# Report on

# Operation Management of Admin, Development & Procurement Department of Palmal Group

By

Honey Labib-Al-Sharif

22264016

An internship report submitted to the BRAC Business School for fulfillment of the requirements for the degree of Master of Business Administration

BRAC Business School

BRAC University

April 2025

# Declaration

It is hereby declared that

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

Student’s Full Name & Signature:

Honey Labib-Al-Sharif

ID: 22264016

Supervisor’s Full Name & Signature:

Dr. Mohammad Abdul Hoque

Professor, BRAC Business School

BRAC University

Co- supervisor’s Full Name & Signature:

Dr. Hasan Masud Chowdhury

Assistant Professor, BRAC Business School

BRAC University

## Letter of Transmittal

Mohammad Abdul Hoque, PhD

Professor,

BRAC Business School (BBS)

BRAC University

Kha 224, Bir Uttam Rafiqul Islam Avenue, Merul Badda, Dhaka

Subject: Supply Chain Management of Admin, Development & Procurement Department in Palmal Group.

Dear Sir,

I am pleased to submit my internship report titled "Operation Management in Supply Chain of Palmal Group", which I have prepared as part of my internship at Palmal Group for fulfillment of the requirements for MBA degree at BRAC University. During my internship period from 22 Oct. 2024 to 13 Jan. 2025, I had the opportunity to work in the Admin, Development & Procurement Department and gain practical experience. This report outlines my observations, contributions, and key learnings from the internship.

I hope that this report meets your expectations. I would be grateful for any feedback or suggestions you may have. Thank you for your support and guidance

Sincerely yours,

______________________________

Honey Labib-Al-Sharif

ID: 22264016

BRAC Business School

BRAC University

Date: 19th April, 2025

# Non-Disclosure Agreement

This agreement is made and entered into by and between Palmal Group and the undersigned student at BRAC University.

Honey Labib-Al-Sharif

ID: 22264016

BRAC Business School (MBA)

BRAC University

Date: 19th April, 2025

## Acknowledgement

I would like to thank my on-site Russel Parvez and other co-workers for his valuable guidance and support. I am deeply grateful to my supervisor, Dr. Mohammad Abdul Haque and my co-supervisor Dr. Hasan Masud Chowdhury for their invaluable guidance, insightful feedback, and unwavering support. Their expertise have been instrumental in shaping this work.

## Executive Summary

This report provides an overview of my internship experience at Palmal Group, focusing on its supply chain operations. The internship offered hands-on exposure to key supply chain functions of the organization, including procurement, inventory management and supplier coordination.

Supply chain management plays a crucial role in the success of a garments company, as factors such as lead-time, productivity, efficiency, quality consistency etc. depend on it. During my internship period, I learned about how the organization, the garments industry and other companies in this industry function. My function as an intern was equivalent to that of a Senior Officer. This gave me opportunity to understand the organization's supply chain operations from the root level and gave a glimpse of how the upper managements functions as well. This internship also allowed me to build a network with experienced professionals in the field, who shared their experience in the organization and the industry. Working here gave me opportunity to use my knowledge and also to identify the areas that can be improved. This report concludes with recommendations for improving the supply chain performance of the organization.

# Table of Contents

## List of Tables

## List of Figures



## List of Acronyms

| | |
|---|---|
| CHO | Corporate Head Office |
| CS | Comparative Statement |
| FDA | Financial Decision Approval |
| KPI | Key Performance Indicator |
| R&D | Research & Development |
| RMG | Ready-Made Garments |
| ROA | Return on Asset |
| ROE | Return on Equity |

# Glossary

ERP (Enterprise Resource Planning): Software that integrates core business processes such as finance, HR, and supply chain into a unified system.

Garments Unit: Production facility focused on manufacturing ready-made clothing items such as shirts, pants, or dresses.

Just-in-Time (JIT): A lean supply chain principle focused on reducing inventory and producing goods only when needed to minimize waste.

Key Performance Indicators (KPIs): Metrics used to evaluate performance in departments like production, quality assurance, HR, finance, and compliance.

Lead Time: The amount of time between the initiation of a procurement request and the delivery of goods or services.

Lean Supply Chain: A method of supply chain management that focuses on eliminating waste and optimizing processes for efficiency and responsiveness.

Nirapon / RMG Sustainability Council (RSC): Organizations dedicated to workplace safety and compliance in the Bangladeshi RMG sector, often working with foreign buyers.

Procurement: The process of acquiring goods, services, or labor, typically involving multiple stages: requisition, quotation, approval, and payment.

Requisition: A formal request for materials or services made by a department or project site, including specifications, quantity, and urgency.

SSD (Solid-State Drive): An electronic component used in automated machines (e.g., CNC cutters) critical for fast and efficient garment production.

Technical Audit: An evaluation conducted to ensure that equipment, materials, or processes meet required specifications and quality standards.

Vertical Integration: A business model where a company controls multiple stages of the supply chain, such as raw material sourcing, production, and distribution.

WMS (Warehouse Management System): Software designed to support daily warehouse operations including inventory tracking, order fulfillment, and stock replenishment

# Chapter 1

## Overview of Internship

### Student Information

My name is Honey Labib-Al-Sharif, ID: 22264016. I am enrolled in the MBA program at BRAC University, majoring in Operations and Supply Chain Management.

### Internship Information

Period, Company Name, Department/Division, Address:

I have done internship at Palmal Group of Industries in Admin, Development & Procurement Department, since October 22, 2024 to January 13, 2024. My current job location is Corporate Head Office: 9/Kha, Confidence Centre, (Level-14) Shahazadpur, Gulshan, Dhaka-1212.

Internship Company Supervisor's Information: Name and Position

My internship supervisor at Palmal Group is Russel Parvez, holding the position of General Manager in the Admin & Development Department.

Job Scope – Job Description/Duties/Responsibilities

The Admin, Development & Procurement Department is mainly a supporting unit of Palmal Group. It handles procurement of materials for the construction and modification of various factories and land projects of Palmal Group, and some personal projects of the MD. In order to ensure the smooth operation at all the projects around the country as well as in the Corporate Head Office and Palmal Tower, the department handles with all the materials along with any type of labor requirement. Communicating with vendors, factories & projects, and other departments is a core function of the job.

**Internship Outcomes**

Student's contribution to the company:

As an intern in the Admin, Development & Procurement unit, I didn't have any formal authority to execute any task. But I was given tasks unofficially, to regularly test my understanding of the work and responsibilities, primarily as a Senior Officer. My tasks involved making Comparative Statement (CS) of different requisitions and collecting the quotations from the vendors for the requisitions. I also work on taking updates on different works or delivery being done under the department. Getting approvals from different departments and explaining certain requirements or specifications of certain requisitions to the upper management. This sometimes requires discussion with the technical teams like civil or electrical teams. Aside from these, payment issues with vendors were also dealt with, by me. These are the works those make sure that the functions at different projects have been running smoothly. As an intern, I have done my best to make sure that I can get accustomed to the processes and kept the flow going on. Since I was able to complete the tasks given to me timely, my on-hand mentor, Mr. Imran Hossain, a Senior Officer in the department, got chance to attend important meetings without delaying or postponing any work at hand. Also, my understanding of certain things from my academic background, helped in solving certain issues quickly than others.

Benefits to the student:

Working as an intern in the Admin, Development & Procurement department in Palmal Group has benefitted me in various ways. Firstly, it has given me a practical experience of corporate culture and also showed how the culture of a garments company differs from other industries. My work at Palmal Group was not directly related to production, but rather making sure that the production processes are running smoothly in all the factories and work stations. Working around experienced employees in Palmal Group and visiting some of their factories, I understood how the organization prefers to run its operations and how they are different from other companies in the business. For example, Palmal Group management prefers to store data and files in hardcopies instead of having a centralized database or having separate departments for its compliance with any related procurement. Communicating with the factories, relevant departments and vendors, categorizing and resolving problems were the business situations I learnt to handle. Working alongside of experienced seniors, gave me an opportunity to learn from their previous job experiences and understand how I might be able to build my career in the industry. This experience of mine will definitely help me in my future career.

# Chapter 2

## Overview of the Company

### A brief description of the company.

Palmal Group of Industries, one of the promising RMG manufacturing business organizations, was founded in 1984 by the late Engr. Mr. Nurul Haque Sikder. Palmal Group of Industries has flourished into a prominent leader in the ready-made garment manufacturing sector in Bangladesh and has its headquarters in the capital city of Bangladesh, Dhaka. Palmal Group has factories in numerous location all over Bangladesh facilitating its exports and production efficiency.



### Employee Count & Company Size

Palmal group is eccentric of 32000+ employees with expertise in Knit, Woven and other ready garments business concerns. It has factories in major cities of Bangladesh which not only eases its production efficiency but also generates employment in various locations of the country.

### Vision and Mission

**Vision**

To become the leading supplier of quality apparel products that create value to the customer and contribute to socio-economic development of the country.

**The Company's Mission Statement.**

Produce and deliver quality products at competitive price to meet the customers' requirement through employee involvement, highly efficient, eco-friendly and vertically integrated manufacturing process.

To satisfy and retain customers through employee involvement, teamwork, personal excellence, and integrating scientific approaches in our quest to become the leading manufacturer of apparel products

- Be a market leader in the field of valued global supplier of RMG.
- Deliver quality fashionable products at affordable prices.
- Be innovative, cost effective and globally competitive.
- Outstrip our customers' expectations.
- Encourage skill development and teamwork among employees

## Palmal's Core Values

The following core values or the code of ethics is a formal statement of an organization's primary value and ethical rules it expects from its employees to follow.

- Accountability
- Respect
- Commitment
- Excellence

## Products and Services

Palmal Group of Industries focuses on producing Ready-Made Garments. Their offerings include a wide range of apparel such as shirts, trousers, jackets, sweaters, and other fashion items. They are recognized for their high-quality products that adhere to stringent compliance standards.

| Product Category | Description | Target Market |
|---|---|---|
| Knitwear | High-quality knit garments, including t-shirts, sweaters, and leggings. | Fashion retailers, sportswear brands |
| Woven Garments | Diverse range of woven apparel such as shirts, trousers, and dresses. | Casual and formal wear retailers |
| Denim Products | Denim jeans, jackets, and skirts with various styles and washes. | Youth and adult fashion markets |
| Apparel Accessories | Items like hats, scarves, and gloves to complement clothing lines. | Fashion retailers and accessory stores |
| Specialty Fabrics | Advanced fabrics for specific uses, such as moisture-wicking or fire-resistant materials. | Sportswear and safety gear manufacturers |

Table: 2.1 Product Categories with Description

## Market Position and Strategy of Palmal Group of Industries

Market Position: The Palmal Group of Industries has established itself as a leading player in the global ready-made garment (RMG) sector. Their market position is strengthened by their commitment to maintain the following key strategies of quality maintenance and continuous improvement of their products, and the consistency of proving satisfactory customer service.

**Key Strategies:**

- Quality Assurance: Adhering to international standards and investing in state-of-the-art technology to produce high-quality garments.
- Innovation: Continuously improving product offerings and adopting new technologies to meet market demands.
- Customer Satisfaction: Building strong relationships with international buyers by ensuring timely delivery of orders.
- Cost-Effectiveness: Minimizing production costs efficiently to offer competitive pricing.
- Global Expansion: Expanding and penetrating new international markets.

## Financial Performance

Recent financial performance and projections.

Annual Sales and Future Projections for Palmal Group of Industries

Annual Sales (2021-2023)

- 2021: $150 million
- 2022: $165 million
- 2023: $180 million

Key financial metrics (revenue, profit, growth rates).

| Year | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|
| **Profit Margin** | 28% | 29% | 32% | 35% |
| **ROA** | 1.43% | 1.9% | 1.43% | 1.08% |
| **ROE** | 12.74% | 15.96% | 12.27% | 9.63% |
| **Current Ratio** | 1.1 | 1.2 | 1.01 | 1.08 |
| **Total Asset Turnover** | 7.7 | 7.3 | 7.1 | 9.7 |

Table: 2.2 Financial Ratios (2017-2020)

## Future Projections

Projected detailed annual sales along with key growth factors:

| Year | Projected Sales (Million USD) | Growth Rate (%) |
|---|---|---|
| **2025** | 150 | - |
| **2026** | 185 | 23.30% |
| **2027** | 230 | 24.30% |
| **2028** | 290 | 26.10% |
| **2029** | 360 | 24.10% |
| **2030** | 450 | 25.10% |

Table: 2.3 Sales Projection (2025-2030)

Key Growth Drivers

- Expansion of Production Facilities
  In order to satisfy the growing demand, we plan to establish a new plant every year, greatly expanding our manufacturing capacity.
- Market Penetration & Global Reach
  Developing new markets in Asia, Europe, and North America while fortifying ties with current foreign customers.
- Innovation & Product Development
  Investing money into research and development to launch new product lines and improve current items with cutting-edge features and exceptional quality.
- Cost Optimization & Operational Efficiency
  Keeping prices competitive while cutting expenses by streamlining supply chain management and production procedures.
- Sustainability & Eco-Friendly Initiatives
  To meet customer demand by eco-friendly products and international environmental legislation, green manufacturing processes and sustainable sourcing are being implemented.

## Organizational Structure

Overview of the management team and key personnel.

The Palmal Group of Industries has a well-defined organizational structure to ensure efficient management and operations. A list of the top management of Palmal Group is as follows:

Top Management

- Managing Director: Mr. Nafis Sikder
- Director & COO: Mr. A.K.M Sazzadul Karim
- VP. Marketing GAP: Mr. Aseem Sood
- Director Admin & Compliance: Maj. Sofiul Azam Chow.(Retd.)
- Director Admin & HR, FHRO: Mr. K M Mahtab Uddin

- Director- PPC & QA: Mr. A.A.M. Munir
- Director of Production and In-charge: Mr. Emdad Hossain
- Director Admin & Surveillance: Lt. Col. Abdun Nayeem(Retd.)
- Director-Central Mgt.: Mr. Adnan Imtiaz Majid
- Director- Marketing WC: Mr. Tahmid Zaman Khan
- Director- Marketing: Mr. Pankaj Mehta
- Director- Marketing & Operation, H&M: Prashant Mithare
- Resident Director, ALP: Md. Abdul Mannan
- Resident Director, HKDML: Md. Mahboob Alam
- Controller of Merchandising and Production Co-ordination: Ehteshamul Ghani Chowdhury
- ED-Central Mgt.: Capt(retd) Sohel Faruquee
- ED- HRM & OD: Eng. Lt. Col. Md. Monwarul Islam(Retd)
- ED-Admin & HR: Md. Ziaur Rahman
- ED-Civil Eng: Md. Nazrul Islam Khan

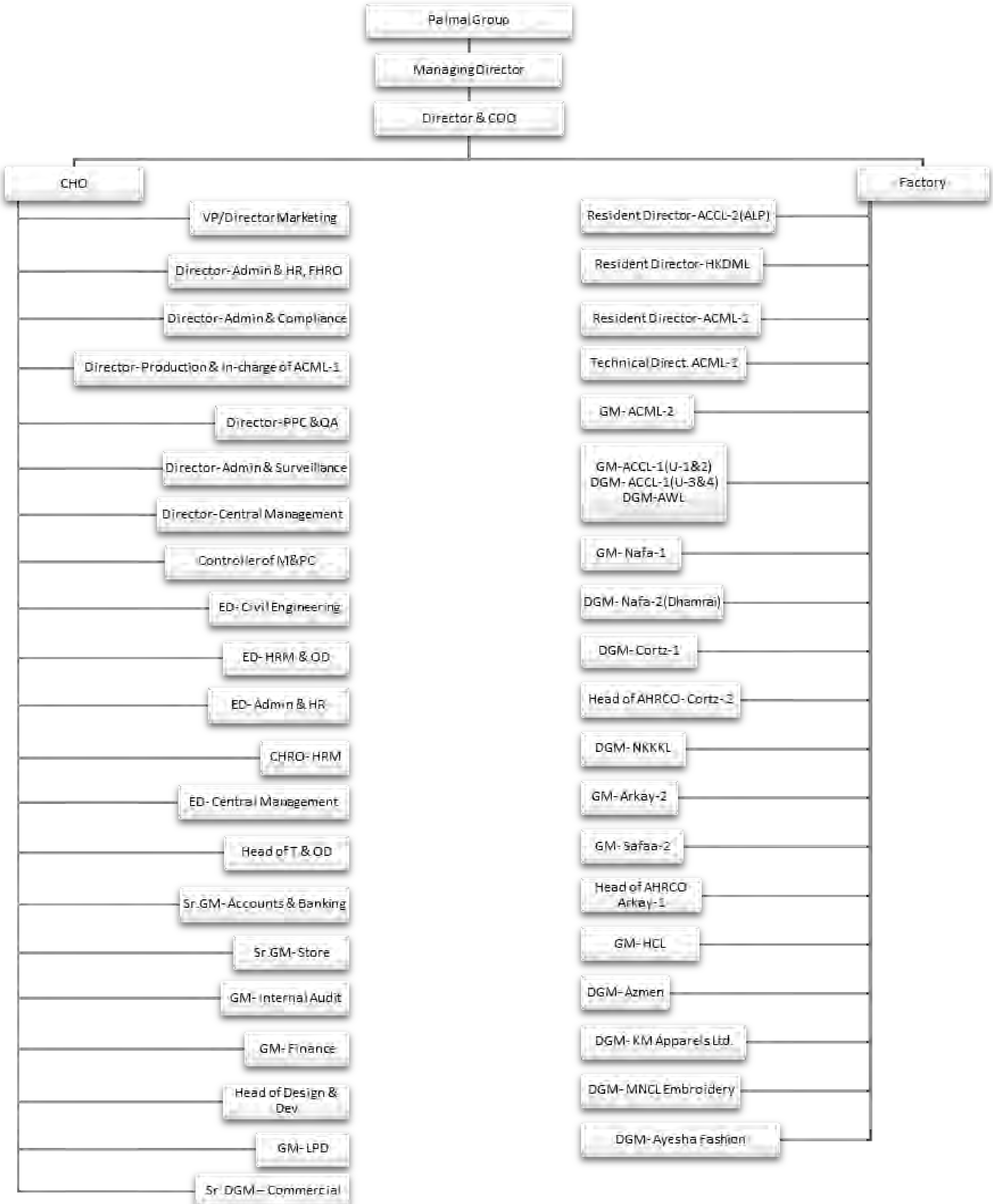


Fig: 2.1 Organization Structure

## Different Departments of Corporate Head Office (CHO)

The name of interdependent departments of CHO are mentioned below:

1. Central Management Department
2. HRD Department
3. Factory HR Operation Department
4. Training & OD Department
5. Admin & Compliance Department
6. Compliance & Sustainability Department
7. Marketing Department (Buyer wise)
8. PPC & QA Department
9. Accounts & Banking Department
10. Internal Audit & FDA Department
11. Manufacturing Audit & Central Costing Department
12. Commercial Department
13. Store Management Department
14. IT & MIS Department
15. Local Procurement Department
16. Transport & Maintenance Department
17. Product Design & Development Department
18. Patter & Sample Department
19. Engineering Department (Civil & Electrical)
20. Fire Safety Management Department
21. Machine Maintenance Department
22. Security & Protocol Department

## Factories & Production Units

Following are the lists of Palmal Group's factory locations and production units with capacity:

| Sl | Name of Factories | Location | Production Unit | | |
|---|---|---|---|---|---|
| | | | Garments | Others | Total |
| 1 | Aswad Composite Mills Ltd.-1 | Sreepur, Gazipur | 1 | 11 | 12 |
| 2 | Aswad Composite Mills Ltd.-2 | Kabirpur, Savar, Dhaka | 2 | 0 | 2 |
| 3 | Ayesha Clothing Company Ltd.-1 | Ashulia, Savar, Dhaka | 4 | 0 | 4 |
| 4 | Ayesha Washing Ltd. | Ashulia, Savar, Dhaka | 0 | 1 | 1 |
| 5 | Ayesha Clothing Company Ltd.-2 | Bangabandhu Road, Ashulia, Dhaka | 1 | 3 | 4 |
| 6 | Corts Apparel Ltd.-1 | Bagherhat, Gazipur | 2 | 0 | 2 |
| 7 | Corts Apparel Ltd.-2 | Nawjor, Gazipur | 4 | 0 | 4 |
| 8 | Nafa Apparel Ltd.-1 | Baroipara, Kaliakoir, Gazipur | 5 | 0 | 5 |
| 9 | Nafa Apparel Ltd.-2 | Joypura, Dhamrai, Dhaka | 2 | 1 | 3 |
| 10 | Safaa Sweater Ltd.-1 | Ashulia, Savar, Dhaka | 2 | 0 | 2 |
| 11 | Safaa Sweater Ltd.-2 | Hotapara, Gazipur | 2 | 0 | 2 |
| 12 | Arkey Knitting-Dyeing Mills Ltd.-1 | Zerani Bazar, Gazipur | 0 | 7 | 7 |
| 13 | Arkey Knitting-Dyeing Mills Ltd.-2 | Bangabandhu Road, Ashulia, Dhaka | 2 | 1 | 3 |
| 14 | Hamza Clothing Ltd. | Bangabandhu Road, Ashulia, Dhaka | 1 | 0 | 1 |
| 15 | Hamza Trims Ltd. | Bangabandhu Road, Ashulia, Dhaka | 0 | 1 | 1 |
| 16 | Azmeri Composite Knit Ltd. | Faidabad, Uttarkhan, Dhaka | 1 | 0 | 1 |
| 17 | KM Apparel Knit Pvt. Ltd. | Uttarkhan, Dhaka | 1 | 0 | 1 |
| 18 | NKK Knitwear Ltd | Fatullah, Narayanganj | 4 | 0 | 4 |
| 19 | Modern Neddle Craft Ltd. | BSCIC, Tongi, Dhaka | 0 | 1 | 1 |
| 20 | Ayesha Fashion Ltd. | AEPZ, Narayanganj | 1 | 0 | 1 |
| **Total** | | | 35 | 26 | 61 |
| 21 | Hamza Fashion Ltd. | AEPZ, Narayanganj | **Upcoming** | | |
| 22 | Hamza Knit Dyeing Mills Ltd. | Srihatta Economic zone, Sylhet | | | |

Table: 2.4 Factories Locations

| Sl | Types of Production | No. of Units | Production Capacity |
|---|---|---|---|
| 1 | Garments Unit | 35 | 15.7 Million/Month |
| 2 | Knitting | 9 | 4380 Tons Fabrics/Month |
| 3 | Dyeing & Finishing | 8 | 2900 Tons Fabrics/Month |
| 4 | Washing Plant | 2 | 4.1 Million/Month |
| 5 | Painting (AOP) | 2 | 510 Tons/Month |
| 6 | Printing (General) | 2 | 6.24 Million/Month |
| 7 | Embroidery | 2 | 1.5 Million pcs/ Month |
| 8 | Trims & Accessories | 1 | Elastic 2.6 Million/Month<br>2.2 Million/Month<br>Twill Tape 2.1 Million/Month |
| Total Units | | 61 | |

Table: 2.5 No of Production Units & their Capacity

## SWOT Analysis of Palmal Group of Industries

### Strengths

- High-Quality Products: Noted for producing garments that meet high international standards.
- Strong Market Position: Acknowledged leader in the global RMG sector.
- Experienced Management: Guided by seasoned leaders with extensive industry knowledge.
- Customer Satisfaction: Maintains strong ties with international buyers and prioritizes customer satisfaction.
- Innovation: Regular investments in research and development to enhance product line.

**Weaknesses**

- Dependence on International Markets: Significant reliance on international markets, which can be impacted by global economic changes.
- High Competition: Faces intense rivalry from other RMG manufacturers both locally and internationally.
- Labor Costs: Increasing labor costs in Bangladesh can affect profitability.
- Supply Chain Disruptions: Susceptible to supply chain interruptions as raw materials and machineries are mostly imported, which sometimes may get delayed due to international political issues, change in exchange rates, natural causes, etc. These can impact production schedules.
- Lack of Technological Innovation: Many of the internal functions are outdated, as ERP, WMS etc. software are not being used.

**Opportunities**

- Market Expansion: Potential to enter new international markets and increase market share.
- Sustainability Initiatives: Growing demand for eco-friendly products offers a chance to lead in sustainable fashion.
- Technological Advancements: Opportunities to improve production efficiency and product quality through new technologies.
- Diversification: Possibilities to expand product offerings and include related industries.

**Threats**

- Economic Instability: Global economic instability can affect garment demand and sales.
- Regulatory Changes: Shifts in trade policies and regulations can lead to new challenges.
- Environmental Concerns: Increasing emphasis on environmental sustainability requires ongoing adaptation and investment.
- Labor Issues: Potential labor disputes and changes in labor laws can impact operations.

## Company Culture and Values

Core Values

- Pursuit of Excellence:

The company is dedicated to delivering the highest quality products and services. They strive for perfection in every project and continuously seek ways to enhance their processes and offerings.

- Innovation:

Emphasizing innovation, Palmal Group aims to stay updated with the latest developments in management. They continuously introduce new ideas and solutions to add value to their clients and remain competitive in the market.

- Sustainability:

The company places a strong emphasis on sustainable growth. It ensures that its operations are environment friendly and socially responsible, aiming to minimize their ecological footprint and contribute positively to society.

- Integrity:

Palmal Group maintains a commitment to integrity and transparency in all their dealings. They prioritize building and maintaining trust with their customers, suppliers, and employees.

Company Culture

- Employee Engagement and Empowerment:

The Palmal Group fosters a culture of active employee involvement and teamwork. They believe in empowering their employees, providing them with opportunities for professional growth and encouraging them to contribute their ideas and talents.

- Work-Life Environment:

The company promotes a healthy work-life environment, recognizing that the well-being of their employees is crucial to their overall success. They provide support and resources to help employees manage their professional and personal lives effectively.

- Community Involvement:

Palmal Group is actively involved in community initiatives and social responsibility programs. They aim to make a positive impact on the communities they operate in by supporting local development projects, educational programs, and other charitable activities.

- Continuous Improvement:

The company fosters a culture of continuous improvement and learning. Employees are encouraged to stay abreast of industry trends and best practices through training and development programs. This commitment to growth and learning helps the company maintain its competitive edge.

- Diversity and Inclusion:

Palmal Group values diversity and promotes an inclusive work environment. They believe that a diverse workforce brings different perspectives and ideas, which drive creativity and innovation.

By embracing these values and fostering a positive company culture, Palmal Group of Industries aims to create an environment where employees feel valued, customers are satisfied, and the company can achieve sustainable growth and success.

## Awards and Recognitions

The Palmal Group of Industries has received several awards and recognitions for their outstanding performance in the ready-made garment (RMG) sector:

National Awards:

- President Award: Achieved in two consecutive years.

International Awards:

- Best Supplier Award from Walmart: Received in 2004, 2005, 2006, 2007, 2008, and 2009.
- Best Supplier Award from Charming Shop: Awarded in 2006.

## KPIs Used in Palmal Group:

Palmal Group employs a comprehensive set of Key Performance Indicators (KPIs) to monitor and enhance its operations across various departments. KPIs used at the factories are as followed:

1. Planning, Production, and Industrial Engineering (IE) KPIs:
   Monthly Target vs. Achievement Status
   Monthly Efficiency Percentage- (Standard Output/Actual Output) × 100
   Monthly Planned Cut Date (PCD) Hit Rate
   Monthly Revenue Status
   Monthly Profit/Loss Status
2. Quality Assurance Department KPIs:
   Monthly Final Inspection Pass Rate
   Monthly Off-Quality Level (OQL) Percentage
   Monthly Defects per Hundred Units (DHU) Percentage
   Monthly Top 5 Defects Analysis
3. Human Resource Department KPIs:
   Monthly Worker Absenteeism Rate

KPIs used in the Corporate Head Office:

1. Financial KPIs
   Profit Margin = (Net Profit / Revenue) × 100
   Cost Per Garment (CPG) = (Total Production Cost / Total Garments Produced)
   Order Fulfillment Rate = (Total Orders Completed / Total Orders Received) × 100
   Cash Conversion Cycle (CCC) = (Days Inventory Outstanding + Days Sales Outstanding - Days Payables Outstanding)
2. Compliance & Sustainability KPIs
   Social Compliance Score (Audit results from certifications like BSCI, WRAP, SEDEX)
   Water Consumption Per Garment = (Total Water Used / Total Garments Produced)
   Carbon Footprint Per Garment = (Total $CO_2$ Emissions / Total Garments Produced)
   Workplace Safety Incidents = (Total Accidents / Total Workforce) × 100

## Future Plans and Goals

### Short-Term and Long-Term Goals

1. Lead in Supplying Quality Apparel Products

Goal: To become the top supplier of high-quality clothing items that add value for customers and contribute to the country's socio-economic progress.

Elaboration: This involves producing garments that meet international quality standards, ensuring customer satisfaction, and fostering trust. By focusing on quality, the company aims to build a strong reputation and gain a competitive edge in the market.

Leadership in Quality Apparel Supply

To establish itself as a top provider of premium apparel, the company must focus on the following key strategies:

a) Maintaining Global Quality Standards

- Implement rigorous quality control measures throughout production.
- Follow international industry certifications such as OEKO-TEX and ISO.
- Conduct regular inspections and testing of raw materials and final products.

b) Customer-Centric Approach

- Analyze market trends to align with consumer preferences.
- Continuously gather and assess customer feedback for improvement.
- Offer customization options to cater to specific client needs.

c) Strengthening Supplier and Partner Relationships

- Partner with trusted suppliers to source high-quality materials.
- Build long-term alliances for supply chain consistency.

- Uphold ethical sourcing practices to align with sustainability objectives.

d) Innovation in Apparel Manufacturing

- Invest in R&D to explore new materials and sustainable production techniques.
- Leverage advanced manufacturing technologies such as AI-driven quality control.
- Develop eco-friendly apparel collections to attract environmentally conscious consumers.

e) Branding and Market Expansion

- Enhance brand visibility through social media and digital marketing campaigns.
- Participate in global trade shows and industry events.
- Expand to international markets via e-commerce and global distribution networks.

f) Customer Service and After-Sales Support

- Personalize interactions based on customer history and preferences.
- Introduce extended warranties and repair services.
- Provide 24/7 multilingual customer support.

g) Sustainability and Social Responsibility

- Reduce carbon emissions by incorporating renewable energy into production.
- Implement garment recycling programs for customers.

2. Offer Exceptional Effort and Services

Goal: To provide outstanding services and efforts by engaging employees, promoting teamwork, fostering personal excellence, and integrating scientific approaches.

Elaboration: This means investing in employee training and development, encouraging collaboration, and utilizing modern technologies and methodologies to enhance productivity and service quality. The aim is to create a positive work environment that drives performance and customer satisfaction.

a) Commitment to Excellence in Service and Performance

To maintain a strong market presence, the company must focus on enhancing its operations and customer engagement strategies:

b) Promoting Teamwork and Collaboration

- Establish clear communication channels across all the departments.
- Organize team-building activities to foster unity.
- Encourage a work culture based on respect and mutual support.

c) Leveraging Modern Technologies

- Implement digital inventory system and supply chain management solutions.
- Use data analytics to optimize production and reduce waste.
- Incorporate AI and automation to improve efficiency in manufacturing.

d) Improving Customer Support and After-Sales Services

- Provide 24/7 customer assistance via email and helplines.
- Simplify return and exchange policies to build trust.
- Develop loyalty programs and special offers for repeat customers.

e) Sustainability Initiatives

- Adopt sustainable manufacturing techniques to minimize waste.
- Ensure fair wages and ethical working conditions.
- Engage in corporate social responsibility (CSR) projects that support local communities.

3. Achieve Market Leadership as a Global RMG Supplier

Goal: To establish itself as a leader in the global ready-made garment (RMG) industry.
Elaboration: This involves expanding the company's market presence, maintaining strong relationships with international buyers, and continuously improving product offerings to meet

global demand. The objective is to be recognized as a top-tier supplier in the RMG sector worldwide.

Strategic Growth and Market Leadership

To achieve global dominance in the ready-made garments (RMG) sector, the company should focus on the following key areas:

a) Expanding Market Presence

- Market Research & Expansion: Identify and target emerging markets with high demand.
- Product Diversification: Offer varied product lines, including sustainable and high-end fashion.
- Global Networking: Participate in international trade shows and fashion expos.
- Strategic Partnerships: Form alliances with international retailers and fashion brands.

b) Strengthening Buyer Relationships

- Quality Assurance & Compliance: Adhere to global industry standards and ethical sourcing.
- Dedicated Account Management: Assign dedicated teams to key clients.
- Supply Chain Optimization: Ensure efficient logistics and inventory control.
- Sustainability Commitments: Implement eco-friendly production methods.
- Flexible Production Solutions: Offer customizable designs and order sizes to accommodate various buyers.

c) Product Innovation & Development

- Trend Analysis & R&D: Invest in research to stay ahead of fashion trends.
- Technological Advancements: Utilize AI-driven design tools and smart textiles.
- Sustainable Materials: Integrate recycled fibers, organic fabrics, and eco-friendly dyeing techniques.
- Designer Collaborations: Partner with industry experts to create exclusive collections.

d) Operational Efficiency & Cost Management

- Lean Manufacturing: Minimize waste and optimize efficiency.
- Resilient Supply Chain: Strengthen supplier networks to ensure smooth operations.
- Smart Factories: Implement IoT, robotics, and AI for automated processes.
- Regulatory Compliance: Conduct regular audits to meet industry standards.

e) Brand Development & Marketing Strategies

- Unique Brand Identity: Position the brand as a leader in quality and sustainability.
- Strategic Digital Campaigns: Utilize social media, influencer partnerships, and targeted advertising.
- Customer Engagement: Foster B2B relationships through exclusive deals and loyalty programs.
- CSR & Community Initiatives: Strengthen brand reputation through ethical and sustainable projects.

4. Provide High-Quality, Fashionable Products at Affordable Prices

Goal: To deliver quality fashion items that are affordable to a broad range of customers.
Elaboration: This requires efficient production processes, cost management, and innovative design. By keeping prices competitive without compromising on quality, the company aims to attract and retain a diverse customer base.

a) Balancing Quality, Cost, and Innovation in Apparel Manufacturing

- Efficient Production: Achieving success in the fashion industry requires a strategic balance between cost management, quality assurance, and innovation.
- Sourcing Premium Materials: Partner with reputable suppliers to secure high-quality fabrics at competitive prices.
- Optimized Manufacturing: Implement lean production techniques to reduce waste.
- Sustainable Operations: Maintain ethical production practices to minimize environmental impact.

b) Cost Optimization

- Bulk Purchasing: Reduce costs by acquiring materials in large quantities.
- Supply Chain Efficiency: Streamline logistics to cut overhead expenses.
- Direct-to-Consumer Sales: Utilize online platforms to eliminate intermediaries and lower distribution costs.

5. Be Innovative, Cost-Effective, and Globally Competitive

Goal: To adopt innovative practices and remain cost-effective to stay competitive on a global scale.

Elaboration: This means investing in research and development, leveraging technology, and optimizing operational efficiency. The focus is on creating value through innovation and maintaining cost leadership to compete effectively in international markets.

Driving Innovation, Cost Efficiency, and Global Competitiveness

To remain a leader in the RMG industry, the company must integrate technological advancements and sustainability into its operations:

- Investment in R&D: Explore advanced materials, production techniques, and smart textiles.
- Technological Integration: Use AI-driven demand forecasting and digital design tools.
- Sustainable Practices: Adopt eco-friendly materials and energy-efficient production methods.
- Efficient Supply Chain Management: Utilize data analytics for real-time inventory tracking.

By combining cost efficiency with innovation, the company can maintain its competitive edge in global markets.

6. Exceed Customer Expectations

Goal: To consistently surpass customer expectations in terms of product quality, service, and overall experience.

Elaboration: This involves understanding customer needs, delivering on promises, and continuously seeking feedback for improvement. By exceeding expectations, the company aims to build long-term relationships and customer loyalty.

Better Customer Services

Delivering exceptional service and maintaining high-quality standards is key to long-term success:

- Transparent Communication: Keep clients informed about orders and production updates.
- Customization Options: Offer tailored designs and fabric selections.
- Quality Control: Implement strict multi-stage inspections.
- Reliable Delivery: Ensure timely and damage-free shipments.
- After-Sales Support: Provide dedicated teams for customer service and feedback management.

7. Create Growth Opportunities for Employees

Goal: To provide employees with opportunities for professional and personal growth.
Elaboration: This includes offering training programs, career development initiatives, and a supportive work environment. The aim is to empower employees to achieve their potential, which in turn drives the company's success.

Employee Development & Career Growth

- Cross-Departmental Training: Encourage employees to expand their skill sets.
- Leadership Programs: Identify and nurture future company leaders.
- Recognition & Rewards: Offer promotions and incentives for top performers.

- Employee Engagement: Conduct regular feedback sessions to enhance workplace satisfaction.

8. Attain Sustainable Growth

Goal: To achieve growth that is sustainable and environmentally responsible.

Elaboration: This means implementing eco-friendly practices, ensuring ethical manufacturing, and focusing on long-term sustainability. The objective is to grow in a way that benefits the company, its stakeholders, and the planet.

Achieving Sustainable Business Growth

- Renewable Energy Investments: Explore solar and wind energy solutions.
- Eco-Friendly Packaging: Switch to recyclable and biodegradable materials.
- Resource Efficiency: Implement energy- and water-saving practices.
- Sustainable Product Lines: Develop environment friendly clothing.
- Green Transportation: Utilize electric or fuel-efficient delivery vehicles.
- Sustainability Transparency: Publish reports to keep stakeholders informed about environmental efforts.

By prioritizing sustainability and employee development, the company can ensure long-term success while positively impacting the planet.

# Chapter 3

# Project Part

## Introduction

The Ready-Made Garments sector contributes to over 80% of the country's export earnings and employing millions of workers. Efficient supply chain management is crucial for maintaining competitiveness in this highly competitive global industry, where consistence in quality, lead time and cost efficiency are key determinants of success. To ensure these parameters are met, optimization of sourcing, production, and distribution, is needed, which is done by the implementation of effective supply chain management. Though many RMG firms in Bangladesh have adopted lean supply chain practices, due to challenges such as raw material and machineries dependency on foreign suppliers, port congestion, and infrastructural inefficiencies, supply chain operations are often disrupted. The focus of lean supply chain is to minimize waste while maximizing efficiency and value for customers. It uses Lean principles, such as Just-in-Time (JIT), continuous improvement (Kaizen), and demand-driven production, to streamline operations. Application of these principles help to reduce excess inventory, eliminate non-value-added activities, and enhance responsiveness which improves cost-effectiveness, quality, and customer satisfaction.

In Palmal Group, the supply chain management for procurement of raw materials and procurement of materials related to supporting activities are done by different departments. The Admin, Development and Procurement Department is a supporting unit of Palmal Group, dealing with construction and machinery related purchase and work at different projects around the country. Following their current processes, Palmal Group is functioning well, but there is still room for improvement which can result in smoother flow of work, reduce cost, reduce lead-time, increase productivity and maintain quality.

Based on its goals, Palmal Group currently follows the following work flow procedure:

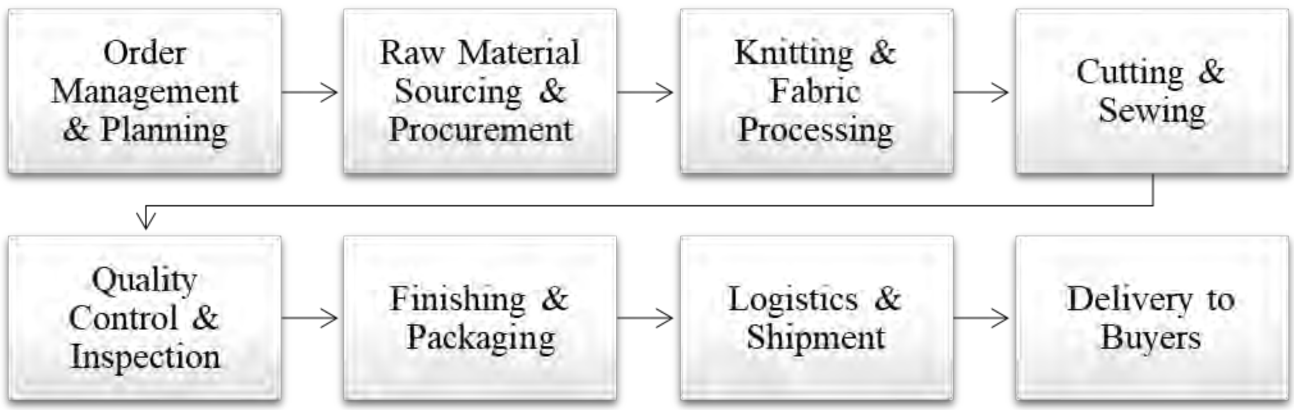


Fig: 3.1 Work Flow Diagram

Firstly, foreign branded clothing companies order through RMG Sustainability Council (RSC) or Nirapon, which are two initiatives focused on improving workplace safety and sustainability in Bangladesh's Ready-Made Garments (RMG) sector. The representatives of the specific organization check the concerned facilities and give a list of requirements that Palmal Group needs to fulfill within a given time-period before getting the order. Once the requirements are fulfilled and approved by the representatives, buyers' orders based on product specifications, quantity, & delivery timelines are placed, and production planning & scheduling are done. According to the demand, raw materials are sourced from local or international suppliers. As Palmal Group operates an integrated setup, some materials come from its own facilities. Yarn is processed in knitting units to produce fabric which undergoes dyeing, washing, and finishing to meet buyer specifications. Then Cutting & Sewing are done in Palmal Group's facilities. Inline and end-of-line quality inspection including stitching, measurement, and defect analysis are done. If possible, non-compliant products are reworked before shipment or they are rejected. Qualified final products are then labeled (size, brand tags, wash care) pressed, tagged, and packaged as per buyer requirements. Then they are shipped through freight forwarders for export to the foreign buyers, which in Palmal Group's case are the foreign companies.

The purpose of this report is to showcase my experience in the Admin, Development and Procurement Department of Palmal Group, understanding their operations and identifying the lacking in their supply chain management and recommending suggestions to improve the points for better functioning.

## My Role in Palmal Group as an Intern

As discussed above, I have done my internship in the Admin, Development and Procurement Department of Palmal Group. During this time, I have learned how the department works and functions from inside. My responsibilities there, were equivalent to the responsibilities of a Senior Officer. My day-to-day job roles are discussed below;

**Stage 1: Requisition and Initial Communication**

- **Receiving Requisition from Project**
  The first step in the procurement process is the requisition received from project sites such as Hamza Knit Dyeing Mills Ltd. (HKDML) Sherpur Moulvibazar, Arkey Knitt Dying, Ashuliya land project on Bangabandhu Road, Ashuliya, Savar, etc. This step is quite vital because it marks the very inception of the entire procurement operation. It generally consists of an order that details materials and services, along with the required quantity and quality standard, and mentions the delivery schedule. Most frequently received requisitions are of construction materials, such as, bricks, rods, cement, paint, wire nets etc. and labor. Other than these, the more expensive but infrequent purchases are of big machineries. The requisitions depend on the specific need of each project, thus there are variety of materials needed have no relation with other projects. Accurate and timely requisitions help the procurement team to plan and execute orders without any delay or cost overruns, preventing excessive lead-time and increasing efficiency. All the requisitions need to be kept in a very accurate record by the procurement department for tracing the status of each request. This provides accountability.

- **Communicating with Relevant Personnel**
  The success of a procurement process requires continuous communication with key stakeholders. Project heads, engineers, HR officers, and store managers all have vital roles in making sure that the requisition is accurate to the needs of the project. Regular updates and open lines of communication helps in avoiding misunderstandings and ensuring that changes or issues are promptly resolved. This step involves arranging meetings, sending follow-up emails, and using project management tools to track communication and progress. Good communication lines ensure alignment on the project objectives and

timelines and thus puts the procurement team in a better position to respond quickly to changes or hiccups.

Moreover, effective and regular communication makes the environment of teamwork such that all team members are supportive and well-informed. This collaborative approach can lead to more innovative solutions and streamlined processes, ultimately contributing to the overall success of the project. By prioritizing clear and consistent communication, the procurement team can build strong relationships with internal and external stakeholders, enhancing cooperation and efficiency throughout the procurement process.

**Stage 2: Documentation and Initial Review**

- **Vetting by Concerned Department**

  After proper documentation and review of the requisition, vetting or estimation of the needed quantity and costs by the concerned department follows. This step is the very critical phase in budget planning for any procurement that will be economically viable and effective to the institution. The said department would normally be composed of a team of professionals in procurement, project management, and financials who can best assess the requirements and give practical cost estimates.

  In this stage, the procurement team takes into consideration the specifications given in the requisition and works out the exact quantity required along with the cost for the same. This may involve market research for prevailing prices, the study of supplier capabilities, and even risks and contingencies. The team also ensures the estimated costs are within the project budget and financial constraints.

  Most of the materials are usually sourced from previous vendors, so the quality is mostly standard. But, in case of new suppliers or high cost purchase, the concerned technical team, such as, civil or electrical teams, would send a representative to the suppliers, for ensuring quality. This can be done by comparing with previous material quality or specifications of the factory.

**Stage 3: Supplier Selection**

- **Collecting Quotation from Suppliers**

  Quotations requested by the procurement team are collected from at least three different suppliers to obtain competitive pricing with a range of options. This step is critical, for it allows the team to get an understanding of the market and secure the best possible deal. The quotation must specify detailed information about the prices, the time of delivery, the payment terms, and any other condition that may be relevant. By involving various suppliers, the procurement team can introduce some form of competition that will drive the suppliers to offer the best deals possible.

- **Prepare Comparative Statement (CS)**

On receipt of the quotations, the procurement team prepares a Comparative Statement, commonly known as a CS. It is a very useful document that assists in comparing various offers effectively. It usually contains columns representing the relative prices, delivery times, quality specifications, and other factors that would influence the purchase of the item. Having all the information side by side really allows the team to make their decision based on a holistic view of the offers. This makes the procurement process transparent and ensures the best and most eligible supplier is selected by objective analyses.

Following is a CS of bonding agent for Hamza Knit Dyeing Mills Ltd. which shows multiple vendors' quotations for 660 Liters of bonding agent including their transportation costs:

HKD-438

**Hamza Knit Dyeing Mills Ltd**

Srihatta Economic Zone, Moulovibazar, Sylhet

Budget for Bonding Agent For Production Building Casting Purpose (For Floor Slab Joints).

| SL | Name of Materials | Quantity | Unit | Fairmate Chemicals (BD) Ltd. | | Advance Construction Technology | | Riddhi Construction Solutions | | Tamanna Corporation | | Construction Aid & Logistics Ltd. | | Remarks |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Unit Price | Total Amount | Unit Price | Total Amount | Unit Price | Total Amount | Unit Price | Total Amount | Unit Price | Total Amount | |
| 1 | Bonding Agent | 660 | Litres | 350.00 | 231,000.00 | 430.00 | 283,800.00 | 450.00 | 297,000.00 | 410.00 | 270,600.00 | 330.00 | 217,800.00 | |
| 2 | Transportation | | | Including | | Including | | 10.00 | 6,600.00 | | 10,000.00 | Including | | |
| | Total Amount= | | | | 231,000.00 | | 283,800.00 | | 303,600.00 | | 280,600.00 | | 217,800.00 | |

**Note: Requisition& Quotation Attached.**

Fig: 3.2 Sample of Comparative Statement

- **Initial Signing**

Upon the preparation of the Comparative Statement, the selected supplier and the agreed terms will have to be verified with an initial signing process. It includes the signatures from the senior executive, reporting boss, GM, and the director in charge of admin & development. These signatures indicate that the adopted supplier and the agreement conditions are now accepted by both parties, meaning all the parties are agreed on the next steps to be considered in the procurement process.

**Stage 4: Audit and Adjustment**

- **Technical & General Audit**

  During procurement, thorough technical audits as well as general audits need to be undertaken for materials and services procured to maintain standards and requirements prescribed. The technical audit entails study electrical and civil requisitions that assure the attainment of technical specifications for intended application. In addition, the inspection of quality, performance, and compliance in meeting the stipulated standards of the industry or project will also be necessary.

  A general audit supplements the technical audit by assessing other aspects of the procurement, such as cost-effectiveness, compliance with procurement policies, and overall feasibility. Both audits require the involvement of relevant executives and managers, whose signatures are necessary to certify the audit results. This step ensures accountability and transparency, as the approval of multiple stakeholders signifies that the procurement has undergone a rigorous review process. Audits pinpoint any discrepancies or issues that would need resolution before the finalizing of procurement to avert such potentially costly errors or delays.

- **Adjusting Rates & Communicating Vendor**

  Where necessary, after the audit, it may be important that the procurement team renegotiate terms on the back of the audit outcome with vendors. The rates may have to be adjusted to reflect changes relating to specifications, quantities, and quality requirements arising out of the audit. Communication is very key point during this stage with the vendor to ensure that in case of any adjustments, their understanding and agreements are well aired.

  The findings of the audit have to be presented to the vendors by the procurement team, discussing the required adjustments in the rates. The negotiation should be transparent and professional, aiming at a mutually beneficial agreement. Any changes are clearly documented, thus avoiding misunderstanding and making the updated terms official.

**Stage 5: Final Approvals**

- **Management Approval**

  Those types of procurement that require high expenses or vital materials need approval by higher management. It is done to ensure that the purchase is aligned with the strategic objectives and budgetary limits of the organization. Higher management will normally comprise top-level key managers such as GM, ED, and if needed, Director/MD. Their approval is required to ensure the validity and legitimacy of the procurement request. This is usually through the presentation of the procurement details, including the estimated costs, timelines, and justification for the selection of certain suppliers. Through management approval, the procurement team ensures that all procurements that are of high value or high risk are reviewed and approved by the leadership of the organization.

- **FDA Approval**

  Once higher management approval is obtained, the documents are forwarded to Financial Decision Approval. This process involves the financial department checking the procurement request for its conformance with the financial policies and constraints of the organization. The verification of budget allocations, review of cost estimates, and assurance that the procurement will not affect the financial health of the organization make up the FDA process. The financial department may also review the payment terms and conditions to ensure that they are good and within reason. By seeking FDA, the procurement team ensures that the financial aspects of the procurement are valid and within the policies set by the organization. This becomes another layer of checking to protect the financial interests of the organization.

- **Receiving Documents after Approval**

  The approved documents are sent back to the procurement team after the process at the FDA is completed. This is a very critical step since this would imply that all approvals had been gotten, and the procurement could now be allowed to go ahead. The procurement team needs to accord due attention to the approved documents in order to ensure that all required signatures and endorsements are there. Once verified, the team can proceed with finalizing the purchase order, liaising with the selected supplier, and organizing the delivery of materials or services. Receiving back the approved documents also ensures that the procurement process is transparent and accountable, with a clear record of all approvals and decisions made.

**Stage 6: Finalizing Purchase**

- **Discussing Rates & Material Stock Issues**

  Here, the purchase team discusses everything in detail with the selected vendor in order to finalize the rates and clear any issues related to the stock of materials. Such discussions are very important for both the parties to understand the terms and conditions of the purchase or work order. The agreed rates must be verified by the procurement team, which might have been negotiated or changed during the audit and review process. This is to ensure that any miscommunication or mismatch is avoided in the later stages of the agreement. Also, material stock issues, such as availability, lead times, and delivery schedules, need to be addressed by the team.

  This involves verification that the vendor has the capacity to supply the required quantities within the specified timelines. The procurement team should also discuss any potential risks or challenges and establish contingency plans to mitigate them. Effective communication at this stage ensures the smooth running of the procurement process to deliver the materials or services according to the requirements of the project.

**Stage 7: Fund Allocation and Vendor Payment**

- **Allocation**

  On its part, the procurement team sees to the allotment by making sure there is an allocation of funds and handling of all due documents. These are forwarded, in the first instance, to the VAT, Tax, and Accounts departments so that proper clearances regarding financial and regulatory provisions may be made. The team thereafter prepares pay orders or cash for special issues to make the funds available to the vendor. Usually, 70% of the total amount is allocated as partial advance. But in some cases, full amount is allocated as advance.

- **Vendor Payment**

  When the pay order or cash is prepared, the procurement team informs the vendor through a mail or a phone call. This will allow the vendor to prepare for the goods or services to be delivered as they are aware of the payment status. The pay slip along with the approval copy and original file provided to the vendor and is returned once the delivery is completed. The procurement team should ensure that the vendor has received all necessary documentation regarding payments and is aware of how the payment will be made. This will help to preserve the good relationship the vendor has with the organization and ensure that the smooth processing of procurement is unaffected.

**Stage 8: Post-Delivery and Documentation**

- **Communicating with Suppliers Post-Delivery**

  Communication with the supplier is very necessary because this will pave the way for on-time delivery and the rectification of problems, if any. The procurement team must frequently inform the supplier regarding the project status and changes in requirement. The reason behind this communication is to keep the supplier current and attentive to avoid delays or misunderstandings.

  Effective communication also helps the procurement team to find solutions to any issues arising immediately. If there is an issue with the delivery, such as a delay or poor quality, the team can work with the supplier to resolve the problem. This helps ensure that the project stays on course and that the procurement process runs smoothly.

- **Post-Delivery Documentation**

  Thereafter, upon delivery of goods or services, the procurement team shall obtain a delivery challan, call report/utilization report, and photographs from the site. Such documents will serve as proof that delivery has been affected and that whatever goods delivered conform to standard. These should be signed by all relevant HODs, i.e., Civil and Electrical Engineers, Manager, Project HR, and Head of the project. This means that delivery has been checked and cleared with all parties concerned.

**Stage 9: Balance Payment:**

- **Balance Payment**

  In case of partial advance, the same shall be followed up with a balance report to be compiled by the Procurement Team. Such balance reporting shall also cover call report/utilization report, bill, challan, and photographs taken from the project site. In balance reporting, detailed accounts of the goods/services already delivered with respective amount outstanding to be released to the vendor are recorded. The same shall be further counter-checked in detail by the procurement team for correctness, completeness of requirement, and delivery thereof.

  Once the balance report is approved, then it will create a due for payment to the vendor. It shall ensure the total payment for all the goods and services received from the seller and completion of the procurement. Moreover, an advance and final payment document is going to maintains transparency and accountability in the entire process.

- **Processing Balance File**

  The balance file is treated like any other new file, and as such, all the necessary approvals and documentation must be present. This entails that all the documents should be complete and that the balance is paid. The procurement team should ensure the balance file is well documented and filed for reference in the future.

**Stage 10: Tracking and Reporting:**

- **Tracking and File Maintenance**

  Good procurement management demands tracking the status of all records, keeping well-organized documents, and knowing their status at any moment. It is the procurement team's responsibility to maintain proper accounts regarding every transaction-which includes a requisition, its approval, payments, and delivery. This, in turn, provides the rationale that ensures all transactions related to procurement are transparently and systematically documented.

  This will also avoid any discrepancies and misunderstandings due to proper maintenance of the file. The purchasing team also needs to regularly update the status on each file and close the files accordingly with proper documentation, which will help to keep up the accountability and also assures smooth operations of the procurement process.

- **Market and Project Visits**
  Conducting occasional market and project visits is important for assessing progress and ensuring compliance with procurement standards. These visits allow the procurement team to monitor the delivery and use of goods or services, identify any issues, and address them promptly. Market visits also help to keep the procurement team informed of current market trends and supplier capabilities, enabling them to make more informed decisions.
- **Monthly Report to Management**
  Monthly reporting to the management team will be highly important in keeping them updated on the progress in the procurement process. Reports need to highlight costing approvals, project progress, issues, delays, and cost overruns. Emphasizing any problems or concerns helps the procurement team make sure that management is informed about areas of risk and able to take proper action. Regular reporting also helps in maintaining transparency and accountability to ensure the procurement process is aligned with the goals and objectives of the organization.

## Pros and Cons of working as an intern:

Working as an intern in the Admin, Development & Procurement Department of Palmal Group was a valuable experience with its own set of pros and cons. Here are some key points I felt to be the most highlighted pros and cons throughout my internship journey:

**Pros:**

- Learning how to identify potential suppliers, evaluate their capabilities, and compare their products and services
- Gaining experience in drafting, reviewing, and managing contracts with suppliers, ensuring compliance with terms and conditions
- Developing negotiation skills by working with vendors to secure the best deals and terms for the organization

- Meeting and working with procurement professionals, suppliers, and other stakeholders, building a network that can be invaluable for my career
- Gaining insights into industry trends, best practices, and potential job opportunities
- Developing my ability to analyze data, evaluate options, and make informed decisions
- Learning how to identify and address issues that arise in the procurement process
- Gaining a better understanding of what a career in procurement entails, including the challenges and rewards
- Advice and support from experienced professionals which can help me navigate my career path
- Being able to apply and relate textbook knowledge and practical application
- Learning opportunities from mentors' insights and experiences.
- Helping in deciding if procurement is the right path for me and guide my future career decisions.
- Ensuring material availability by building stronger relationships with local and international suppliers.
- Competitive supplier pricing due to bulk purchasing and bargaining power in certain materials, primarily the local purchases.
- Less dependency on single sourcing of many materials such as cement, bricks, rods etc.
- Ability to procure machineries with customized software system based on requirement.
- Government incentives such as tax benefits, duty-free imports, and export incentives reduce procurement costs.

**Cons:**

- Sometimes getting assigned less important or repetitive tasks, which might not be as engaging
- Being highly sought-after job, making it challenging to secure a position
- Completing an internship doesn't always lead to a full-time job offer
- Being on a look-out due to permanent job uncertainty
- Demanding work hours not always aligned with personal schedule
- Managing time effectively to balance the internship with other commitments, such as studies sometimes got challenging

- Being an unpaid intern sometimes made the budget tight
- Disruptions in supply chain caused by political instability, port congestion, natural disasters etc.
- Reliance on imported machineries and machine parts increases costs and risks.
- Elongated lead-time because of importing big machineries and raw materials.
- Lack of visibility into supplier operations leads to ethical and compliance risks.

## Quantitative Analysis of Internship Experience:

Based on my experience on the internship, I have the following metrics that could be used to properly analyze my internship experience and performance. Not all the metrics are in the same unit, thus individual units and their descriptions are added in the table:

| **Metrics** | **Efficiency/ Score** | **Explanation** |
|---|---|---|
| Efficiency Rate | 5-10 minutes per task | Most of the daily tasks took about 5-10mins. For example; making CS, getting departmental approval, getting payment papers ready etc. |
| Accuracy Rate | 90% | Tasks assigned to were mostly done with accuracy, but sometimes there were mistakes due to my lack of experience which were later corrected by my immediate superior. |
| Team Interactions | 6-10 mails exchanged weekly | Depending on the amount of task assigned to me, the number of mails exchanged varied from week to week |
| Projects Contributed to | 1 | During my internship period, I was primarily involved in 1 project (HKDML), but aside from this I had some contribution in other projects as well. |
| Supervisor Rating | 4.26(out of 5) | As per evaluation form |
| Peers Feedback | 4.26(out of 5) | As per evaluation form |

| | | |
|---|---|---|
| Punctuality Rate | 90% | I tried my best to report on time regularly, but on somedays due to some unavoidable reasons I had to report late, which were communicated with my supervisor earlier. |
| Work Hours Logged | 45 hours/week | As an intern my work hours were 9:30 a.m.- 5 p.m. from Saturday to Thursday. The exceptional cases were during class or exam days, which were discussed with my superior. |
| Deadline Adherences | 95% | Most tasks were completed within the deadline, but some were not possible due to unavoidable reasons |

Table: 3.1 Analysis of Internship Performance & Experience

## Quantitative Analysis of Procurement Procedure

Quantitative analysis of 10 requisitions is done to get an idea of the procurement of local purchases for Hamza Knit Dyeing Mills Ltd. These materials usually fall under routine or important category, meaning purchase these materials are not needed immediately. For quantitative analysis, emphasis on lead-time is given. The data are as followed:

| Requisition No. | Lead-time (Days) $x_i$ | Price (BDT)/Order Size |
|---|---|---|
| HKD-421 | 34 | 34000 |
| HKD-422 | 44 | 20000 |
| HKD-423 | 35 | 15400 |
| HKD-424 | 45 | 8770 |
| HKD-433 | 50 | 35000 |
| HKD-435 | 30 | 35059 |
| HKD-437 | 47 | 15400 |
| HKD-440 | 34 | 10000 |
| HKD-441 | 33 | 23500 |
| HKD-444 | 31 | 1370 |

Table: 3.2 Requisition Lead-time & Price

Number of samples, $n = 10$

Mean, $\bar{x} = \frac{\sum x_i}{n} = 38.3$

Standard Deviation for sample= $s = \sqrt{\frac{\sum(x_i - \bar{x})^2}{n-1}} = 6.98641539$

UCL= n + 3s = 59.25924617

Since, the materials are not likely to degrade within few months, there is no problem in having shorter lead-time. Thus considering, LCL = 0

Plotting the requisitions' lead-time in the control chart:

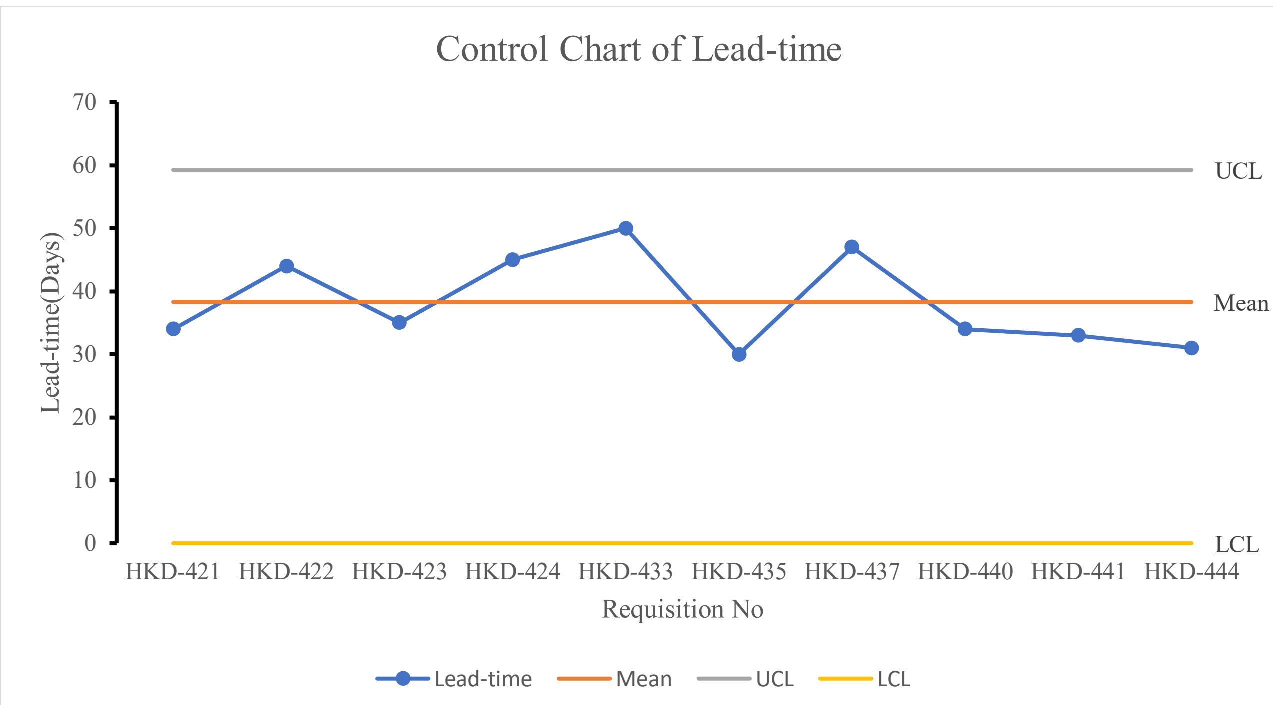


Fig:3.3 Control Chart (Lead-time Vs Requisition No.)

Here, we can see that all the requisitions in this control chart fall within the UCL and LCL. This indicates that the process is stable and under control for the given samples. There is not upward or downward trend which might indicate no shift of the process in any direction.

Using the data from the table, the following histogram is made:

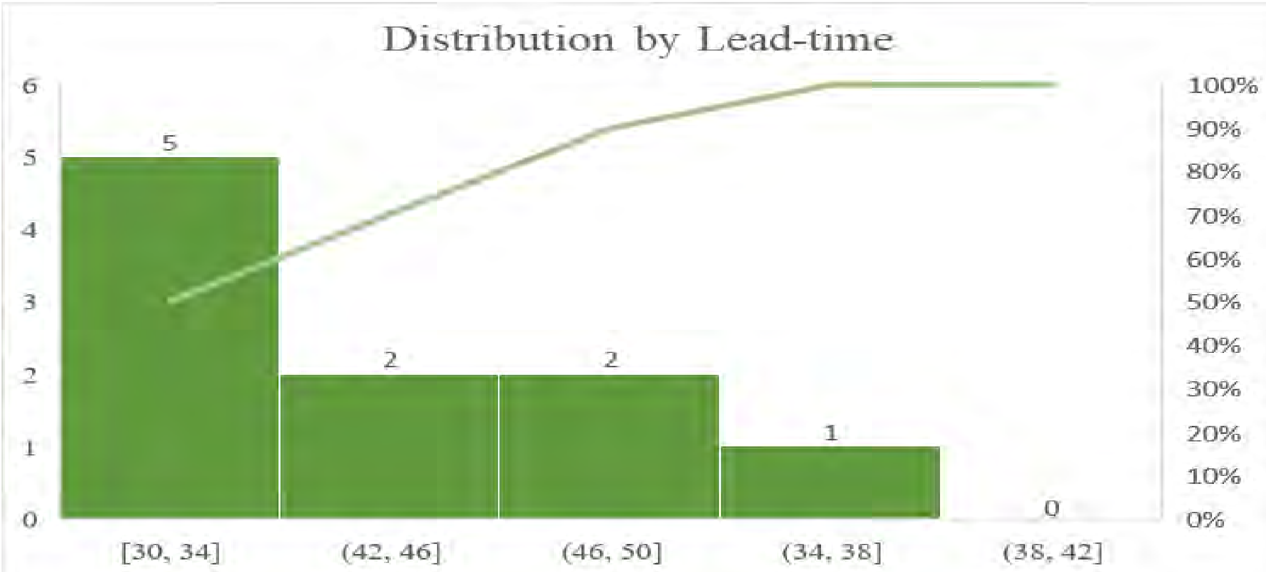


Fig: 3.4 Distribution Chart (Count Vs Lead-time)

From the histogram, it can be said that 50% of the requisitions from the sample have lead-time ranging from 30-34 days. Also 40% requisitions have lead-time ranging from 42-50 days. Since, all the requisitions here have lead-time exceeding one month, it can be concluded that the materials were not crucial or had any major impact on production and delivery.

Scatter Plot diagram is made using lead-time and order size:

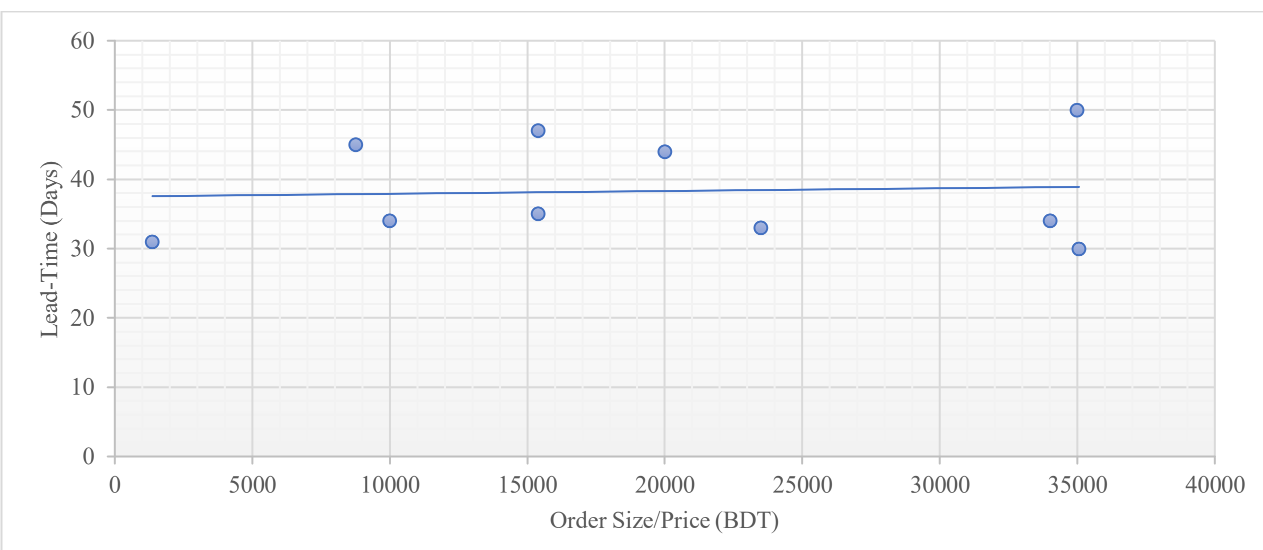


Fig: 3.5 Scatter Plot (Lead-time vs. Order Size)

From this Scatter Plot, we can see that the trend line is almost flat. A flat trend line in a scatter plot indicates no significant correlation between the two variables being compared. Thus, there is no correlation between the size of the order and lead-time.

The sample of requisitions analyzed above were obtained from some of the available and randomly selected local purchases for Hamza Knit Dyeing Mills Ltd. The showed materials purchased have no direct impact on production yet, but rather it makes sure that once the factory is approved to start production, can run smoothly.

But in the situation of a functioning factory, if something directly related to production is needed to be purchased, longer lead-time may have both financial and reputational impact. Such a situation is explained below;

A requisition was issued on 23.12.2024 from the Electrical department of the NKK Knitwear Ltd. factory for an SSD. Attached to the requisition was a service report of Uni Asia Associates Ltd. The report confirmed that the problem with the CNC (Computer Numerical Control) of the SSD (Solid-State Drive) and it was not repairable. So, a replacement SSD is needed. Uni Asia Associates Ltd. sells and represents Bullmer auto-cutters and its parts in Bangladesh, thus they were asked to provide the part. But the company didn't have any SSD at the moment, so, the mother company in Germany was contacted for the SSD. From there quotation containing the price of SSD, packaging charges and freight cost were given. The breakdown of the costs was as followed:

| Description | Quantity | Unit | Unit Price(EUR) | Total Price(EUR) |
|---|---|---|---|---|
| Festplatte SSD 256GB 2.5in | 1 | Pieces | 621.75 | 621.75 |
| Packing | 1 | Pieces | 10 | 10 |
| Freight | 1 | Pieces | 125 | 125 |
| | | | Total | 756.75 |

Table: 3.3(a) Proposed Prices

The price of the SSD was later negotiated to which 15.25% duty and other government charges like VAT, AIT, RD etc. would be added later. Finally, was as followed:

| Description | Quantity | Unit | Unit Price(EUR) | Total Price(EUR) |
|---|---|---|---|---|
| Festplatte SSD 256GB 2.5in | 1 | Pieces | 585 | 585 |
| Packing | 1 | Pieces | 10 | 10 |
| Freight | 1 | Pieces | 125 | 125 |
| | | | Total | 720 |

Table: 3.3(b) Finalized Prices

From requisition to delivery and installation take minimum of 20 days or more. During this time, the cutting work of that section would be done manually. Using the auto-cutter the section could cut estimated 20,000 pieces of cloth per day. But doing it manually allows the section to cut around 12,000-15,000 pieces of cloth per day. So average loss of production in the section per days would be as followed;

Average Loss of Production per Day = $\frac{(20000-15000)+(20000-12000)}{2\times20000} \times 100\%$ = 32.5%

If the average loss of production for the minimum of 20 days occurs, then;

Number of production loss in-term of days = 20 days × 32.5% = 6.5 days

Number of production loss in-term of pieces of cloth = 20000 × 20 × 32.5% = 130000

The following is a Bar & Line Combo chart with data of 30 days, starting from the day of requisition received and ending 10 days after the SSD was installed. Here, the vertical axis represents units produced and horizontal axis represents days. On the right side of the chart, 0 indicates SSD not being delivered and 1 indicates SSD being delivered, installed and functioning.

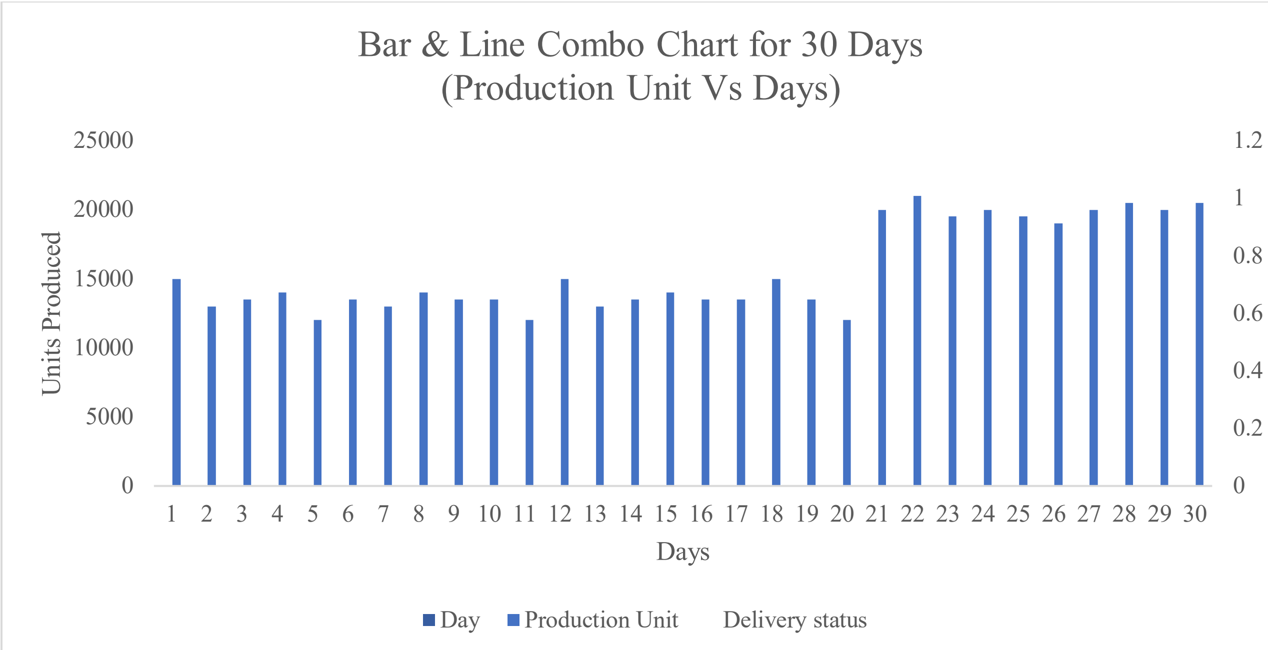


Fig: 3.6 Bar & Line Combo Chart (Production Unit Vs Days)

This shows that nearly a week worth of production is being lost in the period of time. This will increase the overhead cost of production. Though, because of not using the auto-cutter machine power usage cost would be reduced for those days, the reduction of cost would not match up to the increase in overhead cost. Aside from this, to cover-up the lost production hours or units, there might be requirement for some over-time to get the shipment ready in-time.

Considering the issues discussed above are crucial while making decisions regarding the supply chain. The analysis above was done considering a minimum lead-time of 20 days. Because of various issues if the lead-time was to increase, the loss for inefficiency due to overhead production cost or not being able to fulfill order in time could increase.

## Challenges I have faced:

During my internship at Palma Groups Admin, Development and Procurement department, I have faced a few issues which increase lead-time. They can be categorized in following ways;

- Firstly, the most obvious issue that I noticed as soon as I started my internship was the lack of integration of technology in the organizations supply chain management. This makes processes very time consuming as they are done manually. Depending on the work or material requirement, this can cause problems of different ranges. There are many in between steps from requisition to procurement or work done which take up a lot of time. For example, a simple requisition generally takes 40-55 days to be approved by all departments unless it is marked as an urgent issue. Companies using technology in their supply chain take much less time, as there is smooth flow of information and transparency.

- Another issue that was notices in multiple cases was, the delay in sending requisitions to the head office. The requirements are categorized in three categories; routine, important and urgent. It is seen that, request for a work or material is submitted to the project office, but due to lack of coordination or some other human error the requisition is sent at the last moment. This make the need of the material or work go from routine to important to urgent. Because of this sometimes, deadlines are missed. Depending on severity and length of delay this can have a variety of impacts.
- Another issue that I faced was, delay in delivery which increases lead time. One thing that needs to be discussed is that there are two types of purchases that are done by the department. One is local purchase which involves both goods and labor, the other one being foreign purchase which primarily involves heavy machineries.

  Local purchases include construction materials, electrical materials, dormitory facility materials and any type of manual labor required in Palmal Group's factories or projects around the country. Delay in the delivery of these can primarily because of the layback nature of the local vendors. In some cases, it is because of miscommunication between vendors or local labor. For example, currently an interior redesigning of the $4^{th}$ floor of the CHO is being delayed as the local PVC pipe vendor who has been given the order and is now out if reach.

  In case of the foreign purchase, Palmal Group has fixed companies from which it purchases machineries. Such as; Lectra from France and Gerber from USA supply 80% of the machineries. Other brands like, Kuris, Morgan, Bullmer etc. cover the rest. Importing directly from them is a time-consuming issue as there are a lot of procedures. In cases where a machine or any specific machine part is needed on an urgent basis, it takes at least, 2-3 weeks to get the machine or parts. The company has a huge inventory of consumable parts, but limited inventory of spare parts which makes it essential for the company to purchase the spare parts as early as possible. An ongoing problem at the NKK Knitwear Ltd. factory is that, in an auto-cutter machine of Bullmer, a German brand, there is problem with CNC, which requires an SSD or HDD with complete program. The local supplier of brand doesn't have the SSD or HDD, so it has been ordered directly from the company, which will take around 15-20 days. This has made the factory to shift to manual cutting resulting a drop of 25-40% in production for this period of time.

- There are multiple managers in the department, each responsible for different project. In almost all their cases, it is seen that their individual team deals with the same supplier. For example, all the teams deal with BSRM individually. This causes a lot of mix up in communication, orders and bill payments. Due to lack of internal communication or a centralized communication network, this happens quite frequently with other suppliers as well, which in future may cause in degradation of relation with Palmal Group and its suppliers.

## Recommendations:

To tackles these issues and decrease lead-time I would recommend the following:

- Firstly, technological integration is needed in the supply chain of the company. This should include the use of ERP, WMS, TMS, SAP & other software which are needed. These will streamline the procurement process, decrease a lot of paper work and lead-time and increase efficiency. The employees would also need training to use and get used to this new incorporation of technology in all processes.
- To tackle the issue of delay in sending requisition, firstly, clear and standardized process for categorizing and approving requests, with specific timelines for each category should be implemented by the supply chain manager or factory supervisor. Incorporating digital tools SAP Ariba, Zoho Creator, or Microsoft Dynamics for requisition management can help in real-time tracking and automated notifications will streamline communication and minimize human errors. Training sessions should be conducted to ensure all teams understand the importance of timely submissions and are proficient in using the system.
- In case of delay in local purchase, the company should categorize and select the vendors not just based on price and quality but also reliability according to their previous

performance. Building up better relationship with the local vendors and collaborating with them, to improve and develop their processes for better performance, can be done. Also, for urgent deliveries, they should not stick to a single supplier, rather they should have multiple suppliers for it, and have the system agile enough to switch suppliers in given situation.

- In case of foreign purchases, buying a new machine or spare parts takes up a long time. As there are legal and regulatory issues in importing the materials, the planning for a new machine is needed to be done keeping a reasonable amount of time ahead. But, when it comes to the spare parts, one cannot forecast or predict when it might be needed. Keeping spare parts in inventory maybe a good option, but not always. Because there are parts which might get degraded with time and will become unusable when needed. In such situation, lead-time management needs to be done. Firstly, breaking down the components of the lead-time into Supplier Lead-time, Shipping & Transit Time, Customs Clearance & Regulatory Compliance, and Local Transportation to find out the bottleneck. After identifying the bottleneck, solutions for it needs to be found. For example, to reduce supplier lead-time, supplier selection and relationship with supplier needs to be improved, to reduce shipping & transit time optimal method of transportation needs to be discussed. To get Bangladesh customs clearance, ensuring all import duties, VAT, and regulatory requirements like; BSTI, BIDA approval are met, working with clearing & forwarding agents for efficient documentation and clearance might bring faster results. Also setting up an arrangement with the foreign company where they can deliver the product in the least amount of time. These will reduce lead-time, resulting in improved inventory management, greater responsiveness, lower risk of supply chain disruption and production, improved production planning and reduced waste.
- Centralization of the department’s communication with its members and suppliers should be done. Taking the example of BSRM above, there can be one manager in-charge who will communicate with BSRM regarding all the orders Palmal Group has with BSRM. Similarly, for other big suppliers, with who Palmal Group frequently deals with, there needs to be one manager. This will allow Palmal Group to develop better relationship with the supplier companies which in the long term will allow Palmal Group more flexibility in making order and negotiate for the cost efficiency.

## Conclusion:

My internship experience in the Admin, Development & Procurement Department at Palmal Group has proven to be an exceptionally rewarding experience, offering me profound insights into the management of the company's supply chain management. Through my internship, I got engaged in various functions related to procurement of materials and arranging labor for work, needed in different projects around Bangladesh. This allowed me to understand the organizations activities from inside and understand how it differs from other organizations in the industry. I gathered a lot of information and advice, working along-side with experienced professionals, about the company, the garments industry and also about building a career in supply chain management. Their expertise and readiness to share knowledge enabled and guided me while tackling new challenges and cultivate a practical understanding of supply chain management. This experience has helped me in developing both the technical and the human skills, as well as work ethics which will be crucial in my future career. Insights into industry trends, challenges, and best practices has helped me in understanding workplace culture and expectations. As Palmal Group is a dominant player in the garments industry, this internship will also add value to my resume and strengthen my personal brand. Here, I had the opportunity to understand my personal strengths, weaknesses, interests, and career preferences. The clarity about my career path from the experience and the mentors' guidance have boosted my confidence. The structured time schedule of office and multitasking experience that I had here would be very helpful in my future workplaces. References of this internship can help me achieve better opportunity in the future in this industry or in other industries as well.

In conclusion, my internship at Palmal Group has shown me how textbook knowledge is applied in real life situations and how the knowledge can be extended depending on one's unique situation as well. This internship has provided me a peak into the corporate culture which will be helpful for me in the future in adjusting in any new work culture. The skills and knowledge I have gained will undoubtedly serve me well as I advance in my career. I am thankful to all my supervisors and colleagues for their assistance in completing the internship productively.

# References


1. *. "An Internship Report on an Analysis of Financial Performance of Palmal Group of Industries."*. (2022, August 03). Retrieved from Researh Gate: www.researchgate.net/publication/362452336_An_Internship_Report_On_an_analysis_of_Financial_Performance_Of_Palmal_group_of_Industries.

2. *Company Palmal Group of Industries 210 | Letmibd." Letmibd.com, 2022*. (2022). Retrieved Janurary 01, 2025, from LETMIBD: https://www.letmibd.com/company/palmal-group-of-industries-210

3. *Palmal Group initiates LEED green certified 'Ayesha Fashion Ltd*. (2021, November 18). Retrieved from Textile Today Bangladesh: https://www.textiletoday.com.bd/palmal-group-initiates-leed-green-certified-ayesha-fashion-ltd/

4. *Palmal Group of Industries*. (2022, April 20). Retrieved from PHD Essay: https://phdessay.com/palmal-group-of-industries/

5. Nittamallik. (2023, January 22). *Factory Monthly KPI of DLPL .ppt* [Slide show]. SlideShare. https://www.slideshare.net/slideshow/factory-monthly-kpi-of-dlpl-ppt/255451767?utm_source=chatgpt.com

6. Geneva Environment Network. (2024, December 1). *Environmental sustainability in the fashion industry*. Retrieved February 15, 2025, from https://www.genevaenvironmentnetwork.org/resources/updates/sustainable-fashion/

7. Indeed. (n.d.). *Palmal Group of Industries Careers and Employment*. Retrieved February 15, 2025, from https://www.indeed.com/cmp/Palmal-Group-of-Industries

8. Palmal Group of Industries. (n.d.). *Palmal Group of Industries Ltd. - Facebook*. Retrieved February 15, 2025, from https://www.facebook.com/palmalgroup/

9. almal Group of Industries Ltd. (n.d.). *Palmal Group of Industries Ltd. – Powering Business Globally*. Retrieved February 15, 2025, from https://palmalgarments.com/