

Report On
Performance Analysis of BRAC International

By

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Student ID: 18104167

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
April 2023

Declaration

It is hereby declared that

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

Student's Full Name & Signature:

Alvee Ahmed
18104167

Supervisor's Full Name & Signature:

Dr. Mohammad Enamul Hoque
Assistant Professor
BRAC Business School
BRAC University, Bangladesh

Letter of Transmittal

Dr. Mohammad Enamul Hoque
Assistant Professor,
BRAC Business School
BRAC University
66 Mohakhali, Dhaka-1212

Subject: Submission of the Internship Report on “Performance Analysis of BRAC International.”

Dear Sir,

It gives me great pleasure and satisfaction to present the internship report titled "Performance Analysis of BRAC International," which was given to me as a prerequisite for completing the Bus 400 course.

It is an honor to work in the UPGI Finance Department alongside a dedicated and devoted finance staff that diligently supports BRAC International. Throughout my internship, I worked to get a comprehensive understanding and practical experience of the organization's financial activities. I endeavored to collect as much information as possible about the entire process and crucial concerns, and to present it in a complete manner with key statistics, in accordance with the sound recommendations and suggestions.

I have attempted to complete the report in the most concise, useful, and informative manner possible, including pertinent facts and suggestions. I am appreciative of your continuous support, guidance, and counsel, as well as your gracious aid in producing this report. If you could review my report and assess my performance, I would greatly appreciate it.

Sincerely yours,

Student Full Name: Alvee Ahmed

Student ID: 18104167

BRAC Business School

BRAC University

Date: 3rd April, 2023

Non-Disclosure Agreement

This agreement is made and entered into by and between Sticing BRAC International and the undersigned student at BRAC University Alvee Ahmed (ID 18104167).

Acknowledgement

I am really grateful to BRAC International for the chance to do a three-month internship with their organization. In addition, I appreciate the aid and involvement of the UPGI program Finance team in my educational aspirations. Throughout my internship, they have been an excellent source of guidance and encouragement; they have helped me identify my flaws and shortcomings and how to properly resolve them. Moreover, the BI UPGI staff has worked patiently to give me the material I need to finish my internship. Over the entirety of my internship, every member of the Finance Team was extremely kind and helpful.

Dr. Mohammad Enamul Hoque throughout my internship, has provided me with vital guidance, mentorship, and consistent support. I would want to express my tremendous appreciation and respect for him. He provided me with instruction, advice, and support in many instances, which enabled me to prepare an outstanding internship report.

I would like to thank my on-site supervisor, Umme Hani Khan ACMA, for her rapid replies, teaching, support, and inspiration during my internship, as well as for providing me with valuable knowledge about the organization's processes and procedures. In addition, she has given me with guidance on a variety of work-related matters, which has improved my awareness of the organization's standard operating procedures. Lastly, I would like to thank OCSAR at BRAC University for creating the internship program and permitting the interns to leverage our expertise.

Executive Summary

Participating in an internship program that allowed me to apply academic ideas in a practical setting was a prerequisite for my degree from BRAC Business School, and I took advantage of that opportunity. While I worked, researched, performed research, and wrote this paper, I gained an appreciation for several sides of the significance of the development sector and BRAC. I will discuss some of these aspects in my article.

This paper focuses on BRAC International and its performance in the last few years. My roles and responsibilities allowed me to constantly communicate with distributors and get valuable insights, as well as collaborate with BRAC International's Finance Team, which was beneficial for this report.

BRAC International have lofty goals and expansive thinking. BRAC's tried-and-true, pragmatic solutions inspire initiative and enduring transformation. They provide people with the resources, opportunities, and skills they need to escape poverty and realize their full potential. This study's opening chapter gives a summary of my report's fundamental components. The second part of the report provides a selection of original research papers about the company's operations and methods. The final chapter provides a summary of my whole internship experience and lessons gained, as well as essential facts on the organization. The report finishes with an analysis, results, and suggestions pertaining to BRAC International's annual performance.

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List of Acronyms

BI	BRAC International
UPGI	Ultra Poor Graduation Initiative
MFP	Microfinance Program

Chapter 1

Overview of Internship

1.1 Student Information

Name: Alvee Ahmed

ID: 18104167

Program: BRAC Business School

Major: Finance

1.2 Internship Information:

1.2.1 Organization Information

Period: October 16th 2022 – 31st January 2023

Company Name: BRAC International

Department: Accounts and Finance

Address: BRAC Centre, 75 Mohakhali

Dhaka-1212, Bangladesh

1.2.2 On site Supervisor's Information

Internship Company Supervisor's Information:

Name: Umme Hani Khan ACMA

Position: Senior Manager, Accounts and Finance

BRAC International.

1.2.3 Job Scope – Job Responsibilities:

1. Check bills and very receipts
2. Check Bank Book receipts and verify them
3. Arrange receipts according to their date and currency
4. Create and verify travel bills for staff and consultants
5. Create consultant bills and match with their contracts
6. Reconciling bank book

7. Collecting necessary documents for payments and reviewing them.
8. Keeping records of all transactions and recording them on a monthly basis
9. Keep track of exchange rate for USD, EUR and GBP

1.3 Internship Outcomes:

1.3.1 Students Contribution to the Organization

1. Verifying documents of payments
2. Verifying procurement documents
3. Checking on payments
4. Preparing debit vouchers
5. Sending payments for approval
6. Helping in preparing bank book statements
7. Helping in tracking many transactions

1.3.2 Benefits to the Student

Business behavior and environment:

When I was in university, I had little or no experience with the development sector. But the internship put me in that situation and helped me get ready for the corporate job. Also, it was hard for me to get used to the office hours of 8:30am to 5pm. But the responsibilities were big, and I ended up getting used to the culture.

Learning organizational etiquette and communication: I was in the Accounts and Finance Department of the organization's UPGI program, where I learned how to act and talk in an organization. Because of the nature of the job, I was able to meet a lot of the organization's important local and foreign employees and consultants. All of my interactions with clients

and other people in my field have helped me learn business etiquette and communication skills that will help me advance in my career.

Gaining work experience:

As an intern at BRAC International, I helped the organization by doing important tasks and taking on different responsibilities. They were important, and I grew as a person because of them. Because they were all willing to teach me new things and had an open mind, my coworkers taught me a lot. They answered my questions with enthusiasm and thanked me for my work, which made me want to learn more through my job.

Realizing how important it is to keep a healthy work environment:

Everyone at BRAC International is important to the company. So, BRAC International has a rule that employees can go outside or talk to coworkers during their lunch break, which is from noon to two o'clock. Also, the BRAC head office has a great rooftop where employees can go to get some fresh air during their breaks or after a long day at work. It gives them a break from their hard work routine, and when they come back, they have more energy, which is very helpful.

1.3.3 Problems Faced During the Internship Period:

Some problems I faced during my internship period included adjusting with the work culture of BRAC International. This is the first time I've worked in an office and at first I was not accustomed to the office environment and culture. But thanks to my seniors at BRAC International who were very welcoming I overcame that challenge very quickly and got used to the new environment.

1.3.4 Recommendations

My time at BRAC International was very pleasant and fruitful. I got exposed to a very lively and positive work culture and I got to learn a lot. I would like to recommend the organization to organize field visit sessions for the interns. As BRAC is an NGO most of their works are field based. Visiting the benefactors of BRAC from time to time will add a lot of value to the students.

Chapter 2

2.1 Introduction

Students in the BBA program at BRAC University are required to do an internship with a reputable organization so they can learn in a real-world, professional setting. The best way to learn and get more experience is to put the theoretical knowledge we learned in the university to use. After four years of studying theory, I applied to the largest development NGO in the world, BRAC, and got the chance to work with them. I joined their international operations division, called "Stitching BRAC International," which works in nine different countries, mostly in Asia and Africa.

BRAC, a non-governmental organization, was founded in 1972 in Habiganj district by its founder Sir Fazle Hasan Abed. Initially known as the Bangladesh Rural Development Committee (BRAC). Since 2009, the acronym BRAC has been adopted as its official designation. BRAC assisted returnees from India who had been displaced by the liberation war. After initially focusing on short-term solutions, BRAC eventually shifted its focus to the longer-term issue of permanently eliminating poverty and empowering the underprivileged in rural parts of the country. Microcredit, healthcare, literacy, and employment initiatives are just a few of the ways BRAC is helping the poor, most of whom live in rural areas and do not own property, to improve their financial situations.

2.2 Overview of the Company:

BRAC International is a well-known non-governmental organization (NGO) whose mission is to promote individual and community empowerment in regions where social injustice, poverty, and illiteracy are prevalent. BRAC International operates in ten distinct Asian and African nations. Their goal is to live in a society where no one is exploited or mistreated, and where everyone has the opportunity to realize their full potential.

Projects of BRAC International

1. **AGRICULTURE, FOOD SECURITY AND LIVELIHOOD:** Agriculture, Food Security, and Livelihood (Agriculture, Food Security, and Livelihood) is a program run by BRAC International that gives farmers and their families stable, long-term ways to make a living. This keeps them from going hungry and getting sick from not getting enough food. Small farms are the source of around 80 percent of the food consumed in Asia and Africa. These farmers, however, are frequently forced to endure lives of abject destitution and starvation due to the fact that they are on the front lines of the effects of climate change and economic shocks. BRAC's Agriculture, Food Security, and Livelihood (AFSL) initiatives assist farmers in adapting to the effects of climate change, establishing connections to markets, and increasing their incomes. The program is mostly targeted on young adults and females. Small-scale farmers, especially women and youth, receive training and skill development so they can produce more food, earn more money, and establish secure businesses. By concentrating on core causes and barriers, climate-smart technologies help communities solve their own problems and reduce the risk of climate change and economic shocks.

2. **Early Childhood Development:** Every child has the right to acquire knowledge through activities that are not only enjoyable but also incorporate everyone and are of a high standard. Thousands of children from vulnerable backgrounds are exposed to conditions that could stunt their development because they lack access to early childhood education and protection. BRAC's initiatives for kids and adults alike help the next generation reach its full academic and professional potential. Early childhood education projects run by BRAC reach tens of thousands of students, including girls, children with disabilities, students from far-flung areas, and students impacted by disasters. Through community-focused activities, all BRAC students are given a chance to learn, develop, and succeed.

3. Education: The poorest and most vulnerable children are the ones who suffer the most from poverty and crises, and they are also the ones who have the fewest opportunities to succeed academically. The foundation of BRAC's operations is education. It aids youth from disadvantaged backgrounds in becoming responsible, contributing individuals who can weather adversity. According to BRAC, a good teacher is the first step toward a quality education. BRAC's "one room, one teacher" school model places greater emphasis on the relationship between a teacher and a student and makes human connections the most essential aspect of a classroom. BRAC provides instructors with the resources they need to adopt child-friendly, participative approaches in lieu of memorization and to place an emphasis on soft skills and enjoyable activities. BRAC provides a holistic approach to education, assisting students from the time they are small children through college.

4. Health: Good, reasonably priced health care should be accessible to everyone, regardless of their background or location. Each year, millions of kids lose their lives to preventable causes that are simple to cure or avoid altogether. To ensure that people in the poorest communities have access to healthcare and may live healthy, productive lives, BRAC's health initiatives prioritize providing for children and mothers. The community-based health care concept pioneered by BRAC in the 1970s has been delivering lifesaving services and information to people's homes ever since. Long-term social and economic gains accrue from investments in health care that improve the lives of individuals, especially mothers and children.

5. Humanitarian Programme: Due to conflicts and natural calamities, more people than ever want assistance from humanitarian individuals. BRAC has aided distressed areas for nearly 50 years. Whether it is a natural or man-made disaster or a disease outbreak, BRAC responds swiftly to satisfy the fundamental needs of women, men, and children affected by disasters. They also teach individuals to be resilient and assist them in becoming independent.

Our detailed answers help families rebuild, get better, and do well. OUR HUMANISTIC VISION IS TO BECOME

- A global organization dedicated to saving lives and alleviating suffering by assisting victims of natural disasters and those who have been uprooted from their homes.
- When it comes to the coordination of clusters, a well-known actor in the major priority areas that BRAC prioritizes.
- A pioneer in emergency preparedness and response that is community-based, community-driven, and community-centered, resulting in more robust development programming based on BRAC's tried-and-true methodologies and signature programs.

6. Microfinance: Providing people with easy access to financial services is essential to addressing long-standing issues like poverty and inequality. There are 1.7 billion people in the world who do not have access to banking services. Money is much harder to come by for women and the poor. BI believe that simultaneous economic and social development is necessary for global transformation to have lasting effects. Because it provides those who lack access to traditional financial institutions with the means to invest in themselves, their families, and their communities, microfinance is an integral aspect of BRAC's overall strategy for development. BRAC began offering microfinance outside of Bangladesh in 2002, after years of providing financial services to disadvantaged people in Bangladesh and studying what works and what doesn't. Our mission is to responsibly expand access to financial services for those at the base of the economic pyramid. The needs of poor women in remote and rural locations are prioritized. We hope to empower them economically so they can pursue self-employment, increase their financial security, and put their ingenuity to use. BRAC International Microfinance serves six different nations outside of Bangladesh. Each

company operates independently as a distinct corporation and is based in a different area to better serve its target clientele.

7. Ultra-Poor Graduation Initiative: More than 700 million individuals worldwide are subsisting on less than \$2.10 a day. It is estimated by the World Bank that by the year 2021, another 100 million people would have joined them. Women are disproportionately impacted by extreme poverty, and they typically lack the resources, education, and employment prospects necessary to lift themselves out of this position. BRAC's flagship Ultra-Poor Graduation program provides participants with optimism, education, and skills to help them break free from poverty. With access to various programs, individuals can find a path out of poverty. With over 50 years of experience serving local communities, BRAC is well-versed in the specific challenges and opportunities presented by extreme poverty. Using our novel and effective Graduation method, we empower individuals to realize their full potential and escape their current situation of extreme poverty. BRAC's unique Graduation program has helped lift millions of people out of poverty.

8. Youth Empowerment: Despite the fact that young people in the Global South have a lot of potential, they confront several hazards and restrictions that can hinder their development. Girls and young women in Asia and Africa, in particular, face a heightened risk of poverty and exploitation due to a lack of educational and employment possibilities. By empowering young people to make decisions about their own social, economic, and educational futures, BRAC's youth programs allow participants to realize their full potential. Teens and young adults need opportunities to reach their full potential. Our youth empowerment initiatives target girls and women specifically by providing them with safe spaces and mentor-led, community-supported programs. Young people are equipped with the knowledge and resources to overcome adversity and pursue bright futures through a combination of social empowerment, education, and economic empowerment. BRAC's Youth

Empowerment initiatives teach young women and girls the fundamentals they'll need to become independent adults.

2.3 Management Practices:

When it comes to managing its business, BRAC excels. The Code of Conduct ensures that everyone has a level playing field in terms of getting better. Human resources is divided up into sub-departments like hiring, learning, pay, and benefits. There were a variety of jobs that needed to be completed, all of which had some connection to the primary department. Optional outdoor and indoor activities are available. All hiring decisions are handled by HR. We do not discriminate on the basis of gender, ethnicity, or color when making external hires. Give the most qualified applicants an opportunity to work for the organization by conducting interviews.

Leadership Style:

How well an organization is handled determines how successful it will be. To put it simply, BRAC is the best NGO in the world because of how well it is managed. BRAC employs a participatory leadership approach. Workers are encouraged to have a voice in decision-making, just as they would be under a democratic leader. Decisions are made with input from all employees in a participatory leadership style. At BRAC, we have two distinct styles of participative leadership. Those in the middle management adopt a style of leadership known as "collective, participatory leadership," which places equal emphasis on the contributions of all team members. In this case, the leader's role is limited to that of an assistant and guide to the workers. However, the upper echelons of management adopt a form of autocratic participative leadership. The other employees are subject to the boss's whims. No one has to gain approval from their coworkers before making a decision. Some degree of autocracy is necessary in large organizations like BRAC to ensure that tasks are completed

and decisions are made. Because of its management, BRAC has been successful in achieving its aims. As we've established, BRAC provides aid to those who are economically disadvantaged, illiterate, sick, or victims of social injustice. Employee morale is high and authority is distributed fairly under a participatory leadership structure. Maintaining a level playing field within the organization increases the likelihood of its members acting similarly when competing. This is the method by which BRAC accomplishes its goals.

Recruitment and Selection Process:

1. Identify vacancy and evaluate need: Here, the HR team will assess the situation, determine the needs of the workforce, and restructure the business accordingly. The HR department will assess the workload and determine the present headcount and future expansion plans. This is crucial since having too few or too many workers can disrupt productivity and efficiency.
2. Develop job description: Step two is to compile relevant information about the position into a detailed job description. Position, location, employment specifics, requirements, education, work experience, compensation, and other factors are all included. The job description properly addresses all of these concerns.
3. Post job circular in different online and offline media: As soon as a suitable job description has been written, BRAC will begin advertising the position. This phase entails disseminating the job ad via BRAC's website, in addition to other relevant online job boards and print media. Wanted individuals respond to these advertisements by submitting their resumes and cover letters for consideration.
4. Receive applications: The candidate initiates the application procedure as soon as the position is posted online. The recruiting group will provide them with a contact email and a deadline by which they must submit an application and resume. The recruitment staff will continue to receive applications and sort them until the deadline.

5. Shortlist candidates: The hiring committee will no longer accept applications after the deadline has passed and will begin narrowing down the pool of candidates. This is also critical, as carelessness could cause you to overlook a promising applicant. A large number of people apply despite not being a good fit for the position, so the hiring team has to thoroughly examine each application. Consequently, each application is scrutinized so that only the most qualified individuals are selected. Each candidate whose materials were considered for the position has their own folder that is kept by the hiring team.

6. Conduct exams and interview: When the best resumes have been reviewed, the candidates take the exams that have been prepared for them. The examinations consist of both a written component and an oral presentation. The interviews are conducted online due to the urgency of the pandemic. There are set-up questions and free-form questions throughout the interview. Each applicant is given 20–30 minutes of the board's time, depending on how enthusiastically they are received. The interviewers will use this time to get a sense of the candidate's character. It is common practice to allow the applicant some time to present their case. Meanwhile, their background is investigated and their references contacted. Candidates are eliminated for a variety of reasons. They practice talking to one another quite a bit.

7. Complete necessary measures and finalize recruitment: After the interview, the board members talk about the candidate, give them a score, and then hire the best ones. The team in charge of hiring tells the person who was chosen that they got the job and waits for confirmation. When they say yes, they are given a date to start with BRAC. In the meantime, they have to send in a number of forms, such as a form for personal information, a form for a nominee, etc. They also have to give a copy of all their academic certificates and, if needed, a NOC from their last job. After all of these things are done well, the person is hired. This is how a candidate gets hired at BRAC and how his or her journey there begins.

Compensation management: The process by which workers are compensated for their efforts is known as compensation management. Compensation management's primary objective is to attract and retain talented employees. Providing employees with perks beyond their base salary is a great way to keep morale strong and encourage them to go above and beyond for the firm. Compensation planning is crucial to employee retention, output, and satisfaction. Employees of BRAC are typically compensated once per month. For certain project-based jobs, BRAC might pay either hourly or on a per-project basis. In addition to the standard salary and benefits package, they also provide things like a holiday bonus, medical insurance, a mandated provident fund, a retirement package, and staff security benefits. As an added bonus, the talent management group conducts an annual evaluation that is utilized to evaluate employees. The employee receives a raise or other financial incentive for improved performance. When it comes to employee compensation, BRAC follows all applicable laws and regulations.

2.4 Marketing Practices

In terms of marketing practices, BRAC focuses on reaching out to potential clients and partners through various channels such as community mobilization, partnerships with local organizations, and targeted advertising. They also use data and research to inform their marketing and program development strategies. Additionally, BRAC places a strong emphasis on transparency and accountability in all of its operations, including its marketing efforts. BRAC International, being a subsidiary of BRAC, likely uses a combination of various marketing strategies to reach its target audience and promote its programs and services globally. Some of the marketing practices that BRAC International may employ include:

Digital Marketing: Utilizing online channels such as social media, email marketing, and website optimization to reach potential clients and partners.

Community Outreach: Conducting community outreach events and workshops to raise awareness about the organization and its programs, and engage with local communities.

Partnership Marketing: Building partnerships with other organizations, corporations, and governments to jointly promote BRAC International's programs and services.

Research-based Marketing: Using data and research to inform marketing strategies, measure the impact of programs, and make data-driven decisions.

Transparency and accountability: Being transparent and accountable in all of its operations, including its marketing efforts, to maintain the trust and confidence of stakeholders.

Overall, BRAC International likely employs a mix of these marketing strategies to reach its target audience, promote its programs and services, and build its reputation as a leading development organization.

2.5 Financial Practices and Accounting Practices:

Financial Performance: As BRAC International is not a profitable organization, we will not do any profitability ratios. We will measure the organizations sustainability by accessing the financial performance which is done on the 3rd chapter. Here we will see the net result of BRAC International over the last 5 years and see the sustainability of the organization.

Table 1: Yearly Growth

Net Result	Year
2021	6,278,669
2020	(1,372,732)
2019	13,137,960

2018	18,743,917
2017	19,026,046

In the above chart we can see that in the last 5 years the financial performance of BI is lowering. In 2017 It was 19,026,046 but in 2018 it came down to 18,743,917. It kept reducing in 2019 to 13,137,960 and kept on decreasing on 2020 and 2021. On 2020 the decreasing trend reaches its maximum at (1,372,732). But we have to also keep in mind that that year was the year if the pandemic and many donors had seized their donation on that year which we will view on chapter 3 on the donation growth ratio. In the chapter 3 of this report, we will do a detailed performance analysis where we will see ratios such as leverage ratio, solvency ratio, year to year growth, current ratio.

2.6 Operations Management and Information System practices:

About operations management:

Planning, organizing, and regulating resources like money, employees, and supplies is what we call "operations management." Successfully maximizing inputs to maximize output is the primary focus of an operations manager. Some of the most important aspects of managing operations are the supply chain, product design, quality control, forecasting, etc. The term "supply chain" refers to the sequence of steps required to transform raw materials and human labor into a finished good. Buying, making, and delivering are all a part of it. A product's final form is being shaped via product design. It doesn't matter if the design is brand-new to the market or an update to an existing product. As a result, it's crucial that goods be developed in response to market need. Forecasting entails making predictions for the future by analyzing data from the past. In order to successfully manufacture a product, it mostly works with consumer desires. If you're good at forecasting, you can keep up with consumer

demand, but if you're bad at it, you can end up with an inventory shortage or surplus. Delivery management is a crucial aspect of operations management. Management of delivery refers to the steps taken to get a manufactured commodity into the hands of a customer. In order to keep happy customers, you need to have solid delivery management in place. Simply put, if a product is not delivered on time, it doesn't matter how well made it is. A competent operations manager, then, is responsible for overseeing all of these activities and ensuring positive results.

BRAC's Operations Management:

BRAC International's operations management practices are geared towards delivering high-quality programs and services to the communities it serves, while also ensuring that those programs and services are efficient, effective, and sustainable.

One of BRAC International's key operational strategies is to build strong partnerships with local communities and organizations. This allows BRAC International to understand the needs of the communities it serves, and to design programs and services that are tailored to those needs. BRAC International's community-based approach also helps to ensure that its programs are well-received and have a high impact.

Another important aspect of BRAC International's operations management practices is its focus on innovation and experimentation. BRAC International is known for its willingness to experiment with new programs and services, and for its ability to adapt to changing circumstances and needs. This flexibility and innovation help to ensure that BRAC International remains relevant and effective in a rapidly changing world.

BRAC International also places a strong emphasis on monitoring and evaluation. This involves collecting data on the impact of its programs and services, and using that data to make informed decisions about how to improve and expand its operations. This data-driven

approach helps to ensure that BRAC International's programs and services are effective and efficient, and that they are making a positive impact on the communities they serve.

Overall, BRAC International's operations management practices are geared towards delivering high-quality programs and services that are tailored to the needs of the communities it serves, while also ensuring that those programs and services are efficient, effective, and sustainable. Through its community-based approach, its focus on innovation and experimentation, and its commitment to monitoring and evaluation, BRAC International is able to achieve its mission of empowering people and communities to overcome poverty and achieve their potential.

Information System:

Information system is the process of gathering, storing, and using information to run operations and keep in touch. Every company that is doing well has a good information system. Companies use information systems to talk to their customers and suppliers, go into production, and run and manage their businesses. There is also an internal information system that is used to keep in touch with employees and other important people. Information systems can be different depending on the needs and goals of the organization. The operation information system is used to do things that need to be done about operations. Businesses use a management information system to make reports that give them a clear picture of the company. The decision support information system is used to find facts from the data that can help make a decision.

BRAC International's information system practices are designed to support the organization's mission of empowering people and communities to overcome poverty and achieve their potential. BRAC International uses a variety of information systems and technologies to improve the efficiency and effectiveness of its operations and programs.

One of the key information systems used by BRAC International is its management information system (MIS). This system is used to collect and manage data on BRAC International's programs and operations, and to track progress towards its goals. The MIS system allows BRAC International to monitor the impact of its programs, identify areas for improvement, and make informed decisions about resource allocation and program design.

BRAC International also uses mobile applications and digital platforms to improve the delivery of its programs and services. For example, BRAC International's "mHIT" program uses mobile technology to provide financial services to people in rural areas, who may not have access to traditional banking services. This approach helps to ensure that BRAC International's programs and services are accessible to the people who need them, even in remote or hard-to-reach areas.

Another important information system used by BRAC International is its data analytics system. This system is used to analyze large amounts of data on BRAC International's programs and operations, and to identify patterns and trends that can be used to improve its programs and services. The data analytics system allows BRAC International to make informed decisions about program design and resource allocation, and to ensure that its programs and services are efficient and effective.

Overall, BRAC International's information system practices are designed to support its operations management practices, and to ensure that its programs and services are efficient, effective, and scalable. Through its use of management information systems, mobile applications, and data analytics, BRAC International is able to improve the delivery of its programs and services, and to make a positive impact on the communities it serves.

2.7 Industry and Competitive Analysis

2.7.1 SWOT Analysis:

The SWOT analysis is a strategic planning method that identifies a company's strengths, weaknesses, opportunities, and threats. It is a widely utilized framework that may be applied to a variety of organizations and circumstances, including corporate, non-profit, and personal growth.

Strengths:

Broad reach: BRAC has a broad reach, with operations in 11 countries, including Bangladesh, Afghanistan, Pakistan, Myanmar, and others.

Strong track record: BRAC has a strong track record of success in various sectors, including microfinance, health, education, and agriculture.

Innovative approach: BRAC is known for its innovative and adaptable approach to development work, which has helped it to remain relevant and effective over time.

Diversified portfolio: BRAC has a diversified portfolio of programs and services, which allows it to address multiple aspects of poverty and development in a comprehensive manner.

Tax exemption: Tax Exemption One of the most advantageous aspects of NGOs is that, in most cases, they are exempt from having to pay taxes. Moreover, the BRAC is not constrained by a temporary shortage of resources.

Experience: BRAC is not at all like any of the new NGOs that have sprung up recently. It has a lot of experience working at the grassroots level, both at home and abroad. They have come to different parts of our country with the goal of stopping abuse and unfair treatment of the poor. They know how to handle a big disaster in the best way possible.

Weaknesses:

Dependence on donor funding: BRAC is heavily dependent on donor funding for its programs, which can be a challenge in terms of sustainability and long-term planning. The most common problem is that as an NGO, they have to rely a lot on funding from outside groups and personal gifts and awards. Even though the BRAC follows the laws of the country, it is usually responsible to the organizations that help the Government of Bangladesh. Even though BRAC says it will get money from its own trade benefits and investments in bank accounts and time stores, if they can't reach their gift goal, they will be in a lot of trouble. Finding help could be a big point of contention.

Limited focus on governance: BRAC's focus on service delivery has meant that it has limited engagement in governance and policy work, which could limit its ability to drive systemic change.

Risk of mission drift: With such a broad portfolio of programs and services, there is a risk that BRAC could lose focus on its core mission and become stretched too thin.

Limited transparency: Some critics have raised concerns about BRAC's level of transparency and accountability, particularly with regards to its internal governance structures.

Opportunities:

Growing demand for development services: There is a growing demand for development services in many of the countries where BRAC operates, particularly as these economies continue to grow and change.

Support of Media: BRAC receives a portion of the help provided by the media and other promotion organizations because so many media employees have returned to work with the organization. Mr. Fazle Hasan Abed was selected as one of the top 50 global pioneers in 2014.

Potential for innovation: BRAC's innovative approach to development work means that it is well-positioned to take advantage of emerging trends and technologies in the sector.

Increasing interest in social impact investing: As impact investing becomes more popular, there may be opportunities for BRAC to secure more sustainable funding and partnerships.

Potential for collaboration: BRAC's broad network and reputation mean that it is well-positioned to collaborate with other organizations and governments on large-scale development projects.

Threats:

Political instability: Political instability and conflict can pose a significant threat to BRAC's operations in some of the countries where it works.

Vulnerability: When faced with a sudden financial crisis, any charity is particularly vulnerable. However, when money is tight, one of the first places people look to cut back is on donations to charity. For the BRAC, which relies heavily on donations and bequests, it might be difficult to solicit funds during economic downturns because of the organization's perceived subordination to such arrangements.

Poverty Continues Developing: Although hundreds of NGOs have been active in Bangladesh and elsewhere for many years, reducing poverty has not been as easy despite their best efforts. On the other hand, poverty is on the rise. Despite BRAC's best efforts, the organization simply cannot monitor everything or effect sweeping changes.

Economic downturns: Economic downturns and financial crises can affect the availability of donor funding and the demand for BRAC's services.

Competition from other organizations: There are many other organizations operating in the development sector, which could pose a challenge to BRAC's ability to secure funding and partnerships.

Changing donor priorities: Changes in donor priorities and funding patterns can pose a challenge for BRAC, particularly if it is heavily reliant on a small number of donors.

Porter's five forces analysis:

Porter's five forces analysis is a framework used to evaluate the competitive environment of a business or organization. Here is a Porter's five forces analysis of BRAC International:

Threat of new entrants:

The threat of new entrants is relatively low for BRAC International. This is because BRAC International operates in the international development sector, which requires a significant amount of expertise, resources, and experience. Additionally, BRAC International has built a strong reputation and network over the years, which makes it difficult for new entrants to establish a foothold in the market.

Bargaining power of suppliers:

The bargaining power of suppliers is low for BRAC International. This is because BRAC International works with a wide range of suppliers, including local partners, donors, and service providers. This diversity of suppliers means that BRAC International has a large pool of options to choose from, and can negotiate favorable terms and prices.

Bargaining power of buyers:

The bargaining power of buyers is relatively high for BRAC International. This is because BRAC International's programs and services are primarily targeted towards low-income and marginalized communities, who may have limited resources and options. As a result, these communities may have greater leverage in negotiating the terms and prices of BRAC International's programs and services.

Threat of substitutes:

The threat of substitutes is moderate for BRAC International. This is because there are a variety of other international development organizations that offer similar programs and services. However, BRAC International has built a strong reputation and network over the years, which helps to differentiate it from other organizations and create a unique value proposition for its programs and services.

Competitive rivalry:

The competitive rivalry is relatively low for BRAC International. This is because BRAC International operates in a niche market, and has built a strong reputation and network over the years. Additionally, BRAC International's programs and services are tailored to the needs of specific communities, which further differentiates it from other organizations. However, there are other international development organizations that compete with BRAC International, which creates some level of competitive pressure.

Overall, the Porter's five forces analysis suggests that BRAC International operates in a relatively favorable competitive environment, with moderate levels of competitive pressure and relatively low threats from new entrants and suppliers. However, the organization faces challenges in negotiating with buyers and competing with other international development organizations.

2.8 Summary

BRAC International is the global development arm of BRAC, a leading development organization based in Bangladesh. BRAC International operates in 11 countries across Asia and Africa, and works to address poverty, inequality, and social injustice through a range of programs and services.

BRAC International's work is guided by a commitment to empowerment, social inclusion, and sustainable development, and the organization places a strong emphasis on community engagement and participation.

BRAC International's programs and services span a wide range of areas, including education, health, microfinance, agriculture, and disaster response. The organization is also involved in advocacy and policy research, and works to build partnerships with governments, donors, and other stakeholders to maximize its impact.

Overall, BRAC International is a pioneering development organization that has made significant contributions to poverty reduction and social justice in some of the world's most vulnerable communities. Its innovative programs and services, combined with its strong commitment to community engagement and empowerment, have helped to improve the lives of millions of people across Asia and Africa.

2.9 Recommendation

I think it would be beneficial for BRAC to increase their involvement in digital methods. BRAC may be at the forefront of creativity and invention, but it is woefully behind the technological curve. The entire globe is making a lightning-fast transition to a more digital platform, in particular as a direct result of the epidemic. BRAC is not an exception to the rule. It is imperative that it maintains its current pace; else, its future prospects are bleak. It is imperative that more individuals be provided with opportunity to further their education in technological fields, and that those in need be provided with the appropriate digital equipment. Therefore, there is a requirement for a central hub to link everything. Everything from the distribution of loans to the collection of loans, as well as the production, marketing, and sale of hand-woven sarees, should be done more often through digital media.

Chapter 3

Performance Analysis of BRAC International

3.1 Introduction

Here we are going to measure the financial and non-financial performance of BRAC International based on some parameters. As BI is a nonprofit organization the KPIs of BI is not the same as traditional KPIs for business organizations. We are going to measure the performance based on the donation growth model, the employee retention rate, the liquidity ratio, the leverage ratio and the year-to-year growth ratio.

3.1.1 Background

A research on development sector funding in Central Asia, with a focus on Kyrgyzstan and Kazakhstan, showed that the greatest difficulty for NGOs is how to financially sustain and support NGO operations (Alymkulova & Seipulnik, 2005). According to experts, the main reasons why NGOs require alternative long-term survival strategies are the following: decreased donor funding in general, decreased allocations for the Central Asian region, donor focus on new markets in particular, and decreased funding for social programs.

Diversifying revenue sources is the most sustainable method of funding. A sustainable strategy for supporting non-profit organizations is one that minimizes reliance on any single source of revenue, whether internal or external. It is difficult to construct a formula for the percentages required from multiple sources to fund a "financially viable non-profit organization." Yet, a balance between externally and domestically produced resources is required for an organization to cover its operational and administrative expenditures while retaining the autonomy to select its program objectives and initiatives regardless of donor preferences (Alymkulova & Seipulnik, 2005).

According to Low and Davenport, one of the primary issues facing non-governmental organizations in the Pacific area is financial viability. After donor financing for the project finishes and the initiative has not generated money by that time, the viability of the Organization is at stake. In addition, it is extremely challenging to obtain money for administrative needs such as wages and rent, and even if they can, NGOs struggle to become financially self-sufficient over time (Low & Davenport, 2002). Low and Davenport also observed that receiving funds is insufficient; the organization must also be able to fulfill the conditions of the agreement. In rare instances, a lack of capacity can potentially impact the sustainability of an organization.

According to a recently completed analysis of the budgets of the 11 biggest non-governmental organizations in Bangladesh, service delivery programs like microcredit and economic technical assistance have completely supplanted social mobilization initiatives meant to encourage collective action among the poor as these organizations have become more concerned with maintaining donor funding inflows (Devine, 2003). In addition, funders impose financial requirements on the NGOs they support. Because of this, when the major NGOs run out of donor funding, they are forced to fill the budget gap by charging the poor additional fees in exchange for NGO services and paying interest on microcredits. The introduction of interest and service fees into the activities of some NGOs has weakened their prior ability to act as true representatives of the underprivileged and reduced their ability to mobilize society. Local NGO members are becoming more and more displeased with their groups and criticize them for prioritizing financial independence over the welfare and empowerment of the underprivileged (Devine, 2003).

3.1.2 Objectives

1. To evaluate the efficacy and impact of BRAC International's activities, we will: A performance analysis report can examine the results and impact of BRAC International's initiatives in attaining their intended objectives and aims. This may involve analyzing data on the program's reach, coverage, and impact, as well as evaluating the design and implementation's relevance and efficiency.
2. The study can indicate the strengths and shortcomings of BRAC International's programs and operations, such as its organizational structure, financial management, governance, and human resource practices. This information may be utilized to enhance the performance and effectiveness of the company.
3. The report can include recommendations for enhancing the performance and effect of BRAC International's operations and activities. These recommendations may include tactics for correcting shortcomings and enhancing strengths, as well as suggestions for enhancing the organization's operational efficiency and effectiveness.
4. A performance analysis report can improve openness and accountability by informing stakeholders, such as funders, partners, and beneficiaries, about the organization's performance and outcomes. This can contribute to the organization's and its work's credibility.

3.2 Methodology

For my study I have analyzed the audited annual reports of the last 5 years of BRAC International. I used the annual reports from calendar year 2017 to calendar year 2021. I will mostly take figures from the balance sheet and income statements, along with a few numbers from the Notes, to construct and understand significant ratios. Firstly, we will do a non-financial ratio which is the employee retention rate based on the employee numbers.

Then I will do a donation growth rate to show the amount of donation received. Then I will do a liquidity ratio of BRAC International based on its current assets and current liabilities. Then I will do a debt ratio or leverage ratio with the total assets and total debts. Then I will do a year over year growth ratio to show the yearly growth compared to the previous year. Then I will do an interest coverage ratio to see if the interests are being covered by the income or not. Then I will do an Operating Self-Sufficiency ratio with the operating income and operating expenses. And finally we will access the geographical ratios of BRAC International to see the growth of its assets on the various countries it operates in. I will reach my conclusion and share my recommendations based on my interpretation of the ratios.

3.3 Findings and Analysis

3.3.1. Employee Retention Rate

Employee retention is the capacity of an organization to retain its most important asset: its personnel. It involves all the efforts a business may do to retain its employees, including as providing intriguing career possibilities, fostering a healthy, safe, and inclusive work environment, and providing competitive compensation and fringe benefits. But, before HR can design an effective retention plan, they must first be able to analyze and interpret employee retention-related statistics.

This is the length of time an employee remains with a nonprofit before leaving. This might be expressed in months, quarters, or years. The employee retention rate might indicate how pleased your employees are with their employment with your non-profit.

Typically, the retention rate is computed annually by dividing the number of workers with at least one year of service by the number of employees in those roles one year earlier. (Phillips, J. J., & Connell, A. O. (2003)

Employee detention rate= (Total number of remaining employees/ Total number of original employees)/ 100

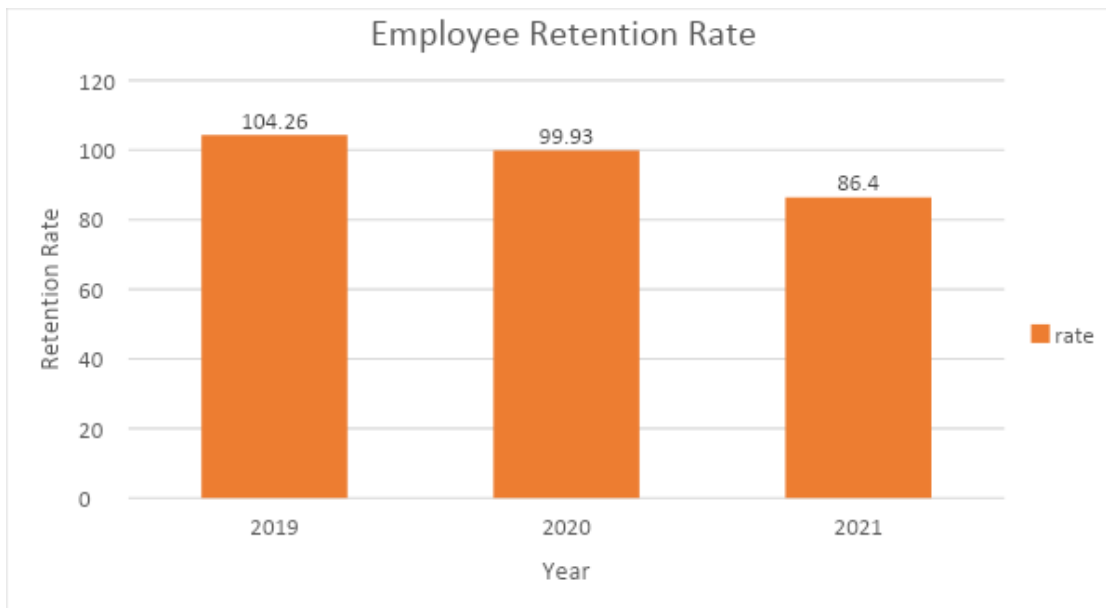


Figure 1: Employee Retention Rate

We can see that the employee retention rate of BRAC International over the last few years are above 80% so we can safely say that the employee retention rate is positive.

3.3.2 Donation Growth Rate

The contribution growth rate reflects the yearly increase in revenue from donations. The donor growth rate, on the other hand, quantifies the number of new donors acquired each month. This information reveals the effectiveness of your donor outreach and fundraising activities.

The contribution growth rate of NGOs (non-governmental organizations) is the percentage increase or reduction in donations received within a certain time. To fund their operations and provide programs and services, NGOs rely largely on contributions from individuals, businesses, and government organizations. The contribution growth rate is a crucial indicator for non-governmental organizations (NGOs) since it demonstrates their capacity to recruit and retain contributors and produce cash. A positive contribution growth rate shows that an NGO's fundraising activities are effective and that it is receiving more support from contributors. Nevertheless, the pace of contribution growth may be influenced by a number of variables, including economic conditions, donor preferences, and competition from other NGOs. During economic downturns, for instance, donors may lower their contributions, which can have a detrimental influence on an NGO's donation growth rate. While the

contribution growth rate is a vital parameter for non-profit organizations, it should not be the sole indicator of their success. NGOs can also assess other performance measures, such as program impact, cost-effectiveness, and stakeholder satisfaction, to ensure they are carrying out their goal efficiently and successfully. (Hufford, A. (2022, October 13).

$$\text{Donation Growth Rate} = ((\text{Current Year Donations} - \text{Previous Year Donations}) / \text{Previous Year Donations}) \times 100$$

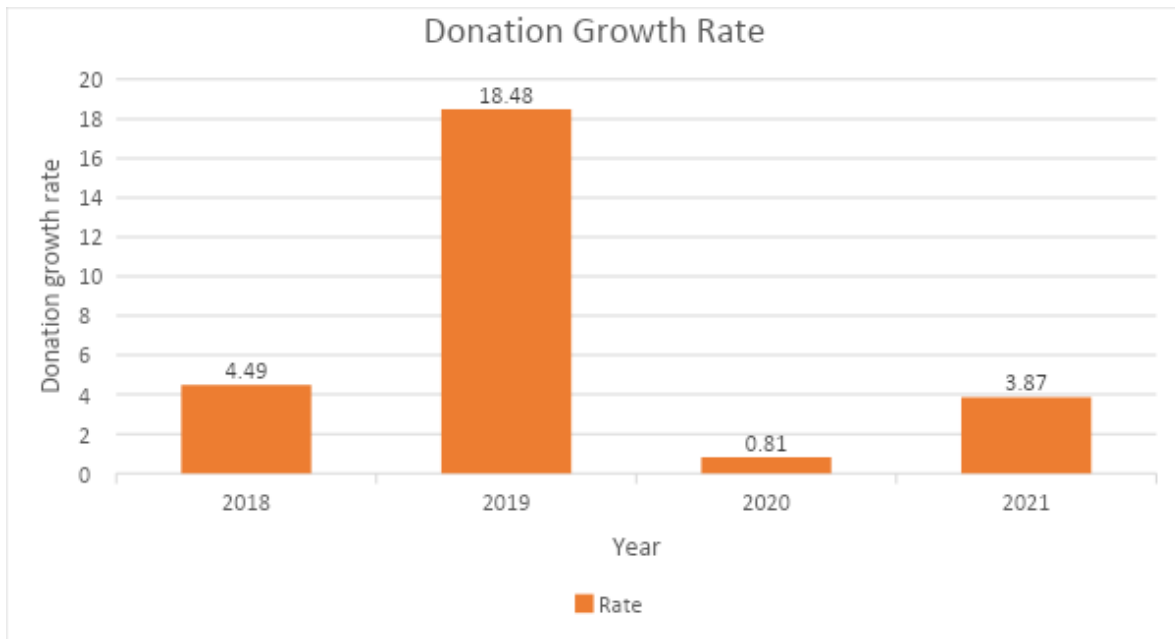


Figure 2: Donation Growth Rate

We can see quite a fluctuation on the donation growth rate of BRAC International. In 2018 it was 4.49% and on 2019 it rose up to 18.48%. on 2020 it had decreased to 0.81%. The Covid 19 pandemic had caused a lot of donors to cease their funds as the economic situation was unstable. In 2021 it rose up to 3.87% but it still did not recover to it's previous numbers.

3.3.3 Liquidity Ratio

Liquidity ratios are important financial metrics that measure an organization's ability to meet its short-term financial obligations. For NGOs, liquidity ratios are particularly important because they often rely on donor funding, grants, and other sources of external funding to finance their operations.

We will calculate the liquidity of BRAC International with the liquidity ratio where we see if the organization is capable to cover its current liabilities.

The current ratio is a typical liquidity ratio that assesses a company's capacity to satisfy its short-term financial obligations using its current assets. The current ratio for NGOs is determined by dividing the organization's current assets by its current liabilities.

Cash, marketable securities, and accounts receivable are examples of current assets that may be quickly turned into cash or used within the next year. Current liabilities comprise accounts payable, accrued costs, and short-term loans that are due within the next year. Dahlquist, J. R., & Knight, R. (2022).

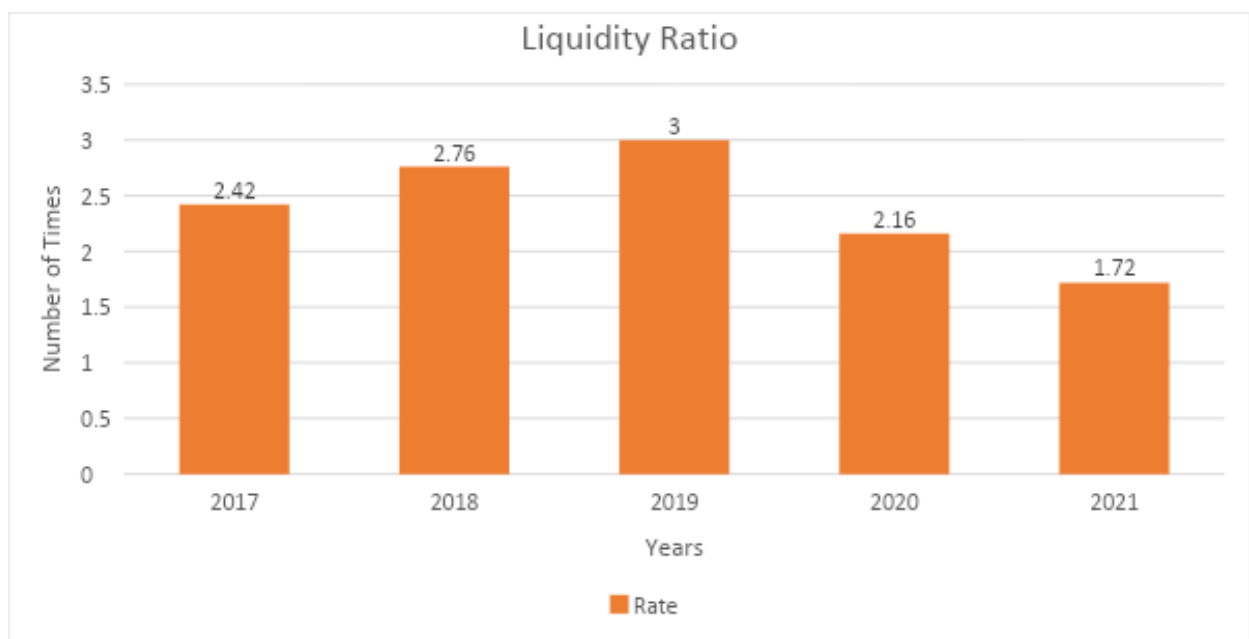


Figure 3: Liquidity Ratio

We can see that the current ratio is fluctuating in the recent years. In 2017 it was 2.42 times. In 2018 it increased to 2.76 times and then in 2019 it increased again to 3 times. But in 2020 and 2021 we see that it decreased to 2.16 and 1.72 respectively. For NGOs 1-2 times is a good ratio. So we can say that even though BRAC International's current ratio is decreasing in the last few years, it is still holding a good ratio.

A high current ratio implies that an organization's current assets are adequate to pay its current liabilities, indicating a solid liquidity situation. A low current ratio suggests that an

organization may have trouble paying its short-term financial obligations and may be at danger of experiencing financial troubles.

3.3.4 Debt Ratio/Leverage Ratio

NGO financing often comes from a variety of sources, including contributions, grants, and loans. Certain nonprofit organizations may utilize debt finance to fund their activities, such as the acquisition of assets or investment in initiatives. Yet, many non-governmental organizations may avoid incurring debt since it may lead to financial instability and contradict their objective. (True Tamplin, B. S. 2023, April 18)

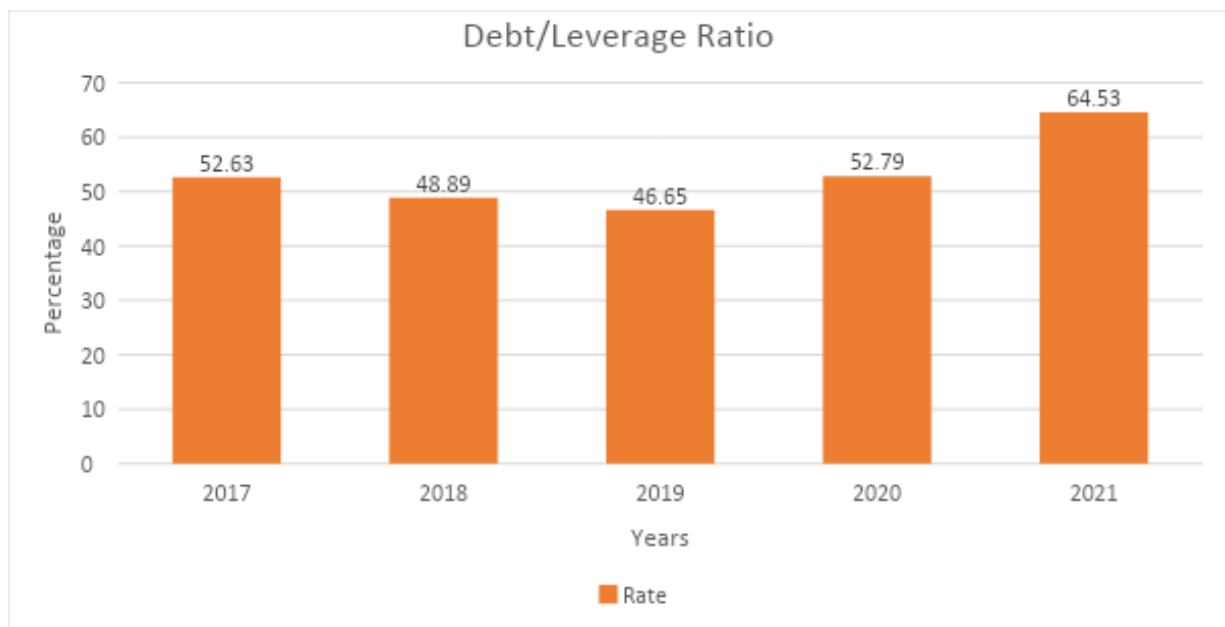


Figure 4: Debt Ratio/Leverage Ratio

The leverage ratios for BRAC International are 52.63% in 2017 and it decreased to 48.89% and 46.65% in 2018 and 2019. It rose again to 52.79% and 64.53% in 2020 and 2021 respectively. In most cases the ratios are positive as the assets are more than the debts. So we can say that BRAC International is doing well in this scale.

3.3.5 Year-Over-year Growth

In this method we will compare the net result of the income and expenses statement of BRAC International over the last 5 years and see where they stand in terms of revenue growth.

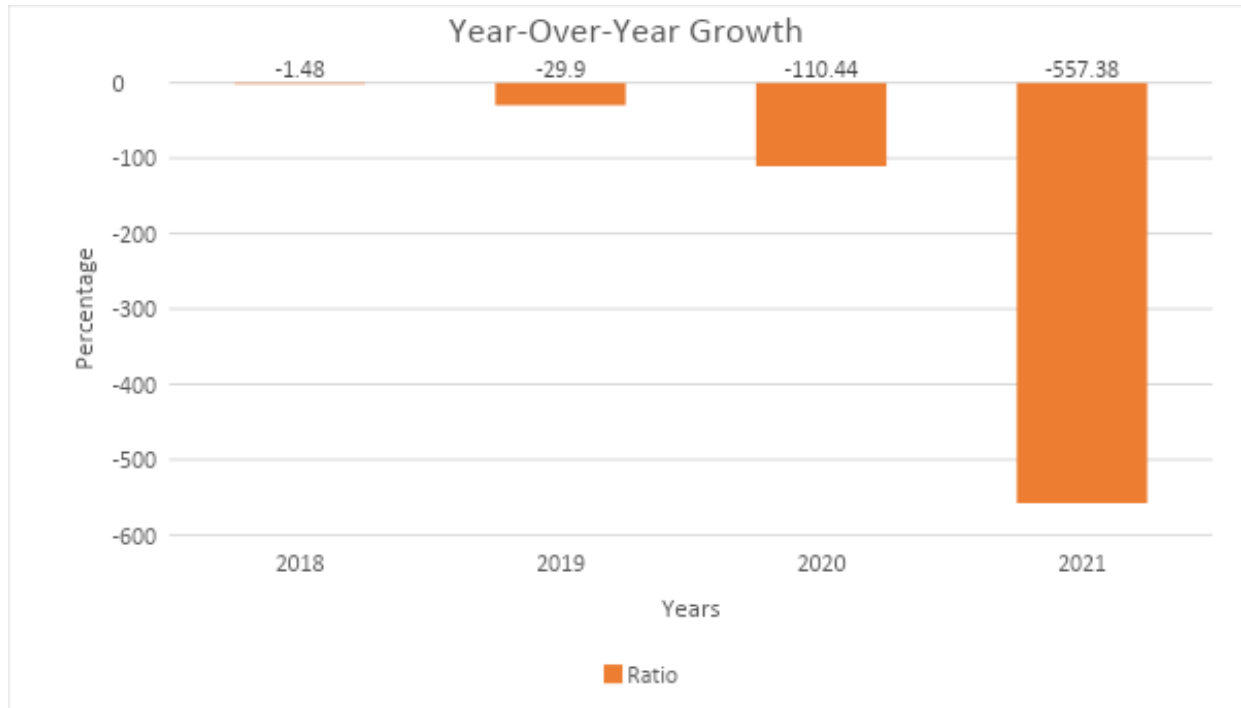


Figure 5: Year-Over-Year Growth

We can see that the net result of BRAC International was very unstable over the years. The most unstable year was 2021 and 2020 where the net loss was around 557.38% and 110.44% respectively.

3.3.6 Interest Coverage Ratio

The interest expense/interest income ratio, also called the interest coverage ratio, is a financial ratio that shows how well a company can pay its interest expenses with its interest income. It is the opposite of the ratio of interest income to interest costs. (True Tamplin, B. S. 2023, March 30)

The formula for the interest expense/interest income ratio is:

$$\text{Interest Expense} / \text{Interest Income}$$

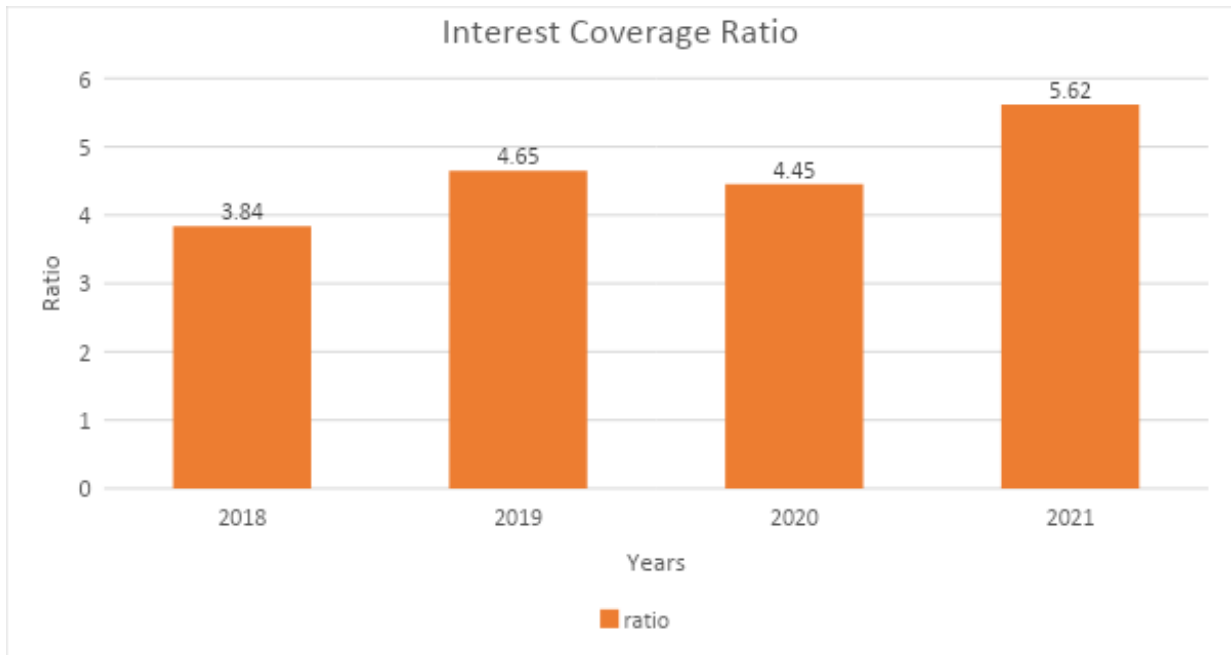


Figure 6: Interest Coverage Ratio

A high interest expense/interest income ratio means that a company is paying more in interest on its debt than it is making on its investments. This could be a sign of financial trouble or bad management. It means that the company might have trouble paying its interest bills, which could cause it to default or go bankrupt. On the other hand, a low interest expense/interest income ratio means that a company earns more interest on its investments than it pays in interest on its debt. This means that the company has enough cash flow to pay its interest payments and may be in a better financial situation.

3.3.7 Operating Self-Sufficiency Ratio

The Operating Self-Sufficiency Ratio (OSS) is a financial metric that shows how well a business or organization can cover its operating costs with its operating income. It is also called the Operating Ratio or the Expense Ratio.

To figure out the OSS, you divide the operating income by the operating costs and then multiply the result by 100 to get a percentage. (Barres, I. 2006) Here's how to figure out OSS:

$$\text{OSS} = (\text{Operating Revenue} / \text{Operating Expenses}) \times 100$$

Operating revenue is the total amount of money the company makes from its main business activities. Operating expenses are all the costs of running the business, like salaries, rent, utilities, and materials.

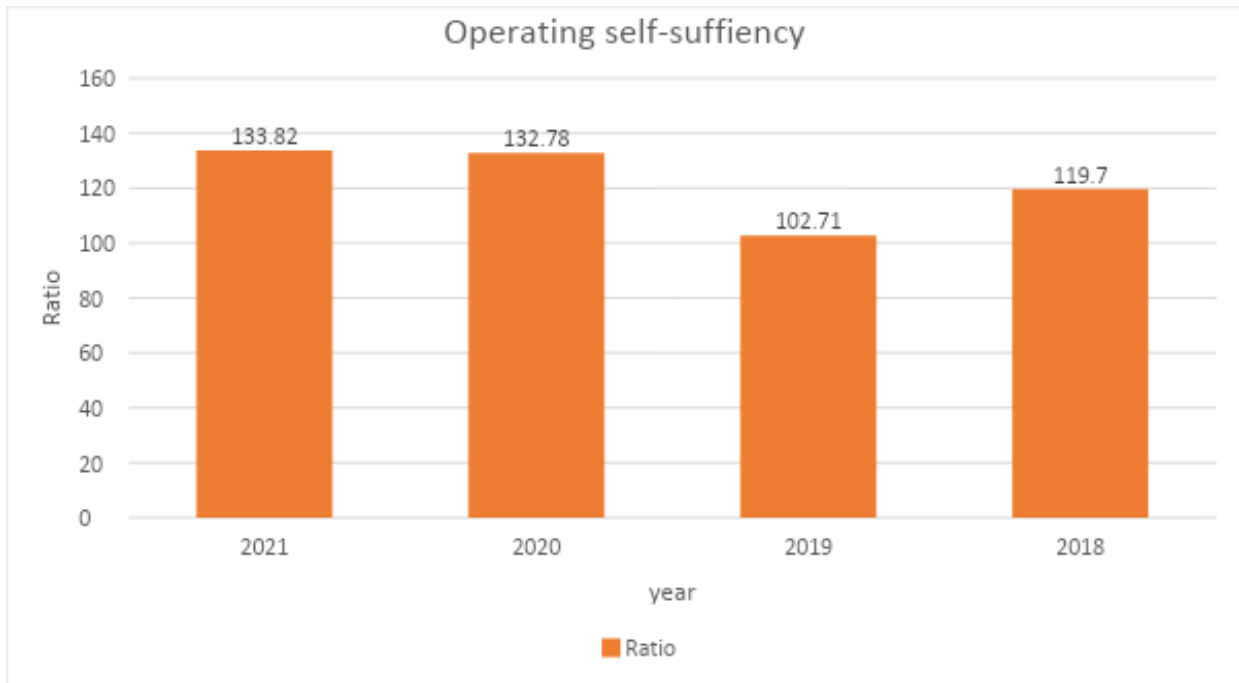


Figure 7: Operating Self-Sufficiency Ratio

Here we can see a mixed trend among the last 5 years in terms of operating self-sufficiency. In 2018 it was 133.82% and in 2019 it reduced by a little to 132.78%. In 2020 we can see a large decrease to 102.71% which was the year of the covid 19. And in 2021 it rose again to 119.7% which is an increase but still not close to the previous years.

3.3.8 Geographical Assets

BRAC International is a development group based in Bangladesh that helps people and communities in some of the world's poorest countries become more independent. By 2021, BRAC International will be working in 11 Asian, African, and Caribbean countries. These are their names:

Afghanistan: BRAC Afghanistan works to improve education, health, jobs, and social growth in some of the most vulnerable parts of the country.

Bangladesh: BRAC started its work in 1972 in its home country, Bangladesh. Today, BRAC Bangladesh works in areas like education, health care, agriculture, microfinance, and empowering women.

Liberia: BRAC Liberia focuses on education, health, agriculture, and microfinance to help solve problems like poverty, unemployment, and the difference between men and women.

Myanmar: BRAC Myanmar tries to improve people's ways of making a living, their education, their health, and the power of women in a country that has a lot of social and economic problems.

Nepal: BRAC Nepal is a country with a lot of poverty and inequality, so it works to promote sustainable ways to make a living, education, health care, and social development.

Pakistan: BRAC Pakistan works to help poor and marginalized communities get better access to education, health care, microfinance, and social services.

Philippines: BRAC Philippines is working to improve health, education, and social development in some of the poorest parts of the country.

Sierra Leone: BRAC Sierra Leone works to solve problems with poverty, health, and education in a country that is still getting back on its feet after a terrible civil war.

BRAC is in South Sudan South Sudan works to help communities affected by war and displacement get education, health care, and other basic services.

Tanzania: BRAC In a country with a lot of poverty and inequality, Tanzania focuses on promoting sustainable ways to make a living, education, health care, and social development.

Uganda: BRAC Uganda works to help poor and marginalized communities get education, health care, and other basic services.

Table 2: Geographical Assets

Grant Income	2021	2020	2019	2018	2017
Afghanistan	9,010,360	12,097,778	12,046,806	13,644,156	8,276,121
Myanmar	357,278	504,425	254,814		
Philippines	836,548	367,617	712,998	1,065,098	3,096,102
South Sudan	2,808,635	1,584,716	553,858	117,334	1,518,965

Tanzania	1,805,203	1,481,418	1,503,942	1,657,300	1,921,204
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Here We can see that the grant income of 5 countries of the last 5 years where BRAC International operates. For most of the countries we can see an increasing trend of the grant income on 2021. Because of the covid 19 pandemic, the donor grants had suffered significantly in the year 2020.

3.4 Summary

As we saw in the above statements BRAC International is doing quite well. Over time, the mix of income has changed significantly. On the other hand, the amount of grants received has increased a lot. This means that BI is tending to depend more on donor grants rather than it's own generated income. The amount of grants received in terms of individual countries has increased.

A good employee retention rate for NGOs (Non-Governmental Organizations) depends on the size, mission, and location of the organization. However, as a general guideline, a retention rate of 80% or higher is considered good for NGOs. NGOs often have unique challenges in retaining employees, such as limited budgets, high turnover in the field, and intense workloads. So, an NGO's ability to keep a high retention rate can be a good sign of how well they can create a positive and supportive place to work. However, as with any industry, retention rate alone doesn't necessarily reflect employee satisfaction or engagement, so it's important for NGOs to regularly collect feedback from their staff and work to address any issues or concerns that arise.

The donation growth rate is a crucial performance metric for non-governmental organizations (NGOs) that gauges their capacity to produce income and fund their operations. By employing efficient fundraising tactics and expanding their funding sources, non-profit organizations can increase their rate of donation growth. Yet, it is essential to evaluate additional performance indicators to verify that the organization is fulfilling its objective and providing value to its stakeholders. In terms of donation growth, BI is doing a good job while being in a rough situation.

A healthy leverage ratio for non-governmental organizations is one that allows the organization to satisfy its financial responsibilities and continue operations without sacrificing its goal or ideals. In general, a leverage ratio of 1:1 or less (i.e., the organization has the same number of obligations and assets) is seen as favorable, but a ratio more than 2:1 is regarded as high risk. The leverage ratio of BI is mostly greater than 50% which is a positive aspect.

In year-over-year growth ratio we can see a drastic decline in the net result of recent years. This is hugely due to the impact of covid 19 and the following pandemic. We saw the result decreasing dramatically in 2020 as a result. Although it increased again in 2021 but still not comparable to previous years.

BI is covering its interest expenses fully by its interest income. The interest coverage ratio of BI shows that the organization is capable to pay all of its interest expenses from its income. It is a positive sign and implies that the organization is self sufficient when it comes to interests.

To establish BRAC's liquidity status, the current ratio was utilized. Liquidity management can be crucial for a company's financial stability. A corporation with a low liquidity ratio may face sustainability challenges due to restricted daily operations. Current ratio evaluates a company's capacity to meet its short-term obligations with its current assets. A current ratio below 1 indicates poor financial health, whereas a current ratio between 1 and 3 is optimal. BRAC's current ratio ranged between 1.72 and 2.4 between 2017 and 2021 Hence, BRAC's liquidity management is effective but not consistent.

3.5 Recommendations:

BRAC International is a major non-profit organization whose aim is to empower individuals and communities facing poverty, illiteracy, sickness, and social injustice. Their approach is

based on the belief that people living in precarious circumstances may be agents of change provided they are equipped with the resources, skills, and hope necessary to alter their circumstances. They build proven, scalable solutions that empower individuals with the support and self-assurance necessary to realize their full potential. BRAC's institutional experience on successfully completed programs is deployed in ten countries, impacting the lives of more than 130 million people, where their models are tailored to the local environment. To make sure that its initiatives are applicable and sustainable on the local level, BRAC International should keep growing its collaborations with regional institutions and communities. By doing so, the organization may increase its credibility and support for its efforts while ensuring that its programs are adapted to the particular requirements of each community. To make sure that its employees have the abilities and information necessary to successfully carry out its initiatives, BRAC International should engage in staff training and development. This can ensure that staff members are able to adjust to new difficulties and shifting contexts and help to improve the quality and efficacy of its programs. To make sure that its resources are being used effectively and efficiently, BRAC International should improve its financial management processes. This may involve enhancing internal controls, financial reporting, and budgeting procedures. BI is moving towards their goal at a steady speed. Although it is recommended to reduce their dependency on donor funds and increase their income so that they can be more self sufficient.

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Appendix

Table 3: Employee Retention Ratio

Year	Beginning Employee No	Ending Employee No	Retention rate
2021	8032	6940	$(6940/8037) \times 100 = 86.40\%$

2020	8037	8032	$(8032/8037) \times 100 = 99.93\%$
2019	7708	8037	$(8037/7708) \times 100 = 104.26\%$

Table 4: Donation Growth Ratio

Year	Current Year Donations	Previous Year Donations	Donation growth Rate
2021	38,893,590	37,443,154	$(38,893,590 - 37,443,154) / 37,443,154 \times 100 = 3.87\%$
2020	37,443,154	37,139,686	$= 0.81\%$
2019	37,139,686	45,564,129	$= -18.48\%$
2018	45,564,129	43,603,033	$= 4.49\%$

Table 5: Liquidity Ratio

Year	Current Assets	Current Liabilities	Current Ratio
2021	324,244,807	188,328,889	$(324,244,807 / 188,328,889) = 1.72 \text{ times}$

2020	235,218,417	108,420,393	2.16 times
2019	214,942,488	71,548,509	3 times
2018	194,792,807	70,413,266	2.76 times
2017	176,832,335	72,809,091	2.42 times

Table 6: Debt/Leverage Ratio

Year	Total Debt	Total Assets	Debt/Leverage ratio
2021	220,614,594	341,863,435	$(220,614,594/341,863,435)$ = 64.53%
2020	132,875,188	251,684,480	52.79%
2019	106,342,660	227,916,680	46.65%
2018	101,615,694	207,831,774	48.89%
2017	96,476,626	183,303,563	52.63%

Table 7: Year-Over-Year Growth

Year	This year result	Previous year result	Overall growth
2021	6,278,669	(1,372,732)	$= (6,278,669 - (1,372,732)) - (1,372,732) \times 100$ = -557.38%
2020	(1,372,732)	13,137,960	= -110.44%
2019	13,137,960	18,743,917	= -29.90%
2018	18,743,917	19,026,046	= -1.48%

Table 8: Interest Coverage Ratio

Year	Interest Expense	Interest Income	Ratio
2021	9,856,752	1,752,521	$= (9,856,752 / 1,752,521)$ = 5.62
2020	9,219,333	2,071,487	= 4.45
2019	6,601,283	1,418,470	= 4.65
2018	6,077,727	1,580,607	= 3.84

Table 9: Operating Self-Sufficiency Ratio

Year	Operating Income	Operating Expense	Ratio
2021	115,669,684	96,631,690	$=(115,669,684/96,631,690) \times 100$ $= 119.70$
2020	91,673,923	89,252,159	102.71
2019	105,734,436	79,626,760	132.78
2018	108,009,727	80,709,288	133.82