

Report On
Recruitment and Selection Process of IDLC: Shift from Conventional to
Online Testing Platform

By

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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

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Declaration

The following declaration is made:

- While pursuing a degree at Brac University, I/we submitted an internship report that is our unique work.
- Any material accepted or submitted for a separate degree or diploma at a university or another institution is not included in the report.
- Unless it is properly credited with complete and exact referencing, the report does not include any previously published or written content by a third party.
- I/we have acknowledged all key sources of assistance.

Student's Full Name & Signature:

Faiza Tahiya
Student ID: 18104058

Supervisor's Full Name & Signature:

Mr. Zaheed Husein Mohammad Al-Din
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BRAC University

Letter of Transmittal

Mr. Zaheed Husein Mohammad Al-Din

Senior Lecturer

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Submission of Internship report on Recruitment and Selection Process of IDLC: Shift from Conventional to Online Testing Platform.

Dear Sir,

I'm delighted to submit the internship report I wrote as part of my Bachelor's degree at BRAC University while working at IDLC Finance Limited.

During my internship at IDLC, I was able to recognize the contrasts and similarities between real-life work and theoretical principles covered in course texts. Furthermore, the internship provided me with an excellent opportunity to learn about corporate life. I hope you find the internship report informative and credible. Because the report was produced under pressure at work, it may contain discrepancies. As a result, I humbly request that you consider his subject.

I want to take this opportunity to thank you for all of your help and advice, which I anticipate getting in the future. In the meantime, please contact me if you have any questions.

Sincerely yours,

Faiza Tahiya

ID: 18104058

BRAC Business School

BRAC University

Date: 21 June 2022

Acknowledgment

Firstly, I would like to express my sincere appreciation to my academic supervisor Zaheed Husein Sir, for leading me through completing my entire report and keeping my progress on track. Because of the invaluable insights Sir has offered me along the process, I was able to finish the full report without difficulty.

Secondly, I appreciate Md Asaduzzaman Khan and Numaya Eum Illma, my IDLC Finance Limited on-site supervisors, for giving me with expert guidance and the data I required to accomplish my work. In addition, I'd want to offer my deepest gratitude to every IDLC Finance Limited employee for their unwavering support during my journey.

Thank you.

Sincerely,

Faiza Tahiya

ID: 18104058

Executive Summary

This report begins with information about the internship, including employment roles and responsibilities, as well as outcomes and difficulties encountered throughout the internship. Second, it explains the organization in general, including its history and various activities, as well as the company's financial standing. Finally, it includes a research project on the organization, which highlights the benefits of transitioning to an online-based recruiting approach. Based on the aforementioned aim, this study examines the cost-effectiveness of converting to an online testing platform, as well as candidates' reactions to the change. Finally, it suggests strategies to improve the entire recruiting and selection process.

The research does not offer substantial data, because it was prepared by only observing the organization for three months. Similarly, due to confidentiality concerns data was not used extensively in this report.

Finally, it is recommended that the recruiting and selection process be continued utilizing online testing platforms such as iMocha.

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Chapter 1: Overview of Internship

1.1 Student Information

My name is Faiza Tahiya. I am currently pursuing my BBA Degree from BRAC Business School, Brac University, with a double major in Finance and Human Resource Management. My ID is 18104058.

1.2 Internship Information

1.2.1 Period, Company Name, Department/Division, Address

I started my internship at IDLC Finance Limited on January 12, 2022, and worked there for three months till April 12, 2022. I have worked in the Recruitment Department of the Human Resource Division. The location of the office is at Bay's Galleria (1st Floor), 57 Gulshan Avenue, Dhaka-1212, Bangladesh.

1.2.2 Internship Company Supervisor's Information: Name and Position

My line Manager at IDLC Finance was Md. Asaduzzaman Khan. He is working as the Senior Manager of the Recruitment and Reward Department of the HR Division. I worked under his supervision during my internship tenure. Moreover, I got the experience of directly working under the Assistant Manager, Numaya Eum Ilma and Manger, Mushfiq Alam Arko, and other Senior Officers of the HR Division.

1.2.3 Job Scope – Job Description/Duties/Responsibilities

Being an intern in the Recruitment Department, I have coordinated the recruitment process of different divisions. Firstly, one of my responsibilities was to assist in the recruitment progression of the Management Trainee of the IDLC Youth Leadership Program. I was accountable for developing a recruitment database for separate departments where the details of each stage were required to be updated. Moreover, I was responsible for maintaining a Master Database in which the personal information and progress of the candidates were updated regularly.

Recently, IDLC Finance has launched its online platform **iMocha**, where the written assessments are being taken. I was involved in the entire process, including keeping track of the time and penalties of the candidates. Furthermore, I have examined the MCQ part of the written tests according to the answer sheet and calculated their total marks.

Another significant task I performed was scheduling interviews and calling the selected candidates. For instance, IDLC has set a target of recruiting over 50 candidates in the SME Department all over Bangladesh. So, my job was to prepare their database and notify them of the interview date and time. Through this task, I could able to enhance my communication skills.

IDLC Finance maintains track of the actions implemented to reduce the organization's operational risks. My job was to help with the full ORM (Operational Risk Management) process and closely monitor the activities conducted to mitigate risks and update the database.

Finally, I prepared employee personal files, solely oversaw new employee joining sessions, and updated their information in the database.

1.3 Internship Outcomes:

1.3.1 Students' contribution to the company

I was entirely responsible for managing the Recruitment Department's database, which significantly decreased the HR Division's workload. Furthermore, I used to coordinate the interviews every week and keep the candidates informed of any changes. As a result, the department could conduct seamless recruitment. Moreover, I have prepared over 150 employee files that helped to alleviate a substantial amount of manual work. To summarize, my academic knowledge and job efficiency have aided my supervisors in several ways, allowing them to focus on other magnificent projects.

1.3.2 Benefits to the student

During my internship at IDLC Finance, I had first-hand experience working in corporate culture. I could witness all of the theoretical information I had received throughout my undergraduate studies put into practice. Furthermore, I had the chance to work directly under several high-level experts, which allowed me to have a better understanding of HR practices. Finally, this internship has encouraged me to step beyond my comfort zone and express myself more clearly.

1.3.3. Problems/Difficulties (faced during the internship period)

Here are a few problems that I faced during my internship tenure:

- Initially, working 8-9 hours a day was challenging for me. However, I was capable of changing my pattern and becoming accustomed to it with time.
- Because IDLC Finance employs more permanent personnel, interns encounter a desk shortage. For a week I had no desk to work on or seat properly.
- The workload was immense at IDLC, and I had to do the same type of work for a good number of days. As a result, I used to feel demotivated at one point.

1.3.3 Recommendations (to the company on future internships)

- First and foremost, the interns should be assigned more creative/challenging tasks other than database preparation and employee file maintenance.
- Keeping track of employee files is a tedious task that necessitates both time and office space. Furthermore, printing the memos of the staff wastes a lot of paper. As a result, the entire filing system should be fully automated.
- Interns should be assigned to specific workstations so that they may focus on their job.
- The organization should stick to a rigid work schedule of 10 a.m. to 6 p.m.

Chapter 2: Organization Part

2.1 Introduction

Established in 1985, IDLC Finance is a multi-product non-bank financial institution in Bangladesh that focuses roughly equally on the corporate, retail, and SME sectors. IDLC has a noticeable stake in the capital markets. Its merchant banking arm, IDLC Investments Limited, is a wholly-owned subsidiary of IDLC, and its stock brokerage arm, IDLC Securities Limited, is another wholly-owned subsidiary of IDLC. The company has headquarters in Dhaka.

2.1.1 Objective

The paper gives a general overview of IDLC Finance Limited and its many departments. The study details management strategies, including leadership style, recruiting and selection procedures, remuneration, and performance assessment. It also examines IDLC's financial performance, accounting processes, and marketing initiatives. Furthermore, the study focuses on operations management and information system practices and comprehensive industry and competitive analysis of IDLC Finance.

2.2 Overview of the Company

IDLC Finance began as a single-product lease finance firm comprising five employees in 1985 and has since grown to become the country's largest multi-product, multi-segment non-banking financial institution. Making it one of the most recognized financial companies in the market, IDLC Finance Limited has a strong and diversified base in the Corporate, SME, Retail, and Capital Market segments. IDLC now has a presence in over 20 locations, including 40 branches and booths employing over 1400 people and supporting over 45,000 clients.

It would be limited to state that IDLC is just in the finance industry, as it is always attempting to do more. The company aspires to assist people in fulfilling their dreams like the dream of buying a home, the hope of sending their children to a better school, the desire of making a trip, the dream of establishing or growing a business, the dream of creating more jobs, the dream of propelling the country to higher heights.

IDLC has been at the forefront of the financial services business for many years. Multiple honoring authorities had already acknowledged their market performance and their collaboration and rigorous attention to compliance problems. IDLC has consistently maintained its reputation not only with national organizations such as ICAB and ICMAB but also with institutions in the SAARC region, for the past decade.

Lastly, to achieve sustainable development, and create a long-term value for the environment, stakeholders, and community, IDLC Finance is committed to various CSR initiatives such as Khushir Kheya, Oditiya, and Orther Ortho.

2.2.1 Products & Services Offered by IDLC

IDLC Finance has a wide range of goods and services to offer. Home Loans, SME Loans, Corporate Loans, and Deposits are among their offerings. Under each category of loan, they provide diverse services.

Home Loan: Apartment Purchase Loan, Home Equity Loan, Home Loan Shield, Construction Loan, Affordable Home Loan, IDLC Semi Paka Loan, House Purchase Loan, and Commercial space Purchase Loan.

SME Loan: SME Term Loan, Purnota (Women Entrepreneur Loan), Seasonal Loan, Abashan (Commercial Housing Loan), Commercial Vehicle Financing, SME Shombhabona, IDLC Udbhabon, Udbhabon Startup Loan, and Working Capital Loan.

Corporate Loan: Term Loan, Project Financing, Working Capital Loan, Lease Financing, Term Loan for Vehicles & Commercial Space, Preferred Stock, and Bridge Loan.

Deposit: Flexible Term Deposit, Days Term Deposit, Earner Deposit, Double Money Deposit, Triple Money Deposit, and Interest First deposit.

2.2.2 Subsidiaries of IDLC Finance Ltd

IDLC Securities Limited:

IDLC Securities Limited is a brokerage firm that offers services to clients. It delivers exceptional brokerage services to local and international institutional and individual customers while adhering to business ethics and standards. One of the main achievements of 2018 was achieving second place with a significant gain in market share.

IDLC Asset Management Limited:

IDLC Asset Management Limited launched the IDLC Growth Fund in February 2018, and the IDLC Systematic Investment Plan got launched. Its primary goal is to address the demands of diversified investors by managing and distributing mutual funds.

IDLC Investments Limited:

Investment banking, discretionary portfolio management, and margin are some of the products and services offered by IDLC Investments Limited. IDLC received the "Euromoney Awards for Excellence 2018" for being the best investment bank, one of the year's most significant achievements.

2.3 Management Practices

2.3.1 Leadership style

IDLC Finance Limited adopts Democratic Leadership Style.

Democratic Leadership Style: Democratic leadership is a style of leadership where the leader talks with his team before making a decision and then collaborates with them. The rationale for choosing such a leadership style is that IDLC emphasizes reliance and reverence. IDLC leaders consider the recommendations of their subordinates while making any decision. At IDLC, employees are guided and encouraged to maintain a cordial and loyal relationship. It allows individuals to work in a pleasant environment while still performing at their best. This leadership style isn't only about getting things done; it's also about fostering a pleasant learning environment for workers and, as a result, developing the institution's future leaders.

The democratic leadership style aid IDLC in attaining organizational goals. Moreover, it makes employees feel at ease at work and increases their motivation, which helps to boost employee productivity and achieve company goals and objectives.

2.3.2 Organogram of IDLC Finance Limited

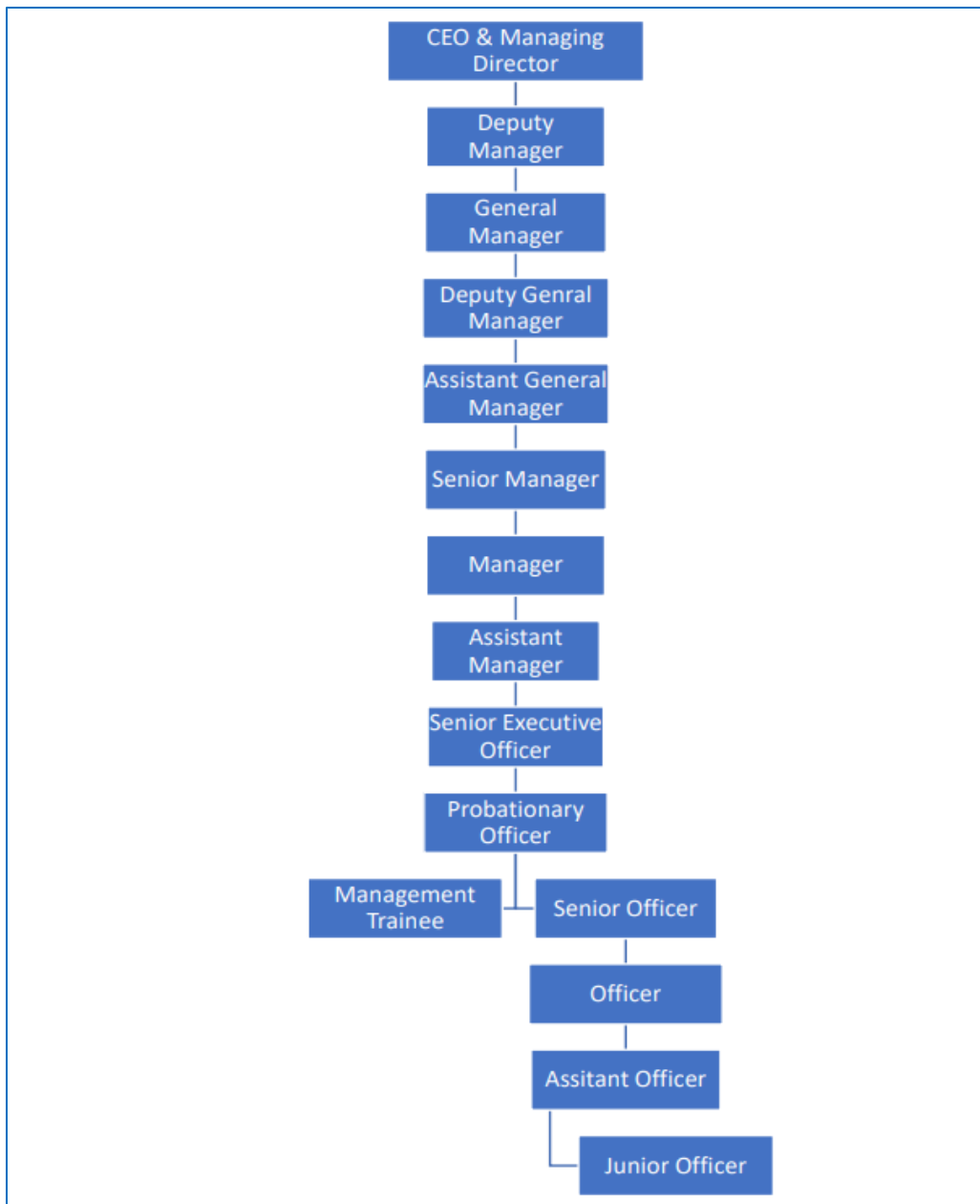


Figure 1: Organogram of IDLC Finance Limited

2.3.3 Human Resource Practices

Human resource management is an essential component of every organization's success. IDLC is committed to attracting the greatest talent and putting in place initiatives to develop and retain high-performing personnel. IDLC continues to adopt human resource management policies and procedures aimed at helping employees grow and develop while also assuring their active participation in the attainment of business objectives. IDLC believes that its human resources are integral to the company's growth and success. Every person is valued, developed, and driven to help the company accomplish its objectives.

2.3.4 Recruitment & Selection

IDLC has a very transparent and top-notch recruitment and selection process. Firstly, the HR department gets notified from other departments regarding their vacancies or replacements. After receiving the information, the HR department creates a requisition form including the number of employees needed. Then the recruitment and selection team publish job openings on several employment sites, including their official website and bdjobs.com. After that, DLC administers a written test from which short-listed candidates are called to an interview, following which selected individuals are asked to submit to a medical checkup. If the shortlisted candidates pass the medical examination, the management committee prepares the memo and hires them for the job position.



Figure 2: Recruitment Process of IDLC Finance Limited

2.3.5 The Compensation System

The majority of employees are motivated by adequate remuneration, perks, and awards. IDLC Finance Limited is committed to a compensation and benefits program that is progressive, equitable, and competitive. The salary of any employee consists of terminal benefits, bonuses, medical allowances, leave privileges, etc. Moreover, the benefits include a housing loan policy, company-provided transport, life insurance scheme, cell phone policy, education support scheme, welfare fund, wedding gift policy, and newly born baby of an employee. The reward department assures employees regular rewards to keep them motivated and increase productivity.

2.3.6 Training & Development Initiatives

Employees require more training than they had in the past because of the changes in processes and technology in the workplace. Organizations will face a skills gap if they do not receive sufficient training.

IDLC Finance Limited also offers training and development opportunities to its workers to close the skills gap and improve employee productivity and the efficiency and effectiveness of the company. On-the-job and off-the-job training are the most prevalent training techniques used by IDLC. The employee gets on-the-job training in a real-world setting, allowing them to be productive straight immediately. It's a technique for learning by doing. On the other hand, Off-the-job training includes classroom lectures, video demonstrations, case studies, other simulation exercises, and programmed teaching. The training institute at IDLC provides a wide range of courses. For instance, it offers general courses, executive courses, computer courses, and other training sessions to improve the abilities of its personnel.

2.3.7 Performance Appraisal System

Performance appraisal is significant as it allows employees to be held accountable and liable for their actions. Furthermore, it helps employees focus more on their performance and better themselves by putting more effort into their work. At IDLC, employee performance is evaluated in various ways. The company, for example, assesses employee performance based on their previous job experience. In addition, it makes use of 360-degree feedback. Managers, peers, and suppliers are all invited to complete a questionnaire using the approach.

2.4 Marketing Practices

Marketing is one of the most crucial aspects of any company since it allows them to interact with their consumers and grow their business. IDLC Finance adopts various marketing strategies, keeping in mind the current market condition, customer preferences, and the products or services the company offers. For example, earlier this year, IDLC Finance and bKash partnered to let clients utilize their bKash accounts to access IDLC Finance's digital savings services. This strategy enabled customers to save money from anywhere in Bangladesh. To promote this collaboration, IDLC used social media platforms and other demanding apps like Spotify, YouTube, etc.

Moreover, the company has several schemes for students and women interested in investing money. The company strives to engage its consumers with innovative services through Facebook, newspapers, ceremonies, and other means. On significant events such as Bengali New Year, Mother's Day, Independence Day, and so on, the company advertises its product or services. Furthermore, IDLC is constantly working to improve its services and products to increase client happiness and engagement.

2.5 Financial Performance and Accounting Practices

2.5.1 Financial Performance

It is essential to evaluate organizational assets to forecast their future and viability. Financial ratios are a method of calculating an organization's financial output. An organization's liquidity, profitability, risk, solvency, efficiency, operational effectiveness, and the proper use of funds, may all be analyzed using ratio analysis. It also shows the trend or comparison of financial results, which may help investors make better investment selections. A brief analysis of the financial performance of IDLC is discussed below:

Loan to Deposit Ratio:

The loan to deposit ratio compares a bank's loans to its total deposits for a given year to determine its liquidity. It is expressed in percentages, and a high proportion indicates that the bank does not have enough liquidity to meet any forthcoming requests, and a low percentage indicates that the bank is not earning as much money as it should. The ideal loan-to-deposit ratio is between 80% and 90%.

	2021	2020	2019
Loan to Deposit Ratio	1.1660412	1.1505992	1.1593294

IDLC Finance has a constant LDR since the year 2019. It is very fortunate that the pandemic has left this percentage unaffected. IDLC lent 1 Taka for every 1 Taka in deposits in the year 2021 that states it has no meaningful reserves for any contingency.

Debt to Equity Ratio:

Debt-to-equity ratio is obtained by dividing total liabilities by stockholders' equity to determine a company's financial leverage. This is a method of seeing how the corporation finances its activities through borrowing money. A corporation with a higher leverage ratio has a larger risk to its stockholders.

	2021	2020	2019
Debt to Equity Ratio	9.42	9.19	9.21

IDLC has maintained a consistent debt-to-equity ratio during the last few years, and the pandemic had no impact on the ratio because it was the same before and after the outbreak. IDLC has a high debt-to-equity ratio. For lenders and investors, a high D/E ratio is riskier since it indicates that the firm is financing to fund a big portion of its future growth.

Non-Performing Loan Ratio:

Non-performing loans are those where the borrower has defaulted because he or she has failed to make periodic timely payments for a longer period. Typically, the stipulated duration is 90 or 180 days. Some banks sell non-performing loans to investors or other banks in reallocating money or concentrate on core loans.

	2021	2020	2019
Non-Performing Loans	3.05	1.79	3.07

IDLC has a high NPL percentage, which means they must collect the due loan amounts or face serious financial consequences.

Earnings Per Share:

Earnings per share is calculated by dividing the company's earnings by the number of shares outstanding. It is used to measure the worth of a firm by stating how much money each share generates. This EPS indicates if the firm is profitable and worth investing in. A higher EPS indicates better value since investors will invest more in a prosperous firm.

	2021	2020	2019
Earnings Per Share	3.98	5.57	3.84

IDLC's earnings per share have been varying since 2019. However, after the pandemic they have seen a noticeable change in the EPS.

Deposit to Loan Ratio:

Deposit to loan Ratio compares a company's deposits to its loans for a given year in order to determine its liquidity. If the deposit to loan ratio is high, the firm is not in danger of running out of cash; if the ratio is low, the company is generating the expected amount.

	2021	2020	2019
Deposit to Loan Ratio	0.8576026	0.8691124	0.8625676

IDLC has had a consistent DLR over the previous three years, and it is quite low. It is indicating, the firm is earning as much as it should. Therefore, the pandemic had little impact on the company.

2.5.2 Accounting Practices

An accrual basis is used throughout the annual report to prepare all financial statements. It utilized the long-term investment concept and historical cost convention. The financial statements are prepared following the International Financial Reporting Standards (IFRS), including the International Accounting Standards (IAS), the Companies Act 1994, the Bangladesh Securities and Exchange Commission (Stock Dealer, Stock Broker, and Authorized Representatives) Rules 2000, and other relevant laws and regulations. Furthermore, the financial statements are shown in BDT, which is the company's functional and presentation currency. Financial reports, a statement of owner's equity, a statement of profit or loss and other comprehensive income, a cash flow statements, as well as a summary of major summary of significant accounting policies information, are all included in the financial statements.

2.6 Operations Management and Information System Practices

2.6.1 Operations Management Practices

The primary responsibility of IDLC's Operation Management is to assist the business units in achieving their own goals while maintaining the quality of customer service. Each movement is monitored by the operation management, from documents through payment, execution, renewals, rent setting, advance, syndication, and current office contact. The management team ensures that all security documents comply with the terms of endorsement and are lawful. It also supervises

office payment once all endorsement terms & conditions have been satisfied and all security documentation gets completed.

2.6.2 Information System Practices

IDLC's digitization approach evolved with the philosophy of Customer Centricity. The organization adopted two ways to accomplish this. The first approach is to automate back-office procedures to minimize turnaround time, make most (if not all) actions traceable, and make significant areas available sitting anywhere and on any device. The second strategy is to use digitization to empower customers. Customers may use their smartphones to get relevant information and make service requests. IDLC has also implemented a workflow-based system to automate back-office activities. A software-driven digital processing engine replaces the physical operations. This platform's primary characteristics are rule-based processing, parallel activities, digital documents, etc. This platform has significantly shortened processing times, and clients are already reaping the advantages of this endeavor. It has expanded processing capacity, allowing the corporation to create less-priced services, such as the affordable housing project. IDLC is also utilizing mobile apps integrated with this platform. Finally, IDLC's approach to technology security management is both inside out and outside in. The specialized technological security team's responsibilities include access level review and monitoring, inbound and outgoing Web traffic monitoring, database access monitoring, etc.

2.7 Industry and Competitive Analysis

2.7.1 SWOT Analysis

SWOT Analysis is a tool to analyze the strengths, weaknesses, opportunities, and threats of an organization. In other words, a SWOT analysis may help a corporation identify high-performing areas and seek to improve its weaknesses. SWOT analysis also aids in decision-making. SWOT analysis of IDLC Finance Limited is described below:

Strengths:

Strong Brand Recognition:

IDLC Finance is known as the largest non-banking financial institution in Bangladesh. The company has been at the forefront of the financial services industry for a long time. Many awarding bodies have recognized the company's market success. IDLC has consistently maintained its reputation among national organizations such as ICAB and ICMAB, and among institutions in the SAARC region over the last decade. Euromoney recognized IDLC Investments for its ability to adapt and tailor its offerings in many circumstances, superior financial performance compared to peers, unique deals, and history of providing tailored and innovative solutions to local and international clients across a range of products and services.

Innovative Technology and its Application:

Considering the covid-19 situation, IDLC signed a two-year contract with Mocha Technologies Inc. for all talent acquisition requirements of IDLC. The company has conducted several written assessments of various departments using the digitalized platform iMocha.

High Customer Retention:

DLC has a total loan disbursement of BDT 45.35 billion, demonstrating that it has a large client base and a foothold in the financial market. Furthermore, the bank has acquired high levels of client loyalty through numerous deposit schemes.

Eco-Friendly Initiatives:

IDLC strives to have a good influence on the environment surrounding its business activities through a variety of external and internal initiatives. Some of the 2021 initiatives include:

- Started the implementation phase of Carbon Footprint Analysis of IDLC's internal operations and loan portfolio, which has expanded approximately 262.43 percent over the previous year.
- IDLC has funded 3000 seedlings as part of a tree-planting campaign in collaboration with a local NGO.
- IDLC has funded 3000 seedlings as part of a tree-planting campaign through a partnership with a local NGO.

Strong connections to well-known companies professional

IDLC Finance has collaborated with many well-known brands like bkash, Robi, Brac, Light Castle Partners, IPDC, etc.

Weaknesses:

Lack of office space:

Due to having more employees at the workplace, the new joiners face trouble in their seating arrangements forcing them to work in a confined space. Sometimes there are no seats available for interns.

Increased Expenditure:

Expenditures rise when the company adapts to modern technology and inventiveness. It leads to an increase in the company's varied costs and expenses.

Unavailability of Islamic Banking Service:

IDLC Finance does not provide any Islamic banking service. As a result, a lot of customers are out of coverage.

Limited Investment Possibilities:

Being a non-banking financial firm, IDLC Finance does not have the resources to invest whatever amount it desires. As a result, it occasionally faces an excess liquidity problem, even though this demonstrates having financial strength. However, a fast profitable investment demonstrates the organization's ability.

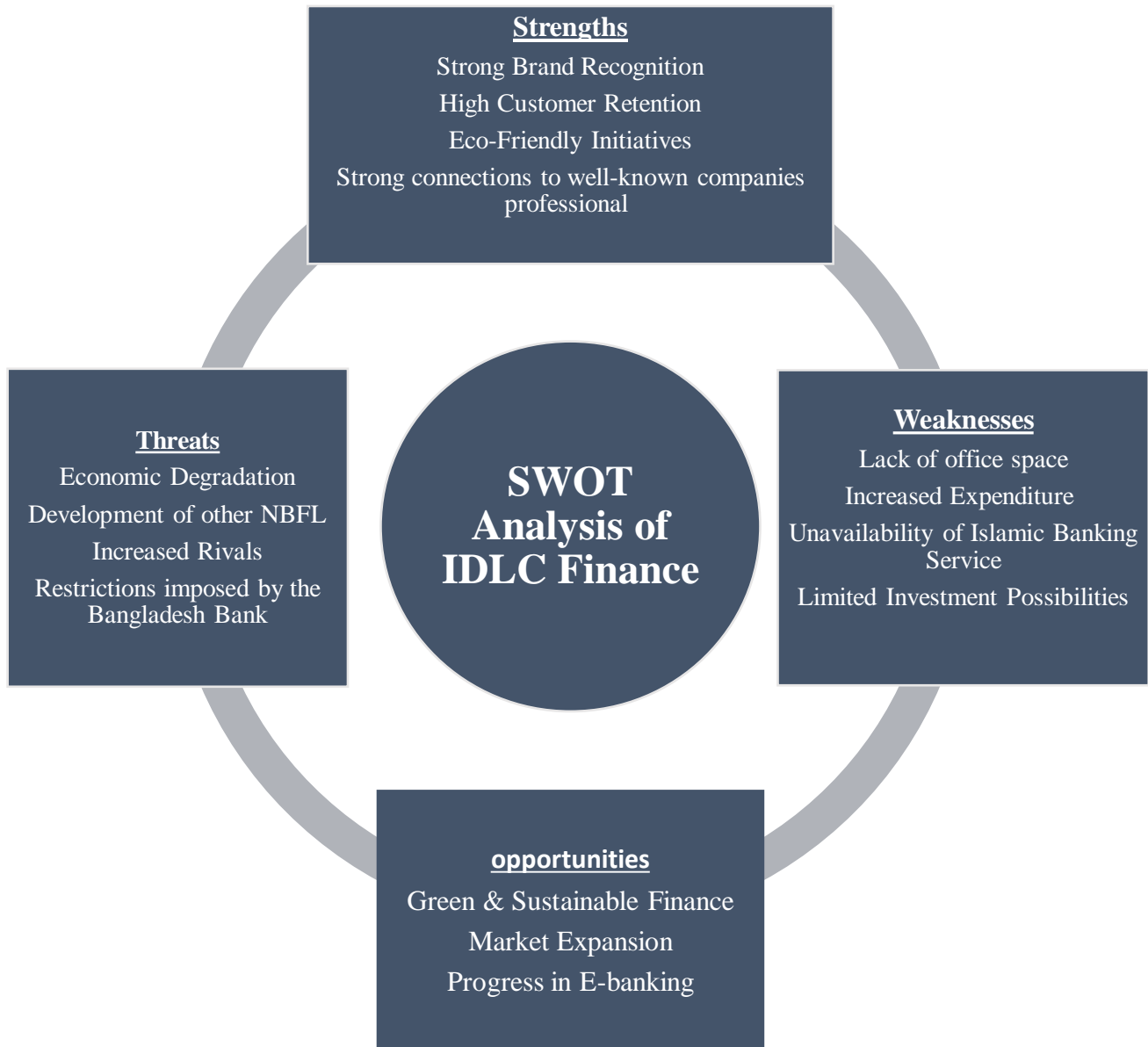


Figure 3: SWOT Analysis of IDLC Finance Limited

Opportunities:

Green & Sustainable Finance:

IDLC has been firm in tackling environmental challenges and attempting to include environmental and social elements into its financial decisions from its inception. The company has increased its focus on green and sustainable finance as legislative measures evolve, ensuring long-term viability. IDLC intends to strengthen its efforts toward establishing a sustainable portfolio for a green, and better future. IDLC has consolidated with the ESMS Toolkit, Green Banking Policy, and Sustainability Roadmap for the years 2021 to 2025, 10 Principles of the United Nations Global

Compact (UNGC), and GRI guidelines for the Annual Sustainability Report to foster sustainability in its operations and financing.

Market Expansion:

IDLC has 40 branches across the country to serve the customers and intends to open more to expand its shares in the market.

Progress in E-banking:

Using the E-banking platform, IDLC can attain more customers not only in Bangladesh but also in other parts of the world. The company already has an online deposit platform where the customers can avail all the secure, hassle-free, and lucrative schemes seating anywhere in Bangladesh.

Threats:

Economic Degradation

The country's fluctuating economic growth rate has influenced the bank's financial status. For example, the Covid-19 outbreak has had a detrimental influence on the global economy. Bangladesh's non-banking business has also been impacted by the pandemic's shifting economy.

Development of other NBFL:

There is total 34 non-banking financial institutions in Bangladesh. Because all of the institutions compete in the same business, their products and services are nearly identical. The growing number of NBFLs poses a significant challenge to IDLC Finance.

Increased Rivals:

Nonbanking financial institutions in Bangladesh are progressively introducing new features into their goods and services, and IDLC should be aware of their efforts or risk losing revenue and growth.

Restrictions imposed by the Bangladesh Bank:

Bangladesh Bank has strict control over other financial institutions when it comes to lending and deposit rates. These constraints may restrict IDLC Finance Limited's potential returns.

2.7.2 Porter's Five Forces Analysis

Porter's Five Forces Framework is a method of analyzing the operational environment where a firm operates in the business world. Five elements have been discovered in industrial organization

economics (IO) that determine the intensity of competition in the industry. Porter's Five Forces analysis of IDLC Finance is given below:

Power of buyers:

The buyer's power is relatively high in this market due to having no major switching costs, and very little diversity.

Power of suppliers:

In the consumer financial services market, suppliers have little authority as IDLC Finance is not the only NBFIs that offers this service; other institutions such as government banks, foreign banks, and investment corporations also do.

Threat of substitutes:

The threat of substitutes is considerable in this industry, and it is only increasing. Many NBFIs, mutual funds, insurance companies, and other associated organizations are being established in Bangladesh, posing significant risks to IDLC Finance Limited.

Threat of New Entrants:

As new firms arise ranging from big financial institutions to local companies, this force is considered high.

Competitive rivalry:

The non-banking services industry has developed from a monopoly to a highly competitive, fast increasing market in which enterprises must continually extend their service offerings to remain competitive, with service prices and brand image being the primary focus of rivalry.

According to Porter's Five Forces of IDLC Finance Limited, the riskiest part of the analysis, is the purchasers' negotiating power. The organization should come up with more effective and creative ways to interact with its consumers to build a robust and loyal client base.

2.8 Summary and Conclusions

IDLC Finance Limited is one of Bangladesh's most successful NBFIs. In recent years, the organization has gotten closer to its mission and vision, with all of the company's internal resources working together to achieve its objectives. After evaluating IDLC's financial performance over the previous three years, it was determined that the firm is effectively advancing toward its goals and has established a solid position in its consumer base and the Bangladeshi financial market. Furthermore, most NBFIs in Bangladesh are striving to meet customer demands and stay afloat in this Covid-19 epidemic. However, IDLC Finance Limited could raise its earnings per share in such a crucial environment. Moreover, the bank is implementing creative techniques to boost service volume while also recruiting new customers. The organization began with only five employees and has now evolved to become one of Bangladesh's largest NBFIs, with 40 locations around the

country. As a result, the company's journey shows its dedication to achieving its goals and objectives.

2.9 Recommendation

Some recommendations for IDLC Finance Limited include:

- By maintaining market share: Even though IDLC could recover after the epidemic, it must maintain market share. Their earnings per share (EPS) fluctuate from good to mediocre, which is why they are not the country's top non-banking financial institute.
- Lower employee turnover: Despite being a major corporation with several branches and many workers, IDLC's turnover rate is high. They must be able to retain their personnel by providing incentives, and incentives for them to stay and remain loyal to the organization.
- Switching to online recruiting methods: IDLC still uses the old means of providing written tests in their branches, but this should be phased out as time, space, and personnel becomes more valuable. Because the candidates will then be shortlisted based on the preferred criteria like online assessments such as psychometrics can assist reduce the interviews.
- Recovering non-performing loans: IDLC should begin concentrating more on this area since their high NPL ratio indicates that they are unable to recover the lent money. The SAM department should be more diligent in collecting and converting non-performing loans to performing loans.
- Introducing unique and inventive projects: Some employees have been doing the same duties for over ten years, and it has grown tedious for them. As a result, employee productivity is reduced. Some fresh and creative initiatives might be assigned to them to bring change to their work processes. The department can also implement a reshuffling policy, in which personnel from various teams are exchanged after a set length of time.

Chapter 3: Project Part

3.1 Abstract

When it comes to human resource management, organizations are growing increasingly reliant on technology. Companies nowadays utilize online recruiting media to attract and select the best applicant from a pool of prospects. Some benefits are guaranteed, as well as some issues that companies frequently experience when relying on internet recruiting. Given the rapid advancement of digitization and the current epidemic, all organizations, including NBFIs like IDLC Finance, are required to move their recruiting processes online. Due to some limitations of conducting written tests physically like Increased lead time for recruitment (physical written assessment and calculating results), reduced accessibility of potential candidates due to inflexibility, expensive if conducted through local HR consultants, etc. IDLC had to move to an online testing platform beginning in the year 2022. The name of this online testing platform is iMocha, provided by Mocha Technologies Inc. The objective of this research is to determine the efficiency of this online testing platform as well as applicants' perceptions of the newly launched platform. The research included both primary and secondary data, and the target group for this study was applicants who took an online test utilizing the iMocha platform. The findings reveal that most of the applicants are flexible using this platform, and the effectiveness includes access to a rich question bank with 2000+ skills tests, reduced time for conducting written assessments, positive brand image among top talents, and paperless recruitment. The findings of this study might assist IDLC in choosing to fully shift from conventional to an online testing platform.

3.2 Introduction

3.2.1 Background of the study

The effectiveness of HRM is contingent on the correct recruitment and selection of a company's employees and executives. If an organization fails to choose the appropriate person for the proper job, it will suffer throughout its employment (Taher et al, 2000). Because of globalization and technological innovation, businesses today rely online to find the best employees. Even in countries such as Bangladesh, online recruiting is becoming more popular than traditional methods (Sultana, 2017). In Bangladesh, organizations are conducting each stage of recruitment and selection using various online platforms. Applicants are also adaptable while taking written or aptitude examinations on internet platforms. Employers may target knowledgeable and qualified applicants more cost-effectively through the E-recruitment process. As a result, potential organizations are replacing traditional recruiting with online recruitment (Eva, 2013).

According to an article published in Dhaka Tribune on 13th June 2021, the University Grants Commission (UGC) has approved the use of online assessments and interviews for the recruitment of all types of staff to maintain educational operations during the Covid-19 epidemic. If traditional recruitment exams and interviews are not practicable, the recruiting process can be completed through online examination, and interviews. However, there are certain conditions to conducting

online tests; for instance, the applicants have to provide their NID card, have to keep their camera on during the exam, will be penalized if any candidate is caught doing any unfair means, etc. To streamline and shorten the recruitment process, and replace written exams currently held physically with online portal-based written exams covering aptitude & skills, IDLC has partnered with Mocha Technologies Inc. (iMocha). iMocha is a USA-based organization focusing on online testing solutions and has proctoring solutions and a robust question bank with 2,000+ skills tests. It is to note that various multinational companies like Japan Tobacco International, BAT, Chevron, etc., are using the same online testing platform to ease the process of recruitment and selection. There are various online platforms for administering these tests, each of which charges a fee. To get an indication of how much these companies are changing, look at the table below:

Particulars	E-Zone	iMocha	Thomas	Mettl	Clevry
Online Solution	No	Yes	Yes	Yes	Yes
General Aptitude Test	Yes	Yes	Yes	Yes	Yes
Skillset Test	No	Yes	No	Yes	Yes
Proctoring	Yes	Yes	No	Yes	Yes
Local Experience	IDLC	BRAC Bank	MTB, Banglalink	IPDC	None
Organization Based in	BD	USA	UK	UK	Finland
Estimated per unit Cost for Aptitude/Skill Test (BDT)	713	376	3,520	1,584	1,189

Though many studies states that online testing platforms are only good for a limited time, reputable organizations are eager to switch to an online recruiting system forever. However, there are some drawbacks of this such platforms which can be addressed over time.

3.2.2 Objective

The objective of this research is to analyze the efficiency in the recruitment and selection process of IDLC Finance due to switching to the online testing platform, iMocha, and applicants' perspectives about this newly launched platform. The findings will assist IDLC Finance in its decision-making process regarding the shift from conventional to the online testing platform. Furthermore, the analysis provides a rough estimate of the total cost the organization would incur if they fully transition to an online-based recruiting and selection procedure.

3.2.3 Significance

Since this report would provide the effectiveness of an online testing platform in recruitment and selection, this will help IDLC Finance Limited in understanding the future scope of shifting to a fully online-based recruiting platform. Moreover, Other organizations will also get an understanding of the various online testing platforms and their significance. Furthermore, the

shortcomings identified in this study will enable IDLC to develop potential remedies to make the iMocha platform more user-friendly for candidates.

3.3 Methodology

The majority of the information included in the study came from primary sources. The data was collected from direct contact with the Assistant Manager of IDLC Finance Limited. Moreover, individual interviews and discussions with the 15 applicants who used iMocha for their written assessment will add value to the research. Apart from prime data, the research includes secondary data that offers a deeper understanding of the research on the transition from traditional to online testing platforms. This secondary data includes web-based material, articles, reports, news, and yearly reports, as well as some non-confidential information from the organization.

3.4 Findings and Analysis

As per the interview with the Assistant Manager of IDLC Finance Limited, the company wishes to continue its deal with Mocha Technologies Inc. for two more years. Initially, IDLC purchased 1,000 test units as a pilot run from iMocha and used them for conducting a written assessment of various departments, including the Management Trainee Aptitude Test. Based on cost comparison and great experience of the pilot run, the company wishes to take online written exams through iMocha for all talent acquisition requirements of IDLC.

The estimated investment required is shown below in the table:

Year	Test Credits	Price per test	Price (in USD)	Price (in BDT)	VAT & AIT (in BDT)	Total Price including VAT & AIT (in BDT)
1	4,000	\$3	12,000	1,080,000	410,400	1,490,400
2	5,000	\$3	15,000	1,350,000	513,000	1,863,000
Total	9,000	\$3	27,000	2,430,000	923,400	3,353,400

IDLC Finance Limited is eager to invest in iMocha to advance its recruitment and selection process. The candidate's thoughts on iMocha were also addressed in this study. I interviewed 15 applicants who used the iMocha platform to accomplish the IDLC written exam. Around 80% of applicants were satisfied with the iMocha platform and were comfortable while attaining the test. It is a positive sign that 67% of applicants preferred an online testing platform over the traditional one. However, this study reveals some of the online testing platform's shortcomings. Because they

do not own any laptop or PC, a few candidates were disappointed with the procedure. Moreover, this platform is not ideal for persons with lower designations who are uncomfortable utilizing it. The Assistant Manager also advised against using iMocha across all departments. Salespeople and below designated officers, she believes, should take traditional written tests.

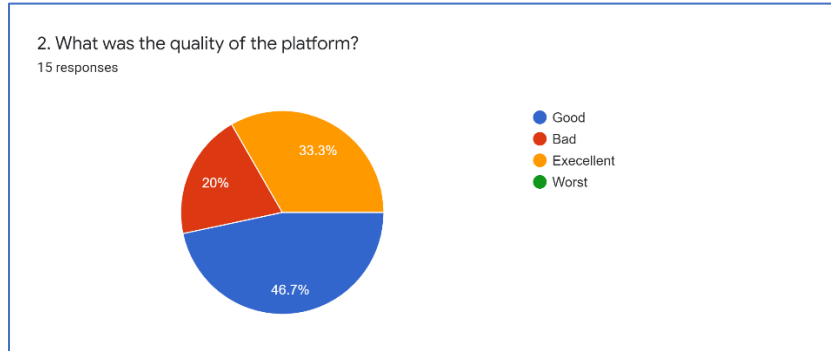


Figure 4: Applicants feedback on the quality of the platform

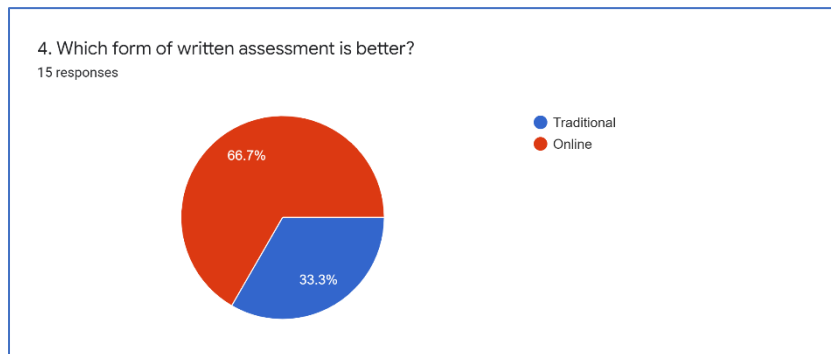


Figure: 5: Preference of the applicants for attending the written assessment

Hence, the shift from conventional to the online testing platform can bring a positive impact on the whole recruitment and selection process of IDLC Finance as more than 50% of applicants have recommended this iMocha. Moreover, the benefits include:

- Reduced lead time: Could conduct a written test of a large volume of candidates in a short period.
- Access to a rich question bank with 2000+ skills test
- Flexibility at the user end: Candidates can take the test at their convenient time within a given window
- Helped conduct written test amidst the COVID-19 lockdown
- Positive employer branding is among the top resources in the country
- 1 step closer to paperless recruitment

3.5 Summary and Conclusion

IDLC Finance Limited is one of Bangladesh's most rapidly developing non-banking financial institutions. The company's management team consists of competent, highly experienced, and dynamic executives that have contributed to the company's continued development and advancement throughout the years. The HR team and the recruiting procedure are on par with other leading organizations. IDLC looks for the best talent. That is why they utilize competency-based interviewing for the recruitment and selection process. Competency-based interviewing eliminates the possibility of personal bias and makes the recruiting process fairer by preventing interviewers from evaluating candidates based on attributes unrelated to the job. IDLC can establish a workforce to contribute to the company's growth if the management authority can make the HR policy more appealing, and make the recruitment process more advanced. The company has set a new standard in the market with the launch of an online testing platform amid the pandemic. Moreover, the company maintained a constant EPS throughout the past few years. During the pandemic, the company took some significant steps to address the situation that include, including clients receiving digital platforms for all the fundamental transactions, work-from-home, and rotation-based work services were set up to ensure that clients' services were uninterrupted, and policy creation and execution improved health standards and cleanliness practices.

3.6 Recommendation

IDLC Finance Limited has a top-notch working culture and quality employees. The company has its policies to hold a prestigious place in the market. So, it is recommended that IDLC nurture its company culture and keep adapting to advanced technologies. A few recommendations include:

- Applicants should be provided a short training on the usage of the iMocha platform.
- Backup should be kept for the applicants who do not have a laptop/PC for giving the exams.
- As they progress in technological development, automated leave management software should be introduced. Because manual adjusting leave raises concerns among employees about the HR department's correctness.
- Since they are using the employee's computer login time as their daily attendance, they need to upgrade the daily attendance tracking system. Because most companies calculate their employees' attendance by fingerprint or ID card screening, it may cause inefficiencies. As a result, the Human Resource department needs to be upgraded to increase its efficiency; otherwise, accuracy would be compromised.

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