

Report On  
Analyzing the Impact of Key Performance Indicators on  
Motivating Sales Staff, Achieving Sales Targets, Employee  
Evaluation, and Promotions at Square Toiletries Limited

By

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18204005

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

Brac Business School  
Brac University  
September 2023

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# Declaration

I hereby declare that:

The internship report, which forms an integral part of my degree program at BRAC University, is entirely my own work.

This report does not incorporate any previously published or written material by a third party, except in instances where proper citation and complete and accurate references have been provided, acknowledging the source.

I affirm that the content within this report has not been submitted or acknowledged for any other degree or diploma at any university or other educational institution, ensuring its originality and exclusivity.

I have duly acknowledged all primary sources of assistance and support throughout the preparation of this report, emphasizing the integrity of my academic endeavors.

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

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Mohammad Adib Tanveer

18204005

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

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Mr. Shihab Kabir Shuvo

Lecturer, BRAC Business School

BRAC University

Letter of Transmittal

Mr. Shihab Kabir Shuvo

Lecturer

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Dear Sir,

I am pleased to submit my internship report titled "Analyzing the Impact of Key Performance Indicators on Motivating Sales Staff, Achieving Sales Targets, Employee Evaluation, and Promotions at Square Toiletries Limited" as a culmination of my internship experience at Square Toiletries Limited. This report represents the results of my dedicated efforts and the knowledge I have gained during my tenure as an intern.

Your unwavering support, expert insights, and constructive feedback have been instrumental in shaping the content and quality of this report. Your dedication to fostering academic excellence and your willingness to provide assistance whenever needed have made a significant impact on my academic and professional growth.

Working under your supervision has been an enriching and enlightening experience. I am grateful for the opportunity to learn from you and for your commitment to my success.

Sincerely Yours,

Mohammad Adib Tanveer

18204005

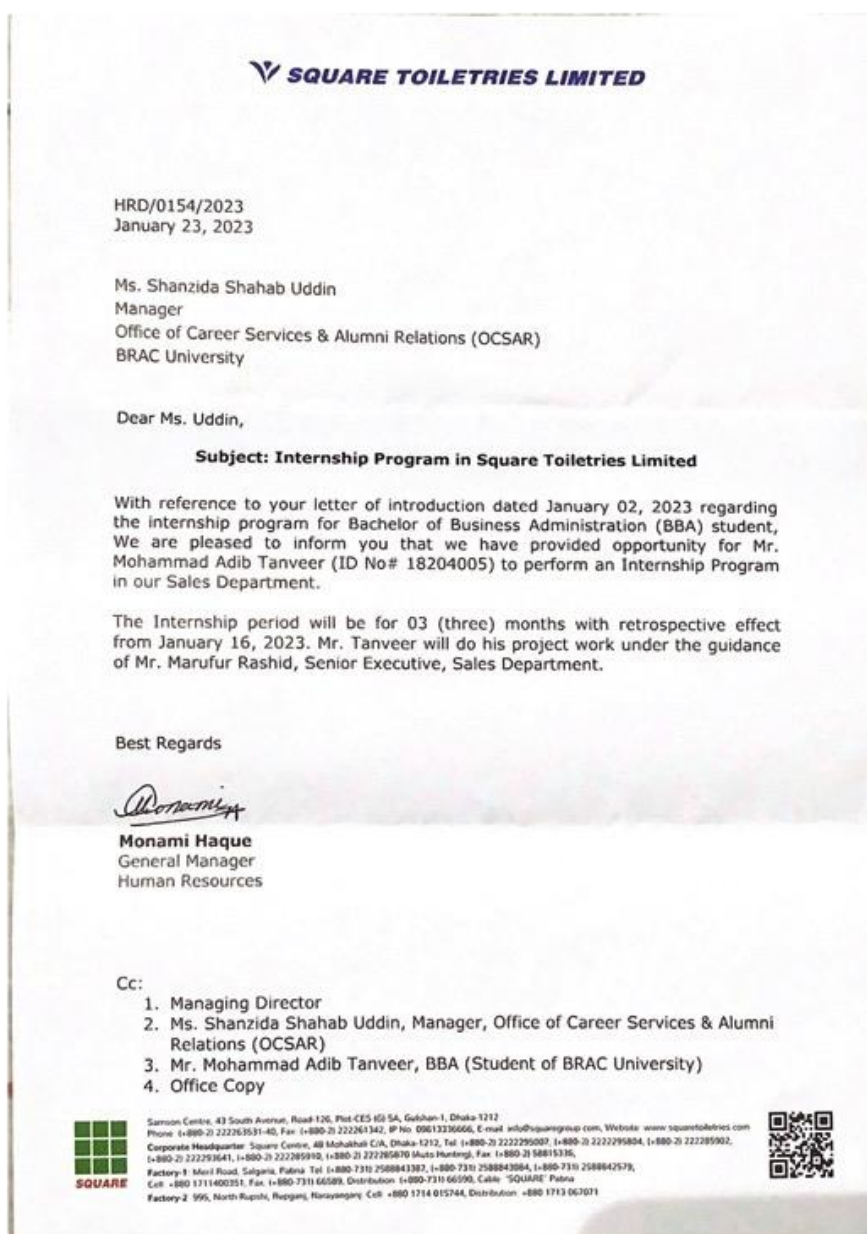
BRAC Business School

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Date: September, 2023

# Non-Disclosure Agreement

This NDA is entered into to protect the confidentiality of information shared during Mohammad Adib Tanveer's internship at Square Toiletries Limited for the purpose of completing an internship report.



## Acknowledgement

I am profoundly grateful to my Creator, Allah (SWT) for blessing me with the health, resilience, and determination required to successfully complete this internship report.

I would like to extend my heartfelt appreciation to Square Toiletries Limited, the organization where I had the privilege to gain invaluable professional experience. I am particularly indebted to my dedicated company supervisor, Mr. Marufur Rashid. His mentorship, continuous support, and insightful guidance played a pivotal role in enhancing my understanding of the corporate world and refining my skills. Square Toiletries Limited provided me with an exceptional learning environment, and I am grateful for the opportunities it offered me.

Furthermore, I express my sincere gratitude to my academic mentor, Mr. Shihab Kabir Shuvo, and my esteemed institution, BRAC University. Their unwavering commitment to academic excellence and their support in facilitating this internship have been instrumental in my growth as a student and aspiring professional. I am thankful for the knowledge and skills I have acquired during this experience, which will undoubtedly shape my future endeavors.

# Executive Summary

Square Toiletries Limited stands as a highly regarded and esteemed manufacturer and distributor of fast-moving consumer goods (FMCG) in Bangladesh. Aligned with the Square Group conglomerate, it operates as an autonomous entity. Boasting a diverse portfolio of 20 distinct brands, spanning skincare to household cleaning products, Square Toiletries has established an extensive network of distributors throughout Bangladesh. This expansive reach has paralleled the company's remarkable growth in tandem with an increasing customer base.

This research endeavors to elucidate the daily responsibilities of an intern within Square Toiletries Limited. Notably, the organization's sales department has recently initiated an internship program aimed at providing aspiring professionals with a glimpse into corporate life and the inner workings of an FMCG company's sales division. The structure of this internship program closely mirrors the experience of regular employees rather than typical internships.

Furthermore, this paper aims to furnish a comprehensive overview of Square Toiletries Limited as an entity. It encompasses an exploration of the company's vision, mission, human resource practices, financial performance, marketing strategies, and other pertinent facets. Square Toiletries is distinguished by its flat organizational structure, marked transparency, and unwavering commitment to accountability. Its products, rooted in sound corporate principles and tailored to consumer needs, consistently compete with international brands on the global stage.

Additionally, this paper will undertake an in-depth examination of the impact of Key Performance Indicator (KPI) reports on the attainment and advancement of sales objectives within Square Toiletries Ltd. The significance of each KPI criterion varies across organizations, as does the process of generating these reports. This report holds paramount importance when upper management is tasked with decisions regarding promotions, salary adjustments, and performance evaluations for employees. Subsequently, we will engage in a brief discussion pertaining to the perception of sales personnel regarding the creation of KPI reports and whether this practice motivates them to enhance their performance. Attempts have been made to incorporate their feedback on the KPI reporting process. Lastly, the report culminates with a series of recommendations aimed at augmenting the efficiency of Square Toiletries Limited's sales operations.

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CHAPTER – 1  
Internship Overview

## **1.1**

### **Student Details**

Name: Mohammad Adib Tanveer

Student ID: 18204005

Program: Bachelor of Business Administration (BBA)

Major: Computer Information Management (CIM)

Department: BRAC Business School

## **1.2**

### **Internship Details**

#### **1.2.1 Duration, Company Name, Department**

Duration: 3 months (15<sup>th</sup> January – 3<sup>rd</sup> May)

Company Name: SQUARE Toiletries Limited (STL)

Department: Sales Department

Address: Samson Centre, 43, South Avenue Rd 126, Dhaka -121

## **1.2.2 Supervisor's Information**

Supervisor's Name: Mr. Md. Marufur Rashid

Supervisor's Role: Senior Executive in the Sales Administration Department at Square Toiletries Limited.

## **1.2.3 Job Scope – Description of Duties & Responsibilities**

The primary responsibilities of my role included providing support to the Sales Admin Executive and collaborating with various departments within the organization. Assisting in the preparation of Key Performance Indicator (KPI) reports, monitoring the Sales Department's field force employees, facilitating settlement processes for resigning employees, aiding in daily communication with the field force, and assisting new joiners with various administrative tasks.

- Collaborating with Sales and Trade Marketing Executives to facilitate daily communication with the field force
- Assisting my supervisor with the preparation of Key Performance Indicator (KPI) reports.
- Helping the Sales Admin in generating settlement papers for resigning employees and maintaining their records in Excel
- Monitoring and preparing daily tracking reports for the Field Force employees of the Sales Department
- Assisting new joiners with tasks such as creating email IDs, arranging visiting cards, reviewing phone purchasing policies, and verifying eligibility for laptop provision

## 1.3

### Internship Outcomes:

#### 1.3.1 Student's Contribution to the Company

I finished a three-month internship at Square Toiletries Limited, during which I carried out various organizational tasks to meet my job duties. I'll provide a concise overview of these activities:

**Field Force Communication Collaboration:** Actively collaborated with Sales and Trade Marketing Executives to establish effective channels of communication with the field force. Served as a crucial link between the executives and the field force, disseminated important information, updates, and instructions on a daily basis.

**KPI Report Preparation Support:** Assisted my supervisor in the preparation of Key Performance Indicator (KPI) reports. This included gathering relevant data, analyzing performance metrics, and collaborating with stakeholders to ensure accurate and insightful reports are produced.

**Resigning Employees' Settlement Paper Management:** Provided support to the Sales Admin team by facilitating the process of generating settlement papers for employees who have decided to resign. This included organizing the necessary paperwork, ensuring compliance with internal policies and legal regulations, and maintaining accurate records in Excel.

**New Joiner Assistance and Onboarding:** Facilitated a smooth onboarding experience for new joiners. Assisted in various administrative tasks, including setting up email IDs, coordinating the creation of visiting cards, reviewing phone purchasing policies, and assessing eligibility for laptop provision.

These opportunities offered me invaluable insights into sales administration, data analysis, and employee management in a fast-paced business setting. I consistently performed these responsibilities, recognizing their significance in meeting objectives and minimizing the workload of senior executives. By providing assistance and contributing my efforts, I helped ensure the timely completion of projects and alleviated some of the occupational stress they faced.

### **1.3.2. Benefits to the Student**

The internship experience at Square Toiletries Limited turned out to be a crucial learning opportunity that significantly influenced my career path. Being part of one of Bangladesh's leading companies allowed to gain valuable insights and experience. with invaluable knowledge and exposure to a real workplace environment within a large corporation. Prior to joining STL's Sales Department, I had little understanding of how an FMCG sales department operates, their partnerships, and the process of setting and achieving sales targets. Through this internship, I gained a comprehensive understanding of these functions, which has been immensely valuable.

Moreover, this internship allowed me to explore diverse work cultures that cannot be learned from textbooks alone. I also became familiar with the essential processes involved in managing an FMCG. Working at STL was a unique experience as I was treated like a full-fledged team member, and I had to adhere to all the rules and standards expected of a regular employee. This professional exposure enhanced my promptness and attentiveness in the workplace. Adhering to a consistent routine was one of the key responsibilities, and while performing my duties, I encountered various mistakes. However, receiving guidance, instructions, and positive criticism from my colleagues enabled me to identify my weaknesses and improve.

Initially, I felt uncomfortable making phone calls to individuals I didn't know personally. However, working in STL's sales department transformed me into a proficient communicator, as I was required to place numerous phone calls to communicate with all the Officers. Additionally, I had limited experience with working in Excel before my internship, but during my three-month

journey at STL, I worked with Excel on a daily basis. This experience equipped me with another valuable skill to confidently add to my resume.

Sales employees often face overwhelming workloads and stringent deadlines. Hence, I strived to enhance my overall productivity and efficiency while working under pressure. Throughout my internship, my fellow managers provided constant inspiration and mentorship, assigning me tasks that required addressing challenging situations and finding solutions. I believe this aspect of my internship experience will significantly impact my career growth and expand my job prospects.

### **1.3.3 Challenges Encountered During the Internship**

Being in a large organisation with no previous work experience given me variety of obstacles, also the ability to overcome these challenges is ultimately what matters. During the early stages of my internship, I encountered some difficulties and required time to adjust and acclimate.

It took me some time to understand the basic concepts and practices of the department given my little understanding of how everything works in the company. Additionally, I initially felt uncomfortable working with Excel, despite it being a significant part of my job. However, I had to quickly adapt and become proficient in order to meet the demands of the role.

At STL, punctuality is highly emphasized, and I struggled to adhere to the strict office attendance requirement of arriving exactly at 8:30 am and working long 9-hour shifts. Furthermore, maintaining constant follow-ups with field workers to ensure they met their deadlines proved to be a challenging task that required mastery.

Overall, finishing work within time-limits and ensuring consistent engagement were challenging. Finding a balance between the several task I had to manage at once was initially challenging. However, over time, I learned to manage these responsibilities effectively.

### **1.3.4 Recommendations**

Working at Square Toiletries Limited was truly an amazing experience because of the positive work environment as well as their welcoming approach towards interns, aiming to maximize our learning in a short timeframe. However, I have a few recommendations for them:

It would be beneficial for them to maintain their approach of treating interns as regular employees, as it fosters motivation for newcomers like me who seek an environment where their contributions are acknowledged.

Since my main focus was on tracking field employees, I believe it would be advantageous to create a more comprehensive work plan for interns that encompasses various aspects of the Sales Department. Given the expansive nature of this department, exposure to different sectors would provide us with a broader understanding of its functions and open doors to new opportunities in the future.

CHAPTER – 2  
Organization Part



## 2.1

### **Introduction**

#### **2.1.1 Primary objective**

The main aim of this report is to analyze the process of creating and utilizing KPI reports to enhance the performance quality of sales employees. This, in turn, leads to the achievement of improved sales targets. Additionally, the report examines the significant role that KPI reports play in the employee appraisal and decision-making processes for promotions within the company.

#### **2.1.2 Secondary objective**

- Evaluate the process of creating KPI reports
- Investigate the positive effects of KPI reports in motivating sales employees to improve their performance
- Determine the integral role of KPI reports in enhancing the rate of achieving sales targets
- Assess the informative foundation provided by employee KPI reports for upper-level managers to make decisions, such as promotion and salary increments.

#### **2.1.3 Limitations**

The limitation of employees having a finite amount of time within a company is inherent. As each sector continues to expand, new functionalities are introduced to meet the evolving expectations of the market. The research discovered that a three-month period was inadequate for obtaining a thorough grasp of the KPI report creation process and its ramifications.

## 2.2

### **Overview of “Square Toiletries Limited”**

The Square group embarked on its venture in 1958 when Samson H. Chowdhury established it as a private company alongside three of his associates. Although it initially operated as a partnership business, it transitioned into a public limited company in 1991.

Square commenced its operations as a pharmaceutical company and has since evolved into one of the foremost pharmaceutical companies in Bangladesh. Today, it stands as not only a pharmaceutical entity but also as one of the largest conglomerates in the country. This conglomerate encompasses diverse sectors such as pharmaceuticals, healthcare, textiles, personal care products, consumer goods, herbal medicine, agricultural veterinary products, information technology, television broadcasting, and more.

Within their varied business portfolio, Square Toiletries Ltd. has emerged as a prominent player. Its journey began in 1988 with the introduction of the "Jui" brand. Presently, they offer a comprehensive range of over 50 high-quality international products, securing a substantial market share in the Bangladeshi toiletries market and competing effectively against various multinational brands. Notably, this Bangladeshi toiletries company takes pride in its leadership position in the winter toiletries market.

#### **2.2.1 Vision**

STL attempts to understand the unique need of market and translate it into product to satisfy its customer in form of quality products with affordable price range.

### **2.2.2 Mission**

STL follows a set of missions to move its business forward. One of their missions is to understand their customers and provide them with the best possible service. They strive to give high-quality items at reasonable prices. They are concerned not just with their consumers, but also with their staff. STL is committed to providing a positive and welcoming work environment for their workers. They also uphold their duties and responsibilities to the society in which they labour. They serve them with the highest ethical standards.

### **2.2.3 Values & Principles**

Square Toiletries Ltd. places the well-being of consumers, employees, and society as the three foundational pillars of its values and principles. The company firmly believes in its duty to contribute to the welfare of society. Despite being a commercial entity, STL prioritizes its commitment to society over profits. It holds a profound sense of responsibility towards its customers, employees, and the broader society.

These core values and principles are not just rhetoric; they are deeply embedded in every facet of STL's operations, from day-to-day business activities to quality policies. The company is resolute in upholding these principles, ensuring that they guide and govern all aspects of its operations.

### **2.2.4 Quality Policy**

- We are committed to exerting every effort to understand consumer needs deeply, aiming to achieve market leadership while ensuring maximum customer satisfaction.
- We continuously work towards upgrading our manufacturing technology and maintaining the highest quality standards in alignment with international norms, as exemplified by ISO 9001:2008.
- Our dedication to achieving quality objectives is unwavering. We accomplish this through ongoing employee training initiatives and fostering a congenial working environment.

## 2.3

### **Management Practices**

#### **2.3.1 Leadership Style**

Different management methods can significantly influence workforce participation, participation, and transparency within an organization. The management method embraced by STL is characterized as participative. This management style is essential for encouraging better involvement, making employees feel appreciated, and including all impacted employees in the decision-making process. This approach inherently boosts motivation, as observed in the organization. Similarly, at STL, the management consistently shows a commitment to a democratic leadership style, enabling people to provide their opinions prior to making decisions. This commitment to transparency aids in minimizing internal misunderstandings. Personal experience includes witnessing department heads scheduling meetings with management at various levels, enhancing the effectiveness of decisions by incorporating the opinions of all involved employees.

#### **2.3.2 Selection and Recruitment Process**

One of the pivotal responsibilities of Square Toiletries Limited is selecting and recruiting suitable candidates. Hiring individuals well-matched to their roles can significantly impact overall business efficiency. Consequently, the company takes careful measures to ensure the quality and effectiveness of this process. As an overarching brand, Square Group ensures its employees possess excellent qualifications and adaptability. STL views people as valuable resources, offering ample opportunities to showcase their competencies and skills. Their employability is highly regarded in the current job market, leading them to recruit individuals from diverse regions and ethnicities without bias. Advancement within the organization is possible for employees who demonstrate dedication and acquire experience during their tenure.

**STL employs various methods for personnel recruitment based on role and categorical requirements:**

Square Toiletries Limited makes sure that information about each hire successfully reaches candidates through various portals and application processes. The recruitment process adheres to essential criteria, such as prioritizing merit, conducting professional history checks prior to employment, requiring medical fitness encompassing both physical and mental health, and ensuring equal opportunity throughout the process.

### **2.3.3 Talent Development**

Organizations often establish Talent development programs to enhance employee learning. STL tailors a range of training and professional development options according to employee roles and requirements:

**Field Training:** Primarily designed for the field force, including Sales Representatives, this training involves supervised field training followed by performance reviews.

**In-house Training:** Conducted for sales employees after field training, this two-day session focuses on duties and knowledge assessment.

**Management Trainee:** The beginning six months for employees are probationary, focusing on learning general duties and obligations under senior supervision. A confirmation interview follows, assessing the person's learning level.

**Managerial Training:** STL promotes off-the-job training for managers to enhance performance efficiency and contribute to organizational goals.

### **2.3.4 Salary & Benefits**

HRM design compensation and benefits programs to incentivize employee performance and long-term engagement. In addition to standard remuneration, STL provides distinctive benefits that are not commonly found in the industry.

**Basic Payment and Bonus:** Employees receive a competitive base salary based on experience, with additional boosts for valuable skills. Two holiday bonuses are also granted annually.

**Profit Bonus:** STL offers three additional performance-based incentives alongside the standard holiday bonuses.

## **Benefits**

### **Transportation:**

Every employee, including interns, is provided with official transportation services via air-conditioned buses. Moreover, senior officials enjoy the added benefit of personal automobile privileges. This comprehensive transportation provision ensures convenience and comfort for all members of the organization.

### **Lunch:**

The company extends subsidized lunch facilities to all its employees, irrespective of their rank. Moreover, employees are entitled to enjoy tea twice daily, contributing to their comfort and well-being.

### **Earned Leave:**

Employees have the privilege of accumulating earned leave, which they can either utilize for time off or opt to convert into monetary compensation. This flexible approach provides employees with choices that suit their individual needs.

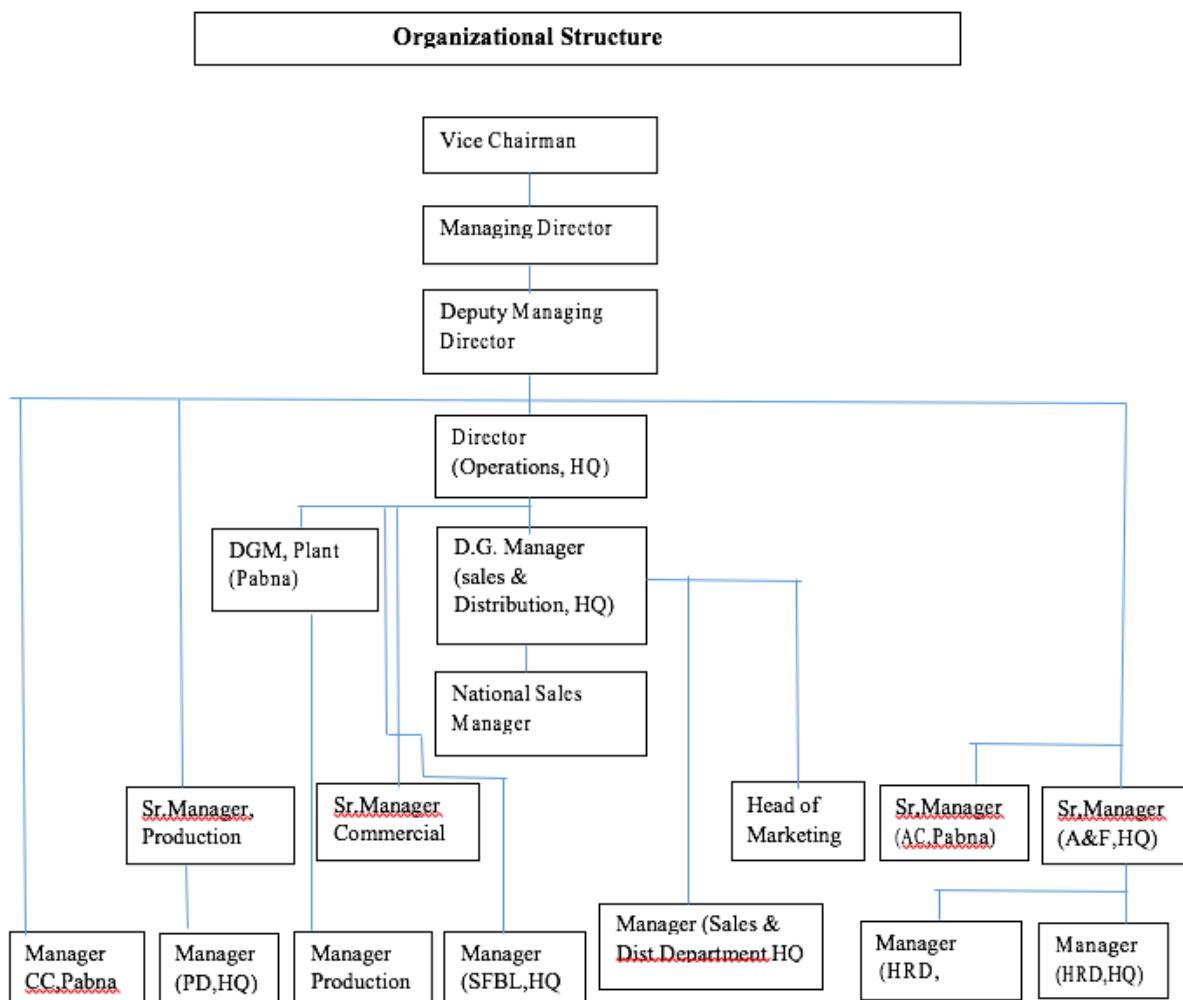
### **Employee Discount:**

Employees are granted valuable discounts on medical treatments and purchases of products from affiliated companies. This employee benefit enhances the overall well-being and financial advantages for the workforce.

### **Retirement Benefits:**

To secure their future, employees are entitled to substantial retirement benefits. This provision assures employees of financial stability beyond their active years with the organization, contributing to their peace of mind.

### 2.3.5 Organogram of Square Group



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Organogram of the STL Sales Department

Field Force:



## 2.4

### Marketing Practices of Square Toiletries Limited





**Product:** Currently, STL manufactures 50 unique products under 20 exclusive brand names, effectively targeting diverse markets. Their unwavering commitment to maintaining international quality standards ensures the excellence of their products. Additionally, their packaging uniquely represents a Bangladeshi product. Their focus primarily lies on winter-related merchandise, which significantly contributes to STL's brand value. They actively expand their research and development efforts, introducing novel strategies. Rather than developing entirely new products, their strategy centers on innovating existing offerings through adjusted preferences or packaging.

**Price:** The pricing of their products remains reasonably aligned with their quality, comparing the prices established by international competitors as a reference. Also, ensure affordability for both the lower middle class and upper class segments of society. Their more targeted pricing strategy provides them a competitive advantage. Utilizing various tactics like discounts and freebies, they create a win-win scenario for customers, offering products of global quality at accessible prices.

**Place:** Establishing logistics systems that facilitate efficient product delivery to target customers is pivotal for businesses. Ensuring convenience for buyers during the purchasing process is crucial. STL fulfills this by making its products visible and accessible in every possible location. To achieve this, they maintain a comprehensive distribution network that spans the entire nation. They adhere to the conventional Manufacturer-Distributors-Retailers-Customer distribution model, backed by 261 authorized distributors to ensure accurate deliveries across regions. Advanced transportation infrastructure further aids in maintaining punctual deliveries.

**Promotion:** STL employs limited but impactful promotional activities, such as advertisements and television commercials, to market their products. Their campaigns emphasize care, addressing societal misconceptions and dismantling social stigmas. Radio, television, and their own sales agents primarily serve as the platforms for their promotions. Through these channels, they inform customers about special offers and incentives. Integrating social responsibilities into their advertising endeavors remains a fundamental aspect of their promotional efforts.

## 2.5

### **Financial Performance of STL from the year (2017-2021)**

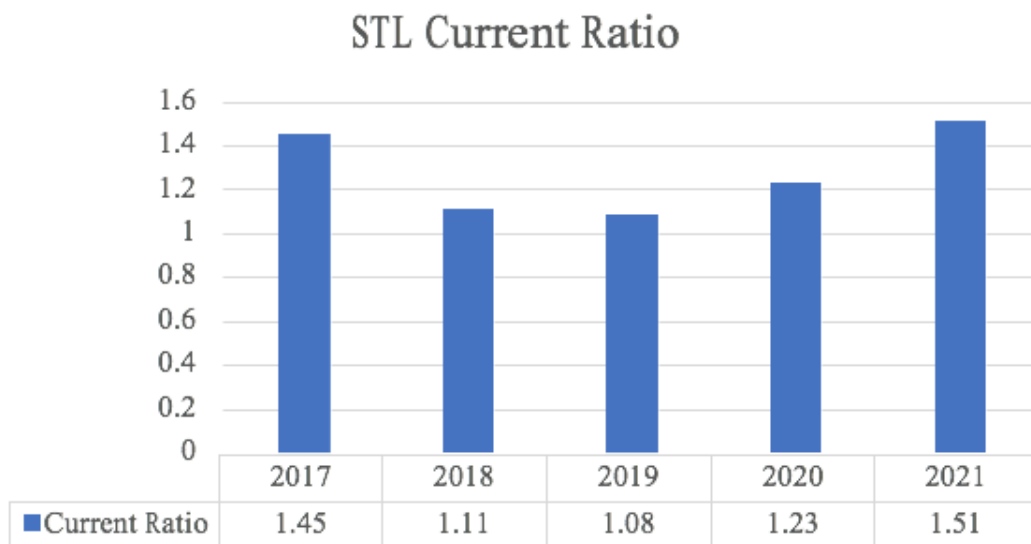
Financial performance assessment is a means of evaluating a company's overall state, encompassing its capital utilization, economic health, operational efficiency, and financial standing. Analyzing STL's financial statements from 2017 to 2021 over the last five years will provide insights into its profitability and various aspects related to its assets.

#### **Liquidity & Solvency Ratio of STL**

Liquidity ratios serve as a valuable financial indicator for evaluating a company's capacity to meet its current obligations and liabilities. To ensure debt repayment, a company should maintain a significant cushion compared to its debts.

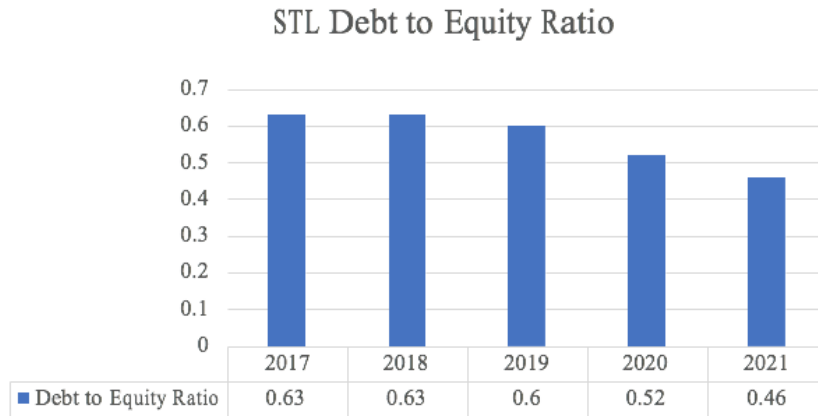
#### **Current Ratio:**

The current ratio assesses a company's ability to settle its short-term debt within a year. If the ratio exceeds 1, it indicates that the company's assets are greater than its debts.



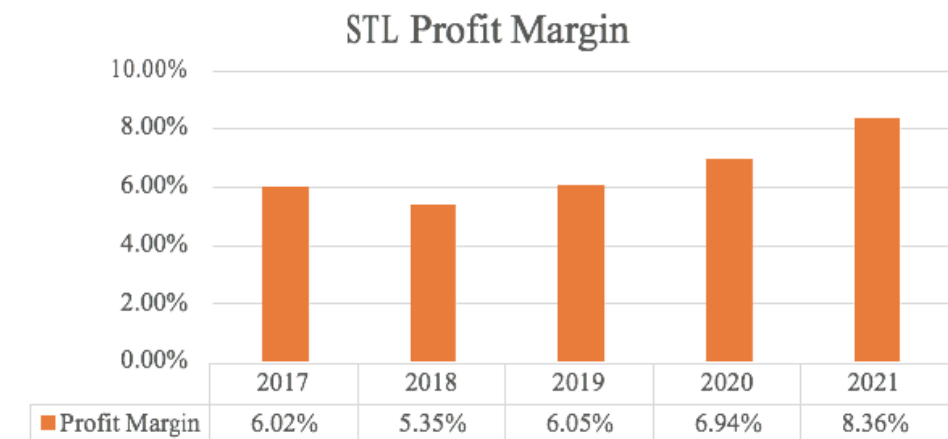
## **Debt to Equity Ratio**

This ratio assesses whether the company has more debt than the equity invested by its owners. It quantifies the company's leverage by comparing its debt to its equity. A ratio below 1 is seen as a favorable equity ratio.



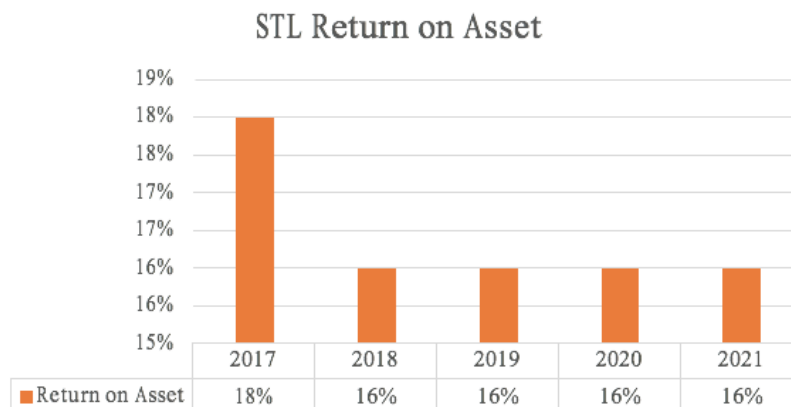
## **STL's Profit Margin**

This metric is essentially the company's earnings relative to its revenue, offering insights into the company's overall profitability.



### **Return on Asset (ROA):**

Return on Asset (ROA) is a metric used to assess how effectively a business leverages its resources to generate income. Investors and financial managers utilize ROA to evaluate an organization's financial health. It serves as a potent indicator for gauging an organization's performance.

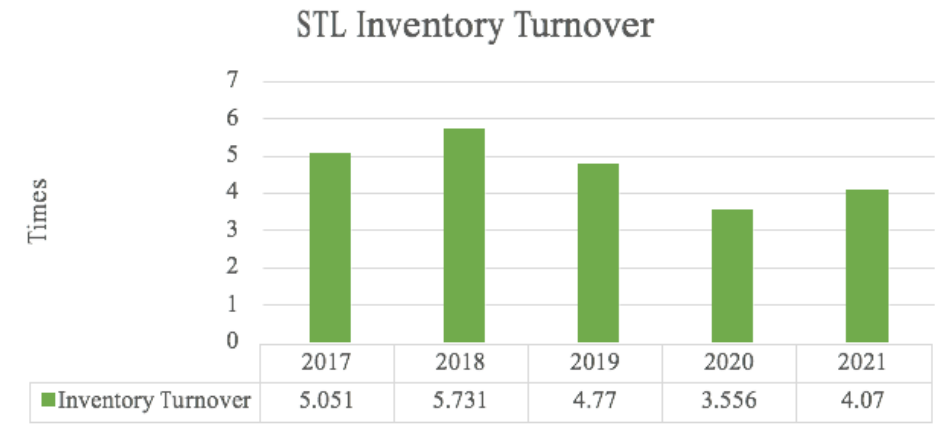


### **Efficiency Ratio (2.5.3)**

Efficiency ratios serve as crucial indicators to gauge how effectively a business can utilize its assets and funds. A company's ability to maximize profits while minimizing costs is closely tied to its efficiency in managing its assets, which can be quantified using efficiency ratios.

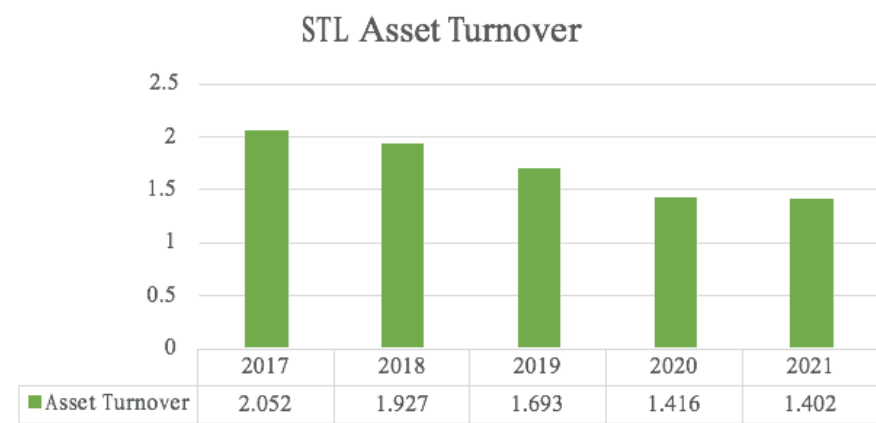
## **Inventory Turnover:**

Inventory turnover measures how many times a company's inventory is used up or sold within a year. A high turnover is desirable as it reduces storage costs and other holding expenses. It's essential to compare turnover ratios with those of companies in the same industry. A low turnover may signal poor sales, excess inventory, or inefficient management decisions.



## **Asset Turnover Ratio:**

The asset turnover ratio is a measure of effectiveness that indicates how efficiently an organization utilizes its resources to generate turnover from its assets. To put it more specifically, it quantifies how many times their assets are cycled or turned over as a result of conducting business activities.



## 2.6

### **Operation Management Practices**

According to Naylor (1998), “Operations Management is concerned with creating, operating and controlling a transformation system which takes inputs of a variety of resources and produces outputs of goods and services which are needed by the customer.” In the context of Square Toiletries Limited, the management team bears the responsibility of efficiently overseeing all activities.

**Quality Control:** Irrespective of circumstances, STL places consistent emphasis on the quality of its products. To uphold product quality, The organization has a separate division called Quality Control. This section is always working on new projects. endeavors aimed at elevating product quality. Additionally, STL's products are certified to meet the requirements of the ISO 9001:2015 and ISO 22716:2007 international standards. Each quality testing result is examined for potential future improvements as part of STL's quality control system, which always strives to meet the customer standards.

**Resource Maintenance:** In Pabna and Rupshi, STL has two big production facilities where high-quality items are produced using automation equipment. Routine care activities are carried out on the production units, with adjustments made in accordance with production needs or requirements. For example, equipments are adjusted or expanded if resource planning suggests an increase in production needs.

**Data Management:** In the sphere of operations management, STL recognizes the significance of data management and information control. Effective operations hinge on maintaining data synchronization among employees, departments, the company, and stakeholders. STL has established a distinct department dedicated to information system management. This department collaborates with experts to gather and process data, ensuring streamlined operational administration. Highly advanced software is employed for data storage. The Management Information Systems (MIS) department aggregates information from various departments, subsequently analyzing it to facilitate managerial decision-making and strategic planning.

## 2.7

### **Industry and competitive analysis**

#### **Porter's Five Forces Model::**

##### 1. Competitive Rivalry:

STL encounters significant competition from established rivals in the market. A number of companies can be found competing directly with STL by producing similar goods. With around 25 competitors in the field, leading five rivals are noteworthy. Since their products have relatively slight quality distinctions, the competition is fierce. To gain a competitive edge, STL needs to focus on continuous product development.

##### 2. Power of Suppliers:

The suppliers' power of bargaining is at a moderate level. This sector is populated with numerous enterprises, which balances the supplier's negotiating strength. As STL follows global standards and serves multiple countries, maintaining the standards of its products is crucial. Thus, access to high-quality raw materials is essential. STL's strict quality control regulations and demand for premium materials ensure that suppliers have a moderate bargaining power due to their role in providing the necessary raw materials.

##### 3. Power of Customers:

Buyers hold significant bargaining power in this industry. The market offers numerous comparable products with minor price differences, allowing customers to switch brands with ease. To counter this, STL is actively enhancing product quality to foster brand loyalty. The company is also expanding its market reach by catering to specific customer needs and engaging in corporate social responsibility efforts.

#### 4. Threat of New Entrants:

The threat posed by new entrants is moderate. Various factors influence this assessment. While the market's potential and scope may attract newcomers, profitability over the long run is challenging. Over time, current companies have developed cost advantages, creating barriers for newcomers to achieve similar efficiencies. While brand loyalty is constrained because there are many alternatives available, creating brand value for newcomers is a challenging task. As a result, the threat from new entrants is considered moderate.

#### 5. Threat of Substitutes:

The threat of substitutes is significant. As mentioned earlier, other national and multinational companies offer similar products to STL, maintaining comparable quality standards. Moreover, every item is personalized to cater to the preferences of local customers, making switching between products easy. For instance, STL's shampoo brand, Meril, competes with Unilever's well-established product, Sunsilk, showcasing the presence of substitute options.

## SWOT ANALYSIS





## 2.8

### **Summary**

One of Bangladesh's first businesses, Square Toiletries Limited (STL), has maintained its market position throughout the years via persistent determination and ethical conduct. Its motto has been consistently exemplified through their dedication to crafting outstanding products of international caliber, all produced within our nation. The success of the organization can be primarily attributed to the expertise and contributions of its executives. Their relentless pursuit of innovation, catering to diverse customer needs, has propelled them to a leadership position in the market. The deployment of high-quality automated machinery in their factories allows them to cater to a wide consumer base with remarkable versatility.

In essence, their product range caters to all age groups, a feat that is noteworthy given the context of our country. However, growth and evolution take time, and STL is actively engaged in updating and adapting their product formulations to align with the evolving dynamics of the business landscape. As they expand their presence across various sectors, their commitment to customer service and their aspiration to emerge as a market leader will undoubtedly come to fruition.

## 2.9

### **Recommendation**

I worked closely with the Sales team while I was an intern at Square Toiletries Limited, I've identified some areas that prompted me to offer suggestions aimed at enhancing their operations:

#### 1. Introduce Scheduled Breaks:

Continuous shifts without designated breaks throughout the workday can lead to monotony and reduced focus. Regular breaks allowing workers to move away from their work and recharge themselves might greatly increase productivity as a whole. Acknowledging the

human need for intermittent pauses can lead to improved concentration and effectiveness.

## 2. Embrace Global Promotional Trends:

STL should prioritize staying abreast of prevailing promotional trends worldwide. Remaining relevant in the industry and maintaining a competitive edge requires adapting to evolving promotional practices. As promotional activities expand product outreach, allocating a sufficient budget for these initiatives is vital. This approach would facilitate stronger connections with the target audience.

## 3. Streamline Hierarchy and Implement Automation:

Retaining the traditional hierarchy is crucial; however, some processes might benefit from streamlined decision-making. Delegating authority to appropriate management levels, considering the significance of each role, could expedite workflows. Additionally, embracing automation and technology would enable STL to adapt to the digital age and reduce reliance on excessive paperwork, enhancing day-to-day operations.

## 4. Elevate Packaging and R&D:

While STL's products boast high quality, a greater emphasis on packaging is recommended. Investing in extensive research and development efforts to enhance the visual appeal of their products relative to those offered by top-tier competitors can set them apart in the market. Captivating packaging can effectively communicate the quality within and attract consumers' attention.

Incorporating these recommendations could further optimize Square Toiletries Limited's operations, drive innovation, and reinforce their position in the industry.

## CHAPTER – 3

### Project Part

## 3.1

### **Introduction**

The corporate world is becoming more competitive in all aspects every day. To ensure the success of a profitable company, it is critical to adapt to shifting trends and deal with competition effectively. STL is always working to strengthen its management practises to increase its performance in local as well as foreign markets. By employing all available resources, they have evolved to become one of the largest FMCG enterprises in Bangladesh.

STL competes with other market rivals while also increasing its market share by introducing new brands that appeal to a broader consumer base. They hire new salesmen on a regular basis in order to boost the sale of these newly introduced items and get a bigger share of the market. Hence, monitoring and studying these new personnel' activities and performance becomes more complex. To address this issue, the Sales Administration Executive is in charge of measuring the performance of both field and in-house salespeople on a monthly, quarterly, and yearly basis through the creation of Key Performance Indicator (KPI) Reports. These reports not only help identify high-performing and low-performing employees, but they also help senior management make decisions concerning raises, promotions, transfers, and other issues.

During my internship at STL, I assisted my supervisor in developing KPI reports for all sales staff. This activity informed me about the STL Sales Department's process, grading system, and criteria for producing these reports. It also demonstrated how these reports are utilised to make informed decisions that increase the sales success of the organisation. In addition to covering Key Performance Indicator making process at STL.

### **3.1.1 Background of the Report**

As part of the BUS400 degree, students at BRAC Business School are required to do a three-month internship assignment in an organisation after completing all university courses. This internship is needed for an undergraduate degree and aims to bridge the gap between theory and practice. This internship program's primary goal is to train students for the professional world by giving them the opportunity to work in a professional setting within their subject of study. Each student is obliged to present an internship report that emphasises the knowledge and work experience gained during the curriculum after finishing the internship.

Throughout my internship at STL, I've been tasked with working in the sales department and was supervised by a Sales Administration Executive. For my internship report, I opted to focus on KPI reports and their impact on fulfilling sales targets, enhancing employee performance, and expediting appraisal decision-making processes. I was able to successfully blend the academic information I had acquired throughout my studies with the real-world experience I had gathered during my three-month internship period.

### **3.1.2 Objective of the Report**

The primary purpose of this study is to investigate the process of producing and implementing KPI reports in order to enhance the performance quality of sales employees and thereby boost sales target accomplishment. It also seeks to study the crucial importance of KPI reports in the decision-making process for employee evaluation and progression within the company.

The following are the report's specific goals:

- Evaluate the process of creating KPI reports.
- Assess the impact of KPI reporting on motivating sales employees to improve their performance.
- Assess the significance of KPI reporting in reaching sales targets.
- Consider how KPI reports provide helpful information to top-level managers, helping them to make decisions about promotions, compensation hikes, and other employee-related issues.

### **3.1.3 Significance of the Study**

The findings of the research will give an in-depth description of the STL KPI report generating system and how it affects achieving sales targets. Additionally, it will describe how KPI reports help with staff evaluation decision-making. Following the completion of the research, specific suggestions and ideas will be implemented based on the insights gained throughout the three-month internship. The content of the research, which demonstrates how Square Toiletries Limited has effectively leveraged its procedures to dominate the sector, will be valuable for small firms wishing to understand and implement comparable processes. Furthermore, the guidance may assist the company in assessing and improving its present methods. Finally, the findings of this study will serve as the foundation for future research into this area.

## **3.2**

### **Methodology**

Given that the purpose of this study is to examine the benefits of producing Key Performance Indicator reports for staff members in the sales department, it could be characterised as an evaluative study in which primary data is mostly acquired from the company itself.

As additional sources, a variety of books, articles, reports, records, and data were studied. Diagrams and models outlining the creation of KPI reports were obtained from the organization's own database. This research is fully qualitative, based on the data collection processes outlined above, in order to provide comprehensive insights on the impact of KPI reporting on the organization's sales growth.

## 3.4

### **Findings and Analysis**

#### **3.4.1 KPI Report Generation and its Results**

Key Performance Indicators have the potential to serve as valuable tools that offer insights into employees' actual performance and suggest ways to improve future performance when effectively implemented. The STL Sales Department creates KPIs specifically designed to measure the crucial aspects of performance necessary for achieving the company's sales goals and objectives. By providing their sales teams with KPI reports, the department emphasizes the strategic value of these indicators. When employees comprehend how various KPIs align with the company's objectives, they develop a sense of unity and shared purpose, leading to a significant boost in morale.

The Sales Department for Square Toiletries Limited generates KPI reports for each Field Force employee, taking into account their achievement of sales targets for different products and the level of effort invested to meet those targets. These criteria are essential for attaining the organizational sales goals. Effective KPIs not only serve as benchmarks for performance standards but also demonstrate their alignment with important targets. This knowledge empowers top-level managers to make informed decisions based on robust analytics, bringing the organization's goals closer to reality.

##### **3.4.1.1 KPI-Based Performance Evaluation System**

This presentation illustrates the assessment of six Divisional Sales Managers through the use of three charts. These DSMs are assessed on a scale of 0 to 100, which will subsequently be converted to a scale of 0 to 10. Based on these scores, employees will be positioned within the employee grading matrix. This report was generated in 2022 and is founded on their

performance over an extended period. The primary criteria for evaluation are meeting product targets and adherence to the work plan. Performance is rated according to these two criteria. However, even if an employee's scores are slightly below par, there is a potential avenue for positive consideration. If the employee's line manager advocates for them and certifies that they are a valuable asset to the company, despite facing genuine challenges that hindered their performance, they can receive a modest increase in points.

Performance Appraisal				Primary Target		Product Target	
SM/DSM				Target	Score	Target	Score
				100%	50	100%	10
				90%	40	90%	7
				80%	30	80%	5

Target																
SL	ID	Designation	Grade	Yearly Primary Sales Ach %	Sales Ach Marks	Chaka Super White Ach %	Chaka Super White Marks	Jui Coconut Oil (Tin+Plastic) Ach %	Jui Coconut Oil (Tin+Plastic) Marks	Senora Sanitary Napkin Ach %	Senora Sanitary Napkin Marks	Supermom Baby Diaper Ach %	Supermom Baby Diaper Marks	Magic Tooth Powder Ach %	Magic Tooth Powder Marks	
1	4458	SM	A-I	87.04	30.00	53.73	0	98.35	7	63.27	0	74.17	0	85.63	5	
2	223	DSM	F-III(II)	85.80	30.00	83.19	5	93.40	7	76.18	0	69.73	0	94.39	7	
3	310	DSM	F-III(II)	89.77	30.00	80.74	5	90.90	7	81.65	5	68.90	0	100.96	10	
4	2646	DSM	F-III(II)	91.99	40.00	81.34	5	107.41	10	80.67	5	57.45	0	100.22	10	
5	3177	DSM	F-III(II)	89.46	30.00	87.78	5	97.54	7	83.38	5	68.70	0	92.94	7	
6	3961	DSM	F-III(II)	87.74	30.00	85.37	5	94.80	7	80.90	5	79.55	0	96.57	7	

A DSM is assessed on the basis of the success of every single product. sales targets and overall yearly sales achievements. Each product's sales target achievement is rated on a scale of 0 to 10, and the yearly sales achievement is graded on a scale of 0 to 50. Specific marks correspond to specific percentage ranges. For instance, the first Sales Manager on the list achieved 87.04% of the sales target, earning a score of 30 out of 50 marks.

The cumulative marks from these evaluations are then converted into a 50-point scale. Furthermore, the DSM's adherence to their work plan is assessed on a 50-point scale. The resulting score is combined with the marks achieved for product target attainment to establish a complete score of 100 marks.

P.Call		LPC		Recruitment of CP		Additional Vehicle		Attrition Rate		Distributo Earning	
Target	Score	Target	Score	Target	Score	Target	Score	Target	Score	Target	Score
77%	20	3.85	20	100%	15	100%	15	Below 5%	15	75%	15
		3	15	85%or 99.	10	70%-99%	10	5.01% to 10%	10		
		2.8	10	70%-84.9%	5	50%-69.9%	5				
		2.6	5								

Work Plan															
Productive Call % (77%)	PC Marks	LPC (3.85)	LPC Marks	Recruitment of CP/Deliver yman for new market Target	Recruitment of CP/Deliver yman for new market	%	Recruitment of CP/Deliver yman for new market Marks	No. of additional vehicle for new market Target	No. of additional vehicle for new market	%	No. of additional vehicle for new market Marks	Manpower Attrition Rate Yearly % (Less than 5%)	Manpower Attrition Rate Marks	% of Distributors Earning 15% ROI	% of Distributors Earning 15% ROI Marks
41.09	0.00	2.62	5.00	19	14	73.68	5	19	11	57.89	5	9.26	10.00	22 Out of 29	15
47.40	0.00	2.66	5.00	15	8	53.33	0	15	4	26.67	0	10.14	0.00	30 Out of 39	15
47.74	0.00	2.87	10.00	12	9	75.00	5	12	6	50.00	5	14.98	0.00	45 Out of 47	15
52.83	0.00	2.82	10.00	39	37	94.87	10	39	30	76.92	10	6.20	10.00	57 Out of 58	15
49.27	0.00	2.84	10.00	27	15	55.56	0	27	12	44.44	0	8.69	10.00	37 Out of 42	15
48.02	0.00	2.92	10.00	14	17	121.43	15	14	6	42.86	0	9.89	10.00	37 Out of 41	15



In this context, employees are allocated scores based on their adherence to the work plan aimed at achieving sales targets. The term Productive calls refer to sales visits or interactions with customers that result in a positive outcome or desired action, such as making a sale, receiving an order, or obtaining valuable customer feedback. Similarly, Lines per call, also known as "Items per Call" or "SKUs per Call," measures the number of different product items or stock-keeping units (SKUs) sold or discussed during a sales visit or call.

These terms hold significant importance within FMCG (Fast-Moving Consumer Goods) sales. The greater the number of Productive Calls and higher Line Per Call ratios a Sales Manager achieves, the closer they come to reaching their target.

In the FMCG industry, where sales representatives often visit multiple retail locations, productive calls are crucial because they directly impact sales volume and revenue. These calls can lead to increased orders, improved shelf visibility, and enhanced brand recognition. Lines per call help assess the effectiveness of cross-selling and upselling strategies. Sales representatives aim to introduce and sell as many different product lines as possible during a single call, thereby maximizing revenue opportunities.

For instance, if an employee attains a Productive Call percentage of 77%, they will be awarded 20 marks. Achieving an LPC score of 3.85 will also earn them 20 marks. Recruiting the full complement of CP/Deliverymen required results in 15 marks. Similarly, hitting the 100% target for arranging new vehicles to facilitate product delivery in new markets leads to another 15 marks. Maintaining an attrition rate of Sales Officers below 5% garners 15 marks.

Furthermore, maintaining a substantial number of distributors achieving a 15% return on investment (ROI) is crucial. Ensuring that 75% of distributors achieve this 15% ROI warrants 15 marks for the sales manager. The distribution of these marks aggregates to a complete 100, which is then scaled down to a 50-point system.

Target Total	Work Plan Total	Grade	Supervisor's Description	After Supervisor's Discretion Final Grade
42	40	Y2		Y2
49	20	R2	Y2	Y2
57	35	Y2		Y2
70	55	G2		G2
54	35	Y2		Y2
54	50	Y2		Y2

The presentation illustrates the scores acquired by individual Sales Managers in terms of their accomplishments in Product Target attainment and their effectiveness in Workplan Management. The overall score, which originally spans 100 points, is subsequently scaled down to a 10-point scale, determining employee rankings using a 9-box matrix. A detailed explanation of this matrix is presented following in this chapter.

It can be observed that the second sales manager achieved a commendable score of 49 out of 50 in Product Target achievement. However, their performance in Work Plan Management fell short, yielding a score of 20 out of 50. Nonetheless, their Supervisor intervened on their behalf, offering advocacy, articulating valid reasons for their performance, and ultimately securing an improved rating for the sales manager.

The Square Toiletries sales department recently initiated its practice of producing monthly KPI reports for its employees. This measure aims to assess their performance on a monthly basis and maintain their motivation towards accomplishing their objectives. The improved monthly procedure is delineated below:

50		20		10		10		10		Score
January Lifting Sales Target	January Lifting Sales Score	Fast Start Lifting 50% by 13th January	Fast Start Lifting 50% Score	January Winter IMS Target	January Winter IMS Target	January Jui IMS Target	January Jui IMS Score	January Soap IMS Target	January Soap IMS Score	
100%	50	100%	20	100%	10	100%	10	100%	10	100
95%	25	95%	10	95%	5	95%	5	95%	5	50
90%	20	90%	5	90%	2.5	90%	2.5	90%	2.5	32.5
Below 90%	(10)	Below 90%	(2.5)	Below 90%	(1.3)	Below 90%	(1.3)	Below 90%	(1.3)	(16.3)

**KPIs for Divisional Sales Mangers, Regional Sales Managers, & Area Sales Managers  
in Common and Toiletries + Soap Product Sales Achievement**

These Key Performance Indicators (KPIs) measure the achievement of sales targets for common products and toiletries+soap products for District Sales Managers (DSM), Regional Sales Managers (RSM), and Area Sales Managers (ASM).

The provided diagram illustrates a representation of the allocation of scores to evaluate the performance of DSM, RSM, and ASM responsible for meeting targets in Toiletries and Soap sales. If a manager achieves the complete 100% of their targeted product sales through direct sales by the end of January, they will receive a perfect score of 50 out of 50. Attaining 95% of the sales target will earn them a score of 25 out of 50. Similarly, achieving 90% of the target will result in a score of 20 out of 50. Falling below the 90% benchmark will incur a deduction of 10 marks.

In the event that a manager accomplishes 50% of their monthly lifting sales target by January 13th, they will receive the full 20 marks allotted for this criterion. If they manage to reach 95% of their 50% target by the same date, they will earn 10 marks out of 20. Achieving 90% of the 50% target will result in a score of 5 out of 20. Scoring below 90% of the 50% target by January 13th will lead to a deduction of 2.5 marks out of 20.

Each sales manager has a goal for in-market sales (IMS) of winter goods because January is part of the winter season. If this IMS aim is fully attained, the manager will receive a perfect score of 10 out of 10. They will receive a score of 5 out of 10 if they meet 95% of the winter IMS objective in January and a score of 2.5 out of 10. A score of less than 90% will result in a 1.3-point reduction.

Jui hair oil is included in both the strategic and focus units, showing the ability to provide greater profit margins and reach significant sales volume. As a result, it has a clear sales objective. Managers will obtain a score of 10 out of 10 if they complete this distinct goal in full in January. They will receive 5 out of 10 for attaining 95%, and 2.5 out of 10 for achieving 90%. A reduction of 1.3 marks will be applied if the score drops below the 90% level.

Another key product in STL's portfolio that has a separate sales objective is soap. The managers will receive a perfect score of 10 if they reach this goal in full throughout the

month of January. 5 out of 10 marks are awarded for achieving a target of 95%, whereas 2.5 are awarded for achieving a target of 90%. A reduction of 1.3 marks will be applied if the score drops below the 90% level. This delineates how a total of 100 marks is allocated across distinct criteria for evaluating DSMs, RSMs, and ASMs in January. A similar grading framework is applied to Health & Hygiene Products. The TSO & SO also undergo assessment using the methodology. Below is the breakdown of their marks distribution for January 2023:

50		20		10		10		10		Score
January IMS Target	January IMS Score	Fast Start IMS 50% by 13th January	Fast Start IMS 50% Score	January Winter IMSTarget	January Winter IMS Target	January Jui IMS Target	January Jui IMS Score	January Soap IMS Target	January Soap IMS Score	
100%	50	100%	20	100%	10	100%	10	100%	10	100
95%	25	95%	10	95%	5	95%	5		5	50
90%	20	90%	5	90%	2.5	90%	2.5	90%	2.5	32.5
Below 90%	(10)	Below 90%	(2.5)	Below 90%	(1.3)	Below 90%	(1.3)	Below 90%	(1.3)	(16.3)

### **KPIs of TSO & SO in Common & Toiletries+Soap Product Sales Achievement**

These Key Performance Indicators (KPIs) assess the attainment of sales targets for common products and toiletries+soap products for Territory Sales Officers (TSO) and Sales Officers (SO).

50		20		10		10		10		Score
January Lifting Sales Target	January Lifting Sales Score	Fast Start Lifting 50% by 13th January	Fast Start Lifting 50% Score	January Baby IMS Target	January Baby IMS Target	January Senora (Including Femina) IMS Target	January Senora (Including Femina) IMS Score	January Supermom IMS Target	January Supermom IMS Score	
100%	50	100%	20	100%	10	100%	10	100%	10	100
95%	25	95%	10	95%	5	95%	5		5	50
90%	20	90%	5	90%	2.5	90%	2.5	90%	2.5	32.5
Below 90%	(10)	Below 90%	(2.5)	Below 90%	(1.3)	Below 90%	(1.3)	Below 90%	(1.3)	(16.3)

### **KPIs of DSM, RSM, & ASM in Health and Hygiene Product Sales Achievement**

These Key Performance Indicators (KPIs) gauge the accomplishment of sales targets for health and hygiene products for DSM, RSM & ASM

50		20		10		10		10		Score
January IMS Target	January IMS Score	Fast Start IMS 50% by 13th January	Fast Start IMS 50% Score	January Baby IMS Target	January Baby IMS Target	January Senora (Including Femina) IMS Target	January Senora (Including Femina) IMS Score	January Supermom IMS Target	January Supermom IMS Score	
100%	50	100%	20	100%	10	100%	10	100%	10	100
95%	25	95%	10	95%	5	95%	5		5	50
90%	20	90%	5	90%	2.5	90%	2.5	90%	2.5	32.5
Below 90%	(10)	Below 90%	(2.5)	Below 90%	(1.3)	Below 90%	(1.3)	Below 90%	(1.3)	(16.3)

### KPIs of TSO & SO in Health and Hygiene Product Sales Achievement

These Key Performance Indicators (KPIs) evaluate the realization of sales targets for health and hygiene products for TSO & SO.

#### 3.4.1.2 Performance Matrix



This matrix is used by Square Toiletries Limited's sales department to evaluate the effectiveness of its field sales representatives. The X-axis denotes the Level of Target Achievement, while the Y-axis represents the extent of effort exerted to reach the objective.

If a worker significantly falls short to finish the objectives and fails to adhere to their work plan, showing minimal effort, they are categorized in R3. If someone is close to reaching their target but hasn't followed their work plan diligently, and has expended limited effort, they fall under R2. On the other hand, if an employee successfully meets their target without a proper work plan or significant effort, they belong to Y3.

Furthermore, when an employee moderately follows their work plan but falls short of achieving their target, they are placed in R1. If an employee partially adheres to their work plan and comes close to reaching their goal, they are categorized as Y2. In the case where an employee manages to attain their sales target by partially adhering to their work plan, they fall into G2. Y1 employees are characterized by their flawless adherence to their work plan and utmost effort, even though they still lag significantly behind their target. Meanwhile, G3 includes employees who are on the brink of achieving their objectives as well as are giving their best.

The G1 category includes staff who meticulously follow their work plan, invest their utmost efforts, and successfully achieve their sales targets. This matrix effectively classifies employees and subsequently, they are graded based on these categories using grading criteria method.

### **3.4.1.3 Matrix-Based Employee Grading**

Grade	Assigned Score
G1	10
G2	9
G3	8
Y2	7
Y3	6
Y1	5
R2	4
R1	3
R3	2

The grading method is evidently self-explanatory. It is apparent that employees positioned within the G1, G2, and G3 categories receive scores of 10, 9, and 8 respectively. Employees within the Y2, Y3, and Y1 categories are allocated scores of 7, 6, and 5 in that order.

The grading method is easy to understand. It's apparent that employees who fall into the G1, G2, and G3 categories are given 10, 9, and 8 ratings, respectively. Scores of 7, 6, and 5, respectively, are given to employees in the Y2, Y3, and Y1 categories.

Those falling into the R2, R1, and R3 categories receive scores of 4, 3, and 2 respectively, out of a total of 10 points. However, this grading system is not definitive. Additional criteria are taken into consideration, and employees are assigned marks out of 100 to thoroughly evaluate their performance.

## 3.5

### **Summary**

The approach employed by STL in crafting Key Performance Indicator (KPI) Reports and the subsequent strategic decisions drawn from them is commendable and serves as a model of best practices. The consensus among Sales Executives is that STL's KPI process is exceptionally standardized and functions as a valuable tool for decision-making. The seamless alignment of KPI reports with STL's organizational sales targets showcases a shrewd adaptation of the process, ensuring that the organization maintains its position as a market leader. It's recommended other Fast-Moving Consumer Goods (FMCG) companies and Small and Medium-sized Enterprises (SMEs) consider adopting this process to accelerate their growth trajectory and enhance their market positioning.

KPIs play a pivotal role in steering corporate objectives, effectively placing them at the forefront of decision-making. The proper definition of company goals across the organization, coupled with employee awareness and ownership of individual KPIs, ensures the broader organizational objectives are always at the forefront. This alignment guarantees continuous growth and sustainability. In today's business landscape, maintaining a competitive edge is paramount to enhancing operational effectiveness. As traditional

methodologies and approaches continue to evolve, KPIs have emerged as a relatively new practice that has seamlessly integrated into the operations of major corporations. It is high time that every business incorporates KPIs to capitalize on this trend for their own advancement and improvement.

## 3.6

### **Recommendation**

KPIs are crucial for figuring out whether a firm is in line with its primary goals and strategic objectives. Data from key performance indicators should be used as needed to support decisions, motivate actions. This emphasises the importance of KPIs in providing information or objective data. While the STL Sales Department uses a standardised KPI approach, there is always room for improvement. Here are a few suggestions:

- It's important to remember that KPIs should be adapted to the unique aims and industry of the organisation. What is important for one organisation may not be as important for another, thus it is necessary to select KPIs that correspond with the company's specific goals and conditions. As a result, the STL Sales Department must acknowledge that KPIs are not the sole way to evaluate someone's performance.
- In order to remain relevant, every indication must have a purpose or aim. However, rather than an ultimate aim, this goal acts as a guideline to determine outstanding or insufficient performance. When KPIs are utilised as indicators owned by each person to identify areas for development, they become powerful change catalysts. Only goal-relevant indicators should be used by Square Toiletries Limited to identify areas in need of development.
- When used as indicators to measure goal success, KPIs may be extremely beneficial. However, elevating KPIs to the rank of core goals might be detrimental



and hamper improved performance. A good KPI should help people comprehend their present performance in relation to their future goals. When a KPI becomes the main emphasis for earning incentives, team members may turn to extreme tactics, including unethical practises, to attain it. As a result, STL should encourage an emphasis on ongoing performance development rather than just on KPI scores.

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