

Report On

An Analysis on the Current Employee Retention Strategy of Standard Bank
Limited (Uttara Branch)

By

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

BRAC Business School
BRAC University

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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.

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Letter of Transmittal

Date: November 28th 2023

Dr. Syed Far Abid Hossain

Asst. Professor

BRAC Business School,

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Submission of Internship Report on “An analysis on the current employee retention strategy of standard bank limited.”

Dear Sir / Madam,

It is my great pleasure to submit my internship report on “an analysis on the current employee retention strategy of standard bank limited” in partial fulfillment of the requirements for the bachelors of Business Administration degree. Everything I learned and practiced is provided in details in this report. The journey at “Standard Bank Limited” has been very satisfactory and motivating and my learnings from this internship has truly been beneficial. This report contains all the requirements of the specification and my research of the topic given to me by my respected supervisor. I strongly believe that the report will meet the criteria and I pray that you accept the report and help me complete my degree.

Sincerely,

Kamrul Hasan

16204082

BRAC Business School

BRAC University

Date: November 28th, 2023

Non-Disclosure Agreement

This agreement is made and entered into by and between Standard Bank Limited and the undersigned student at BRAC University.

Kamrul Hasan

16204082

Acknowledgement

First and foremost, I would like to thank the almighty for allowing me to complete my undergraduate at BRAC UNIVERSITY with sufficient strength, endurance and patience and guidance. With this opportunity I would like to thank those without whom my internship would have been incomplete. I am very lucky to have Dr. Syed Far Abid Hossain sir, Asst. Professor BRAC Business School, BRAC University, as my supervisor as he has guided, suggested, supervised me throughout my internship period and has helped me to complete my report. In addition, I would like to thank my supervisor at work Asaduzzaman sir, co supervisor Laboni mam at Standard Bank Uttara Branch. Without whom I could not learn and complete my internship. While working for Standard Bank Limited I learned a lot and gained invaluable experience and knowledge in my field.

Executive Summary

I have chosen Standard Bank Limited (SBL) for gaining on-field experience as an intern for a period of three months starting from 20.09.2023 till 20.12.2023, as a part of my internship program of Bachelors of Business Administration (B.B.A.) requirement. I was recruited as an intern for the department of General Banking Services and foreign exchange at the Uttara Model Town of SBL.

I have conducted a study on the overall activities of SBL as well as the employee retention strategy within the organization and presented it on a working report with the title “An internship report on the employee retention strategy of “Standard Bank Limited”. This report consists of information about the project I had been assigned with which happens to be the “Employee retention strategy of standard bank limited. I have also provided an overview of the company; the department I have been assigned to.

Standard Bank Limited is a scheduled Bank under private sector established under the ambit of bank Company Act, 1991 and incorporated as a Public Limited Company under Companies Act, 1994. The Bank started commercial banking operations effective from June 06, 1999. Although there are some problems of marketing that comes to my mind at the time of my internship there. But there is a niche marketing program that is followed by the management of bank. As a Human Resource management student I have given my efforts to find out of their HR strategy because only a successful HR strategy can improve the overall condition and bring customer satisfaction. The Bank had been widely acclaimed by the business community, from small entrepreneur to large traders and industrial conglomerates, including the top-rated corporate borrowers for forward-looking business outlook and innovative financing solutions. Thus, within this very short period of time it has been able to create an image for itself and has earned significant reputation in the country’s banking sector as setting a new standard in banking. The various programs undertaken by the Bank to enrich the quality of human resource are mainly aimed at increasing professional knowledge and skill levels of employees through training and development, in order form a well-equipped work force for providing superlative services to the customers.

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List of Acronyms

S.B. L	Standard Bank Limited
R.T.G. S	Real Time Gross Settlement
B.E.F.T. N	Bangladesh Electronic Funds Transfer Network
P.S.C. R	Paid Service Coverage Ratio
P. O	Payment Order
T&D	Training And Development
TNA	Training Needs Analysis
T. T	Telegraphy Transfer
L.C	Letter Of Credit
CIB	Credit Information Bureau
LDBC	Local Document Bill Collection
LDBP	Local Document Bill Purchase
F.D.B.C	Foreign Documentary Bill Collection
A. D	Authorized Dealer
I.C.R.R. S	Internal Credit Risk Rating System
SWIFT	Society For World Wide Inter Bank Financial Telecommunications
R. B	Retail Banking
C.C	Cash Credit
FDI	Foreign Direct Investment
PCR	Public Credit Registry
NEFT	National Electronic Fund Transfer
MTD	Mudaraba Term Deposit

Chapter 1

Overview of Internship

1.1 Information of the Intern

Name	Kamrul Hasan
Student Id	16204082
Program	Bachelors of Business Administration
Major, Minor	Human Resource Management, Accounting

1.2 Internship Information

Duration	3 Months
Company Name	Standard Bank Limited
Department	General Banking, Foreign Exchange, Investment
Address	Latif Emporium (1st Floor), Plot # 27, Road -7, Sector-3, Uttara Dhaka, 1230

1.3 Internship Company Supervisor's Information Name and Position

Name	Asaduzzaman
Designation	Assistant Officer

1.4 Job Scope - Job Description/ Duties/ Responsibilities

Although I have a major in Human Resource Management and a minor in Accounting, I am doing my internship at a Reputed Bank. In the Bank I worked in the general Banking department, foreign exchange and Investment department, where I learned and practiced some invaluable skills. The responsibilities that I fulfilled are as follows:

- i In the general Banking sector, I learned to open different types of bank accounts, for example: Savings account, Current account, Scheme account, Term deposit, short notice deposit account and more.
- ii Payment order writing – Also known as bankers’ cheque. It is an instruction from a sender to a receiving bank. The main purpose of the payment order is to transfer money from a party to another.
- iii Inward recording is another task I had to carry out in the bank in the general banking division.

In the foreign exchange department, I had to complete the below tasks:

- iv Letter of credit outstanding adjustment under Bangladesh bank to complete the transactions.
- v Outstanding immediate payment service information completion under Bangladesh Bank.
- vi Entering files, adjusting telegraphy transfer numbers, making files available to the department head.
- vii Complete and file necessary paperwork

1.4.1 Internship Outcomes

1.4.2 Students Contribution to the Company

I have completed my 3 months' internship program at standard bank limited where I have played a vital role in the respective department. I worked at the head office at motijheel for 7 days, where I recorded the employee id numbers from individual stocked files from a store room. Then I had to put it in excel to match with the current employee id numbers and check how many active employees were there and how many employees have left.

After the 7 days, I came to Uttara raj laxmi branch, here I worked in the general banking department for 28 days, I learned to open different types of bank accounts, inward writing, payment order writing and helping my colleagues with their work. In addition to these, I also worked in the foreign exchange department where I completed the transactions of letter of credit (L/C) under Bangladesh Bank, outstanding immediate payment service information (IMP), completing telegraphy transfer (TT) files for the department in charge mam. Storing (TT) files for the department in charge.

1.5 Benefits of the Internship Program

This internship has provided me the opportunity to learn and practice various skills for the banking sector, it created a learning platform for me to prove my skills and develop my abilities for future growth and success. According to ESEI Business School in Barcelona (2018, February 2). I got to learn about so many new things such as:

- i **Applying knowledge gained in education:** what I learned in my educational journey I got to practice and show my skills in the internship. This strengthens my understanding of the theories and techniques I have been reading about, enabling me to concentrate more and solidify my learning process.
- ii **Accelerate my confidence:** Engaging in an internship not only provided the opportunity to learn about the workplace, but also about myself. I have a much clearer idea of my own strengths, weaknesses, likes and dislikes. Most importantly, knowing that I have hands-on experience will give me far more confidence when it comes to job seeking and interviews.
- iii **Build network:** The internship offered me great networking opportunity and connect with new people, meet colleagues and team members, take part in meetings and get to know new people in a professional environment.
- iv **Getting a job directly:** If I put in a lot of effort and show result, I can even get an opportunity to work for the company once my education and internship are over. I have a much better chance of landing a job than I would otherwise if a boss has faith in my ability to perform and is familiar with who I am.
- v **Improved Resume:** working for the bank will enhance my work abilities, giving my resume a heavier weight to show that I have actually worked in an organization and completed my job.
- vi **Increase self-confidence:** Not to mention, encountering a wide range of circumstances and issues throughout my internship duties will strengthen my hard and soft abilities and will improve my internship experiences. It not only increases my knowledge and

experiences, but it also enhances my personality and gives me more maturity and self-assurance.

All these data were gathered from Universities Multimedia Nusantara (2022, December 12).

1.5.1 Difficulties Faced During Internship

According to McNerney, T. (2022, May 19)

- i **Unrecognized Work:** At the beginning of the internship, I was very new to the task and did not know what work I was doing. Everything was very new to me and I could not recognize the job at hand.
- ii **Long work hours:** The working hours at standard bank limited is 48 hours which is okay but I had to work overtime to complete my work and finish my role.
- iii **Less allowance:** Graduates and postgraduates typically earn more money than undergraduates do. I agreed to take an internship because I thought the pay would be good and there wouldn't be much pressure. But once get going, I found that the pay is not commensurate with the quality of work.
- iv **Lack of Training and Proper Instructions:** After joining the company, I was immediately put into the process of banking works and a very short period was given to finish the task. Also there were unclear instructions from my supervisor which hampered my task a bit.

1.6 Recommendations on Future Internship

- i Either the employer should subsidize the obligations by making revisions to the present compensation package, or it should give a remuneration that is equitable to the burden that the interns undergo.
- ii Interns should be given the tools and seating arrangements they need to do the work assigned to them. Also stationaries should be given to the interns for completing the job which was unavailable at standard bank limited. They should also be given two days off so they have enough time to produce their internship report, which is essential to the program's success.
- iii While doing the task at hand, the interns should look for other tasks to assist with if they have the time. Take action on any project ideas the interns have that they believe are beneficial to the company and fall within their purview. Offer to run an errand or make those copies; the more menial labor the interns volunteer to assist with, the less they will be required to perform.
- iv Interns should not be afraid to constantly ask questions, if they are stuck or unsure of something, they are working on they should ask the person who assigned it to them. They tend to know the answer to what interns are asking or will refer them to someone who may know more about the issue.

CHAPTER 2

ORGANIZATION OVERVIEW

2.1 Introduction

In this chapter the overview of the organization is summarized. The vision, mission, management practices, leadership style, recruitment and selection process, compensation system, training and development initiatives, performance evaluation system, marketing and financial practices, management and information system all are provided below.

2.2 Overview of the Company

Standard Bank Limited is a private commercial bank in Bangladesh founded by Kazi Akram Uddin Ahmed chairman of the bank and Kamal Mostafa Chowdhury is the founding vice-chairman and director of the bank.

The bank was founded on 3rd June 1999, with an approved capital of 750 million taka. Kazi Akram Uddin Ahmed was the founding chairman of the Bank.

Mamun-ur-Raashid was appointed managing director of the bank in October 2016. Financial services that standard bank provide are 1. Sme banking 2. Retail Banking 3. Card service (credit and debit) 4. Foreign exchange and related services 5. Probashi Banking 6. Agent Banking 7. Islami Banking.

According to Refayet Ullah Mirdha, Tuesday, June 16, 2015, within Bangladesh's financial sector, Standard Bank Limited's establishment at the crossroads of global economic liberalization following the WTO has been a significant development. The inspiration and tactics for the Bank's operational policy options came from the experience of the affluent economies of Asia, particularly South Asia. The core of the success story of the bank has been the company philosophy, "Setting a New Standard in Banking." The government of Bangladesh has granted Standard Bank Limited a license to operate as a Scheduled Bank in the private sector. This move is in line with the country's

policy of liberalizing banking and financial services and facilities. Given the foregoing, the Bank met Bangladesh Bank's capital adequacy criteria in just 16 years of operation, achieving extraordinary achievement.

2.3 Silent Features of the Bank

- i It has been carrying out standard business banking operations.
- ii It is the leader in developing and implementing various user-friendly deposit programs to access people's savings and direct them toward the economy's more productive sectors.
- iii The Bank has implemented Consumer Credit Schemes to help its employees live better. These schemes give employees loans to buy durable household goods, and the bank has received positive feedback on these loans.
- iv The Bank is committed to continuous research and development to keep up with the modern banking industry.
- v The Bank's operations are fully computerized to ensure speed and impeccable service to customers.
- vi The employee work ethics has been improving compared to that of its beginning time.

2.4 Vision, Mission, Objectives and Core Values

Vision

To be a Sharia based modern Islami Bank having the object of building a sound national economy and to contribute significantly to the Public Exchequer

Mission

To be the best Shari'ah based Islami Bank in Bangladesh in terms of efficiency, capital adequacy, asset quality, sound management and profitability.

Long Term Objective

To be the market leader both in terms of deposits and good loans among private commercial banks by 2025.

Short term Objective

To increase current market shares at least 5% by 2023

To increase its number of branches to 150 by 2023

Goals

Make the bank most profitable.

gives clients the maximum degree of enjoyment.

maximize return on investment and increase the value of shareholders' assets.

Strategic Intent

introduce new financial solutions and guarantee that clients get services of a uniformly high caliber.

Core Values

Our shareholders: By ensuring fair return on their investment through generating stable profit.

Our employee: By promoting the well-being of the members of the staff.

Community: Assuring our socially responsible corporate entity in a tangible manner through close adherence to national policies and objectives.

Our client: Our goal as a client is to become the most considerate bank by offering the politest and effective service possible across all business divisions.

Business Strategies

By offering financial services, realize the business objective via excellence and consumer approval.

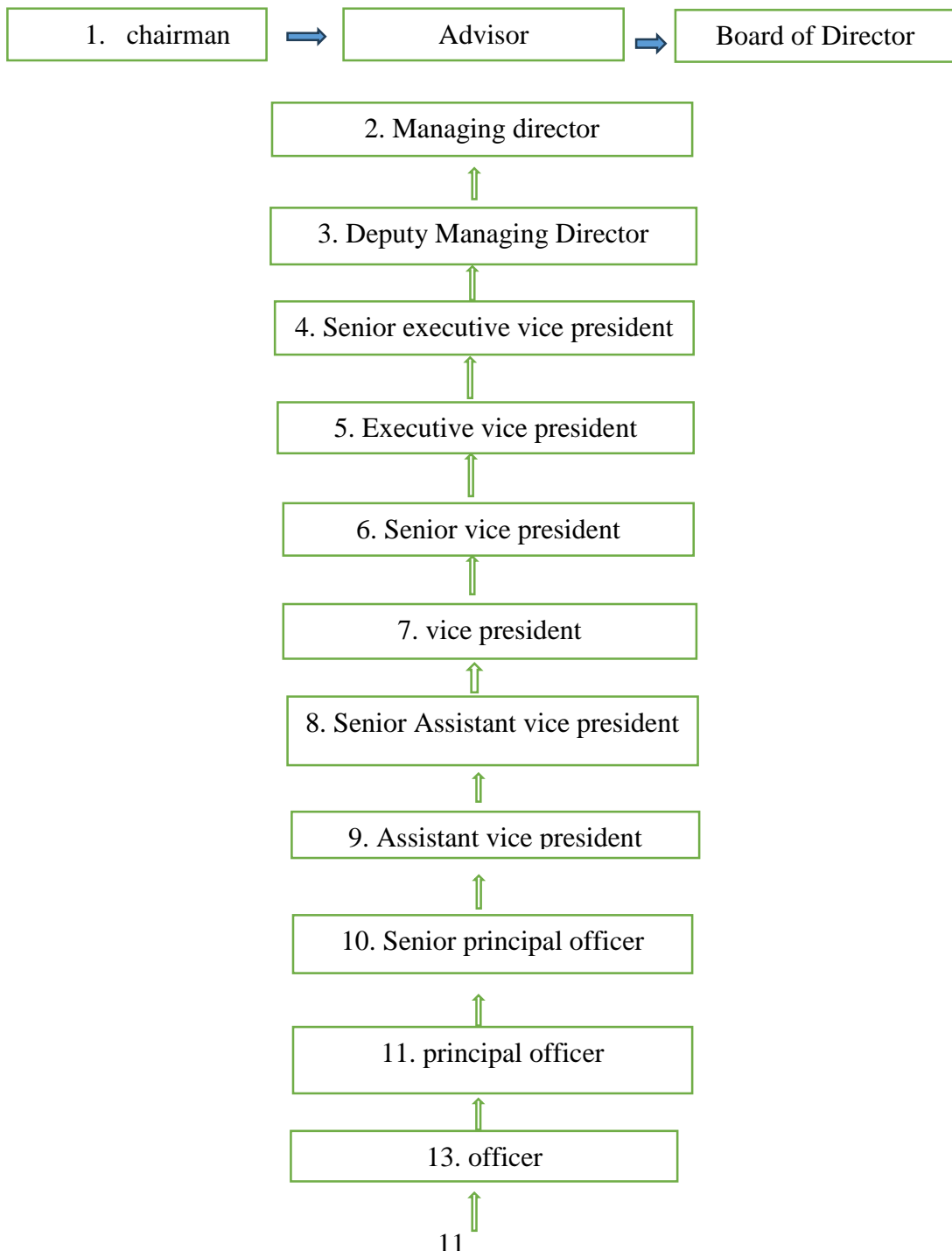
Uphold the highest moral standards in all areas.

Focus on the customer and a quality-oriented mindset across the board for the organization, department, and bank.

- Every system, procedure, and service.

2.4.1 ORGANOGRAM OF STANDARD BANK LTD

Serial Number Based on Position:



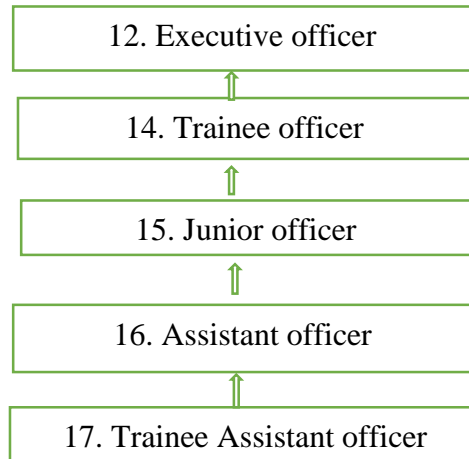


Figure: Organogram of SBL

2.4.2 Recruitment and Selection Process

In the service industry, skilled and trained labor is irreplaceable. The knowledgeable, honest, and promising employees are being hired and taught with this in mind. Standard Bank has placed a high premium on training competent laborer's and exposing them to contemporary technologies in order to create high-quality client support. Regular banks hire both new and seasoned bankers, graduates of universities. Generally speaking, the board of directors decides who gets hired. The prerequisites at the very least for any bachelor's degree is the formal job other than supportive management. But still, Unofficially, the management favor's candidates with at least a master's degree for the position of a Management Trainee and Probationary Officer in the role of Executive Officer.

2.4.3 Training and Development Initiatives

The institute aims to improve the professional efficiency of officers, managers, and executives by providing training through a specific training schedule on general banking and management. Similar to this, Induction and Foundation Training are crucial for developing the professional knowledge and abilities of recent graduates. In addition, the institute anticipates setting up workshops and training sessions on banking operations, soft skills, management development programs, managing core risks in banking, and other banking- related topics. The Institute concentrates on recent banking issues through seminar to cope with the change and introduction of new tools and techniques for implementing of guidelines of Govt. and regulatory bodies and also for the purpose of reforms and modernization of the bank, Training Institute offers to stress on new concepts, teaching methods, course contents etc. The Bank places a high value on providing training in order to increase the number of qualified workers at every level and concentrates on incentive tools for the employees' proper career advancement. The Bank often hosts a range of internal training sessions. Bangladesh Institute of Bank Management's (BIBM) head office houses a training institute. and the Bankers' Institute. In addition to providing instruction, representatives / executives of The Bank frequently take part in a range of conferences and seminars outside of the nation to introduce them to the world of international banking. Seventy-two workers were sent to BIBM in 2013 to receive training on various banking strategies and policies 114 workers were additionally dispatched for foundation training at BIBM. Sixty-two workers were dispatched to various national institutions for taking part in symposiums and workshops.

2.4.4 Performance Appraisal

A performance appraisal program is run by standard Bank to assess staff, officers, and executives' work. Every year, regular employees' performance is assessed. Probationary officers who are recently hired must complete a basic training course that includes both practical and theoretically test after enrolling for a period of two months. A three-month specialized training program will follow a six-month foundation course for other recently hired staff members.

Sheikh, A, & Rahim. (2012). Every employee has a monthly assessment to determine their competency, growth, and potential throughout that probationary time. For appraisals, the bank employs two different forms: one for lower-level workers such as assistants, receptionists, teller typists, etc., and another for assistant officers.

Each team member's performance is evaluated annually with the following goals in mind:

- i Evaluate the employee's performance in light of his or her job obligations.
- ii Inform the worker about his or her talents and limitations.
- iii Provide the employee the opportunity to explore any obstacles to reaching the required performance, jointly establish performance goals, and pinpoint training and development requirements for the upcoming year.
- iv Assist in informing choices on the proportion of year-end pay increases depending on individual achievement.

2.5 The Compensation System

Salary: Salary information is kept private between the employee in question and standard bank limited. All requests for pay information should be made through the line manager to the general manager of the HR department. Each position has a value, and the wage structure for standard bank limited has been developed taking this value into account. Grades, experience and qualifications are taken into consideration when determining the beginning wage. Kagan, J. (2022, December 29). The yearly compensation then rises as a proportion of the overall income. From that point on, the compensation structure is regarded as open-ended and there is no fixed ceiling for any grade. The Board of Directors reviews and approves the Pay Guidelines on a regular basis. Each employee receives their monthly salary in arrears payments. The base wage, housing rent, medical allowance, transportation allowance, and other special allowances make up a person's monthly salary. Basic pay will include 50% of total pay, followed by housing allowance at 50%, medical benefits at 25%, and transportation benefits at 25%. Salary payments made in cash are discouraged and instead, remunerations are deposited into employees' bank accounts. Sheikh, A. & Rahim. (2012). For non-management grade employees who are new to the company or whose employment term is very brief, exceptions may be provided. As an alternative to bank transfers, checks can be paid.

2.6 Other Allowances

In addition to their monthly income, standard Bank Limited's permanent confirmed workers are eligible to get the following benefits:

Festival Bonus: Each of the two-yearly festival bonuses is equal to one month's base pay. Eid-ul-Fitr and Eid-ul-Azha are the times when the festival bonuses are paid. Nonetheless, requests for incentives to be given out during other religious groups' important festivals could be granted. If an employee works the full six months between the date of their hire and the festival's start date, they are eligible for a bonus. The HR department releases this date based on its best estimation of the government calendar. Those who have not worked for six months or whose jobs have not been verified by at least three months of service are entitled to earn 50% of their base pay as a bonus. At least 15 days prior to the anticipated event date, the bonus will be paid.

Gratuity: A permanent employee is eligible for gratuity payment after serving for at least five years if the employee's employment with standard bank limited has ended as a result of resignation, retirement, a reduction in the number of employees, reorganization, or death. If any contractual basis employee subsequently quits or becomes permanent employees are entitled to gratuity payments as of their new joining date, the last basic salary will be used to determine the gratuity and or each year of service that has been completed, the employee will get one last basic.

Salary Review: Salary evaluations usually occur once a year, and increases are based on a percentage for cost-of-living allowance and to provide all employees, excluding underperformers, a general rise. This will be determined using the officially declared rate of inflation by the government in addition to extra factors, which might vary from 3% to 4% according based on the situation and the managing director's decision. Consequently, a rise will begin to apply in July of each year. Given the background information stated above, the HR increase rate will be proposed by staff, and approved by the managing director. This will only be available to those who have worked for the company for six months. Using the annual performance review procedure as well.

Performance Bonus: A performance bonus is a financial reward given to an employee or a group of employees based on their individual or collective performance within a specific time period. The purpose of a performance bonus is to recognize and incentivize employees who have demonstrated exceptional work, achieved specific goals, or contributed significantly to the success of the organization.

1. **Criteria for Eligibility:** Employees typically need to meet certain criteria or achieve specific performance metrics to qualify for a performance bonus. These criteria may include individual targets, team goals, or overall company performance.
2. **Customization:** Some organizations have a standardized approach to performance bonuses, while others may tailor bonuses to individual or team achievements. This customization allows companies to align bonuses with their strategic objectives.
3. **Frequency:** Performance bonuses can be awarded on a one-time basis or as part of a regular bonus structure, such as annual or quarterly bonuses. The frequency often depends on the company's policies and practices.
4. **Communication:** Clear communication of performance expectations and the criteria for earning a bonus is crucial. Employees should be aware of what is expected of them and how their performance will be evaluated.
5. **Amount and Calculation:** The amount of a performance bonus can vary and may be calculated based on a percentage of an employee's salary, a fixed amount, or a combination of factors. The calculation method is often outlined in the company's bonus policy.

6. **Tax Implications:** In many countries, performance bonuses are subject to taxation. Employees should be aware of the tax implications and understand how their bonus will be taxed.
7. **Retention:** Offering performance bonuses can also be a retention strategy. Employees who feel valued and rewarded for their contributions are more likely to stay with an organization.
8. **Motivation and Morale:** Performance bonuses have the potential to be extremely effective motivators, raising staff engagement and morale. Acknowledging and rewarding efforts and successes can help create a positive work environment.

Chapter 3

Critical Findings

3.1 Industry and Competitive Analysis

Swot Analysis

SWOT Analysis is an important tool for evaluating the company's Strengths, Weaknesses, Opportunities and Threats. It helps the organization to identify how to evaluate its performance and scan the macro environment, which in turn would help the organization to navigate in the turbulent ocean of competition.

3.1.1 Strengths

1. Company reputation, especially among recent arrivals, in the nation's banking sector.
2. The sponsor directors are affiliated with major national industrial enterprises. The Board of Directors, led by Mr. Kazi Akram Uddin, the Chairman, has established a solid reputation as a prosperous businessman.
3. Chief executive officer and DMD The bank's senior management has made significant contributions to the expansion and development of the institution, making them another important asset for the SBL.
4. Market share profitability of SBL has established a fin-n footing among the new comers in the banking industry of Bangladesh. They have already achieved a high growth rate accompanied by an impressive profit growth rate in 2009

5. The capital fund of Standard Bank Limited, which includes paid up capital, reserves, and retained earnings, was around Tk. 2644.00 million in 2009. The bank has substantial financial resources to manage its banking operations.
6. In 2009, Standard Bank Limited's capital fund, comprising paid-up capital, reserves, and retained earnings, was approximately Tk. 2644.00 million. For the purpose of managing its banking operations, the bank has ample financial resources.
7. Standard Bank Limited's capital fund was roughly Tk. 2644.00 million in 2009, made up of reserves, paid-up capital, and retained earnings. The bank has sufficient financial resources to manage its banking operations.
8. SBL's corporate culture is interactive. Unlike other local organizations, SBL has a very informal, friendly, and interactive work environment.

3.1.2 Weaknesses

1. The biggest irony is that, in spite of its advertising platform and mission statement, which reads, "Setting a new standard in banking," the bank has not yet developed a prescribed set of vision as it enters the 21st-century cyber age.
2. SBL's weakest area and a significant setback is advertising and promotion. SBL doesn't run a forceful advertising campaign.
3. SBL has not filled some of its mid-level and lower-level positions with qualified candidates.
4. One of SBL's drawbacks is the reference appointment, which will eventually lower the caliber of human resources.
5. covert employment, there are "Too many heads but few hands" at the moment. Once more, this has to do with the appointment of references.

6. Pay package for entry-level employees and mid-level managers is very low.
7. The SBL's human resources department is yet another weak point.
8. CEO-led, centralized decision-making. Policies and strategies are formulated by DMD and other high-ranking officials, and subsequently implemented at lower levels.
9. Noise Pollution has become another major problem SBL.
10. There are not many departmental and staff meetings at the branch level. This kind of management is not effective.

3.1.3 Opportunities

1. SBL can pursue a diversification strategy in expanding its current line of business.
2. There are several opportunities for SBL to expand its product line.
3. Credit Cards and Tele banking.
4. Introduction of SBL's own savings scheme.
5. Introduction of corporate scheme.
6. Separate schemes for service holders.

3.1.4 Threats

1. A possible threat to the new PCBs is the emergence and rapid expansion of multinational banks.
2. New private local banks may also be a danger to the PCBs that are currently in place.
3. Its main competitors are modern SBL banks like Mercantile Bank, Premier Bank, Bank Asia, and EXIM Bank.

4. The absence of new deposit creation is an issue and a threat to Bangladesh's entire banking industry.
5. Since SBL is a relatively new company, the issue of non-performing loans is minuscule.

3.2 Industry Analysis

Industry analysis enhances competitor and customer analysis to provide more strategic insights into a market's dynamics. Analyzing a market's attractiveness to both existing and potential participants is one of its main goals. Gaining insight into the market's dynamics is the second goal of a market analysis.

To help direct information gathering and analysis, it is necessary to identify the major emerging factors, trends, threats, opportunities, and strategic uncertainties. Porter's method can be utilized not only for an industry but also for a specific market or submarket inside the industry. The basic idea is that there are five factors that determine an industry or market's attractiveness based on the average firm's long-term return on investment.

3.3 Rivalry Among Existing Competitors

The level of competition determines the rivalry between rivals and the industry's growth. In Bangladesh, there is a lot of competition in the banking industry. In Bangladesh, over fifty commercial banks compete with one another for market share. In Bangladesh, the national banks have the largest banking network. They compete with the banks by offering government assistance and low operating costs. Once more, Standard Chartered Bank is the biggest international banking network in Bangladesh, with locations throughout numerous Bangladeshi cities. There exist other global banks that engage in competitive and assertive practices. Because of the intense competition, businesses are challenging to maintain over the long term.

3.4 Threat of New Entrants

The potential for new competitors to enter the market is highlighted by the following force. By aggressively expanding their businesses and erecting barriers to entry, established companies may attempt to deter new competitors. Bangladesh's banking industry is gravely threatened by new competitors. But there are two ways that the threat can approach you. The first threat is the emergence of multinational banks and the growth of their branch offices, especially in light of the rapidly expanding energy industry. Second, this industry faces a serious threat from the ongoing entry of local banks with lower cost structures.

Due to their recent entry into Bangladesh's banking market, the numerous new and emerging banks present a serious threat to SBL. SBL is cognizant of these prospective rivals, though. To make the industry unappealing and to raise barriers to entry, it is attempting to spread throughout the entire nation.

3.5 Threat of Substitute Products

This force takes into account the possible effects of alternatives. Alternative products are included in the definition of the product market structure as significant sources of competition, as are new products that meet the same customer needs. Determine alternative formats for competition.

SBL is constantly threatened by a range of replacement products that its formidable rivals introduce into the market. For instance, SBL's premium customer group faces a serious threat from SCB's debut of premier banking, and SBL needs to introduce an even better offering at this point. Additionally, a significant danger to the SBL's personal banking products is the range of consumer credit plans that different local banks are offering at reduced costs and interest rates. Another factor discouraging a large number of customers from opening accounts at SBL is the national banks' reduced service fees. These are some of the risks that substitute products in the market place present

3.6 Competitive Forces Analysis

The Five Forces Model developed by Michael Porter is a useful mechanism for examining the competitive landscape of a given market. The model proposes that the competitive environment is composed of the following five forces:

3.7 Rivalry Among Competing Seller

In banking industry, rivalry among competing sellers (banks) is moderate to high. Because of the following reasons:

1. Rivals that are significant in size and capability (revenue and volume) are comparable or "near to."
2. Reduced market expansion as a result of the weak economy.
3. There are more exit barriers.
4. New private banks are stealing clients from NCBs and one another by offering greater perks.
5. The cost to depositors of moving banks is minimal

3.8 Substitute Product

Alternative financial institutions perform numerous functions and exchanges that are typically associated with banks. The major players in the leasing market are United Leasing Company, Industrial Promotion and Development Corporation (IPDC), and Industrial Leasing and Development Company Ltd. (IDLC). They offer industrial leasing to a large number of national businesses. Among its other financial services, Vanik Bangladesh Ltd. (Lanka Bangla Finance Co.), a merchant bank, offers credit services and investment advice. However, there are no alternatives for some of the bank's operations, such as importing and exporting.

3.9 Threat of Potential Entry

Due to the industry's strict regulations, there isn't much of a threat from potential entry. After a long period, nine new banks opened for business in 1999, increasing competition in the sector. More domestic and international banks are anticipated. To quickly join the Bangladeshi market in order to take advantage of the opportunities in Bangladesh, an economy in development. Nationalized commercial banks lead the market in the banking sector. However, because of their subpar customer service, they have a bad reputation. However, on the other hand foreign banks are relatively small geographically and have very little market share. renowned for providing high-quality services. Between these are private commercial banks collectives.

4.0 Bargaining Power of Customer

Here, the customer's bargaining power is not too problematic because all the Bangladeshi Bank regulatory body appropriately appoints and oversees the rates and interests that the bank receives from its clients. Thus, there's no room for any type of fraud, forgery, or data misrepresentation.

4.1 Bargaining Power of Supplier

In the banking sector, banks are the primary providers of their own goods and services, so negotiating with other outside vendors is pointless.

CHAPTER 4

Project Part

4.1 Introduction

This report is created in the fall 2023 semester for the completion of the internship requirements under Brac Business School, Brac University. My supervisor for the internship is Dr. Syed far Abid Hossain and my co-supervisor is M. Nazmul Islam Phd. The main purpose of the three months long internship program is to get real life work experience in the corporate world and a chance to prove what was taught in the class and implement it in real life, also to create a final report on the overall internship and prove that the student has completed their internship period in the particular organization. I joined standard bank limited on 20th September and worked in their HR department for 7 days, then I was shifted to Uttara sector three Raj Laxmi complex to complete my overall internship period. My internship will end on 20th December 2023. After a relaxed discussion with my supervisor, I came up with the topic “An analysis on the current employee retention strategy of standard bank limited.” My supervisor and co supervisor have been supportive to me and has assisted me to complete my report.

4.2 Methodology

Crossley, J. (2021, October 4). (The Information regarding methodology was collected from this author)

4.2.1 Primary Data

1. Discussion with supervisor and other senior members
2. Direct observation while working
3. Training in both theoretical and practical setting

4.2.2 Secondary Data

1. Information provided by organization
2. Online materials

4.3 Strategies for Employee Retention

4.3.1 Introduction

Employee retention is a phenomenon where employees chose to stay on board with the same company they work for, rather than going on looking for other companies to get a job. The opposite of retention is turnover where employees leave the organisation they work for and find new places to work for a variety of reasons. Retention is a process by which organisation ensures that its employees do not leave the job and they happen to enjoy what they are doing. Every company and industry has a varying retention rate, which indicates the percentage of employees who remained with the organisation during a fixed period.

4.3.2 Why employee retention is important

Employee retention is important to team building and cohesion in the workplace so workers can come to trust and depend on each other. Reduced productivity and competitive advantage are among the biggest losses when talented employees leave an organisation. An organization's capacity to fulfil its objective can be harmed by high personnel turnover rates since they can cause continuity problems, loss of institutional knowledge, and high replacement and training expenses. Departures from the company can also affect morale and encourage other workers to leave as well.

4.4 Benefits of Employee Retention

Better process efficiency

Longer-term workers have institutional knowledge they can draw from and understand how the business wants things done, which increases work efficiency and expedites the achievement of company objectives.

Greater worker productivity

Seasoned workers are frequently adept at completing jobs swiftly and effectively. On the other hand, bringing on fresh hires usually results in delays as well as unavoidable, expensive, and lengthy errors in workflows.

Higher employee morale

When workers feel like they belong in the company, they are more likely to perform better, take pleasure in their work, and have higher morale. Conversely, high turnover rates may have the opposite impact.

Reduced staffing costs

Organizations may have to pay large annual costs for hiring and training new employees. The greatest approach to reduce those expenses is to retain employees.

Improved customer experiences

Consumers have a strong preference for businesses where they can establish a rapport with one or more employees and see familiar, friendly faces over time. Positive customer perceptions can be enhanced by low turnover rates.

Increased revenue and ROI

Increasing revenue is directly correlated with reduced employee turnover, higher employee morale, and better employee experiences, according to numerous studies.

4.5 Causes for Excessive Employee Turnover

1. Lower compensation
2. Insufficient employee benefits
3. Lack of career development opportunities
4. Lack of work-life balance
5. Poor company culture

6. No sense of belonging with team members or the company at large
7. Lack of recognition or rewards
8. Concerns about the company's financial health
9. Better job opportunities elsewhere

4.6 Effective Employee Retention Strategies

Businesses that care about keeping their best workers can act quickly in a number of areas to support retention initiatives and reduce attrition.

1. Onboarding

Employers who prioritize employee retention typically begin with the hiring and onboarding process, providing new hires with sufficient training and an orientation regarding the company's culture. They also provide a forum for new hires to converse with their supervisors and ask questions regarding their work. In an effort to enhance the work-life balance and general employee experience, flexible or hybrid work schedules are frequently offered to employees, or at the very least, surveyed on them.

2. Recognition, rewards and compensation

To demonstrate their value for their staff, some companies implement methodical approaches to employee recognition and rewards. Some companies use gamification and other approaches in their employee engagement software to identify employees and offer incentives like store discounts. Using employee compensation management software, which compares pay rates with benchmarks for specific regions, job titles, and performance ratings, employers also concentrate on offering competitive pay.

3. Benefits

Employers provide a wide range of benefits, including optional, employee-paid, and corporate-subsidized options, in an effort to stand out from the competition when it comes to hiring. Some of the more recent benefits include reduced rates, health insurance plans with higher deductibles, pet insurance, debt repayment plans for education, and legal advice.

4. Performance feedback and reviews

Many organizations do not wait for an annual review to evaluate an employee's performance in order to foster good communication and transparency, especially with the rise of remote and hybrid workforces. Rather, managers meet one-on-one with staff

members frequently to solicit constructive criticism, talk about goals and interests related to their work, and support fresh ideas.

5. Training, education and development

Through succession planning, upskilling, and attendance at webinars and conferences, companies provide their employees with opportunities for growth. Also, they advocate for initiatives that match staff members with mentors who can provide direction and instruction in particular fields.

6. Perks

Companies provide flexible work schedules, time off, and shortened work weeks in order to promote work-life balance. They also allow telecommuting through work-from-home schedules and provide remote work opportunities for longer vacations and vacation stays. Additionally, they teach managers how to motivate staff members to take time off.

7. Amenities

More and more companies are offering free refreshments, subsidized lunches, standing and ergonomic desks, daycare, senior care and relaxation areas with pool and ping-pong tables.

4.7 Retention Strategies for top Performers

1. Giving them challenging work

You can keep your top performers motivated by setting new goals for them to strive towards on a regular basis. They can advance in their careers and gain new accomplishments and skills thanks to this tactic. Top performers will be more devoted to your organization as a result of the positive effect on their general employability.

2. Train them in cross-disciplinary skills

You can give an employee opportunity for cross-skilling once they have mastered one area. This will guarantee that the worker doesn't leave the company in pursuit of their "dream job" and give them the opportunity to move laterally into a related position

3. Define and implement a succession plan

By building a talent pipeline, succession planning equips today's top performers for leadership positions in the future. Including this group of workers in your succession plan can help with retention because they are aware of their futures within the organization.

4.8 Retention strategies for Average Performers

1. Offer personalized benefits and perks

Offering individualized benefits to your staff can help you keep them on board by improving their quality of life and giving them a sense of future security. Find out which benefits are most popular by conducting surveys, then increase your investments in these areas.

2. Ensure they are working under the right manager

Employees who experience poor management will become unmotivated or even dissatisfied with their jobs. This is especially important for average performers because they frequently don't have the same level of self-motivation as top performers. Get employee opinions about their managers by conducting anonymous pulse surveys.

4.9 Retention strategies for very low Performers

1. Identify the cause of low performance

Low performance has been connected to employee disengagement in the workplace on multiple occasions. It's imperative that you identify these trends and take action before it's too late. Monitor output on a regular basis and conduct an employee engagement survey if you observe that output is falling short of a predetermined level.

2. Address skill gap immediately

You can ensure that your underperforming employees remain with the company for a longer period of time by giving them the opportunity to upgrade their skill set. Their loyalty to the company is probably going to grow because it cares about their performance. Make sure these workers can be trained, though. They ought to be able to perform better overall in the company with even the most basic training.

3. Write accurate job descriptions to hire the right employee

Certain workers may arrive at your organization with completely different expectations than what the position actually requires. In order to avoid a decline in performance that could result in turnover, make sure that these details are made clear in your job description and during onboarding.

5.0 Ways to Improve Employee Retention

1. Design a progression track for every field

Not every worker will be eager to assume leadership positions. Some may wish to advance within the same role and specialize in their present field of expertise. If the organization restricts specialized skill set employees' ability to advance in their careers, they will probably start looking for other opportunities to grow.

2. Support employees in their educational journey

It's possible that your staff members would like to quit to pursue additional education. Historically, the company has greatly regretted losing out on motivated and future-focused talent due to inevitable turnover. You can keep your employees by enabling them to pursue further education while they work for you.

3. Use a realistic job preview

Workers with unrealistic expectations when they start work are more likely to quit within the first few months. Alternatively, if your organization provides a competitive salary and benefits package, they may attempt to stay on, albeit with performance rates that are below average. Realistic job previews, or RJPs, provide a transitional period during which prospective employees can experience the practical duties of their future position without committing to anything.

4. Create an environment where every employee can flourish

A work environment that is supportive of each employee is necessary for a retention strategy that is actually sustainable. For instance, recently weds might require frequent days off. Workers going back to school may wish to take a leave of absence. Furthermore, a highly productive worker who had to move may choose to work entirely remotely. All of these demands should be supported by the culture of your organization.

5. Prepare employees for any wave of business disruption

One of the main causes of turnover is an economic downturn or a sharp decline in profitability. Workers quickly leave the company because they don't want to be on a sinking ship. Such waves have the potential to severely impair your rate of employee retention.

However, you can avoid a lot of turnovers if you financially support the employees, prepare them in advance, and foster a sense of hope for the company's future.

5.1 Employee Retention for Small, Medium, Large Businesses

5.1.1 Employee Retention for Small Businesses

Every nation's and other nations' economies depend heavily on the small business sector for their economic well-being. In addition to providing a wide range of goods and services, the small company sector is crucial in creating jobs and contributing significantly to the GDP. As a result, the state of the national economy is greatly influenced by the small business sector's financial performance. Human resources are frequently the key to a small business's success. Small firms possess information, skills, and abilities that could give them a competitive edge. The field of human resource management in small businesses has received very little research, despite the significance of small businesses and its critical employees. The dearth of research on staff retention in small enterprises in particular is concerning from both a theoretical and practical standpoint. According to observers, small businesses can find it more

difficult to keep workers because they are generally viewed as less legitimate employers than larger companies. Put another way, workers and prospective employees are more inclined to view small enterprises as less suitable, acceptable, or desirable employers. Consequently,

compared to larger enterprises, small businesses are far more prone to see employment fluctuation.

1.1 Human resource strategies that improve employee retention in small organizations include stringent hiring procedures, employee assistance program, official training, and remuneration packages.

1.2 Small firms can improve employee retention by implementing tactics designed to stop psychological contract violations. Reward and compensation plans show how much

company values the work that its employees do, which motivates them to stick with the company.

5.1.2 Employee Retention for Medium Businesses

Retaining employees for mid-sized business is quite different from that of small businesses. Medium businesses often face unique challenges when it comes to retaining employees, such as:

- 1.1 **Competition from bigger businesses:** Bigger businesses frequently have more resources at their disposal to provide workers with greater benefits, higher pay, and more chances for professional growth.
- 1.2 **Restricted resources:** Medium-sized firms might not have as much money to devote to staff retention initiatives as bigger ones.
- 1.3 **Fast growth:** Medium-sized companies frequently see fast expansion, which can make it difficult to meet the demands and expectations of their workforce.

There are several things that medium-sized organizations may do to increase employee retention in spite of these obstacles. Here are some pointers:

1. Provide perks and compensation that are competitive. Employees need to feel like they are being compensated fairly for their work. This includes offering competitive pay, benefits and perks. Remember that compensation and benefits should be tailored to the specific needs of your employees.
2. Provides opportunities for growth and development. Employees want to feel like they have opportunities to learn and grow in their careers. This includes providing training and development programs, mentorship opportunities, and tuition reimbursement.

3. You can also create a culture of learning by encouraging employees to share their knowledge and expertise with others.
4. Create a positive work environment. Employees want to feel valued and respected by their co-workers and managers. This includes creating a positive work environment free of discrimination and harassment. You can also promote a sense of community by organizing team-building activities and social events.
5. Promote work-life balance. Employees must be able to balance work and personal life. This includes offering flexible working arrangements such as: Remote work options, shorter work weeks, and paid time off. employees can also be helped to manage stress by offering wellness programs and resources.
6. Recognize and reward employees. Employees need to feel that their hard work is appreciated. This includes providing regular praise and recognition, bonuses and incentives, and opportunities for advancement. They can also be shown appreciation by celebrating their milestones and accomplishments.
7. Conduct regular surveys and exit interviews. It's important to stay informed about your employees' needs and satisfaction. This can be achieved by conducting regular surveys and final discussions. This feedback will help you identify areas where you can improve your employee retention strategy.

What Issues Can Unsuccessful Employee Retention Lead to?

Employers place a lot of emphasis on selecting the best candidates, but retention is just as crucial. While some employee turnover is inevitable, small and medium-sized organizations

can suffer greatly from a poor staff retention rate for a number of reasons that are frequently connected. The following are some repercussions of a low rate of staff retention

Loss of Money

Research pertaining to employee retention has revealed that the average expense incurred by a single employee's departure is approximately thirty percent of their yearly pay. That is a sizable sum of money that might be better used for other business investments.

The hiring process is a labor-intensive one that may divert resources from more pressing needs. Businesses that have low employee retention rates are forced to hire new workers on a regular basis, who then need supervision and training.

Current employees must invest time on this, which may cause other duties and objectives to suffer. Furthermore, the organization may incur financial losses if fresh hires perform subpar work or make blunders.

Loss of Knowledge

When an important individual departs from a company, important information goes with them. Even if a company has procedures in place to lessen this, there is frequently insufficient time for the successful transfer of all the information.

Long-term staff members can draw from years of knowledge and experience when making judgments. When they depart, this knowledge which is priceless may be lost forever.

Loss of Professional Connections

In client-focused industries, a lot of decisions are likely to depend on relationships between employees and external partners. A low employee retention rate means that businesses will

need to spend significant time and effort rebuilding these connections or they could be lost forever.

Loss of Staff Morale

A low employee retention rate can become a staff morale problem. Frequent departures can make employees more aware of their own dissatisfaction, or insecure about whether their position is secure. They may also have to work extra to train new staff or deal with staff shortages. This makes them more likely to look for new roles themselves, exacerbating the situation further.

Conclusion

To conclude my report, I would like to include that employee retention is a vital part in keeping an organization healthy. Proper training, designing progress track, support employee in their educational journey, creating a positive environment enhances the growth of the organization. In addition, my report briefly explains the advantages and disadvantages of Employee retention in the banking sector. Also, the report includes retention strategies for small businesses, medium size businesses, and large businesses. It includes what issues can unsuccessful employee retention lead to and how to overcome them.

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