

Report On

“The Compensation Management System of Digicon Telecommunication Limited, Confidence Group”

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 (BBA)

BRAC Business School

BRAC University

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Declaration

It is hereby declared that

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

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Letter of Transmittal

January 07, 2020

Syed Mahfujul Alam

Lecturer, Brac Business School

Brac University

66, Mohakhali, Dhaka-1212, Bangladesh

Subject: Submission of internship Report on “The Compensation Management System of Digicon Telecommunication Limited Confidence Group.”

Dear Sir,

This is a great opportunity for me to submit this proposal on the topic of “**The Compensation Management System of Digicon Telecommunication Limited Confidence Group.**” I have prepared this report as partial fulfillment of the course BUS 400. I have tried my level best to prepare this report to the required standard and tried to cover all the things I could and tried to follow all the advices of my supervisor. It was certainly a great opportunity for me to work on this paper to actualize my theoretical knowledge in the practical arena.

Lastly, I am very thankful to you for the utmost support and guidance you showed to me while making this report. I express my heart full gratitude to you to go through this report and make your valuable comments. It would be very kind of you, if you please evaluate my performance regarding this proposal.

Thank you

Yours Sincerely,

Mirazum Munira

ID: 15104007

Brac Business School

Brac University

Non-Disclosure Agreement

The agreement implies not to share company's data and sensitive information (if any) with any third party without the prior consent of the company. The collected data will only be used for this report and only my academic supervisor will get to access there.

Acknowledgements

At first, I would like to express my gratefulness to the almighty Allah for being so kind to allow me to work on this project successively.

Then, I would like to express my gratitude to **Brac University** where I am doing my required course curriculum to be eligible to prepare a report. The education learnt from the teachers and the whole infrastructure of my university, truly has amplified my level of competency and thoughts during my learning period.

Further, I would like to thank Mr. Syed Mahfujul Alam, for his support and guideline which has enabled me to prepare such a report. He was a very kind person and helped me with kind heart whenever I seek help from him. He gave me proper idea about the structure of the report, helped me to understand how I can put my theories and practical implications which I learned in the internship program in the report. I give special thanks to Ahmed Anwar Hasan, Vice President (Business Development) and my onsite supervisor Md. Samy Ul Karim Khan, Sr. Executive (Media Analyst) of Digicon Telecommunication Ltd. Confidence Group. They always gave me proper information and guideline to accomplish this report. Besides, they always gave me the opportunity and different tasks to understand how the works are done in the company and proper feedbacks about my work. I would also like to thank my office colleagues; they were always beside me whenever I needed them and gave me all the help I needed as an armature person in the office environment. They never gave me the chance to feel uncomfortable while working.

Finally, I would like to thank all my friends, family and parents also who gave me constant support, encouragement and guidance to finish this report.

Executive Summery

While working as an intern I met with the employees of Digicon Telecommunication Ltd. and tried to find out whether they are satisfied with the existing compensation system of the organization or not as this report comprise with compensation management. Most of them answered positively but still want some changes like pay increase should be based on longevity and performance. Further, I added some graphs regarding each question. As a result, this report shows a whole picture concerning their satisfactory level about present compensation system. Moreover, what was my role in that organization, I have described that. Finally, I have put some recommendations and suggestions like adding periodic adjustments, hiring consultant or providing industry educational support to the employees so that they can rely more on their organization and organization able to gain trust of their employees.

Table of Contents

Declaration.....	ii
Letter of Transmittal.....	iii
Non-Disclosure Agreement.....	iv
Acknowledgements.....	v
Executive Summery.....	vi
Chapter 1: Introduction.....	1
1.1 Introduction.....	2
1.2 Background of the study:.....	2
1.3 Objective of the report:.....	3
Primary objective.....	3
Secondary objectives.....	3
1.4 Company Overview:.....	3
1.4.1 Background and overview of “Digicon Telecommunication Limited.”.....	3
1.4.2 The History of Digicon Telecommunication Limited:.....	3
1.4.3 Mission of Digicon Telecommunication Limited:.....	5
1.4.4 Classification of position.....	6
1.5 Responsibilities as an Intern:.....	7
Chapter 2: Research Methodology.....	8
2.1 Methodology:.....	9
Data collection procedure:.....	9
2.2 Sampling.....	11
2.3 Scope of the Study.....	11
Chapter 3: Literature Review.....	12
3.1 Compensation and Compensation Management.....	13
3.2 Types of Compensation.....	13
Non-monetary Compensation.....	13

Direct Compensation	14
Indirect Compensation	14
3.3 Objectives of Compensation Management	15
Chapter 4: Findings and Analysis	17
Secondary Data	18
4.1 Compensation & Benefit.....	18
4.2 Compensation and Benefits for Management Employees	18
4.3 Performance Management	24
4.4 Current Performance of Digicon Telecommunication Ltd.	30
Primary Data:	31
Chapter 5: Conclusion & Recommendations	46
5.1 Conclusion	47
5.2 Limitations of the study:	47
5.3 Recommendations.....	48
References & Bibliography.....	50
Appendix.....	51

List of Figures:

Figure 1 Performance Influenced by Salary and Compensation Benefits	31
Figure 2 Pay Increase Based on Performance.....	32
Figure 3 Pay Increase Based on Longevity.....	33
Figure 4 Higher Payment if Performance Exceeds Expectation.....	34
Figure 5 Reward Should be as Variable Pay.....	35
Figure 6 Pay Program Should be Based on Performance	36
Figure 7 Compensation for Doing Other Work.	37
Figure 8 Whether Money is an Effective motivator or not.....	38
Figure 9 Organization’s Concern about Pay Satisfaction	39
Figure 10 Compensation Package Reviewed for increment	40
Figure 11 Organization’s Compensation Policy	41
Figure 12 Type of Compensation Payment System.....	42
Figure 13 Performance Appraisal Mechanism.....	43
Figure 14 Type of salary increment	44
Figure 15 Company’s Working Condition.....	45

Chapter 1:

Introduction

1.1 Introduction

Digicon Telecommunication Ltd. is recognized as a trusted brand among its clients which is the result of persistent pursuit of excellence in its quality, technology and service. The future with Confidence is promised to be exciting as it strives to employ the best resources and latest technology in offering many more innovative and exciting products and services.

There are clearly defined and developed human resources policy and procedures to facilitate the implementation on human resource management in the **Digicon Telecommunication Ltd.** This policy and procedures guide and assist all employees in defining who is responsible for each human resource management decision and the correct procedure to be followed.

HRM policies are always kept current and relevant in the company. Therefore, it becomes necessary to modify and amend some sections of the policies and procedures or for new procedures to be added. An employee's performance depends on his compensation. Although everyone mainly believes the compensation as a motivator factor but there is a lot of motivator factor to increase performance of an employee such as working environment, increment, house allowance, medical benefits, provident fund, loan etc.

1.2 Background of the study:

We just get hypothetical information about various segments of Business Studies, all through our four years of academic studies. I have done my major in human resource management and minor in Management Information system. Though these were focused on a specific sector of business, still I have some basic knowledge about other business-related subjects as I needed to do those courses for academic purpose. In the end I got the opportunity to do internship program from my university which also carries four credits and help me to get an actual corporate feeling and observe how corporate world works from the inside. It is also was a golden opportunity to learn as much as possible and prepare myself for future corporate world. I have done my three months of internship program in Digicon Telecommunication Ltd. Confidence Group under the supervision of Md. Samy Ul Karim Khan who is a Sr. Executive (Media Analyst) in the company. Also, I was wonderfully directed by my supervisor Mr. Syed Mahfujul Alam who supervised me very well although the report to make the adjustments and alterations which was required to make this report a decent one.

1.3 Objective of the report:

Primary objective

The main objective of this study is to evaluate that how much important the compensation benefits to motivate employees of Digicon Telecommunication Ltd.

Secondary objectives

The study also has the following specific objectives -

- To identify the long- and short-term strategies and tools used in the company.
- To analyze the effectiveness of compensation benefits are using in overall frame work of Organization Development & Reward System.
- To scrutinize a comprehensive working knowledge on the HRM Practices of **Digicon Telecommunication Ltd.**
- To analyze which motivator factor is more effective to motivate the performance of employees.

1.4 Company Overview:

1.4.1 Background and overview of “Digicon Telecommunication Limited.”

Digicon is an innovative Telecommunication Services start---up, conceived by vibrant business leaders coming from diverse backgrounds, who have each led, managed grown and transformed businesses and opportunities both locally and globally. The management team brings a wealth of expertise and a unique perspective in a multitude of areas that are integral to our business including finance, innovation, technology, law and policy, leadership, international business, general management, mergers and acquisitions, integration, problem solving and leadership.

1.4.2 The History of Digicon Telecommunication Limited:

Digicon Telecommunication Limited (hereinafter referred as ‘DTL’ or The Company), a sister concern of Confidence Group a prominent industrial conglomerate in Bangladesh. The company was incorporated as a Private Limited Company under The Companies Act, 1994 on 17th November, 2011. The company was granted International Gateway (IGW) Services operator license on 12th April, 2012 to provide telecommunication services. The company started its commercial operation on 1st October,

2012. The core service of DTL through IGW license is to provide call termination for all international incoming and outgoing call to and from the country. This call termination service is provided to MNO, IGW, PSTN, VSP & IPTSP service providers. The service of DTL (IGW operator) includes routing all international incoming calls received from an international voice service provider and send to ICX operators for local termination to a mobile, fixed line and IP telephony services provider and routing all international outgoing calls received from mobile, fixed line and IP telephony services through ICX operators for international termination to the destination country.

Optimists

Amidst an entrenched IGW market and an unpredictable regulatory/ political environment, we see believe that the best days of Bangladesh are ahead.

Leaders

Bringing a wealth of experience from a diverse range of verticals: Engineering, Financial Services, Manufacturing, Operations and Technology.

Collaborators

Partnering with the best minds to bring innovative solutions.

Executioners

We bring a successful, tested and proven model to architect, manage and grow opportunities locally and globally.

Enablers

Coalescing a team together and empowering them to effect change and take leadership

1.4.3 Mission of Digicon Telecommunication Limited:

Given today's thriving telecommunication market, a regulator relentless on leveling the playing field and a government committed to Digital Bangladesh we remain cautiously optimistic and believe the best days of Bangladesh lies ahead. As responsible corporate citizens we remain steadfast in our vision and purpose to help connect the multitudes enabling them to reap the benefits of a connected society – a connected Bangladeshi conscience. Our mission: “Connect, Communicate, Collaborate.”

Narrowing the digital divide and unleashing the power of a digitally connected society is at the heart of everything we do. In our relentless pursuit of this goal, we may do things that we believe have a positive impact on the longer term, even if the near-term financial returns are not discernible. We have the fortitude to this because we are not a conventional company and never intend to become one. We are responsible of the role we can play and are aware of the greater positive impact we can have as an IGW operator in making telecommunication services accessible and affordable to the growing needs of an emerging Bangladesh. Bangladesh's nascent telecommunication infrastructure services private market, that hadn't existed before 2008, one would be hard pressed to find resources with direct/relevant experience outside of current operators. Given this limitation, we are assembling a team with broad based telecommunication experiences given current market conditions. Our best of the breed team members led by our vibrant & accomplished Senior Leadership Team positions us well to qualify us in our application bid as an IGW operator.

1.4.4 Classification of position

An employee is a person who hired for provide services to a company on a regular basis in exchange for compensation and some other benefits and who does not provide these services as part of an independent business.

Employees of the Digicon Telecommunication Ltd. are classified into the following graded. Designations of the employees may be fixed as deemed appropriate by the management.

Top Management	Managing Director
	Dy. Managing Director
	Executive Director
Senior Management	GM
	DGM
	AGM
	Sr. Manager
Managers	Manager
	Deputy Manager
	Asst. Manager
Executive	Sr. Executive
	Executive
	Jr. Executive
Officer	Officer
	Assistant Officer

1.5 Responsibilities as an Intern:

I started at Digicon Telecommunication limited, Confidence Group on 1st October 2019. I am very fortunate that I got the opportunity to work here. The work environment and culture were amazing. Many say that they face different problems in their work place regarding the culture. But here I never felt such type of problems. Further here I got the chance to meet some wonderful people who were very much friendly, helpful and kind. I never felt that I here only for three months as an intern. They accepted me very cordially and always helped me out whenever I need them. During my stay in Digicon Telecommunication Limited, I perform various type jobs. Basically, there I worked on their new project which is MIME. It was fully related with internet. As Digicon Telecommunication is IGW sector, they are trying to take over the whole market by introducing and providing internet related facilities to their customers so that they don't move to another organization and get all type of facilities in a package system. So, in this project I work under Business Development department and as well as Marketing department.

Chapter 2:

Research Methodology

2.1 Methodology:

The study is performed based on the information extracted from different sources collected by using a specific methodology. The research work is done based on qualitative research method where analysis was done based on data collected from **Digicon Telecommunication Ltd.**

To fulfill the objectives, the study pursues answer of the following queries:

What HRM Practices is followed by **Digicon Telecommunication Ltd.**?

How the company uses the long and short-term strategies and tools to motivate employee performance?

What is the overall frame work of Organization Development & Reward System?

What are the approaches they used in the HR Planning to set salary as well as to set compensation benefits?

However, the total methodology of this study is divided into two major parts:

- **Data Collection Procedure and**
- **Data Processing & Analysis**

Data collection procedure:

In order to make the study more meaningful and presentable, two sources of data and information have been used extensively. The sources are-

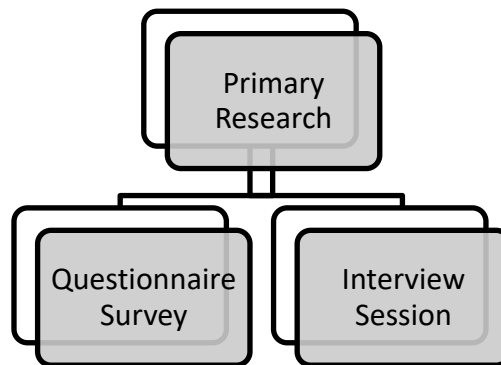
- **Primary Sources**
- **Secondary Sources**

The **Primary Sources** are as follows:

- Primary data will be collected for preparing this report through personal observation and interviewing the employees: I have talked personally with the employees of Digicon. Which help me observe their movements and read their face expressions when I was asking different questions. Though they were answering positively most of the time but I felt that they were not satisfied or okay with some decisions or steps that has been taken by the organization. It helps me understand their actual satisfactory level.
- Practical desk work: While I was working there as an intern, sometimes I got some projects like list down the employees information in a excel sheet, their attendance, their basic salary, leaves that they have been taken etc. when I was preparing those there got some information

about on which basis their salary has been fixed up, their bonuses and how much will be deducted for absent. These help me to get extra information about them.

- Meeting with Manager of Group HR: I really had a good relation with the HR Manager. He gave me lots of time from his busy schedule to help me out. He told me about the salary scale of each employee. Then how they recruit employees, what type of qualification and skill they look for. Any type of detention for employees and so on.
- In-depth study of selected topics: I have goggled and also went to the library to search about some topics which I was not clear. Then I took points about those and asked my supervisor and also line manager about those topics. They gave me some practical examples about those things and basically based on those things I have given the recommendation part.



The **Secondary Sources** are as follows:

Secondary data I have collected mostly from HR Manual of Digicon Telecommunication Limited. Rather than this, some office files and documents which were made by my supervisor and HR Manager help me to collect information. Further, I have studied different books and journals regarding this topic and search in different websites and different countries HR report and yearend reports from different organizations.

2.2 Sampling

No. of size: At this point, I applied primary data collection method and found out the results by questioning 18 employees randomly.

2.3 Scope of the Study

Digicon Telecommunication Ltd. is one of the largest companies producing Mid-tech Engineering Products. This organization is a reputed and leading one in our country for its performance. It has been assigned by internship supervisor to learn practical knowledge from Digicon Telecommunication Ltd., Corporate office. However, during the period of practical orientation different functions of Human Resource Department have been covered & try to portrait the area of organizational overview, conclusion & recommendation.

Chapter 3:

Literature Review

3.1 Compensation and Compensation Management

Compensation is a part of human resource management that deals with different types of reward and benefits which basically an employee earns through providing wonderful effort and meeting the expectations of that organization.

For any organization it's mandatory to provide remuneration to its employees. These types of remuneration can be both monetary and non-monetary. Monetary compensations are salary, wages, provident fund etc. and non-monetary compensations are social recognition, promotion, good and friendly working environment, medical help etc.

According to Dale Yoder, "Compensation is paying humans for work". "Compensation is what employees acquire in charge of their contribution to the organization".

Cascio has described compensation as follows; "Compensation includes direct cash payments, oblique payment in the shape of employee advantages and incentives to motive personnel to try for better levels of productivity."

When any organization sets up their rules and regulations on which they will run their business, compensation becomes their first priority. It is the most important thing that will attract employees who have different knowledge and skills. Moreover, remuneration system also helps to retain employees for a long period of time. Finally, this system helps to motivate its employees which results in attaining a good profit and organization's goal.

3.2 Types of Compensation

There are different types of compensation.

- Non-monetary Compensation.
- Direct Compensation
- Indirect Compensation.

Non-monetary Compensation

Non-monetary benefits are basically those types of benefits which do not include money but still badly needed by any employee.

Firstly, need a good working environment and conditions. Without a good environment, employees will not feel like doing their job or may not feel secure. So, it is important for that organization to

provide them good environment. Then comes medical help. Many accidents can happen at the work place. So, providing on spot medical help will ensure the employees that can rely on that organization in danger. Moreover, sometimes organization arrange picnic or plan vacation for their employees so that they should not get monotonous about their work. Lastly career development comes. If the organization give proper recognition to their employees and upgrade their position time to time, they feel motivated towards their job. These are basically some non-monetary benefits.

Direct Compensation

Direct Compensations are monetary compensations.

Salary, wages, house insurance, health insurance, medical allowance, provident fund, bonus etc. are direct compensation. Every organization must have these compensations. Otherwise they will be not able to attract people to work under them or retain their employees. If they not have this then employee turnover rate will be increased and profit rate will be decreased.

Indirect Compensation

Indirect compensation is also a type of non-monetary compensation. Like retirement program, paid leave, moving expense, childcare, different insurances etc.

After retirement employees sometimes feel helpless because a fixed amount of money stopped coming to the house. So, in time of any need they get very anxious about different things. For them retirement plan is very helpful. Organization provides a fixed amount of money after their retirement so support them.

Insurances are for some accidents. Anything can happen in life. Employees may diagnosis with any severe disease or may die in any kind of accident. These insurance plans are basically for those moments so that they can feel their organization will always have their back in time of need.

Social recognition, promotion or rewards are some type of indirect compensation which mostly helps them to keep motivated towards their work as they know that if they put effort, organization will provide rewards for that.

3.3 Objectives of Compensation Management

In compensation management system, both the organization and the employees want to be benefited. Employees always try to get as high as they can acquire from that organization and employers always try to reduce their costs. Basically, compensation management can be described as the term in which employers and employees set some rules through discussion which will favor both party at the same time.

Objectives of compensation management are;

To Attract Top Talent

When an organization will provide a better pay plan system, any one will attract towards them. Each employee wants a good return of their hard work. So, if they see that the organization is investing on them then they will put more effort to their job.

To Retain and Reward Personnel

Organization should provide remuneration to retain employees because if they see better opportunity in any other organization then they will move to that organization without any hesitation. It will cause a great loss to that company. Profit will go down and organization will have to allocate more money to recruit or hire new employees.

To Boost Motivation

A good pay plan can drive inspiration among the group. Sometimes employees put so much effort on their job or carry a huge burden in the work place. But managers do not pay a head to them even sometimes put more burden on them. This type of behavior upsets the employee a lot. Often, they just think about quit their job. But if the managers praise them for their effort or plan some rewards for them then it always boosts up their motivation and also increase their level of work.

To Be Compliant

In every country there are some labor laws for the betterment of the labors. Every organization has to follow those laws according to the country. Remuneration system is not only a reasonable inside the office, also implied by the government of that country. So, it is a must to follow this by any organization. If anyone breaks this rule then legal charges will be filed against them.

To Maximize ROI

By providing compensation, organizations invest on their employees. They think that if they provide facilities to their employees then they will also put more effort in their job. This will help them to earn more profit. Compensation urges them to use new tactics, strategies, develop their skills so that they can attain the satisfactory level of that organization and make their selves eligible to those remuneration planning.

Remuneration the board programming can streamline arranging procedures to assist with accomplishing the entirety of the targets recorded above without overburdening HR. What's more, anyone can tailor it to their association to organize the goals that are generally critical to them.

Chapter 4:

Findings and Analysis

Secondary Data

4.1 Compensation & Benefit

An employee receives Compensation or remuneration as a token of security and value that their organization is observing their both physical and mental contribution towards the company. It does not only include salary but also some other benefits, rewards and services as a whole package to motivate the employees time to time. Digicon Telecommunication Limited also provides this compensation package to the all level of employees to attract them and motive them to put effort in their work and also to reduce turnover rate.

4.2 Compensation and Benefits for Management Employees

Compensation & benefits for the management employees would be as per following heads –

Salary

Confidence employee salary is based on Gross salary. It is paid monthly in the segments of

Basic Salary	50%
House rent	30%
Travel Allowance	7.5%
Medical	12.5%

** Factory allowance 10% of Basic shall be applicable only to them who are working at factory.

The grade and salary matrix of Confidence is composed of 12 classified grades for Executives & above levels and 7 classified grades for Non-Management level.

Each grade has salary ranges segmented in nine (9) steps and the fixation of Gross salary during appointment or annual appraisal completely depends on employee's experience, achievement and performance. The salary structure is kept strictly confidential and not shared with employees or outside except authorized officials.

For a complete month, one-month basic salary applies but for fractional period, pro-rata basic is calculated by using the following formula:

$$\frac{\text{Annual Gross Salary X Number of days}}{\text{365}}$$

Currency of Payment

Payments shall only be made in Bangladeshi Taka.

Deduction from Salary

These will include those deductions required by law, including payee's income tax. Confidence will not contribute to the payee income tax and 100% Tax will be borne by the employee. Other deductions may include provident fund, Insurance premium (if any).

Basic salary, House Rent, Medical Allowance, Leave Fare Assistance, Festival Allowances (if any), Utilities Allowances, and all other allowances due, if any, will be paid proportionately to the period of service in a calendar year and month for the purpose of calculation of dues in the case of resignation, termination, retirement, retrenchment, dismissal and death of employee concerned.

Increment

Increments are given to the deserving employees with a view to recognizing their best services rendered to the Company based on their performance of the year. During Annual Performance Appraisal, increment decision is taken based on employee's performance. Management discretion is vital regarding approval of increment.

Contributory Provident Fund (CPF)

Like most other organizations, Digicon gives the privilege of having Provident fund to its employees. Only the permanent employees can contribute their 10% of basic salary to the fund as temporary employees do not have that advantage. With this contribution, the company also makes equivalent commitment to the fund.

These rules are made by the provident fund trustee to manage the fund properly.

Employees will be naturally member of the fund from the affirmation date and an auto derivation will be produced for using the fund. After completing the three years of membership of the fund, employees will be able to get the advantage of full company contribution in the fund. This means there will no longer be any kind of deduction from their basic salary.

Employees do have choice of not using that advantage of Provident Fund but they need to contact with the Head of Human Resources Division with a written consent of not having the fund immediately after being permanent.

Gratuity

Gratuity fund is received by an employee as a return of their service and labor towards the company. Mostly they can have this convenience after their retirement. Digicon provide this opportunity to those employees who have given their 5 years of hard work and loyalty to that company.

Entitlement

The employee who has continued with the company for at least 5 years will be eligible for the Gratuity Fund and their entitlement will be calculated as follows:

- 1 last drawn of Basic after the completion of 5 years of work.
- 1.5 last drawn of Basic after the completion of 8 years of work.
- 2 last drawn of Basic after the completion of 10 years of work.

[In all cases there is just one simple rule that employees will have to continue for minimum 5 years otherwise there will be no Gratuity Plan for them]

Festival Bonus

Though there are so many festivals in every religion but as it is a Muslim country employee will be able to get two festival bonuses in a year as there are two main festive, one is Eidul Fitar and another one is Eidul Adha. Before these two festive Muslim employees will get the bonus and before Durga Puja and Saraswati Puja Hindus will receive it. Simultaneously, Christian employees will have it before Easter Sunday and Christmas and before Buddha Purnima and Ashwini Purnima, Buddhist employees will receive the bonus. Every bonus will be equivalent of one's per month basic salary. Pro-rata payment based on basic salary is made for any incomplete year as follows:

Confirmed employees	-	Basic x 2
Contractual employee's \geq 6 Months	-	50% of last month salary
Contractual employees $<$ 6 Months	-	No bonus
Probationer employees \geq 1 month	-	50% of last month salary
Probationer employees $<$ 1 month	-	No bonus

Wage and Benefits of Workers

Wage and & benefits for the workers in Confidence shall be based on the following unless otherwise specified in any other policy.

Overtime Payment

Any worker working in addition to regular working hour (8 hours) will be entitled for overtime allowance at the rate of twice of the basic wage for the additional hours worked.

Basic/208*2= OT per hour

Bonus

All the workers will be entitled for 2 festival bonuses which is equivalent to grade-wise 1 basic amount of wage for each bonus, with the condition of completing 1 year of continuous service to the organization.

Special Increment

The Managing Director, at his/her discretion, may grant one special increment to an employee taking into consideration the employee's performance and commitment and such cases should be reported to the Board for information only. The Managing Director may also consider/recommend sanctioning more than one special increment to an employee of exceptional nature / outstanding performance (Performance Appraisal Rating), provided that the grant of such increments should require the approval of the Board.

Long Service Award

Digicon Telecommunication Ltd. has executed this policy to encourage their employees and motivate them, who are serving the organization for a long time. The purpose of this policy is to recognize the long-term commitment of employees and put in place a transparent system. Also create belongingness and pride for employees.

General conditions

- Appropriate awards will be given to employees upon completing the following milestone years:
 - 10 years
 - 15 years
 - 20 years
 - 25 years
 - 30 years

- All grades of permanent employees (including employees from acquired companies & contractual employees) who are long associated with Digicon Telecommunication Ltd. (in line with past practices) are entitled to the award provided they complete their services. However, once award received by an employee will get another award upon completing next milestone year.

Process

- Respective SBU HR will prepare and verify the list of employees eligible to receive awards and send to GM- HR & Rewards.
- A team of SBU & Group HR will organize the Long Service Awards program in the first half of the business year. The Group Chairman/ Group MD/ Group CEO will hand over the awards in a ceremony where Group & SBU top team will be present

Calculation of length of service

- The length of service will be calculated from the employees' date of joining to 1st July of the respective year. In case of rejoining, his/her new date will be considered as starting date.
- Length of service will be determined on a continuous employment basis.
- In case an employee is made permanent at a later date, his/her first day of joining as permanent employee will be considered as joining date.

Medical Benefit Through Health Insurance

Reimbursement of medical expenses incurred will be restricted to the treatment of Employee, their spouses and for a maximum of two dependent children and the age limit of the children will be up to 18 years. In addition to that immediate Family member (spouse, Children, Step Children, parents) residing with and wholly dependent upon the employee shall also be included.

- Employees admitted to listed hospital, as per the hospitalization contract by the Digicon Telecommunication Ltd.
- In case of emergency, HR must be informed as early as possible.

The total amount reimbursable will be announced shortly:

Settlements of Hospitalization Expenses

- The employee shall submit original vouchers related to hospital expenses such as medicine, lab test, hospital charges and photocopies of doctor's prescription, discharge certificate within ten working days after joining the work place.

- The employee must submit a consolidated statement of expenses with the date the expenses were incurred, attaching vouchers in original forms to the HR Department for reimbursement.

Occupational Health (OH)

Digicon Telecommunication Ltd. aims to apply the best international standards of practice in all aspects of its operations relating to the occupational health and ensure a work environment that will continually minimize any occupational illness through safe systems of work. These procedures apply to all the employees working at Digicon Telecommunication Ltd. including executives and non-management.

Digicon Telecommunication Ltd. follows the rules given below to ensure a safety working environment for the employees-

- Comply with all applicable national and international laws and regulations relating to occupational health affecting their operational activities.
- Establish procedures for assessing and reviewing the occupational health impacts of its present & future activities on a regular basis.
- Seek continually to identify proactive and cost-effective measures which it can take to safeguard the health of its employees and non-company personnel on company premises and the work environment against emergence of any occupational illness.
- By vouchers mentioning name of the hospital, date of hospitalization and date of release.
- Advance for hospitalization expenses may be allowed by respective CXOs depending on situation which will be adjusted against the final reimbursement of the bill.
- Any excess amount of advance beyond the entitled limit shall be converted into a special Medical Loan adjusted in 10 monthly installments on submission of documents and approval of CXO.
- Pre and post hospitalization diagnostic and pathology tests are included in the total hospitalization expenses entitlement.
- Medicines & other test expenses are also included for diseases that require prolonged rest at home i.e., jaundice, typhoid, dengue, chicken pox, small pox, broken limbs, and malaria.
- The policy covers childbirths up to two.
- This does not cover medicinal expenses after the discharge from hospital
- Prior approval from employee's own SBU HR department through respective line manager must be obtained. Request for approval for hospitalization must be supported by a breakdown of estimated cost duly signed by the attending physician, clinic or hospital authority.

➤ Certain manufacturing sections in every plant or the plant itself could be a hazardous place to work as decided by the plant Head of Operations. Just by virtue of working in those places the workers there are exposing themselves to various health risks which they will be compensated as per the set scale decided by the Management.

Exclusions

Hospitalization facility shall be extended to all eligible employees or his/her family members with the following exclusions:

- a) Any food or food supplements, cosmetic creams, etc.
- b) Mental, emotional or psychiatric disorders, alcoholism's or any other narcotic addiction.
- c) Any procedure, which is experimental or not generally accepted by the medical profession, e.g. acupuncture.
- d) Any cosmetic or plastic treatment/surgery, unless required as reconstructive surgery as consequence of an injury due to accident or burns while on duty.
- e) Attempted suicide, violation or attempted violation of the law, injuries willfully or intentionally self-inflicted or due to insanity or under the influence of drugs.
- f) Routine examinations of eye and ear, fitting or replacement of eyeglasses including contact lenses or hearing aids.
- g) Health check-ups, radiotherapy, chemotherapy or any form of treatment when not incidental or necessary to the treatment of the injury/illness, which caused Hospitalization.
- h) Any dental treatment not needing root canal surgery.
- i) Tuberculosis and its complication.
- j) HIV/AIDS

4.3 Performance Management

Performance Appraisal is a process of communication between the person who assigns the work and the person who performs it in terms expectations set at the beginning of a performance year. Employee's performance throughout the year or in specified period should be evaluated in a fair and systematic manner.

Performance Planning is an important step to engage and enable employees to deliver their contribution to business success. Equally as important to identify and realize personal opportunities for development.

Performance appraisal lets employee know what and how well they are performing and what level of efforts and task directions are needed in future for self-development as well as for Company effectiveness.

Confidence values “Pay for Performance” approach, which makes it critical to have a sound process for measuring performance. The tools included in:

- Performance Planning
- Setting Objectives
- Ongoing Feedback
- Mid-term Review
- Annual Performance Appraisal

Board will decide the salary raise of the performance of individual based on his/her achievement over the set objectives

Performance Planning

As it is already motioned that rewards based on performance, will only be given to the employees if they have able to achieve the satisfactory level of their supervisors by their tremendous work. For that there must be a determinant at which level of performance should be chosen to get that reward. At the beginning of the performance year, supervisor and supervisees will discuss about some actions that will measure the required performance and also set up some rules and a specific goal mutually. At the beginning of the performance period till to the end of the performance year, supervisors and supervisees will discuss and record their actions to measure whether they meet the expectations and able to reach the goals of that year for the organization.

Setting Objectives

Setting Objectives is a planning tool used to define specific, flexible time-bound objectives that are currently performed by an individual. It also defines indicators that will be used to measure achievement within a specified timeframe. The objectives are one of the key elements of performance planning and progress will be evaluated in the mid-year performance review and annual appraisal process.

- Objectives should be set for the coming year during annual performance appraisal process. The objectives can be revised or changed with the mutual understanding of the line manager and supervisee.

- In general, an employee will have three to five objectives. It is better to plan a few objectives and accomplish them well. It may be based on priority (project) objectives, new initiatives or personal development objectives.
- Priority Objectives are directly related to the Annual Operational Plan of the organization, functions or divisions, where identifying appropriate activities can make significant contributions.
- New Initiatives are related to the problems or opportunities of the department or functions, where something innovative can be done to achieve the objectives.
- Personal development objectives are related to the development need of the staff.

Ongoing Feedback

Ongoing feedback is something which will break down the barrier between employees and supervisor regarding any work. Most of the time employees fear to talk about their problems with the supervisor while performing any job. In ongoing feedback process, supervisors or manager will provide help to the employees and also give them suggestions to do their job properly. There will be no rating system, only a regular communication between them. Thus, they will be able to improve their work.

Consistent Supervision: By consistent supervision, Managers observe subordinate's performance and evaluate how they do their jobs, how do they interact with others. Managers in terms of quantity always observe employee's work accomplishments; quality and timeliness and thus they try to identify patterns of behaviors, problems, and to provide solutions for optimum output.

Coaching and Mentoring: When goals have been set for a specific year to achieve, there will be many employees who will not be clear about that thing. They might not know how to do their job to achieve the goal or what are the things that they need to follow or focused on. Coaching is for those employees. Like supervisors will allocate some time for them to teach them about the different areas of projects that they will cover within that year and also develop their skill. One project at a time or make several groups for several projects and train them accordingly. Besides, those employees who are doing well with their given project but still there is slight changes which will make their effort remarkable, will be mentor by the supervisors when it is needed.

Regular Review Discussions: The review discussions are formal, scheduled interactions between supervisors and supervisees to discuss achievements to date, revisit KRAs, clarify problems encountered and decide actions to be taken. It should be a two-way dialogue to clarify mutual

expectations. There is no standard time table for scheduling of such review discussions within a performance year rather it will apply whenever deemed necessary. However, as an ideal case, both supervisor and supervisee should sit together once in every quarter. It may be once or more in a month in case an employee faces serious performance problems. The Manager or the employee may initiate the periodic review discussion, however, Managers are held accountable for such meet.

Mid-term Review

Mid-term appraisal is a discussion between the supervisor and the supervisee at mid-year, regarding the performance of past six months. Mid-term performance reviews are required for all employees.

Mid-term review should be held at mid-year. Ideally the mid-term review will be completed by mid-June. In any event, all mid-term reviews should be finished by the end of July at the latest.

This review is a personal discussion between supervisor and supervisee, and should therefore be carried out in a relaxed and informal manner.

Mid-term review should be documented in due manner in the appraisal format.

Annual Performance Appraisal

The Annual Performance Appraisal (*See Appendix C*) covers 12-month cycles consistent with Confidence's financial year (1 January through 31 December).

The Annual Performance Appraisal serves as the basis for the individual performance bonus. Employees who have completed 6 months of job as of 31 December are eligible for the Appraisal.

The Appraisal is an essential tool for employee development. Employees should clearly understand areas where they excel and areas, which need to be improved. Supervisors also should clearly describe the support they may offer to help employees strengthen their performance.

Performance Appraisal & Development Plan Form Overview

Part – A: Performance Plan (Key Result Areas)

A well-written Key Result Area (KRA) clearly defines expected results and will conform to as many of the following criteria as possible.

- Specific
- Measurable
- Action- oriented
- Realistic
- Time-Bound

Employee will use these criteria to ensure that they know what they want to do, by when and at what level of quality. They should also determine what to do in order to exceed their Manager's expectations.

All KRAs are not equally important or critical to the business. That is why, weight system is introduced here. Total weight is 80 for all the KRAs. Employee and Manager will jointly distribute the weight against each KRAs based on their importance. High weight will be given to those that directly align with business priorities and cascade down from the business head.

Employee will identify tasks against each KRA and mentioned in the appropriate column in the performance plan.

This part will be initiated by the employee and completed with consultation of the respective supervisor by January and submitted a copy to Human Resources Division by 1st week of February.

Mid Term Review

Mid-term appraisal is a discussion between the employee and the Manager at mid-year, regarding the performance of past six months. Mid-term performance reviews are required for all employees.

Midterm Review must be done by 15 June or latest by July and appropriately documented in the appraisal Form.

Employee should review their KRAs with their Manager several times throughout the year. This will enable them to know how they are progressing in achieving their Key Result Areas.

Part-C: Annual Review of Performance

The job performance of all confirmed staff (or contract staff who have completing 6 months) must be evaluated at the end of the year by using performance appraisal format.

Employee will prepare his/her self-evaluation but the responsibility for finalizing the annual performance appraisal lies with the respective Manager indicating on KRAs and Job Description.

Based on the task accomplishment against each KRAs both Manager and employee will make their comments in this part.

Part-D: Competencies/Skills Measurement

In this part, supervisor will rate the employee's competencies level based on specific example given in the FORM.

Part-E: Employee Development Plan/Training Plan

There is an opportunity to set the development objectives or specific training plan for the employee in this part. Specific action steps and timeline must be mentioned in this part, which will be reviewed at the end of the year. Then the supervisor will make his comments on the overall personal and competencies development of the staff.

Guideline for Distributing Individual Performance Bonus

The guideline is as follows unless there is further review by the Management and subject to approval by the board.

Platinum Performers	=	4 bonuses
Gold Performers	=	3 bonuses.
Silver Performers	=	2 bonuses.
Bronze Performers	=	1 bonus.
Poor performers	=	0 bonus.

Note: 1 Bonus is equivalent to 1 Basic

Percentage of staff in the Different Performance Category

The performance percentage category is as follows unless there is further review by the Management and subject to approval by the board.

- Outstanding Category performer will be eligible to receive Platinum/Gold
- Superior Category performer will be eligible to receive Gold/Silver
- Good Category performer will be eligible to receive Bronze
- Poor Category performer will not be eligible to receive anything

Note: Above will be decided by the board based on the individual performance in line with his/her KPI achievement.

Eligibility for Individual Performance Bonus

Confirmed employees as of section 3, who have successfully completed the probationary period and have become a permanent employee of the company, are eligible for performance bonus.

An employee who has been completed minimum 6 months to 1-year service will be eligible to performance bonus to the extent of 50% of company's ascertain bonus schedule & 100% bonus will be eligible to those whose service length is equal to or more than a year with the Organization.

In terms of 6 months to 1-year service, bonus shall be calculated on following method; suppose an employee is working for last 7 months & his performance rating is Platinum

Then calculation would be,

$$7 \text{ (Months)} / 12 * \text{Platinum (4 bonuses)}$$

Performance Appraisal for Non-Executives

Contractual Non-Executive's appraisal will be done using at the time of contract renewal. Bonus distribution will be decided on the latest appraisal of the Contractual Non-Executives.

4.4 Current Performance of Digicon Telecommunication Ltd.

Return on Investment of Digicon Telecommunication Ltd. : 39.91 %

Number of Share : None

Profitability Ratio : 0.13 %

Return on Asset : 0.02 %

Return on Equity : 7.31 %

Earnings Per Share : None

Damage Per Share : None

Price Earnings Ratio : None

Primary Data:

Fifteen questions were selected primarily. The questions were made so that it can support the topic of the research. However, the data that we have found from the research was really interesting.

Question: 1- An employee's Performance is highly influenced by his/her salary and other compensation benefits.

Options are:

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

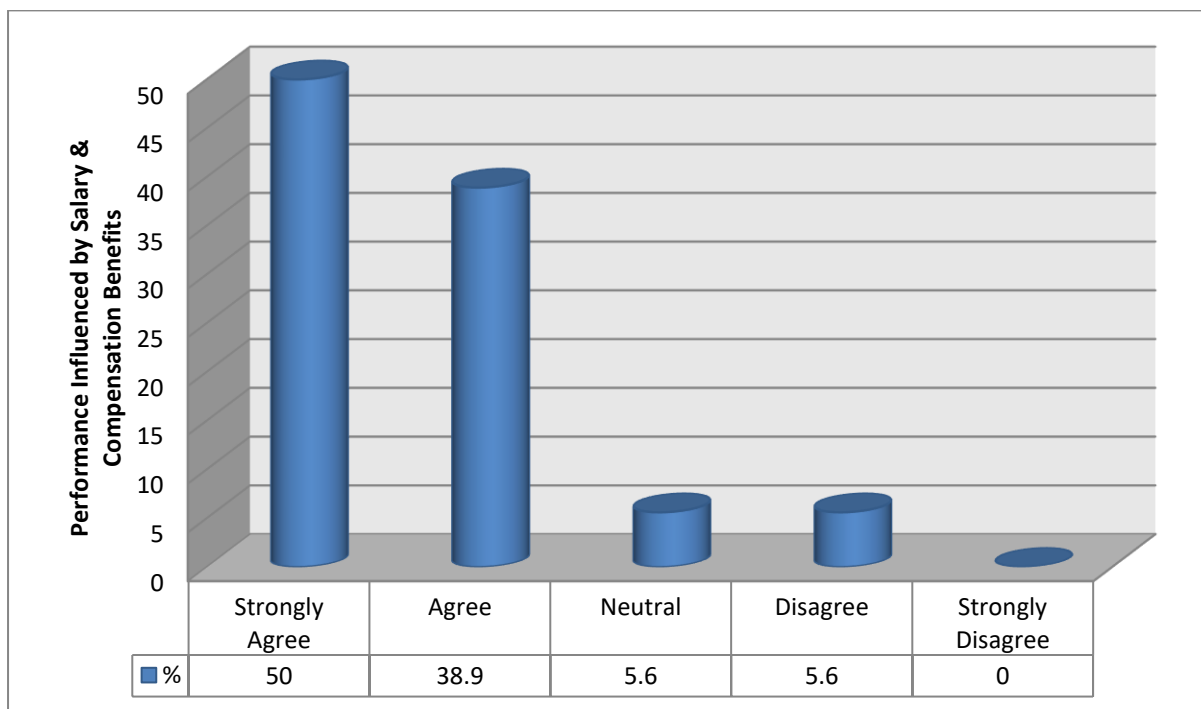


Figure 1 Performance Influenced by Salary and Compensation Benefits

Discussion: If we analyze this graph, we can see that an employee's Performance is highly influenced by his/her salary and other compensation benefits, maximum respondents give positive response about this statement. This option is supported by 16 respondents out of 18. On the other hand, 1 respondent don't support and 1 remain neutral with this statement.

Majority supported that compensation benefits work as a highly motivator for employees' performance. 88.8% of respondents think that employee's performance is influenced by compensation benefits.

Question: 2- Pay increases should be based on performance.

Options are:

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

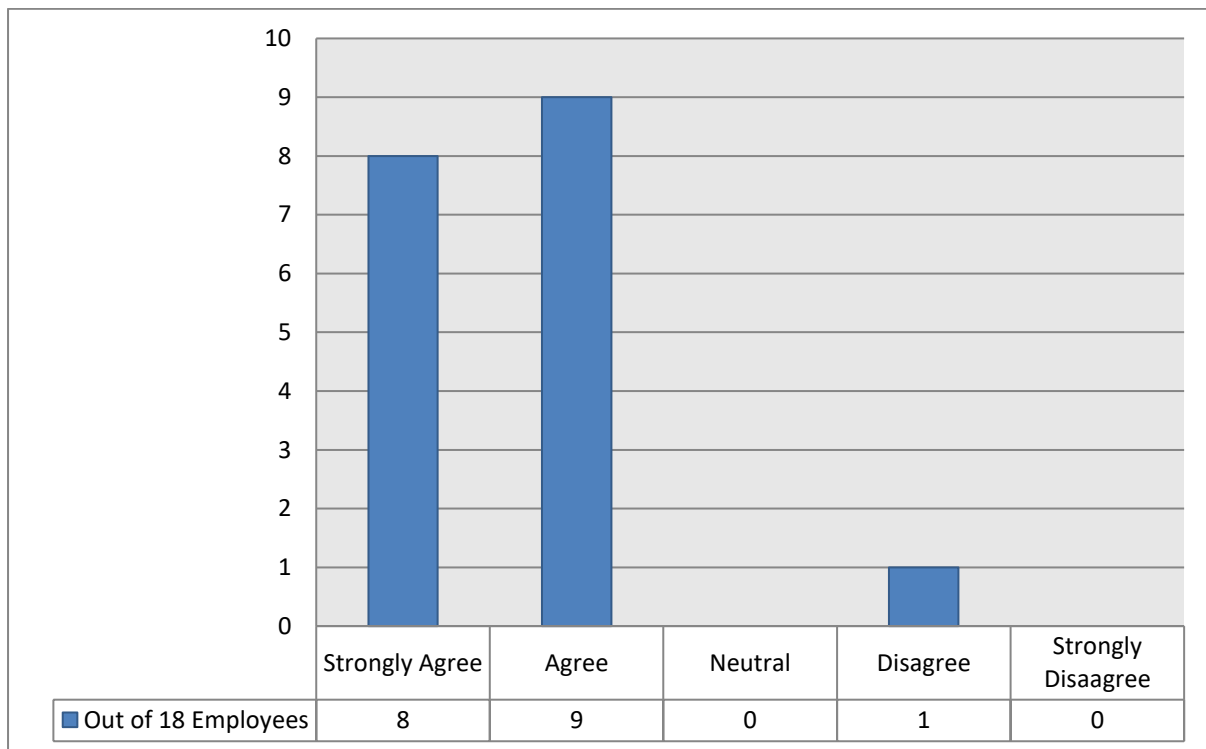


Figure 2 Pay Increase Based on Performance

Discussion: From the graph we can see that, they believe that pay increase should be based on performance. Here, 8 respondents strongly agree and 9 respondents are agreed. On the other, only one respondent disagrees with this statement.

As majority believes on their performance and 94.4% of the employees believe that pay increases should be based on performances which may create completion in the organization.

Question: 3- pay increases should be based on longevity.

Options are:

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

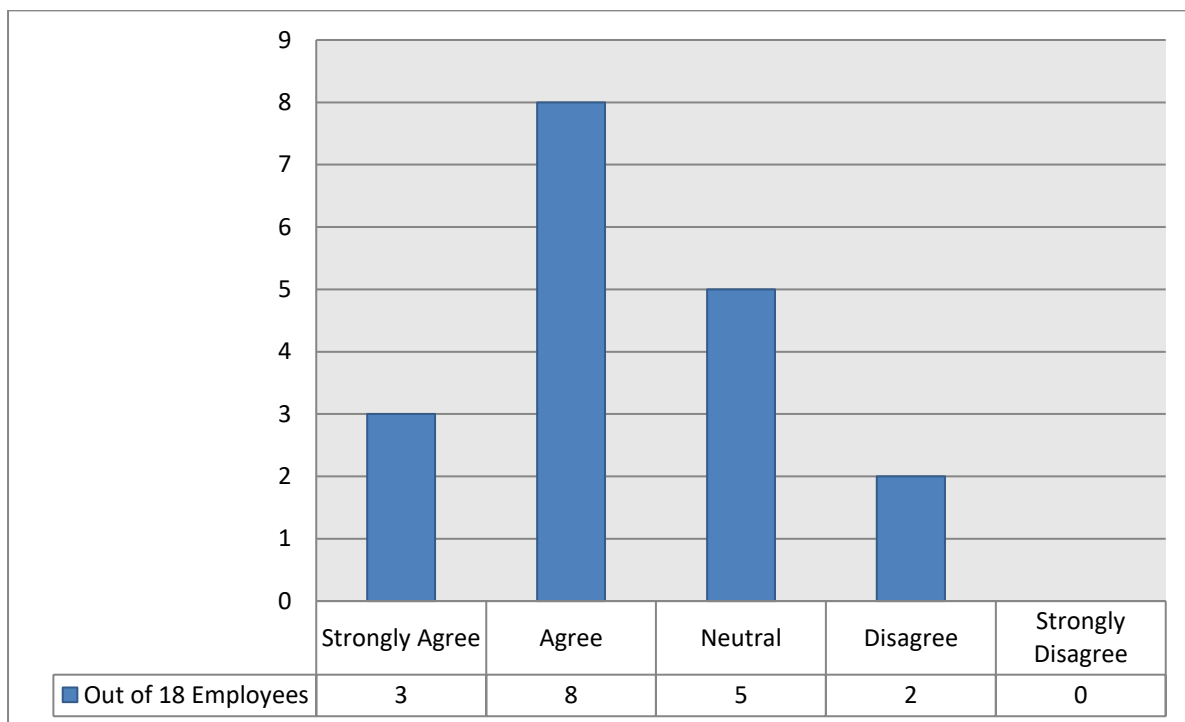


Figure 3 Pay Increase Based on Longevity

Discussion: It is found that 8 respondents answered option B which is about pay increases should be based on longevity. Again 3 respondents strongly agree and 5 respondents remain neutral with this statement. However, 2 respondents disagree with this statement.

So, we can say that 61.1% of the respondents are with that pay should be increased on the basis of longevity.

Question: 4- Employees should have the opportunity to be paid higher than similar positions at other colleague only if their performance exceeds job expectations.

Options are:

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

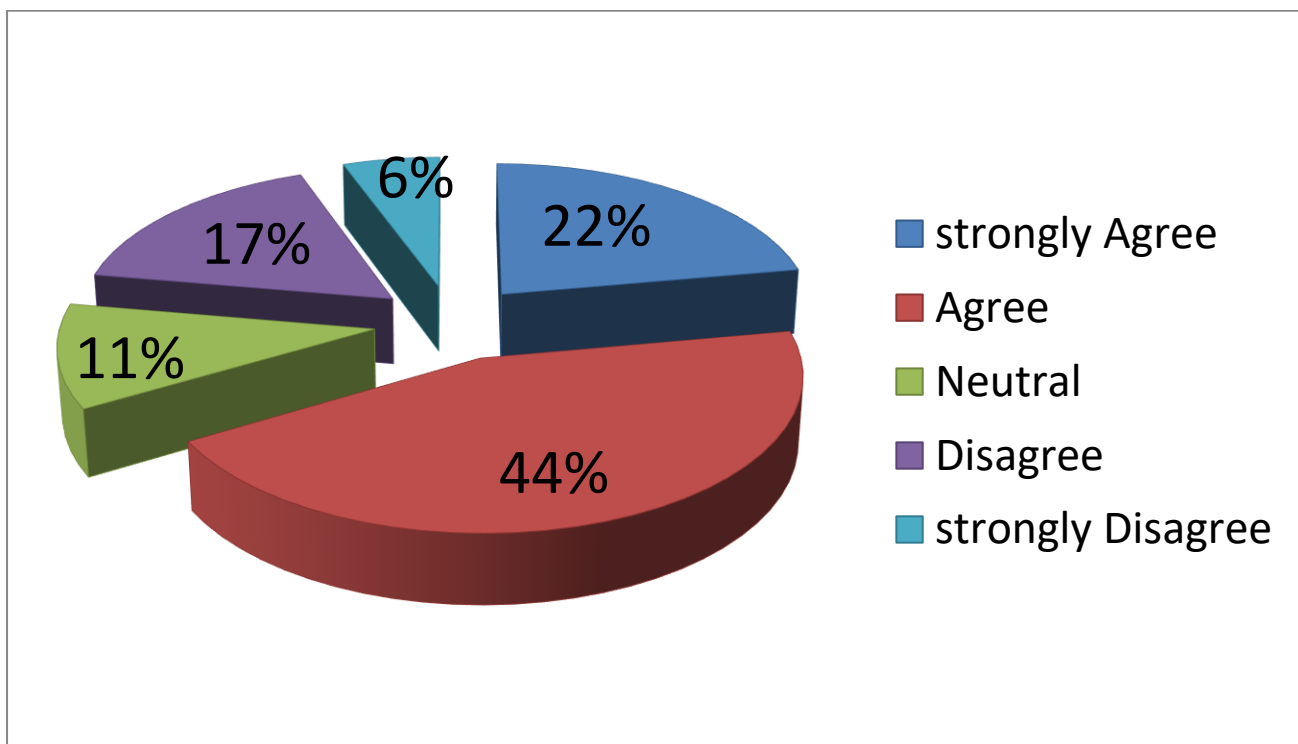


Figure 4 Higher Payment if Performance Exceeds Expectation

Discussion: From the graph, it is found that majority agree with this agreement. 44% respondents think that one employee should be paid more than other if his/her performance exceeds the job expectations. Again, 22% of the total respondent are strongly agree and 11% of the total respondent are neutral with this agreement. On the other hand, few express opposites with this agreement. 6% of them strongly disagree and rests 17% are disagree with this agreement.

Question: 5- Reward System should be provided as variable pay-

Options are:

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

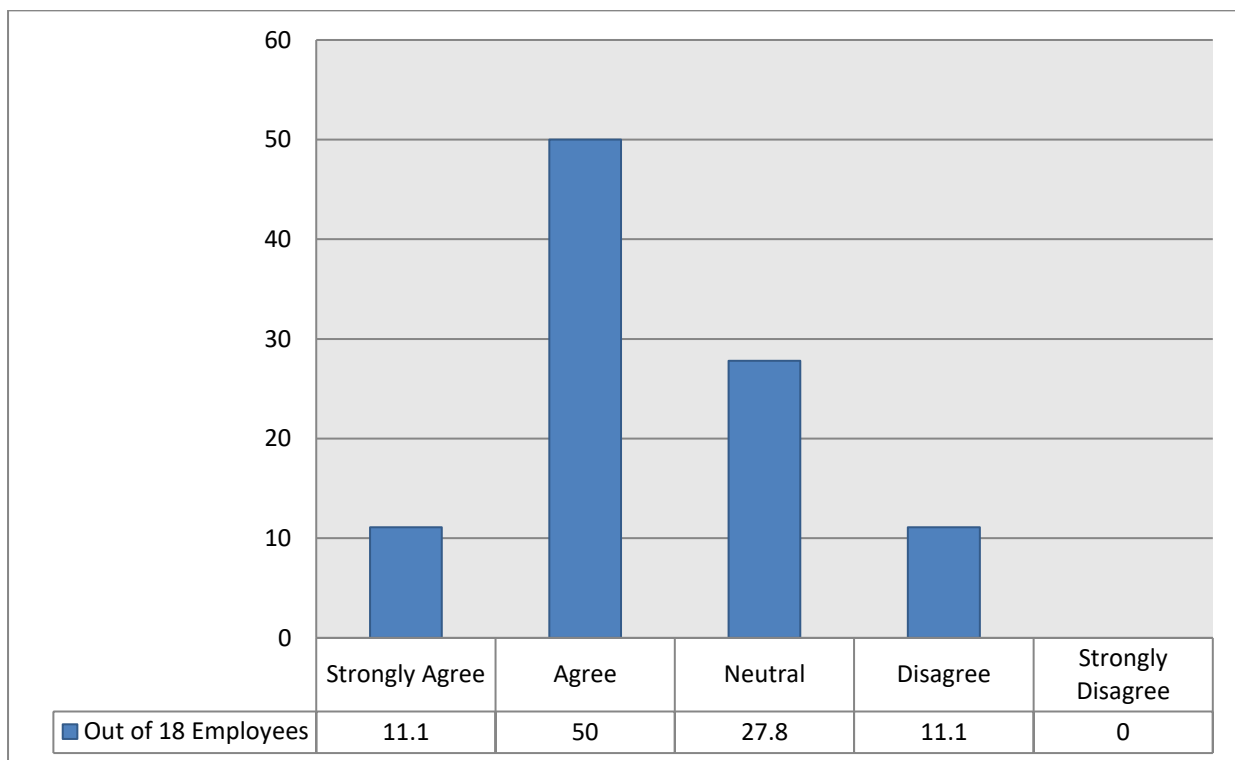


Figure 5 Reward Should be as Variable Pay

Discussion: Analyzing this graph, it is found that respondents do not think that the reward should be provided as fixed pay system. More than 50% of the respondents think that reward system should be provided as variable pay system. Here 50% respondents agree with this statement whereas 11.1% strongly agree. Again, we can see that 27.8% of the total employees are remain neutral and 11.1% employee totally disagree with this statement.

Question: 6- Our pay program should be based on performance-

Options are:

- a) Yes
- b) No

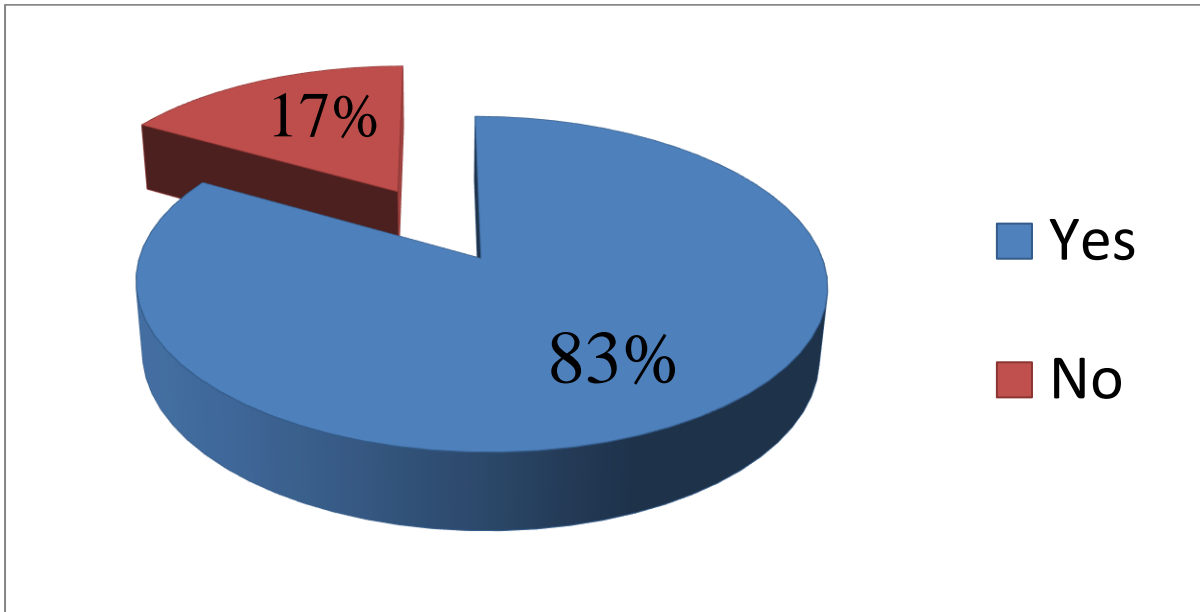


Figure 6 Pay Program Should be Based on Performance

Discussion: It is found from the survey that 83% of the total respondents said that the organization's pay program should be based on performance. However, 17% said- organization doesn't consider the performance regarding organizations pay policy.

Question: 7- I perform other tasks that I receive compensation for.

Options are:

- a) Yes
- b) No

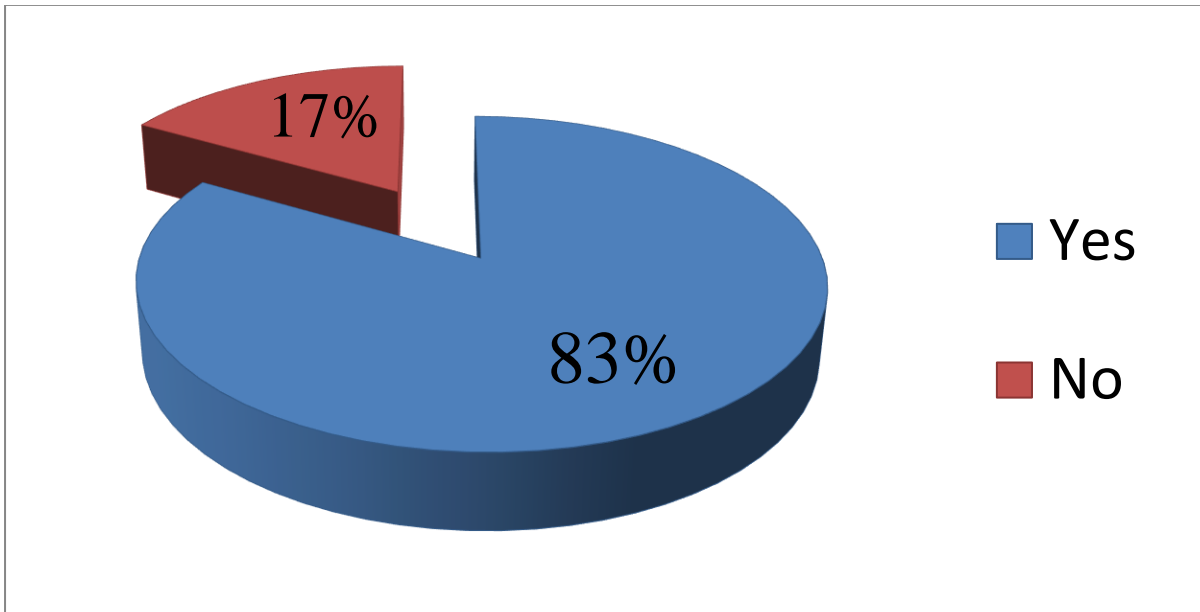


Figure 7 Compensation for Doing Other Work.

Discussion: It is found from the survey that 83% of the total respondents said that organization compensated employees to perform extra tasks. However, 17% said- organization doesn't compensate to perform other tasks. So, the organization should treat equally to all the employees. Otherwise employee will become demotivated about the organization.

Question: 8- Money is an effective motivator for continued performance-

Options are:

- a) Yes
- b) No

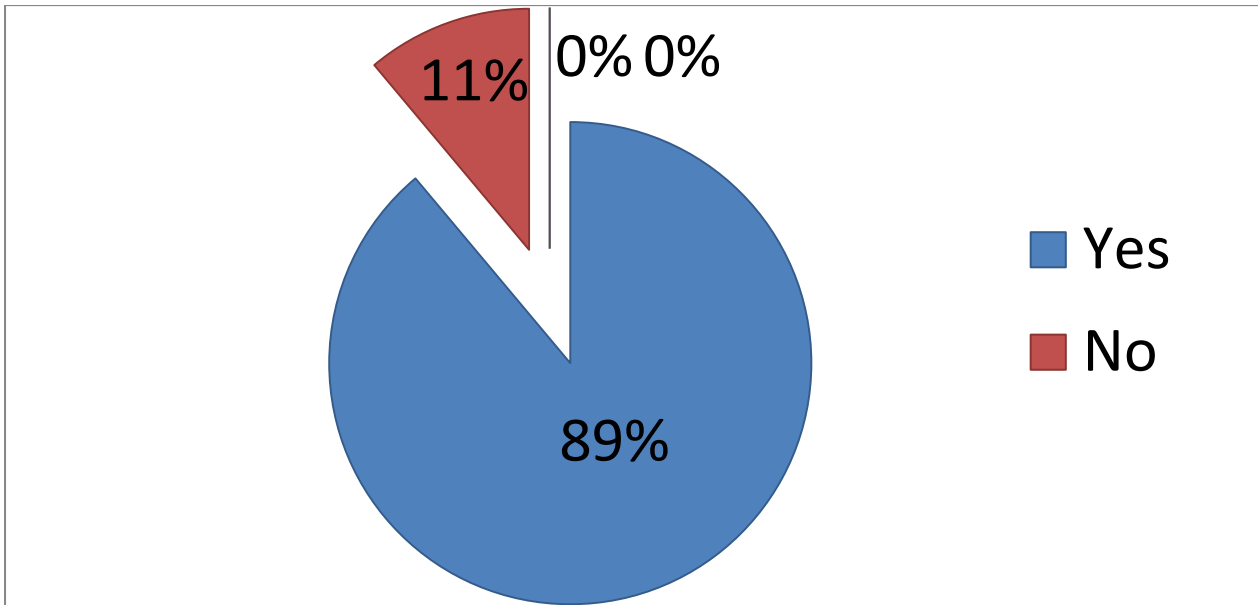


Figure 8 Whether Money is an Effective motivator or not

Discussion: From the graph, it is found that majority believe that money as a motivator factor of employee's performance. 89% of the respondents believe that the money works effectively to motivate employee's performance. Again, 11% of the respondents completely deny that money can't be able to motivate the employees regarding their performance.

As majority believes that money is an important motivator factor to motivate employees, so the organization must consider money as an important motivator.

Question: 9- Organizations concerned about the pay satisfaction of their employees-

Options are:

- a) Yes
- b) No

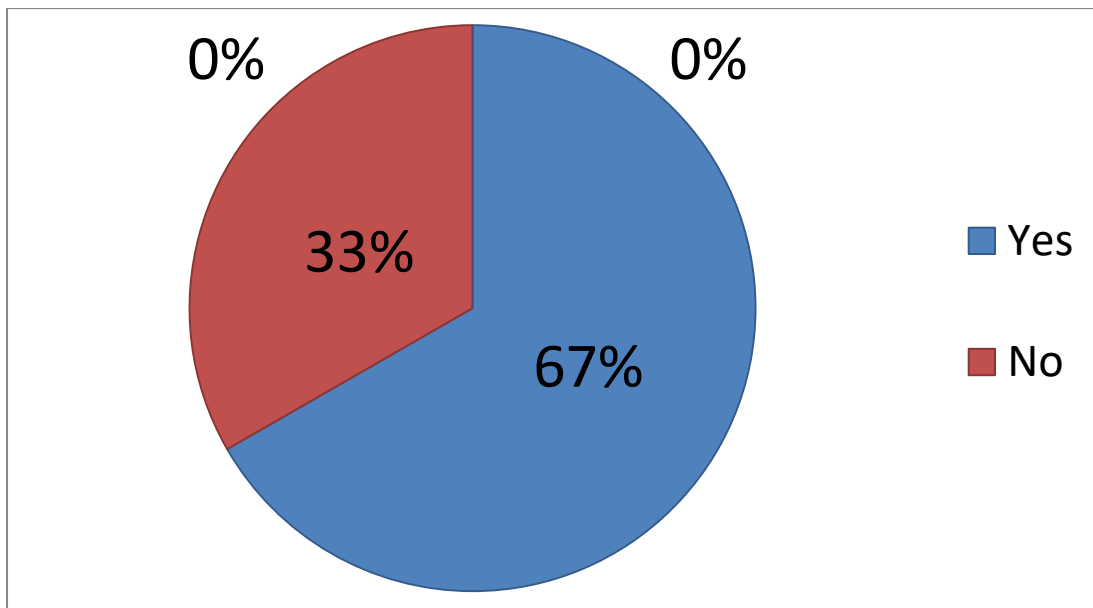


Figure 9 Organization's Concern about Pay Satisfaction

Discussion: From the graph, it is found that majority thinks that the organization concerned about the pay satisfaction of their employees. 67% respondents believe that the organization do care about the pay satisfaction of the employees. Again, 33% respondents completely deny that this organization is not concern about the pay satisfaction of employees so that the employee turnover rate is higher.

This is very much alarming that a large number of employees that is 33% of the respondents think that the working condition is not satisfactory. It shows their dissatisfaction about the organizations pay policy.

Question: 10- In the employee's compensation package reviewed for an increment-

Options are:

- a) Yes
- b) No

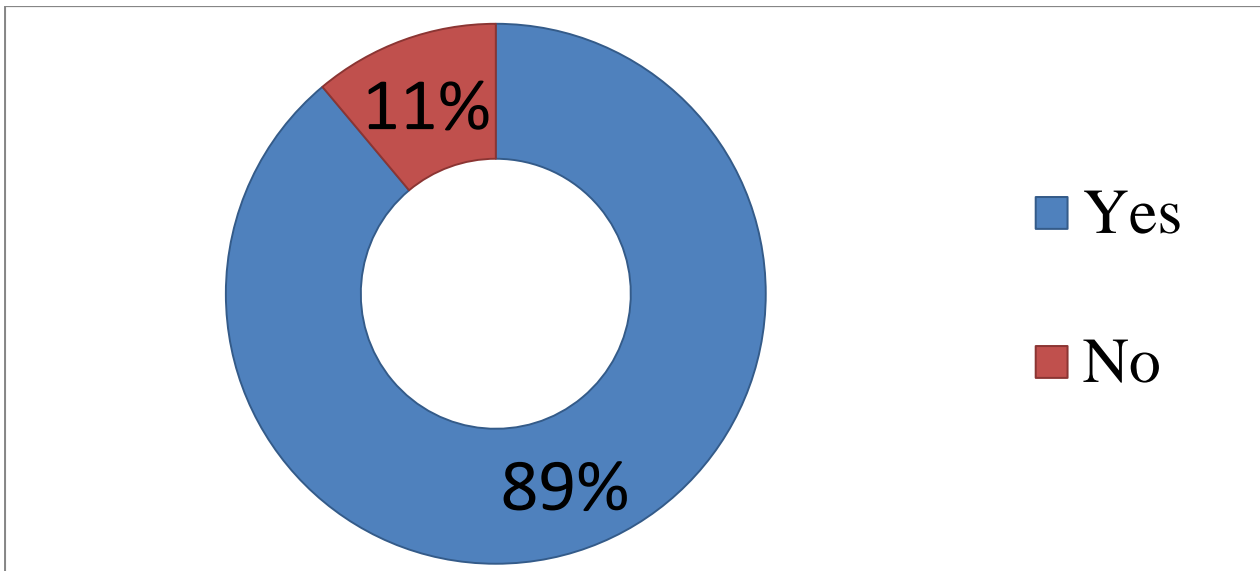


Figure 10 Compensation Package Reviewed for increment

Discussion: From this graph we can see that almost 89% of the respondents gave negative response about employee's compensation package reviewed for an increment. Whereas 11% employees gave positive feedback about their compensation package reviewed an increment.

Question: 11- What is the organization’s compensation policy?

Options are:

- a) Stay even with the market
- b) Stay ahead of the market
- c) Stay even with industry pay practices
- d) Stay ahead of industry pay practices
- e) I don’t know the policy

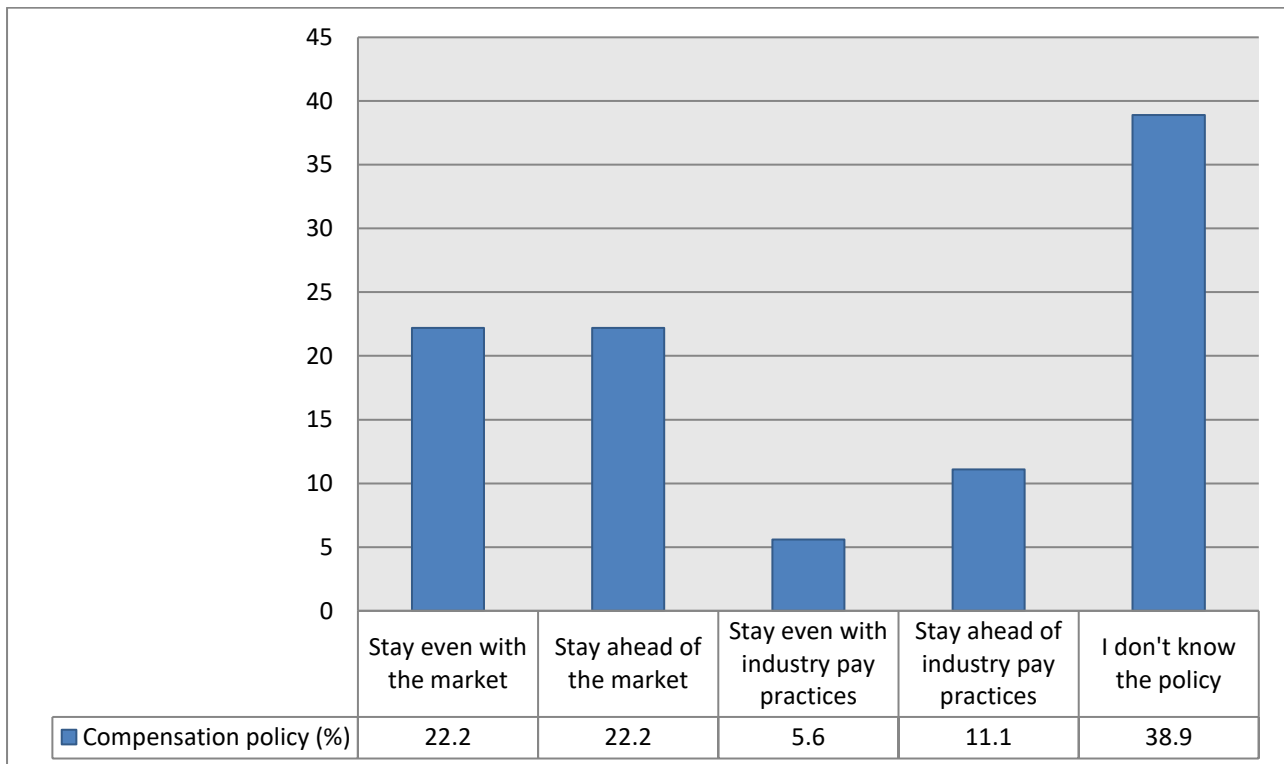


Figure 11 Organization’s Compensation Policy

Discussion: Analyzing the answers, it is found that 38.9% of respondents replied that they actually don’t know the compensation policy. However, at the same time, 22.2% of respondents think that the organization follow stay even with the market and 22.2% of respondents think that the organization are following stay ahead with the market. On the other hand, 11.1% people think that the organization is following stay ahead of industry pay practices. However, there are 5.6% of people who think it is following stay even with industry pay practices.

So, about the organization compensation policy there is there are so many confusions from the respondents.

Question: 12- Which types of compensation payment system do you prefer?

Options are:

- a) Fixed Pay System
- b) Variable Pay System
- c) Both of this
- d) None of this
- e) Contractual pay system

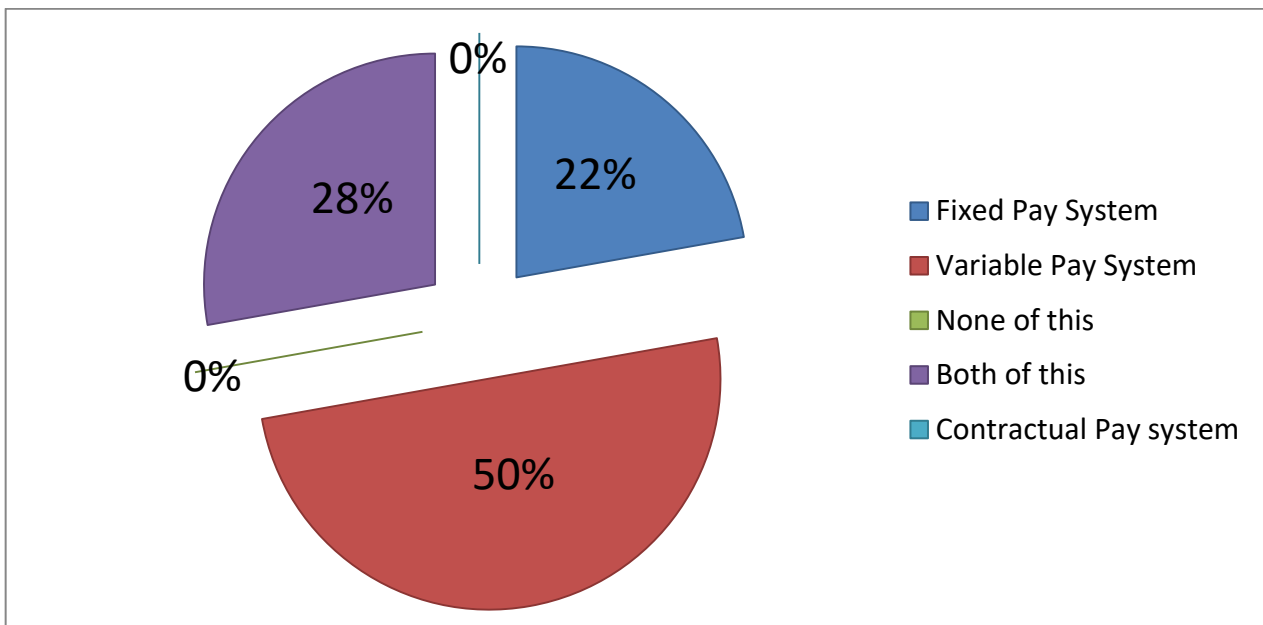


Figure 12 Type of Compensation Payment System

Discussion: From the graph, it is found that majority thinks that the 50% employees prefer the variable pay system. Again, 22% respondents prefer fixed pay system. Whereas 28% of the employees think that they prefer both of this (fixed pay system and variable pay system). But it is found that no one prefers out of these two systems. Again, there is not a single employee who is preferred contractual pay system.

Question: 13- What performance appraisal mechanism has been used to apprise the employees?

Options are:

- a) 360 Degree
- b) Rating Scale
- c) Paired Comparison Analysis
- d) Management by Objectives
- e) Others (Specify)

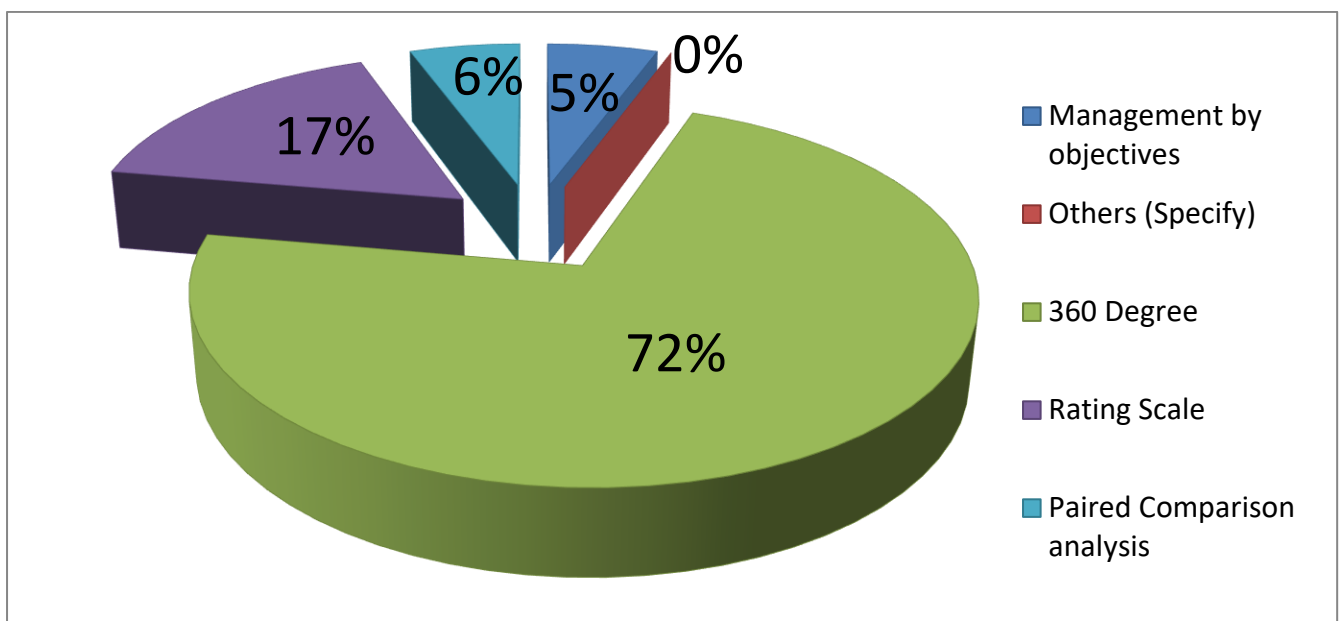


Figure 13 Performance Appraisal Mechanism

Discussion: It is found from the survey that 72% of the total respondents said that the organization is using 360-degree mechanism to appraise the performance of the employees. The employees appreciate this mechanism because the result from 360 degree is free from biasness. However, 17% said-organization is following rating scale. Another 6% respondents think that organization is following paired comparison analysis. Lastly, 5% said, organization is following management by objectives.

Question: 14- what type of salary increases are granted to employees? (Tick all that apply)

Options are:

- a) Merit
- b) Automatic Progression
- c) General
- d) Cost of Living
- e) Length of Service

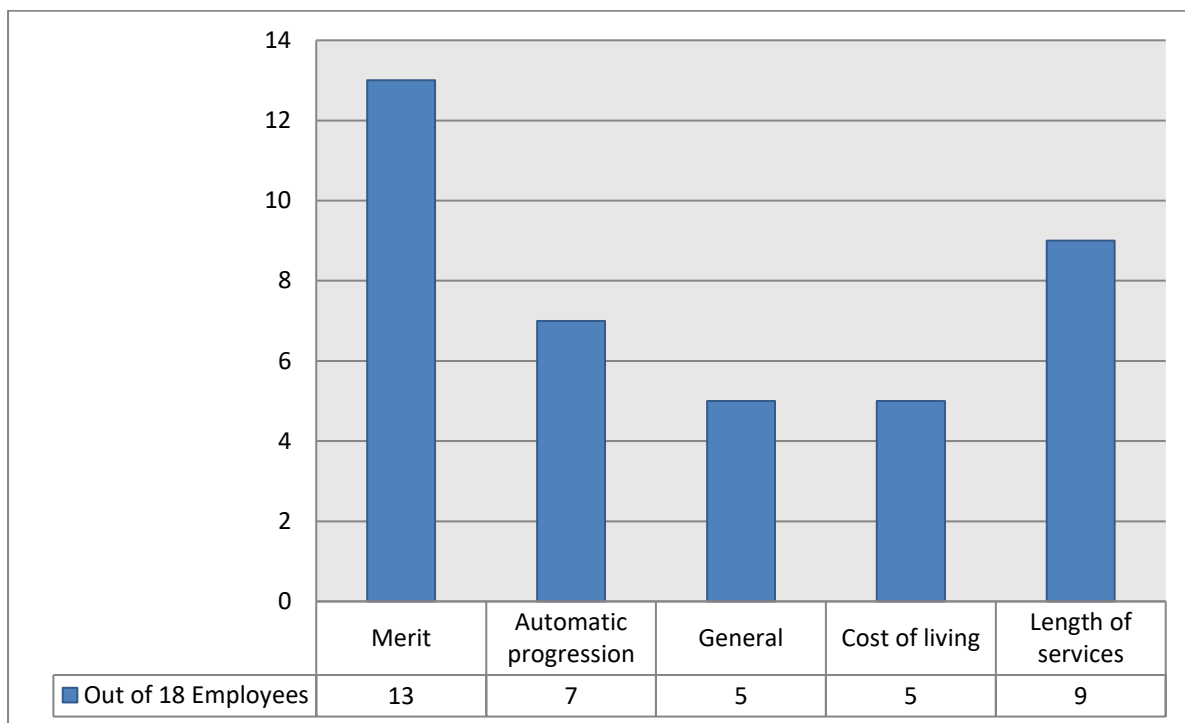


Figure 14 Type of salary increment

Discussion: It is found that out of 18 respondents 13 respondents answered that salary should be increased on the basis of salary and nine people also suggested that salary should also increase based on length of services. Again, seven people think that it should be an automatic progression. Among them 5 respond suggest on general and 5 people suggested to consider the cost of living. Majority people suggested that the salary should be increased based on merit and cost of living.

Question: 15- How do you rate your company's working conditions?

Options are:

- a) Excellent
- b) Very Good
- c) Good
- d) Average
- e) Poor

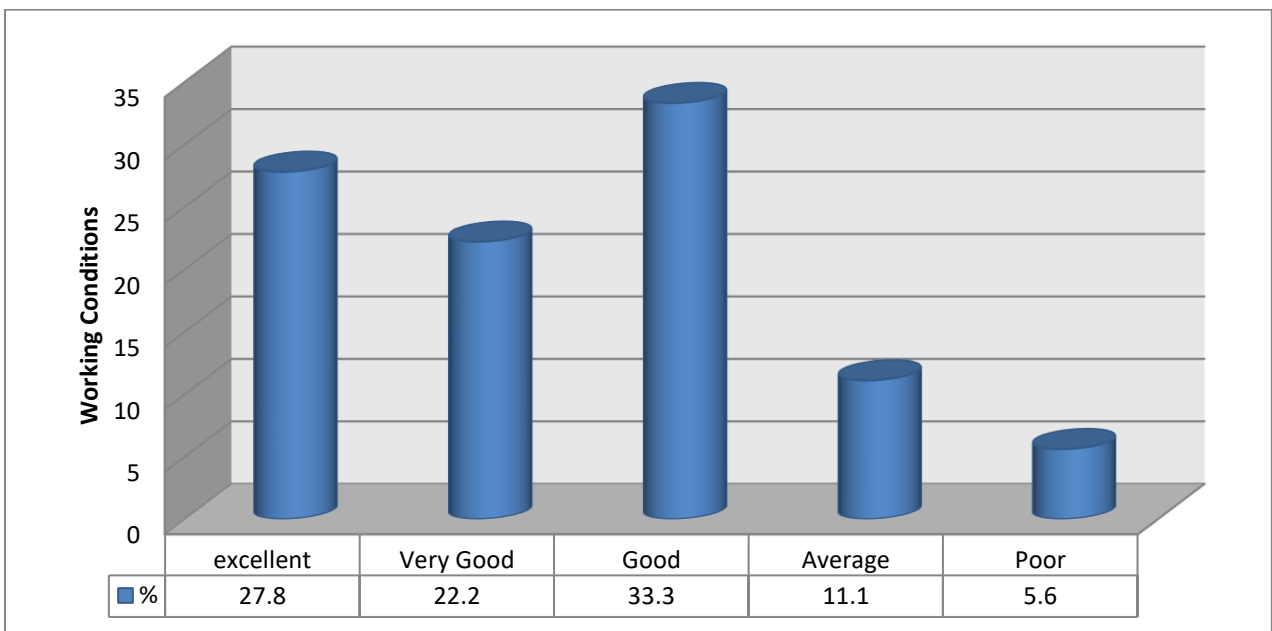


Figure 15 Company's Working Condition

Discussion: If we analyze this graph, we can see that working conditions of Digicon Telecommunication Ltd., maximum respondents said that the working condition is good. This option is supported by 6 respondents out of 18. Again, five respondents supported excellent and four supported very good working conditions. Two respondents, on the other hand, they said average working conditions. However, one respondent think that the working condition is poor.

Majority supported that working conditions level should be improved. That is very much alarming. Almost 17% of respondents think that the working condition is not satisfactory.

Chapter 5:

**Conclusion &
Recommendations**

5.1 Conclusion

Every organization creates great impact on that country's economy. Telecommunication sector is booming now and acquaint new services in the field. Like other organization this industry also depends on man power and believes that only talented and skillful employees will able to help them in attaining their goal. Thus, it has created an important place in the local market through investing on their people. Digicon Telecommunication Limited is one of the renowned telecom organizations in Bangladesh. It is a concern of Confidence Group. I am very fortunate that I got the opportunity of doing my internship in this organization.

Internship is an important part of a student life. It teaches the value of reality and how things are in real life. It is a bridge between theoretical and practical aspects of education and life. It was enjoyable to work with Digicon Telecommunication Limited which made the work interesting and fruitful. Its friendly working environment made emotionally attached with the organization and motivated to give best to it. It was a unique opportunity to learn about the practical work about Marketing sector and Business Development in such organization. This Internship has improved knowledge and attitude about the field to a large extent. I want to thank Brac Business School for the values and knowledge it has provided me with and for giving me the opportunity to apply my knowledge practically in corporate life through this internship. Lastly one thing I will say working in an organization like Digicon Telecommunication Limited, Confidence Group will always make me proud and remain with me as a lifelong learning experience.

5.2 Limitations of the study:

Although concerned personnel provided their best efforts towards me to meet my report's objectives, the present study was not out of limitations. But it was a great opportunity for me to know the overall HRM Practices of Digicon Telecommunication Ltd. The study has the following limitations:

- **Insufficiency of Information**

The main constraints of the study are inadequate access to information and department's confidentiality which has hampered the scope of the analysis required for the study.

- **Time Constraint**

The time was insufficient to know all activities. Moreover, the constraint of time was quite tough to use properly as I had to consult the employees of the organization as per their suitable time.

- **Inadequate Support from Employees**

It was very difficult to collect the information from various personnel for their job constraint. So, I have to struggle hard to collect relevant information from them on time.

- **Assumptions**

Because of the limitation of information, some assumption was made. So, there may be some personal mistakes in the report.

- **Lack of HR Knowledge of Employees**

The employees don't have adequate knowledge about HR, so they can't cooperate in a proper way.

5.3 Recommendations

In the new millennium when the corporate world is designing newer techniques for developing employees and retaining them, Digicon Telecommunication Ltd. is no way behind and the organizational structure is such that people works hand in hand to align the organizational goals with the individual's goals. Still there are some objects which are needed to be included and observed properly in their compensation management system for the betterment of the employees and the organization as well.

Industry educational support

In modern workplaces, employees who are advocated to grow to be lifelong novices often emerge as top performers. By providing those personnel the tools and assets to achieve industry certifications and degrees can assist in producing the high quality of labor, whilst imparting a significant career incentive that's identified via all.

Digicon Telecommunication Ltd. should provide educational support to its employees so that they can turn into an asset for the organization.

Use the market to determine pay increases

In today's world everything has become very uncertain. Everyday new businesses are emerging and top-level businesses are going down all of a sudden. So, it has become very important to observe the market daily to predict the future. According to the market growth remuneration rate should be increased or decreased.

This will ensure that you are keeping up with industry averages and continuing to stay competitive with your compensation practices.

As recent telecommunication sectors in Bangladesh are on high peak, Digicon should set their compensation and other rewards for their employees according to the market growth.

Award increases based on performance

Every organization follows a scale in their compensation system. But sometimes they should break their rules just to motivate their employees. Like who gave actually outstanding performance, his or her reward should not be bound the system sometimes. They should be awarded according to their performance so that, him as well as other employees understand that their effort has been recognized properly by their organization. And this will help to reduce employee turnover rate. If Digicon Telecommunication Ltd. follows this system then they will be able to keep their employees satisfied and that will help them to earn more and less turnover.

Consider using a compensation consultant

Often times it is difficult to take on a compensation planning project without needing to ask a few questions here and there. So, at that point they should hire a consultant who will help them out with a proper planning system by including all the categories which need to be covered in the planning. It will be helpful Digicon Telecommunication if they hire a compensation consultant not for always but who will help them in their critical situation to gain the trust of their employees.

Periodic adjustments

Factors taken into consideration in periodic pay changes will encompass structural modifications as well as performance modifications. The balance is fully dependent on the duties of the position. In some specific job's employees get confused over some topic that how should perform that task. At last, they do the activity as predicted or they do not-that there are few opportunities to perform above and beyond activity expectations. Performance-based compensation is not a good choice in those areas. There may additionally be cases in which performance-based totally compensation may extra as it should be implemented on a team basis.

As the economy of Bangladesh changes a lot, necessary things for living sometimes become very cheap or sometimes costly. So, if Digicon take this situation under consideration and set their system according to that then they will be able to attract more people for their organization and existing employees will also work loyally to the organization.

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Appendix

Survey Questions:

Question 1- An employee's Performance is highly influenced by his/her salary and other compensation benefits.

Options are:

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

Question 2- Pay increases should be based on performance.

Options are:

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

Question 3- Pay increases should be based on longevity.

Options are:

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

Question 4- Employees should have the opportunity to be paid higher than similar positions at other colleague only if their performance exceeds job expectations.

Options are:

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

Question 5- Reward System should be provided as variable pay.

Options are:

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

Question 6- Our pay program should be based on performance.

Options are:

- a) Yes
- b) No

Question 7- I perform other tasks that I receive compensation for.

Options are:

- a) Yes
- b) No

Question 8- Money is an effective motivator for continued performance.

Options are:

- a) Yes
- b) No

Question 9- Organizations concerned about the pay satisfaction of their employees.

Options are:

- a) Yes
- b) No

Question 10- In the employee's compensation package reviewed for an increment.

Options are:

- a) Yes
- b) No

Question 11- What is the organization's compensation policy?

Options are:

- a) Stay even with the market
- b) Stay ahead of the market
- c) Stay even with industry pay practices
- d) Stay ahead of industry pay practices
- e) I don't know the policy

Question 12- Which types of compensation payment system do you prefer?

Options are:

- a) Fixed Pay System
- b) Variable Pay System
- c) Both of this
- d) None of this
- e) Contractual pay system

Question 13- What performance appraisal mechanism has been used to apprise the employees?

Options are:

- a) 360 Degree
- b) Rating Scale
- c) Paired Comparison Analysis
- d) Management by Objectives
- e) Others (Specify)

Question 14- what type of salary increases are granted to employees?

Options are:

- a) Merit
- b) Automatic Progression
- c) General
- d) Cost of Living
- e) Length of Service

Question 15- How do you rate your company's working conditions?

Options are:

- a) Excellent
- b) Very Good
- c) Good
- d) Average
- e) Poor