

# Chapter: One

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## Prefatory Part



## Letter of Transmittal

8th January, 2017

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BRAC Business School

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Subject: Submission of Internship Report.

Dear Sir,

I am very pleased to submit you of my internship report accordingly. The report titled **“HRM Practice of Aqua Paints Limited”** was assigned and approved by you during my three months of internship period.

I have devoted my best effort to make the report an informative one. I will remain ever grateful to you for rendering me the opportunity of working on such an interesting field. If you need any clarification regarding this report, I will be available for this.

Sincerely,

.....

**Nyema Jeenat Bristy**

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## Acknowledgement

Let me express my immense gratitude to a number of persons who have extended enormous support and guidance in writing this report.

I express my heartfelt thanks to my organizational supervisor AKM Mahmodol Hasan, Audit Head of the Department (HR & Admin), Aqua Paints Limited, who assigned me with this project and extended valuable advice time-to-time during writing the report.

This report could not have been materialized without the support extended by Mr. Sarwar Hossain Factory Personal Manager and Mr. Mizanur Rahman, Manager (Safety, Health, and Environment) of Aqua Paints Limited. I am greatly indebted to both of them.

I am also grateful to those Aqua Paints Limited TPM (Total Productive Maintenance) pillar heads of the factory, which delivered their presentations to make me understand about TPM and helped me by their rational responses during presentation and response gathering sessions. At the same time, the supervisors and workers including union leaders must receive my heartiest thanks because without their active cooperation it would not be possible for me to unearth what and which extent their mindset had been changed and how it effect the survival of the Aqua Paints Limited.

Most importantly, I express heartfelt thanks and gratitude to my supervisor, Arif Ghani, Lecturer of BBS, BRAC University, for his valuable advice and guidance in the research and writing effort.



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## Executive Summary

The human resources are the most important assets of an organization. The success or failure of an organization is largely dependent on the caliber of the people working there in. Employees supply the talent, skills, creativity; exert the effort and leadership that contribute to the level of performance of the organization. Every organization has employment planning. The aim of the human resource planning is to recruit and develop employees. The responsible and ethical workers who contribute towards the growth and development of Aqua Paints and the economy of Bangladesh, they usually forecast their personnel needs based on their mission, strategic goals, objectives, technological and other changes resulting in increased productivity. Management of Aqua Paints follows a systematic and standard rule and regulation in times of recruiting, selection and giving training of the applicants. They have well organized human resource department and they conduct every activities of human resource management. Though there are some criticisms, but the overall process of recruitment and selection of Aqua Paints is well and perfect. Biasness is one of the limitations of the recruitment and selection process in Aqua Paints. Sometimes they give high preferences to strong reference. But for the post of probationary officer, they give total responsibility to IBA, to recruit the applicants so there is no any chance of biasness. When human resource department publishes job advertisement on newspaper they should add more information, such as: Key responsibilities of the job, Location of job. Aqua Paints has their own training center where they train their employees so they do not need to go anywhere to arrange the training programs. But they should take the tests like intelligence test, personality test, and interest test to measure personality characteristics such as emotional stability, tolerance, and capacity to get along habits, hobbies, maturity and psychoneurotic and psychotic tendencies. Finally, we can say that Aqua Paints recruitment, selection and training process is admirable.

From my practical experience, observation and discussing with the employees I try to find out the HRM Practices implementation in this company. As an internee it is really difficult to give recommendation but which I think it will be right I express them elaborately such as proper training based on computer, salary structure etc.



# Chapter: Two

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## Organization Part



## Introduction

### 2.1. Company Background

Aqua Paints is a leading national paint and Coatings Company in Bangladesh, founded in 2005. It is mainly originated from Elite Paints which is founded by our Honorary Chairman, Late Mr. Serajuddin Ahmed, for almost 60 years. This name has been synonymous with quality, success and luxury. Later on his eldest and youngest son started the journey for Aqua Paints in 2005. This brand now helps to provide quality paint for the rural side of our country which covers 70% people of the population. Since its inception, the company has grown to become one of the country's leading paint brands.

### A little more technically

Paint is a surface coating material available in both liquid and solid forms, which fulfill two basic objectives: Protection and Aesthetics. Paints protect surfaces against heat, moisture, chemicals, fungus, rust and other harm. While doing so, it decorates the surface and enhances its aesthetics value. Paint is normally composed of organic film formers, pigments, extenders, solvents and additives.

### Aqua Ambition

Enriching peoples live by bringing visual delight and lasting care to their surroundings.

### Why Aqua?

Every container of Aqua Paint, when sealed, carries confidence and trust you have posed in our products. They honor that and are committed to keep it intact. They are committed to bring you a world class product as we have the world's top class raw materials and machineries. This brand never compromise about the quality of the products. The raw materials mainly come from Germany, Spain and Taiwan. Again, Aqua paints manufacture its own raw materials including acrylic and oil based resin, MTT and other chemicals.





## 2.2 Vision and Mission

### **Vision**

The vision of Aqua Paints is to produce high quality product at a good price. Again, the company wants to be the most trusted and reliable national paint manufacturer and supplier of quality paint products in the country.

### **Mission**

As this is their second paint company, they will follow the past experiences, human capital of the present and technology of the future to create world class paint. From their past experiences their missions are:

- High quality product
- Competitive pricing.
- Optimal utilization of available resources at all times.
- Optimal use of information and technology.
- Continuous development and growth of human capital.
- Every action of every person to be sincere and profit oriented.
- Create environment that derives intelligence amongst all involved.

### **Assurance of Quality**

Customer can be assured of quality standards on all products. Consistency of product quality is ensured through stringent quality control at all stages. All the Paint supplied by Aqua Paints is backed up by comprehensive technical support. Aqua has a team of highly qualified and experienced technical personnel with ultramodern laboratory facilities. Our laboratory is well equipped with latest instruments and equipments, which keeps an eye on all the aspects of paints. No batch, ever, is packed without laboratory's approval. This is to ensure that, response to customer requirements is met quickly. Aqua pays keen attention to continuous research and development and is committed to innovation.



## Color or Shade Matching

Up till now, color-matching was executed by human-eye, which has enormous chances of variation in shades. Aqua has acquired a world's latest Spectrophotometer which checks shades vigilantly and does not allow any deviation. Opacity and Brightness are other two major characteristics, which is being monitored by Specter.

## Membership of Paint Research Association

Aqua Paints is one of the latest members of PRA.

What is PRA and Why?

PRA stands for British Paint Research Association. All the top paint companies of the world are member of this association. The companies who are members of this association are not only involved in continuous research and development of new products but new way to control production quality is also determined. Therefore, by becoming a proud member of British Paint Research Association, Aqua can gain hindsight into new products and latest developments of raw materials. Also the vast library of past research works are available to Aqua.

## Painting Process

The process of painting can be divided into two parts:

**Pre-painting:** Work like masonry, crack filling, water proofing etc. Have to be undertaken to get the maximum life for the final paint film.

**Surface preparation:** This is the process of making the surface fit for paint application. For example, if you are painting your interior walls, you would need to make them smooth by applying Plaster of Paris (POP). Similarly for wooden surfaces you need to apply wood filler to smoothen the surface imperfections before you start to paint.

Painting includes the steps to be followed in getting the final paint film on the surface.

The process of painting is different for different types of surfaces.



## 2.3 Code of Conduct and Social Responsibility

Their aim is to meet the needs and wishes of our buyers while maintaining and improving quality. They are fully aware of their responsibilities to their customers, their employee, to the community, the society, the nation and the environment. They are taking all steps to ensure that their factories are:

1. Compliant with social standards stipulated in Bangladesh.
2. Safety and health precautions are fully looked into.
3. Local environment standards are met.
4. Dignity of labor and human rights are upheld.

## 2.4 Their Value

1. Highest standards of performance and behavior.
2. Long term value for customers, employees and society.
3. Ensure quality improvement.
4. Ensure the satisfaction of the customers.
5. Quality products at a good price
6. Maintain the health safety and environmental standards.
7. Maintain the social responsibility and sustainable development.
8. Support the human fundamental human rights.
9. Avoid bribery or unethical practices.
10. Avoid conflicts of interest.
11. Records all business transactions and paying taxes and VAT to the government.



# Chapter: Three

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## Project Part



## **Project part:**

### **3.1 Introduction of the Project:**

Theoretical knowledge is not enough for a business student. Because there is a far gap between theoretical knowledge and practical field, our internship program has been launched mainly to bridge this gap. For the partial fulfillment of BBA program, I have started my internship in Aqua Paints and it has a really good learning format for their employees. When I joined there, I found that the people are very much friendly every person helped me to do my responsibilities.

The reason for chosen this particular topic because, is to know how we can establish HRM practice in this company and how we can develop skills of employee. It is relevant to me as my major is HRM and it can give me a practical knowledge about HRM as well. A practical exposure by being a part of management is a must to know the pros and cons of HRM properly. Human resource functions encompass a variety of activities that significantly influence all areas of an organization. Its function includes HR planning, recruitment, selection, training, development, compensation and benefits, safety and health, employee and labor relations, HR research etc. A lot of theoretical knowledge will never do anything in learning all of these sides. Considering all of these aspects this study is holding, it can be expected to be highly rational to be conducted. And so, it may appear as an important one to the concerned and interested sections of people.

### **3.2 Statement of the Problems**

- To have the knowledge about the recruitment policy of Aqua Paints.
- To have the knowledge of training need and it's analysis.
- To know about the safety and benefits of the Aqua Paints.

### 3.3 Scope and Delimitation of the Study

- The rate of success of this study may be limited due to lack of practical experience and capability.
- As the report focuses almost all the major functions of HR department, it was challenging to collect all of the information. Most of the data were collected through interview. Thus the reliability of the report depends on the authenticity of the information provided by the relevant persons.
- We have to depend only on the data, which were available to us. As our study was related with the critical strategic HRM practices, the information provided by the organization was contradictory in sometimes. The secrecy of the organization about this topic made us unable to prepare a full-fledged and informative report.
- It was not always possible to contact with busy personnel or managers to collect data or have discussion with them.
- It was not possible to collect various data, books and journals related to the company due to its conservative policies.
- Many up to date data and documents were not available, which could have made the study more informative. So a major constraint of the study was the insufficient information.



### **3.4 Purpose of the Study**

#### **3.4.1 General Objective**

- The general objective of the study is to evaluate the overall human resource management practices of Aqua Paints Limited

#### **3.4.2 Specific Objective**

The study has been conducted with the following specific objectives:

- To investigate and find out the human resource activities of Aqua Paints Limited;
- To find out the factor that affecting the HRM practices of Aqua Paints Limited;
- To find out the problem (if any) relating to the HRM practices of Aqua paints Limited;
- To recommend some suggestions based on findings

### 3.5 Body Part of the project

Here I am going to discuss the Recruitment and Selection, Human Resources Planning, Performance Policy, Compensation and Benefits, Training and Development, Factory Health and Safety condition etc. of Aqua Paints.

#### 3.5.1 Job Analysis:

The process of defining the recruitment should start with an analysis of the job. Job analysis is the process of collecting, analyzing and selling out information about a job in terms of the following heading. To do a job analysis Aqua Paints mainly follow some of these criteria:

- ◆ Overall purpose
- ◆ Content (tasks to be Performed)
- ◆ Accountability
- ◆ Performance criteria (on which assessment will be made)
- ◆ Competence's (structure of the organization)
- ◆ Environmental factor
- ◆ Factor likely to motivate employer
- ◆ Training needs

#### 3.5.2 Recruitment and Selection:

Recruitment involves assessing the nature of a post and advertising for suitable candidate. Recruitment is the process of finding and attracting capable applicants for employment. The process begins when new recruits are sought and ends when their applications are submitted. The result is a pool of applicants from which new employees are selected. Recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organization.





### **Purpose of the recruitment:**

There are many purposes to recruit new employee. The basic purposes of recruitment are given below:

1. When business organizations want to expand in the market then need new employee.
2. When the company wants to produce any new product or service then need to the recruitment.
3. In case of left employees in the company, recruitment is needed.
4. To determine the present and future manpower requirement of the organization this is based on manpower planning and job analysis.
5. To get applications from a large number of prospective candidates incurring minimum possible cost.
6. To increase the success rate of the selection process by reducing the number of candidates through rejection of under or overqualified candidates.
7. To meet the legal and social obligations regarding the composition of its work force.
8. To identify and prepared potential job applicants who will be appropriate candidates.
9. To evaluate the effectiveness of various recruiting techniques and sources.
10. To reduce the training and supervision cost by facilitating high quality of selection.

### **Source of Recruitment:**

- Internal sources
- External sources



### **Recruitment Process:**

There are various methods by which a company can select the right people for the right post. The sources of men power have a great influence on the method of selection.

For instance if a worker is recommended by a director then usually there will be no interview and the worker get immediate appointment letter and will start working immediately without any training. This is because the director will not definitely choose inexperienced workers.

The choice of source depends on its cost coverage and suitability for the post semi skilled workers are likely to be recruited locally. Using sources as local papers and job centers senior executives are more likely to be recruited nationally or even internationally through head-hunting and national press advertising.

An alternative source is to recruit internally through promotion redeployment or appointing training. Internal recruitment has the advantage that the candidates is already known to the firm and will be familiar with work routines. It also improves staff morale and motivation and it is less expensive. Internal recruitment does limit the firm's choice however and does not result in new ideas being introduced into the firm.

Paints industry mainly select staff from either internal sources or circular published in the newspapers. At times many candidates submit their CV and from those sometimes appropriate candidates are selected. The methods that they were in order select the candidates also depend on the post of the candidates. However, usually there is a written test by which they make a short list of candidates. Interview is the most popular selection method. It may be formal or informal and can be conducted one by one or group basis.

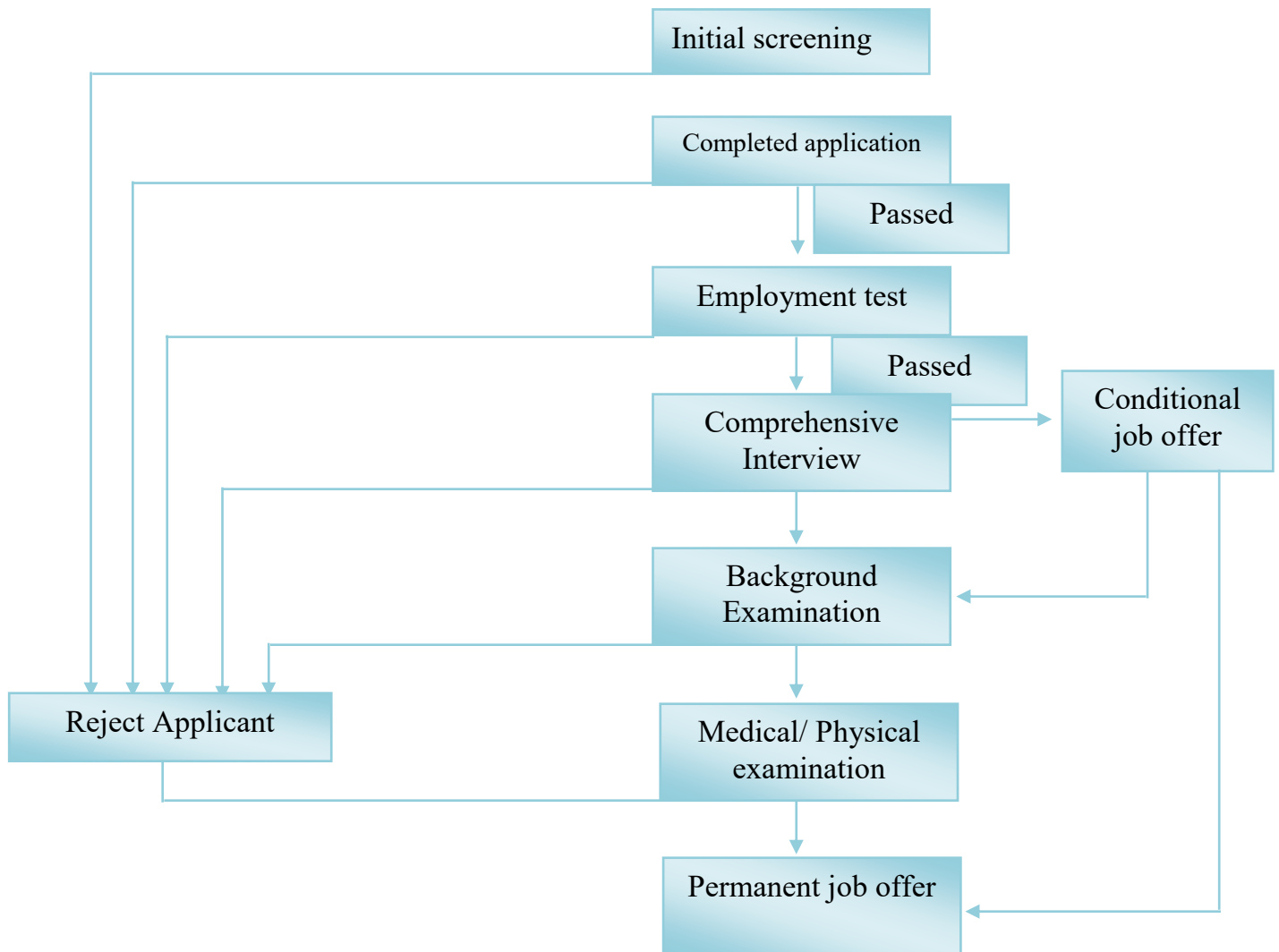
Internal recruiting seeks application for vacancies from those who are currently employed. Our companies usually accept recommendation form -

- a) Present employers mainly give promotion and transfers of present employees to highly positions. Industry encourages ambitions at their staffs and welcome competent person's to perform.



- b) Employee referrals involve appointing family members or friends of the existing employees. But for that the candidates have to be well qualified for the post.
- c) Although previous application this is not exactly goes under the internal sources, the applicants who have previously applied for job can be contacted by mail and vacancies can be filled quickly without spending too much.
- d) The interview allows the interviewer to check out the candidate's oral communication skill, physical appearance and personal attributes, such as confidence. Also the interview can assess the physical working conditions, future prospects and working atmosphere. The interview is usually handled by the administrative office and at times for higher level directors and other outside personals are invited.

## The Selection Process





### **Aqua Paints Selection Process:**

The selection process of Aqua Paints is given below:

**a) Application Receipt :**

At first they do the initial screening and completing the application. After selecting employees from these phases the employees are mainly send to the employee test phase.

**b) Employee Test :**

Here, the company takes different kinds of tests of the employees. At first, they have to seat for an interview. After that they have to attend a written test. Those who are passed in both of these then they are sent for the next phase.

**c) Permanent Job Offer:**

In this phase, at first the employees have to attend a comprehensive interview. If any of them passes, he is selected for a conditional job offer. The selected employee has to go through a background examination. That means the company will check out his performance in his post. If the employee perform well then he is sent for the medical test to go through a physical check up. Finally the employee gets the permanent job in the company.

### **3.5.3 Human Resource planning**

Human resource planning is one of the most important elements in a successful HRM program. A survey to chief executives, found that 85 percent listed human resource planning as one of the most critical management undertaking of this decade. But what does the term human resource planning mean? Specifically, human resource planning is the process by which an organization ensures that it has the right number and kinds of people, at the right places, at the right time, capable of effectively and efficiently completing those tasks that will help the organization in achieving its overall objectives. Human resource planning, then, translates the organization's objectives and plans into the number of workers needed to meet those objectives.

In many organizations, few employees outside of the top executive group really know the short and long term objectives. It is not necessary surprising, therefore, that management may find itself without the placements created by natural attrition, or meet opportunities created critical human resource is unavailable.

To ensure that people are available to provide the continued smooth development of an organization, organizations engage in human resource planning. The purpose of human resource planning is to assess where the organization is where it is going and what implications their assessments have on future supplies of and demands for human resources.

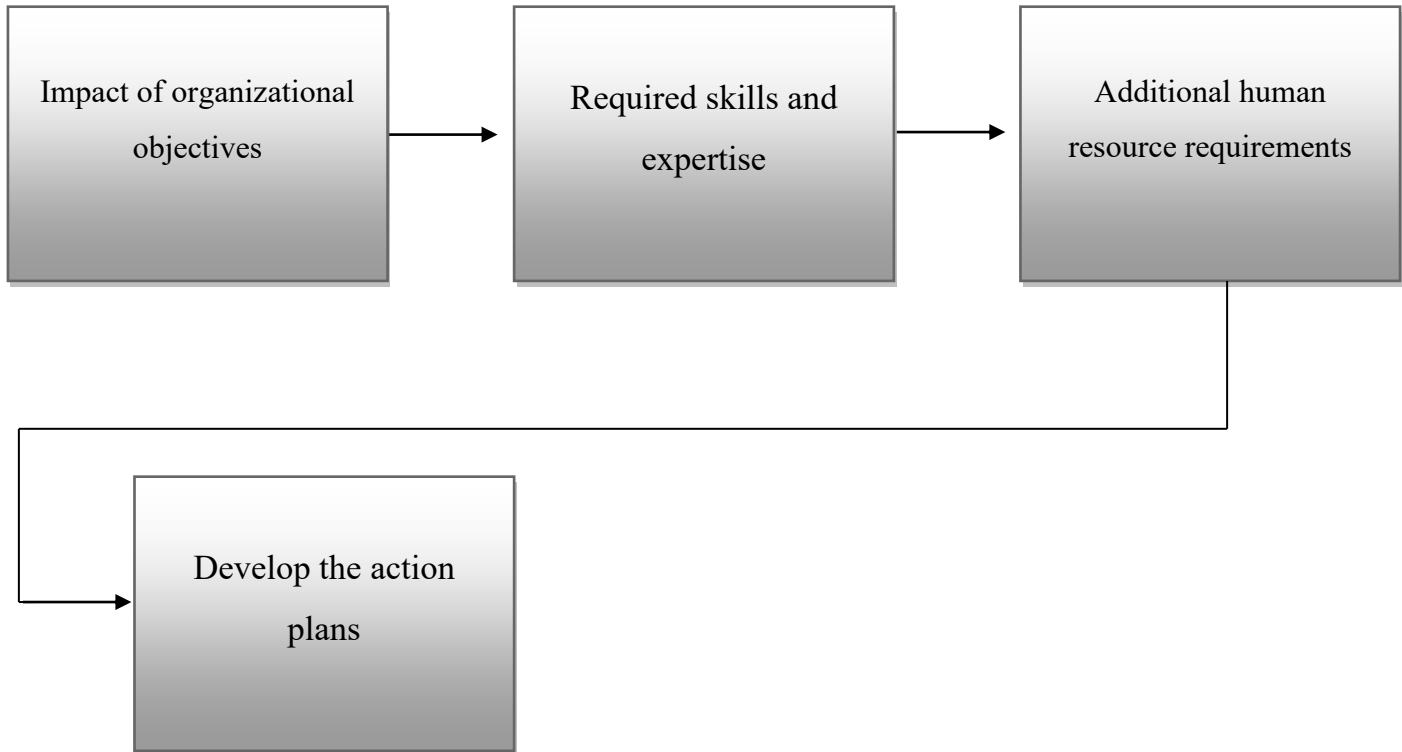
Attempts must be made to match supplies and demands, making them compatible with the achievement of the organization future needs.

#### **Steps of HRP:**

HRP consists of four basic steps:

1. Determining the impact of the organization's objectives on specific organizational units.
2. Defining the skills, expertise and total number of employees (demand for human resource) required achieving the organizational and departmental objectives.
3. Determining the additional human resource requirement in light of the organizations current human resource.
4. Developing action plans to meet the anticipated human resource needs.

### Steps In The Human Resource Planning Process



### 3.5.4 Training and development

Training refers to a planned effort by a company to facilitate employees learning of job related competencies. Competencies include knowledge, skills or behaviors that are very crucial for successful job performance. It forms the core of apprenticeships and provides the backbone of content at institutes of technology (also known as technical colleges or polytechnics). In addition, the basic training required for a trade, occupation or profession. Observers of the labor-market recognize day by day update to continue training beyond initial qualifications to maintain, upgrade and update skills throughout working life. People within many professions and occupations may refer to this sort of training as Professional developments.

Some commentators use a similar term for workplace learning to improve performance: training and development. One can generally categorize such training as **On-the-job** or **Off-the-job**.

- **On-the-job** training takes place in a normal working situation, using the actual tools, equipment, documents or materials that trainees will use when fully trained. On-the-job training has a general reputation as most effective for vocational work.
- **Off-the-job** training takes place away from normal work situations — implying that the employee does not count as a directly productive worker while such training takes place. Off-the-job training has the advantage that it allows people to get away from work and concentrate more thoroughly on the training itself. This type of training has proven more effective in inculcating concepts and ideas.

Why individuals/organization needs training programs?

- To have competitive advantage compare to others
- More than the basic skill development.
- To create intellectual capital.
- It is designed more performance focused and strategy oriented.





### **Training program for the existing employees of Aqua Paints:**

Training is a learning experience that seeks a relatively permanent change in an individual that will improve his or her ability to perform that will improve his or her ability to perform on the job. Training is the act of increasing the knowledge and skill of an employee for doing a particular job.

Aqua Paints is one of the leading companies in Bangladesh. They have about a lot of employees in Bangladesh. They are producing different kind of Product for their buyers. For taking care of their buyers, they had to make a big management team. This team people are very energetic. To make the employee more efficient and effective Aqua Paints HR arranges different kind of training according to their need.

As Aqua Paints is paint base organization they have to deal with different kind of technologies, and technologies are upgrading every moment. Aqua Paints provide both on the job training and off the job training. But mostly they prefer on the job training. For their Machinery and Production sector they always arrange different kind of training program for continuous improvement. Sometimes they arrange internal training and sometimes they arrange external training. Internal training is provided by organization senior employees. Sometimes HR hired people technical person from different organization for training purpose.

### **Needs for Training:**

It is very important to find out the training needs to form a successful training program.

There are the training needs Aqua Paints are here given below:

- To increase Productivity
- To improve quality
- To help fulfill future manpower requirements.
- To improve work environment.
- To improve safety.
- To prevent obsolescence of man power
- To achieve personal growth.



The purpose of training is to impart knowledge, skills and techniques to individuals so that they can carry out their work more efficiently. The emphasis on quality competitiveness and participation compiled with the rapid pace of technological and other change has raised the importance of training for the organization.

Once the training needs have been analyzed and the objective of a training program has been established, it is then necessary to decide on the most effective ways of implementing on training program for the organizations employees.

### **Training Objectives:**

Training is needed to prepare new employees for changes and to improve efficiency of the organization. The specific objective of training can be proved out as following:

1. To provide employees with skills, knowledge and attitudes necessary to perform duties efficiently and effectively.
2. To develop workers to enable them to programs.
3. To provide for succession.
4. To improve morale.
5. To attract recruits.
6. To facilitate the introduction of new techniques.
7. To impart the basic knowledge and skills of the new entrants they need for an intelligent performance of definite tasks.
8. To build up a second line of competent officers and prepare them to copy more responsible position.
9. To broaden the minds of senior managers by providing them with opportunities for inter-change of experience within and outside with a view to correcting the narrowness of the outlook that may arise from over- specialization.
10. To impart customer education for the purpose of meeting the needs the customers effectively.



**To the organization systematic training gives the following benefits:**

1. It improves the job knowledge and skills at all levels of the organization.
2. It improves the morale of the workforce and helps people identify with organizational goals.
3. It fosters openness and trust by improving the relationship between superiors and subordinates.
4. It leads to improve profitability and more positive attitudes to ward profit orientation.
5. It aids development for promotion from within.
6. It helps in developing leadership skill motivation, loyalty, better attitudes and other aspects that successful workers and managers usually display.
7. It helps employees adjust to change.
8. It assists in handling conflict, thereby preventing stress and tension.
9. It helps creating a better corporate image.
10. It reduces outside consulting cost since the organization can utilize internal competencies for effective decision making and problem solving.

**Benefits to the Employees:**

An effective training program can make great changes to the employees. Some of them are given below:

1. It encourages self- developing and self- confidence.
2. It helps the employees handle stress, tension, frustration and conflict.
3. It helps individuals in making better decisions and effective problem solving.
4. It provides information for improving leadership knowledge, communication skills and attitudes.
5. It helps in eliminating fear in attempting new tasks.
6. It increases job satisfaction and reduces labor turnover and absenteeism.
7. The workers are in better position to handle the tools and equipments. This helps in minimizing avoiding accident Scrap and damage to equipment.



Aqua Paints believes in human resources development for the sake of the company. This industry expanded a significant part of its annual expenditure on training of the employees in the country and overseas.

There is a dedicated department for analyzing the performance of individuals involved in the process. This observation helps finding the weakness of the employees and the necessity of the skill development. This company professionals are always encouraged to take part in seminar symposium or courses offered by experts to keep them know how update and comparable with the needs of present and future.

This company mostly emphasis on-the job training (instruction at the work station) or off-the job (lectures, demonstrations provides by the employees but quay from the workstation). Internal training seems as directly relevant, up to date and based on an understanding of the real problems facing the employee.

#### **Advantage of On-the-job Training:**

The employees learn as they work, the instructor being the post holder. The advantage of individual training is that:

1. Easy to organizes
2. Adaptable to need the work needs of trainers and trainee.
3. Relatively inexpensive.
4. Job- specific and not general

#### **Advantage of Off-the-job Training:**

Off the job training or external training can involve employees attending local college and study for various qualifications. External training methods include lectures demonstration stimulation group activities such as role play and self study package. The advantage of external training is that:

1. Specialist trainers are employed
2. Training can be intensive
3. Training takes place away from workplace distraction
4. More general theories and ideas can be considered



However external training can suffer from being isolated from the practice abilities of work as it is expensive and it renews the trainee from the work place and therefore from production.

In early growing edge, few people were trained from outside of the country. However, presently no specific training institution established from where specific training could be imparted and which will develop the skills of various level of workers, though this industry needs workers with competencies. In fact workers are learning and developing their skills through on job training.

No system for new employee or employees to undergo a basic training, related to the job employee or employees will be assigned for. Hence effect may come on the quality of the products, as well all accomplishment of the tasks in time.

When the factory stays without training service, it creates the problem that gives the under bellow:

1. Not fulfill just time just wore.
2. Don't set after any planning of organization.
3. No possibility of more work quality
4. Employer and laborer don't work job analysis.
5. In fact that change the factory to factory no profit.

Actually it is not satisfactory the method of worker training of Aqua Paints. As a result, only the employer training and development program is discussed above.

It is necessary to talk with GM and PM of training and development and ensure that they will focus on the recruitment of the laborer arrangement of the training performance management policy.



### 3.5.5 Performance Management Policy

The performance of term members is undertaking their job responsibilities and contributing to the organization's success and development is annually assessed through appraisals. Good performance may be rewarded through enhanced annual salary increase and consideration for promotion when suitable vacancies arise.

- **Objective:**

The purpose of performance management system is to ensure that employee contributions to the organization are recognized in a consistent and effective manner.

The main objectives of PMS are:

- a) To determine the target at the beginning of the year.
- b) To ensure a regular monitoring and guidance by the supervisors and create a culture of face to face discussions between supervisor and employee.
- c) To identify and document what has been achieved in the past in accordance with the agreed targets set earlier which should be basis for employee's growth and development so that he can better contribute in future.

- **Performance rating:**

The steps of performance rating of Aqua paint are given below:

- **Outstanding:** Consistently exceeds performance expectation and job requirements for the position.
- **Very Good:** Producing good and quality results that exceed requirements of the job.
- **Good:** Performance is acceptable and satisfactory meets job requirements.
- **Fair:** Partially meets job requirements, some gap in achieving desired output improvement needed.
- **Unsatisfactory:** Failed to meet job requirements, performance is unelectable



- **Purpose of Appraisal:**

An annual appraisal of each team member's performance is undertaken in order to:

1. Assess the employee performance according to of his/her job responsibilities.
2. Give the employee feedback on his/her strength and weaknesses.
3. Enable the employee to discuss any impediments to achieving the desired performance mutually set objectives for the performance and set identify training and development needs for the following year.
4. Help inform decisions over the percentage of year-end salary increase based on individual performance.

- **Process of Appraisal:**

All team members are appraised at least one every year. Appraisal is conducted by the supervisor of the concerned employee. For some team members, a third party may also attend the appraisal if so desired either by the appraiser or appraisee. The third party is selected through mutual agreement between the appraiser and the appraisee. It is someone who can provide feedback to both the parties concerned.

Appraisals are confidential. They are conducted in a constructive and supportive atmosphere and team members are encouraged to participate fully and voice any concerns they may have. Objectives and training needs are mutually agreed by appraiser and appraisee.

All appraisal forms are returned to the head office and are reviewed by the concerned line manager at the head office to ensure that the appraisal process was fair and adequate. The part of the appraisal dealing with training is sent to the training unit. Our company's annual training plan is drawn up on the basis of information there in. A copy is a part of the form dealing with future plans is shared with appraisee.

Form is reviewed during the year to ensure that appropriate action is being taken to enable the employee to reach the objectives set out in the form. Between formal annual appraisals, a supervisor may conduct a special appraisal. This mainly records any unusual circumstances of outstanding performance as well as poor performances.



### **3.5.6 Compensation and Benefits**

Work in compensation and benefit is often described as dealing with the most objective areas of a subjective field. As the name implies, compensation and benefits is concerned with paying employees and administering their benefits package.

First of all, job salaries are not paid on a whim, rather values and assigned positions come from elaborate investigations and analysis. These investigations help to create logical job ranking (that is the position of company president should pay more than the position of maintenance engineer) to extensive analyses. Once these analyses are finished, job rating is statistically compared to determine the job's relative worth to the company.

External factors such as market conditions, limited supply of potential workers etc may affect the overall range of job worth. Further analysis ensures internal equity in the compensation system. This means that as job ratings are set, they are determined on such dimensions as skill, job responsibility, effort and accountability- not by personal characteristics that may be suspect under employment law.

On the benefits side of the equation, a lot of changes have occurred over the past decade. As benefit offering to employees have become significantly more costly, the benefits administrator has the responsibility of combine together a benefits package that meets employee needs and cost effective to the organization- like health or workers compensation insurance, while concurrently maintaining or improving quality. But benefits should not be viewed solely from a cost- containment perspective. Benefits are of a strategic nature in that they help attract and retain high-quality employees.

The benefits administrator also serves as the resource information officer to employees regarding their benefits. This information may be provided through a variety of methods, including a company's intranet. Activities include helping employees prepare for their retirement, looking for various payout options, keeping the information of recent tax law changes, or helping executives with their perquisites. This is a great deal of responsibility, but also highly visible in the organization.

Aqua paints try to clear all the payment within 5<sup>th</sup> day of every month.





### **3.5.7 Factory health and safety condition**

Industries have various obligations in relation to the health and safety of employees. In this company most valuable resource is the employees health and safety and caring for environment.

Aqua paints is committed health comply with all occupational health safety and environment law and develop best feasible operation procedure. Everyone's involvement is necessary to serve best to the customers, people and environment.

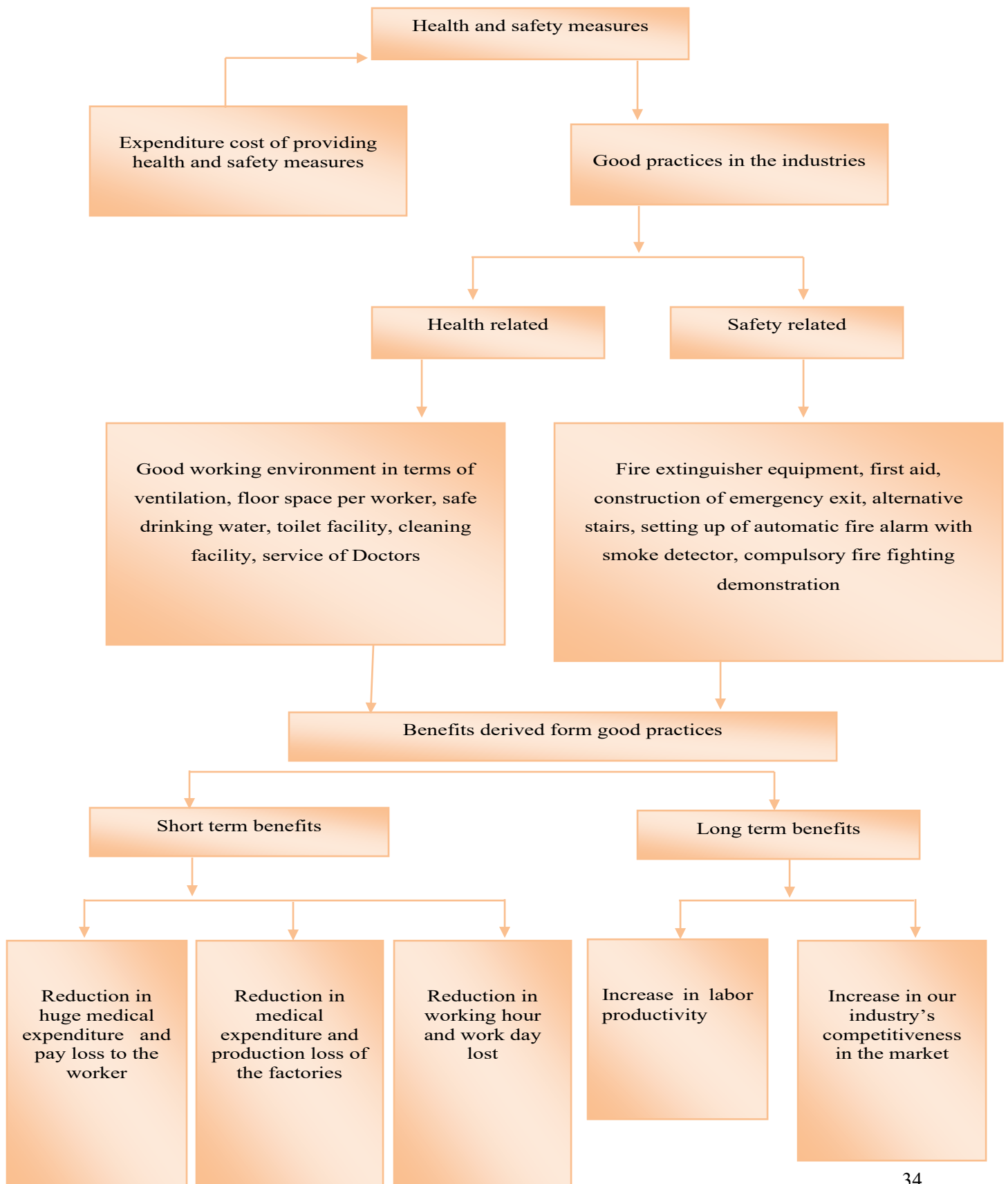
This industry's strength is that each employee understands the safety policy and provides necessary training in safe, work practice and provides the responses equipment and support necessary things to achieve its goal. Under the health and safety act legislation employee must ensure, as it is the matter of the health, safety and welfare of all employees.

Among the duties some specific duties are:

1. The Privation and maintenance of plant and systems of work that are safe and without risks to health.
2. The provision of the formation instruction training and supervision necessary to ensure the health safety of worker.
3. Make sure workers have enough fresh air.
4. Maintain one simple tactic unseals vents closed in overzealous effort to conserve energy.
5. Avoid suspect building materials and furnishings. As a general rule, if it stinks, it will emit an odor. Substitute tacks for smelly carpet glue or natural wood for chemically treated plywood.
6. Provide a smoke free environment. If you don't want to ban smoking entirely, establish an area for a smoker that has its own ventilation system.
7. Paying attention to worker's complaints. Dates and particulars should be recorded by a designated employee. Because employees often are closest to the problem, they are a valuable source of information.

The health and safety at work act impose positive obligation to create a safe working environment and for employers to prepare a written safety statement.

The conceptual framework of health and safety is presented in this chart:





### **Health Measures:**

1. Floor space per worker
2. Proper Ventilation
3. Exhaust fan and powerful blower
4. Safe drinking water
5. Use of mask and apron
6. Cleaning/ washing facilities including soap and nail brush or other suitable means of cleaning
7. Service of qualified nurses and doctors within the factory.
8. Ambulance facility.
9. Provision of rest room or at least a bed for ailing workers at work time.
10. Health insurance.
11. Sharing the cost for health services by management
12. Provision of sick leave/maternity leave.

### **Safety measures:**

Safety is the outcome of preventive measures against fire and other accidents. They following are considered as good practices/ safety measures.

1. Fire extinguishing equipment
2. Availability of first aid
3. Stairs free from obstacles
4. Emergency exit and alternative stairs in the factories
5. Automatic fire alarm with smoke detector.
6. Compulsory fire fighting demonstration.
7. Safe electrical wiring and adequate capacity to maintain load.
8. Regular servicing of machineries.
9. Regular checking of electrical wiring safety training.

### **3.5.8 Implementing Labor Laws**

Most entrepreneurs said that the laws are outdated and need to be changed; much of the working conditions of the workers would improve if the Labor Law Reform Report 1994 is approved and enforced. These changes include:

1. Appointment letter to be made compulsory
2. Maternity leave to be provided for two surviving children
3. Workers need to give 60 day's notice to leave jobs
4. Working hours for women will be from 6 am to 1 pm
5. Provision for a one-day weekly leave
6. Equal wage to be paid to men and women for equal work
7. Fine for not paying the minimum wage
8. Group of establishment at the same location can form one union
9. Unions cannot be affiliated with political parties
10. Trade union to provide training on Labor laws

These provisions will certainly help improve the wage and working conditions of the company if they are properly enforced. Moreover, NGOs and trade unions need to create more awareness about Labor Laws and monitor implementations. Unless efforts are made to improve these aspects, trade related employment will continue these aspects and trade related employment will continue to provide dead-end.



**Aqua Paints Follows this kinds of labor law Under Bangladesh Industry and Labor Law 2006:**

Important Rules under Bangladesh Industry and Labor Law 2006 which is following in Aqua Paints -

Termination of service by the worker:

- ✓ 2 months notice for permanent workers.
- ✓ 30 days notice for temporary workers.

Termination of service by Owner:

- ✓ 4 months notice for permanent workers.
- ✓ 30 days notice for temporary workers.

Under the Bangladesh Industry and Labor Law 2006 act 22 and 23 is, “If owner is terminating any employee without any notice then company have to pay full salary to the employee”.

### **3.6 Limitations of the Report**

Every study has some limitations, which cannot be avoided. The limitations of the study were defined by the extensive of the facts covered by the study. The main limitations of this study are:

1. The rate of success of this study may be limited due to lack of practical experience and capability.
2. As the report focuses almost all the major functions of HR department, assimilating relevant information from this information overload was a challenge. Most of the data were collected through interview. Thus the reliability of the report depends on the authenticity of the information provided by the relevant persons.
3. We have to depend only on the data, which were available to us. As the study was related with the critical strategic HRM practices, the information provided by the organization was contradictory in sometimes. The secrecy of the organization about this topic made us unable to prepare a full-fledged and informative report.
4. Collecting authentic information is not so easy on some issue particularly on HRM. No one dares to provide accurate information. All the employees deem that if they leak out the organizational information to the outsiders there may be possibility to face problem in the higher level.

### **3.7 Methodology of the Study**

It basically refers to the way of doing the work or sources of having data. I used both primary and secondary sources to collect data for the report. But from the entire sector and for all the information, it was an obstacle to have for the company policy of using or collecting data. But I was trying to have data from the best and every possible source.



### 3.8 Findings of the Study

Aqua Paints is one of the leading companies in our country and it has a lot of employees. They try giving preference of their employees; they always try to motivate their employees. But in decision making power is very much limited, they are very much centralized.

- Aqua Paints is maintaining safety environment for their human capital
- Aqua Paints maintains healthy working environment (No Smoking zone and clean environment)
- Incident rate is very low, which shows the awareness of management for the employee
- They also maintain the fire exit for the employee securities
- They pay the salary of their employee in between 1<sup>st</sup> week of every month
- They do not have gender discrimination
- Decision making authority is very low, for the mid level employees
- They try to provide maximum of the HRM benefits in Bangladesh
- Authority is very much centralized
- Sometime training is not given by the expert
- Fewer budgets for training
- Training limited within the organization, no outsourcing
- They provide mechanical training who deals with different kinds of machine
- Basically they follow a very little amount of off the job training, new employees get on the job training by their respective supervisor give them on the job training.
- Their management maintains very good job securities (as they maintain collective bargaining)
- When experience employee left then need to recruitment new employee.
- Soon there will be a person who specially giving training to new employees
- The implementation of HRP is quite limited



### 3.9 Suggestions

Finally, some suggestions can be given to Aqua Paints so that it can be a model to all the paint company. Again, they should measure their employee's effectiveness and it would be helpful for organization as well as country. In the light of the observations, we can make some recommendations that we think would be effective for Aqua Paints to live up to its actual level of potential. The suggestions are:

- The Human Resource Planning (HRP) should be introduced with immediate effect at Aqua Paints
- Aqua Paints should be proactive towards HRD changes, instead of being reactive
- They should have to include smoke alarm in every floor for the safety of employee
- They should give the protection gear to the employee when they run risky machine
- They should maintain collective bargaining
- They should maintain employee database software like HRIS, as they have a lot of employees
- They should include safety training if any kinds of accident happened (such as fire exit training)
- They should provide training by experts
- Arrange co-curricular activities for employee refreshment
- They have to make strong HRD, as they have a great amount of employee
- Two kinds of data store: active company skilled and unskilled labor should be formed before HRP. HRP will depend on them and if anyone will left in future then some employee will be ready and they will be trained





### 3.10 Conclusion

Aqua Paints plays a vital role in the economy of Bangladesh as being the leading company. Aqua Paints is still performing efficiently in the private sector. In this report the HRM practices at Aqua Paints is demonstrated through different chapters specifically Recruitment and Selection, Human Resources Planning, Performance Policy, Compensation and Benefits, Training and Development, Factory Health and Safety condition etc. In modern days, factories are laying the highest concentration on HRM to maximize their output. This is equally applicable to the case of Aqua Paints too. Now, the HRM has become a highly complex and comprehensive department through conglomeration of academic and practical activities. Aqua Paints is trying to make their Human Resource Department very effective for the development of the organization and as well as development of the employee. Though they have some lacking, they are trying to overcome these problems.



# Chapter: Four

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## Supplementary Part



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## APPENDIX

### Survey Questionnaire

**Dear Sir,**

I am, Nyema Jeenat Bristy, a student of BRAC University. I am conducting a research for my internship paper under supervision of AKM Mahmoodul Hasan. I have some questions for you, which will significantly help me and my company to conduct the research correctly. Would you please spare a little time for this?

(Please follow the instructions properly)

**Name:** .....

**Phone No:** .....

>> **Please, rank order the Following question as your hierarchy of preference.....**

**Ques: 1)** what are your want from a company? (Please decorate your Preference as rank of Choice?)

- a. Security
- b. Service
- c. Information
- d. Quality

<b>Example:</b>
1. a
2. c
3. d
4. d

<b>Respondents</b>
1.
2.
3.
4.

**Ques: 2)** How will you rank order the Aqua Paints as their activities?

- a. Best Security
- b. Good Service
- c. Best Quality
- d. Information

<b>Example:</b>
1. a
2. c
3. d
4. d

<b>Respondents</b>
1.
2.
3.
4.

>> Please, Rate the question as your degree of agreement or disagreement on the relative statement of question. (Give √)

**Ques: 3)** Aqua Paints provides flexible product facilities. (Give √)

Strongly agree	Agree	Neither Agree nor Disagree	Disagree	Strongly disagree
5	4	3	2	1

**Ques: 4)** Product price is acceptable in this company? (Give √)

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
5	4	3	2	1

**Ques: 5)** To get the Product from Aqua Paints requires less time. (Give √)

Strongly agree	Agree	Neither Agree nor Disagree	Disagree	Strongly disagree
5	4	3	2	1

**Ques: 6)** Service and communication influence you to get the product? (Give √)

Strongly agree	Agree	Neither Agree nor Disagree	Disagree	Strongly disagree
5	4	3	2	1

**Ques: 7)** Overall service systems of Aqua Paints are Nice. (Give √)

Strongly agree	Agree	Neither Agree nor Disagree	Disagree	Strongly disagree
5	4	3	2	1

**Quest: 8)** Overall judgment about our product, customer care. (Give √)

a) Best      b) Better      c) Good      d) Somewhat good      e) Bad



**Thank You**