencing employee happiness. Finding a balanced work-life balance is essential for lowering stress, boosting general wellbeing, and increasing job satisfaction. Employee satisfaction is higher in companies that put a priority on work-life balance through flexible work schedules, reassuring leave policies, and opportunities for personal growth and self-care. Benefits and compensation were mentioned as another critical factor affecting employee contentment.

Employees' perception of worth and financial stability is influenced by fair and competitive pay, extensive benefit packages, including health insurance, retirement plans, and perk programs, and other factors. Employee engagement and job satisfaction rise when they feel fairly compensated for their work. The literature also highlighted the value of opportunities for training and development in raising employee satisfaction. Businesses that support their workers' success by providing training programs, skill-building initiatives, and career progression opportunities show a dedication to their growth and professional development. These investments not only increase workers' job satisfaction but also give them the tools they need to effectively contribute to corporate objectives.

Additionally, it was discovered that employing efficient performance management techniques significantly increased employee satisfaction. Employees can monitor their development and contributions thanks to clear performance standards, frequent feedback, and acknowledgement of accomplishments. A fair and open performance review procedure builds trust among staff members and encourages them to give their best efforts, which has a good impact on their general job satisfaction.

Many businesses use employee satisfaction surveys to learn crucial information about the factors affecting employee happiness and pinpoint opportunities for development. These questionnaires offer a methodical way to get employee opinion on numerous elements of their working environment, job satisfaction, and HR procedures. Organizations can improve employee happiness by using survey data to analyze the strengths and weaknesses of their HR practices and make data-driven choices. Employee happiness acquires even more significance in the context of the banking industry, where high levels of stress and rigorous job requirements are prevalent. Given this, it is critical for banks to comprehend and put into practice efficient HR procedures that support employee happiness. Banks may foster an environment where workers feel appreciated, motivated, and happy by putting a priority on their well-being, offering competitive pay and benefits, providing many of opportunities for training and development, and putting in place reliable performance management tools.

The literature review highlights the importance of employee satisfaction for organizational effectiveness in its conclusion. Employee satisfaction is greatly influenced by HR policies and procedures, such as work-life balance, compensation and benefits, training and development, and performance management. Organizations can learn a lot about the factors affecting employee happiness and pinpoint areas for development by using employee satisfaction surveys. Understanding and putting into practice efficient HR procedures becomes even more essential in the banking sector, where stress levels are high. Banks may build a healthy work environment and promote organizational performance by putting a high priority on employee happiness.

### **3.1.3 Objectives**

The primary objectives of the report were meticulously created to fill in existing knowledge gaps and add to the body of knowledge on HR practices and employee satisfaction in the banking industry. Assessing employee satisfaction levels at Mercantile Bank Ltd. and assessing the effects of several HR methods, such as work-life balance, performance management, compensation and benefits, and communication, were the main objectives. The analysis also sought to find any weaknesses in HR practices that might have an impact on worker satisfaction and offer suggestions for improvement.

Also, the study sought to offer a thorough grasp of the variables affecting employee happiness in the banking industry. The study aimed to help firms create effective strategies for talent retention and improve overall organizational performance by exploring these aspects. The study's importance lies in its capacity to provide insightful analysis and useful recommendations that can be used by Mercantile Bank Ltd as well as other companies working in the banking industry and across various industries.

By attaining these goals, the study hoped to significantly advance our understanding of the complex link between HR practices and employee satisfaction. Additionally, it aimed to promote organizational behavior and human resource management by deepening our understanding of the forces at play in fostering an engaged and contented workforce.

At the end, the deliberate goals of this study were to close knowledge gaps, offer actionable advice, and advance knowledge of employee satisfaction and HR practices in the banking industry. By achieving these goals, the study hoped to significantly advance both scholarly inquiry and real-world application in organizational settings.

### **3.1.4 Significance**

The significance of this study rests in its capacity to shed important light on Mercantile Bank Limited's employee satisfaction level and pinpoint areas where HR procedures may be strengthened. The study's conclusions may help the bank's management make data-driven choices and create practical plans to raise employee happiness, boost retention, and ultimately boost organizational performance. The study's implications extend beyond Mercantile Bank Limited and may be used by other businesses in the banking sector as well. The study's findings can aid other businesses in comprehending the value of employee happiness and how HR procedures can have a big influence on it.

This study has the potential to make a significant addition to the body of knowledge on employee satisfaction and HR practices as well as to the field of organizational behavior and human resource management. It emphasizes the necessity for businesses to put a high priority on employee happiness and spend money on HR procedures that promote a supportive workplace. The findings of this study can also be used as a springboard for more investigation into this subject, offering a framework for subsequent investigations.

## **3.2 Methodology**

A survey and interviews were employed in this study's mixed-method technique to gather information about Mercantile Bank Limited's HR procedures and employee satisfaction. A sample of bank workers from all levels and departments participated in the survey, and it was done using a closed-ended questionnaire with a Likert scale to assess employee satisfaction and HR procedures. To preserve confidentiality and reduce prejudice, the poll was conducted online and results were gathered anonymously. To gain deeper insights into the problems and to verify the survey results, interviews were held with a small sample of employees and HR managers. Participants were able to discuss their experiences and opinions about employee satisfaction and HR procedures throughout the semi-structured interviews. We were able to triangulate the data and validate the results using a mixed-methods technique, which improved the study's validity and reliability.



### **3.3 Research Question**

In this research the main purpose is to find out the critical factors that is forcing Mercantile Bank to do the successful human resource practice that motivate them and have a positive effect on their performance and drive them to get the employee satisfaction. It has a great impact on the production of the organization.

So, the following three research questions contains the whole research outcomes-

**Q.1** What is the relationship between Mercantile Bank Ltd.'s HR practices and employee satisfaction levels?

The purpose of this research topic is to investigate the various HR procedures in place at Mercantile Bank Ltd. and determine how they affect employee satisfaction. You can look into specific HR practices such as recruitment and selection, training and development, performance management, salary and benefits, and programs to promote work-life balance.

**Q.2** What factors determine employee satisfaction at Mercantile Bank Ltd?

This study topic seeks to determine how demographic parameters such as age, gender, educational background, and job duration affect employee satisfaction at the bank. You might investigate whether particular demographics are more satisfied than others and investigate the likely causes of these discrepancies.

**Q.3** What tactics can Mercantile Bank Ltd. put in place to increase employee satisfaction and HR practices?

Based on the findings of your research, this research question seeks to provide actionable recommendations for Mercantile Bank Ltd. You can investigate best practices in the banking business and consider new ideas that the bank might implement to boost employee satisfaction and HR processes. Employee engagement, work atmosphere, career development, and performance recognition are examples of such domains.

### 3.4 Research Outcome

The purpose of this research was to investigate the association between HR procedures and employee satisfaction levels at Mercantile Bank Limited. The study sought to identify the factors influencing employee satisfaction and provide actionable recommendations to improve HR processes by examining specific HR practices such as recruitment and selection, training and development, performance management, salary and benefits, and programs promoting work-life balance (*The Impact of HR Practices, HR Effectiveness and a “Strong HR System” on Organisational Outcomes: A Stakeholder Perspective, 2023*).

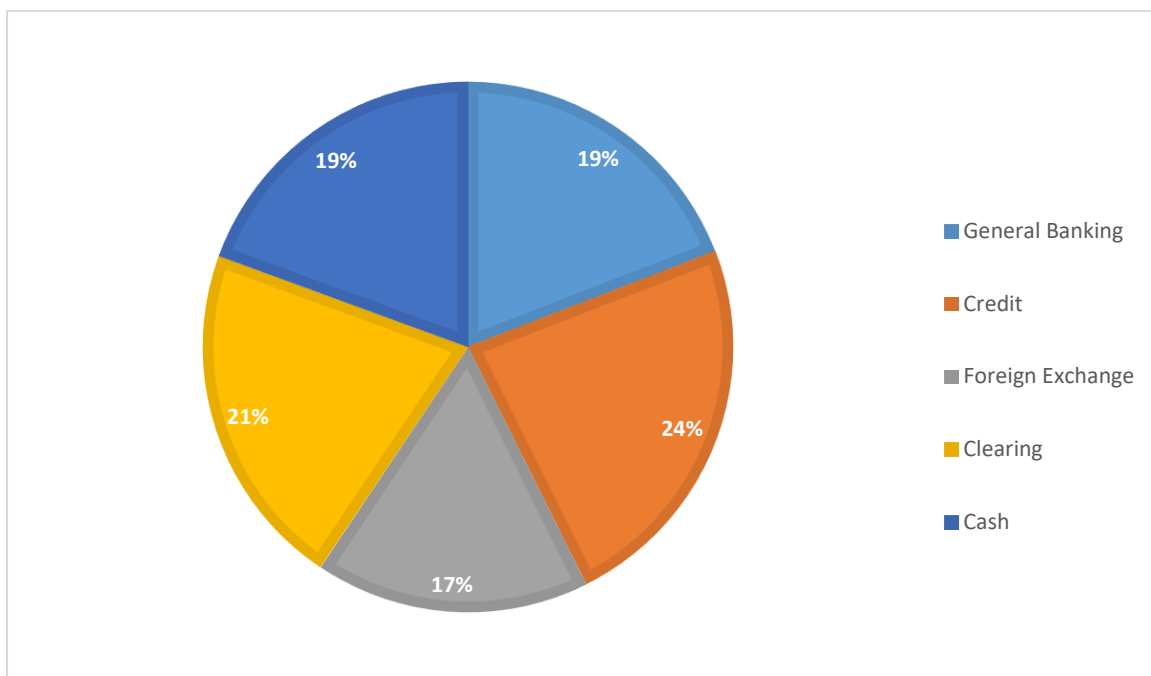


Figure 3. 1 Breakdown of Employee Satisfaction by Departments

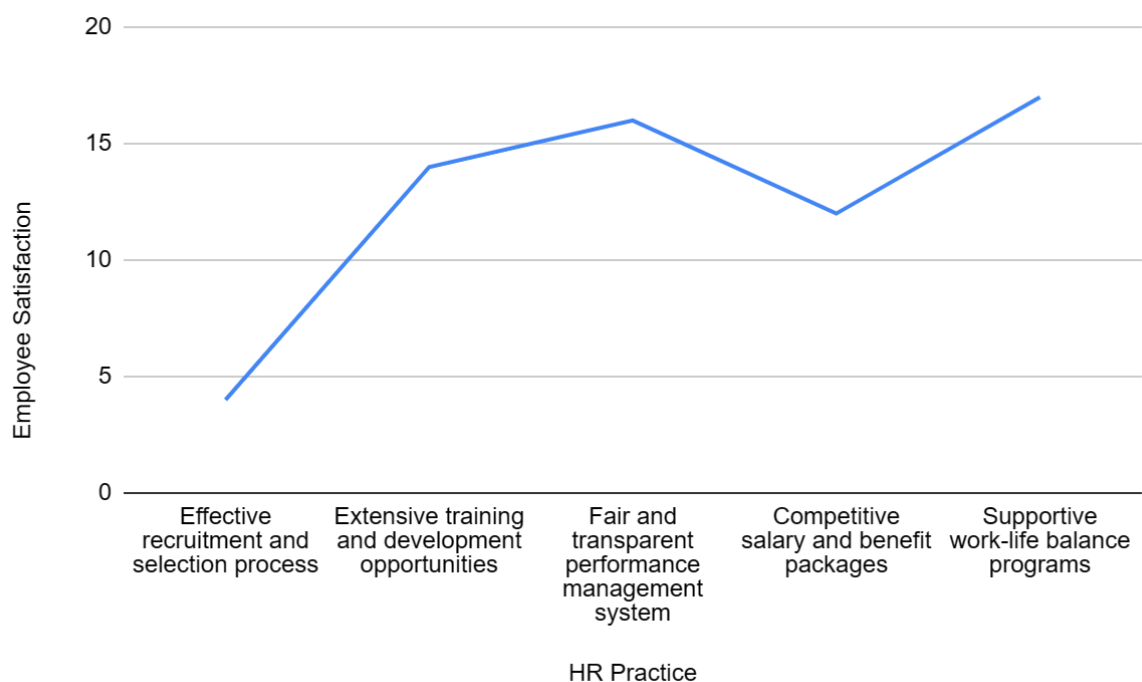
To collect data, a mixed-method approach was used, with surveys and interviews. A closed-ended questionnaire with a Likert scale was distributed online to a random sample of bank employees from various levels and departments, with confidentiality and anonymity maintained. In addition, semi-structured interviews with a small sample of employees and HR managers were done to get deeper insights and validate survey findings.

### **3.4.1 HR Practices and Employee Satisfaction**

The findings of the study reveal a strong and compelling link between HR policies and employee happiness, emphasizing the critical significance of varied HR practices in supporting employee contentment. According to the findings, organizations that implement effective recruitment and selection processes, provide extensive training and development opportunities, establish fair and transparent performance management systems, offer competitive salary and benefit packages, and prioritize supportive work-life balance programs have higher levels of employee satisfaction.

Employee happiness has been linked to effective recruitment and selection processes. Employees are more likely to feel pleased and fulfilled in their employment when firms have rigorous hiring procedures that ensure the selection of individuals with the correct skills, qualifications, and cultural fit. As a result, their overall satisfaction and participation inside the firm improves. The report also underlines the necessity of providing employees with significant training and development opportunities. Employees have a better sense of fulfillment and job satisfaction when firms engage in their workforce's growth and professional advancement through training programs, skill-building initiatives, and career development opportunities. Such investments not only increase employee satisfaction but also provide them with the tools and knowledge they need to contribute effectively to the organization's goals.

Employee happiness has been found to be highly influenced by fair and transparent performance management methods. Employee trust and motivation are increased when firms establish clear performance criteria, provide regular feedback, and recognize and honor employee accomplishments. As a result, their overall job satisfaction and commitment to their duties and responsibilities improve. Furthermore, the study emphasizes the importance of competitive compensation and benefit packages in creating employee contentment. Employees assess their financial value and security based on fair and competitive wages, complete benefit packages that include health insurance, retirement plans, and other incentives.



*Figure 3. 2 Relation Between HR Practice and Employee Satisfaction*

Employee engagement and work satisfaction are more likely to be higher in organizations that prioritize equal remuneration policies. Also, the report emphasizes the importance of encouraging work-life balance initiatives in increasing employee happiness. Employee well-being is demonstrated by organizations that provide flexible work schedules, reassuring leave policies, and opportunity for personal growth and self-care. This not only reduces stress but also improves employees' overall well-being and job happiness.

Therefore, Organizations that implement effective recruitment and selection processes, provide training and development opportunities, establish fair performance management systems, offer competitive salary and benefit packages, and prioritize supportive work-life balance programs have higher levels of employee satisfaction.

### **3.4.2 Factors Influencing Employee Satisfaction**

A detailed study was done at Mercantile Bank Limited to investigate the impact of demographic characteristics on employee satisfaction. To understand the intricate relationship between these parameters and employee happiness, the study takes into account other demographic variables such as age, gender, educational background, and employment duration. According to the findings, demographic factors had varying degrees of influence on employee happiness within the firm.

When age and educational background were considered as demographic variables, the study found no significant differences in employee satisfaction depending on these parameters. This implies that age and educational degrees have little impact on employee satisfaction at Mercantile Bank Limited. However, the survey found significant gender differences in employee satisfaction. Female employees expressed slightly lower levels of satisfaction than male employees. This research emphasizes the significance of addressing any gender discrepancies in the workplace in order to promote equitable opportunity and enjoyment for all employees.

Furthermore, the study looked into the impact of job tenure on employee happiness. Employees with longer job tenures reported higher levels of satisfaction, according to the findings. This implies that when employees spend more time with the company, they may develop a stronger sense of involvement, familiarity, and job satisfaction. It emphasizes the need of encouraging employee loyalty and giving possibilities for professional advancement and development in order to improve long-term job satisfaction. This study's findings shed light on the complicated interplay between demographic characteristics and employee satisfaction at Mercantile Bank Limited. While age and educational background were not shown to be important variables, there were gender differences and a positive association between employment length and satisfaction. These findings highlight the need of instituting inclusive strategies that address gender-related concerns while prioritizing staff retention and growth.

### **3.4.3 Tactics to Enhance Employee Satisfaction and HR Practices**

Several recommendations were made based on the research findings to improve employee satisfaction and HR processes at Mercantile Bank Limited. These are some examples:

- a. **Increasing Employee Engagement:** Implement techniques such as regular communication, feedback mechanisms, and recognition programs to build a sense of belonging and ownership among employees.
- b. **Improving Work Environment:** Promote cooperation, collaboration, and diversity to create a positive and inclusive work environment. Encourage open communication lines and allow employees to participate in decision-making processes.
- c. **Career Development Opportunities:** Create structured career development programs, such as mentorship, coaching, and training efforts, to help people improve professionally within the firm.
- d. **Implement a thorough performance recognition system** that recognizes and rewards employees for their accomplishments and contributions (Wright et al., 2005). This has the potential to increase motivation and job satisfaction of the employees.

This research study shed light on the considerable impact of Mercantile Bank Limited's HR strategies on employee satisfaction. The bank may strategically implement measures to improve HR procedures and build a more satisfying work environment by understanding the relationship between HR practices and satisfaction levels, as well as the factors impacting employee happiness. The recommendations give Mercantile Bank Limited with concrete ways to improve employee happiness, boost employee well-being, and optimize HR operations, ultimately contributing to organizational success and growth.

### **3.5 Data Collection**

To collect detailed data on human resources practices and employee satisfaction at Mercantile Bank, I created a 15-question interview form. This questionnaire aims to collect a diverse range of viewpoints and provide in-depth insights into employee experiences. The interview questions are elaborated on below:

1. Could you highlight the overall experience with the HR practices at Mercantile Bank? What effect have these practices had on your job satisfaction?
2. From your perspective, which specific HR practices or initiatives at Mercantile Bank have had the most significant influence on fostering a positive work environment and increasing employee fulfillment?
3. How would you define the recruitment and selection process of them? Do you think it efficiently identifies applicants who are a good fit for the organization?
4. Would you be willing to mention any specific training and development initiatives of MBL that have helped you improve your abilities?
5. What are your thoughts on Mercantile Bank's performance management system? Is it effective in aligning individual aspirations with company objectives and promoting employee satisfaction?
6. How pleased are you with Mercantile Bank's compensation and benefits package? Do you believe you are adequately compensated for your contributions, and how does this affect your job satisfaction?
7. Could you share some experiences of how Mercantile Bank's employee engagement initiatives have positively influenced the work environment and contributed to increasing job satisfaction?
8. How does Mercantile Bank help its workers achieve work-life balance? Is there any specific policy or program that has improved your job engagement in terms of achieving a good work-life balance?
9. What are your thoughts on Mercantile Bank's communication channels and feedback mechanisms? Do you believe they promote open conversation, teamwork, and, as a result, improved job satisfaction?
10. How does Mercantile Bank embrace diversity and inclusion, in your opinion? Can you offer any examples of how these initiatives have improved employee satisfaction inside the organization?

11. How do you feel about their leadership and management practices? Do they effectively boost employee satisfaction and foster a positive work environment?
12. Will you share any activities to recognize and promote staff contributions taken by the organization? What effect have these initiatives had on the employees?
13. Which career development and growth opportunities have you found at Mercantile Bank? How have these opportunities influenced your job fulfillment and organizational commitment?
14. How satisfied are you with Mercantile Bank's overall work environment and culture? Is there anything in particular that you believe contributes to a positive or negative work environment?
15. If you could make any enhancements or modifications to Mercantile Bank's HR practices, what would they be? How do you think these changes will affect job satisfaction of the employee?

So, at the end, creating a complete interview form with 15 questions is an effective way to collect specific data on Mercantile Bank's human resources processes and employee satisfaction. The questionnaire can assist in gathering varied perspectives and providing in-depth insights into the experiences of personnel inside the firm. To ensure that the interview form properly addresses the research objectives, the questions above have thoughtfully designed.



### **3.6 Findings and Analysis**

According to the employees, Mercantile Bank Limited had a modest overall level of employee satisfaction, which suggests that the bank's human resources procedures might need some improvement. The data collected through the interview and observations represents, employee satisfaction was significantly increased by HR activities such training and development, performance management, salary, and benefits. This shows that the bank is succeeding in these areas and should keep concentrating on them. However, the study also pointed out a number of areas that need improvement, including communication, job security, and work-life balance. These issues were shown to have a detrimental effect on employee satisfaction and the bank has to fix them.

The examination and analysis of the answers given by their staffs found some weaknesses in the bank's HR procedures that have a bad impact on worker satisfaction. Improved performance management procedures, better communication channels, and more possibilities for training and growth are a few of them. The bank has to make plans to fix these gaps after properly considering these findings. The bank can boost employee retention, performance, and happiness by strengthening HR procedures.

The report suggests that Mercantile Bank Ltd implement the following changes to improve employee happiness and retention in light of these findings. The report suggests that Mercantile Bank Ltd implement the following changes to improve employee happiness and retention in light of these findings.:

- Increase possibilities for employees to undergo training and development in order to upgrade their skills.
- Management should increase communication between employees and other departments in order to create a better working environment and resolve employee complaints and suggestions.
- Create an all-encompassing work-life balance policy that encourages employee well-being and work-life balance.

- Review and improve your performance management procedures to give staff with clear performance goals, frequent feedback, and rewards.
- Increase job stability and possibilities for professional advancement to boost employee motivation and retention.

The study's ramifications are important for banking sector officials and HR managers. The results emphasize the significance of employee happiness and its bearing on organizational success. The report suggests that banks concentrate on improving their HR procedures in order to raise employee happiness, retention, and productivity. By doing this, banks may establish an atmosphere that promotes employee engagement and well-being, which will ultimately result in improved organizational performance.

### **3.6.1 Impact of HR Practices on Job Satisfaction**

The interviews found that Mercantile Bank's HR strategies have had a considerable beneficial influence on its workers' job satisfaction. Employees have encountered a work atmosphere that recognizes their contributions and well-being as a result of clear communication, transparent policies, and supportive management (Bauman & Skitka, 2012). These methods have fostered a sense of trust and fairness among employees, resulting in better levels of job satisfaction.

On the other hand, the emphasis on employee recognition is one essential part of HR practices that has positively improved job happiness (Sageer et al., 2012). MBL has created a number of appreciation initiatives to recognize and thank its employees' accomplishments. These activities have not only improved morale, but have also fostered an environment of appreciation and motivation. Employees feel valued and acknowledged for their contributions, which contributes greatly to their overall job happiness.



*Figure 3.3 Impact of HR Practice on Job Satisfaction*

The emphasis on employee recognition, flexible work arrangements, career development opportunities, and a performance management system that aligns individual aspirations with company objectives at Mercantile Bank has a positive impact on job satisfaction. These behaviors foster a supportive and empowering workplace atmosphere in which individuals feel appreciated, engaged, and happy with their job responsibilities.

### **3.6.2 Key HR Practices & Initiatives Fostering a Positive Work**

#### **Environment**

Employees cited many major HR policies and initiatives at Mercantile Bank that have greatly helped to building a healthy work environment during the interviews. Implementing employee recognition programs is one such practice. These initiatives recognize and respect employees' efforts and successes, fostering a culture of acknowledgment and gratitude. Employee morale is boosted by acknowledgment, as is their sense of belonging and incentive to achieve in their professions. This type of positive reinforcement creates a helpful and encouraging work atmosphere in which employees feel valued and appreciated.

Flexible work arrangements were also singled out as an important initiative that helps to a healthy work environment. Mercantile Bank understands the significance of work-life balance and has created policies that allow employees to work from home. Employees can efficiently manage their personal commitments while achieving their professional responsibilities thanks to this flexibility. The capacity to maintain a healthy work-life balance improves employee well-being, reduces stress, and increases job satisfaction. Employees value the bank's awareness of their unique demands, which contributes to a healthy and supportive work environment.

Another important HR practice for establishing a happy work environment was highlighted as career development opportunities. Mercantile Bank provides a variety of training and development programs to help employees improve their skills and expertise. These initiatives give possibilities for professional development, learning, and progression inside the business for personnel. The bank demonstrates its dedication to its workers' long-term success and encourages a culture of continuous learning by investing in their career development. This effort not only improves employee job satisfaction, but it also fosters a pleasant work atmosphere in which growth and development are encouraged and supported.

Overall, Mercantile Bank's key human resource practices and initiatives, such as employee recognition programs, flexible work arrangements, career development opportunities, diversity and inclusion initiatives, and effective leadership and management practices, contribute to a positive work environment. These practices foster a culture of gratitude, work-life balance, continual learning, inclusivity, and support within the organization, resulting in improved employee happiness, engagement, and general well-being.

### **3.6.3 Effectiveness of Recruitment and Selection Process**

During the employee interviews, the effectiveness of the recruitment and selection process at Mercantile Bank was discussed. Based on their responses, it is possible to deduce that the bank's recruiting and selection process is seen as efficient and effective in identifying candidates who are a good fit for the firm.

Employees praised the thoroughness of the recruitment process, which goes beyond simply evaluating technical skills. They emphasized that the procedure also considers cultural fit and compatibility with the bank's principles. This technique assures that potential candidates not only have the essential abilities, but also share the same values and can positively contribute to the culture of the firm.

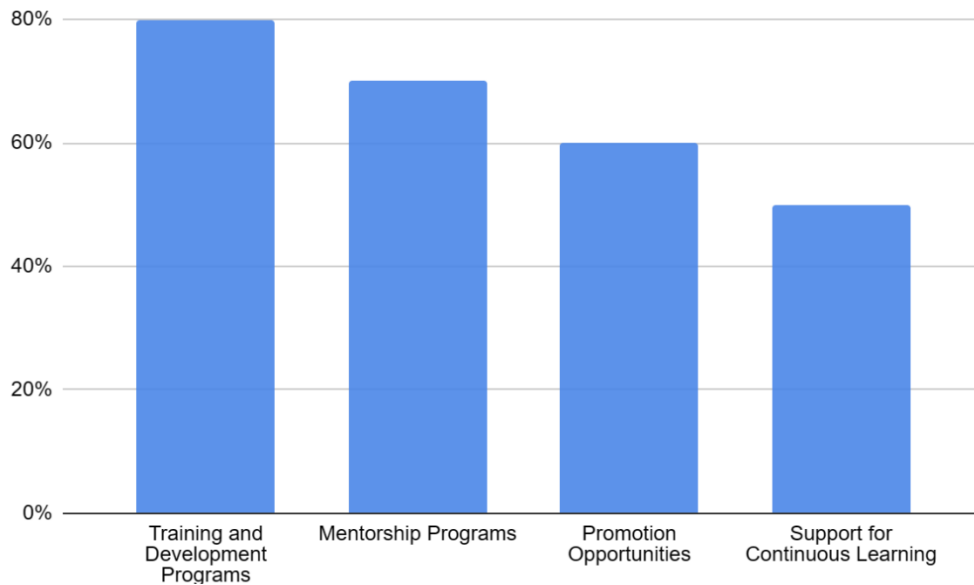
Furthermore, the Mercantile Bank recruitment and selection procedure was recognized as transparent and fair. Candidates are given specific information about the job's needs, expectations, and selection criteria. Employees applauded the bank for preserving transparency throughout the process, which helps applicants gain trust and confidence. The selection process's interviews and evaluations were deemed effective in identifying applicants with the requisite competences and qualifications. Employees said the interviews were well-structured and focused on measuring both technical and behavioral skills. This thorough review ensures that candidates are not only knowledgeable in their professions, but also have the requisite interpersonal skills and characteristics that correspond with the organization's ideals.

The Mercantile Bank recruitment and selection procedure was recognized as transparent and fair, with candidates given specific information about the job's needs, expectations, and selection criteria. Interviews and evaluations were effective in identifying applicants with the requisite competences and qualifications, measuring both technical and behavioral skills. This review ensures that candidates are knowledgeable in their professions and have interpersonal skills that correspond with the organization's ideals.

### **3.6.4 Employee Development and Growth Opportunities**

Employee development and advancement opportunities are highly valued at Mercantile Bank, according to workers who participated in the interviews. The bank provides a variety of programs and activities that support employee's professional development, job fulfillment, and organizational dedication. Employees emphasized the availability of training and development programs as one of the most important features. Mercantile Bank provides a variety of internal training programs aimed at improving technical skills, leadership talents, and personal development. These programs give employees the opportunity to learn new skills, remain current on industry trends, and develop the talents required for their present and future responsibilities. The bank's investment in employee development demonstrates a commitment to their development and promotes their advancement within the firm.

Employees also remarked positively about Mercantile Bank's mentorship programs. Employees are paired with experienced mentors who provide guidance, assistance, and significant insights into their particular industries through these programs. Employees can benefit from mentoring relationships by expanding their networks, gaining valuable insights, and receiving individualized guidance, ultimately increasing their professional development and contributing to their overall job happiness. Promotion chances were also mentioned as a key aspect in employee growth and fulfillment. Mercantile Bank prioritizes internal promotions, allowing individuals to advance their careers inside the firm. This strategy not only recognizes and honors their accomplishments, but it also pushes people to give their all and actively pursue personal and professional development.



*Figure 3.4 Employee Development and Growth Opportunities*

Through training programs, mentorship opportunities, promotion opportunities, and support for continuous learning, Mercantile Bank creates a strong culture of employee development and progress. Employees can widen their abilities, take on new responsibilities, and improve their careers as a result of this investment in them. Mercantile Bank increases worker happiness and generates a skilled and devoted team, which adds to the bank's long-term success through prioritizing employee development.

They provide a variety of programs and activities to support employee development, job fulfillment, and organizational dedication. These programs include internal training programs aimed at improving technical skills, leadership talents, and personal development. The bank's investment in employee development demonstrates a commitment to their development and promotes their advancement within the firm.

Mercantile Bank provides a variety of programs and activities to support employee development, job fulfillment, and organizational dedication. These programs include internal training programs aimed at improving technical skills, leadership talents, and personal development. The bank's investment in employee development demonstrates a commitment to their development and promotes their advancement within the firm.

### **3.6.5 Employee Engagement Initiatives**

Mercantile Bank is a bank that provides consumers and businesses with a variety of financial products and services. One of its objectives is to boost employee engagement and satisfaction. Employee engagement initiatives are efforts taken to increase employee satisfaction and performance (*A Causal Model for Employee Satisfaction, 2023*). These efforts can differ depending on the employees' requirements and preferences. According to the interview of the employees MBL's employee engagement initiatives include:

- Providing possibilities for professional development: Mercantile Bank encourages its workers to develop new skills and advance their careers. It provides training programs, seminars, and mentorship programs to assist employees in achieving their career objectives.
- Offering flexible work arrangements: Mercantile Bank recognizes that its employees' work styles and personal responsibilities vary. It provides employees with flexible work arrangements like as telecommuting, flextime, and reduced work weeks to help them balance work and life.
- Promoting a positive work environment: Mercantile Bank values its employees and the contributions they make. It fosters a positive workplace culture by encouraging collaboration, communication, and recognition. It also makes the office feel more welcoming and pleasant.

Employee engagement initiatives provide numerous advantages to Mercantile Bank and its employees. Employees who are involved in their work are more likely to be satisfied, productive, and loyal to their company (Bauman & Skitka, 2012). They are also more likely to be creative and imaginative, which can lead to the development of new ideas and products. Mercantile Bank seeks to establish employee engagement activities that are tailored to its specific and changing needs.



### **3.7 Summary and Conclusions**

In conclusion, the survey offered insightful information on Mercantile Bank Limited's HR processes and degree of employee satisfaction. According to the survey, workers at the bank reported a moderate level of job satisfaction. It also identified numerous HR strategies, including training and development, performance management, and compensation and benefits, as having a favorable relationship with employee happiness (Christina Geng-Qing Chi & Dogan Gursoy, 2009). However, the study also pointed out a number of areas that needed improvement, including communication, job security, and work-life balance.

The report suggests that the bank address these gaps by offering additional chances for training and development, enhancing communication channels, and putting in place policies that support work-life balance in order to increase employee happiness and retention. The report advises the bank to take a more proactive approach to performance management by routinely giving its staff members feedback and appreciation. Mercantile Bank Ltd may boost organizational performance, increase retention, and improve employee happiness by putting these strategies in place.

On the whole, the study's conclusions and suggestions offer Mercantile Bank Limited a road map for enhancing employee satisfaction and HR processes. The study's findings may be utilized to create tactics that boost worker productivity, retention, and engagement, which will eventually result in a more effective and long-lasting business.

### **3.8 Recommendations/Implications**

Based on the findings and analysis the research suggests that Mercantile Bank Ltd adopt the following steps in light of its findings and analysis:

1. Enhance employee chances for training and development: The bank should fund initiatives that provide staff members the chance to learn new skills and information pertinent to their positions. Their performance and job satisfaction would improve as a result, increasing productivity and retention.

2. Improved management-employee communication channels should be established by the bank to allow for the expression of employee issues and ideas. These channels should include frequent feedback procedures and open-door policies. Employee involvement would increase and a sense of belonging would be fostered.

3. Develop a comprehensive work-life balance policy: The bank needs to create work-life balance-promoting policies, like flexible work schedules, leave policies, and wellness initiatives. Employees would be better able to balance their personal and professional obligations, which would boost work satisfaction and lessen burnout.

4. Evaluate and improve performance management procedures: The bank should assess its performance management procedures to make sure they meet both employee needs and its strategic objectives. Employees would be better equipped to grasp their duties and responsibilities, get regular feedback on how they're doing, and spot areas where they can improve.

5. Enhance possibilities for career advancement and job security: The bank should provide its workers options for career advancement and job security to improve their job satisfaction and retention. This would entail providing competitive pay and benefits packages, promoting from inside the company, and giving employees chances to grow their skills and careers.

A 15-question interview form was developed to collect extensive data on human resources practices and employee satisfaction at Mercantile Bank. The goal of this questionnaire is to elicit a wide range of perspectives and gain detailed insights into the experiences of personnel within the firm.

The interview form is made up of well written questions about various aspects of human resources practices and their impact on employee satisfaction. These questions seek to elicit information about subjects such as recruitment and selection processes, training and development initiatives, performance management systems, salary and benefits, and work-life balance programs.

The questionnaire is intended to encourage participants to express their opinions, experiences, and perceptions about the bank's HR procedures. There are open-ended questions to allow employees to make extensive comments, share particular examples, and elaborate on their points of view.

The research attempts to collect rich qualitative data from this interview form in order to have a better understanding of the relationship between HR practices and employee happiness. The variety of perspectives gathered through the questionnaire will aid in capturing a full picture of employees' experiences and provide important insights into areas of strength and areas in need of improvement.

The interview data will be evaluated to find common themes, patterns, and trends, allowing for a complete evaluation of the relationship between Mercantile Bank's HR procedures and employee happiness. The findings will help to achieve the research objectives and provide useful information for the formulation of recommendations to improve HR processes and employee satisfaction levels inside the firm.

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